Claim Example

Statutory Liability

Human Rights Act

A social studies teacher in a private school complained to the School Principal that his Head of Department was discriminating against him because he was of Indian origin. He maintained that the HOD was limiting his class work to just junior classes thereby denying him a proper career path. He alleged that the HOD had told him that his spoken language was regarded as a "bit of a joke" by senior pupils and that he would be unable to command sufficient respect from senior classes to effectively teach the curriculum.

The allegations were denied and the dispute was dealt with by the School as an employment matter. It was reported to VL as a possible claim, under an Employment Disputes policy, for a personal grievance and duly ended up as a mediation by the Labour Department which was settled in the teacher's favour with an award of \$2,000 and an undertaking that his future work would not be restricted to junior classes. VL's lawyer represented the school.

Despite this outcome, the teacher resigned some three months later and the school received a claim under Sections 21 and 22 of the Human Rights Act and demanding compensation of \$120,000 for hurt and humiliation and loss of career opportunity.

VL duly received a claim under the School's Statutory Liability policy and engaged appropriate counsel to assist. It became evident that the employment dispute process had not really got to the bottom of the matter and the teacher's lawyer had accumulated fairly damaging evidence from various students and teachers at the School. In the balance it was clear that the HOD was at fault and that the School and the mediation had not fairly dealt with the issues. The claim was negotiated and a settlement of \$35,000 was reached which VL indemnified plus legal fees in excess of \$12,000.

