



## Is your current insurance in harmony with the new OHS legislation?

New Occupational Health Safety (OHS) Harmonisation legislation has come into effect across a number of Australian states and will continue to be introduced in 2013.

There will be significant changes to the regulation of workplace safety in Australia, with harsher penalties and significantly increased fines. This will mean greater risk exposure for all those involved who do not meet the new requirements.

### Make sure you are ready – time is running out

The new OHS legislation creates risk exposures not insured under existing D&O and Statutory Liability policies.

Aon has developed a unique OHS Liability insurance product to address insurable exposures as the policy has been designed specifically around the new legislation.

The new policy provides the following benefits, many of which are not available under other policies.

1. The policy is triggered by the reporting to the insurer during the period of cover of:
  - a notifiable incident;
  - threatened or actual action by a Workplace Safety Authority; or
  - a fatality.Policy response is not limited to actions by Work Cover or other Workplace Safety Authority that occur and are reported to insurers during the period of cover.
2. The policy gives you access to legal and related costs from the time any of the above triggers occur and the claim is reported to insurers. This change is of significant benefit to you because:
  - Considerable time can pass between the occurrence of a notifiable incident and action being taken by Work Cover or other Workplace Safety Authority. As OHS offences carry potentially significant penalties and are difficult to defend, it is important to formulate an appropriate defence with the help of an OHS Specialist Lawyer as soon as possible.
  - You can be covered for all OHS defence costs, which can be as much as \$4m-\$5m to defend a claim.
3. D&O policies are predominantly designed to protect an organisation's Directors and Officers, whereas the Aon OHS Liability insurance extends to cover the company and its employees, with an optional extension to cover contractors and on-hire labour staff.
4. Cover for insurable fines and penalties which have significantly increased under the legislation:
  - The maximum fine for a death or serious injury in the workplace has increased from \$1.6m to \$3m.
  - Directors and Officers are exposed to fines up to \$600,000 and employees up to \$300,000; and
  - Individuals can face as much as five years imprisonment – this policy helps defend you against criminal prosecution by helping you with defence costs and providing access to an OHS Specialist Lawyer immediately upon a notifiable incident occurring.
5. With the help of an OHS Specialist lawyer you have the right to pursue a defence subject to policy conditions.
6. Option of an OHS due diligence assessment to mitigate the level of exposed risk.

For more information on this product please contact:

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