



News release

Insurance Council
of Australia

Thursday, 10 March 2022

East Coast flood event insurance update – 10 March

The Insurance Council of Australia (ICA) today provided the following update on claims related to the South-East Queensland and New South Wales floods.

	All claims	New claims	% Increase	\$ Estimate	Property	Motor	Other
NSW	44,193	6,823	18%	\$663m	33,724	9,431	1,038
QLD	73,823	3,349	5%	\$1.107b	61,485	10,050	2,288
Total	118,016	10,172	9%	\$1.77b	95,209 (81%)	19,481 (16%)	3,326 (3%)

Insurers are on the ground in two states supporting customers with their claims.

Under the ICA's Catastrophe Protocol insurers triage claims to deal with the most urgent and severe first.

This means some policyholders with claims that are less severe (ie, their home is habitable) may need to wait a few weeks until an assessor is able to review their claim.

As the clean-up moves into its second week in Brisbane and the Northern Rivers and gets underway in Western Sydney, insurers are cautioning that global materials shortages and local labour constraints will have an impact on the rebuild and recovery timeframe.

The Australian Bureau of Statistics reports that input costs to housing construction increased over the past 12 months by 12 per cent, with strong demand for building materials the main contributor.

A recent update from the Housing Industry Association (HIA) found that the availability of all skilled building trades declined further in the most recent quarter, with trades such as bricklaying, carpentry, joinery, roofing, and general building trades reporting the most severe shortages on record.

Quote attributable to Andrew Hall, CEO, Insurance Council of Australia:

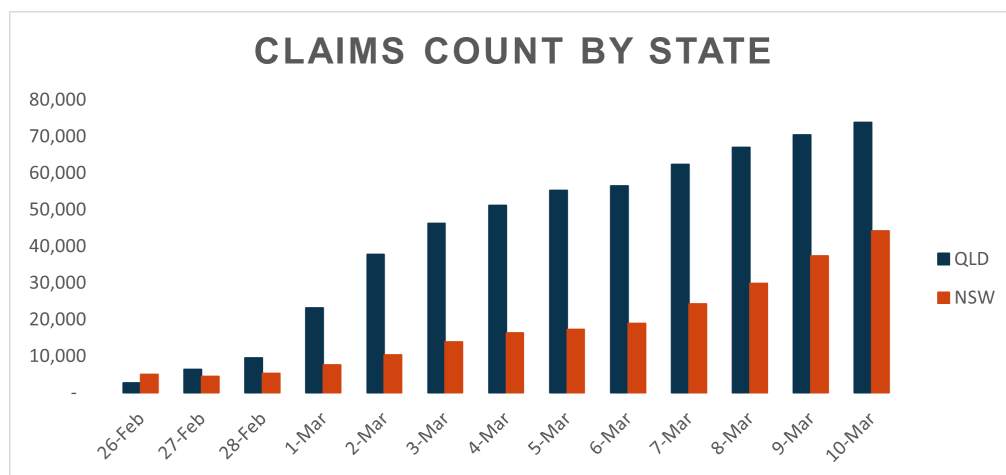
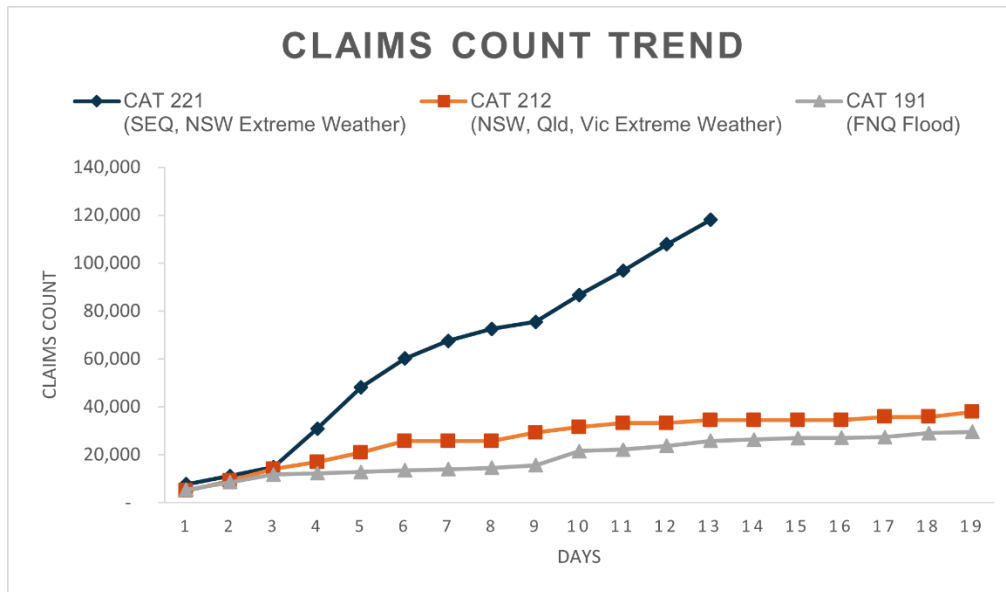
The Insurance Council welcomes comments by Prime Minister Scott Morrison yesterday that the Federal Government will focus on investing in infrastructure to make communities more resilient to extreme weather events like this flood.

The Insurance Council and insurers have been calling for an increase in Federal Government investment in this area to \$200 million per year, matched by the states and territories.

We have previously welcomed commitments also made by the Federal Opposition to increase this investment.

Last month we released our *Building a More Resilient Australia* election platform and a supporting report from actuarial consultants Finity which highlighted Lismore as one of nine locations in need of urgent flood mitigation infrastructure.

This infrastructure and mitigation investment is vitally important to prevent future harm and devastation to these communities, as we know flood events will inevitably repeat.



What to do if your property has been impacted by flooding and storms

- You can start cleaning up but **first** take pictures or videos of damage to the property and possessions as evidence for your claim
- **Keep** samples of materials and fabrics to show your insurance assessor
- **Remove** water damaged goods from your property that might pose a health risk, such as saturated carpets and soft furnishings
- **Make a list** of each item damaged and include a detailed description, such as brand, model, and serial number if possible
- If water has entered the property, **do not turn on your electricity** until it has been inspected by an electrician
- **Store** damaged or destroyed items somewhere safe where they do not pose a health risk
- **Speak** to your insurer before you attempt or authorise any building work, including emergency repairs, and ask for the insurer's permission in writing. Unauthorised work may not be covered by your policy
- **Do not throw away** goods that could be salvaged or repaired