



**FROM THE  
INSTITUTE PRESIDENT,  
IAN LAVIN**

Hello again,

It's appropriate as another year comes to an end to reflect on what's been and speculate on what's to come.

12 months ago in the December edition of LA News I remarked on what a busy year 2010 had been and that it would be interesting to review the final cost of catastrophes. Some of the figures are easy to obtain, especially those in Australia and New Zealand where the Insurance Councils publish them and regularly update. Of course these figures are not at all complete as they do not include the entire market. They do, however provide a guide particularly in the 'volume' market where the bulk are retained onshore.

Reinsurers also frequently publish similar views and generally include major commercial losses including mining which often significantly boost the other totals.

If we look just at the ICA & ICNZ figures for 2010 the results are similar (adjusted to AUD) at around the \$2 billion mark for each country with the largest event by far being the Christchurch earthquake in September 2010. This was a substantial increase over recent years and kept you, our members extremely busy.

2011 has eclipsed last year by a huge margin. The figures across Australia to date over 5 events exceed \$4.2 billion and New Zealand \$5 billion (adjusted to AUD) almost entirely the result of the February 2011 'aftershock.'

Elsewhere in the Asia/Pacific region there have been massive losses particularly in Japan and Thailand accompanied, as we too have endured this year, by human tragedy.

I have been able to see first hand the damage north of Bangkok where the bulk in insured value terms is concentrated in a number of large industrial parks. The losses there will be significant (currently estimated by Swiss Re at between \$8 - \$11 billion US) with much of the exposure insured in the Japanese market. Adjusters from all around the globe including many of our members are currently working assisting their clients. The work is challenging because of the sheer scale of loss, the fact that many factories were awash for many weeks, in many cases the complexity of the manufacturing plant and the difficulties with resources.

So will 2011 go down in the annals of history as one that will test the insurance industry's mettle particularly with the turbulent economic conditions being experienced in Europe and the rub-off in our region?

As always, time will tell. It is futile speculating on 2012. On reflection, I'm glad I didn't try for 2011 this time last year!

As this is the last edition of L A News for 2011 I take the opportunity of sincerely thanking the Secretariat and the Divisions for their great work during the year and wish you all a very safe and happy festive season along with a most prosperous New Year. After such a hectic year please enjoy any break you can seize.

Until next month...

**Kind Regards,  
Ian Lavin, President**

## ON-LINE CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

After some recent in-depth technical papers, we turn this month to one of the processes that can occur if agreement is not reached shortly after assessment and adjustment of a claim. It is always a matter for personal regret when the adjuster is not able to file away the notes and other material associated with a claim, leaving behind a satisfied claimant as well as principal.

But human nature being as it is, emotions sometimes being high, commercial considerations tending to overshadow legal ones, as well as grey areas in interpretation all can lead to disagreement that even the skilled adjuster and negotiator fail to resolve. If the disputes resolution facility at the Insurer's office also fails to bring the matter to a satisfactory conclusion, then the claimant may wish to have the case referred to the Financial Ombudsman Service (formerly Insurance Ombudsman Service IOS). There, a panel will consider the facts and legal issues and will make a determination about the claim. This is binding on the Member (meaning a participating insurer) but not on the claimant.

We feature some interesting determinations in our papers CPD007 (Forcible and Violent Entry), CPD008 (Malicious Damage by Tenants), CPD009 (Storm Damage) and CPD010 (Maintenance Defects). These papers and their associated quick quiz questions are quite short and not too taxing for the brain, as hopefully adjusters are able to wind down for Christmas and enjoy a short break, free of those urgent calls that so often destroy plans!

You can enter the on-line CPD facility using the hotlink below, or by navigating through 'Professional Development' on the AICLA website Home Page. Members should use the User name **cpduser** and the Password **aiclapd**. Your browser may offer the opportunity to 'Remember this password'.

We look forward to seeing you there!

**[Go to on-line CPD now.](#)**

## FLOOD CLAIMS AUSTRALIA

The Financial Ombudsman Service (FOS) has released a summary of key determinations in respect of disputes arising from floods claims earlier in the year. **[A copy of determinations is attached.](#)**

## MEMBER SURVEY

**AICLA is conducting an on line survey to obtain member views on a range of matters. If you have not already done so please complete the survey. It only takes about ten minutes. Some 250 members have participated to date.**

## NSW / ACT

The NSW/ACT Division annual cocktail function was held on 30 November at the Museum of Sydney. The evening was a great success with over 130 adjusters and guests attending.

Winners of the door prize raffle were:

- Graham Dobson CLI - DJs voucher,
- Gordon Paulsen CLI - restaurant voucher,
- Charlotte Porter ACE - Jewelry store voucher and
- Marie Swaney CHU - Ipad2.

The first members meeting for 2012 is planned for early March - more details to follow. Best wishes for Christmas and 2012 from the NSW/ACT division committee.



## VICTORIA

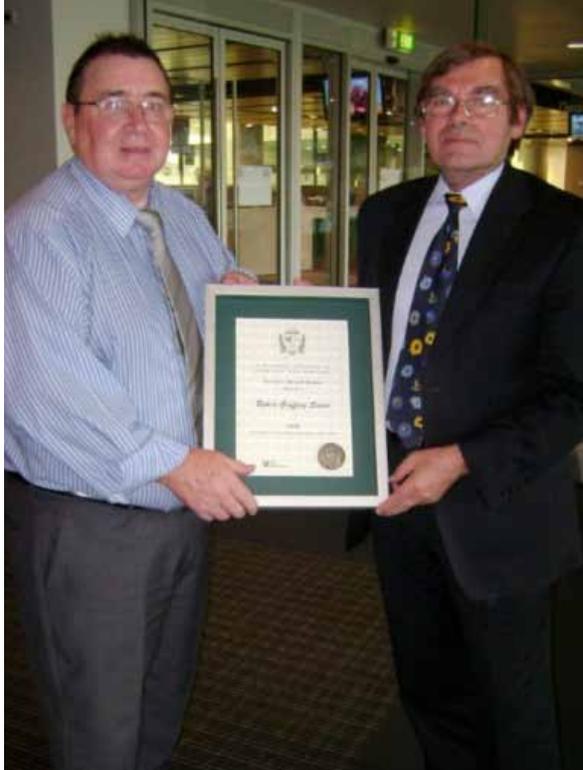
The Victorian Division held the annual Advertisers and Members Xmas dinner at the Harrison Room at the MCG on the 7th December.

Over 100 advertisers and Loss Adjusters attended and were entertained by Ellis & Webster, who were a comedy, illusion and magician act. This entertainment was well received by all.

As a bonus a one day cricket match between Victoria and SA was being played at the same time, so the cricket lovers were catered for.

A special mention should be made of David Brown who supplied the Pa System for the evening and organised the event.

Robert Senior was presented with the AICLA Service Medal Award by Mark Rogers AICLA Victorian Division Chairman during the evening. This award was presented to Robert in recognition for his contribution to the Victorian Division and organisation of the advertisers in the AICLA Diary over a number of years.



## WA

In WA we have had our Christmas luncheon for Members, Retired members, Diary Sponsors and Guests at the Royal Perth Golf Club.

The event was well attended by about 70 people and we had a guest speaker, Jeff Austin a business coach who spoke on Charging what you're worth as opposed what you can charge.

The event was a great success with the speaker generating good interest.

## NEW AND ELEVATED MEMBERS

Congratulations to the following recently admitted and elevated members:

### NEW MEMBERS

Name	Class	Division
David Thai	Affiliate	New South Wales
Richard Skene	Affiliate	Vietnam
Emma Doney	Affiliate	Queensland
Chandrasen Somah	Provisional	Mauritius
Tarcisius Maune	Provisional	Papua New Guinea

### ELEVATIONS

Name	Class	Division
Michael Fui Yen Chin	Associate	Malaysia



**AICLA offers members the opportunity to advertise positions vacant in LA News.**

The cost is \$250.00 (+ GST) and the advertisement will be run for up to two months. The advertisements also appear on the AICLA website [www.aicla.org](http://www.aicla.org). If you wish to advertise, please send information to [adminoffice@aicla.org](mailto:adminoffice@aicla.org). Advertisers can remain anonymous with job applicants responding direct to AICLA.