

3.4 Insurance

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- > *Stallholders' insurance*
- > *Checklist*

Market insurance

In recent years public liability insurance for community groups has been difficult to get and very expensive. Things are getting a little easier, although insurance is still a major expense for farmers' market organisations. It is worth shopping around and comparing prices and packages. These days, some brokers even specify market insurance as one of their specialties.

Willunga Farmers Market has cover in the following areas:

- > Associations Liability
- > Personal Accident
- > Money (theft)
- > Burglary
- > Fire and Extraneous Perils
- > Public and Product Liability for the breakfast stall

Stallholders' insurance

A stipulation of the farmers' market insurance is that all stallholders are covered for public and product liability at the time of trading.

Some producers who have Farm Insurance may find they are covered already for selling at a market. They need to make sure that they are covered for selling at a retail market as well as at a wholesale market. If not, it may be relatively cheap for them to extend their cover.

Insurance costs vary. In recent years producers have been paying around \$500 per year although it is possible to get insurance (in 2005) for approximately \$200-\$300 per year. For small producers this may be a big cost and an initial disincentive to trade. It needs to be stressed how important it is for producers to be insured. Also it should be pointed out that for many producers, arranging insurance and complying with other market requirements is the beginning of putting their business on a professional footing.

Stallholders need to provide evidence to the market management that they are insured. The stallholder needs to provide a 'Certificate of Currency' that records:

- > Their name
- > Evidence of public and product liability cover
- > Expiry date of the cover
- > That they are covered for retail sale anywhere in Australia

The market needs to receive a copy of the Certificate of Currency before the stallholder can trade and it needs to be updated whenever the policy is renewed. This requirement should be

included in the Market Rules (see 5.3 *Market Rules*) and it should be quite clear that no one can sell at the market until the Certificate of Currency is received.

Checklist

- > Get at least 3 quotes for insurance
- > Develop Certificate of Currency file on all stallholders
- > Inform stallholders of insurance requirements well before first market

The Willunga Farmers Market Experience

We realised that Willunga Farmers Market would have to have liability insurance. In this respect our timing was appalling. The post September 11th insurance panic was just settling in and memories of food-related insurance incidents were still fresh in people's minds. Jen offered to 'tackle the insurance' little knowing it would be a Herculean task. Her first enquiries were very depressing – noone wanted to insure us. When she got quotes they were shockingly high, but most often people didn't even return her emails or phone calls.

We chased down every avenue we could think of and eventually, at what seemed like the eleventh hour, someone directed us to a broker who was willing to insure the Market.

Since those days things have certainly calmed down. With the provision that stallholders provide certificates of currency, insurance that cost us over \$3000 in the first year now costs about \$1000.

The other insurance matter facing us was the need for all stallholders to be insured before the market could be covered. In the intervening years this has proved to be a big issue as potential stallholders argue that "I don't need it, my products are safe" or "I *am* covered, I just can't lay my hands on the proof".

The Market Rules are quite clear. No proof of insurance, no trade! It's not worth the risk!