

SUBSCRIBER FIRST ACCESS  
A young woman disappears.



Find the weird & wonderful  
You never know what you might find at Buy Search Sell.  
Shop now  
buy search sell

# Church places insurance in the hands of god

EXCLUSIVE  
By DAVID ROSS  
JOURNALIST

2:33PM JANUARY 13, 2021  
3 COMMENTS



Chris Wright, an Anglican priest who is also chairman of the Kuranda Village Promotion program. Photo: Nellie Pratt

The crippling cost of rising insurance premiums has seen the Anglican Diocese of North Queensland self-insure against fire and floods.

Faced with a renewal cost that went from \$500,000 to \$2.5m in just a year, the diocese joined a rush of businesses and organisations around the world that have moved to self-insure.

The church's insurance fund, Our Ark Mutual, set up on a mutual model, launched with cover for more than \$120m worth of assets.

The church is looking to expand the scheme and assist other religious and community organisations in the top end.

By the end of the year the insurance fund is expecting to cover more than \$1bn in assets.

Queensland insurance start-up Picnic Insurance set up the church's mutual, with it providing underwriting, risk management, regulatory compliance and governance support.

Wills Re also assists Picnic in the case of major events or large claims that may exceed reinsurance coverage.

Picnic Insurance CEO Charles Pollack said the launch of the mutual presented a strong opportunity to provide coverage for markets underserved by traditional insurers.

"There's many things to like about the mutual model," Mr Pollack said. "In a mutual any property is retained by the members for increasing the covers base or reducing premiums."

Mr Pollack said members in the mutual had an incentive to keep costs down and better prepare properties for wild weather.

"If everyone is doing those things (when) the cyclone comes down there are small claims," he said.

The Anglican Diocese of North Queensland stretches from the top of the Torres Strait south to Mackay and west towards the border with the Northern Territory.

Archdeacon Chris Wright said the church looked to self-insure after dealing with 12-15 per cent premium price rises year on year, "even if we didn't have a cyclone".

"When you get insurance raises of 30/40/50 per cent and they just come out of the blue, you can't budget for that," he said.

"Our costs are about the same as the last time we were insured. We expect they will go up but I know we will get notice of how much it's going up in advance."

Despite representing only 5.6 per cent of overall policies issued nationally in 2018-19, the top end accounted for 11 per cent of total claims.

Mr Wright noted many insurers treated all of the area in the same light, despite the varied weather patterns across the huge region.

"Insurance companies were treating us like we were all in the cyclone belt and we would be taken out all at one time," he said.

"The insurance companies never looked at our buildings. They've always classed them as all the same — it doesn't matter if our buildings are on the coast or Croydon in the west."

He said the church was looking to expand its self-insurance scheme to cover other religious and cultural institutions. "This is not just a thing that affects the church, it affects the whole of northern Australia," he said.

A recent report from the Australian Competition & Consumer Commission found only a handful of providers serving northern Australia, with fast-rising premiums outstripping the capacity for many to pay.

The report called for governments to subsidise insurance premiums for policyholders in the far north, or for state governments to remove stamp duties levied on policies.

But governments are not rushing to respond.

Queensland Treasurer Cameron Dick said his government awaited the outcome of the federal government's response to the ACCC report.

West Australian Treasurer Ben Wyatt said his government supported the report's recommendations to increase competition in the insurance market to improve affordability.

**DAVID ROSS, JOURNALIST**  
David Ross is a Sydney-based journalist at The Australian. He previously worked at the European Parliament and as a freelance journalist, writing for many publications including Myanmar Business Today where he ... [Read more](#)

Share this article



READ NEXT



**CHIP SURPRISE**  
**Intel shock: CEO Bob Swan ousted**  
ASA FITCH

READ NEXT



**EXCLUSIVE**  
**Bosses want clarity on staff job rules**  
Business wants national cabinet to urgently advise employers whether they can direct staff to get a COVID-19 vaccine.  
ROSIE LEWIS



**STREWTH**  
**Make Aus Grate Again**  
He may be recovering from a near-death experience but that hasn't stopped Anthony Albanese from hitting the airwaves.  
ALICE WORKMAN



**Black box missing and feared damaged**  
The cockpit voice recorder from the airliner that crashed into the Java Sea is likely to be badly damaged and not intact.  
AMANDA HODGE, CHANDNI VASANDANI



**Feds put first US woman to death in 67 years**  
A woman who murdered a pregnant dog breeder in order to steal her baby was put to death by lethal injection on Wednesday.  
AFP



**MAGIC MILLIONS**  
**Auction theatrics conjure magic \$6m**  
A furious spurt of theatrical bidding resulted in more than \$6m changing hands in less than 30 minutes at the Magic Millions thoroughbred auction on the Gold Coast on Wednesday.  
CHARLIE PEEL



**COVID-19 PANDEMIC**  
**Access to Pfizer vaccine 'limited'**  
Australia is unable to secure more doses of the highly effective Pfizer vaccine but reliance on the AstraZeneca jab does not mean our vaccine strategy is flawed, health chiefs say.  
NATASHA ROBINSON

SPONSORED CONTENT

**Support your local restaurant industry**  
The last twelve months have been incredibly tough on our much ...  
SPONSORED



**How recycling bottles raised over \$20,000**  
A family is transforming their local community not only cleaning up ...  
SPONSORED



3 COMMENTS

You can now update the display or screen name associated with your Subscriber account. [Click here for details and guidelines.](#)

Reader comments on this site are moderated before publication to promote lively, but civil and respectful debate. We encourage your comments but submitting one does not guarantee publication. You can read our comment guidelines [here](#). If you believe a comment has been rejected in error, email [comments@theaustralian.com.au](mailto:comments@theaustralian.com.au) and we'll investigate. **Please ensure you include the email address you use to log in so we can locate your comment.**

Hi Charles

[COMMENTS](#) [MY PROFILE](#)

Rich text editor with bold, italic, and quote buttons. Below the editor is a text input field with the placeholder "Post a comment" and a character count "2000 characters remaining".

Post

Viewing Options

**Brendan** 1 DAY AGO

Love the headline, very ironic. The risk of natural disasters is becoming more predictable to specific locations and data would go down to specific properties. Our open insurance market are trying to increase profits by reducing their exposure to these individual property risks. Makes sense as an insurance business, but doesn't make sense as a community. We are probably at a stage where our taxes should 100% cover property for natural disasters such as flooding, as currently half of us are effectively betting against government support, the other half are praying to god their isn't a flood and if there is one are hoping the government will remedy.

Report Like 1 Reply

**Dan** 1 DAY AGO

If you are waiting for assistance from the Qld or WA Governments you will be sorely disappointed.

Report Like Reply

**Dan** 1 DAY AGO

25 years ago I stopped buying contents insurance - it coming to the point where if you own a house clear title and the majority of your money is in the land - then it's just not worth insuring. Yet can you just get liability insurance at a good price?

Report Like Reply

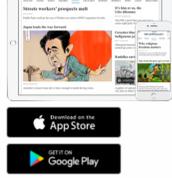
VOGUE VIP  
Monthly magazine delivered

A NOTE ABOUT RELEVANT ADVERTISING: We collect information about the content (including ads) you use across this site and use it to make both advertising and content more relevant to you on our network and other sites. This is also known as Online Behavioural Advertising. You can find out more about our policy and your choices, including how to opt-out here.

More from The Australian

Back to top

THE AUSTRALIAN APP



OUR PRODUCTS

- The Australian app on iOS
- The Australian app on Android
- Facebook Messenger app
- Chinese site
- Mind Games
- Today's paper
- All topics

TERMS OF USE

- Standards of Practice
- Editorial code of conduct
- Subscription terms
- Group subscription terms
- Privacy Policy
- Relevant Ads Opt-out
- Cookie Policy
- Terms of Use

CONTACT US

- Help
- Contact info
- Photo Sales
- News archive
- Copyright & Licensing

ABOUT US

- About The Australian
- Our journalists
- Subscribe
- The Australian Plus member benefits
- Sign up to Newsletters