

NDIR Submission from Ben Römcke

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NATURAL DISASTER INSURANCE REVIEW

“Dwelling” is a structure suitable for occupation by humans, such as house, flat, unit, Strata, apartment , etc. All such dwellings would be insured against most adverse eventualities such as flood, fire, bush fire, explosion (not contents). etc. This would be compulsory!

The premiums would be paid by the owner and would be calculated by the insurers based on the risk as they see it and would be subject to age, condition, location of the dwelling etc.

Compulsive premiums would be collected by the Local Government Authorities (Council) and would be charged similarly to Rates and be part of the Rate Notice. This would be similar to the compulsory collection of Third Party for Motor Vehicle insurance. At the present time all dwellings are NOT insured by their owners, and the insured owners pay a hefty price in premiums to protect their assets, whether it is their home or their investment. Owners who do not insure their dwelling and suffer substantial loss as a result of a disaster expect assistance by Government and or Public appeals. This would no longer need to apply. The premiums would apply to all dwellings and would bring about substantial reduction in the present premiums paid by astute owners.

In NSW Strata dwellings must be insured by the Owners Corporation, and most likely premiums would decrease as a result of the above.

Ben Römcke