

Tuesday March 26, 2019

Insurance bill for summer catastrophes passes \$2.2 billion

Insurance losses for the three catastrophes declared by the Insurance Council of Australia (ICA) over the 2018-19 summer have passed \$2.2 billion.

Latest figures collated by the ICA show more than 25,770 claims have now been received following February's monsoonal deluge, which caused disastrous inundation in and around Townsville and parts of Central Queensland. Losses stand at \$1.041 billion.

Insurance losses for the December 20 NSW hail storm have reached \$1.189 billion from 130,000 claims. More than 30,000 hail-related claims have already been closed.

And insurance losses from the Bunyip bushfires in eastern Victoria in late February have reached \$20 million from 365 claims.

Last night, an insurance policyholder forum in Townsville was provided an overview of progress being made in handling and resolving claims, including discussions on hydrology reports and on scopes of works for repairs.

ICA General Manager of Communications and Media Relations Campbell Fuller said: "Insurers are working around the clock in three states to support customers affected by extreme weather catastrophes.

"They are also standing by to help policyholders in Queensland, the Northern Territory and north-western WA who have suffered losses caused by cyclones Trevor and Veronica."

The Townsville forum, hosted by the ICA, was attended by 120 residents and small business owners who had lodged claims. It was supported by 30 representatives from key insurance companies.

The policyholders discussed claims handling, assessments and rebuilding processes with their customers. Herbert MP Cathy O'Toole also attended to talk to residents about their circumstances.

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NOTES TO THE EDITOR ON TOWNSVILLE'S FLOOD EXPOSURE:

Analysis of government flood data (<https://disasters.org.au/top20floodproneelectorates>) by the ICA shows the seat of Herbert is Australia's most flood-prone electorate. The electorate contains many locations exposed to riverine flood, but none larger than Townsville.

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Mitigation against high-frequency flooding is provided in part by operation of the Ross River Dam, built in 1971 and upgraded in 2007 for \$115 million.

Despite this protection more than 45,000 Townsville land parcels still have significant flood exposures. Without the upgrades to the Ross River Dam this exposure would be significantly larger. Further mitigation is possible for Townsville to reduce the frequency and severity of flood exposure.

Townsville Council, in conjunction with the Queensland Government, has developed a comprehensive floodplain mitigation strategy that commenced in 2009 and is considering options for mitigation and improving the resilience of the community.

Available options to mitigate Townsville's flood exposure will not be inexpensive and the ICA believes this region should be considered for substantial targeted federal funding in order to progress mitigation initiatives in a timely fashion.

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