



News release

Insurance Council
of Australia

Wednesday, 07 September 2022

Insurance Council welcomes Disaster Ready Fund

The Insurance Council of Australia (ICA) welcomes the Federal Government's Disaster Ready Fund Bill 2022 introduced to Parliament today.

The \$200 million a year Disaster Ready Fund initiative is in line with the Insurance Council's report, [*Building a More Resilient Australia*](#), which earlier this year called for a range of measures to better protect households and communities from the impacts of extreme weather and put downward pressure on premiums.

Building a More Resilient Australia outlines a number of areas of investment that would make at-risk communities and homes more resilient to flood, cyclone and bushfire.

At a cost of \$2 billion over five years these investments are estimated to save governments and households at least \$19 billion to 2050.

To ensure the nation receives the full benefit of the Disaster Ready Fund the Insurance Council is calling on all state and territory governments to match the Federal Government's commitment in their jurisdictions.

In addition to greater investment in resilience measures, the ICA is calling for a review of land use planning arrangements to ensure no more homes are built in areas with a high risk of extreme weather impacts, and for national building codes to be strengthened.

Additionally, states and territories must finally abolish duties, levies and taxes on insurance products, which only increase the cost of premiums and discourage adequate levels of cover.

The ICA will tomorrow release new research on the cost of extreme weather in its second *Insurance Catastrophe Resilience Report*, which uses insurer data and insights to review the last 12 months of extreme weather events and advocate for changes to reduce the impact of future events.

Quote attributable to ICA CEO Andrew Hall:

We congratulate the Albanese Government on its commitment to invest in improving the resilience of home and communities at risk of impacts from floods, cyclones and bushfires.

Resilience and mitigation funding is an investment into future protection, and so it is the responsibility of all levels of government to do more to improve community resilience.

Until we make greater investment in public infrastructure and home retrofits, improve how we build new homes and undertake better land use planning, the risk profile of communities exposed to extreme weather will not change.