

BUSHFIRE

Risking underinsurance



Good people to know.

In recent times, the weather bureau and the CSIRO have predicted longer fire seasons and more extreme conditions.

With an elevated bushfire risk forecast it's important to have a plan in place to protect lives and property, however what is often neglected is a review of insurances to ensure adequate cover in the event of a bushfire. Usually it's not until the aftermath of a catastrophic event that the full extent of underinsurance is realised.

Don't wait to find out. Incorporate insurance into your plans for risk mitigation and take the time to assess your bushfire exposure.

KNOW YOUR RISK

According to the Insurance Council of Australia's recent figures, 1.75 million blocks of land nationwide may be vulnerable to bushfires, including Tasmania (64% of blocks), Western Australia (34%), Victoria (24%), New South Wales (22%), and South Australia (19%).

Factors such as the proximity of a home to bushland and slope of the land can affect a home's vulnerability to bushfires.

BUSHFIRE BUILDING STANDARDS

There is a higher risk of underinsurance for some households due to changes in national building standards for homes in bushfire-prone areas.

Some state and local governments have introduced tougher building standards over recent years to make homes in bushfire-prone areas more resilient. If your home was built prior to 2009, there could be a substantial rise in rebuilding costs.

You can contact your local council to ask about bushfire zoning for your property.

CALCULATE REBUILDING COSTS

If you need help estimating your rebuilding costs, make use of a range of free, independent insurance calculators to check you have enough insurance cover to fully rebuild, repair or replace your assets if disaster strikes. You can also find home building and contents calculators on the WFI website here wfi.com.au/insurance-tools-and-calculators.

CHECK YOUR INSURANCE POLICY

What hazards is your home exposed to? Does your insurance policy cover those risks? Talk to an insurance professional to ensure you understand exactly what your insurance covers.

If you would like to review your insurance policies or you would like further information about the risks of underinsurance, contact your WFI local area manager on **1300 934 934** or visit wfi.com.au.

Sources:

Insurance Council of Australia, 2016, Media Release: Insurance Council warns of ominous disaster season http://www.insurancecouncil.com.au/assets/media_release/2016/14112016_Insurance%20Council%20launches%20national%20campaign%20ahead%20of%20ominous%20...pdf, Understanding Insurance, 2016, Build a financial firewall around your home this bushfire season <http://understandinsurance.com.au/blog/build-a-financial-firewall-around-your-home-this-bushfire-season>

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