

Media Release

Thursday 10 February 2022

Strata Community Association (SCA) Urges Government to Pass Reinsurance Bill Before Election

The strata sector peak body has called on the Federal Government to ensure that critical legislation is passed to provide much awaited relief for long suffering insurance policyholders in Northern Australia.

The strata sector in Queensland and in Northern Australia has long pushed for a reinsurance pool and SCA is pleased that Minister Michael Sukkar has listened to and incorporated feedback from consultation and submissions from the sector.

The legislation has been referred to a Senate Committee which is due to report back on 24 March.

SCA (Qld) President Kristi Kinast said it was absolutely critical that the legislation passed prior to the Federal Election.

“Residents of Northern Australia have faced a decade long struggle for a reinsurance pool and premium relief and to see this light at the end of the tunnel extinguished would be devastating for those communities,” she said.

“We are now concerned that the referral to a committee could see a substantial delay or even it not be delivered if there is a change of Government. We believe the current government are committed to seeing this through and thank them for their support of our sector. We ask that they get this done before the election.”

Ms Kinast is hopeful the bill will pass prior to the election and is urging all parliamentarians to prioritise its passing.

“With just one joint sitting week of the Federal Parliament slated for prior to the election, we urge politicians of all parties to work in a cohesive and bipartisan fashion to get this done. This is absolutely critical to the 880,000 people it is projected to positively impact and further delay is not an option,” she said.

Ms Kinast is optimistic about the effect the Pool will have on premiums and sees it as a game changer and something that cannot be delayed.

“The announcement by the Federal Government is extremely welcome. The potential 58% per cent saving on premiums as announced are a potential game changer. Announcements mean little if they aren’t put into law, and we urge the Government to not leave Northern Australia behind,” said Ms Kinast.

Ms Kinast believes this legislation is the critical starting point for really fixing the issues in the strata sector in the Northern Queensland Region.

“Strata insurance premiums in Northern Queensland were more than double the national average according to the ACCC at the end of 2020, the problem is getting worse by the minute and action needs to be immediate.”

Ends.

Media inquiries:

Contact SCA Queensland Policy Officer, Kristian Marlow on 0437 176 366 or advocacy.qld@strata.community

About Strata Community Association (Qld)

SCA (Qld) is the peak association supporting the state's strata sector, with more than 1,200 individual and corporate members who help oversee, advise, and manage hundreds of thousands of lots across Queensland. The association brings together people who manage strata schemes, own units or live in

strata communities, and those who provide products and services for schemes. We also provide education, advice, and advocacy to enable better understanding of the regulations, obligations and owner's rights.