

# Special risk covers must be specified

SASRIA, the state-owned entity that provides insurance for events not covered by retail insurers, dealt with a 54% increase in claims related to protests and strikes last year.

There was also a 25% increase in the severity of the claims, a statement said yesterday. Among these were over 100 claims worth R22 million that were directly related to the #FeesMustFall protests.

Because of their high level of exposure to these special events business in SA should be insured against possible damage, said Sasria's executive for insurance operations, Keith Fick. He said insurance cover for damage experienced during civil unrest, protests, labour actions or acts of terrorism has become an essential consideration.

But he warns this kind of cover is not automatically included in standard building, vehicle and valuables insurance policies.

It is an optional add-on offered by Sasria.

All insurance brokers are obliged to advise consumers — businesses or individuals — that packaged insurance products do not automatically include Sasria cover, and to offer it as an optional extra. But consumers can only benefit from Sasria cover if they have an insurance policy from one of the retail providers such as Hollard, Santam and Outsurance — Sasria does not provide insurance directly to consumers.

He said businesses should cover their assets of trade, such as buildings, machinery and vehicles, but they also need to make sure they're covered for the interruption of trade should this occur as a result of political or labour-related events. Being unable to trade while repairs are being made or essential equipment is being replaced could sink a business of any size, said Fick.

The upwards trend in claims numbers continued over the past quarter, said Fick. Sasria received 1 211 claims for the six months to September 31, 2015. These originated from such events such as service-delivery protests, xenophobic attacks, the actions of disgruntled commuters and taxi industry violence. — Business Editor.

