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INCREASE IN LIMITS OF LIABILITY FOR AIRCRAFT
ACCIDENTS

Statement by the Prime Minister, Mr. John Gorton



The Commonwealth Government proposes to amend its legislation relating to compensation payable to injured passengers or the dependants of passengers killed in domestic aircraft accidents. The proposed amendments are designed to improve the position of air travellers, or their dependants, in this respect.

The Civil Aviation (Carriers' Liability) Act, prescribes the liability of airline operators in the event of aircraft accidents. In the case of domestic operations, an airline is liable for damages arising from an accident taking place on board its aircraft whether or not it was responsible for the accident, and the Act specifies \$15,000 as the maximum amount of damages payable in respect of any one passenger.

The Government believes that this limit on damages should now be raised to \$30,000, and that provision should also be made for early interim payments to the surviving spouse and children of a deceased passenger pending assessment of the damages payable. The limits of liability in respect of damaged or destroyed baggage will also be increased.

At present, the Act applies only to passengers carried by the airlines, and the Government intends to extend its provisions to cover passengers on all charter flights, commuter services and joyrides etc. so far as Commonwealth powers permit.

As the Commonwealth legislation relates primarily to interstate operations, the various State Governments have enacted laws applying the same rules to intrastate air services. I have written to the State Premiers seeking their views on the Commonwealth's proposals and asking for their co-operation in having comparable amendments made to their legislation in due course.

The Government will introduce the necessary amending legislation into Parliament at the earliest opportunity.

The Government would like to see changes in the Carriers' liability arrangements applicable to international services operated to and from Australia, but these are subject to an international convention which has been ratified by Australia. Worldwide consideration is currently being given to increasing the limit of liability in respect of international passengers, but the Government has concluded that, as it will be some time before any finality could be reached in this matter, it should deal with the legislation affecting Australia's internal air services separately and as soon as possible.

CANBERRA
1 April 1970