



Public & Products Liability

Forest & Rural Fires #3

The VL insured used gas fired bird-scarers to protect his vineyard. A bird-scarer toppled over in a strong wind and ignited dried vegetation on the ground. The fire spread to vines and driven by the strong wind spread to a neighbouring forest plantation block. The rural fire service did a good job and prevented widespread conflagration but they were unable to save 350 metres of fencing and an implement shed on the forest block.

The local fire authority claimed all costs incurred to fight the fire, just under \$11,000 which was duly covered by VL under the Forest and Rural. The forest owner claimed for its fire-damaged property from its own insurer. That insurer claimed (under subrogation) against the insured under s.43 of the Forest and Rural Fires Act 1977 which imposes a strict liability on the insured for damage to third party property in such circumstances.

The insured's Public Liability policy (Forest and Rural Fires Act Memorandum) indemnified the insured and settled the claim but only up to \$5m which was the policy limit at the time the damage occurred.