

## Insurance and Superannuation

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by Damien Martin (Student Study Guide for Sports coaching Certificate 4)

Sporting and recreation organizations require appropriate insurance for insurable risks whether they are registered businesses or unincorporated associations

Insurance is about shifting the risk of loss. With insurance you purchase protection against a possible loss by shifting the loss from you to someone else who has agreed to take a share in the risk. Sporting and recreation organisations have to protect against liabilities from a range of possibilities. For example, a major event organiser may seek loss of income insurance on the basis of pluvius (loss of income due to rain).

### *Three key elements to insurance*

There are three critical elements in insurance advice:

- Identify risk (Audit analysis)
- Minimise risk (modify or rectify)
- Transfer risk (insurance)

Insurances may include;

- Fire insurance
- **Public liability insurance**
- **Professional indemnity insurance**
- Workers Compensation insurance
- Property insurance
- **Player or participant accident insurance**
- Voluntary workers' accident insurance
- Motor vehicle insurance
- Marine insurance
- Other kinds of insurance



**Insurance doesn't avoid legal liability; it transfers the liability to pay damages to another party.** There are several types of policy that relate to the area of negligence, litigation and liability.

Rod Hughes, National Risk manager, Insurance Exchange Australia provided an explanation of the major policies for consideration of cover by sporting and recreation organisations:

### ***Professional Indemnity***

"This cover indemnifies the insured against claims for compensation for breach of professional duty by reason of any negligence by way of act, error or omission. For sporting bodies, this type of insurance cover is particularly relevant to coaches and referees, but also applies to medical staff and other 'professional' involved in sport. Incorrect decision by a sports judiciary could be interpreted as a breach of professional duty. It is important that the cover provided applies not only to the organisation but also to individuals within the organisation."

### ***Public Liability***

"Public liability insurance covers liability that results from loss of or damage to property, loss of use of property and death or injury due to negligence.

**Claims for negligence may be made against the sporting body or they may be made against the individuals within the sport who allegedly caused or contributed to the negligence.**

Administrators, sports trainers, coaches, referees and players can incur personal liability.

**A sporting organisation being incorporated does not mean members cannot incur personal liability through their activities in a sporting club.**

It is important the liability protection purchased covers the risks specific to sport, such as participation, first aid and member-to-member liability. **The insurance needs to provide protection to the sporting body as an entity and personal liability of members and others**

**involved (eg, administrators, coaches, referees) in addition to players in that organisation.** "Usually, the sporting organization ,association or club conducting the competition or event will take out such public indemnity insurance. It is important that the Insurance policy includes matters related to officials .**No official should be without liability insurance sport**

The Key factor regarding Insurance is that certain 'assumptions' are made in the 'disclosure statements .

i.e. **Are you Qualified ?**

Usually the Insurance company may not ask specifically what these 'Qualifications' are or ask for copies of the documentation in the race to get a 'paid-up premium' quickly

HOWEVER when it comes to a claim BE CAREFUL you may find yourself

**'Totally Exposed Legally'**

The Fitness Industry Insurance through Fitness Queensland/Australia will ask for your Fitness Queensland/Australia registration number & Copy of First Aid certificate

**BEFORE they will accept you as bona fide and before you will be Insured by them**

From a Martial Arts perspective your Martial Arts certificate (if you have one that is )

**is not acceptable as a bona-fide 'qualification'** by the Australian Government or in court if litigation takes place.

(even though it is recognized by your Master or Organization 'internally' it is not 'externally')

However, a

**Sports Coaching certificate**

would be a bona-fide 'qualification' irrespective of the martial arts certification (which is irrelevant for legal purposes)

**WE ENCOURAGE YOU**

**To UPDATE you Qualifications TODAY !**

**Personal Training**



**Insurance**

**HOW DOES IT WORK ?**

Simple

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