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Monday February 4, 2019

Attention Queensland Media

**NORTH QUEENSLAND FLOOD AFFECTED APARTMENT OWNERS IN FINANCIAL HOT WATER AMIDST CONCERNS OF INSURANCE PREMIUM HIKES**

**PEAK STRATA BODY WARNS of devastating cycle as rising premiums make weather proofing measures financially unattainable**

The insurance sector is calling the North Queensland floods a one-in-100 year catastrophe – and that has raised serious concerns about an increase in already sky-high insurance premiums in the North.

Leaders of Queensland's \$192 billion strata property sector have warned that North Queensland apartment owners could be in financial hot water if insurance premiums take a hike after floods were yesterday declared a catastrophe by the Insurance Council of Australia (ICA).

Torrential downpour and flooding in Townsville have left a trail of destruction for local apartment owners and bodies corporate to manage, and strata property leaders say North Queenslanders need time to get back on their feet before footing a skyrocketed premium from the 'catastrophe' status declaration.

Strata Community Association (Qld) is the peak industry body for Body Corporate and Community Title Management in Queensland and Vice President James Nickless says the ICA declaring the flood a catastrophe could see a further hike in premiums.

"Recent flood seasons have taken a physical and financial toll on local strata communities and we have seen more and more Queenslanders choose to go without insurance or under insure as they cannot afford rising premiums.

"North Queenslanders are already facing a catastrophe due to the rising flood waters and deserve to have the time to financially recover, before footing any further hikes."

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“Whilst the insurance industry response declaring the natural disaster a ‘catastrophe’ has allowed insurers to prioritise flood victim claims, this should not come at the price of premiums.” The recent deluge also looks set to delay the *NQ Strata Title Inspection Program* conducted by James Cook University which many strata schemes were relying on to help lower insurance premiums through expert risk assessments.

Mr Nickless says lower premiums would see many communities financially able to pursue cyclone and flood proofing measures with any delay to the Inspection Program another day closer to disaster for some schemes.

“The inspection scheme opens the door to lower premiums for communities in North Queensland by improving the information available to insurers about a property’s susceptibility to weather damage and ways to make properties more resilient.”

“As communities in the North have come to know more and more about floods, it’s become obvious that flood proofing initiatives play a critical role in limiting the damage communities sustain.”

In the meantime, Strata Community Association (Qld) has encouraged apartment owners and bodies corporate to speak with professional body corporate manager to get more details on flood proofing measures and advice on what steps to take towards recovery and beyond.

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### **About Strata Community Association**

Strata Community Association Limited (SCA) is the peak industry body for Body Corporate and Community Title Management in Australia & New Zealand. Membership includes body corporate managers, support staff, committee members and suppliers of products and services to the industry. SCA proudly fulfils the dual roles of a professional institute and consumer advocate.

SCA has in excess of 3,300 members who help oversee, advise or manage a combined property portfolio with an estimated replacement value of over \$1.2 trillion. Website: <http://stratacommunity.org.au/>

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