



PRODUCTIVITY COMMISSION REPORT INTO NATURAL DISASTERS - AN OPPORTUNITY TO MAKE AUSTRALIANS SAFER

The Australian Business Roundtable for Disaster Resilience & Safer Communities has welcomed the draft report of the Productivity Commission Inquiry into Natural Disaster Funding Arrangements.

Speaking on behalf of the Roundtable, Insurance Australia Group Managing Director and Chief Executive Officer Mike Wilkins welcomed the recommendations and acknowledged the role the Australian Government has played in commissioning this inquiry.

“The Productivity Commission has consulted extensively with stakeholders involved in natural disaster management. We’re pleased it has recognised the inefficiency and the inequality of current funding arrangements and has taken on board recommendations for a greater focus on, and increased funding for, disaster mitigation.

“However, we continue to highlight the need for a national platform for natural disaster information so there is a single point of access to data – this is critical to protecting families, homes and businesses.

“Natural disasters like floods, cyclones and bushfires don’t stop at state borders so we need a nationally co-ordinated approach to dealing with them. The Australian Government has a key role to play as a leader, policy-maker, legislator and funder to address the current national disaster funding arrangements,” Mr Wilkins said.

Australian Red Cross Chief Executive Officer Robert Tickner said: “The draft report sends important messages to governments at all levels about the necessity to invest more in resilience and these recommendations deserve cross-party support.

“Natural disasters have a devastating effect on the lives of countless people. At Red Cross we see those effects across Australia and all over the world, every day. The financial cost of these disasters is immense and the long term social and psychological impact is beyond measure.”

Mr Tickner added: “This is an issue for all Australians. Building community resilience isn’t easy, but it’s vital and we’ve a unique opportunity to get it right. To do that we need strong national leadership, that will prioritise funding and set up the systems needed to truly help safeguard the lives and property of people all over Australia.”

The Roundtable has called for:

- Commitment to long-term annual funding for pre-disaster resilience and, prioritising pre-disaster investment activities;
- A national open platform that centralises key data so all Australians have a single point of access to information critical to protecting homes, properties and businesses;
- Improved co-ordination of pre-disaster resilience by appointing a National Resilience Advisor and establishing a Business and Community Advisory Group.

The Roundtable’s White Paper ‘*Building Our Nation’s Resilience to Natural Disasters*’ demonstrated that the economic cost of natural disasters is about \$6.3 billion every year. This is forecast to rise to \$23 billion by 2050. However, carefully targeted investment in preventative infrastructure of \$250 million per year would reduce these costs by 50 per cent.

“We welcome the Productivity Commission recommendations for the Australian Government to increase its funding to the states for mitigation to \$200 million,” Mr Wilkins said.



Roundtable research has identified economic savings of up to \$14.6 billion by 2050 through nationally co-ordinated mitigation investment, improved access to information and prioritised research.

Since its inception, the Roundtable has advocated greater collaboration between all levels of government, business and community to help understand, prioritise and action pre-disaster mitigation. Its objective is to help protect life and property and deliver savings to the economy through creating more resilient communities.

For more information and a copy of the Roundtable's report '*Building an Open Platform for Natural Disaster Resilience Decisions*' and, the White Paper '*Building Our Nation's Resilience to Natural Disasters*':
www.australianbusinessroundtable.com.au

About the Australian Business Roundtable for Disaster Resilience & Safer Communities.

The Roundtable members are the Chief Executive Officers of the Australian Red Cross, Insurance Australia Group, Investa Property Group, Munich Re, Optus and Westpac. Members of the Roundtable have come together to champion the need for a sustainable, coordinated national approach to make communities more resilient and people safer. They believe that national investment in disaster resilience and preventative activities is the most effective way to protect communities and reduce the impact of disasters.

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