

Suncorp welcomes Newman Government Emerald mitigation funding

Today's \$5million Emerald mitigation announcement by the Queensland Premier has been welcomed by Queensland's biggest insurer, Suncorp.

Suncorp Personal Insurance Executive General Manager, Natasha Fenech, said the funding commitment was a major step forward in reducing flood risk in the town, and with it, premiums.

"I congratulate Premier Newman and Mayor Peter Maguire for taking this major step forward in protecting the lives and livelihoods of local residents," Ms Fenech said.

"Between 2009 and 2012 Suncorp spent more than \$55million in Emerald replacing and repairing flooded homes with an average home repair cost of \$88,000.

"Increases in reinsurance costs as well as these regular and extensive flooding events have meant that all insurers have had to increase their premiums in towns such as Emerald.

"Faced with these increases Suncorp made the tough decision to cease writing new business in the town while a solution to community risk reduction was sought.

"Insurance premiums are based on risk and therefore if we can reduce risk we can reduce premiums."

Ms Fenech acknowledged the challenges faced in completely mitigating Emerald saying the Central Highlands' Nogoia River Rail Bridge flood mitigation project was a major start.

"We have met numerous times with all levels of government as well as council hydrologists and engineers over the past 18 months in order to seek a mitigation solution for Emerald.

"We know that for every dollar of this commitment taxpayers and ratepayers will save between \$2 and \$10 in flood repair and recovery costs.

"This is a big step forward and combined with ongoing changes to local building standards and approvals the potential benefits to Emerald residents and businesses are significant.

"Suncorp will be seeking to discuss project timelines with the Mayor and State Government with the intent of trying to reduce the town's risk profile and where possible insurance premiums," she said.

Suncorp is also jointly funding research with the Central Highlands Regional Council that will further help understand the risk profiles of individual Emerald homes.

For more information:

Marcus Taylor
Corporate Affairs Manager
Suncorp
0459 824 504