



# Australasian Universities Risk & Insurance Management Society

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## Minutes of the AURIMS meeting held on 9 November 2000 at University of Ballarat

**Present:** Geoff Maher (Ballarat) David Plucke (Ballarat)  
 Barry Blight (La Trobe) John Quinn (Monash)  
 John Freeman (Monash) John Wester (Swinburne)  
 Christine Cummings (Sydney) Rudy Starosta (RMIT)

**Apologies:** Denis Crowley (Melbourne), Guenther Klahn (Deakin),  
 John Tokatlidis (VUT) John Wester (Swinburne)

Action

### 1. Minutes of last meeting

The minutes of the meeting held at University of Melbourne on 24 August 2000 were confirmed.

### 2. Listserv

The listserv has been set up at La Trobe University. All members will have access, and when a member sends an email to the listserv, it will automatically be distributed to all members, thereby providing a simple and effective method of asking questions or seeking opinions of other members.

Barry Blight undertook to send details of operation to all members.

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### 3. Conference 2001

The conference dates for 2001 are tentatively May 24 & 25 and will be held at the University of New South Wales.

All members were urged to suggest conference topics to Bill Dunne ([w.dunne@unsw.edu.au](mailto:w.dunne@unsw.edu.au)).

All  
 members

A conference committee to be set up by Bill Dunne (UNSW) will include Christine

Cummings (Sydney). John Freeman (Monash) and Barry Blight (La Trobe) offered to assist if required.

4. **AURIMS Constitution**

It was resolved to adopt the constitution circulated previously.

John Freeman gave notice that he proposed to put amendments to the constitution at a future meeting.

5 **AURIMS Committee**

The Constitution provides for a Committee comprising a President, Secretary and Treasurer, and it was resolved to seek nominations for the three committee members. Nomination and proxy forms will be forwarded to members so a vote can be taken at the next meeting.

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6. **Health insurance for those from overseas**

One university includes visitors to Australia in their travel policy. However, it is not intended to be a primary cover and would only apply as a backup or excess cover when the traveller had no insurance (or inadequate cover). It does not apply to section 41 visa holders as health insurance is regarded as mandatory for those travellers.

Understandably, the university had no underwriting information concerning the names, length or number of trips for such visiting scholars.

The reciprocal arrangement Australia had with Finland, Ireland, Italy, Malta, the Netherlands, New Zealand, Switzerland and United Kingdom was discussed. However, the “waiting list” concept of non-emergency health care in Australia did not obviate the need for health insurance for travellers to Australia.

7. **Baggage/travel insurance for overseas employees and Australian/NZ employees**

Some universities automatically included a spouse, partners and children in their travel policy, while another made such cover available at a cost to be borne by the employee or student.

Monash University have now defined “authorised business travel” in their Business Procedures.

There was a varied approach between universities concerning travel insurance for employees permanently based overseas. Members had experienced difficulty in obtaining the names and locations of such employees (and in some cases they were contractors rather than direct employees).

One member pointed out the desirability of having cover when an Australian-based employee travelling overseas had to return to the country of birth (rather than Australia) due to the serious illness of a relative. If, for example, a British national was working in Australia for a university and was travelling overseas on university business, and due to the serious illness of a relative in Britain had to return to Britain, it was regarded as important that the travel policy should pay to return the employee to Britain rather than Australia. In such circumstances, the standard cover for airfares for returning to Australia was of limited value.

Another member asked if an employee departed Australia in one year and returned in the following year, would the old or the new policy pay for a claim occurring in the following year (this is particularly relevant in there was a change of insurers). Barry Blight advised that, like other annual policies such as contract works and marine transit, cover could either cease on the policy expiry date or apply for the duration of all overseas trips commenced during the period of insurance.

#### 8. **“Rules” for driving university vehicles**

One member queried whether other universities had internal policies and procedures concerning driving university vehicles (eg maximum number of consecutive driving hours per day (or night), maximum number of hours in vehicle per day or during a 24 hour period, minimum length of time out of vehicle, etc). It was recognised that enforcing such “rules” was difficult.

One university did not permit their employees to teach their children to drive in University vehicles, while another would not let drivers under the age of 25 (other than students) drive university vehicles. One university had compulsory four wheel drive training courses (although an exemption could be granted for those with extensive four wheel driving experience).

No member had any knowledge of software-based driver training courses in Australia.

#### 9. **Equipment used or taken off site**

Generally universities did not have procedures concerning equipment used or taken off site. Most were prepared to lend property to students to take off campus but in the event of loss or damage, some may seek to recover from the student where reasonable precautions to protect the property were not taken. One university would not reimburse the school or department if negligence was involved in any loss.

Sydney University cover personal property of employees and post graduate students generally if brought on to campus for university purposes.

#### 10. **Are you having more fidelity losses?**

One university sustained four fidelity losses during the past 12 months, two of which were due to easy access to safe keys. It was not clear whether this indicated an

increased incidence of losses, greater efforts by Internal Audit or was merely a statistical aberration.

No other member reported an increase in the number of losses although generally there was a reluctance to admit that a loss had occurred and some insurance offices were not advised of such losses.

Some universities were so reluctant to admit fidelity losses internally that the Insurance Offices were not advised, thereby preventing any recovery from the insurers.

#### **11. Recording of below-excess property losses**

It was agreed that as schools and departments became aware of the policy excess applicable to property policies, there was less reporting of below-excess losses. It was accepted that the Insurance Offices would never be advised of all below-excess losses as there was no benefit to the school/department in doing so.

#### **12. Students using private motor vehicles**

As universities could be held liable for students using their own vehicles on university business in certain circumstances, the standard motor vehicle policy extension covering “employers liability for employees using own vehicles on company business” should be expanded to include “students”.

It was generally agreed that where an employee sought reimbursement for using a private vehicle on university business, part of the payment was for motor vehicle insurance, and generally no university cover would apply. However, one university provided such insurance as a “first party” or “primary” cover, while others insured on a contingency basis (which would only apply where the vehicle was not otherwise insured).

One university was prepared to pay the excess on the employee’s policy, while another would pay the excess for “not at fault” accidents.

Universities generally encourage the use of university vehicles wherever possible, but where they allowed students to use private vehicles on university activities, there was no requirement that such vehicles be insured.

#### **13. PA Travel policy – students diving as part of their course**

James Cook University asked the extent to which other universities insured students whilst diving as part of their course – most members were not aware whether courses included diving activities. It was generally considered that the student accident insurance provided such cover (although the benefits were limited as the annual premium was only \$1 - \$2 per student). No university had separate diving cover, and it was generally considered far more effective to include it in the main personal accident and travel policy.

Staff were covered by the applicable workers' compensation legislation whilst diving.

14 **Insurance company solvency**

In view of continued adverse press reports concerning HHH and the sale of the profitable domestic and small business sectors, the financial situation of the HHH group of companies was discussed. HHH Casualty and General Insurance Limited was rated "A-" with a negative watch by Standard and Poors. The same rating and negative watch applied to HHH WorkAble and HHH Casualty and General Insurance (NZ) Limited. HHH Insurance Limited (of Australia) was not rated, nor were two American HHH companies. In view of their significant participation in insurances for universities, the future of HHH needed to be monitored.

15 **Insurance for students on work experience, placements, etc**

The extent to which universities insure students on work experience which was **not a course requirement** was discussed. Depending upon the policy wording, cover may not apply under the student accident policy arranged at an annual premium of \$1 - \$2 per person. Most universities only insured students for compulsory work experience (ie that which was a course **requirement**) but one would provide cover if supported by a letter from the faculty, school or department verifying that the work experience would be of benefit to the student in the course.

16. **Contractors' public liability insurance**

One member referred to a contractor's public liability policy as excluding hot work if not undertaken in accordance with Australian Standards. Concern was expressed regarding this development, because it would not be readily discernible by a review of the liability Certificate of Currency provided in such circumstances.

17 **AURIMS Website**

Barry Blight mentioned the AURIMS website would be accessible shortly, and would include sections relating to:

- background information and general explanation or raison d'etre
- past minutes
- future meeting dates
- forthcoming conference details
- speakers' notes for past conferences
- membership application form
- constitution

It would also include a list of members (with access limited to members only)

18 **Meetings interstate**

It was agreed to circularise members to determine the likely attendance if meetings

should be held in states other than Victoria.

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19 **Interpreting foreign languages**

Barry Blight mentioned the following websites which may be useful in converting foreign languages to English on travel insurance claims –<http://babelfish.altavista.com/translate.dyn> and <http://world.altavista.com> and <http://www.freetranslation.com>

20 **New members**

Introductory information has been prepared to send to insurance or risk management personnel at non-member universities in Australia and New Zealand in the hope of expanding membership.

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21 **Guest speakers for future meetings**

It was decided guest speakers would not be invited to future meetings, as this would severely curtail the very useful discussions on common problems facing members.

22 **Next Meeting**

RMIT, Bundoora on 22 February 2001 commencing at 10am.

23 **Annual Conference**

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

Signed as a true and correct record:

..... Chairman

..... Date: