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## ICA welcomes James Cook University Strata Title Inspection Scheme

The Insurance Council of Australia (ICA) today welcomed Minister for Revenue and Financial Services Kelly O'Dwyer's announcement that the Queensland Government will work with James Cook University on developing and implementing the Strata Title Inspection Scheme.

The Insurance Council of Australia initially commissioned the study by James Cook University in 2013. The key recommendation of the study was that strata-title properties in Tropical Queensland undergo engineering inspections to ensure buildings are resistant to extreme weather events. A positive engineering report, identifying that a building is highly resilient, can be used to demonstrate to an insurer that a building is less likely to be damaged and therefore to make insurance claims. Where a building is found to have defects that make it vulnerable, the report can be used privately by the building owners to undertake improvements.

Insurance Council CEO Rob Whelan said the scheme was a significant milestone for pre-disaster mitigation and would contribute to building more resilient communities.

"The Insurance Council has consistently advocated for disaster mitigation funding and improved resilience for years," he said. "Investing in these measures is the only way to reduce strata premiums on a sustainable basis.

"In the aftermath of Cyclone Debbie, the message is clear: communities in disaster-prone areas need investment in permanent, well-designed mitigation solutions. Where these solutions are not in place or poorly designed, insurers have to price the risk of these events, resulting in higher premiums.

"The Insurance Council urges the Federal Government to heed the recent Productivity Commission recommendations and invest at least \$200 million a year in mitigation and resilience measures, to be matched by state and territory governments.

"This should be treated as nation-building infrastructure. It will help protect vulnerable communities and ensure their survival and prosperity for generations."

With insurance losses estimated at \$1.565 billion, Cyclone Debbie is one of the most costly cyclones in Australian history.

Over the past decade, insurance losses from cyclones, tropical storms and floods in North Queensland have exceeded \$5 billion.

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