

Media release

Lost luggage and flight cancellation insurance claims rise

September 2022

Flight cancellations, lost or delayed luggage and the ongoing travel chaos in airports worldwide has led one of the world's leading insurance providers, <u>Allianz</u>, to remind people of the importance of travel insurance for the upcoming school holidays - both within Australia and overseas.

Just weeks out from September school holidays, Allianz has shared data that shows a sharp rise in travel cancellation and lost luggage claims, especially for domestic travel.

Allianz said claims relating to domestic cancellations have increased 279 per cent between April and June 2022 compared to the same period in 2019, with the spike steepest since April this year when domestic airline sales began to soar.

Domestic lost luggage claims have also seen steady growth in 2022 with claims peaking in April and May this year, including around the Easter family holiday period.

Australian airports are gearing for another busy September school holiday period, with July 2022 recording a 156 per cent increase in domestic travel sales and a 45 per cent increase in international travel sales when compared with sales in 2019.

Damien Arthur, Executive Head of Travel at Allianz Partners said Australians are becoming more aware of what can go wrong when they go on holidays with more news articles reporting pandemic-related sickness, travel interruptions and lost luggage.

"The increased awareness is also making travellers more aware of the importance of insurance as they take more time to understand their policies ahead of their holiday," Mr Arthur said.

"COVID, and its impact on travel, has given Australian travellers a sharper awareness for what can go wrong on their holiday, and an increased appetite to understand the minute detail of their insurance policy. The new travel landscape has made travel insurance a must have – even for a domestic trip."

Allianz Global Assistance contact centre data shows the assistance company receives a lot of 'What If' questions. "What if I get COVID? What if my flight is cancelled and I need extra accommodation? What if my bags are lost?"

Allianz has detailed the answers to these questions on its website and last year launched a new travel insurance product which adapted to travel with COVID-19.

The insurance also covers travellers, under selected benefits, should they contract COVID-19 while travelling provided they have not travelled against the advice of an Australian Government and have taken appropriate action to avoid contracting COVID-19.

Should COVID-19 border closures or mandatory quarantine shorten or cause a cancellation of travel plans, eligible customers may be entitled to a partial or full premium refund.

The new cover, and all travel insurance information, is accessible via <u>allianz.com.au/travel-insurance</u>. Customers should refer to the <u>Product Disclosure Statement</u> to see which benefits offer cover for contracting an epidemic or pandemic and the terms, conditions, limits and exclusions that apply.

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About Allianz Partners

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For more information, please visit: www.allianzpartners.com.au

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