



## Sole trader and partnership

If you are a sole trader/proprietor or a member of a partnership, you are not a worker of your own business and cannot take out workers compensation insurance to cover yourself.

A workers compensation policy will only cover your employees if you have any.

If you are not an [exempt employer](#) and you employ any workers, or apprentices or trainees within the meaning of the [Apprenticeship and Traineeship Act 2001](#), you will need to take out a workers compensation policy to cover them.

A personal accident and illness or an income protection insurance policy may be suitable alternative insurance options for sole traders or the partners of a partnership. Please note that it is not a legal requirement to take out this type of insurance in the same way that workers compensation insurance is a legal requirement for employers.

If you are hired as a worker by someone else, that person may need to take out a workers compensation policy to cover you.

### Examples

Barry is an electrical contractor. Barry is a sole trader/proprietor with no workers. Barry is not eligible to take out workers compensation insurance.

Steve and Jason are tilers and conduct their business as a partnership. As they employ an apprentice Steve and Jason are required to take out workers compensation insurance to cover the apprentice. The workers compensation insurance does not cover Steve and Jason.

Call 13 10 50 for more information about workers compensation insurance requirements for sole traders and partnerships.