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Call to Royal Commission to Look at Non-Insurance

In October 2008, the Insurance Council of Australia called for Victorian householders to prepare for the impending bushfire season and to include in that planning re-assessing the value of their home and contents insurance.

The Insurance Council noted in 2008 that the social and economic costs are potentially enormous if a total loss of property occurs. Non-insurance is a major problem in Australia with research commissioned by the Insurance Council in 2007 showing that 23% of Australian households do not have any home or contents insurance. In Victoria, the research shows that 20% of households do not have any home or contents insurance.

The Insurance Council calls upon the Royal Commission into the Victorian bushfires to look at the issue of the ability of the community to recover from the social and economic costs arising from the total loss of life and property. As part of this issue, the Royal Commission needs to consider the issue of non-insurance in the community and those factors that may contribute to non-insurance including the levels of taxation on insurance in Victoria.

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