

# COMMUNIQUÉ

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## Hazards Insurance Partnership (HIP) – Meeting 6

23 February 2024 – Sydney

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The Hazards Insurance Partnership (HIP) met for the sixth time on Friday 23 February 2024.

- List of attendees – Attachment A
- Members endorsed the [Meeting Five Communiqué](#) prior to this meeting.

### *Member Updates*

National Emergency Management Agency (NEMA) Coordinator-General Brendan Moon AM (Chair) opened the meeting and welcomed the Minister for Emergency Management, Senator the Hon Murray Watt (Minister Watt), Assistant Treasurer and Minister for Finance Services the Hon Stephen Jones MP (Assistant Treasurer), CEO of the Insurance Council of Australia (ICA), Mr Andrew Hall (Deputy Chair) and Commonwealth and industry HIP members.

The Chair reflected on the past 12 months and what 2024 can deliver, noting that there have been 16 natural disasters this year already, with key challenges being their speed and intensity, damage to infrastructure (power, water and sewerage) and supply chain disruptions. He also noted the outcomes of a number of reviews are due in early 2024, which will drive further work for the Commonwealth on how to better manage disasters from funding, planning and risk perspectives.

Minister Watt thanked members for their efforts through the HIP over the past 12 months and encouraged members to harness that momentum in 2024. Minister Watt noted that cost of living and insurance affordability remain a key focus for Government, and the HIP has an important role to play in this space. Minister Watt noted that there were a range of intersecting challenges to work through alongside the HIP to achieve reform. These included investments in the Disaster Ready Fund (DRF) and the Disaster Recovery Funding Arrangements (DRFA), the development of a national standard for considering disaster and climate risk, and land use planning and building code reform.

The Assistant Treasurer agreed that good progress had been made through the HIP. He noted the need for sensible policy responses on mitigation and that more investment through programs like the DRF would see tangible results. He also remarked on the need to accelerate household mitigation opportunities.

The Deputy Chair welcomed the Government's position and appreciated the collaboration and shared approach the HIP can take in educating the public on the drivers of insurance premiums. He also highlighted internationally the HIP is recognised as a pioneering approach to a global problem.

HIP members noted the comments of the Chair, Minister Watt, the Assistant Treasurer and Deputy Chair, including Government's priority to improve insurance affordability, and the importance of collaboration between governments and industry to effectively and sustainably reduce premiums. HIP members also welcomed the engagement and opportunity this forum brings to discuss challenges and progress issues.

### *HIP 2024 Strategic Intent*

Members agreed to a number of administrative items including the 2024 HIP meeting cadence, the combining of the technical and mitigation working groups and five key priority areas that will form the strategic direction for the Hazards Insurance Partnership's forward work plan in 2024, which are:

1. **Priority Catchment Mitigation Strategy** – Developing priority catchment specific resilience strategies.
2. **Treasury Policy Options** – The Treasury will engage with the HIP and individuals on the standard definitions and standard cover regime review.

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3. **Education and Awareness Strategy** – Empowering households to make informed decisions to reduce risk.
4. **Mitigation** – Developing a Mitigation Measures Knowledge Base (MMKB) to identify and disseminate tangible actions households can take to reduce their risk.
5. **Data** – Sharing data between Government and industry to improve the understanding of affordability, under-insurance, and non-insurance issues

NEMA briefed members that Tranche One of the MMKB will be completed by 29 February 2024 and from their work will focus on ongoing assessment, validation and user interface refinement. The external facing platform (which will include a range of validated mitigation actions) is planned to go live by 31 October 2024. The MMKB will support and align with the work underway by members through the Resilient Building Council's multi-hazard resilience rating tool.

The Treasury presented a draft consultation paper to members on the standard cover regime and standard definitions, and outlined next steps. Members will be invited to provide detailed feedback once the public consultation process commences in coming weeks.

The Australian Climate Service (ACS) provided an update of their flood risk project that forms part of the Priority Catchment Mitigation Strategy. HIP members welcomed the work, recognizing the need for an evidence base to inform decision making for disaster planning, preparedness and mitigation activities. Members also noted the final report on the Bundaberg Flood Pilot by the ICA.

NEMA updated HIP Members on the community research being undertaken to gain insights on disaster risk awareness and attitudes. NEMA advised members that the Community Awareness and Attitudinal Research Project would be completed by 29 March 2024.

Members received an update from the Australian Bureau of Statistics (ABS) of the progress of the data sharing arrangement, which has included a number of positive bilateral meetings with insurers. Members endorsed the proposed indicative timetable for data sharing with the ABS to commence in April this year.

The meeting closed with members agreeing to continue to work together in 2024 to progress the programs of work discussed in the meeting.

### **Next meeting**

The next meeting of the HIP will be held virtually on Tuesday 21 May 2024.



## Attachment A: Attendee List

Insurance Council of Australia (ICA)

Allianz

Insurance Australia Group (IAG)

QBE

Royal Automobile Club of Queensland (RACQ)

Suncorp

Ministers and Ministerial offices:

Senator the Hon Murray Watt Minister for Emergency Management

The Office of the Minister for Emergency Management

The Hon Stephen Jones MP Assistant Treasurer and Minister for Financial Services

The Office of the Assistant Treasurer

National Emergency Management Agency (NEMA)

The Treasury

Australian Climate Service (ACS)

Australian Bureau of Statistics (ABS)

Australian Competition and Consumer Commission (ACCC)

Australian Prudential Regulatory Authority (APRA)

Australian Securities and Investment Commission (ASIC)

Department of Home Affairs

