



Automobile Insurance & Your Golf Course

There have been several interesting developments regarding automobile insurance and golf courses. A quick summary is below.

1) In Manitoba, Golf Carts are Automobiles

A recent court judgment, arising from an April 2003 accident involving a passenger on a golf cart, has determined that golf carts meet the definition of an “automobile” under Manitoba law. The good news? Since the passenger’s injuries are covered under the auto insurance no-fault coverage, the injured party’s civil law-suit against the golf course alleging negligence cannot go forward. The bad news? Should this judgment stand (MPIC has until September 18th to appeal), it is just one more cost pressure on automobile insurance rates in Manitoba. See <http://www.canadianunderwriter.ca/issues/story.aspx?aid=1000384909> for more information.

2) In Ontario, recent Auto Reforms affect You and Your Employees

Effective September 1, 2010 the Accident Benefits portion of all Ontario automobile insurance policies have changed. A few of these changes are read into all policies regardless of renewal date (mostly affecting the limits of coverage on Minor Injuries); most of the changes will take place at renewal. For golf courses, these changes require some action from you:

- a. You now must select what coverage levels you wish to have under various portions of the Accident Benefits coverage. The default options that insurers are required by law to use will, in most coverage areas, provide a lower level of coverage than was previously provided.
- b. You should notify employees who use company vehicles, as either passengers or drivers, that the benefits they may receive from the company policy after an auto accident have changed.

3) In BC, Golf Carts Need Automobile Insurance

We covered this back in our May 2010 update, but just a reminder to all our BC golf courses (and a chance for everyone else to feel thankful) that golf carts that cross roads or private parking lots require automobile liability insurance. Your Golfmax Insurance Plan can provide excess liability coverage and primary physical damage coverage, but the first layer of liability coverage must come from ICBC.

4) Everywhere, you have a Vicarious Liability for Non-Owned Automobiles

Virtually all companies have situations during the year when employees operate their own vehicles when on company business. In the normal course of events, it is the employee’s own automobile insurance that will respond to any accidents or claims they may have. But if their personal insurance is defective or inadequate (for example, if they do not have high enough limits to cover a claim) or if a law suit follows the claim, then the employer may very well find they are being held responsible for some or all of the claim. This vicarious liability is covered through your Non-Owned Automobile liability policy as part of your Golfmax Insurance plan.