

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
INSURANCE SECTOR

Hollard Australia

HOL04QW: To what extent do your insurance policies for small business not cover notifiable diseases under:

(a) The *Biosecurity Act 2015 (Cth)*? And if not, why not?

Answer: As set out in question HOL03QW(a), although the Hollard Business Insurance policies include a Disease Extension, the policies specifically exclude cover for human diseases which are listed under the relevant Commonwealth quarantine legislation.

The Disease Extension will not respond to losses arising as a result of COVID-19 given that 'Human corona virus with pandemic potential' was determined to be a 'listed human disease' under the Biosecurity Act on 21 January 2020.

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HOL04QW: To what extent do your insurance policies for small business not cover notifiable diseases under:

(b) The *Quarantine Act 1908* (Cth)? And if not, why not?

Answer: As set out in HOL03QW(b), prior to the introduction of the Biosecurity Act, the relevant legislation was the Quarantine Act and any disease declared to be a 'quarantinable disease' would also fall within this exclusion.

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HOL04QW: To what extent do your insurance policies for small business not cover notifiable diseases under:

(c) What differences are there between what is covered under the *Biosecurity Act 2015 (Cth)* and the *Quarantine Act 1908 (Cth)*?

Answer: Hollard refers to its response in HOL03QW(c):

The Quarantine Act and the Biosecurity Act both regulate the management of diseases and pests that may cause harm to human, animal or plant health or the environment. The Quarantine Act was amended (by repeal and replace) with the introduction of the Biosecurity Act.

Previously the Quarantine Act permitted the Governor-General to declare a 'quarantinable disease'. Under the Biosecurity Act a human disease can be determined to be a 'listed human disease' by the Director of Human Biosecurity.

Many of the diseases which were listed under the Quarantine Act are now also listed as a 'listed human disease' under the Biosecurity Act (i.e. Plague, Smallpox, Yellow fever, Severe Acute Respiratory Syndrome (**SARS**), Middle East Respiratory Syndrome (**MERS**) and Viral haemorrhagic fevers of humans).

COVID-19 emerged in 2019, several years after the Quarantine Act was repealed. It is therefore not listed as a 'quarantinable disease' under the Quarantine Act but 'Human corona virus with pandemic potential' was listed as a 'listed human disease' under the Biosecurity Act on 21 January 2020.

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HOL04QW: To what extent do your insurance policies for small business not cover notifiable diseases under:

(d) Are there any differences that apply based on the policies related to diseases covered under either?

Answer: Hollard refers to its response in HOL03QW(d):

The exclusion in the Disease Extension in the Hollard Business Insurance policies applies in the same manner to a 'quarantinable disease' declared under the Quarantine Act and a 'listed human disease' determined under the Biosecurity Act.