



## FROM THE INSTITUTE PRESIDENT, MICHAEL COLLINS

Dear Colleagues

Having previously been employed by a government agency I never really gave too much thought about how I was paid. It was taken for granted that I would be paid every fortnight and I enjoyed a high level of contentment knowing that I had a secure job.

Before I left the public service and joined private enterprise I was repeatedly warned by my former colleagues that *'the last one on was the first one off'* when tough economic times hit the private sector. Naturally, that change in job security created a level of anxiety and the possibility of losing my job was always in the back of my mind.

In about 2004 my former GAB Robins colleagues and I attended a regular meeting in the Adelaide office hosted by our former Regional Leader Mark McDermott, now the QBE National Manager, Partnerships Claims. The agenda was circulated several days prior and the content contained the usual. Whilst we were all happy to attend the meeting (at least for a short while) most of us were pretty keen to get back to our desk.

Contrary to the agenda, Mark opened the meeting with the following statement:

*'I just thought that I would let you know that we don't have money to pay your wages'*

The room turned immediately silent and everyone in attendance had a look of horror about their face. For me I thought that dreaded day had finally come and I had visions of having to face my former colleagues with my tail between my legs. The atmosphere in the board room was of pure shock for a good minute.

Thankfully, Mark continued his opening with the following statement:

*'Luckily your clients do so it is up to you to continue providing the service they require so that they will pay your fee to the company and the company can then pay you'*

It was at that moment the penny dropped (pardon the pun) and I realised how accurate that statement and process was. There was me, still in my public service mindset thinking that a big global loss adjusting firm had an endless bucket of money

that would continue to pay my wages ad infinitum. I suddenly realised the simple mechanics of how we were paid and that from a remuneration point of view our employer was merely a conduit between us and our clients.

Since that day I have told that story to many different people in all kinds of occupations and amazingly most of them have said words to the effect of *'I have never really thought of it like that'*. And why would you if your pay just keeps on coming?

The reason I have included that story in this edition of LA News is to remind us all of just how critical our relationships are with our clients. We as a profession must continue to do our best by delivering the level of service that our clients expect, but more to the point pay us for. Mark opened my eyes that day and I am glad that I attended that meeting.

A Board Meeting was held in Brisbane on 4 May 2015, which included a presentation by Elizabeth Marx who is writing *'The History of Loss Adjusting'*. Elizabeth has spoken to many members and is gaining a detailed insight into what makes us tick. She assures us that the completed product, expected to be released next year, will be a great read.

Following that meeting Tony Libke and I travelled to Wellington and met with many of our NZ members. We attended a meeting with the NZ Insurance Council followed by a divisional meeting that evening. We attended a one and a half day conference which included the division AGM. The conference was well attended and the program contained many quality presenters. The NZ Division council is very passionate about educating its members and I commend the council on its efforts and dedication to the task.

The program for CC15 has almost been completed and comprises an excellent array of contemporary topics and speakers. The presentations include terrorism, social media defamation and the prevalence of cyber-crime just to name a few. Enrolments forms have just been released so please do your best to get there. CC15 will be held in Sydney on 5-6 August 2015 and will be preceded by the Trainee Loss Adjusters' Workshop in Sydney on Tuesday 4 August.

I would like to give all members advance notice of the Asian Claims Convention which is planned to be held in Bali in April 2016. The venue and date for the event will be available in the near future.

Thankfully the extreme weather events have calmed down for a while as far as frequency of work is concerned however, many adjusters are still carrying huge workloads. Hopefully things will calm down soon so that you can all have a much deserved rest.

**Until next time**  
**Michael Collins**

# CAREY BIRD SCHOLARSHIP

Submissions for the 2015 Carey Bird Scholarship close on 31 May 2015.

FOR INFORMATION ON THE SCHOLARSHIP CLICK HERE.

## SUBSCRIPTION/ DIARY ADVICES

Member subscriptions for 2015/16 will be forwarded shortly together with a diary/database information advice.

If your details have changed please update details on the form and return the form to the AICLA office.

**The deadline for changes to be included in the 2016 diary is 31 July 2015.**

## NEW AND ELEVATED MEMBERS

Congratulations to the following recently admitted and elevated members:

### NEW MEMBERS

Name	Class	Division
Peter Humphrey-Taylor	Affiliate	New Zealand
Ratna Santosa	Affiliate	Int (Indonesia)

### ELEVATIONS

Name	Class	Division
Al Le Nhan	Associate	Int (Vietnam)
Emma Doney	Associate	Queensland
Dean Charalambous	Associate	Victoria
Giles Rees	Affiliate	New Zealand
Jakkrit Khaosaard	Fellow	Int (Thailand)
Graham Booth	Fellow	New Zealand
Wade Harrington	Affiliate	New Zealand
Timothy Koeppler	Associate	Victoria
Yew Seng Lee	Fellow	Int (Malaysia)

## CC15/ TRAINEES WORKSHOP

The Sydney Claims Convention will be held at the Sofitel Wentworth Sydney on **5-6 August 2015**. The programme features Dr Keith Suter, social commentator, Dr Anna Sandiford, a forensic scientist from NZ, Chris Wallace from the Australian Reinsurance Pool Corporation and Chris McKinnon the Australia country manager for Lloyds.

For a copy of the brochure and registration form click here.

The claims convention will be preceded on **4 August 2015** by the trainee loss adjusters workshop in Sydney. The programme for this event is being finalised and will be released shortly.



## DISASTERS CLAIMS FIGURES

The Insurance Council of Australia (ICA) has recently released information on claims lodged in respect of two major events. The figures are as at the data shown and are not an indication of the final insurance cost.

As at 9 May 2015 the total of claims lodged in respect of the East Coast (Australia) Storms was over 68000 with an estimated value of \$301 million (\$51m commercial and \$250m domestic).

In a March 2015 update ICA reported 29000 claims had been lodged following Cyclone Marcia (Queensland in February 2015) with an estimated value of \$404m. By value it is estimated 74% of claims are domestic and 26% commercial.

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## PRIZE WINNERS 2014

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Congratulations to the following AICLA prize winners on their awards in respect of studies in 2014 in the Diploma of Loss Adjusting.

With enrolments in the diploma course continuing at high levels it is great achievement by the prize winners. Details of criteria for awards is available [www.aicla.org](http://www.aicla.org)

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### Loss Adjusting Diploma Prize

Tata Gunawan

PT Japenansi Nusantara, Indonesia

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### Charles Buchanan Prize

Scott Reichelt

Crawford & Company International Pte Ltd, Singapore

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### Syd McDonald Young Adjuster Prize

Scott Reichelt

Crawford & Company International Pte Ltd, Singapore

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### Brian Geraghty Prize (QLD)

Thomas Murphy

Cunningham Lindsey Australia Pty Ltd, Queensland

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### Ted Cooper Prize (WA)

Peter Philip Brown

ASTA Group WA (Jarm Adjusting), Western Australia

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### New Zealand Division Prize

Gregory Bray

Crawford & Company New Zealand, New Zealand

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## ON-LINE CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

### EBOLA — IMPLICATIONS FOR NON-LIFE INSURERS

New risks obviously bring new insurance implications, which on the whole the insurance community responds well to, although new rules and procedures have to be bedded down and mastered. We have already addressed in our papers the risks — particularly liability — attached to driverless cars and cyber activity just to name two. Terrorism is hardly a new risk but is more to the fore these days and calls for special treatment including the involvement of government.

Pandemic risk has been with us for many years, with the latest threat being the particularly nasty Ebola virus, which is very highly contagious, apparently via bodily fluids only but which includes airborne particles from eg sneezing. At the time of writing, the disease seems to be being brought under some form of control at least in some countries, but nevertheless — like all pandemics — it has its own difficulties, notably the very stringent isolation requirements that are necessary.

The risk to life insurers is obvious. The risk to general insurers centres around two main classes, that of Business Interruption and also Liability. Other classes less affected are Property and Travel.

We are pleased to include amongst our papers a short treatment — necessarily with a UK slant — written by well-known UK insurance expert Rahul Gumber. This paper is at CPD072 and we commend it to you.

The on-line CPD system is specially provided for busy loss adjusters — particularly those at the more remote locations — who find that attending conferences and the like is difficult. While the papers necessarily lack the important human interaction of a conference, nevertheless we have tried to make the topics varied while relevant.

Navigate to the facility on our website through 'Professional Development' on the 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.](#)**



## NEW ZEALAND

New Zealand division conference and AGM in Wellington 8/9 May 2015.



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## NEW SOUTH WALES/ ACT

### Members Meeting - Fine Art Claims & Developments in Conservation - Thursday, 26 March 2015

Adam Godjin, Senior Conservation Manager from International Conservation Services (ICS) provided an interesting insight into the world of fine art restoration and conservation. Ranging from the restoration of gun shot holes in paintings, which is more common than you think, to dealing with breakages, water and fire damage. Some of the work done by ICS also includes restoration of rare books and documents and unique/antique pieces of furniture.

Adam educated us in some of the unique restoration/ stabilisation techniques used and the degree of success which can be achieved. He touched on the diminution in value when dealing with damaged fine art and the examples ICS have been involved whether the subject of insurance claim settlements or not.



### ISR Workshop - Newcastle

**SAVE the DATE - Thursday 12 November 2015**

**In light of the Newcastle and Sydney storms the Committee has postponed the workshop which was scheduled for Thursday, 7 May 2015**

**WHERE - Merewether Surfhouse Henderson Pde Merewether**

The ISR Workshop will be hosted and facilitated by regional loss adjusters with the support of the NSW/ACT Committee Members. The hands on workshop is open to loss adjusters (member and non-member), brokers and agents, including claims handlers.

The workshop is an excellent opportunity for regional members to attend an educational session, earning CPD points, and attend the networking drinks at the conclusion of the workshop. We look forward to receiving support from our regional colleagues and clients.

### Annual Luncheon - Royal Sydney Yacht Squadron - Friday, 24 July 2015

**Details to follow - please save the date.**

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## VICTORIA

### Industry Spotlight: Steven Ord

*ACE Group*

*State Manager, Victoria & Tasmania*

#### 1. Who are you?

I have been in the industry for 25 years, all in the Property and Casualty world. I have worked for a mixture of Brokers and Insurers. Prior to ACE Group, I was with Chubb for 14 years.

#### 2. What lines of business does your company offer?

ACE has a very broad suite of covers, including an extensive range of accident and health products; marine products; property and casualty; business interruption and others. We specialise in a lot of industries, manufacturing and infrastructure. Most of our products are geared around risk protection of assets. We have strong expertise in Financial Lines as well, such as Directors & Officers, Management Liability and Professional Indemnity. We have over 250 products.

#### 3. Where did you grow up?

I grew up in Wellington, NZ. My parents were from Manchester. I was born there but went to NZ in the 70's and stayed for about 25 years.

#### 4. What did you want to be when you grew up?

I thought about this question a lot, I don't really have any memories of what I wanted to be when I grew up. I worked from a young age, doing a paper round, in shops and things like that from 12 or 13. It was the 1980s, a time of 17% interest rates when money was scarce. If you wanted any income you had to go earn it for yourself. Growing up in that environment creates a strong work ethic; I learnt the value of money.

#### 5. How did you get started in Insurance?

A lot of my friends were leaving school around 15 or 16, going into trades. My Dad was a Tradie but I wasn't that keen to follow in his footsteps. I knew I wanted an income so I told my Dad I wanted to leave school. He said 'if you can get a job you can leave'. I had two job interviews, one with the Tax Department and one with an Insurance company. I could have been a tax man but I ended up in Insurance and have never looked back really. It's a great industry.

**6. What are some of your greatest challenges in your business?**

One challenge is the increased competitiveness in the Australian market. I've recently worked in the UK, which a very big market with all kinds of programs and different program structures. Coming back to Australia, it is interesting to see how much capacity is available.

We are seeing market participants coming in with long term strategies and aggressive expectations for short term results.

At ACE, we look to address this challenge with a value proposition which goes beyond the pricing discussions. We aim to differentiate ourselves. We are doing a lot of training and development with our people around negotiation, relationships, getting close to issues and really understanding our clients' needs and challenges. Experience tells me that brokers and clients appreciate product knowledge, risk assessment expertise and excellent service levels.

**7. Please can you think of someone within your business, other than someone in management, that best exemplifies your best business practice and can you give an example of that behaviour?**

Although I've only been here for three months, I've been impressed with the professionalism evident in our team. We have a number of individuals in the Victorian Branch who exemplify best practice. I'll take the opportunity to put a well-deserved spotlight on Reena Purba. She is very intelligent, presents well, is considered, measured and takes her pride in her role. She takes the industry seriously and projects what ACE is about. My expectation is for our team members to understand risk assessment and be able to articulate our value proposition. Reena does that very well.

**8. Do you have a mentor? Who is it? Why?**

I do have mentors. Over 25 years of industry experience you find people and are drawn to people who have qualities you aspire to. I won't name names but among a list of both formal and informal mentors is an ex-boss of mine, who has high integrity, impressive values and strong moral fibre. He is also extremely intelligent and open with product, positioning and distribution advice. I have looked to him over the years for insights on how to handle myself and how to handle elements of my roles. The best mentors are the ones that I have sought out. Great mentoring relationships are built on trust and mutual respect.

**9. What do you never leave home without?**

I thought a lot about this question and I suppose these days it's my phone and if I am truthful about it, it would be my iPod. I much prefer my iPod to my phone and when my iPod is on I can't hear the world.

**10. What is the last song / tune you listened to?**

Hmmm what was I listening to this morning? The Smiths, a bit of old school, a bit of Manchester rock.

**11. How do relax?**

I like listening to music, playing golf and doing stuff with the family. I play off a handicap of 11 and have just joined a club so I'm looking forward to playing more often. I have two daughters, a 9 year old and 13 year old and we regularly go out to the movies together.

**12. What is the one piece of advice you would give to new comers coming into the industry?**

I think the industry could do more for young people joining insurance at the moment. The requirement for speed of response risks coming at the expense of learning and development. If everything is urgent there is no time to teach.

Teaching is becoming a 'side of the desk issue' for business and leaders. Young people coming into the business have to take the initiative to ensure they understand how product meets risk and how we deal with the whole risk transfer. We do lunch and learns at ACE, discussing products, risk appetite and application of product to risk. I encourage young people to find someone who they respect and learn from them.



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