

May 25, 2021

## Farmers' Markets and Risk Management

Our summer months are fast approaching. This means farmers' markets will be popping up in our communities with residents and others selling their wares. If you are responsible for running a farmers' market, it's important to know your risks.

Farmers' markets are markets that are approved by the Ministry of Agriculture and Forestry and are issued a Food Handling permit by Alberta Health Services. Markets that have not been approved by the Ministry of Agriculture and Forestry are considered "public markets".

Although it is important to understand the different types of markets, it is also very important to understand who the vendors are. For some, selling wares at farmers' markets is their business, while others participate as a hobby.

There are risks associated with farmers' markets that should be considered. Just a few examples of farmers' market risks include:

- Customer slip and fall injuries. Examples: wet grass, spilled liquids, electrical cords, tent stakes.
- Vehicles colliding in the parking lot, including vendors moving vehicles when customers are present.
- Contaminated food sold by a vendor, resulting in illness.

Although risk management tools, such as insurance (transfer of risk) and governance, are excellent for resolving problems after they occur, it would be much better if the problems never occurred in the first place. Issues that escalate legally are not only costly but can affect reputations.

### *How can you reduce your risk?*

To reduce the liability exposure associated with farmers' markets, consideration should be given to transferring the risk. This can be accomplished by requiring vendors to carry commercial general liability coverage with a \$2 million limit and have your organization as an additional insured.

In all instances, stall rental agreements should be in place for all vendors, as well as rental agreements that include hold harmless agreements where the vendor agrees to indemnify and hold harmless your organization from any and all claims.

### *Have market rules and procedures been established?*

Safety risks, violating regulations or laws, and risks associated with vendor management can be mitigated with market rules and procedures. The purpose is to reduce the likelihood of personal injury and property damage incidents.

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In many instances, the farmers' market does not own the property where it is being held. More likely, the spaces are rented or leased from a business, individual, or government entity. Although formal written agreements may often exist, others may rely on verbal understandings. With either, disagreements may sometimes occur. Some topics of disagreement may include:

- Cleanup, safety, or traffic
- The landowner may start construction or allow others the use of the proposed location
- When the market can operate, such as the number of days or hours per day

It's important to know if the market in your area has completed safety checklists concerning the market area, parking areas and roadways, vendor areas, and emergency preparedness.

Of note, as of June 1, 2020 the Food Regulation allowed Albertans 'to make low-risk foods in their home kitchen for sale to the public, subject to certain restrictions and safe food handling.'

For more information, you can visit the following sites:

- [Alberta Health Services](#)
- [Farmers' Market Information Package](#)
- [Guidelines for Public Market Managers and Vendors](#)
- [Low Risk Home Prepared Foods](#)

If you have any questions or concerns, please do not hesitate to contact your member service representative or risk advisor.

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A decorative graphic in the bottom right corner of the page. It features a black and white photograph of a large steel truss bridge spanning a river. The image is partially obscured by a yellow-to-orange gradient that sweeps across the bottom right corner of the page.

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