

Source: CAPE ARGUS

Date: 17-Aug-2011

Topic: 01

Ref No: 3254



1

ID: 03989367-01 Source Page: 14

# Citizens need to protect themselves against strikes

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**W**ITH a major national strike under way, which has already turned ugly in Cape Town, now is a good time for consumers and businesses to consider whether their assets are adequately covered in the event of rogue protesters damaging property.

The damage and losses suffered by businesses in the UK as a result of a string of riots have also highlighted the need for businesses to ensure they are covered for these types of events.

Dave Marais, large market and corporate consultant at Aon Insurance, said such insurance coverage was particularly relevant in South Africa in the light of the large number of strikes that regularly took place, and which had the potential to turn violent.

"Standard insurance policies available through private-sector insurers do not provide cover for damage to assets as a result of these types of events, as the insurers are precluded from underwriting these risks. The only cover available in South Africa in this regard is through state-owned insurer Sasria (South African Special Risks

Insurance Association) Limited," said Marais.

He said Sasria, which was originally founded to provide cover for politically motivated riots, now covered damage caused by riots, public disorder, labour disturbances, civil unrest, strikes and lockouts.

It is the only organisation in South Africa authorised to provide insurance cover for losses caused as a result of these types of events.

"Both businesses and consumers need to consult with their brokers/insurers to ascertain whether their insurance coverage has been extended to cover Sasria perils. Brokers and insurers should offer clients this type of cover when discussing their business or personal insurance requirements, as this presents a significant risk to both consumers and business owners who could find themselves severely out of pocket if their assets were damaged during a violent strike," said Marais.

He said that this was especially important for people who lived, worked and commuted or had businesses in areas that had a high propensity for strike action.

"Sasria may not decline your request for cover. All Sasria rates are regulated and for businesses, the premium is not affected by the type of industry or the risks the business

is exposed to. For businesses with substantial assets and revenues, there are magnitude discounts available to discount the premiums. However, cover provided by Sasria is subject to a maximum limit for any one loss and any one insurance period per client to R1.5 million," said Marais.

The Sasria cover in terms of business interruption is limited to fixed standing charges and does not extend to include cover for net profit and consequences resulting from similar damage occurring at premises, whether they belong to clients and suppliers or are public premises. This cover can be bought from the private sector to ensure that consumers enjoy similar cover to that provided for losses arising from non-Sasria perils.

Marais said that the cover was relatively inexpensive. For example, on a R2 million house, the annual premium was about R72 a year, while a vehicle owner could pay as little as R20 a year for sedan type vehicles. The annual premium for commercial vehicles was slightly more at R45 a year, working out to about R4.50 a month.

Marais said that even if consumers' existing policies did not include this cover, they could still buy this additional cover.

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