

September 2, 2014

Bushfire outlook sends timely reminder to communities

Today's seasonal bushfire outlook predicting higher-than-normal bushfire risk for large parts of Australia sends a strong warning to communities to start preparing, the Insurance Council of Australia (ICA) said today.

The Southern Australia Seasonal Bushfire Outlook for 2014-15, released by the Bushfire and Natural Hazards Cooperative Research Centre (CRC), indicates a greater-than-normal chance of fire across eastern Australia, from southern Queensland through New South Wales and into central Victoria. The CRC also notes an above-normal fire risk for parts of South Australia and Western Australia.

This is due to a combination of heavy fuel loads in bush and grassland areas that are likely to experience rapid drying as summer approaches.

ICA CEO Rob Whelan said: "For those living in bushfire-prone areas, now is the time to prepare your home. Find out from your local council if your property is designated bushfire-prone land.

"If your property is on bushfire-prone land it would be prudent to have your Bushfire Attack Level calculated so that you can then make more informed decisions about how the new bushfire building standards may affect the rebuild of your property, if it were to be destroyed by a bushfire.

"Rebuilding to the new standards, where your council requires it, is intended to make your home safer. However, the costs can be higher than you may have anticipated when you first considered your insurance cover (sum insured)."

Mr Whelan said property owners should also review their home and contents policies, and check their sum insured to avoid underinsurance.

"If your property is destroyed, underinsurance could mean you experience significant financial loss when making a claim because the amount you need to replace what you have lost will exceed the amount your insurer can pay out.

"Contact your insurer for more information if you have any questions about your policies."

Over the past decade, bushfires have caused billions of dollars of damage across Australia and insurance losses of more than \$1.5 billion. Last October's Blue Mountains bushfires destroyed 200 homes, with \$183.4 million in claims paid to policyholders.

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EDITOR'S NOTE:

Bushfire Attack Level (BAL) measures a location's potential exposure to ember attack, radiant heat and direct flame contact during a bushfire.

The BAL takes into consideration a range of factors including the Fire Danger Index and the slope of land, as well as the types and proximity of surrounding vegetation.

Understand Insurance bushfire checklist — see attached

Bushfire and Natural Hazards Cooperative Research Centre's (CRC) Southern Australia Seasonal Bushfire Outlook for 2014-15 – visit www.bnhcrc.com.au

