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SUNCORP'S MITIGATION PLAN RECOGNISED IN NATIONAL CLIMATE STRATEGY

Suncorp's Protecting the North initiative is playing a role in Australia's new National Climate Resilience and Adaptation Strategy 2015.

Personal Insurance CEO Gary Dransfield commended the Turnbull Government for prioritising cyclone resilience as a necessary action to limit Australia's exposure to climate change.

"I'm incredibly proud that our *Protecting the North* program provides the necessary pathways to improve community resilience – protecting both lives and property," Mr Dransfield said.

"Our program is backed by strong research from James Cook University and developed against the backdrop of several Government inquiries that call for greater mitigation investment in vulnerable areas.

"For instance, the Productivity Commission found 97% of disaster funding is spent after a disaster and only 3% goes toward mitigation and preparedness.

"This equation needs to be reversed. In fact every dollar we invest upfront creates up to \$13 in economic benefits. Mitigation goes well beyond a necessary climate change policy – it's simply smart economics.

"*Protecting the North* lays the foundation for a true partnership between insurers, governments and communities but requires a change in mindset as to how funding is prioritised and allocated.

"Suncorp passionately believes that to protect communities you must reduce risk. Reducing risk by making homes stronger improves both community resilience and insurance affordability.

"We look forward to working with all levels of government on an effective mitigation policy for northern Australia."

Protecting the North is featured in the Government's *National Climate Resilience and Adaptation Strategy* released by Environment Minister Greg Hunt in Paris last week. The Strategy states:

"In northern Australia, an important climate adaptation is building housing that is more resilient to cyclones. On average, cyclones cause more than \$630 million in damages per year, and this is likely to increase into the future. Learning from past experiences, the insurer Suncorp has partnered with James Cook University to analyse insurance claim data to better understand cyclone vulnerabilities in homes, and what can be done to address them. This research shows that simple, low-cost disaster mitigation can pay for itself after just one cyclone. Using Cyclone Yasi as a case study, low cost strapping upgrades to the roof at a cost of around \$3,000 achieved a Benefit Cost Ratio of 1.5 for pre-1960 homes and a Benefit Cost Ratio of 1.4 for 1960-1980 homes.⁶² These findings are particularly important considering up to 100,000 homes in north Queensland may not meet current standards." (Page 65)

The *National Climate Resilience and Adaptation Strategy* is found at <https://environment.gov.au/climate-change/adaptation/strategy>. More information on Suncorp's *Protecting the North* initiative can be found at www.suncorp.com.au/protectingthenorth.

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