

The following Motion was initiated and moved by the Association of Independent Retirees Townsville Branch Vice President Mr Ted DEWS and was seconded by President Roger WALSH. The Townsville Branch passed this motion and instructed the President Roger WALSH to bring this action before the Association's Annual General Meeting.

Following instruction from the Townsville Branch of the Association of Independent Retirees, President Roger WALSH moved the following motion at the A.G.M. which was held in Melbourne on the 8th November, 2011.

MOTION NUMBER 1

"That the company A.I.R. lobby the Federal Government for the establishment of a National Natural Disaster Fund for payment to private citizens who are affected by a natural disaster"

Roger WALSH then spoke for the motion providing the following rationale for the motion.

2011 was a year of disasters. There were severe storms, cyclones etc which resulted in record floods occurring in almost all States of Australia.

These disasters affected many Australian citizens including members of our organization. Many people were destroyed by these events as insurance companies, (acknowledging the huge impact the claims were making on their profits) are still to-day looking for every loophole they can find to avoid satisfying all of their clients claims.

Currently there is a Commission of Inquiry into the behaviour of insurance companies.

Many people of North Queensland are still residing in tents and makeshift houses as a consequence of insurance companies not satisfying their claims. After Cyclone Yasi many insurance companies have increased their premiums by as much as 400%. One of our members before cyclone Yasi was paying \$10,000-00 per year. His premium has been raised to \$40,000-00 per year for the same property. No other insurance company will provide a quote.

Many people affected by flooding, specially Brisbane, have been denied satisfaction of their claims as insurance companies interpret the definition of "flood" to be something other than what the insured claims happened to their dwelling.

In New Zealand, that country has a National Disaster Insurance Type System.

It is run by Government and the population contribute a very small percentage of their income (similar to Medicare) which is placed into a fund. In the event of a natural disaster, e.g. Christchurch earthquake the N.Z. Government indicated very early that Christchurch would be rebuilt. They clearly stated that the funds were there. From limited inquiries it would seem that private individuals are still required (if they wish) to have insurance policies to cover fire, theft, damage, etc however their policies do not cover such events as natural disasters e.g. major flooding, earthquake, etc. These events are covered by the Government Disaster Fund.

This is the wording of part of the legislation:-

18 Residential buildings

a.. (1) Subject to any regulations made under this Act and to Schedule 3, where a person enters into a contract of fire insurance with an insurance company in respect of any residential building situated in New Zealand, the residential building shall, while that contract is in force, be deemed to be insured under this Act against natural disaster damage for its replacement value to the amount (exclusive of goods and services tax) which is the least of-

The section continues but basically states that whatever the dollar value of your fire insurance on your dwelling is, then that is all you will be "paid out" in the event of a natural disaster which totally destroys your property.

I understand that people who do not have any general fire insurance are not eligible to claim against the Government Insurance Natural Disaster Fund.

Australia unfortunately has many natural disasters and is long overdue for something similar.