

Sunday November 1, 2020

Insurers declare Catastrophe for SE Queensland's Halloween hailstorms

The Insurance Council of Australia (ICA) has declared a Catastrophe for damage caused by hailstorms that struck south-east Queensland late yesterday.

By 2pm today insurers had received more than 5000 claims, with insured losses estimated at \$60 million. About 60 per cent of claims are for damage to motor vehicles, and 40 per cent for damage to houses – mainly to roofs, skylights and solar panels, and interior damage to a significant proportion of homes.

ICA CEO Andrew Hall said insurers' call centres were standing by to help customers affected by the storms. He encouraged householders whose properties had been damaged to contact their insurer as soon as they were able. Hardest-hit suburbs include Springfield, Rosewood, Greenbank and Boronia Heights.

"The Catastrophe declaration means insurers will prioritise claims from these hail-affected areas and will direct urgent attention to those most in need of assistance," he said.

"Householders should contact their insurers before commissioning any repairs to their homes. They should ensure this work will be paid for under the policy."

Under the Catastrophe declaration the ICA has:

- Activated its disaster hotline – 1800 734 621 – to assist customers who have general inquiries about the claims process. This is not a claims lodgement service
- Established an industry taskforce to address and identify issues that arise, and work directly with emergency services, agencies and the government

Mr Hall said insurers were expecting an influx of claims tomorrow as more householders and businesses inspected the damage and contacted their insurers or insurance brokers.

This is the first Catastrophe declaration for the 2020-21 natural disaster season. The previous disaster season was the worst on record, resulting in more than \$5.9 billion in insurance claims from bushfires, storms, hailstorms and floods.

South-east Queensland has been hit by many powerful hailstorms in recent years, notably the 2014 Brisbane hailstorm, which caused more than \$1.5 billion in claims, and the hailstorm that hit the region last November, which resulted in losses of \$504 million. The Rockhampton hailstorm in April caused \$503 million in insured damage.

For storm recovery tips visit www.understandinsurance.com.au/types-of-disasters/storms

-ENDS-

Sunday November 1, 2020

ABOUT THE INSURANCE COUNCIL OF AUSTRALIA:

The Insurance Council of Australia (ICA) is the representative body of the general insurance industry in Australia. ICA members represent about 95 per cent of total premium income written by private sector general insurers. Insurance Council members, both insurers and reinsurers, are a significant part of the financial services system.

Insurance Council members provide insurance products ranging from those usually purchased by individuals (such as home and contents insurance, travel insurance, motor vehicle insurance) to those purchased by small businesses and larger organisations (such as product and public liability insurance, professional indemnity insurance, commercial property, and directors and officers insurance).

June 2020 Australian Prudential Regulation Authority statistics show that the general insurance industry generates gross written premium of \$51.4 billion a year and has total assets of \$135.4 billion. The industry employs about 60,000 people and on average pays out about \$171.1 million in claims each working day.

Over the 12 months to the end of June 2020 the industry's net profit after tax (NPAT) was \$1.0 billion – a 70.5 per cent decrease from the prior year's NPAT of \$3.5 billion. The industry's underwriting result was \$1.4 billion, falling by 39 per cent from \$2.3 billion in the prior year. <http://www.insurancecouncil.com.au/about-us>