

HELICOPTERS ARE VERY DANGEROUS IN THE WRONG HANDS



Documents obtained under the Official Information Act show leading up to the eruption, Local Government Minister Nanaia Mahuta's public safety responsibilities were ill-defined, and still are.

Whakaari's distance offshore means it does not come under the authority of any city or district council. As minister since 2017, Mahuta has automatically been the territorial authority for 11 offshore islands such as Whakaari/White Island, Mōtītī Island and Tūhua (Mayor Island).

The precedent is French Pass disaster where both the boat owner and the driver were given 4 prosecutions each for their folly to take tourists to their death. Our view is that the failures were all in hazard ID & risk analysis before the events.

Summit Manager Name _____

Telephone/Email _____

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2 Pet 1.1 Simon Peter, a servant & an apostle of Jesus Christ, to them that have obtained like precious faith with us through the righteousness of God & our Saviour Jesus Christ: 2 grace & peace be multiplied unto you through the knowledge of God, & of Jesus our Lord, 3 according as his divine power hath given unto us all things that pertain unto life & godliness, through the knowledge of him that hath called us to glory & virtue: 4 whereby are given unto us exceeding great & precious promises: that by these ye might be partakers of the divine nature, having escaped the corruption that is in the world through lust. 5 And beside this, giving all diligence, add to your faith virtue; & to virtue knowledge; 6 and to knowledge temperance; and to temperance patience; and to patience godliness; 7 and to godliness brotherly kindness; and to brotherly kindness charity..

NZ HEAD OFFICE ADDRESS, 77 Tarewa Road, Morningside, Whangarei NZ0110
 TEL 09 438 7555/7550/7554, MOB 021 070 9141 CEO gpcarson40@yahoo.com
 EMAIL safetynz@xtra.co.nz web www.summitsystems.co.nz Skype Andrews_herb
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News, Views, Solutions
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THE CHAMPION LOSS ADJUSTER FOR 2020

This is to record that some five years ago I visited a large site in Dargaville and asked what the amount of ACC was per annum. I was informed that it amounted to \$250,000 per annum and so I asked if they would like to get half of their money back. The lady got terse and irritated and told me to get lost and go home which I promptly did. The same happened for the next 3 years.

Year number five I asked once again how things were going and she said that she had some news for me. She had checked with ACC Head Office and was told that what I had claimed and advised was correct. She was too embarrassed to call me for help so she proceeded to seek help from ACC itself. They did help her and she got back \$90,000 which she was more than happy with.

What she did not know was that ACC is an insurance and exactly the same formula would apply to her insurance for 45 large trucks and trailers and my estimate of her insurance was \$300,000 to \$330,000 per annum say an average of \$315,000 as a rough calculation.

Insurance is set at 2% of the insured value for the standard rate and 4-5% for the recently loaded rate and 1% for the well managed risk and 0.5% for highly managed risk. Let us assume a fleet value of nearly \$8 million. I recall one site in Christchurch was paying \$8,000 p.a. for its flashy truck and trailer delivery unit. Let us assume that the site was paying an average of 4% due to recent claims or \$7,000 each for 45 vehicles = \$315,000 p.a.

So this lady did not get the benefit of my knowledge for insurance since she found it too hard to understand ACC. Besides she would miss her lovely annual dinner for two with the Broker worth \$1000 that was paid for by the Broker. What she did not know was that the Broker was getting 20% of the total annual levy and did not want her to improve her rating in any way whatsoever as it would reduce his fee.

So this lady was the 2020 champion that cost her company \$1.5 million over five years. We are sad to say there are many people who will not listen to the facts.

THE ACC AND INSURANCE STORY IS NOT YET FINISHED

The story on page one needs to go a little bit further as you still do not know the full story. The Broker is an agent for a Company that Brokers insurance. Brokering is the business of matching a client with an insurer and underwriter.

The main problem is that the NZ Brokers are not really helpful Brokers they are Agents and nearly always work for one Insurance Company and sometimes have a reliable Underwriter. The Underwriter is the company that holds up and makes good the Broker Company if it gets caught out with a major disaster such as Earthquake or Flood or similar.

So the Broker can and should always get the best deal for the client but this seldom if ever happens. Instead the Broker will fiddle with a margin of 10-15% for tidy operations or nice clients to deal with. Seldom does a client have the knowledge and gall to insist on an Underwriter Actuarial rating for a better deal. A good Actuary can offer half rates or quarter rates for excellent clients that have proof of International Audits completed by qualified Auditors such as SSL. Unfortunately, this is how many clients fail to get the best deals.

HOW DOES SUMMIT KNOW THIS?

We are pleased to advise that we have been in the risk and insurance field for nearly 30 years. We have dealt with several insurers and they are all good to deal with so long as we do not contest their fees and inform their Clients of genuine facts as the Brokers do not wish to be shown up or exposed.

We are happy to get you the names of International Directors who are reputable people and they can give you the evidence that you might need to persuade your Directors who find all of this much too hard to believe.

So that we do not waste all of our time to try and satisfy a wild goose chase we would be more than glad if you would do some research into International Broker firms and check up on Underwriters around the world ie how they operate. You also should find out what the real role of the Loss Adjuster is - it might surprise you when you become informed. It is the opposite of what you think or that is our view of the situation.



3.

WHITE ISLAND MASS PROSECUTIONS BY WORKSAFE NZ

All 13 defendants accused of health and safety breaches in the lead-up to the deadly Whakaari eruption have pleaded not guilty.

There were 47 people on the Bay of Plenty volcano when it erupted on December 9, 2019, most of them international tourists. Twenty-two people were killed and many others were seriously injured.

Last November, just before the first anniversary of the disaster, WorkSafe announced it was laying charges against 13 organisations and individuals.



Whakaari/White Island was smothered in grey, on December 9, 2019. A super-heated, highly-acidic eruption tore across the crater without warning. Ash concealed huge landmarks - helicopter landing pads, an old sulphur factory and a shipping container.

Eight adventurers died on the submarine volcano. Another 16 would later succumb to horrific burns, inhalation and blast injuries. And 25 survivors were left with lifelong physical and mental recoveries from the explosion.

Despite tourist companies leading visitors on to New Zealand's most active volcano for decades, some stakeholders' health and safety obligations were unclear. Fourteen of the charges have a maximum penalty of \$1.5 million in fines. Details of the charges were spelt out across 19 pages of charging documents.

Whakaari owners Andrew, James and Peter Buttle and Whakaari Management Ltd, the Institute of Geological and Nuclear Sciences, the National Emergency Management Agency, White Island Tours, Volcanic Air Safaris, Aeries Ltd, Kahu NZ, Inflight Charters, ID Tours New Zealand and Tauranga Tourism Services were all charged after WorkSafe filed a total of 20 charges.

The Buttles are alleged to have failed with due diligence duties, including failure to acquire and keep updated knowledge of work health and safety matters and failure to gain adequate understanding of the hazards and risks associated with access to Whakaari. Their company, Whakaari Management Ltd, is also alleged to have failed its duty to workers and tourists, including ensuring "an adequate means of evacuation from Whakaari".

The **Institute of Geological and Nuclear Sciences** is alleged to have failed to ensure the safety of pilots travelling to and remaining on the island.