



20 August 2020

INSURANCE INDUSTRY INQUIRY COMMITTEE  
[inquiries@asbfeo.gov.au](mailto:inquiries@asbfeo.gov.au)

Dear Committee Members,

**RE: INQUIRY TO INVESTIGATE THE PRACTICES OF THE INSURANCE INDUSTRY THAT IMPACTS SMALL BUSINESSES**

The Australian Amusement Leisure and Recreation Association Inc (AALARA) was established in 1994 and is the peak national body representing the amusement, leisure and recreation industry of Australia. AALARA was formed to promote, develop and safeguard the interests of its members particularly around safety, operations and management. While our members include the national's premier and largest attraction companies, the majority of our members are small and family run businesses.

We've been hearing from an increasing number of Members recently about a growing trend of insurance companies denying public liability insurance completely or pricing public liability insurance policies out of reach. AALARA has raised this as an urgent issue in relevant state and federal forums, including with federal members of Parliament.

The impact of these denials is massive. In numerous cases it means the viability of their livelihood is at stake and many of our Members have ceased to trade and look for work elsewhere as a result.

There are very few insurance companies that will insure our industry and premiums are rising, sometimes by up to 150%.

We conducted a survey in March this year, gathering responses anonymously from 40 AALARA Members. Between the 40 Members, they owned 297 pieces of plant between them and they'd made a total of 3 claims. Only 40.5% of Members had been offered renewal terms.

Brokers within our industry are proactive and efficient and are instrumental in getting the right coverage for our Members.

**We welcome the opportunity to work collaboratively with your Committee to ensure best practices are upheld and a fair and reasonable insurance environment exists in Australia for all industries.**

**I look forward to hearing from you.**

Kind Regards,

**Kristy Ahrens**  
General Manager  
**AALARA Inc**