

Aviation insurance at a glance

What is aviation insurance?

While the aviation industry has stringent safety standards, flying carries some serious risks – both on land and in the air. So whether you're a private pilot or you fly as part of an airline, it's important to protect your business with aviation insurance.

With the right aviation insurance, your business can be covered for risks such as aircraft damage, third party, passenger injury or third party property damage claims.

Who should consider it?

Aviation insurance can cover all aircraft, including airlines and private planes, pilots, refuellers, operators of hangars and baggage handlers.

Whether you fly for a living or for pleasure, you should consider the protection offered by aviation insurance.

"The aviation industry underpins Australian business and tourism and had an estimated annual revenue of $26.94 billion in 2019-20."

Australian Industry and Skills Commission.

Did you know?

220

The number of aircraft involved in accidents in Australia in 2019, with a further 154 aircraft involved in serious incidents.

(Australian Transport Safety Bureau, Aviation Occurrence Statistics, 2019)

2nd

Since 2016, remotely piloted aircraft have surpassed helicopters to become the second most common aircraft type involved in an accident.

(Australian Transport Safety Bureau, Aviation Occurrence Statistics, 2019)

+100%

Due to the intense bushfire season, 2019 had more than double the number of firefighting departures and hours flown than any of the previous five years.

(Australian Transport Safety Bureau, Aviation Occurrence Statistics, 2019)

What can it cover?

Depending upon the policy, aviation insurance can cover:

Type of cover	Potential benefits
Aircraft hull and liability	This is the primary insurance for all aircraft owners – the policy covers loss or damage to your aircraft; and third party or passenger liability arising from an accident.
Aircraft aerial application liability	Covers liability arising from chemical drift and is generally for aerial agriculture businesses.
Aircraft non-ownership liability	For private pilots, charter operators and other non-owners – the policy covers liability arising from the hire or charter of aircraft.
Hangar keeper's liability	For businesses operating in and around airports – hangars keeper's liability can be used in tandem with an aviation business pack to cover liability for damage to aircraft on the insured premises and/or under your care. It can also cover liability arising from the sale of aircraft products or the provision of aviation service.
Remotely piloted aircraft (RPA)	For people who own and operate remotely piloted aircraft cover for accidental damage, plus personal injury and property claims arising from an RPA accident.
Specialist cover	For ground handlers, refuellers and businesses operating in or around airports.

What usually isn't covered?

Exclusions, the excess you need to pay, and limits of liability can vary greatly depending on the nature of the product you are purchasing, the associated risk and the insurer.

Aviation insurance involves a range of different policies and there are exclusions which are specific to each type of policy.

Case Study

A plane awaiting repairs is damaged when a fire breaks out – caused by someone working on another aircraft in the same hangar.

The plane is damaged beyond repair – but the owner's aviation insurance means they will be compensated for the value of the plane – so they can replace it with one of a similar value.

Contact us today

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