Leader of the Opposition, Delia Lawrie, today called on the Federal Government to provide Territory input into the Northern Australia Insurance Premiums taskforce.

“The establishment of this Taskforce is an acknowledgment of the real risk to Territorians of skyrocketing premiums following Adam Giles selling TIO,” Ms Lawrie said.

“Adam Giles sold TIO without a public mandate and in the face of evidence of market failure in Queensland following the sale of their public insurer.

Head of the Senate Inquiry, Warren Entsch, publicly stated on ABC Radio that he warned Adam Giles not to sell TIO, saying, “I was concerned that by selling it we would end up in the same situation we are in the rest of Northern Australia.”*

The Federal Senate Inquiry heard evidence that following the sale of Suncorp in Queensland, insurance became unaffordable or unavailable, and insurers withdrew cover in some regions.

“The Federal Government’s Taskforce is a welcome response to the recommendations of the Senate Inquiry into the Development of Northern Australia to reduce insurance premiums back to an affordable level,” Ms Lawrie said.

“It has been reported the Taskforce will consider two options: a government-run reinsurance pool or community-owned Northern Australia mutual insurer providing cyclone-specific cover.

“We want to ensure that flood and storm-surge cover is also considered, alongside cyclone cover, as well as the provision of affordable contents insurance for non-home owners.

The Northern Territory Chamber of Commerce and the NT Council of Social Service are two organisations that could represent Territory industry and community on the Taskforce, to address concerns about affordability and accessibility of insurance coverage in the Territory.

“With three months to prepare an interim report, I call on the Federal Government to immediately invite Territory participation onto the Taskforce and release the consultation plan to ensure there is appropriate community and stakeholder engagement.”

*ABC Radio 12 November 2014

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