



FROM THE INSTITUTE PRESIDENT, MICHAEL COLLINS

Dear Colleagues

I was recently provided with a copy of an article titled 'A Shortage of Talent' that was written by Nicky Burridge and published in the UK based Post Magazine for insurance professionals on 5 March 2015. The article addressed the noticeable decrease in qualified claims adjusters in Singapore. I recommend that you read it.

The article included the following comments made by Mr Richard Martin, the Chairman of the Asia-Pacific Region for Crawford and Company:

'The acute shortage of qualified and experienced claims adjusters and surveyors will start to bite soon. The number has dropped significantly, and unless the sector as a whole invests in succession planning very quickly, there may not be enough professional claims adjusters to serve the insurance community in the coming years.'

There has also been an emergence of similar stories in Australian publications addressing the same issue, not just in our profession, but right across the insurance sector. Some of the articles I have located go back a few years and some of them are recent, which tends to suggest that the issue is not new. The obvious question to me is 'What are we doing about it'.

Figures released in March 2015 showed that AICLA has 840 members. Of that amount, 83% are over the age of 36, 59% are over the age of 46 and 31% are over the age of 56. Those percentages are actually less than in 2008. It is well known that many Loss Adjusters enter our profession later in life having worked in another vocation. The current age demographic appears reasonably consistent with previous years.

Whilst that may be so, we still face a serious problem if we do not implement our own succession planning by bringing in new comers to our profession so that we can continue to service the industry in the future.

The recent increase in the Australian retirement age coupled with the volatility in the global economy has forced a lot of people to reconsider their proposed retirement plans and continue working longer. In some respects, there is no problem with that as office staffing levels are maintained, the jobs can be attended to and the skill set remains – until of course those people eventually retire or leave the industry for other reasons.

The implementation of builders' models and 'off-shore claims processing' has seen a noticeable decrease in our traditional business

as usual work. I am aware that some offices have very little work and are reliant on catastrophes and significant weather events to survive. When you combine a general decrease in traditional work with an ageing demographic wanting or perhaps required to work longer there seems little opportunity to introduce new comers to our profession when there may not be enough fat to share with those already in it.

Regardless, the time to introduce new comers to the Loss Adjusting profession is now. We simply cannot sit on our laurels waiting for things to change. There is still a big chunk of the insurance industry that we are required to service and for that we must be prepared.

It has been my experience that when a Loss Adjuster moves to another firm (or perhaps leaves the industry) the 'merry-go-round' starts again as the local adjusters move around to fill the void. This often results in a domino effect as for every movement a new void is created. Simply 'Robbing Peter to pay Paul' is unsustainable and new people must be introduced to fill the gaps. Like any sustainable business we need to keep replenishing our stocks. This can also introduce new skill sets, market exposure and fresh ideas.

With the majority of our members in the prime of their careers, heading towards or at least planning for retirement, we don't want to be caught short by not having an adequate level of skilled adjusters to service our profession in the future.

On Friday 24 July 2015 I had the pleasure of attending the NSW Division Event held at the Kirribilli Yacht Club. It was a fabulous day in a great venue and very well organised by the committee. It was a capacity crowd and a great opportunity to mix with other insurance professionals from the local market.

During the formalities an announcement was made about the upcoming divisional AGM's. I take this opportunity to encourage you to become a member of your local council as you will have an opportunity to influence your own market and AICLA in general. In particular, we encourage our female members to join. Council positions are particularly suitable for busy people.

The Trainee Loss Adjusters Workshop is being held in Sydney on Tuesday 4 August 2015. A few positions are still available so if you are new (or near new) to Loss Adjusting please feel free to attend as the program has been designed to educate our less experienced colleagues.

The Australian Claims Convention also begins next week on Wednesday 5 August 2015. The program is excellent and includes presentations on contemporary issues such as terrorism, cyber risks, the impact of social media and defamation litigation, driverless cars and so on. If you are free to attend please do so. Limited seats are still available so be quick.

Until next time

Michael Collins
President - AICLA

NEW AND ELEVATED MEMBERS

Congratulations to the following recently admitted and elevated members:

NEW MEMBERS

Name	Class	Division
Chun Kit Yee	Provisional	Int (Malaysia)
Tri Sekti	Provisional	Int (Indonesia)
Aji Priyatna	Provisional	Int (Indonesia)
Thu Le	Affiliate	Int (Vietnam)
Cameron Sherman	Provisional	South Australia

ELEVATIONS

Name	Class	Division
Esther Verhoef	Associate	New Zealand
Ernie Westeneng	Associate	New Zealand
Simon Davies	Fellow	New South Wales
Marlyn Massey	Associate	Queensland
Paul Sheehy	Affiliate	Victoria
Ifwanto Davis	Associate	Int (Indonesia)
Adni Iljas	Associate	Int (Indonesia)a

VALE – LAURIE BEVAN – 1946 – 2015

Laurie Bevan, Chairman of Crawford & Company Australia and one of Australia's leading adjusters passed away on 13 July 2015 having been ill for several months.

Laurie was born in December 1946 and grew up in Clayton, Victoria.

He entered adjusting in London in the early 1970's whilst on a working holiday.

Upon returning he forged a strong relationship with Robert Stork and formed Stork Bevan & Co. which was eventually sold to SGS which then purchased several other businesses including MBS.

Laurie, Robert Stork, Bruce Murphy and Alistair McDonald later combined to form Robertson & Co. The business expanded significantly with the involvement of several other key partners and was purchased by Crawford & Company in July 2002.

Laurie assumed the role of CEO of Crawford & Company and thereafter became Chairman. Until the time of his passing Laurie focused on high profile mining and energy claims including some of the largest and most complex matters in the world. Laurie's career involved claims on all continents.

The industry has lost a great friend and one of its very best.

Laurie is survived by his partner Annee and children Stuart, Kylie, Aime, Laurel and Daniel.

Vale Laurie Bevan

CC15/ TRAINEE WORKSHOP



As mentioned by the President the Trainee Loss Adjusters' Workshop (4 August) and Claims Convention (5-6 August) will be held in Sydney next week. Registrations are still being accepted.

TRAINEE LOSS ADJUSTERS' WORKSHOP
Click here for information and registration forms

CLAIMS CONVENTION 2015
Click here for information and registration forms

DIVISION NEWS

TASMANIA

The Tasmanian Division is holding a seminar on Thursday, 30th July 2015. The main topic is "A Diagnostic Approach to Cracking in Buildings". The guest speaker is Hugh Mountford, a well known engineer who specialises in insurance related issues. A second part of the seminar is a presentation by Damon Symes, a leading Tasmanian solicitor with Dobson, Mitchell & Allport and this will focus on recent cases under the Civil Liabilities Act.

WESTERN AUSTRALIA



David Wills and Mark Heslin of David Wills and Associates Consulting Engineers presented on Local Authority requirements for asbestos and compliance issues arising from the recent cyclone in Carnarvon WA.

The presentation was attended by 53 Members and Guests and was well received.

QUEENSLAND

A Queensland Division Seminar and AGM will be held on Thursday 20 August at the Story Bridge Hotel from 4-6pm.

A presentation will be made by Insitu Pacific who will speak about the use of drones to assist in insurance claims. There will also be a presentation from Elizabeth Marx on the loss adjusting history project. The AGM will be followed by snacks and drinks.

The Queensland Division will be joining with Woman in Insurance to hold a Charity Race Day. Details of the event will be circulated in the near future.

ON-LINE CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

THE PRACTICAL APPLICATION OF CONTRIBUTION

The practical application of contribution calculations is a somewhat neglected aspect of loss adjusting. This issue arises when there has been inadvertent (and usually avoidable) duplication of cover, usually picked up by brokers who then negotiate deletion endorsements and reduced premium. But now and then it does raise its head at the time of claim, commonly where an ISR policy covers a large risk as well as specific computer policies being in force that cover these devices, and which have 'normal' material damage cover as part of the standard wording.

New adjusters tend to reach for their text books when these occasions occur, although they suspect that the calculations will be simple enough. But as so frequently it is not so simple!

In one of our earlier papers at CPD026 we explore the topic in some depth, giving a number of worked examples. We look at the Maximum Potential Liability method of calculating for such settlements, as well as the favoured Independent Liability method — which has an interesting and much debated alternative approach. We also mention the now outmoded Specific Cover method and even the Prior Cover method — which is somewhat contradicted by the Latest Cover philosophy!

We also briefly mention the well-known requirement under the Insurance Contracts Act that no policy may seek to deny a claim on the basis that cover is held under another policy (said to have caused much angst in the past where insureds with multiple covers found that none of them responded!), and we discuss adjusting and reporting procedures when dual cover is evident.

On another matter, our paper on the Code of Practice at CPD001 has now been updated again in line with the latest Code now in force.

The on-line CPD facility is provided for your convenience especially when work pressures or geographical position hamper attendance at conferences. We now have over 70 papers covering a wide scope and with regular additions, and we invite you to take advantage of this. Navigate to the facility on our website through 'Professional Development' on the AICLA 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.](#)