



BUSINESS ROUNDTABLE SUPPORTS INQUIRY INTO NATURAL DISASTER FUNDING

The *Australian Business Roundtable for Disaster Resilience & Safer Communities* has welcomed the Federal Government's intention to establish a Productivity Commission inquiry into national disaster funding arrangements in 2014.

Speaking on behalf of the Business Roundtable, the Australian Red Cross' Chief Executive Officer, Robert Tickner said: "The Australian Business Roundtable welcomes this initiative from the Australian Government which we see as a positive response to our report which called on governments to invest in cost effective disaster preparedness and community resilience, rather than a limited focus on post disaster response.

"Each year in Australia, we are confronted by the devastating effects of disasters. In 2013 we saw the huge personal and economic toll of bushfires in Tasmania, NSW and Victoria and floods in Queensland. In 2014, we are preparing and at the ready yet again for the inevitability of natural disasters."

The Government announced on December 20, 2013 that it would ask the Productivity Commission to examine the full scope of national expenditure on disaster and the effectiveness of current mitigation support measures. The Commission will also be asked to examine the best ways to reduce the impact of natural disasters on communities and how they recover in a sustainable way.

The Government acknowledged that most existing disaster funding models are weighted towards response and recovery, with a focus on immediate humanitarian and economic relief and restoration of infrastructure to its previous standard – instead of longer term resilience.

"Governments have an important role to play in disaster resilience. Roundtable members share a strong belief that a more coordinated and better resourced approach to invest in prevention and mitigation is needed. We look forward to working with the federal and state governments in the coming months/years to achieve this," said Mr Tickner.

The Business Roundtable's '*Building our Nation's Resilience to Natural Disasters*' White Paper forecast the cost of natural disasters in Australia to rise from \$6.3 billion a year currently to around \$23 billion a year in 2050. But through pre-disaster investment the impact of disaster response on government budgets, and tax payers, could reduce by more than 50%.

National investment in disaster resilience and preventative activities is the most effective way to protect communities and reduce the impact of disasters.

The members of the Business Roundtable have come together to champion the need for a more sustainable, coordinated national approach to make our communities more resilient and our people safer.

Business Roundtable members are the Australian Red Cross, Insurance Australia Group (IAG), Investa Property Group, Munich Re, Optus and Westpac.

For more information: www.australianbusinessroundtable.com.au

Media: Paul Marriage 0401751860