

# The Rosser Roundup

NEWS, VIEWS AND OPINIONS ON INSURANCE AND BUSINESS

ROSSER

## QUOTE OF THE MONTH

**"Never be afraid to try something new. Remember, amateurs built the ark.  
Professionals built the Titanic"**

**- Author unknown**



**Ryan Clark**  
Head of Rosser Underwriting

## Highlights and heads-up

Dear Broker Partner,

As this will be our final edition of The Rosser Roundup for 2022, I want to take this opportunity to say a big thank you to our entire broker network for their ongoing support.

It's once again been a big year of change, but it's set us up well for what I know is going to be a great next 12 months for Rosser, where we'll continue to strive to deliver exceptional service and tailored solutions, products and advice.

One particular inclusion in this edition of The Rosser Roundup to which I want to draw your attention is the article about new whistleblowing legislation, and the risk of personal grievance claims if employee whistle-blowers are disadvantaged.

Rosser's SurePac Liability policy responds to claims arising from wrongful acts in connection with the employment or termination of an employee.

A significant benefit of our coverage is that insureds are able to access complimentary legal advice from Wotton + Kearney of up to one hour on any insuring section for which they are covered under their policies.

See page 5 for the full article, and to find contact details for Wotton + Kearney Partner, Rebecca Scott.

I do hope you enjoy the festive season after this very busy and interesting year and have a safe and happy summer break with friends and family.

On behalf of everyone on the Rosser team, we look forward to continuing to partner with you in 2023.

Our offices will be closed from Friday 23rd December until Monday 9th January.

Warm regards  
**Ryan**

## November 2022

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**This is the final edition of  
Rosser Roundup for 2022.  
We hope you've enjoyed reading  
our newsletters and we look  
forward to bringing them  
to you again in 2023.**



**Our offices close at 2pm on Friday 23 December and will reopen on Monday 09 January.  
For urgent assistance during the holiday period please contact  
Alex Plank on 029 958 6253**

## Local Government Bill to improve natural hazard information for property owners and potential buyers



**Tim Grafton**  
**Chief Executive**  
**Insurance Council of New Zealand**

The Insurance Council of New Zealand Te Kāhui Inihua o Aotearoa (ICNZ) welcomes the introduction of the Local Government Official Information and Meetings Amendment Bill.

The Bill includes provisions to open the door to greatly improved information on natural hazards, such as flood risk and coastal erosion, for property owners and potential buyers. Importantly, the Bill specifically allows projected climate impacts to be considered.

We have a real and ongoing problem with building and maintaining assets in dumb places that stand to cost many property owners and ratepayers dear as the impacts and costs of climate change continue to worsen,” said ICNZ Chief Executive, Tim Grafton.

“Clearer requirements for councils around the inclusion of natural hazard information on land information memorandums (LIMs) and protection for them in providing that information are long overdue.”

Individuals, communities, councils and lenders all need to know the long-term hazard outlook when considering committing to long term borrowing, investment and maintenance obligations.”

This should cover at least the next 50 years where such information is available. In particular, people and lenders should have access to, and look carefully at, all available hazard information when considering applying for, or writing, a mortgage,” said Grafton.

“Beyond the enhanced provision of hazard information, it is also long past time that councils do more to simply stop development in high hazard zones, particularly those identified around our coast and in known flood zones.”

**ICNZ** Insurance  
Council of  
New Zealand  
Te Kāhui Inihua o Aotearoa

# Key battle in the war against inflation - jobs versus inflation

Economic commentary from **Cameron Bagrie**



**Cameron Bagrie**  
Managing Director & Chief Economist -  
Bagrie Economics

Inflation remains the issue-de-jour with two key issues intensifying; rising expectations of where inflation is going to be, and the potential for a nasty trade-off between inflation and jobs.

Expectations of inflation two years out have risen to 3.6 per cent.

Inflation has been outside the 1 to 3 percent policy target for 18 months. If those two years ahead expectations manifest into actual inflation, it could mean 5 years above target. Low inflation expectations are essential for central banks' credibility.

Inflation expectations are one driver of actual inflation. Firms and households consider expectations of inflation when making economic decisions, such as wage contract negotiations or firms' pricing decisions. That feeds into the actual rate of increase in prices. So, when two-year ahead inflation expectations rise from 3.1 percent to 3.6 percent over a quarter, alarm bells ring.

Longer-term measures of inflation expectations such as the 5- and 10-year measure are lower at 2.4 percent and 2.2 percent respectively, though both are drifting up.

## **A glass half full**

If we can get out of this Covid, Ukrainian, global supply chain shocks, printing money, over stimulated economy, and excessive government borrowing/spending driven cost of living mess with inflation not too far from target, there are arguments for taking that as success.



A bit of inflation helps erode many evils including debt, and governments have a lot of it.

## **Reality check**

When 56 percent of New Zealanders rate inflation/the cost of living as a major issue, and far beyond the second top issue (housing), we need to take note.

Inflation and rising costs are throttling families, and businesses.

Amidst the strongest labour market, and most rapid wage and income growth in decades, we have huge demand for school lunches and food parcels, and

families struggling to make ends meet. Crime/law and order is a major problem.

## **The battleground**

Within a central bank war against inflation, there is a key battle we do not like to talk about.

It is jobs versus inflation.

Unless we can unlock a supply-side miracle, containing inflation means hits to employment and higher unemployment.



That is overly simplistic. There will be considerable economic pain in other areas along the way.

Containing inflation has already meant household wealth destruction to the tune of \$130 billion in six months. That is against a rise in wealth of \$670 billion in the preceding two years though.

Mortgage pain is around the corner. There is \$160 billion of mortgage debt to refinance in the coming year.

Continued...

## Key battle in inflation war is “jobs versus inflation” ...continued

The yield on bank mortgages is 3.8 per cent. Rates on offer are six per cent.

House prices are falling, which normally flows into the economy quickly, yet demand for workers remains strong for now.



The construction cycle will be next to turn and follow house prices. The profit cycle after that. Margins will be a compression variable as cost increases are matched by buyer resistance.

Some argue firms should just wear it and make less money. The reality is that firms will take a hit but will also cut costs.

There is also however, some rebalancing towards workers needed, and business profit share of the economic pie does look set to ease.

Labour market power is tilting towards employees, with worker shortages being caused by structural factors such as under-investment in people (think healthcare), demographics and political direction.

The economy is exceeding maximum sustainable employment, a fancy way of saying unemployment is too low, and we do not have people with the necessary skills to meet demand.

**“Tough trade-offs are ahead. Inflation causes pain. Taming inflation is not friendly for growth, asset prices, business, households, or employment.”**

Wages are surging, which is a good thing, but lacking productivity to match, it is adding to costs and inflation, which adds to wage demand. That spiral needs broken.

No one wants to see higher unemployment. The economic

and social consequences are awful. So too is inflation.

Unless we unlock a supply side miracle in the form of policies aimed at stimulating supply (immigration settings, boosting competition, lowering compliance costs), and boosting productivity, a consequence of less growth, hits to businesses and households, will be fewer jobs.

Tough trade-offs are ahead. Inflation causes pain. Taming inflation is not friendly for growth, asset prices, business, households, or employment.

If we do not set in place policies to boost supply, or the costs of hitting demand become too tough to bear, the temptation might be to shift the inflation goalposts.



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[www.rosser.co.nz](http://www.rosser.co.nz)



# Protected disclosures - whistling while they work

Legal article from Wotton+ Kearney  
by Rebecca Scott



**Rebecca Scott**

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New Zealand recently introduced updated whistleblowing legislation – the Protected Disclosures (Protection of Whistleblowing) Act 2022 (the Act).

The Act's purpose is simple – facilitating disclosure and investigation of serious misconduct in organisations and protecting those who disclose. The aim is to support ethical behaviour by providing a safe way for people to raise serious concerns.



New Zealand has had protected disclosure legislation since 2000, but a speak-up culture has been slow to develop. Employees are well placed to report serious misconduct in the workplace, but government consultation before the Act showed that people didn't feel safe raising concerns.

Awareness of protections was also low – according to research, nearly 30 percent of employees across Australian and New Zealand workplaces did not know what support their organisation provided to reporters of wrongdoing.

The Act follows the 2017 inquiry into fraud by Ministry of Transport employee Joanne Harrison. Harrison stole over \$723,000 from her employer and was involved in terminating the employment of other employees who reported her. Three staff received a package of redress and settlement, for the disadvantage they suffered after raising valid concerns.

The Act strengthens whistle-blower protections, widens the definition of serious misconduct and provides clearer pathways for organisations handling whistleblowing reports.

Disclosers are entitled to confidentiality, freedom from retaliation or being treated less favourably, and immunity from civil, criminal and disciplinary proceedings. Disclosers can by-pass reporting internally and go to an appropriate external authority at any time.

Whistleblowing laws have often been perceived as applying just to the public sector. While the previous whistleblowing legislation did include the private sector, the scope of the Act extends this. Serious misconduct now specifically includes:

- Unlawful, corrupt, or irregular use of public funds or public resources.
- Conduct that is oppressive, unlawfully discriminatory, grossly negligent, or gross mismanagement, by a person performing a function or duty or exercising a power on behalf of a public sector organisation.

International examples of serious misconduct reported by whistle-blowers include financial wrongdoing, such as procurement fraud, tax avoidance and money laundering.

Continued...

## Protected disclosures - whistling while they work - continued

The new Act broadens serious misconduct to include a serious risk to the health or safety of any individual. We expect bullying and harassment to be increasingly reported under this provision.

Disclosures can cause disruption and division and employers need to take care not to discipline, disadvantage or dismiss where a whistle blower becomes a thorn in their side. The Act confirms that an employee has personal grievance if an employer retaliates, or threatens to retaliate, against an employee for a protected disclosure. Claims are also available under the Human Rights Act if a person is victimised for disclosing.

A recent UK Employment Tribunal case illustrates the risk for employers. An orthopaedic surgeon, Dr Kumar, was seconded as a specialist advisor for the Care Quality Commission, to oversee hospital inspections and patient safety.

He made 11 disclosures, mainly about patients suffering significant harm and death due to negligently performed operations. The CQC terminated the secondment role, essentially as a result of Mr Kumar raising these concerns.

The Manchester Employment Tribunal found the CQC had disadvantaged Dr Kumar, and that his protected disclosures had materially influenced their conduct. It awarded him compensation of 23,000 pounds.

Employers should act scrupulously when dealing with whistle-blowers. Organisations should ensure that their protected disclosures policies and procedures are updated in line with the Act, and employees understand whistleblowing processes and protections. Appropriate internal procedures are compulsory for public sector organisations. They must publish these widely (and at regular intervals), with adequate information about how to use the procedures.

This article is intended to provide commentary and general information. It should not be relied upon as legal advice. Formal legal advice should be sought in particular transactions or processes or on matters of interest arising from this publication.

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## Complimentary Legal Advice



### FREE LEGAL ADVICE FOR YOUR CLIENTS

The article above provides information about employment law relating to whistle blowing. Rosser's **SurePac Liability** policy responds to alleged employment disputes and personal grievances arising from wrongful acts in connection with the employment or termination of an employee.

A significant benefit of a **Rosser SurePac Liability** policy is that Insureds can, during the policy period, access complimentary legal advice from Wotton + Kearney.

The complimentary advice is available for up to one hour with respect to issues within any insuring section for which they are covered under the policy.

For tailored advice on employment issues contact:

**Rebecca Scott**

Partner,

Wotton + Kearney

E: [rebecca.scott@wottonkearney.com](mailto:rebecca.scott@wottonkearney.com)

P: 09 377 1871

# Connecting the pieces at the NZbrokers conference

After a Covid-inflicted delay of over two years, it was great finally to be able to get together in person again at the NZbrokers conference in Auckland this month.

Held over three days and nights at the Cordis Hotel, brokers and other industry professionals enjoyed the opportunity to connect, tell stories and share knowledge, and to hear insights from guest speakers such as economist Tony Alexander, entrepreneur Dr Michelle Dickinson, and Xero's Managing Director Craig Hudson, to name a just few.

Rosser was privileged to be a Gold Sponsor at this year's event, with Ryan Clark (Rosser) and Chris Lynch (360 Underwriting) both in attendance and staffing our stand.

An innovative "speed-dating" format for presentations saw delegates able to choose seven topics they would like to learn more about and rotate through them in quick succession.

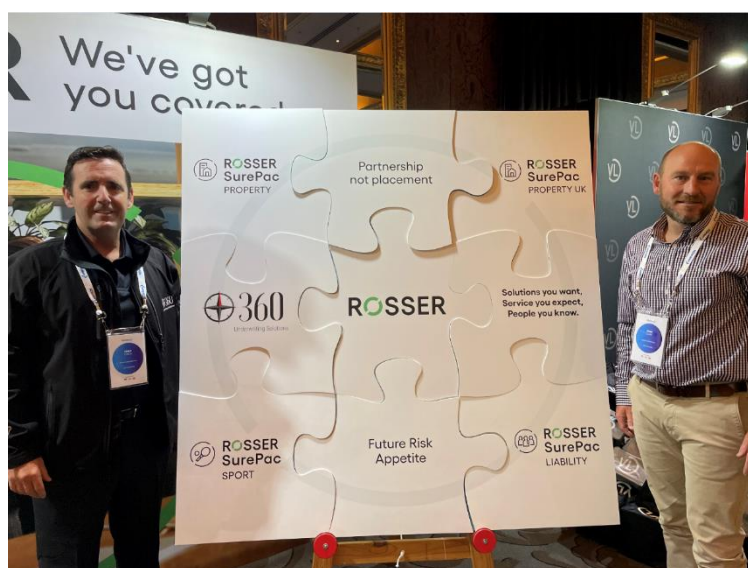
Rosser's "The Rosser Jigsaw" presentation proved to be both unique in style and a popular destination to visit.

Attendees were under a time limit to assemble giant puzzle pieces in the right order, in order to learn more about the elements of Rosser's business they depicted, such as:

- our history & footprint,
- unique coverages under our product offerings, and
- our upcoming plans and strategy.

All participants had a great deal of fun, and we anticipate that jigsaw-based presentations will be the way of the future, and hopefully replace PowerPoint before much longer!

Thanks to everyone involved for a great occasion, and we look forward to continuing to work with you.



## Above:

Chris Lynch (L) Director of 360 Underwriting Solutions and Ryan Clark, Head of Rosser Underwriting on duty at Rosser's jigsaw display stand.

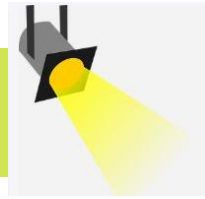
## Right:

The jigsaw ready for completion by conference attendees.





# Broker in the spotlight



"I'm a Coromandel girl at heart, and spent most of my early years escaping School to the beach," says Christchurch-based **Monique Bond** of Clarity Insurance Brokers Southern. Her family later moved to Tokoroa, where her uncle was involved in the forestry industry and Monique "narrowly missed taking a Forestry Scholarship and becoming a professional tree hugger."

Despite her earlier efforts to avoid the classroom, Monique spent 7 years at Auckland University and says one of her best ever decisions was taking a part-time job in claims at Vero Insurance. That experience and meeting many insurance professionals while in the role, inspired her to take the Insurance Law special subject. Joining the industry after University, Monique worked, among others, at Marsh and Gen Re, then AML and NZI after moving to Christchurch.

"The Christchurch Earthquakes compelled me to advocate for Insureds and after 12 years and over a billion dollars' worth of claims later... I was fortunate enough to be able to start a business with someone I had immense respect for - Jason Harkness. We established Clarity Insurance Brokers Southern. I love being in Canterbury, I married a Cantabrian and had my kids here in Christchurch - I guess that's the best decision I ever made!



**Monique Bond**  
**Clarity Insurance Brokers**  
Christchurch

**What do you enjoy most about your role as a broker?** *It sounds cheesy, but it's the clients. Handling the Christchurch insurance claims as a Broker reinforced the critical role of Brokers as advocates for the Insured.*

**What is the main point of difference CLARITY offers its clients?** *I have been the Client, and the Insurer - that brings a holistic perspective, overlaid by being an Insurance Law Expert with 30 years' experience. We are specialists in negotiating and implementing group insurance facilities.*

**Do you see any emerging insurance trends with your clients?** *Clients are much more interested in Insurance and what's going on - often the conversations are technical.*

**How do you prefer to start your day?** *It used to be coffee! Now it's Gym, then coffee.*

**What key advice would you give someone starting in insurance today?** *There are so many options of where you can work and what you can do. My advice would be to try different roles and choose what suits best.*

**What are three career lessons you've learned thus far?**

1. Choose great people to work with;
2. Choose interesting work; and
3. Give it your all.

**I like dealing with Rosser because...** *Rosser have exceptional communication, unique product and are great to deal with.*

**Before working in insurance the most interesting job I've had was...** *Working on a Thames hill country sheep farm.*

**My favourite memory of the past year was...** *Jason and I agreeing to launch Clarity Insurance Brokers together in Christchurch.*

**My dream car is a...** *Maserati Convertible*

**The person (dead or alive) I would most like to meet or interview is...** *John F Kennedy.*

**What's the most recent app you've downloaded on your phone?** *Sky Guide and prior to that, Flightradar24.*

**The New Zealander I admire most is...** *Mike King because of his advocacy for Mental Health particularly suicide, and the dedication of his life to helping all people who are struggling.*

**What has been the most influential event in your life?** *The death of my brother to suicide, which makes nothing else in life hard.*

**How would you spend a million dollars in 24 hours?** *Give it to Mike King.*

**The worst (non-work related) task I've ever had to do was...** *Shovel sheep shit up to my knees under the shearing shed, which I fell over in.*

**Whenever I get the chance to escape for some relaxation I love to...** *Head to the beach and get in the surf.*

**The weirdest food I've ever eaten is...** *Pigs brain.*

**As a kid, my ambition was to be...** *The best at marbles.*

**My favourite holiday spot in New Zealand is ...** *Queenstown before the rush, now Stewart Island.*

**My family reckon I'm...** *Annoying.*

**You can gain a new skill in 10 minutes. It would be...** *Bonsai.*

**What is the first thing you'd buy if you won Lotto?** *A beach bach.*

**The best place I've ever travelled to is...** *Hawaii - for the weather, beaches and food.*

**What do you always want to try - but never have?** *Get to bed early.*



# Looking forward to Christmas?



WELL, IF YOU WANT SANTA TO VISIT, YOU'LL HAVE TO WIDEN THE CHIMNEY BY 12.4 CENTIMETRES, INSTALL NON-SLIP ROOF TILES, BUILD A LANDING PLATFORM AND PROVIDE ORGANIC FOOD AND TOILET FACILITIES FOR HIS REINDEER...



"Dad, I'll assemble yours if you assemble mine."



"Writing Christmas cards shouldn't be this complicated dear!"



"I've been good. Let's just leave it at that. My lawyer has advised me not to answer any more questions."

# Meet the Rosser underwriters

Another article in our series profiling members of our underwriting team



**Tim Wilkes**  
**Underwriting Development Manager**  
**(UDM)**  
**Waikato to Wellington**

Don't hold his being English against him! Tim started his career underwriting general UK commercial business before moving to the Lloyd's broking arena, placing multinational energy programmes with global insurance markets. Tim met his Kiwi wife in London and they moved to NZ in 1998, arriving after a ten-month honeymoon travelling overland from London to Cape Town. Outstanding moments

included crossing the Sahara, being held at gunpoint by Angolan mercenaries, spending a night in jail in DR Congo, and whale watching in South Africa.

Gaining further experience at major insurers, agencies, and brokers, Tim joined Rosser as UDM for the Waikato/BOP/East Cape region in January 2021, and recently added the rest of the Lower North Island to his portfolio.

Tim has focussed on getting to know his brokers, hampered for much of the time by Covid-related travel and interaction restrictions. "It's been frustrating, because getting out and seeing people is the most of important part of the job", says Tim. "Meeting brokers to understand their concerns and learn how we can help them grow their own businesses is really rewarding."

Tim has some words of wisdom for brokers about their submissions: "When I look at a risk, information is critical. It's often what is not said that defines a submission. Telling

us as much as you know – warts and all – gets a better response and makes for a better overall relationship."

Rosser is known for its property and liability offerings, and Tim says, "What many brokers forget is that our liability product includes full financial lines covers, and our appetite here is pretty broad. I encourage brokers to call and talk me through a risk. They're often surprised at what we can write."

Outside work, Tim is often tramping in the mountains and hills, with an occasional foray to family baches in the Coromandel and Lake Taupo for some fishing. "Climbing a great big hill might not be top of everyone's agenda, but the feeling of satisfaction when you get to the summit is a real endorphin rush, and that's important for mental health."

Tim's underwriting philosophy is best summed up by advice given to him by a mentor some years ago: Do anything for a client except make a loss.

## Our Underwriting Development Managers are here to help

			
<b>Nisha Mirpuri</b>	<b>Tibi Beck</b>	<b>Tim Wilkes</b>	<b>Kirstee Nadin</b>
<b>Auckland</b>	<b>Auckland &amp; Northland</b>	<b>Central &amp; Lower North Island</b>	<b>South Island</b>
<b>P: 09 300 6442</b> <b>M: 027 252 8894</b>	<b>P: 09 302 0117</b> <b>M: 027 488 8894</b>	<b>P: 07 839 3957</b> <b>M: 021 077 6678</b>	<b>P: 03 365 2664</b> <b>M: 027 599 9094</b>

Contact your UDM for product information, coverage advice, quotes or any other support  
Email your Rosser Underwriting Development Manager: [firstname.lastname@rosser.co.nz](mailto:firstname.lastname@rosser.co.nz)

**FREephone: 0800 867 677**

# Rosser Risk Appetite Summary

Effective from 1 January 2022



## **ROSSER SurePac** PROPERTY

### **Sums Insured including BI up to \$20m**

- Aged Care, Rest Home Organisations
- Cafes, Restaurants/Bars
- Chartered Clubs
- Commercial Buildings
- Day Care/Child Care Centres
- Education Facilities
- Engineering Workshops
- Fitness Centres
- Motels, Hotels, Lodges
- Motor Trades
- Non Profit Organisations
- Office Buildings
- Religious Organisations
- Retailers
- Sports Clubs
- Non-sports Recreational Clubs & Groups
- Warehouses (appropriately protected)
- Wholesalers



## **ROSSER SurePac** LIABILITY

### **Liability Limits up to \$10m, Companies with Annual Turnover up to \$50m/50 Employees**

- Charitable Companies
- Charitable Trusts
- Chartered Clubs
- Incorporated Societies
- Iwi Organisations
- Limited Companies
- Partnerships
- Private Trusts
- Professional & Industry Associations
- Quasi Non-Governmental Organisations, Statutory Bodies
- Religious Organisations
- Social Service Organisations
- Sole Traders, Trusts, Body Corporates
- Sports Clubs & Federations



## **ROSSER SurePac** PROPERTY UK

### **Sums Insured under \$8m**

- EQ Prone Buildings and/or Lessees
- Natural Disaster – Higher Risk Cresta Zones
- Premises built prior to 1936
- Premises with low NBS%

### **NON-TARGET LIABILITY RISKS**

- Accountants, Architects, Engineers, Solicitors & Real Estate,
- Construction/Project Management
- Financial Institutions
- Gaming Trusts

### **NON TARGET PROPERTY RISKS**

- Backpackers/Boarding Houses
- EPS Construction
- Entirely Residential Body Corporates
- Flammable Goods Manufacturing/Warehousing
- Jewellery
- Laundry & Dry-cleaning
- Liquor & Tobacco/Cigarettes
- Motor Vehicle Dealers
- Paper Product Manufacturing or Storage
- Plastics Industries
- Recycling and Waste Management
- Remote risks

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