

Media Reports on Insurance for Work Experience students



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You may have heard that there was considerable media interest, which began on Tuesday 21st May, 2002 in NSW and indeed throughout Australia, regarding the difficulties faced by NSW Catholic schools when their students were involved in work experience (also called work placement). In the context of the public liability crisis it was stated that the crisis has claimed its largest victim when more than 20,000 school students in NSW were told that they could no longer participate in work experience because of a 220% increase in liability premiums coupled with a deductible increase from \$1 to \$50,000.

The policy referred to in the media debate is a policy which covers employers for their liability exposure as a result of being engaged in a work experience program. The Catholic Education Commission NSW, on behalf of Catholic Schools, purchases this policy from an insurer other than CCI. This additional coverage is necessary in NSW because of the long-standing concern of NSW employers to avoid additional exposure on their own policies. As NSW government schools offer employers this additional indemnity coverage the CEC NSW is obliged to do so as well.

The standard CCI public liability policy covers the school and students against their liability whilst the students are engaged in any work experience. In the last 12 months public liability premiums charged by CCI in NSW have increased by 30%. There has been no increase in deductibles.

Where a Diocese or school has a Schoolcare policy that policy would provide personal accident cover on students including work experience injuries.

CCI has not been the cause of the problem and we continue to protect Catholic schools and their students for work experience throughout Australia. We have never covered the wide range of employers out in the market against liability arising from work experience students, this should be covered by the employers public liability insurer or by government or by a special public liability policy.

The way in which work experience is covered by insurance differs from state to state, and whilst in NSW the Government liability cover is limited to state schools, in Queensland for example Education Queensland maintains liability insurance cover for work experience arrangements with the policy extending to any approved work experience arrangement of a State school, or non-State school where the work experience agreement has been completed and all conditions of the arrangement are met.

Catholic Church Insurances remains committed to providing protection for the Catholic Church for all its insurance needs.