



PO Box 10772 Adelaide Street
Brisbane QLD 4000
ABN 22 115 759 405
AFSL 295250

EMPLOYMENT PRACTICES LIABILITY INSURANCE

Information Brochure

**Australian Professional Risks Brokers Pty Ltd t/as
APR Insurance Brokers** ABN 22 115 759 405 AFSL 295250
PO Box 10772
Adelaide Street Brisbane QLD 4000
Ph: 07 3031 1670
Fax: 07 3031 1678
Email: apr@aprinsurance.com.au
Web site: www.aprinsurance.com.au

Employment Practices Liability Information brochure

Employment Practices Liability Insurance is designed to cover an employer against actions brought by an employee or former employee arising from:-

- Wrongful dismissal of an employee;
- Discrimination against an employee, former employee or applicant for employment on the grounds of race, colour, age, sex, disability, pregnancy, marital status etc;
- Harassment (sexual or otherwise);
- Wrongful demotion, failure to promote, wrongful discipline etc;
- Defamation arising from employment related matter;
- Misleading misrepresentation of advertising as to the terms and conditions of employment;
- Denial of natural justice to an employee concerning his or her employment.

Employment Practice Liability (EPL) Insurance will pay legal costs as well as damages awarded. The coverage includes allegations of defamation of character, libel and slander in an employment contract.

Different insurers provide a varying level of cover. This information brochure is intended to give an overview of the cover available. Each entity should check its own policy wording to ensure they are provided with the correct protection.

- Advancement of Defence Costs – the insurer will pay defence costs as they are incurred and prior to the finalisation of the claim / matter;
- Estates & Legal Representatives – will indemnify the estates, heirs or legal representatives of any deceased, incompetent or insolvent Insured;
- Attendance at Official Investigations or Inquiries – the insurer will pay the defence costs incurred in attending any official investigation, examination, inquiry of other proceedings ordered by an official body or institution which the insured is compelled to attend.

Claims examples

Airline employees subconscious thoughts

The anti-discrimination commissars awarded flight attendants who were 'too old' for the airline's image was forced to pay some of the women \$5000 because its staff subconsciously thought they should be employing younger people.

This case shows that the correct procedures can be in place however interpretation by staff can bring a different result. In this case the different result was the Airline having to pay the unsuccessful job applicants \$5,000 each. The Airline also incurred significant legal expenses in defending the matter.

Accounting firm sued for \$10 million

A senior partner at a large accounting firm lodged a claim against the partners for more than \$10 million alleging a “culture of discrimination, harassment and bullying”. The claim, which has been lodged in the Federal Court during October 2005, alleges a pattern of behaviour which added up to discrimination and harassment.

The Accounting firm strongly deny the allegations and will defend the matter. The costs of defending a claim of this type can be huge even if a favourable outcome is achieved.