

Tuesday May 22, 2018

## Insurance Council welcomes \$38m fund to boost Queensland's natural disaster resilience

The Insurance Council of Australia (ICA) welcomes the Palaszczuk Government announcement today of its \$38 million Disaster Resilience Fund as a positive step toward improving the resilience of Queensland communities to natural disasters.

General Manager Communications Campbell Fuller said: "Queensland is Australia's most exposed state to extreme weather events. Each year the insurance industry pays out hundreds of millions of dollars in insurance claims.

"The Insurance Council has consistently argued that the imbalance between the money spent on disaster recovery compared with the funding for disaster mitigation is a longstanding policy failure in Australia.

"This commitment of \$38 million over four years is a positive step towards protecting Queensland communities from extreme weather.

The ICA notes that the Productivity Commission has recommended that the Federal Government spend \$200 million each year, with the same amount to be matched by state governments.

"Substantial investment by all levels of government, working collaboratively on disaster resilience and mitigation programs, would significantly help communities strengthen their ability to withstand natural disasters. The benefits of investing in mitigation are manifold, including improved community safety, economic stability and lower insurance premiums," Mr Fuller said.

Mr Fuller said hundreds of communities across Australia would remain exposed to the predictable impact of cyclone, flood, storm and bushfire damage unless governments committed substantial funding to improving resilience.

"Reducing the risk will lead to lower insurance premiums," Mr Fuller said.

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