



Queensland
Government

Office of the
Director-General

Department of
Transport and Main Roads

Our ref: DG41768

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The Manager
Cyclone Reinsurance Pool Taskforce
The Treasury
reinsurancepool@treasury.gov.au

Dear Manager

The Department of Transport and Main Roads (TMR) welcomes the opportunity to comment on the Commonwealth Government's Department of Treasury consultation paper titled *Reinsurance pool for cyclones and related flood damage*.

I note the formal consultation period to provide comments on the consultation paper closed on 18 June 2021. I thank the Commonwealth's Treasury Department for its willingness to accept TMR's late submission.

Maritime Safety Queensland (MSQ), a branch within TMR, is the state's marine safety and ship sourced pollution regulator. MSQ works closely with, and is the secretariat for, the Queensland Government's War on Wrecks Taskforce (taskforce). The taskforce was established in 2018 to investigate the root causes of vessel abandonment and look for preventative approaches to improve the safety of waterway users and the environment.

The taskforce has consulted extensively with industry and the public to identify issues that contribute to vessel safety and vessel abandonment. One relevant factor is the lack of insurance available for recreational ships in certain geographical areas.

Feedback received from public forums held by the taskforce across Queensland consistently raised the difficulties in obtaining insurance for vessels located in cyclone prone areas, particularly those stored on swing or pile moorings. In many instances, these vessels are also the owner's primary place of residence and are expensive assets. The inability for owners to obtain affordable insurance, places the owners at significant risk of loss.

TMR urges the Commonwealth Government to consider expanding the reinsurance pool scheme to cover recreational ship insurance, and to cover those vessels used for both residential and non-residential purposes.

Yours sincerely

Neil Scales
Director-General
Department of Transport and Main Roads