

Just can't get the staff



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Hiring and keeping good crews is crucial for yacht owners so sufficient cover must be in place to cover deck hands should accidents occur.

Carl Brumpton discusses how protecting staff can help to achieve more time spent on water and less in the dock.

FOLLOWING LAST YEAR'S discussions and debates on the subject of crew at the Monaco Boat Show, the luxury yachting world is well aware the lack of good crews is a major issue and one that will not be rectified in the short term.

Consequently, attracting and holding on to the best staff has become increasingly crucial to the yacht owner if they are to enjoy the successful running and operation of their vessel for business and pleasure needs. Of course, offering attractive salaries is a strong incentive but crew welfare must surely run a close second in attracting and retaining experienced people for particular positions.

So what else should an owner do to attract and retain the best? They should certainly take time to consider the best crew protection coverage available in the markets. This coverage should be comprehensive: costs incurred for medical treatment, as a result of an accident or an illness, should be covered; adequate levels of benefit should be included, equal to each crew member's wages for temporary disabilities that prevent them from working; and a suitably sized lump sum should be part of the cover to be paid if the crew member dies or becomes permanently disabled as a result of an accident.

All of these elements should protect the crew throughout the year — whether they are aboard the yacht, on land carrying out business for the owner or yacht, or while on holiday. It should also cover reasonable sports and leisure activities, such as scuba-diving and winter skiing. And the medical expenses element should incorporate coverage in the country of domicile following repatriation.

Medical expenses

Medical expenses insurance is well known and generally well understood. But the issues that surround it are what differentiate a

high-quality product from a standard one. It should be backed up by a 24-hour emergency claims and accident support service that will quickly and smoothly handle an incident. This speed of response and advice will be of benefit to both crew and owner as it will enable the quickest possible return to work for the crew; or if diagnosis indicates a longer term injury, enable an owner to quickly employ replacement crew.

Crew who need to be repatriated to their country of domicile should expect the insurance coverage to continue to pay ongoing medical bills resulting from treatment of the original injury or illness while they are in their home nation.

Crew members should also have the protection of a lump sum benefit payable in the event of an accident causing their death or permanent disability — usually defined as loss of an eye, limb or otherwise a permanent inability to work as a ship's hands. Owners and crew should ensure this is of a suitable level to support them or their immediate family in the event of a major career-ending injury. It should be a minimum of two or three times their annual salary.

Salary protection

With regard to personal accident, many owners may believe they have full coverage at a good price but it can often transpire that coverage is for limited severe disabilities only and will not include 'temporary total disablement' by accident or illness. Yet this coverage is essential for when a serious accident occurs that incapacitates a crew member for a long period and covers their wages. A good TTD by accident insurance package should compensate for up to two years from the date of disablement, while for TTD by illness compensation should be up to 52 weeks. Coverage that includes TTD accident or illness demonstrates an owner is concerned about

the welfare of their crew and has purchased an insurance policy that provides a suitable income in the event that a crew member is unable to work for a period of time.

Another issue of concern should be how long the TTD benefit is payable to a crew. It is not unknown for some policies to stop paying out benefit to injured crew once the policy has expired or at the time the crew's contract ends; this can be either the natural contract end or premature termination as a result of the accident. All responsible owners will want to ensure their crews are covered for the full period of the coverage benefit, which should be as outlined above.

It is also worth highlighting questions that a yacht owner — and indeed a crew member — should be asking. For example, does the policy provide adequate levels of sum insured for all crew, is there a 24-hour emergency service and, if so, which organisation is providing this service?

An owner would do well to ensure concern for crew welfare is reflected in the insurance package provided.

Are the benefits for the duration of the employment or does the crew member receive full payment for up to two years even if their contract of employment has expired? Other questions that should be asked include does the coverage allow for continued payments of medical bills if crew members return to their country of domicile; is coverage for 365 days and around the clock whether the crew are on yacht, on land on the yacht's business or while on holiday or personal reasons; and what is the security behind the policy?

The vast majority of owners do have a concern for their crew's welfare and provide insurance protection in some form but in a climate where crew — particularly experienced crew — are more difficult to find, an owner would do well to ensure concern for their welfare is reflected in the kind of insurance package provided for them. What better way is there for an owner to attract and retain good crew.

POST

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