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IN OTHER NEWS

Don't be a Soft Target.

The main column article on Public Liability Insurance is a prime example of the big boys pushing the small tradesperson around.

Believe us when we say it was a huge battle and the business owner involved thought a number of times of throwing in the towel.

Actions had been taken to protect vehicles and plant from the wolves but there was still the underlying thought of "why should a business have to accept guilt simply because they are out resourced?"

We know of lots of people who have pled guilty simply because of the cost. To us this isn't justice, it's guilt by economics.

If you go back a decade and remember how the Plumbers Gasfitters and Drainlayers Board used to conduct discipline hearings and allocate costs if the person was found guilty you would find lots of tradespeople admitted guilt simply to save a hearing and the costs

Social Services Committee



The Social Services Committee looks at issues relating to social development, housing, work and income support, senior citizens, and youth development. A number of years ago the Federation submitted a petition to them regarding the Regulation and Governance of the plumbing, gasfitting and drainlaying

industry.

At that stage a number of reports were released regarding the Plumbers Gasfitters and Drainlayers Board. No action was taken with regard to the petition which was signed by over 1,200 people.

Recently the Federation provided the Social Services Committee with an update of improvements in the industry and outlined problems the industry still has with regulation and training.

The Social Services Committee invited the Chairman of the Federation to speak with them for half an hour on 24 May 2017. This was a public hearing and a number of interested people attended.

Wal Gordon spoke and answered questions pertaining to the Plumbers Gasfitters and Drainlayers Board performance, Government Ministers performance and relationships, training provided by the Industry Training Organisation, the cost of having apprentices and the return, the cost of regulation and the future of occupational regulation.

The Federation's views were well received generating pertinent questions. It was a well spent 30 minutes. The Federation will be sending a follow up letter to members of the committee with additional information seeking their help to right the wrongs the industry faces.

How's your Public Liability Insurance?



Do you know enough about your Public Liability Insurance coverage? By now your eyes have probably glazed over, or as an employee you are thinking it doesn't affect you but it does! The story you are about to follow will take you through a set of circumstances that could affect any one of you at any time.

associated with the investigation and hearing.

Even now there are still costs but if you are innocent then you need to be prepared to fight the fight and prove your innocence.

It may cost you in time and money but why should you accept anything less than justice?

It may take years but at the end of the day if you let people bully you into submission then they are taking away your rights.

People have died fighting for their rights so we believe the least we can do is fight for our rights.

So looking at the main column regarding Public Liability Insurance - would you fight to clear your name of a \$750,000 claim against you or would you simply pay the claim, or declare yourself Bankrupt?

Pride can be a costly attribute but pride in yourself and your work is something that no one should have the right to take away and those who do try to take it away should be put in their place.

If people don't stand up for themselves then they will be seen as a soft target and the bullies will go after them and similar people, it's just the nature of bullies.

Our advice is that if you are right then take on the fight. If you don't have the resources or knowledge then approach one of the industry groups for advice

Imagine the scenario - you go to work as an employer, task your employees with their work for the day and by 11 am one of them has accidentally set fire to a house whilst welding a pinhole in a copper pipe.

We know by experience the employee has a sickening feeling and hopes the employer has Public Liability insurance. The employer has the same feeling and thanks god he has Public Liability Insurance. He doesn't even contemplate not being covered as the policy has been in place for over a decade.

The claim is submitted and an investigator is appointed. The investigator states that you are not to talk to anyone else and that you don't have to do anything as the investigator is there for you. "Do not accept liability in any way" you are told. We now know that the circumstance may dictate if the investigator is working for you or against you.

A visit to the site shows mass destruction where the fire had tracked the building paper up the wall into the ceiling and across the roof line but also there is fire damage at ceiling level over nearly all the house which is very strange. How did the fire jump from the area where the welding was taking place up one meter inside a lined wall before the building paper caught fire?

A second major question was what were the coils of wire visible at every place where the fire brigade has smashed holes in the ceiling right throughout the house? Some holes and fire damage were 20 meters from the start point of the fire.

The investigator and Loss Adjuster estimate damage to be around \$750,000. Before leaving the scene the employer realises the coiled wire was the remains of flexible ducting. Did a heat transfer unit suck in the fire and spread it throughout the house at ceiling level?

Prior to being interviewed the employer is told the company underwriting his Public Liability Policy is also the insurer of the house which is now badly damaged but not to worry about it as two separate investigations will be conducted. As far as the employer was concerned his insurance was with the Insurance Company he signed the contract with not the underwriter.

The first to be interviewed was the employer where issues such as tasking for the job, employee experience and qualifications were discussed. One question pertained to NZS4781:1973 which is the Code of Practice for safety in welding and cutting. The Investigator spent a lot of time with questions about the precautions and requirements of this standard. We suggest you read the section pertaining to safety when welding although we will explain it at some stage. Needless to say this standard is the standard used to train people in our industry.

The employer started to get worried about the line of questioning with regard to fire extinguishers verse pails of water as required by the above standard. This was to prove very relevant later. There were also questions about "Hot Works Permits" and how they applied to this situation. Of relevance was the issuing of a hot works

or help.

There is always the Citizens Advice Bureau, Legal Aid and others community groups. The big thing is you won't know if you can get help unless you ask.

Just because you are in full time employment or are self employed it doesn't mean help stops.

As with any incident the first stage is to try and negotiate your way out of the situation without cost. If that fails then you have lost nothing and you move on to your other options.

Simply folding to false accusations and claims should not be an option because if you do then you may as well give the individual or company your bank account number and PIN and tell them to take what they want.

Don't use lack of experience as an excuse, as we know of people with only two years secondary education who have had wins in the Regulation Review Committee and the Office of the Ombudsman against the Government. It was the passion and sense of what was right that got them through.

They got help, read up on what to do and went for it. No legal costs, nothing.

The way the Federation operates is another good example of thinking about the end product and how to achieve it at minimal cost. Just over \$9,000 a year to fight off the bullies for the industry and to achieve results as well.

permit to you by you!!

The employee was interviewed and a few weeks later the news arrived:

Claim declined!!

You really don't know the sinking feeling until it happens to you, but remember it could happen to any of you at any time. So where's the all so helpful investigator now? The one that was there to help you that just helped put the knife into your back and where's the help from the insurance company you took out your policy with?

There was no help - only information on the appeal process.

So why was the claim declined? This is part of what was said:

You took out insurance cover under the XXX Business Insurance Policy ("the Policy"). The Policy provides Broadform Liability cover.

Under the Broadform Liability cover, the policy contains a warranty "Fire risk work away PLB510", which provides cover for work, at premises other than your own, involving open flame.

Work involving an open flame at a customer's house is high risk. To protect against this risk, the policy requires that the specific precautions are taken and maintained by you. These precautions are written into the policy in the form of conditions.

The conditions that you have to have followed to be covered for a claim include:

a. The area of the work will be cleared of combustible material for a safe distance from or beneath the place where such work is being carried out. A safe distance will be not less than six metres when welding or cutting operations are carried out. Where such precautions are impracticable such material will be covered with fireproof blankets or similar protective equipment. Combustible parts of premises will be similarly protected; and

b. A fire extinguisher of a type and capacity suitable for the combustible material and the premises will be kept immediately adjacent to the area of work and available for immediate use.

Failure to comply with one of these conditions enables XXX to decline the claim.

The Broadform Liability cover is also subject to a condition "Duty of Care" which provides that the persons insured must take reasonable precautions to prevent damage to property.

The Employers first thought – Fire risk work away PLB510, never heard of that and what's this shit about "Duty of Care"?

This is a long story so at this stage we advise you to get your Public Liability Insurance policy and have a good read because what we tell

The Federation researches and questions anyone whom they feel may have relevant information.

So don't back down to the bullies step up and work your way through it. Don't forget to follow the main column story on Public Liability Insurance over the next few weeks as there are some great lessons to be learnt.

you in the next edition of Fellow Practitioner may shock you with regard to the accusations made by the insurance company.

Next time - what is a Broadform Policy, what is PLB510 and how does duty of care come into the claim.

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