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Suncorp Welcomes Federal Government Mitigation Funding

Funding to improve insurance affordability and community safety

The Suncorp Group has praised a \$100million commitment by the Gillard Government to fund essential community flood mitigation work.

Suncorp Personal Insurance CEO Mark Milliner said the decision was a major step toward driving long term insurance affordability as well as improving community safety.

“This Federal Government commitment will assist in driving down insurance premiums in communities right across Australia,” Mr Milliner said.

“This funding represents a change in thinking when it comes to our country’s susceptibility to major weather events and builds upon the Queensland Government’s recent commitment to risk prevention.

“This much welcomed Federal Government strategy will help reduce the tragic consequences of extreme weather events and save taxpayers significantly in terms of clean-up and repair bills.

“As Australia’s biggest general insurer we are also committed to working with the new National Insurance Affordability Council to seek solutions to affordability issues.

Mr Milliner said Suncorp had made some tough decisions to highlight the need for mitigation investment in Australia.

“While being very vocal about the need to control insurance affordability with mitigation investment we also committed to revising insurance premiums where mitigation was constructed.

“We know for every dollar spent on mitigation in some of our most at risk towns the investment will be repaid ten-fold through the protection of community infrastructure and the reduction in community risk.

“Insurance affordability is one of the industry’s biggest challenges with international reinsurance costs and improved risk profiling driving premiums in high risk areas.

“What we do know is when flood mitigation is in place, premiums reduce.

“Suncorp is currently undertaking premium repricing programs in a range of towns where they have provided evidence of mitigation work and the demonstrated benefits,” he said.

In 2012 Suncorp committed to working with all levels of government on a timed mitigation plan for Roma in order to recommence writing new business.

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