

# Everything you need to know about Mining Contractor Insurance



**ARMA INSURANCE**  
— BROKERS —

## Table Of Contents

|  |    |
|--|----|
| Introduction to Mining Contractor Insurance                      | 2  |
| Who is ARMA  | 5  |
| Types of Insurance that may be included in your policy mix       | 7  |
| Public Liability   | 7  |
| Professional Indemnity Insurance                                 | 8  |
| Plant and Equipment insurance                                    | 8  |
| Income Protection insurance                                      | 8  |
| Workers Compensation insurance                                   | 9  |
| Commercial Motor Insurance                                       | 9  |
| Why Mining Contractor Insurance is not set and forget            | 10 |
| How to Compare Mining Contractor Insurance premiums and policies | 11 |
| What happens when I need to make a claim?                        | 13 |
| Contact ARMA Insurance   | 14 |

## Introduction to Mining Contractor Insurance

All businesses should hold insurance. Tradespeople particularly should keep their insurances up to date as the physical nature of much of their work represents higher risk than normal. The fact that all your work involves working on or at a client's property also means that their business interests are often in your hands and the consequences of something unforeseen or accidental happening are greater than other types of business.

Trades that work in or around the mining industry have an even greater set of risks and while an employee of a mine are insured for accidents and unforeseen events by their employers, the hundreds of thousands of contracted and subcontracted trades that work on the same sites are expected to carry their own insurance covers.

The mining industry is undeniably important to the Australian economy. 60% of our exports come from the extraction of our natural resources and the sector employs hundreds of thousands of people. The nature of the industry, however, means its risks are higher. For this reason a specific set of insurance products are made for mining contractors.



So how do these products differ from those that cover similar trades that don't work in the mining industry?

One of the first distinctions your broker will have to ascertain is your business's proximity to mining industry activity. Are you on site, near a site, occasionally visiting a site or working on plant and equipment off

site?

As a mining contractor you will often have interactions with other contractors and mine workers on site. The extent of this also needs to be accurately reflected in your policies.

## Everything you need to know about Mining Contractor Insurance



There are several risk factors that come into the calculations of policies surrounding the possibility of an accident on a mine site. These include danger to you, your subcontractors (if you have any), their staff and any other third parties that could be exposed. There are also property losses, damages and perhaps the largest factor of all, downtimes.

Mining Contractors Insurance is the careful compilation of several policies specifically created to target risks faced by tradespeople within the mining sector. Every contractor business will have its own combinations of perils and exposure points depending on their role, making custom coverage essential for all different trade businesses.

As with any large industrial operation, there are also many more parts to the compliance equation. Mining Contractor Insurance also involves a larger amount of paperwork and compliance activity than industries with lower risks. As a result, keeping your insurance compliance documents up to date and in order is also a factor in being properly protected.

# Everything you need to know about Mining Contractor Insurance

Getting the correct cover that directly assesses your risk exposure is essential for your businesses future, with competitive rates and the best support regarding compliance all year.

The types of insurance Mining Contractor Insurance will include (although not all will be needed by each business):

- Public Liability
- Professional Indemnity
- Plant and Equipment
- Workers Compensation
- Business Insurance
- Construction Insurance
- Business Interruption
- Management Liability
- And more

At ARMA Insurance we work with many Mining Contractors and pride ourselves on “all year service”. This means we not only organise the correct policy collections for your business at competitive rates, but we make it our business to be in touch throughout the next year ensuring that all your paperwork is kept up to date and you are supported in your compliance requirements.

This E-Book is designed to give you all the information you might require to ensure you make intelligent choices when it comes to your insurance.

## Who is ARMA

We are a specialist commercial, agribusiness and general insurance broker who is a trusted advisor to a very diverse range of clients ranging from a sole traders and small professional businesses, to diversified operations that turnover more than \$20 million annually.



ARMA Insurance Hunter Valley was founded in 2007 from a standing start. Under the passionate leadership of our founder Amanda Morris, the locally based business has been built with high standards and morals and a 'whatever it takes' culture that still permeates the business today.

As an insurance broker we represent our clients in the arrangement and placement of insurance policies for all types of insurable risk. We work on behalf of our clients to find the most suitable and comprehensive policy and then negotiate the most competitive price on that policy. We also manage all claims quickly and effectively ensuring our clients always receive everything they're entitled to.

ARMA Insurance Hunter Valley is an Authorised Representative of [Community Broker Network](#).

## **We will always act in your best interest. Every time, no exceptions.**

We are the fastest growing insurance broker in the lower Hunter, with a long-established office in Maitland staffed by a team of fully qualified and deeply trained insurance professionals.

We are particularly proud of our loyal and committed team, our commercial acumen and our claims capability which has been tested many times and has never failed.

But above all we live a clear and unwavering commitment to always putting our clients first. Quite simply, we always do what we say we will. And we do it well.

We work closely with our customers to deliver the right package on time and on budget. And this simple yet effective strategy results in an extremely high percentage of repeat business and an impressive number of referrals from our delighted clients.





## Types of Insurance that may be included in your policy mix

Unlike some more mainstream contractor insurances, mining contractor insurance is estimated to carry higher risk and as such can often be more expensive than normal contractor policies. They also have a higher level of detail and compliance conditions.

While every contractor will be different, and you will need to seek good advice on what you need, the common policies that make up the suite of insurance we include in Mining Contractor Insurance include:

### Public Liability

For many businesses public liability insurance is mandatory. This is especially true in the mining, trades and construction industries, where most subcontractors and contractors will need to show evidence of their insurance before they are allowed onto the work site.

Depending on your industry and occupation will depend on the complexity of obtaining this cover. The most common levels of cover available are \$5 million, \$10 million and \$20 million. Some insurers offer a higher limit on request.

Liability claims have no set limits so you must have adequate cover for the exposures of your business or advice. It is therefore vital to make full disclosure that you are a Mining Contractor to ensure there is no denial of cover in the event of a claim.

While you may well be able to source a Public Liability insurance policy for a low premium, it will almost certainly have several exclusion clauses related to mine site activities. Only an experienced broker will know how and where to find these and make sure you are adequately covered.



## Professional Indemnity Insurance

Professional indemnity insurance is designed to protect professionals who provide advice or services to their customers if a claim is made by your client against you. Mining Contractors are often giving advice to their customers on site so it is important you talk with a specialist about the exact nature of the work you do on site.

It protects your business against legal costs and claims made for damages arising from alleged acts, omissions or breaches of professional duty in the course of your business.

This could be for alleged negligence in your advice or even an error or omission in your acts or services. Either way, in today's litigious environment it is important to cover yourself against the unforeseen.

This means that if you do something or neglect to do something in the course of your work, and your client suffers injury or financial loss as a result, they may take legal action against you. Note, your liability often covers every staff member or sub contractor you may have on site.



## Plant and Equipment insurance

If your business relies on equipment to do its job, it's important that you are covered against issues such as theft, damage or breakdown. Plant and Equipment Insurance covers a wide range of items ranging from portable tools to forklifts, excavators to cranes – plus a whole lot more.

## Income Protection insurance

While income protection insurance isn't just for Mining Contractor or subcontractors it is vitally important as you work in designated high risk sites and are not covered by your Customer.

As a sole trader you have to create your own provision for sick leave, workers compensation and any period where you cannot work.

Income protection insurance covers a large portion of your normal earnings should be unable to work for some reason. These include sickness, injury or disability.

## Workers Compensation insurance

Workers Compensation insurance covers the costs when a worker sustains an injury or disability. If you employ any subcontractors or employees, you legally must have a Workers Compensation policy.

While Workers Compensation insurance is fairly common and easy to obtain, its best always to have an experienced broker to assess your individual situation to make sure you and your team are properly covered

## Commercial Motor Insurance

Almost every Mining Contractor has or uses a vehicle - and you will be no different. Of course without that vehicle it becomes impossible to do the work you are contracted for.

Commercial Motor Insurance covers your business for any damage to the vehicle and any damage that vehicle might cause to others (People and property). This lets you get on with repairs quickly knowing that costs will be covered.

You may also want to look in to Machinery Breakdown insurance to cover the costs and downtime of larger equipment you use. These may be covered in your plant and equipment policy but sometimes, machinery Breakdown Insurance is a better option for you.

Accidents do happen, even to the most careful of drivers and sometimes they aren't even you're fault. This insurance keeps you running when it does happen.



## Why Mining Contractor Insurance is not set and forget

As a Mining Contractor, you want to focus on the work you do and the customers you do it for. But things can go wrong very quickly on a mine site and the costs involved to Miners of breakages, injuries and worse still down-times are large so miners will move swiftly and deliberately to ensure these are kept to a minimum and you can have bills arriving very suddenly you weren't prepared for.

Worse still, paperwork anomalies can have you locked out of a mine site and a competitor replacing you despite the great work you do for them.

One of the most important parts of running a Mining Contracting business is the associated paperwork and its upkeep for all insurance policies.

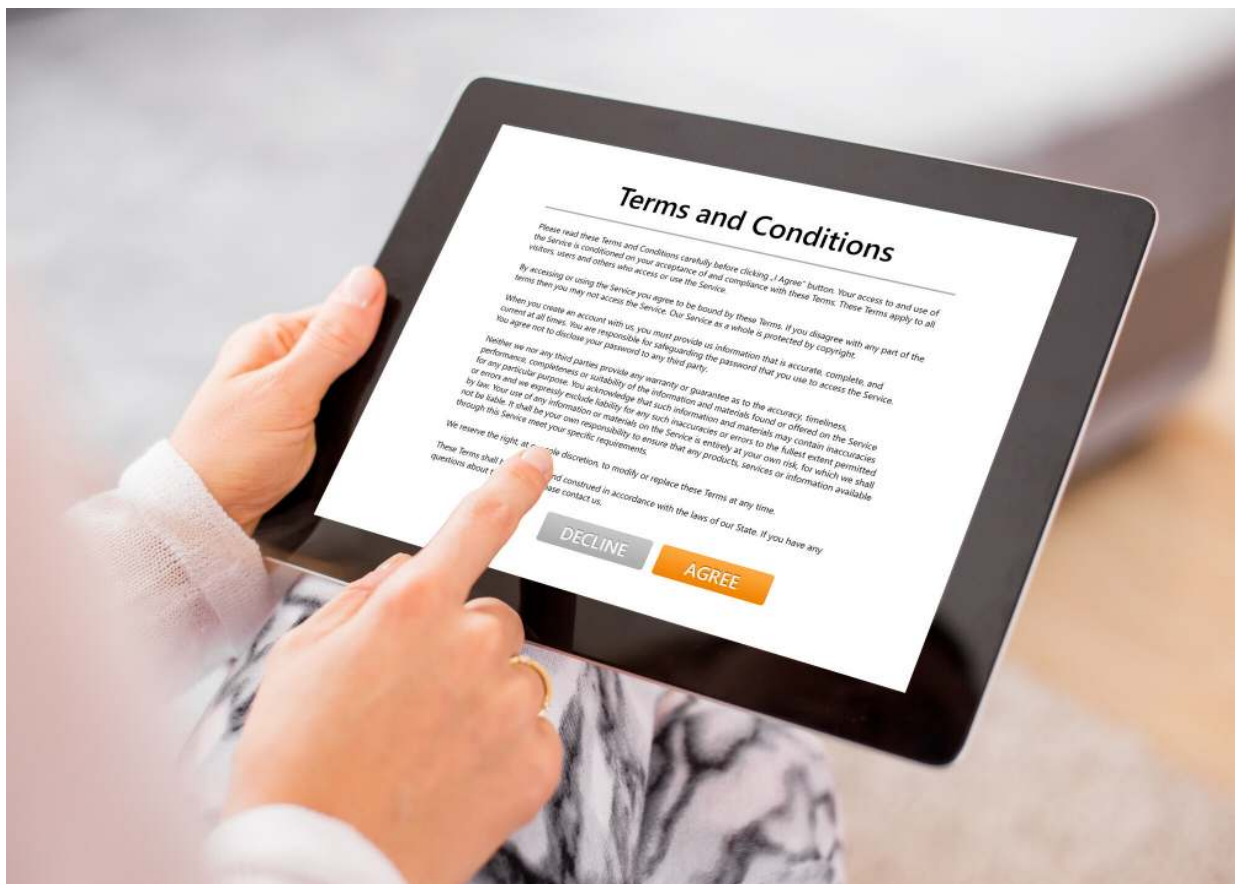
Certificates of currency must be up to date and the details of your business as it grows or changes must also be communicated to insurers to keep policies secure.

# Everything you need to know about Mining Contractor Insurance

ARMA Insurance has made it their business to look after all of these elements of our Mining Contractor client's insurance clients for many years. It means you can keep working while the every day or every week stuff is getting done by experts.

It may cost a little more than the insurance you could source on your own but the experience of having a claim denied when you need it because it wasn't updated can be devastating. Our practices give you peace of mind as well as appropriate cover.

All in all its worth the cost.





## How to Compare Mining Contractor Insurance premiums and policies

Working as a tradesperson in or around mine sites means you are surrounded by a unique set of risks. For that reason, insurance companies have a specific set of policies and practices around insuring mining contractors.

If you are tradesperson or consultant that works with mining companies, you are required to have your own insurance that is specific to mining contracting and operations. In many cases, mine sites require evidence of your insurance coverage before you can work on their sites. The paperwork for the various mine contractor insurances can sometimes be complex and having a good understanding and system for upkeep of your policies can make a significant difference to your ability to get and keep this type of work.



# Everything you need to know about Mining Contractor Insurance

Unlike some more mainstream contractor insurances, mining contractor insurance is estimated to carry higher risk and as such can often be more expensive than normal contractor policies. They also have a higher level of detail and compliance conditions.

While every contractor will be different, and you will need to seek good advice on what you need, the common policies that make up the suite of insurance we include in Mining Contractor Insurance include:

- Public Liability Insurance
- Professional Indemnity Insurance
- Plant and Equipment insurance
- Income Protection insurance
- Workers Compensation insurance
- Commercial Motor Insurance

Here are a few things to keep in mind (beyond the basic “how much will it cost?”) when you are getting your mining contractor insurance organised.

1. Check the exclusions as well as the inclusions. Each insurance company has its own set of exclusions and these have a significant effect if you ever need to make a claim.
2. Examine and compare the limitations or “Extent of cover” in each policy. Each policy
3. Ensure that your sub contractors have all their own adequate insurances by requesting a Certificate of currency every year from them
4. Make sure you give accurate information about whether you actually work on a mine site or not. This will have an effect on your insurance profile.

At ARMA Insurance, we specialise in Mining Contractor Insurance. We have many clients that work in mines and years of experience making sure they have the correct cover. If you are looking for better cover, better advice or better support as a contractor, we pride ourselves on getting it right. Not just getting you the cover you need (and excluding the cover you don't need) but we also work tirelessly to ensure the paperwork and compliance work you are required to maintain is kept up to date and complete.

# Everything you need to know about Mining Contractor Insurance

If you work in or around mining operations as any of the following, you need to have a broker on your side as you grow your business. We understand both the basics and the specifics of mining insurance and the needs of all who work for them.

- Project Manager
- Mechanical / Diesel Fitter
- Boilermaker/Welder
- Mining Contractor
- Dewatering Contractors
- Dragline Operator
- Drilling Contractors
- General Plant/Machinery Maintenance
- Longwall Support
- Maintenance & Repair inc Conveyor Belts
- Mine Relining Services
- Mineral Exploration including water drilling
- Rock Bolters
- Shaft Sinkers
- Mobile Plant Operators
- Explosive & Blasting Contractors





# Everything you need to know about Mining Contractor Insurance

Next time your insurance comes up for renewal, we are happy to talk with you and make sure you are protected and free of paperwork hassles.

So contact us on 02 4932 4444 for an obligation free quote and discussion about your specific needs.

Because building your business needs all the support you can get. We're here for you.



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## What happens when I need to make a claim?

If you need to make a claim, be assured we are on the case from the moment you contact us.

Making claims does depend on the type of insurance you have. The first thing you should do of course is call us immediately on 4932 4444.

### Public Liability Insurance

The most important rule with Public Liability insurance is that immediately after an incident you should never accept responsibility for the incident. This is a condition of most Public Liability policies as a full and proper investigation must take place before any liability can be apportioned.

The insurance company will organise an incident investigation and they have very specific procedures for appointing assessors and legal representatives for determining who or which company is at fault. It is important to let them do their job and a failure to do so can result in a claim not being covered.

Of course your first action should be to call us on the number mentioned below.



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## Contact ARMA Insurance

[www.armainsurancehv.com.au/contact](http://www.armainsurancehv.com.au/contact)

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