



BRUCE D. BAKER

## WAIB'S BAKER

# I SPELL RELIEF . . . 'TORT REFORM'

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Reform was formed to look into the various problems in the liability area and come up with meaningful recommendations to be considered. This they have done and have come up with some 30-35 recommendations to bring about relief.

At the same time, the Governor of this State appointed a California Joint Legislative Committee on Tort Reform to do a similar study on Tort Reform and make recommendations to be considered by the Legislature. The Committee needless to say included many of the legal profession.

The results of this Legislative Committee have been recently published by our various trade publications and as you should all know by now, *there was not one* suggestion of any "Tort Reform," but a plan to over-haul the insurance mechanism and industry. To me, *the results of this study are a complete travesty and an insult to the consumer.* I know that our industry is not perfect and change is necessary, but we shouldn't tolerate such a "White Wash" report.

Our industry reaction should be revolutionary. How can two study groups, assigned the same topic, "Tort Reform," come up with so unbelievable different conclusions, with one group not even mentioning the words Tort Reform. I believe the answer is obvious and that the lawyers in the legislature would rather have the public believe all

of their problems are caused by the insurance industry and bury any idea of "Tort Reform."

I believe the consumer to be more intelligent than to stand for this treatment, but they need the facts. We need to educate the public, so they can reach the proper conclusions.

### Never A Better Time

There was never a better time than now to stand up together to fight this problem. No one person, or organization can change public attitudes alone, but acting together in concert, we can. We have every trade and professional association wrestling with the same problem. We have every company president and every consumer facing this problem. What we need is the leadership. Some one group needs to take this lead and I am confident they will get the needed support. We can do it through the legislative and democratic process. We must not be intimidated by the lawyers in the legislature. We can come up with the solution and we must do it now.

We must initiate our own change and not let it happen to us by others who do not understand our profession. Let's set this as our goal for 1979 and not let the work of a hard working Citizen's Committee get shelved or buried. When some one asks you how to spell relief, it is spelled "Tort Reform."

Some people, I am sure, would say that I am beating a "dead" horse. I personally believe that the horse is not only well, but needs to be tamed. I am of course referring to "Tort Reform."

One year ago I said, "I believe Tort Reform is the most important issue we face in the insurance industry." After looking back on what has and has not happened during this past year, I feel even stronger in my convictions that substantial Tort Reform is not only important, but necessary for the survival of our industry and protection of the consumer.

I said also, "It is time for the industry to stand up together and present a united voice to educate all." Looking back in 1978, I am sorry to say that we are not united and we lack effective industry leadership. We all seem to serve our self interests in our own businesses, companies and trade organizations, and cannot see or wish to believe what is going on around us or to us.

I believe if some sort of meaningful Tort Reform does not come to pass in the near future, the insurance industry will not be able to provide and the consumer will not be able to afford the needed protection.

Every part of our consumer community would benefit from some sort of Tort Reform, except possibly some trial lawyers. Every business man, manufacturer, professional doctor, dentist, children's camp owner and all their various trade associates have felt the need for relief through Tort Reform. Several years ago the companies realized they were loosing an abundance of money in the liability area, so premiums skyrocketed and the market place shrunk and everyone screamed, "we need relief."

### Some Of The Facts

Let's look at some of the facts to prove my concern for the future. Several years ago a Citizens Committee for Tort