



Australasian Universities Risk & Insurance Management Society

C/- La Trobe University
 Bundoora Vic 3083 Australia
 Phone: 61 3 9479 3626
 Fax: 61 3 9479 1562
 Email: b.blight@latrobe.edu.au

Minutes of the AURIMS meeting held on 23 February 2001 at RMIT Bundoora campus

Present:

Guenther Klahn (Deakin)	Brad Greer (Griffith)
Barry Blight (La Trobe)	John Quinn (Monash)
John Freeman (Monash)	John Wester (Swinburne)
John Tokatlidis (VUT)	Rudy Starosta (RMIT)

Action

1. **Apologies**

Denis Crowley (Melbourne)
 Geoff Maher, Ballarat

2. **Minutes of last meeting**

The minutes of the meeting held at University of Ballarat on 9 November 2000 were confirmed.

3. **Matters arising from the minutes**

Listserv information has been sent to all members (has been used a couple of times for Conference 2001 information).

4. **Conference 2001**

Committee

The Committee for the conference comprises Bill Dunne (New South Wales) and Christine Cummings (Sydney).

It was envisaged that the President would act as Chairman/moderator of the conference.

Topics/Speakers

The following preliminary program has been provided by Bill Dunne.

Dr John Toohey, Director Graduate Programs in Business & Technology, University of New South Wales, *“The Legal Implications of Failing to Deliver Course Expectations. Will Universities be exposed to class actions?”*

Robert O’Shea, Motor Fleet Risk Manager, Lumley General Insurance *“Strategies for Reducing your Fleet Insurance Costs”*

Dragi Neskofski, Risk Engineer, Munich Rei. *“Anatomy of a Disaster – The Sydney Hailstorm 12/4/99”*

Frank Pecar, Robertson & Company. *“How the University of New South Wales coped with a Major Storm Disaster – A Lesson in Loss Mitigation”*.

Bill Dunne, Director of Risk Management, UNSW. *“Benchmarking revisited 2001”*.

Harry Rosenthal, National Development Manager, Claims Management, Wyatt Gallagher Bassett. *“Disaster Recovery Planning – Lessons from Longford”*.

Barry Blight, Insurance Manager, La Trobe University. *“University Crisis Management and Disaster Contingency Plans”*.

Paul Viciulis, Manager Business Recovery, Cable and Wireless, Optus. *“Fire Suppressions Systems in IT Installations - A case study of a major loss caused by installation of a commonly used fire suppression system”*

John Collins, Managing Director, J & J Collins, Risk Consulting. *“How SOCOG managed their occupiers liability exposure arising from large numbers of the public entering their sites at the Sydney Olympic Games. Are universities similarly exposed?”*

Denis Cameron, Manager, Security, UNSW and **Richard McGuire**, Manager, Security, Macquarie University. *“The Security Implications for Universities During the Sydney Olympic Games And the Lessons That Were Learnt”*.

Jill McKeough, Associate Professor, Head of School, Faculty of Law UNSW. *“Intellectual property – Are you exposed and if so how are you managing it”?*

5 **Nominations for Committee (President/Secretary/Treasurer)**

There being only one nomination in the three categories (in each case appropriately seconded and authorised by the person nominated) the following were appointed.

President, Barry Blight, La Trobe
Secretary, Alan Wilson, Edith Cowan
Treasurer, Christine Cummings, Sydney

6. **Travel – Dental claims**

Barry Blight pointed out potential problems with regard to dental claims under the travel insurance cover, eg :

1. Teeth broken following accidental injury overseas – not possible to have “repairs” effected overseas due to inadequate/non-existent facilities - dental work done following return to Australia. Was it “emergency” treatment if it could be deferred until return to Australia? Does policy provide cover for dental treatment incurred in Australia for injuries suffered overseas?
2. Is there any dollar limit on emergency dental treatment overseas **following accident?** (Perhaps there should be no limit.)
3. Is there a policy sub-limit for emergency dental treatment (other than accident) overseas? Difficult to determine what is “emergency treatment” – insured persons have sought reimbursement for the cost of deep root canal therapy, claiming it was necessary while overseas due to significant pain. Some insured persons have had repeat treatment (on different teeth) in subsequent overseas visits.

7. **Health insurance – dental cover**

No member reported having any dental cover (other than due to accident) in the health insurance cover they arrange on behalf of visitors from overseas.

8. **Renewal terms for 2001**

ISR - members reported rate increases varying between less than 10% (two universities), 10-15% (two universities), more than 30% (two universities), and in one university more than 50%, in some instances coupled with increases in excess.

Liability & PI – rates generally rose by approximately 10% (although one university experienced a rate increase of 10% - 15% on a three year deal, including an increase in the excess from \$10,000 to \$20,000).

AON included a \$1,000,000 employment practices liability cover for their clients from 31/12/2000.

9. **Insurance company solvency**

Barry Blight reported that HIH had entered into a managing general agency with the large German reinsurer, Gerling on all new business and renewals from 1 December 2000. This related to the business placed through international insurance brokers, the smaller commercial/industrial and domestic business having been “sold” to Allianz in November in a joint venture arrangement.

The new HIH Chairman said Gerling and HIH are “discussing possible alternatives for the current transitional managing general agency”.

The financial standing of the HIH group of companies is vital in view of the very large role they play in providing cover to universities (particularly liability and professional indemnity). HIH has sold its Californian workers’ compensation business renewal rights and has placed its remaining United States operations into self-managed runoff, and have not underwritten any business in USA since 31/10/2000.

HIH Casualty and General Insurance Limited of Australia is rated BBB+ with a negative watch by Standard & Poors, while HIH Insurance Limited has not been rated by either Standard & Poors or Bests. Four HIH companies in USA have been rated as B+ (by Bests).

10. **Website**

Website details are being finalised – it will be as an adjunct to the La Trobe University Insurance Office website.

11. **Listserv**

All members have received advice on the operation of the listserv. It is hoped the listserv will be a useful means by which members may ask questions of all other AURIMS members.

12. **Claims**

One member has a potential employment practices liability insurance claim for unfair dismissal (AON provided a \$1,000,000 EPLI cover from 31.12.00 as part of their package). If, as expected, claims for employment practices escalate in Australia in the same way they have in USA over the past five years, this will become a source of major concern for employers in general and universities in particular.

13 **Interstate meetings**

Following the survey of members concerning interstate meetings, it was anticipated that

if meetings were held in Sydney, eight members would attend, in Brisbane four, Adelaide three and Perth three.

It was considered appropriate to approach Unimutual to ascertain their reaction to having the AURIMS quarterly meeting the day prior to Unimutual's Annual Conference/Workshop. It was agreed Brad Greer and Christine Cummings would raise the matter with Unimutual. Having the quarterly AURIMS meeting a day before the Unimutual conference would give many members the opportunity of attending an AURIMS meeting for the cost of a hotel room for one night.

It was also suggested that there may be some relevance in holding the November AURIMS meeting the day before the annual ARIMA conference (to be held in Canberra in 2001). This matter will be further considered at a later meeting.

14 **Constitution**

John Freeman tabled the following suggested amendments to the Constitution:

Clause 3(a) the words "and who applies for Ordinary Membership in accordance with Clause 4 of this Constitution" shall be added to the end of the first sentence.

Clause 4 – the words "Ordinary or Associate" shall be added before the word "membership" in line one and the words "a member" in line 4 shall be replaced with "an Ordinary or Associate Member".

Clause 10(a) – the words "following the close of each year" shall be added to the end of the sentence.

Clause 11 – the word "meeting" shall be inserted following the word "which" in line two of this clause.

15 **Membership**

The following new members have joined AURIMS.

Cathy Murray, Bond
Silvano Cece, University of South Australia,
Helen Murray, University of South Australia,
Terry Edwards, Central Queensland
Trevor Askie, Newcastle
Marion Jones, University of Western Sydney
Bill Cameron, Adelaide

Replies have not yet been received to Barry Blight's approaches to QUT and USQ

16. **Institute of Auditors Australia Conference**

Barry Blight mentioned an excellent forthcoming conference being run by the Institute of Auditors, Australia from March 26 – 28. Cost for non-members is \$1500 and it includes many topics on risk management eg:

- using hacker profiling to assist IT audits
- risk management tips and trips
- project and contract risk assessments
- organising organisational e-security
- implementing a successful risk management program
- business continuity planning

17. **Next meeting**

Annual Conference, University of New South Wales, Sydney, 24-25 May 2001

Signed as a true and correct record:

..... Chairman

..... Date