



FROM THE INSTITUTE PRESIDENT, MICHAEL COLLINS

Dear Colleagues

Changes to traditional loss adjusting work are not only happening in our part of the world. Following our travels to Indonesia last month, CEO Tony Libke, International Division Chairman Mr Budi Maharesi and I travelled to Kuala Lumpur where we met with some of our Malaysian members. It was really good to meet with them again.

After our presentation we met with Mr Benedict Burke, the President of CILA and Mr Malcolm Hyde, the CEO of CILA for dinner. Our paths happened to cross on one night only so we took the opportunity to catch up.

For those of you who are unaware, CILA is the Chartered Institute of Loss Adjusters based in the UK and was the first Loss Adjusting institute in the world whose members were entitled to use the term 'Chartered Loss Adjuster' upon the successful completion of examinations. CILA and AICLA are the only Loss Adjusting institutes that are entitled to use that term.

During our conversation Mr Burke informed us that our colleagues in the UK have experienced a 30% decrease of 'business as usual' work over the past three years. They face similar issues as we do whereby insurers are implementing different types of claims assessing models that either remove or limit the use of loss adjusters. Naturally, this is of great concern to our UK colleagues and it is anticipated that some lines of work will continue to decrease and eventually disappear altogether.

It would be unrealistic for us to sit back and think that won't happen in our patch. The Australian Loss Adjusters are already experiencing a decrease in some lines of work with the implementation of builders' models and 'off shoring' already having an impact. I was recently advised by some of our New Zealand colleagues that they too are noticing a decrease in the smaller value and higher volume lines of work.

As I see it the problem with this is twofold. Not only is it a reduction of work for those who are still practising but it is also a reduction and/or depletion of the traditional 'bread and butter' work that new comers to our profession 'cut their teeth on' just like we did. With the probability of that work diminishing altogether it will be difficult for a newcomer to enter our profession and be expected to understand and take on a major loss or a complicated claim on day one. Whilst some of us continue to assess only these types of claims for many they have been the foundation upon which they have built their careers.

My message to you is simple. Keep in touch with your colleagues and be aware of what is happening around you. Our profession like so many others is changing regardless of whether you like and it is up to you to keep yourself up to date and informed to minimise any surprise or impact.

To that end I consider it an appropriate segue to remind you of the upcoming Australian Claims Convention being held in Sydney on 20 September 2016. This year the format has been condensed into a one day event and the program is currently being finalised. The program will include a variety of topics that will help you prepare yourself for the future. I certainly encourage you all to attend and ask you make a note in your diary now.

The convention will conclude with a formal dinner and entertainment. This is a great opportunity for you to meet with your colleagues and industry friends not only to catch up on a social or professional basis but to swap notes and learn from each other. Please make the most of this opportunity to attend and participate.

On Tuesday, 10 May 2016 the Board met in Melbourne where amongst other things it unanimously agreed that AICLA would resign its membership of the International Federation of Adjusting Associations (IFAA) effective immediately. The Board made the decision based on what it considered to be in the best interests of our members.

For well over 12 months AICLA has been attempting to obtain financial and other information relating to matters of corporate governance from the IFAA to show that it has been fulfilling its fiduciary duty to its members. For whatever reason, despite repeated requests the information has not been provided.

The Board decided that AICLA will no longer promote membership or collect member subscriptions on behalf of the IFAA. AICLA has no objection in individual members choosing to remain a member of the IFAA however from now on the individual member will need to deal with the IFAA direct. AICLA has notified the IFAA of its position and I am currently discussing this matter with its President. Should you have any queries or concerns in relation to the Board's decision please contact Mr Tony Libke.

On 19 and 20 May 2016 Tony and I travelled to Wellington and met with some of our members at the NZ Division Conference and AGM. On behalf of AICLA I extend my congratulations to Mr Greig Halpin of Godfreys who was elected to the position of the NZ Chairman. I also wish to take this opportunity to thank the NZ council and the outgoing chair Mr Leon Briggs for their contribution and efforts.

Divisional Council elections are coming up again and are usually held in August each year. I urge you to consider nominating for a position on your local Council and becoming involved in your profession at a different level. I personally consider it very worthwhile as not only do you get an opportunity to get involved and add your flair but you meet so many different people along the way. Life is all about creating opportunities and this is a perfect

way to do that. I have previously stated in other newsletters that Divisional Council positions are only really suited to busy people and those who already have plenty to do.

The program for the Trainee Loss Adjusters Workshop is currently being prepared and will be released in the near future. It has been scheduled to occur in Sydney on Monday, 19 September 2016 strategically positioned the day before the Australian Claims Convention. So far the topics include how to prepare a scope of works with practical examples, report content, machinery breakdown and loss adjusting fundamentals.

The workshop is designed for newcomers to our profession and is sure to be of great benefit to those who attend. It is a time to ask questions about the work you do in an environment where everybody is there to learn. There are limited seats available for this workshop so please get in early. If you are aware of any new comers to your office, please bring this to their attention and encourage them to attend. The sessions are being conducted by qualified adjusters and other industry professionals.

Finally, I wish to extend my congratulations to all of the academic prize winners who you will find listed further on in this edition of LA News. You are deserved winners and I commend you for the effort that you have put in to further your education and prepare yourself for the future. Well done to you all.

Until next time

Michael Collins, President - AICLA



The 10th AICLA/ANZIIF Claims Convention will be held in Sydney at the Sofitel Wentworth on 20 September 2016.

The programme committee is developing topics and approaching speakers for CC16. The aim is to target high profile industry professionals to cover contemporary and emerging issues facing the insurance industry.

The Trainee Loss Adjusters' Workshop is planned for 19 September in Sydney and speakers and topics are being finalised.

PRIZE WINNERS 2015

Congratulations to the following AICLA prize winners on their awards in respect of studies in 2015 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

Loss Adjusting Diploma Prize

Paul Boylan,

Crawford & Company Australia Pty Ltd, Western Australia

Charles Buchanan Prize

Paul Boylan,

Crawford & Company Australia Pty Ltd, Western Australia

Syd McDonald Young Adjuster Prize

Paul Boylan,

Crawford & Company Australia Pty Ltd, Western Australia

Brian Geraghty Prize (QLD)

Darren Maynard,

MI6 Investigation Services, Queensland

Ted Cooper Prize (WA)

Paul Boylan,

Crawford & Company Australia Pty Ltd, Western Australia

New Zealand Division Prize

Wade Harrington,

IAG New Zealand, New Zealand

ASSOCIATE MEMBER PATHWAY

Members who are seeking to elevate to Associate status are reminded that changes came into effect on 1 April 2016 following changes to the Diploma of Loss Adjusting course syllabus.

AICLA members are now required to complete 8 modules (6 core and 2 electives) from the Diploma course to achieve Associate membership and Chartered status. For details of requirements for various categories of membership [click here](#).

NEW AND ELEVATED MEMBERS

Congratulations to the following recently admitted and elevated members:

NEW MEMBERS

Name	Class	Division
Hugo G Damasceno	Affiliate	New Zealand
Craig Hanatschek	Provisional	South Australia
Glenyss Pace	Provisional	New South Wales
Tony Baldock	Provisional	New South Wales
Keegan Harpur	Affiliate	New Zealand
Christopher Norman	Affiliate	New South Wales

ELEVATIONS

Name	Class	Division
Heru Hardiyan	Associate	Indonesia
David Coombes	Affiliate	New South Wales
Phillip Buckman	Associate	New Zealand
Wilson Wong	Associate	Malaysia
Andrew Feeney	Affiliate	Western Australia
Kenneth Yee	Affiliate	Malaysia
David McNamara	Associate	Queensland
Gregory Bray	Affiliate	New Zealand
Shaun Bransby	Affiliate	Western Australia

ASIA TRIP

Below and attached are photos from members' meetings attended by the President, Int Div Chairman and CEO held in May in Singapore, Jakarta, Kuala Lumpur and Hong Kong. [Check out more photos here...](#)



NZ CONFERENCE

A successful NZ Division conference and AGM were held in Wellington on 20-21 May 2016. Photos from the events are below.



HISTORY PROJECT

The boxes and boxes of archives, photo books, magazines, reports, letters, faxes and files that made up the research for the History Book are threatening to create an avalanche and bury me forever. Happily, the book has been written and will go into the typesetting phase in the next few weeks. It is almost impossible for me to stop tinkering with it, changing a word, a paragraph...thankfully, there are deadlines in life.

Hope you enjoy this tidbit from the archives:

While researching for the history book, I found this classification of salvage written by one of Australia's earliest loss adjusters. Ernest Bell was a well-known fire loss adjuster in his day and this is a snapshot of salvage pre 1945.

The following classes of goods are good or bad salvage :

Good: Cloth material of all descriptions except silk, hardware, boots and shoes, sugar, sporting goods, ready made garments, especially men's, ironmongery, mercery, mechanical instruments, stationery, office equipment, paints , soap, bar steel, corrugated iron.

Fair: All tinned foods, bottle contents, hams and sides of bacon, drapery, some class of groceries, patent medicines, ladies' frocks, blouses and costumes, toys, tobacco, billiard tables.

Bad: Ladies' millinery, hats and trimmings for hats, tea, flour, breakfast foods, silk materials, cooked foods, confectionery, cigarettes, fruit, vegetables.

Ernest Bell, Sydney.

ON-LINE CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

THE TIANJIN EXPLOSION

Those loss adjusters lucky enough to have the time to see the TV evening news were probably first aware of the enormity of the Tianjin explosion via that dramatic smartphone picture taken by the distant civilian observer through a Chinese apartment living room window, when one vivid explosion was quickly followed by another said to be an amazing ten times as big (we are not sure if the window survived the subsequent blast waves). Other loss adjusters working with major firms were soon on their way to help try and make some sense of one of the greatest peacetime non-natural disasters of modern times.

In August 2015, what began as an already fairly major fire in the Chinese seaport of Tianjin quickly became a completely beyond control series of explosions and fires leading to the death of at least 173 people (95 of them firefighters) and devastation across a wide area, including buildings, shipping containers and motor vehicles. The explosion caused a shock wave that was an equivalent of 2.3 on the Richter scale and it was visible from space. Tianjin, one of China's major ports, came to a complete standstill, leading to considerable supply chain problems. The immediate cost of the damage is estimated at somewhere between three billion and six billion dollars (hard information difficult to ascertain).

The cause was apparently a combination of hazardous chemicals stored in illegal quantities and close proximity, and the application of firefighting water when this was

completely opposite to the prudent action to be given to the chemical concerned. Those of us at home who take a professional interest in such things are well aware that our fire brigades have a well-organised protocol for dealing with hazardous substances. New South Wales Fire and Rescue — and doubtless other Australian and New Zealand brigades — keep a detailed register of all known hazardous substances which is regularly reviewed by chemists and others. Appliances on their way to incidents involving any such substances are alerted by in-cab printouts and radio as to the correct method of dealing with them. Those chemicals to which water must never be applied are particularly well-known. This was apparently not the case in Tianjin.

As far as storage conditions are concerned there seems to be no lack of regulation in what is after all a major trading nation that has had to comply with many international requirements. However, having a regulatory framework and complying with it are obviously very different things.

To read much more detail about the background and happening of this historic incident, access our paper at CPD083, navigating on the AICLA 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.](#)



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

The cost is 200.00 (+ GST) and the advertisement will be run for one month.

The advertisements also appear on the AICLA website **www.aicla.org**.

If you wish to advertise, please send information to **adminoffice@aicla.org**.

Advertisers can remain anonymous with job applicants responding direct to AICLA.