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Are you well insured this summer: ICA

The Insurance Council of Australia (ICA) today urged consumers to check their insurance policies in the lead up to the peak season for natural disasters.

The Executive Director and CEO of the ICA, Rob Whelan has called on the public to make certain their policies cover what they believe they need to cover.

“We need to avoid a situation where people do not have appropriate cover for risks to their property, whether it’s bushfires or floods,” Mr Whelan said.

“If policy holders are unsure of exactly what they are covered for, they should get in touch with their insurer immediately to confirm their coverage. Where necessary, they should ensure they have appropriate cover.

“We saw during the Queensland and Victorian floods that many homeowners assumed they were covered for all sorts of events. All policies have limits, expressed as exclusions, it is important to read and understand these before buying insurance cover. For example, virtually all property and contents policies cover fire as an event, but not all cover flooding from rivers and creeks.

“We are urging all Australians to double check their policies, call their insurers and make certain they have insurance appropriate for their level of risk.”

The ICA recently praised the floodplain mapping released by the Queensland Government as a step in the right direction.

“When people have the knowledge available of the risks involved to their property, they are more inclined to buy the cover that is right for them,” Mr Whelan continued.

“The government and the insurance industry need to continue working together to provide data to the public about the risks of floods and fires.”

The public provision of disaster risk information has been a key objective of the ICA.

“The best approach for tackling natural disasters is planning and mitigation,” Mr Whelan said.

“Insurance does not stop disasters from occurring, but appropriate cover will help you get back on your feet if a disaster strikes.

“Last year the insurance industry received 3.3 million claims and paid more than \$36 billion to policyholders.

“By having the best possible information we can reduce the number of people exposed to natural disasters and ensure those that are in high and extreme risk areas have appropriate cover.”