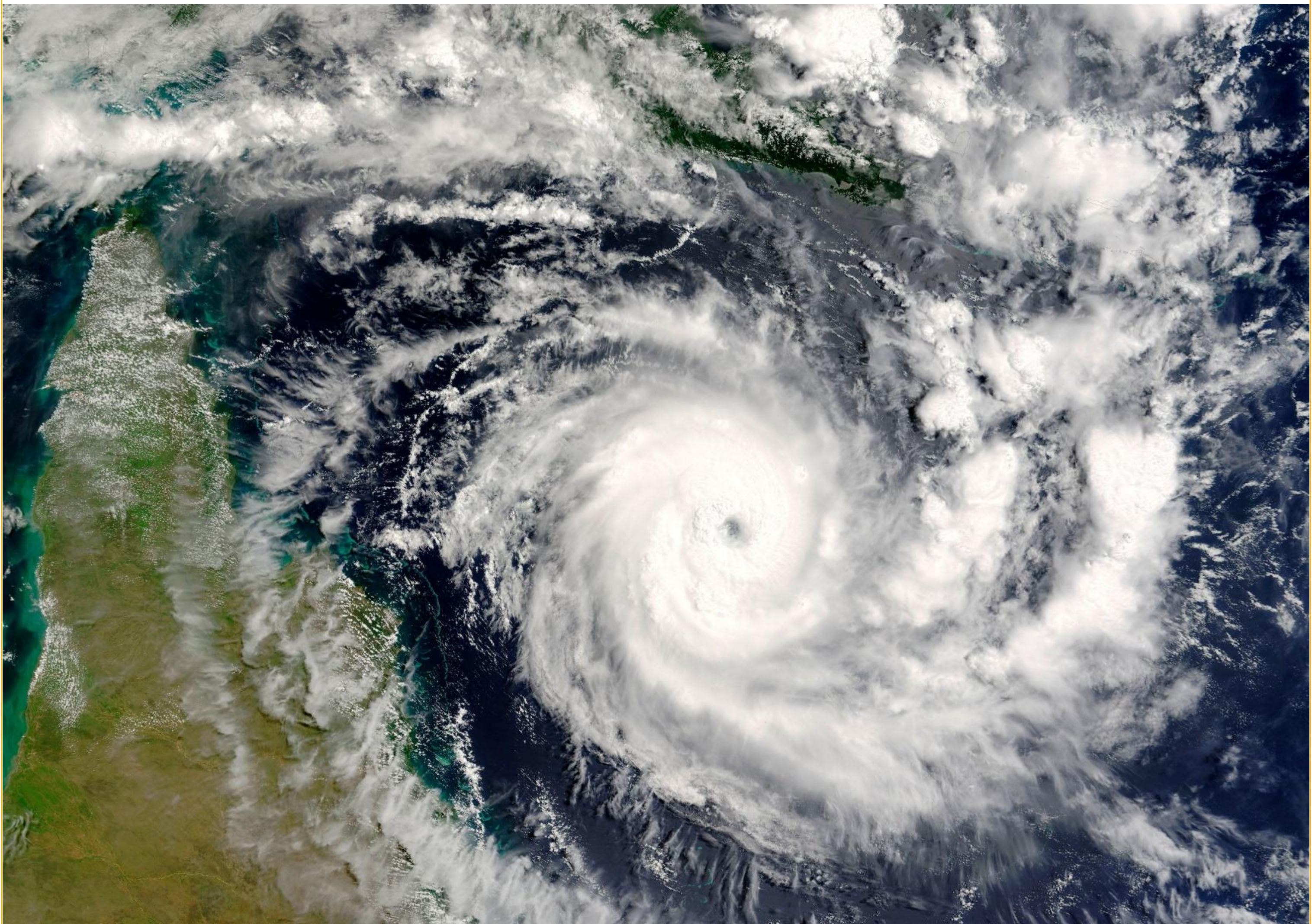
Cyclone Pool – Premium determination applying from 1 April 2026

Australian Reinsurance Pool Corporation



September 2025

finity

19 September 2025

Dr Christopher Wallace
Chief Executive Officer
Australian Reinsurance Pool Corporation
PO Box Q1432
QUEEN VICTORIA BUILDING NSW 1230

Dear Chris

Cyclone Pool – Premium determination applying from 1 April 2026

We are pleased to present our findings to the Australian Reinsurance Pool Corporation.

It is a privilege to be asked to contribute to this complex and important initiative and we look forward to continuing to support the operation of the Cyclone Pool.

Yours sincerely

Stephen Lee
Fellow of the Institute of Actuaries of Australia

Rade Musulin
ACAS, MAAA, CCRMP, GAICD

1 Executive Summary

1.1 Background

The Treasury Laws Amendment (Cyclone and Flood Damage Reinsurance Pool) Act 2022 amended the (renamed) Terrorism and Cyclone Insurance Act 2003. This legislation, which will be referred to as 'the Act' in this Report, established a Cyclone and Cyclone Related Flooding Reinsurance Pool (referred to as the Cyclone Pool in this document) to be administered by the ARPC. The Cyclone Pool commenced on 1 July 2022, with transitional timeframes for insurers to be in the scheme. All insurers required to participate in the Cyclone Pool joined by the 31 December 2024 deadline.

Note that references in this Report to cyclone related losses will include cyclone related flooding and surge losses, unless otherwise specified.

ARPC engaged Finity Consulting Pty Ltd (Finity) to review the Cyclone Pool premium rates and propose updated rates to apply from 1 April 2026, which is documented in this Report. This version of the premium rating algorithm will be referred to as Version 4. The revised rate tables can be found in Appendices C, D and F of this Report for home, SME business, and strata insurance policies respectively.

This updates premium rates previously determined and applicable from 1 April 2025 (Version 3), which is documented in our reported titled "Cyclone Reinsurance Pool – premium determination applying from 1 April 2025", dated 26 September 2024 (the "1 April 2025 Premium Report" or the "previous review").

1.2 Scope of this Review of premium rates

The occurrence of Tropical Cyclone Alfred (TC Alfred) in February and March 2025 was a significant event for the Cyclone Pool. The significance of this event and the infrequency of cyclones tracking as south as TC Alfred travelled meant that it was appropriate to also consider the continued appropriateness of the Cyclone Pool premium rates at this review. This is discussed in Section 1.4 below and in more detail in Section 4.

The other aspects that were planned and considered for this Review are the following:

- Allowance for SME risk mitigation in the premium rating algorithm, as planned at the previous review. This is discussed in Section 1.5 and in more detail in Section 5.
- Updated assessment of premium adequacy. The adequacy assessment of the Cyclone Pool is now based on actual exposure information provided by insurers, compared to previous adequacy assessments which required at least some element of estimated exposure. This is discussed in Section 1.6 below and in more detail in Section 6.
- Annual update for new addresses based on G-NAF version from February 2025 ('2025.02') and associated postcode fall-back tables. This is discussed in Section 7.
- Whether the policyholder objectives, achieved through the allocation of cross-subsidies, continue to be met. This is discussed in Section 1.7 below and in more detail in Section 8.

1.3 Statement of our conclusions

Our analysis, detailed in this Report, indicates that the Cyclone Pool premiums remain adequate overall and sufficient to meet costs over the longer term.

We have reviewed the operation of cross-subsidies implicit in the premium algorithm. The application of the current cross-subsidies still achieves overall adequacy while also delivering the most benefit to medium and high risk policyholders, as intended by the legislation.

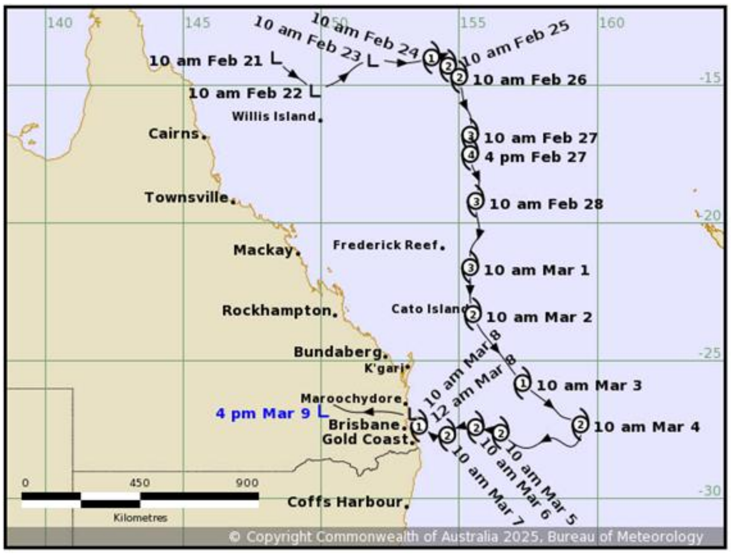
The changes to the premium algorithm to SME policies introduced at this review are expected to incentivise mitigation.

We conclude from this review that the legislative objectives of the Cyclone Pool continue to be met and, in the case of the SME mitigation discounts, further meet those objectives.

1.4 TC Alfred and Cyclone Pool premium implications

There have been five Declared Cyclone Events (DCE) in the 2024/25 cyclone season. The mean estimated cost of these DCEs is $1.55b ($1.88b including risk margins) at the time of preparing this report (as at 30 June 2025). Based on the distribution of modelled catastrophe losses, there is a 9% probability of $1.55b of losses or greater for a year. The claims experience is mainly driven by TC Alfred, which has an estimated cost of $1.54b.
Figure 1.1 shows the track of TC Alfred.

Figure 1.1 – TC Alfred track



Bureau of Meteorology

Key dates for TC Alfred are as follows:

- **February 20:** Tropical low formed in the Coral Sea
- **February 22:** System intensified and was designated a tropical cyclone
- **February 24:** Alfred moved east for 2 days and intensified to Category 2
- **February 26:** Turned south and intensified further to Category 3
- **February 27:** Upgraded to Category 4, then fluctuated between Category 3 and 4 on March 1
- **March 1-4:** Downgraded to Category 1 and slowly moved down the coast as Category 1 or 2 for 3 days
- **March 8:** Made a sudden turn to the west and made landfall as a tropical low

TC Alfred exhibited several notable characteristics that are less commonly observed:

- Westward direction of movement
- Relatively slow forward motion
- Proximity to the coast during its southward drift

- Sudden westward turn before landfall

These characteristics were driven by weak steering winds from a high-pressure ridge to the south, which is not uncommon but contributed to the storm's unusual track and slow movement. TC Alfred is the Cyclone Pool's most significant event to date and has resulted in the Cyclone Pool having an accumulated deficit position as at 30 June 2025.

We considered whether there are learnings from TC Alfred that may indicate a premium response at this Review. Specifically, we considered the following:

- Whether events like TC Alfred are allowed for in catastrophe models relied upon by ARPC to determine Cyclone Pool premiums, including the regions where Cyclone Pool premiums are applied.
- Whether TC Alfred provided sufficiently strong indication of the effects of climate change and if previous assumptions may no longer be appropriate.
- Whether premiums should be increased to reflect the accumulated deficit position as at 30 June 2025.

1.4.1 Allowance for severe events in catastrophe models

Our review found that the models used for ARPC pricing were calibrated against various prior experience periods. Events affecting SE QLD of similar magnitude were generally considered in catastrophe models. A review by ARPC of tropical cyclone event sets from catastrophe models relative to BoM historical records did not reveal that the models significantly diverge from past experience. Losses from TC Alfred were within the Cyclone Pool's premium collection zone, which was originally informed by catastrophe models. We did not identify deficiencies in the catastrophe models which indicate that the premium rates should be revised at this Review, or could be given the current scientific knowledge and level of catastrophe model sophistication.

1.4.2 Review of climate change risk factors observed from TC Alfred

The scientific literature review found no clear evidence that significant revisions to previous assumptions underlying ARPC pricing are required at this time. Additional information about climatology affecting tropical cyclone risk was generally consistent with previous climate risk assessments conducted for ARPC. A separate review by the Australian Climate Service (ACS) also aligned with findings from previous work. Previous work indicated that climate risk is likely to impact ARPC's premium adequacy over time, but the significance of the effect is highly dependent on whether poleward migration of tropical cyclones (e.g., more southward tracks in Australia) materialises.

There is high scientific uncertainty and disagreement regarding whether Australia has, or will, experience poleward migration of tropical cyclones and over what time horizon. Poleward migration does not affect the intensity of storms but instead where they go. This may mean that more, and higher intensity, cyclones may occur at a specific location such as South East Queensland as the event has moved south or persisted longer. Absent poleward migration, climate effects on wind, flooding, and surge are likely to be smaller and may operate in offsetting directions:

- Lower to similar overall wind damage due to decreasing storm frequency despite higher intensity storms (low to medium confidence).
- Somewhat higher flooding due to increased intense rainfall, possibly partially offset by overall frequency decline (medium confidence).
- There are clearer indications of steadily increasing storm surge risk due to rising sea levels (high confidence). However, we note material model disagreement and uncertainty on the cost from storm surge. It would not be appropriate to make climate related adjustments to storm surge premium rates

at this Review since the variability and uncertainty in the models' ability to measure storm surge risk is greater than the adjustment we may apply to reflect climate change at this stage.

The models used for prior ARPC pricing were calibrated against various historical experience periods, and we are not aware of any explicit adjustments for climate risk by model vendors. The models are implicitly assuming that the level of risk from the reference period is still appropriate for the current period. The scientific literature is currently inconclusive that the immediate cyclone risk has fundamentally changed (except for storm surge, as noted above). The Cyclone Pool's premium rates have not been revised for climate risk at this Review.

1.4.3 Allow for accumulated deficit position

ARPC may target a premium pool that is higher or lower to allow for past accumulated deficit or surplus positions respectively. The decision to do so will be influenced by the following competing factors:

- The extent of the accumulated deficit/surplus, and the likelihood of returning to a target range within a reasonable timeframe.
- The ability of ARPC to fund the losses and whether the Commonwealth guarantee needs to be called upon.
- Stability of reinsurance premiums over time for the market, both from a public policy perspective and reducing operational costs to the industry.

This premium review has not suggested nor allowed for extra premium to offset ARPC's accumulated deficit position as at 30 June 2025 for the following reasons:

- The 2024/25 cyclone season was not particularly unusual. Events such as TC Alfred are envisaged in premium setting process.
- The Cyclone Pool is designed to be cost neutral over the longer term. This means that the Cyclone Pool is expected to move between accumulated surplus and deficit positions as surpluses are eroded periodically by large events. The magnitude of the deficit as at 30 June 2025 is not considered to be unusual.
- The Cyclone Pool will be able to meet claim payments as they are due based on current cashflow projections.

This decision is ultimately one for ARPC and its approach to managing its net asset position over time.

Conclusion from our analysis

Our assessment is that revisions to the ARPC premium rates are not appropriate currently for the purpose of addressing climate trends in isolation or specifically to respond to Cyclone Alfred. While there is scientific evidence for increasing rainfall and higher storm surge risk due to rising seas, other factors such as projections of reduced cyclone frequency and uncertainties around how well current models are reflecting risk suggest caution and the need to wait until there is more research and consensus.

Since ARPC does not load rates for uncertainty or include a margin for conservatism, the existence of significant uncertainty itself does not indicate a need to change premium rates.

1.5 SME mitigation discounts

The Cyclone Pool implements discounts to incentivise risk mitigation. Discounts are currently available for home and strata buildings. The risk mitigation discounts have been extended to SME policies at this Review.

ARPC engaged James Cook University's Cyclone Testing Station (JCU) to report on key drivers of loss from cyclones affecting Strata and SME buildings. JCU research into cyclone related damage identifies two main causes of building damage affecting strata and SME buildings, namely:

- Wind driven rain causing water damage within the premises.
- Wind load, particularly when the building envelope is breached leading to pressure changes that cause structural damage.

The SME risk mitigation discounts are determined based on whether the commercial building where the business operates has risk mitigations applied. Discussions with the Cyclone Testing Station at James Cook University have suggested that there will be similar benefits from risk mitigations that were applicable to strata buildings, specifically investments in strengthening roof structures, doors, windows and garages, and drainage systems that can adequately handle cyclonic rainfall. The risk mitigation relativities for strata have been adapted to apply to SME businesses.

Finity, ARPC, and JCU identified the risk characteristics that can be practically applied, the buildings they should be applied to, and the quantum of discounts that should be applied. Table 1.1 shows the discounts for the risk mitigation for buildings housing SME businesses. These discounts are determined using JCU research supplemented with expert judgement and consideration of the relative risk of old vs new buildings. Discounts will be reviewed over time when claims data becomes available.

Table 1.1 – SME mitigation discounts

Mitigation activity	Maximum discount available
Roof Mitigation	Full retrofit – 10%
Window protection	Permanent protection - 3%
External doors	Cyclone resilient doors – 3%
Vehicle access doors	Compliant with current standards, on low rise buildings – 3%
Gutter overflows	Installed for boxed eves and gutters – 3%

Conclusion from our analysis

The introduction of risk mitigation factors for SME policies will incentivise risk mitigation. This is an objective of the legislation.

1.6 Experience to date and implications for the Cyclone Pool

All insurers required to participate in the Cyclone Pool were reinsured by ARPC as at 31 December 2024. The exposure information provided by insurers, and relied upon for this Review, represents the full exposure of the Cyclone Pool[1].

The expected annual claims costs was updated based on exposure information provided by insurers. Our review of the current catastrophe models (discussed above) suggest that they remain appropriate for estimating

[1] Notwithstanding that some insurers with limited cyclone risk exposure and Lloyds' entities may voluntarily join in future

Cyclone Pool annual claim costs, and therefore modelling assumptions and approach from the previous review have been applied for this Review.

The Cyclone Pool's estimated claim and operating costs for 2026/27 is estimated to be $636m. This is $13m higher than $623m from the previous review due to the updated exposure mix.

The premium collected is determined by the Cyclone Pool's premium formula set out in this report. Other than introducing SME risk mitigation discounts and updating for the latest address data, there are no changes to the premium rating formula recommended at this Review. That is, home and strata premium rates are unchanged, and SME premium rates are unchanged or reduced with the mitigation discounts. Insurers are required to calculate the reinsurance premium for each policy reinsured by the Cyclone Pool and pay this to ARPC. $637m of premium is estimated to be collected by applying the premium formula.

Conclusion from our analysis

Overall, the Cyclone Pool's premiums are estimated to remain adequate. Our analysis does not show that an adjustment to the premium rates is necessary at this point in time from an adequacy perspective.

1.7 Estimated policyholder outcomes and appropriateness of cross-subsidies

As a reinsurer, the Cyclone Pool does not directly determine policyholder premiums – it is up to individual insurers to determine policyholder premiums. In estimating potential policyholder outcomes, we assume insurers pass on Cyclone Pool premiums directly to its customers.

The adequacy ratios in Table 1.2 represents the ratio of the technical cost to the Cyclone Pool premium split by cyclone risk (measured by estimated technical cyclone claim costs).

Table 1.2 – Comparison of technical cost to Cyclone Pool premiums – all classes

Cyclone risk	Cyclone risk	Total Sum Insured ($bn)	Average modelled cyclone pool cost ($)	Average cyclone pool premium ($)	Premium adequacy ratio
Low to high isk	**Minimal**	1,912	51	65	128.0%
	Low	405	242	267	110.4%
	Medium	92	737	657	89.1%
	High	19	2,952	1,364	46.2%
	Total	**2,429**	**131**	**131**	**100.1%**

Policies with medium to high cyclone risk have an adequacy ratio below 100%, meaning that their Cyclone Pool premium is less than their expected cost alone. This is offset by policies with lower technical risk costs which have an estimated adequacy ratio above 100%. Overall, the adequacy ratio of 100.1% shows that premium is adequate to meet the Cyclone Pool's estimated claim cost and ARPC's operating expenses.

The overall estimated adequacy and the allocation of cross-subsidisation between lower and higher cyclone risk policies is an intended outcome and consistent with legislated objectives of the Cyclone Pool.

Conclusions from our analysis

Our review has shown that the cross-subsidy structure in the rating algorithm continues to provide the greatest benefit to medium/high risk policyholders and that no change is required at this point in time.

The cross-subsidy outcomes are consistent with the design of the Cyclone Pool, where a small implicit margin continues to be charged to a large number of policies to provide cross-subsidies to smaller number of medium/high risk policyholders. If benefits are intended to reach a greater number of policyholders, then the level of discount able to be provided to the most acute risks would be reduced or implicit margins for low-risk policies slightly increased.

1.8 Continuing to meet the requirements of the Act

The Act sets out the following four objectives of the Cyclone Pool relevant to the premium setting:

1. Premiums paid to the Cyclone Pool are sufficient (over the longer term) to meet the Cyclone Pool's costs (Section 8D (a))
2. Premiums for medium to high cyclone risk policyholders as low as possible (Section 8D (b))
3. Maintain incentives to reduce and mitigate cyclone risk (Section 8D (b))
4. Premiums for low cyclone risk policyholders kept to comparable levels of what would be charged by other reinsurers (Section 8D (c))

Table 1.3 below summarises how the recommended 1 April 2026 Cyclone Pool premium formula proposed in this Report continues to meet the requirements of the Act.

Table 1.3 – Comparison of Cyclone Pool outcomes against legislative requirements

Legislative requirement	How the proposed Cyclone Pool premiums meet the requirements
Over the longer-term, premiums are sufficient to cover or offset claims and expenses including any payments funded by the Commonwealth guarantee.	ARPC targets a premium pool that is expected to be sufficient to cover eligible cyclone losses over the long term and operating expenses. The estimated premium collection of $637m compares to estimated claim and operating expenses of $636m. Therefore, premiums are estimated to be sufficient.
Keep premiums for medium to high cyclone risk policyholders as low as possible	In aggregate, the Cyclone Pool does not hold or price for any profit or uncertainty margin. Our analysis indicates that medium and high cyclone risk policyholders are receiving discounts relative to their risk cost (estimated through catastrophe risk modelling); i.e. the margin savings are being directed to these policyholders.
Keep premiums to lower risk level policyholders at levels comparable to what would be charged by other reinsurers	Cyclone Pool premiums were initially set so that they were comparable to estimates of premiums charged by insurers for cyclone risk for low-risk policyholders. Our analysis at this review indicates that the Cyclone Pool's premiums for low-risk policyholders remains comparable to what other reinsurers would be charging once margins that would be typically charged by (re)insurers is considered.
Maintain incentives to reduce and mitigate cyclone risk	The pricing formula offers a lower premium where there is risk mitigation for homes and strata buildings, providing a financial incentive for risk mitigation. These discounts have been maintained at this review. In addition, risk mitigation discounts have been extended to SME businesses at this review.

Conclusion from our assessment

The ARPC premium rating formula and the recommended parameters set out in this Report remain consistent with the requirements of the Act.

1.9 Reliances and limitations

The reliances and limitations are an important part of this Report and can be found in Section 9.

2 Background and context for this Report

2.1 About the Cyclone Pool

The Cyclone Pool established by the Act provides reinsurance to insurers of eligible insurance policies. The Cyclone Pool provides ground up reinsurance for insured losses resulting from damage caused by cyclone. This includes losses arising from strong winds, storm surge, pluvial (flash) flooding, and fluvial (riverine) flood – if fluvial flood is covered by the insurance policy – from the time that a cyclone is declared by the Bureau of Meteorology to 48 hours following the downgrade of a cyclone. The Act sets out the following four objectives of the Cyclone Pool relevant to the premium setting:

1. Premiums paid to the Cyclone Pool are sufficient (over the longer term) to meet the Cyclone Pool's costs (Section 8D (a))
2. Premiums for medium to high cyclone risk policyholders as low as possible (Section 8D (b))
3. Maintain incentives to reduce and mitigate cyclone risk (Section 8D (b))
4. Premiums for low cyclone risk policyholders kept to comparable levels of what would be charged by other reinsurers (Section 8D (c)).

2.2 Coverage for the Cyclone Pool

Key details of the Cyclone Pool, as set out in the legislation and supporting regulations, are summarised in Table 2.1.

Table 2.1 – Summary of Cyclone Pool operation

Cyclone Pool Coverage	Summary
Eligible properties covered	Homes (buildings and contents) Buildings used for business purposes, including the contents and business interruption losses of the businesses within these buildings, up to a combined per policy limit of $5m (in this Report we refer to this sector as SME) Strata buildings and common property contents with either less than 50% commercial usage or are less than $5m commercial sum insured.
Insurers required to be part of the Cyclone Pool	Australian registered insurers writing more than $10m GWP of properties that are covered by the Cyclone Pool are required to be in the Cyclone Pool. Insurers with more than $300m of home insurance GWP were required to be fully in the Cyclone Pool by 31 December 2023. Other insurers were required to be fully in by 31 December 2024. Cyclone Pool membership is optional for other Australian registered and Lloyds syndicates. Once an insurer is fully part of the Cyclone Pool, all of its Cyclone Pool eligible properties must be in the Cyclone Pool.
Cyclone event	The start and end of a cyclone event is notified by the Bureau of Meteorology to ARPC, and subsequently declared by the ARPC.

Cyclone Pool Coverage	Summary
Insured losses covered	The Cyclone Pool reinsures the cyclone related losses incurred by the insurer for eligible properties under the insurer's policy. That is, where coverage is excluded in the original policy, the Cyclone Pool will not respond. The Cyclone Pool reinsures claims where cyclone damage occurred during the cyclone and for a period of 48 hours after the cyclone has been declared to have ended. The Cyclone Pool pays for damage caused by wind and rain, storm surge and flood from a cyclone event.
Funding losses	The Cyclone Pool is backed by an annually reinstated $10b Commonwealth guarantee. If the ARPC considers it likely that the guarantee will be insufficient, the Responsible Minister must determine additional funds to be paid to ARPC.

2.3 History of the Cyclone Pool premium rates

ARPC is the Cyclone Pool administrator under the Act. Among many other things, ARPC determines the premiums that the Cyclone Pool will charge to insurers for the reinsurance it provides. ARPC has engaged Finity to recommend premium rates for the Cyclone Pool. The Australian Government Actuary (AGA) will review relevant results and decisions in an independent quality assurance role. The review is required in the legislation. The AGA acts in a professional advisor capacity to ARPC.

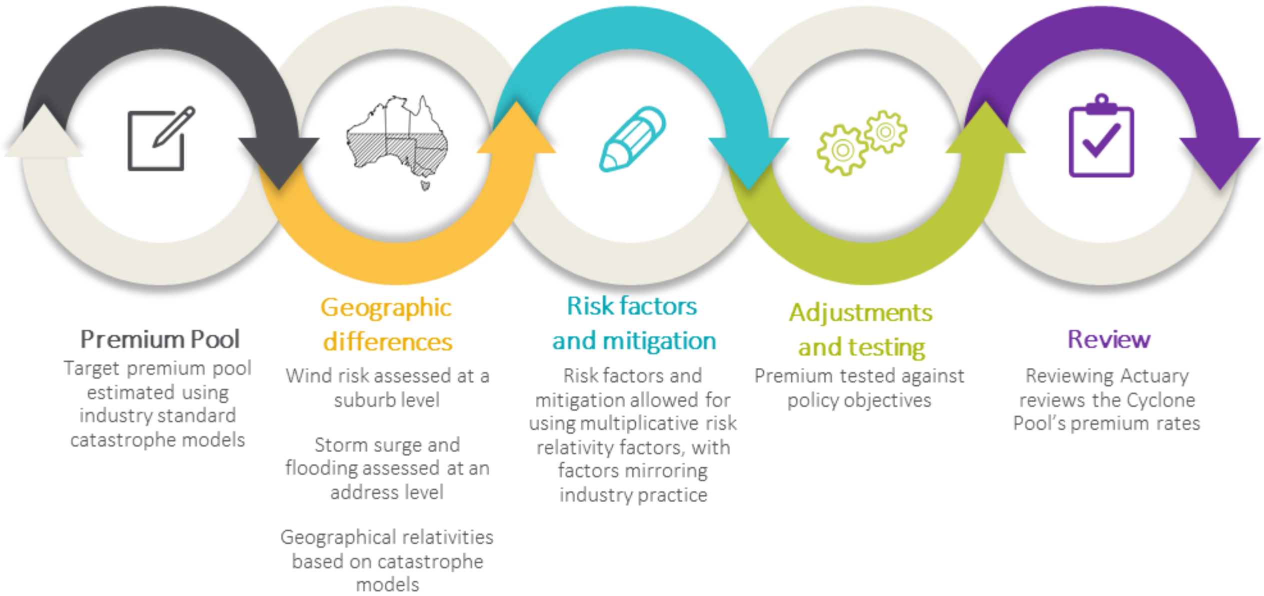
A brief history of actions completed prior to this Report is as follows:

- December 2021: ARPC engaged Finity to commence the process of determining premium rates for the Cyclone Pool in preparation of the passing of the (then) draft legislation.
- 16 June 2022: Finity's Initial Premium Rate approved by ARPC's Board to apply from 1 July 2022 (v1.0).
- 1 July 2022: Scheme went live.
- 1 October 2022: Revised Cyclone Pool premium rates to reflect further industry consultation and feedback (v2.0).
- 1 April 2025: Addition of strata mitigation discounts and other premium formula changes (v3.0).
- 1 April 2026: Addition of SME mitigation discounts (Version 4.0, this Review).

2.4 Recap on how Cyclone Pool premium rates are determined

Figure 2.1 summarises the steps followed to determine the Cyclone Pool's initial premium rates.

Figure 2.1 – Overview of process followed to determine Cyclone Pool premium rates



The following catastrophe models were used in parameterising the Cyclone Pool premium rating formula:

- Wind risk: RMS, Risk Frontiers, COMBUS
- Fluvial flooding: Aon CHIP, COMBUS, Finperils/JBA
- Storm surge: RMS, Aon CHIP, COMBUS, Finperils

Catastrophe models were used to estimate the target premium pool and to inform geographical differences in risk.

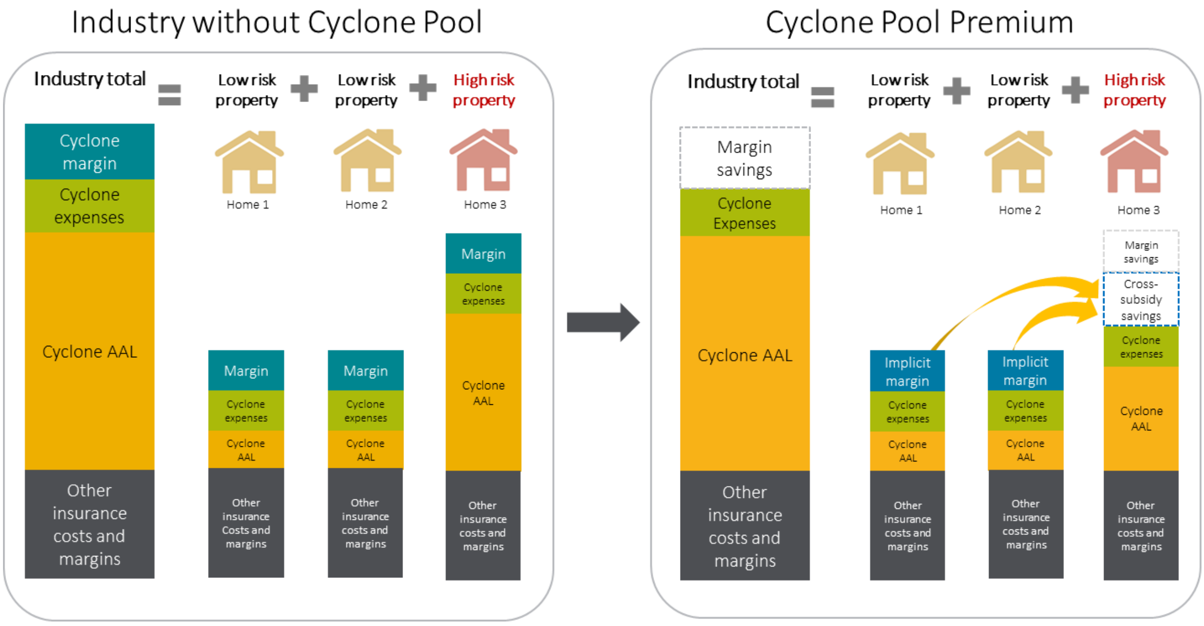
Risk mitigation factors were based on risk factors typically allowed for in the underwriting of cyclone risks, and parameterised by reference to catastrophe models and market practice.

The Cyclone Pool's premium rates are designed to meet its legislative objectives (see Section 2.1) as follows:

- The Cyclone Pool premium rating algorithm is designed to collect a total premium pool needed to pay the expected costs of claims and the expenses related to operating of the pool.
- The Cyclone Pool does not charge a margin for the risk it takes on (whereas a profit motivated insurer/reinsurer is required to), and therefore this leads to a reduction in the total cost of cyclone insurance costs.
- The Cyclone Pool can continue to charge an implicit margin for lower risk properties, such that the premium paid by these properties is comparable to what might have been charged by insurers in the absence of the Cyclone Pool, and direct these margins to provide benefits to the highest risk properties through its reinsurance premium setting. This is primarily achieved through the geographical risk relativities – the premium rate for policyholders located in low-risk areas is set to comparable levels to what insurers might charge without the Cyclone Pool, while medium/high risk properties have a reduced premium rate. This is how benefits to medium/high risk policyholders are maximised. Figure 2.2 illustrates this concept.

- The Cyclone Pool provides discounts for risk mitigation actions that can be taken by policyholders. In the longer run, a centralised Cyclone Pool can consistently provide incentives for mitigation initiatives to lower the overall cost of cyclone to Australia.

Figure 2.2 – How the Cyclone Pool premiums delivers benefits



As a reinsurer, ARPC does not determine how policyholder premiums are determined. However, the margin savings generated enables the insurer to pass on these benefits to policyholders. The ACCC is responsible for monitoring how insurers pass on the Cyclone Pool costs and policyholder outcomes.

3 Cyclone Pool rate structure

3.1 Cyclone Pool premium rate formula

The Cyclone Pool premium rating formula is applied to an insurer's property exposures to determine the Cyclone Pool premium payable by the insurer. This rating formula can be described as follows (summarised for brevity):

- Each property has a "base rate" depending on the location of the property. The premium for wind risk[2] is based on the suburb in which the property is located, while fluvial (riverine) flood and storm surge risks is allocated to risk category based on the property address. The base rate is expressed as a rate per $100 sum insured.
- A series of "modifiers" is applied to base premium to determine the Cyclone Pool premium. The modifiers reflect differences in relative risk – for example, a single storey building is relatively more exposed to flooding risk than a multi storey building. The modifiers also reflect improvements made to the property to reduce damage when a cyclone occurs.
- The base rate and modifiers are multiplied with the sum insured for the insurance cover to determine the base premium.

The premium calculated by the rating formula is exclusive of GST, duties and levies.

The above premium approach is used for each category of insurance which the Cyclone Pool will apply to – i.e. a separate formula applies to home buildings, home contents (including valuables included within home contents), SME buildings, SME contents, SME business interruption, and strata buildings. Each of wind, storm surge, and flood coverage is calculated separately consistent with the underlying policy coverage for each risk (i.e. the insurer does not calculate the flood premium where the policy does not provide flood cover).

A more detailed description of the formula can be found in Appendix A.

3.2 Geographical risk relativities

The natural geography of the land and the local weather patterns dictate a property's location risk to cyclones. The Cyclone Pool covers buildings (and contents contained therein) for the following 3 risks caused by cyclone:

- ***Extreme winds*** and rain caused by the cyclone weather cell. Cyclones predominantly affect coastal regions in Northern Australia.
- ***Pluvial flooding*** (incorporating surface flooding and flash flooding) can occur anywhere high rainfall occurs, such as the path of a cyclone. Natural geographical protections such as natural terrain shielding or being further inland reduces cyclone risks.
- ***Storm surge*** is caused by intense winds and reduced atmospheric pressure from the tropical cyclone causing the sea to rise well above the highest astronomical tide levels. Cyclone related storm surge therefore affects low lying coastal properties in cyclone regions.
- ***Fluvial (riverine) flooding*** occurs when water in a river, lake or other water body overflows onto the surrounding banks and land. Fluvial flooding can occur some distance away and after some time from the original cyclone event, as water can take time to move downstream. The Cyclone Pool covers damage occurring within 48 hours after a cyclone has ceased. In respect of the Cyclone Pool coverage,

[2] Pluvial flood, also referred to as surface and flash flooding, has been included with wind risk.

properties on the banks of water basins, particularly river systems subject to cyclonic rainfall, are most at risk. Elevated geography reduces the risk.

The location risk depends on a large range of factors, including proximity to cyclone weather conditions, distance to coast, elevation and geographical shielding. A range of catastrophe models were sourced by ARPC to build up a complete picture of location risk (see Section 2.4). The level of risk at each location is used to allocate suburbs (wind risk) and addresses (flood and storm surge risk) into risk bands.

Table 3.1 shows the base rates applying for wind risk by insurance segment. Each suburb in Australia is classified into risk bands.

Table 3.1 – Base rates for wind risk ($ per $100 sum insured)

	Home		SME businesses			Strata
Wind risk bands	Buildings	Contents	Buildings	Contents	Business Interruption	Building and contents
A	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
B	0.0040	0.0028	0.0028	0.0010	0.0018	0.0038
C	0.0080	0.0056	0.0056	0.0020	0.0036	0.0076
D	0.0120	0.0084	0.0084	0.0032	0.0055	0.0114
E	0.0160	0.0112	0.0112	0.0045	0.0073	0.0144
F	0.0200	0.0140	0.0140	0.0056	0.0091	0.0180
G	0.0240	0.0168	0.0168	0.0071	0.0109	0.0216
H	0.0280	0.0196	0.0196	0.0082	0.0127	0.0252
I	0.0320	0.0230	0.0240	0.0108	0.0156	0.0288
J	0.0360	0.0259	0.0288	0.0130	0.0187	0.0324
K	0.0400	0.0288	0.0380	0.0182	0.0247	0.0360
L	0.0500	0.0450	0.0475	0.0228	0.0309	0.0450
M	0.0600	0.0540	0.0570	0.0274	0.0371	0.0552
N	0.0800	0.0720	0.0760	0.0365	0.0494	0.0736
O	0.1000	0.0900	0.0950	0.0456	0.0618	0.0920
P	0.1200	0.1080	0.1176	0.0564	0.0764	0.1104
Q	0.1400	0.1260	0.1372	0.0659	0.0892	0.1288
R	0.1600	0.1440	0.1568	0.0753	0.1019	0.1472
S	0.1800	0.1620	0.1764	0.0882	0.1058	0.1656
T	0.2000	0.1800	0.2000	0.1080	0.1100	0.1840
U	0.2000	0.2000	0.2000	0.1200	0.1200	0.2000
V	0.2500	0.2500	0.2125	0.1275	0.1594	0.2500
W	0.3500	0.3500	0.3500	0.3500	0.1750	0.3500
X						
Y						
Z						

New suburbs are allocated to wind bands based on the underlying risks for addresses (represented by G-NAFs) in that suburb. The risk classification for existing suburbs remains unchanged.

While the premium rating formula allows for up to 26 risk bands, only 23 risk bands have been utilised in the initial parameterisation.

Figure 3.1 shows the Cyclone Pool wind risk bands applied to Australian suburbs.

Figure 3.1 – Suburb wind risk bands

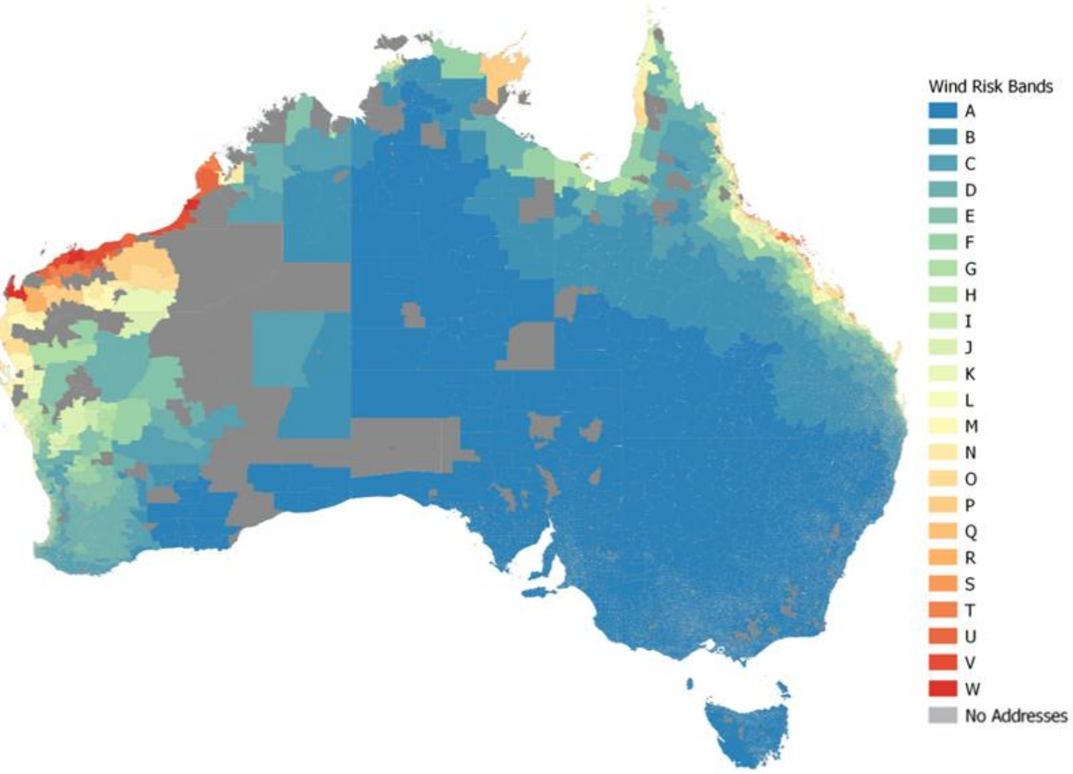
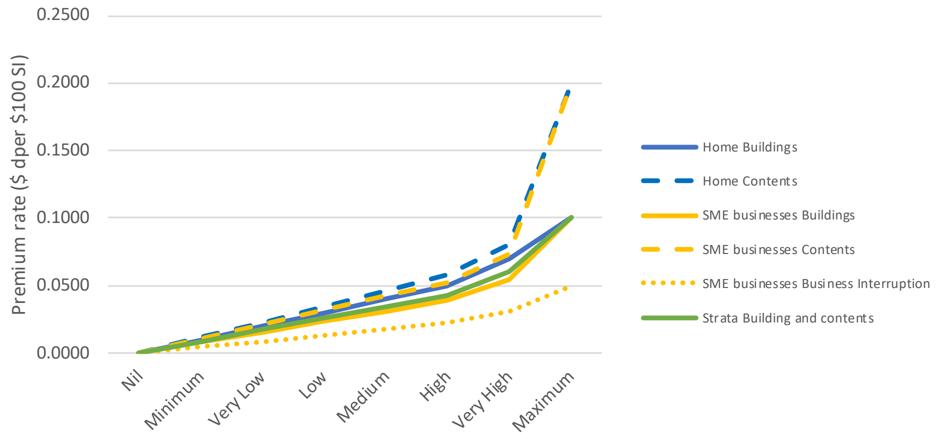


Table 3.2 and Figure 3.2 shows the base rates applying for cyclone related fluvial flooding risk by insurance segment. Each address in Australia is classified into one of the 8 risk groups.

Table 3.2 – Base rates for cyclone related fluvial flooding risk ($ per $100 sum insured)

	Home		SME businesses			Strata
Flood risk bands	Buildings	Contents	Buildings	Contents	Business Interruption	Building and contents
Nil	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Minimum	0.0100	0.0115	0.0077	0.0105	0.0044	0.0086
Very Low	0.0200	0.0230	0.0154	0.0210	0.0088	0.0172
Low	0.0300	0.0345	0.0231	0.0315	0.0132	0.0258
Medium	0.0400	0.0460	0.0308	0.0420	0.0176	0.0344
High	0.0500	0.0575	0.0385	0.0525	0.0220	0.0430
Very High	0.0700	0.0805	0.0539	0.0735	0.0308	0.0602
Maximum	0.1000	0.2000	0.1000	0.2000	0.0500	0.1000

Figure 3.2 – Base rates for cyclone related fluvial flooding risk ($ per $100 sum insured)



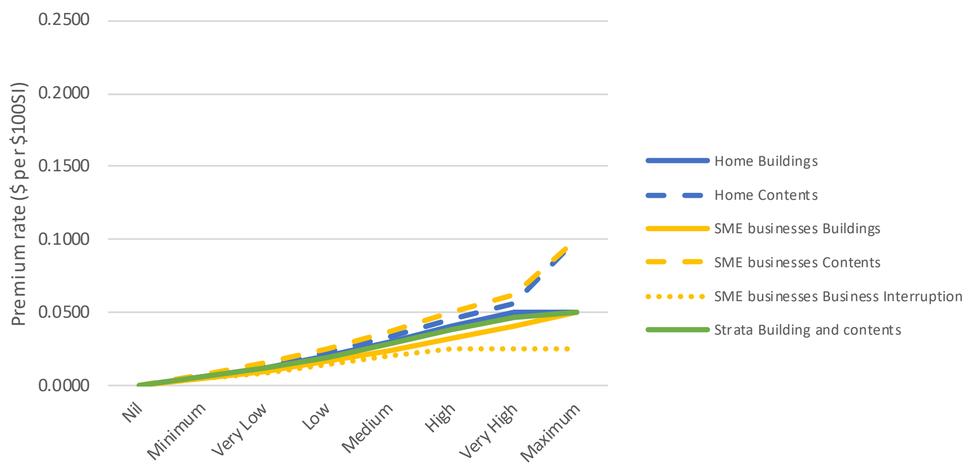
The SME business building base rates are lower than for home and strata within the same risk band for flood risk. This reflects different damage ratios inferred from the catastrophe models.

Table 3.3 and Figure 3.3 show the base rates applying for storm surge risk by insurance segment. Each address in Australia is classified into one of the 8 risk groups.

Table 3.3 – Base rates for storm surge risk ($ per $100 sum insured)

	Home		SME businesses			Strata
Surge risk bands	Buildings	Contents	Buildings	Contents	Business Interruption	Building and contents
Nil	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Minimum	0.0060	0.0067	0.0049	0.0075	0.0041	0.0056
Very Low	0.0120	0.0134	0.0097	0.0150	0.0083	0.0113
Low	0.0200	0.0224	0.0162	0.0250	0.0138	0.0188
Medium	0.0300	0.0336	0.0243	0.0375	0.0207	0.0282
High	0.0400	0.0448	0.0324	0.0500	0.0250	0.0376
Very High	0.0500	0.0560	0.0405	0.0625	0.0250	0.0470
Maximum	0.0500	0.1000	0.0500	0.1000	0.0250	0.0500

Figure 3.3 – Base rates for storm surge risk ($ per $100 sum insured)

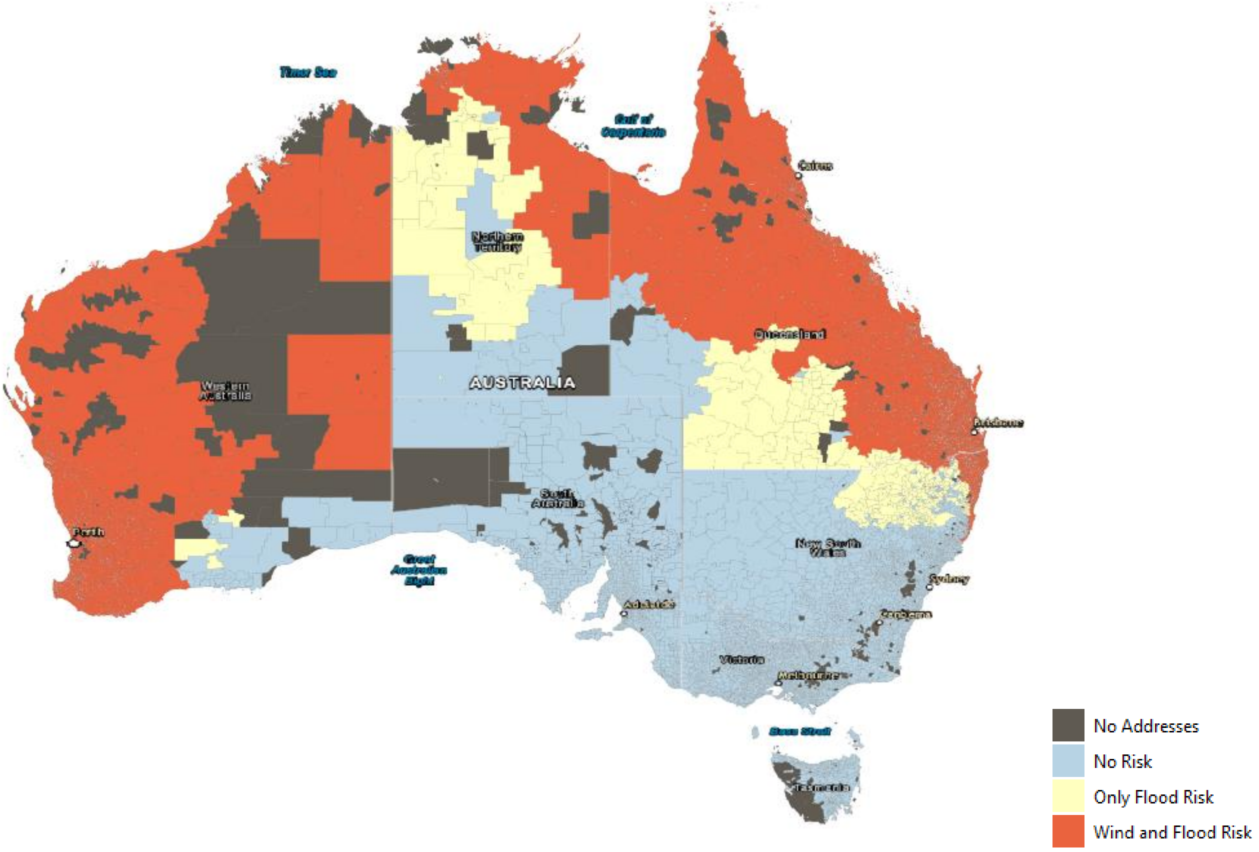


3.3 Suburbs that will be covered by the Cyclone Pool

Cyclone claims are paid out by the Cyclone Pool for damage across any of Australia's 15,000 suburbs for insurers that are in the scheme, even for suburbs where the Cyclone Pool does not charge a premium.

The Cyclone Pool premium formula applies where non-trivial exposure to claims (as covered by the Cyclone Pool) is expected. The Cyclone Pool formula applies a non-nil premium to around one-third of suburbs Australia wide, as shown in Figure 3.4.

Figure 3.4 – Suburbs with exposures to cyclone risk as covered by the Cyclone Pool



3.4 Risk factor and mitigation relativities

The characteristics of a building affect its susceptibility or resilience to natural perils. For example, a building constructed after 1980 to building codes designed to withstand cyclonic winds will be less likely to be damaged if a cyclone occurs than one built before 1980. Similarly, houses built on stilts will have less damage to flooding than ones which are not elevated.

The insurance policy itself can affect the loss payable by the Cyclone Pool. The most notable example of this is the excess or deductible on the policy. Higher deductibles mean that more risk is retained by the policyholder.

Finally, the property owner’s actions in mitigating risk can also affect cyclone losses. Property owners can take actions such as strengthening roof structures, egress points, garage doors, etc. from being breached in high winds. At the extreme, older buildings completely retrofitted to current building standards will have similar risk to a newer building.

Table 3.4 below summarises the risk rating factors adopted in the Cyclone Pool premium algorithm. Risk factors that have been added are shown in italics.

Table 3.4 – Building risk rating factors in Cyclone Pool algorithm

Home and contents	Business insurance (building, contents, and business interruption)	Strata
◦ Sum insured / building value ◦ Excess ◦ Coverage level ◦ Building type ◦ Construction type ◦ Roof type ◦ Construction year ◦ Landlords coverage (Y/N) ◦ Number of storeys ◦ Mitigation – Roller Door ◦ Mitigation – Window Protection ◦ Mitigation – Roof Replacement	◦ Sum insured / building value ◦ Excess ◦ Coverage level ◦ Construction type ◦ Roof type ◦ Construction year ◦ Number of storeys ◦ Duration of cover ◦ Additional Increased Cost of Working (AICOW) coverage ◦ Industry Group ◦ Flood policy sublimit ◦ Surge policy sublimit ◦ *Roof mitigation* ◦ *Window protection mitigation* ◦ *External door mitigation* ◦ *Vehicle access door mitigation* ◦ *Gutter overflow mitigation*	◦ Sum insured / building value ◦ Excess ◦ Sub-limits for flood and storm surge coverage ◦ Coverage level ◦ Construction type ◦ Roof type ◦ Construction year ◦ Number of storeys ◦ Number of basements ◦ Roof mitigation ◦ Window protection mitigation ◦ External door mitigation ◦ Vehicle access door mitigation ◦ Gutter overflow mitigation

The risk relativities have been separately set to apply to wind, storm surge and fluvial flooding. The relativities are shown in Appendices C, D, and F for home/contents, business insurance, and strata respectively.

4 TC Alfred and climate change indicators

This section presents our findings from a comprehensive review of learnings arising from TC Alfred. Specifically, this was to identify features of TC Alfred that may be unusual, critically assess this against evolving climate science, and consider the extent that these outcomes are already reflected in catastrophe models.

The analysis included consideration of the following cyclone risk drivers:

- Poleward shift.
- Increased rainfall intensity.
- Warmer sea surface temperatures.
- Slower translation (landfall) speeds – slower atmospheric circulation patterns.
- More moisture and energy in atmosphere.
- Reduced frequency.
- Surge due to higher sea levels.

The review utilised the following sources of information:

- Scientific literature.
- Australian government perspectives from CSIRO and BoM.
- Comparison to summary of data from ARPC's historical cyclone database.
- Discussions with ARPC catastrophe model vendors.

ARPC provided insights from the last three items, while Finity was responsible for scientific literature reviews and combining perspectives into cyclone pool premium rate considerations.

4.1 Conclusions as to the adequacy of Cyclone Pool premium rates

Our review did not find that the Cyclone Pool premium rates should be adjusted in response to either TC Alfred or broader climate change risk drivers at this point in time, considering both the uncertainty in the science and the level of sophistication in catastrophe modelling to reflect climate science. Both issues are outside of ARPC's direct control. We note that some climate change factors may increase cyclone risk while others decrease it; these are discussed in detail below.

In the absence of scientific clarity and model development, and as our review of current catastrophe models has not identified that current model estimates are materially out of line with current risk, adjustments to the Cyclone Pool's premium rates would be premature, subjective in the absence of model enhancements, and may ultimately prove to be different than what will be indicated by evolving science and catastrophe model capabilities.

We anticipate that this will progressively change in the medium term.

4.2 Specific characteristics of tropical cyclones

In this section we will consider specific climate characteristics from a scientific perspective, how TC Alfred relates to those characteristics, and implications for the tools currently being used by ARPC to assess risk. While we will be pointing out that there is significant uncertainty in many areas, this is an inherent issue in climate science at this time and outside of ARPC's direct control. The existence of uncertainty does not indicate that the tools used to set current premium rates are incorrect.

4.2.1 Poleward migration

Scientific background

There is high uncertainty and disagreement as to whether Australia has, or will, experience poleward migration.

Kossin et al. (2014) identified a global poleward migration of the latitudes at which tropical cyclones reach their lifetime maximum intensity. Additionally, research focused on Southwest Indian Ocean by Pillay and Fitchett (2019) identifies a low-amplitude southward shift in the locations where TCs make landfall.

A recent paper by Gibson et al. (2025) states that there is some evidence of poleward shift during genesis in individual Global Climate Models[3] (GCMs); however, it is not statistically significant over the South Pacific region. Changes were shown to be strongly model dependent.

There remains no clear evidence for a poleward shift in TC genesis in the southwest Pacific. Although poleward shift has been observed in other (mostly northern hemisphere) basins, it is possible that the atmospheric dynamics of the southern hemisphere are delaying or disrupting it. Other conditions, such as warmer seas at higher latitudes, create conditions which could be expected, absent other factors, to drive poleward shift.

Based on an ARPC BoM analysis, there is limited evidence of a poleward trend in the cyclone crossing latitudes over the east coast of Australia, especially post-1970 when satellite monitoring began. However, a paper by Aldridge and Christensen (2025) indicates that the BoM records may be incomplete in parts of Western Australia by missing some significant storms which affected southwest WA far in the past.

This highlights that regional TC behaviour remains highly uncertain.

TC Alfred

TC Alfred formed in the Coral Sea (in a common area for cyclogenesis) and slowly drifted southwards. It decayed off the coast of southeast Queensland and made landfall near Brisbane as a tropical low.

BoM data shows the ocean to the south of the Coral Sea was slightly warmer than average, which could have helped TC Alfred maintain intensity as it moved south. The Coral Sea weather patterns are complex, so it is not clear if the conditions during TC Alfred were linked to climate change. It is not uncommon for cyclones to track a long way south, even as far as Brisbane (CSIRO, 2025). However, because of typical weather patterns, they have usually moved east out to sea by then. In TC Alfred's case there was a large region of high pressure to the south of the storm which pushed it to the west. High pressure system-related winds are typically not very strong, hence the slow movement of Alfred.

It is not possible to make inferences about poleward migration from a single event such as TC Alfred. The Cyclone Pool's pricing allows for events to make landfall in regions affected by TC Alfred. TC Alfred does not provide clear evidence of poleward migration, which is consistent with current science and the basis of our premium rates.

Implications for ARPC pricing

Catastrophe models currently underlying ARPC rates do not explicitly allow for poleward migration.

Given the uncertainty, pricing is considered adequate at the current time. Poleward migration is a significant potential risk factor for ARPC as it would expose high population areas in Brisbane and Perth to events which are not fully contemplated by current building codes.

[3] A GCM is a mathematical simulation of the Earth's large-scale climate system.

4.2.2 Increased rainfall intensity

Scientific background

Rainfall intensity is projected to increase, consistent with previous research. It should be noted that increases in intense precipitation generally may be different than that for tropical cyclones.

High-confidence projections indicate an increase in the proportion of high-intensity cyclones globally, with more rainfall and higher storm surges due to sea level rise. Precipitation intensity is expected to increase 7-28% per °C warming for hourly, 2-15% for daily or longer (Wasko et al, 2024). We note this may not directly translate to the same effect on flood AAL due to other factors such as lower cyclone frequency.

ARPC's BoM analysis did not focus on rainfall intensity trends.

TC Alfred

TC Alfred dumped large amounts of rain on southeast Queensland, but this was not driven by increasing rainfall intensity as much as the speed at which the cyclone moved. The storm made landfall as a tropical low, so was not particularly intense.

We found no suggestion that TC Alfred's rainfall was anomalously intense (CSIRO, 2025). In terms of wind speed, Alfred was not intense (low when it made landfall).

While there is no clear evidence that rainfall rates per cyclone in Australia have increased, slower motion as in TC Alfred has been linked to weakening atmospheric circulation in the tropics and can lead to greater cumulative rainfall (Sharmila and Walsh 2018). Bell et al. (2024) found that TC rainfall estimates do vary depending on the data product used to assess them.

Our overall view of flood has not been impacted by TC Alfred and is consistent with previous assessments.

Implications for ARPC pricing

ARPC's premium rates for rainfall-related losses arise from two types of flooding. Pluvial flooding is not explicitly addressed by catastrophe models in their wind losses, while fluvial flooding is modelled based on specific hydrologic (flood) models. Some pluvial flooding is likely captured in wind models due to the way they are calibrated against insurer claim records (which may not provide a clear breakdown of losses by water vs. wind).

Specific flood models were used for fluvial flooding. ARPC also relied on literature reviews, technical analysis and catastrophe modelling, to determine a split of flood between cyclone and non-cyclone causes, applied at a CRESTA zone level.

The impact of a changing climate on pluvial flood modelling is intertwined with the overall analysis of cyclone wind. As noted in other parts of this analysis, absent revisions to the underlying models or a more thorough deconstruction of event sets for pluvial flooding there is no clear way to adjust premium rates for these trends.

The models used for fluvial flood modelling have been updated recently, but we have not been able to identify any specific allowance for climate change.

This topic requires further investigation and discussion with model vendors. ARPC has used the best available information to set premium rates to date.

4.2.3 Warmer sea surface temperatures (SSTs); more moisture and energy in the atmosphere

Scientific background

SSTs are projected to continue warming; however, links with tropical cyclone genesis are unclear. Warmer oceans will enable TCs to grow more intense and maintain intensity for longer, but other factors are relevant, such as increasing wind shear, which inhibits TC formation and strengthening. This is a key reason for uncertainty in cyclone frequency and genesis projections as studies have found increasing SSTs coupled with increasing wind shear (e.g. Gibson et al. (2025)).

Warmer ocean temperatures provide more energy to developing cyclones, allowing them to intensify faster and reach higher wind speeds once they form. The atmosphere holds about 7% more water vapor per 1°C of warming, based on the Clausius-Clapeyron relationship (JBA, 2020).

TC Alfred

The Coral Sea was at its hottest on record in 2024-25 summer at an average of 0.89°C above the 1961-1990 average (BoM, 2025), while temperatures in the northeast Coral Sea were the hottest on record for January and the fourth hottest on record for February (BoM, 2025). Temperatures in the waters to the south were also slightly elevated, which may have contributed to TC Alfred staying intense as it moved south (CSIRO, 2025, Climate Council, 2025).

SSTs may have contributed to TC Alfred; however, warmer SSTs are not conclusively linked to cyclone genesis and are not necessarily evidence for or a driver of an increased frequency of cyclones further south. Cyclones have made landfall in this area historically.

TC Alfred's slow speed and heavy rainfall, even for a relatively weak storm, can be attributed to increased moisture in the atmosphere and warmer ocean temperatures, which contributed to the storm's intensity and duration.

We found no evidence that TC Alfred suggests our scientific understanding in this area is out of date as the relationship between atmospheric moisture and precipitation has been well understood.

Implications for ARPC pricing

It is well established that warming SSTs are a driver of increasing cyclone intensity but is likely to make it harder for tropical cyclones to form. Thus, its effect on the overall level of losses cannot be determined without additional research.

ARPC's current premium rates reflect the output of various catastrophe models. These models have not made an explicit allowance for warming sea surface temperatures.

The science is not fully clear on how warmer SSTs will affect the overall level of cyclone activity, so we do not have a basis to question the models currently underlying ARPC premium rates. Considering this uncertainty, monitoring of evolving climate science for this characteristic is required.

4.2.4 Slower translation speeds

Scientific background

It has been established in the literature that climate change is contributing to slower-moving tropical cyclones globally as speed slows in a warming climate. Scientific findings further cement the assumption that TCs will be characterised by slower translation speeds in the future climate generally; however, future projections have disagreement between models. In the southern hemisphere a higher ratio of water to land leads to a more complex situation on this metric.

A 2024 study by Fu (2024) reports a global slowdown in tropical cyclone translation speeds since the 1950s, particularly in mid-latitudes. This trend is associated with anthropogenic warming and changes in large-scale atmospheric circulation, leading to increased rainfall and prolonged hazard exposure.

Understanding how slower overall translation speeds may impact rainfall in specific catchments may require higher resolution climate modelling specific to Australia.

The ARPC analysis of two model vendor event sets showed that those models' average results were consistent with historical averages.

TC Alfred

TC Alfred moved very slowly southward and westward from its formation in the Coral Sea and almost stalled before it hit Brisbane. When it turned west toward the Queensland coast, it was moving slowly and erratically due to weak steering currents.

While it is not clear that rainfall rates per cyclone in Australia have increased, slower motion like that in TC Alfred has been linked to weakening atmospheric circulation in the tropics and can lead to greater cumulative rainfall (Sharmila & Walsh 2018).

Implications for ARPC pricing

ARPC's current premium rates reflect the output of various catastrophe models. Documentation available to us does not allow identification of how differences in forward speed are reflected in sub perils. We are not aware of vendors making explicit adjustments for a change in speed. While slower translation speeds in isolation can be expected to increase the potential for flooding, other factors, such as a reduced frequency of events, may offset this. Improving our understanding of how translation speed influences losses should form a component of monitoring and inquiry to modelling vendors.

4.2.5 Frequency and severity of tropical cyclones

Scientific background

BoM (2024) showed that there has been a downward trend in the annual number of cyclones in the Australian basin over the past 50 years. However, this summer 12 cyclones formed around Australia, above the historical average of 11, with eight reaching category three or more.

Projections of TC frequency in the southwest Pacific show high uncertainty due to competing effects of warming oceans and increasing wind shear. TC frequency is projected to decrease slightly in the southwest Pacific but there is clear model disagreement.

Projections generally show that as warming continues, the frequency of cyclone genesis decreases, but there is some uncertainty around this trend in the South Pacific. Cyclones that form are more likely to be severe. Gibson et al. (2025) found model disagreement on magnitude but general agreement that overall frequency is projected to decline while the proportion of intense storms may increase.

The year-to-year and decade-to-decade variability in cyclone number and intensity in Australia is large and expected to persist. Projected changes in Australian cyclone frequency are often based on coarse-resolution models, which may not provide robust results.

The ARPC review of BoM historical data suggests that frequency has been decreasing on the west coast, but not so clearly in the east. It also generally showed material inter-decadal variability in cyclone frequency but was not conclusive as to overall trends. The two catastrophe models tested against the historical record produced event sets which reasonably reflected the recent historical record.

We found no evidence to suggest that uncertainties around the future frequency of tropical cyclones have been reduced. If anything, Gibson et al. (2025) suggests uncertainties may be larger than previously thought.

TC Alfred

We cannot draw conclusions about cyclone frequency based on one event.

Implications for ARPC pricing

ARPC's premium rates are based on various catastrophe models. The ones used for wind and pluvial flooding explicitly reflect cyclone frequency and severity. The model results were blended and further adjusted for commercial considerations (e.g. market pricing was lower than the model indications in some regions).

Given the high level of inter-decadal variability, likely due to factors such as ENSO[4], IOD[5], and the Pacific Decadal Oscillation[6], combined with the ARPC BoM analysis showing that the models reflect the higher quality recent historical record, there is no indication current premium rates are inappropriate.

4.2.6 Storm surge and higher sea level

Scientific background

It is established that climate change is a major contributor to storm surge as it is causing baseline sea levels to rise and therefore water to reach further inland during storm surge events. Sea-level rise (SLR) will also make coastal erosion more destructive.

A 2024 study developed a Coastal Vulnerability Index that projected increased coastal risks under various climate scenarios, emphasising the compounding effects of SLR and tropical cyclone impacts (Narem and Maity, 2024).

Measured sea levels have been increasing for several decades. Their effect to date has not been reflected in a major shift in recorded storm surge losses. Generally, we are not aware of a high level of such losses in the past, but this may reflect how insurers have treated "actions of the sea" in past claims practices or peculiarities of where certain events made landfall.

TC Alfred

Alfred was the first cyclone in over 50 years to threaten the Brisbane area, a region not typically exposed to tropical cyclones. This southern trajectory heightened the risk of storm surge in areas with limited preparedness, while its prolonged presence intensified coastal flooding. Fortunately, Alfred made landfall during a period that did not coincide with high tide, mitigating the potential severity of storm tide inundation.

TC Alfred shows how non-traditional cyclone zones are increasingly vulnerable, especially in a warming world.

[4] El Niño-Southern Oscillation, a naturally occurring climate pattern involving changes in sea surface temperatures across the equatorial Pacific Ocean.
[5] Indian Ocean Dipole, a climate pattern characterised by oscillation of sea-surface temperatures in the Indian Ocean.
[6] A long-term climate pattern involving fluctuating sea surface temperatures in the Pacific Ocean.

Implications for ARPC pricing

When developing the current ARPC premium rates there was significant divergence in model indications for storm surge. Generally, this peril has not been well modelled in Australia compared to other places like the US (which has the NOAA SLOSH model).

Costs were allocated to location using location specific natural perils models, allowing for relative risk by address; the main area of uncertainty involves the overall level of needed storm surge premiums.

While the trend in surge exposure is clearly upward, it is unclear how well the models being currently used are reflecting today's level of risk. The wide divergence in the models' current view of risk should be a higher priority than attempting to adjust pricing solely for changing climate risk, since the variability and uncertainty in the models' ability to measure storm surge risk is greater than that arising from climate change. This is an area where additional research may allow for a significantly improved answer in the medium term.

4.2.7 Overall conclusions

TC Alfred

TC Alfred exhibited certain unusual characteristics, including a westward direction and relatively slow forward motion, but these characteristics were not outside the realm of scenarios considered by the catastrophe model datasets underlying current pricing. Our scientific literature review found no clear evidence that significant revisions to previous assumptions underlying ARPC pricing are indicated at this time.

Implications for ARPC pricing

Current ARPC premium rates were derived from catastrophe models from several vendors. Model outputs were adjusted for commercial considerations and additional studies undertaken by ARPC.

ARPC selected these models as the best tools available. Using output from several models is generally accepted practice in (re)insurance pricing, and ARPC has employed current actuarial methodologies to convert model output into prices and other relevant metrics.

The models used for ARPC pricing were calibrated against various historical experience periods, and we are not aware of any explicit adjustments for climate risk by model vendors. Therefore, the models are implicitly assuming that the level of risk from the reference period is still appropriate for the current period.

Based on our review of available information, we do not think major revisions to the ARPC premium rates are indicated at this time for the purpose of addressing climate trends in isolation, noting that the catastrophe model vendors have not yet adjusted their models nor is there any clearly accepted methodology for doing so outside of the models.

4.3 Empirical evidence of changing cyclone patterns

Analysis of BoM data does not show strong evidence that there are major shifts over time in cyclone metrics (excluding low quality old historical data); however, the analysis is lacking an investigation of certain key effects like ENSO and IOD cycles which should be addressed in the next phase of work.

We also see that the two vendor models examined do a reasonable job of replicating the historical record (excluding old data) on most metrics.

The models used for ARPC pricing were calibrated against various prior experience periods, and we do not have a basis for determining that today's risk is different from that in the past. We note again that some climate risk drivers increase risk while others decrease it.

5 SME business risk mitigation discounts

This section summarises risk mitigation discounts that will apply to Cyclone Pool reinsurance of SME business.

5.1 Complexities of SME businesses

Home and strata buildings are physical buildings that can be insured. This makes it relatively easy to define the property that can be mitigated and therefore apply a discount.

In contrast, a SME business is not a physical building. SME businesses are diverse in what they do, the facilities the business operates in, and their tenancy arrangements. There is a diverse range of premises that SME businesses could occupy, including the following examples:

- Occupies a standalone or semi-detached building (the business occupies the whole building)
- Part of a complex or an office block
- Within a shopping centre
- Warehouse
- Purpose made facility for the business
- Industrial/factory/garage premises
- Farm or agricultural
- Mobile office / work vehicle
- On site work
- Working from home or have no regular place of operation

SME businesses will commonly have a leased premises, with the property owner having a separate insurance policy. Some businesses may own their business premises. A business may use multiple properties, such as an office building and a separate workshop. SME businesses and their insurance requirements are the most arguably heterogeneous segment of insurance that is covered by the Cyclone Pool.

Attempting to cater for potential permutations of SME business types will lead to a very complex rating approach. This would be difficult to apply in practice, and we expect will not lead to material premium savings.

To simplify, the SME risk mitigation discounts are based on the commercial building where the business operates. The same risk mitigation relativities will apply for both the building and the contents (i.e. stock, equipment, etc.) contained within the building. This is the same approach applied for home insurance policies. Further, the following rules are proposed in applying the risk mitigation relativities:

- No risk mitigation relativities apply to mobile office, businesses operating out of a work vehicle, on site work, and businesses operated from home.
- Where a business has multiple structures on a site that it operates, the risk mitigation applying to the weakest standard (measured by the highest premium) is assumed to apply to the whole business. The exception is if each building is separately identified and can therefore be priced separately.

Note that the owners of properties used by SME businesses may not be in the Cyclone Pool, such as shopping centres. The approach taken "looks through" the insurance arrangements of the building and instead considers the resilience of the property that the business is located in.

5.2 Approach to determining SME business risk mitigation discounts

The approach followed can be summarised as follows:

1. ARPC engaged James Cook University's Cyclone Testing Station (JCU) to report on key drivers of loss from cyclones affecting Strata and SME buildings.
2. Finity, ARPC, and JCU conducted a workshop to identify the risk characteristics that can be practically applied, the buildings they should be applied to, and the quantum of discounts that should be applied.
3. A discount structure has been determined to reflect the workshop outcomes.

Discussions with the Cyclone Testing Station at James Cook University suggest that similar benefits from risk mitigations will apply for strata buildings and commercial buildings, specifically investments in strengthening roof structures, doors, windows and garages, and drainage systems that can adequately handle cyclonic rainfall. The risk mitigation relativities for strata have been adapted to apply to SME businesses.

At this Review we determined mitigation risk factors to the premium rating formula for SME businesses, which make up 4% of the Cyclone Pool's premium pool. Previously, no risk mitigation discounts were available/applied to SME businesses. Discounts for the risk mitigation activities in SME businesses are summarised in Table 5.1.

Table 5.1 – SME business risk mitigation discount areas

Risk mitigation	Details
Roof Mitigation	Roofs that have been retrofitted to comply with applicable standards Tile roofs which have been upgraded with sarking Metal roofs which have been upgraded with fastened flashings
Gutter Overflows	Gutter overflows for all perimeter gutters on boxed eaves and/or all boxed gutters, OR all eaves have no eave lining
Window protection	Glass windows which have shutters or screens installed as permanent protection
External doors	All external doors are either metal, timber with solid cores or glass doors with debris-rated impact screens or wind rated shutters
Vehicle access doors	Vehicle access doors that are under the same roof and directly connected to the place of business

Detailed descriptions of applicable building standards to qualify for SME and strata mitigation discounts are contained in Appendix H of this report.

5.3 JCU research

JCU research into cyclone related damage identifies two main causes of building damage affecting buildings, namely:

- Wind driven rain causing water damage within the premises.
- Wind load, particularly when the building envelope is breached leading to pressure changes that cause structural damage

5.3.1 Wind driven rain

Wind driven rain leading to water ingress is a key cause of insurance claims. Approximately 70% of claims reviewed in a study by JCU had some form of damage from water ingress[7]. Wind driven rain entered buildings through:

- Windows
- Doors
- Gutters
- Eaves, gable or roof vents

The mitigation discount structure for roof flashings, window protection, external doors, vehicle access doors and gutter overflows aims to reduce the impact of water ingress by targeting these vulnerable building features.

5.3.2 Wind loads

Contemporary building standards are designed to be resilient against severe wind loads. Buildings in cyclonic regions (wind zones C and D) built before 1982 were not required to meet the same cyclone resilience building standards and therefore are more susceptible to damage during an event.

The main wind load stresses relate to building entry points, like doors and garage doors, and the strength of roof fastenings. JCU's research shows that retrofitting the roofs and access doors for older buildings to current standards and the use of solid core doors will increase resilience against cyclonic damage.

5.3.3 Mitigation activities that are not eligible for discounts

Our discussions with JCU identified that properly maintaining a building can reduce cyclone risk – for example, repairing damage, keeping up necessary capital works, good building management such as clearing gutters, etc. However, due to the practical implementation issues – such as defining minimum levels of maintenance and verifying that ongoing maintenance is being completed – maintenance related mitigations have not been included in the proposed discount structure.

5.4 Discount structure

The discount structure was designed with the following considerations in mind:

- The building characteristics that would be improved from the risk mitigation activity. For example, buildings which were already required to comply with a building standard would not qualify for a discount for having that mitigation feature. Newer buildings have a lower risk relativity to reflect this.
- Roof related risk mitigations only apply to certain types of roof constructions.
- The magnitude of the mitigation discount for each factor was considered based on the following considerations:
  - Discounts provided to strata buildings for a comparable mitigation.
  - Consultation with JCU to reflect level of benefit each respective risk factor would have in isolation and relative to each other.
- The level of effort required for each mitigation and the benefit provided.

[7] "North Queensland Study into Water Damage from Cyclones", Cyclone Testing Station, James Cook University, October 2018

- The aggregate premium reduction possible if all relevant mitigation activities are undertaken should be comparable to a corresponding new building which meets the same standard (though typically the newer building should still be cheaper to insure because of reduced wear and tear).

The follow sub-sections go through each risk mitigation discount factor in turn.

The building standard requirements to qualify for the discounts are the same for SME businesses as applied for Strata. This is set out in Appendix H.

5.4.1 Roof retrofit

During a cyclone event, large uplift pressures from severe wind can result in roof failures. Water can then percolate down through the building. JCU studies have shown that this can affect up to four storeys under the source of water entry, resulting in significant repair costs.

Modelling conducted by JCU found that roofing upgrades on older houses (pre-1980s) resulted in an estimated 47% reduction in residential building claims[8]. This has been scaled down for SME businesses, which can encompass a wider range of building styles including larger, multi-storey buildings.

Table 5.2 summarises the mitigation premium relativities for roof retrofits. A factor less than 1 is a discount.

Table 5.2 – Roof retrofit discounts for SME businesses

Level	Mitigation - Roof (Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)	Wind		
		Buildings	Contents	BI
SME_H01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_H02	Full roof structure retrofit for pre-1982/unknown construction year	0.9000	0.9000	1.0000
SME_H03	Tile roof type with sarking under tiles	0.9500	0.9500	1.0000
SME_H04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	0.9500	0.9500	1.0000
SME_H05	Metal roof type with compliant fastened flashings	0.9700	0.9700	1.0000
SME_H06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	0.9300	0.9300	1.0000
SME_H07	Unknown	1.0000	1.0000	1.0000

The following roof mitigation relativities have been proposed:

- SME_H02: A 10% discount is given to retrofitted roofs with sarking (for tile roofs) or fastened flashings (for metal roofs) also fitted, which would provide the greatest protection against both wind and water ingress.
- SME_H03, SME_H04: A 5% discount is given to tile roofs, which either have sarking or were retrofitted. This is a moderate discount reflecting the reduction in the risk of water ingress (sarking) and dislodged tiles (retrofit).
- SME_H05: Metal roofs with fastened flashings receive a 3% discount, consistent with other sources of water ingress mitigation.
- SME_H06: Retrofitted metal roofs receive a 7% discount, reflecting the increased resilience of correctly retrofitted roof cladding.

[8] "Resilience, durability and the National Construction Code", The Centre for International Economics, Prepared for Insurance Council of Australia, October 2023

Note that discounts provided to metal and tile roofing remain below the discount to concrete roofs (10%), as the relative risk remains higher despite the mitigation works.

Certain building characteristics, namely year of construction for retrofit discounts, and tile/ metal roof types for sarking/flashing upgrades respectively, are required for the SME business policy to qualify for these discounts, which are outlined in Appendix E.

The following additional considerations are likely required when applying to SME businesses:

- Where a business has multiple buildings at a site and each building is NOT separately rated for, then the weakest standard (measured by the highest premium applicable) is assumed to by applied to the whole policy.
- Where a building has been renovated and extended, the weakest standard (measured by the highest premium applicable) is assumed to apply to the whole roof. For example, a shopping centre built in 1970s with an extension added in 1990 located in wind zone C would have construction year relativity of 1.4. If a full roof retrofit was applied to the 1970s section of the roof, then a relativity of 1.26 would apply (1.4 x 0.9 = 1.26) to the whole building. All small businesses located within the shopping centre would have the same premium relativity applied, regardless of the roof section that the business was located under.

JCU noted that the cyclone risk mitigation depended on the quality of roof renovations and that poor modifications made to commercial buildings for changing business needs of the tenants over time can often detract from the quality of the roof in withstanding cyclones. However, it is difficult to incorporate subjective assessments of maintenance related factors in the risk mitigation relativities.

5.4.2 Gutter overflows

Water ingress is a common cause of loss. During heavy rainfall events, blocked gutters can cause water to leak behind the gutter and seep into the wall, damaging the structure of the building. Effective roof drainage systems can mitigate damage by ensuring water does not flow back into the building.

Table 5.3 summarises the mitigation premium relativities for gutter overflow mitigations.

Table 5.3 – Gutter overflow mitigations discounts for SME businesses

Level	Mitigation - Gutter overflows (Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)	Wind		
		Buildings	Contents	BI
SME_L01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_L02	All gutters are compliant with the following conditions: - Gutter overflows for all perimeter gutters on boxed eaves and/or all box gutters (at each end) OR - All eaves have no eave lining	0.9700	0.9700	1.0000
SME_L03	Unknown	1.0000	1.0000	1.0000

A discount of 3% is appropriate to incentivise building owners to reduce the risk of water ingress from gutters, which is a relatively simple but effective mitigation measure.

If only part of the gutter system meets the risk mitigation requirements, the gutter is deemed to not be mitigated.

5.4.3 Window protections

Table 5.4 summarises the mitigation premium relativities for window protection.

Table 5.4 – Window protection discounts for SME businesses

Level	Mitigation - Window Protection (Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)	Wind		
		Buildings	Contents	BI
SME_I01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_I02	Permanent protection (cyclone wind-rated shutters or cyclone debris-rated screens), installed externally on all glass windows	0.9700	0.9700	1.0000
SME_I03	Unknown	1.0000	1.0000	1.0000

For modern houses, window protection and door upgrades reduce the average annual loss in the order of 40 – 80%[9], by way of protecting against large debris (this level of reduction assumes all points of weakness are mitigated, while the discount discussed here applies only to windows).

A 3% discount is provided for window protection mitigation reflecting that it is expected to protect the building envelop, protecting the building from severe winds and debris. Permanent protection on windows also reduces the impact of water ingress.

To qualify for this discount, all windows are required to be fitted with permanent protection to the standards described in guidance provided by ARPC. The window protections discount will apply specifically to the tenancy area of the business. For example, a business located in the middle of a complex (such as a shopping centre) without external facing windows will not qualify for the discount if it does not have external facing windows (the discounts are intended to incentivise risk mitigation, which is not necessary if there are no externally facing windows).

5.4.4 External door protections

Fitting the building with robust, cyclone resilient doors is a relatively simple mitigation activity to undertake. Doors that are designed to withstand severe winds and impact from flying debris would reduce potential damage from severe wind and water ingress. Table 5.5 summarises the premium relativities for external door protection risk mitigations.

Table 5.5 – External door protection discounts for SME businesses

Level	Mitigation - External doors (Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)	Wind		
		Buildings	Contents	BI
SME_J01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_J02	All external doors are either: - Metal OR - Timber with solid cores OR - Glass doors (including balcony doors) with debris-rated impact screens or wind-rated shutters	0.9700	0.9700	1.0000
SME_J03	Unknown	1.0000	1.0000	1.0000

A 3% discount is provided to reflect a reduction in risk. To qualify for this discount, all external doors of the building must be either metal, timber with solid cores, or glass with debris and wind rated protections described in guidance provided by ARPC.

The external protections discount will apply specifically to the tenancy area of the business, similar as applied to window protections. Tenancy areas without external doors will not be eligible for the discount.

[9] "Resilience, durability and the National Construction Code", The Centre for International Economics, Prepared for Insurance Council of Australia, October 2023

5.4.5 Garage door protections

Cyclone damage arises when a breach in the building envelope results in high internal pressure and wind driven rain. The current building standard AS4505:2012 specifies wind rated garage doors, which are designed to withstand significant wind loads during a severe weather event to keep the building sealed and reduce structural damage.

Table 5.6 summarises the premium relativities for garage door risk mitigations.

Table 5.6 – Garage door mitigation discounts for SME businesses

Level	Mitigation - Vehicle access door (Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)	Wind		
		Buildings	Contents	BI
SME_K01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_K02	Direct access to vehicle access door, retrofitted to compliant standard, and main structure has three storeys or less (for pre-2012/unknown construction year)	0.9700	0.9700	1.0000
SME_K03	Unknown	1.0000	1.0000	1.0000

A 3% discount is applicable to buildings constructed prior to 2012 with three or fewer storeys, which have vehicle access doors in the main building compliant with current standards.

As the primary risk is associated with a breach of the building envelope, this discount should only be applied where the vehicle access door is attached to the main building. To qualify for this discount, garages access must be in the main building of the business. More specifically, the garage mitigation discount will apply specifically to the tenancy area of the business. For example, for businesses in a complex, such as a shopping centre or a warehouse facility:

- If the customer or storage areas are not directly connected to a garage door area, then it is assumed that the business does not have a garage door.
- A loading dock area that is directly connected to the store/tenancy area will be assumed to have a garage door. A discount can be applied if the garage door has been upgraded.
- A business with a storage area located in the loading dock will be assumed to have a garage door. A discount can be applied if the garage door has been upgraded.

Buildings with construction year after 2012 are compliant with this standard, and this is captured in the construction year relativity. Buildings built after 2012 do not qualify for this discount because the reduction in risk is already captured in the construction year relativity.

6 Estimated Cyclone Pool annual cost and premium adequacy

6.1 Insurers in the Cyclone Pool

All insurers required to participate in the Cyclone Pool were reinsured as at 31 December 2024. This means that exposure information subsequently provided to ARPC represent all risks reinsured by the Cyclone Pool (notwithstanding that some insurers with limited cyclone risk exposure and Lloyds' entities may voluntarily join in future).

At the previous pricing review not all insurers had joined the Cyclone Pool, and therefore it was necessary to estimate the total exposure. This is not necessary from this pricing review onwards, with our modelling estimates based on actual exposure information provided by insurers.

6.2 Estimated annual costs and required premium pool

6.2.1 ARPC operating expenses

The ARPC budgeted expenses in respect of the Cyclone Pool for 2025/26 is $18m. We have assumed a similar level of expenses for 2026/27 be included along with the estimated claims cost when measuring premium adequacy.

6.2.2 Estimated Cyclone Pool claims costs

ARPC updated its expected annual claims costs based on the latest exposure information provided by insurers, which was reviewed by Finity. The intent at this pricing review was to maintain modelling assumptions and approach from the previous review. The estimate of the Cyclone Pool claims costs at this review has focused on the following:

- Applying existing catastrophe modelling to the latest exposure information provided by insurers. This will pick up the following information about insured risks:
  - Updated sum insured, which would reflect inflationary growth in building costs
  - Actual location of risks where addresses are available
  - Actual risk characteristics (compared to previously assumed characteristics)

  To the extent possible, the version of catastrophe models adopted for the previous review was applied.
- Re-considered how previous assumptions have been applied to the updated datasets and if these remain applicable.
- Applying technical fixes and corrections that have been identified since the previous review.

Table 6.1 below summarises the estimate of the Cyclone Pool claim costs from the catastrophe models. Note that this includes the allowance for ARPC operating costs.

Table 6.1 – Summary of Cyclone Pool claim cost estimates

	$m	% impact
Estimated technical cost as at 1 April 2025	**623**	
New Exposure Dataset	7	1%
Treatment of missing G-NAFs	(9)	-1%
Updating event cap application	(9)	-1%
Technical Correction	9	1%
Update for Mar-25 Exposure	14	2%
Current estimate of technical cost as at 1 April 2026 [1]	**636**	

[1] Note that these estimates of the technical cost at 1 April 2026 are in current dollars. The premium pool should increase with the Sum Insureds which should reflect the impact of inflation.

The legislation requires that the Cyclone Pool collect premiums that are sufficient over the long term. This means that the Cyclone Pool should aim to collect premium to meet its claim cost and operating expenses. An estimated $636m of premium is targeted to be collected to meet ARPC's anticipated costs for 2026/27.

We make the following comments regarding the modelling changes applied for the estimated target premium pool:

- **Updated exposure dataset**[10]: Changes to the mix of geographical locations of insured risks, along with the availability of information on non-geographical risk relativities, will impact the technical cost. This increased the estimated technical cost.
- **Treatment of missing GNAFs**: Previously, it was assumed that insured properties with unknown GNAFs had the same risk distribution as the remaining (predominantly uninsured) properties in the postcode. This has been revised such that the technical cost for policies with missing GNAFs is based on the average flood and surge risk of insured properties with known GNAFs. This is considered more reflective of risks for insured properties as uninsured properties are expected to skew towards higher flood risk. This change reduces the estimated technical cost for the pool.
- **Updating event cap calculation**: ARPC gained access to loss estimates by event data, which meant that ARPC is able to update the calculation to apply the $15b event cap. This reduced the claim cost estimate by $9m compared to our previously assumed capping effect.
- **Technical corrections**: Technical corrections increased the estimated claim cost by $9m.

The required premium collected may be higher or lower in any one period, and some level of smoothing over time is appropriate to reduce the need to make frequent and potentially immaterial changes to the premium formula.

Furthermore, ARPC may in future target a premium pool that is higher or lower than the expected claim and expense costs to allow for past accrued surplus or deficit positions. This was not applied at this pricing review.

6.3 Estimated Cyclone Pool premium collected

The premium collected is determined by the Cyclone Pool's premium formula set out in this report. Insurers are required to calculate the reinsurance premium for each policy reinsured by the Cyclone Pool and pay this to ARPC.

Table 6.2 shows the estimated premium collected compared to the previous estimate.

[10] The analysis was based on data provided as atDecember 2024 and updated for March 2025 exposure data.

Table 6.2 – Estimated premium collected

	$m	% impact
Estimated premium pool as at 1 April 2025	**626**	
Changes to mix - cover or geographical peril risk	23	4%
Changes to mix - relativities	(27)	-4%
Update for Mar-25 Exposure	15	2%
Current estimate of premium pool as at 1 April 2026 [1]	**637**	

[1] *Note that these estimates of the premium pool at 1 April 2026 are in current dollars. The premium pool should increase with the Sum Insureds which should reflect the impact of inflation.*

The estimated premium collected has increased by $11m compared to the previous review. This increase is due to applying actual policy factors compared to previous assumptions.

6.4 Precision of modelled claim cost estimates

The reader should note the limitations and uncertainty inherent in our estimates when interpreting the below measures of adequacy. One major limitation is the uncertainty in estimating risk costs, which are based on a blend of catastrophe models. Each model is an interpretation of scientific understanding of the highly variable and evolving real-world process of cyclones and insurance losses, and a 'true' risk cost is ultimately not observable. This is not to discount the value of catastrophe models, which are very useful tools to aid in our understanding of risk and to provide structure to the rating process.

A different set of models or different way of combining the models will lead to a different (but still plausible) estimate of claim costs that the Cyclone Pool is exposed to.

The implication is that materiality should be considered when interpreting any measured deviation of premium adequacy away from 100% (i.e. a measured adequacy higher or lower than 100% may still be considered 'adequate'). Premium pool adequacy will ultimately depend on highly variable year to year cyclone claim outcomes and applying appropriate management responses to manage accumulated surpluses and deficits over time.

7 Other changes to the premium pricing formula

With the exception of SME mitigation (as discussed in Section 5), the other changes at this pricing review include regular maintenance of the rating tables for new addresses.

7.1 Rating table updates for new addresses

Geoscape Australia updates its G-NAF dataset for new addresses, and geocoding changes for existing G-NAFs, on a quarterly basis. The previous pricing algorithm applied to addresses from G-NAF version from February 2024 ('2024.02'). At this review, the premium rates are provided for addresses from G-NAF version from February 2025 ('2025.02'). Our approach to determining premium rates for each address in G-NAF version 2024.02 is as follows:

- Where the version 2025.02 G-NAF is unchanged from version 2022.02[11] (i.e. it has not had a change in geocoding and it is not a new address), the premium rate applying to that G-NAF is unchanged.
- New premium rates have been produced for new G-NAFs or G-NAFs with a change in geocoding since 2022.02.
  - This includes where geocoding changed at the 2024.02 G-NAF update, and where movements were capped at 2 premium bands. These G-NAFs may have further movements in premium of up to 2 premium bands.
- Postcode fallback tables have been produced corresponding to the changes above.

The approach for determining the premium rate for each G-NAF where a new premium rate is needed is discussed below.

7.1.1 Wind suburb rating

Cyclone wind is rated as a suburb level. For new G-NAFs that are in an existing suburb, the existing premium rate for that suburb is applied. 16 new suburbs having been assigned to wind risk bands using the same methodology as the previous review which were informed by catastrophe models.

7.1.2 Flood and surge address rating

For the new and geocoding changed G-NAFs, premium rates have been calculated based on the same methodology and logic as in the previous pricing review. For calculating flood and surge rates, we use updated data from model providers for the new and geocoding changed G-NAFs.

7.1.3 Transition of premium rates

Where a G-NAF has a change in geocoding and there is a large change in the associated band (higher risk or lower risk), we have limited the extent of the movement in rate. This is to limit the volatility in rating at an address-level. For this pricing review, we have limited the movement for any address to movements of at most 2 bands (up or down).

7.2 Industry consultation process

ARPC consulted with industry representatives on the proposed changes set out in this Report. Feedback was received from 5 insurers along the following lines:

[11] This G-NAF version was applied for the initial Cyclone Pool premium rates.

- Insurers understood the updates to G-NAF so that the rates can apply properly to new addresses. This is not controversial.
- Insurers were generally supportive of the changes to include mitigation discounts and observed that the consistency with strata insurance. However, insurers commented on the complexity of the SME insurance risk mitigation discounts.

The feedback from the consultation is consistent with the practical issues that were identified by Finity and ARPC when forming the discount structure, i.e. the trade-offs between complexity and specificity of how the Cyclone Pool can define how discounts are applied. The consultation process reinforced that the take up of SME mitigation discounts is likely to be slow (this is anticipated).

8 Estimated policyholder outcomes

8.1 Note about estimated policyholder outcomes

As a reinsurer, the Cyclone Pool does not directly determine policyholder premiums. It is up to individual insurers to determine how the amounts paid to the Cyclone Pool are recovered from its policyholder base – this is how insurers would recover other reinsurance costs. The insurer can, if it decides is an appropriate pricing strategy for its business, pass the 'per risk' premium using the Cyclone Pool formula directly to its policyholders. In estimating potential policyholder outcomes, we assume that insurers do this. The ACCC is responsible for monitoring how insurers pass on the Cyclone Pool costs.

In the original calibration of the Cyclone Pool premiums, ARPC received information voluntarily provided by a few insurers which indicated the premium charged for cyclone risk[12]. Since insurers have joined the Cyclone Pool and have made changes to policyholder premiums to pass on the Cyclone Pool costs (and reductions in costs for high cyclone risk policyholders), there is no longer a comparable market for cyclone insurance in Australia that can be observed.

8.2 Estimated policyholder outcomes for cyclone risk

For the purposes of premium determination, we estimate a-priori premium adequacy by considering the cross-subsidies between low and medium/high risk properties implied by catastrophe model estimates of risk and the premium charged by the Cyclone Pool for each property and in aggregate (see Section 2.4). The cross-subsidies are the primary mechanism to deliver benefits to the most acute cyclone risk properties. Changes in the mix of policies between low and medium/high risks affect the estimated overall premium adequacy as the Cyclone Pool's premium rating structure has in-built assumptions on the expected risk mix.

To align with the legislative objectives, we categorise cyclone risk into nil, low, medium, and high-risk segments. The legislative objectives require that benefits are directed to medium and high cyclone risk properties, while premiums for lower cyclone risk properties are comparable to market levels (assuming the Cyclone Pool did not exist). Table 8.1 shows the thresholds for each of these segments.

Table 8.1 – Risk segments

	Premium rate thresholds (per $100 SI)		Premium ($500k sum insured)	
Basis for risk segments	Cyclone technical risk rate[1]	Estimated customer cyclone premium rate[2]	Cyclone technical risk cost[1]	Estimated customer cyclone premium[2]
Nil/minimal risk	<$0.025	<$0.05	<$125	<$250
Low Risk	$0.025 - $0.10	$0.05 - $0.20	$125 - $500	$250 - $1,000
Medium Risk	$0.10 - $0.25	$0.20 - $0.50	$500 - $1,250	$1,000 - $2,500
High Risk[3]	>$0.25	>$0.50	>$1,250	>$2,500

[1] Excluding taxes, levies, and all margins (including expenses and profit).

[2] Inclusive of taxes and levies paid by the policyholder.

[3] High risk threshold defined based on top 5% of Northern Australia policies by technical cyclone risk cost

[12] In the original calibration of the Cyclone Pool premiums (i.e. the 1 July 2022 and 1 October 2022 premium determinations), the Cyclone Pool had just been introduced, no insurers were protected by the pool, and insurance prices were a function of market forces applying at that stage. ARPC received information voluntarily provided by a few insurers which indicated the premium charged for cyclone risk. Finity used this data to estimate policyholder outcomes when replacing the then existing cyclone risk premium with the Cyclone Pool premium, and made adjustments where market data suggested differing estimates of cyclone risk – which could arise from a number of reasons such as the insurer relying on different models/views of risk to those adopted by ARPC, other risk adjustments that the insurer applies, or reflective of the level of pricing sophistication in the market. The calibration to insurance market data meant that the premiums were reflective of market, consistent with the legislative obligations.

The threshold for medium risks is particularly important as this determines the point where the premium algorithm should start to deliver insurance premium benefits to policyholders. The threshold for the medium risk segment is consistent with our previous report and unchanged.

The threshold for the high-risk segment represents the most acute insurance cost pressures. ARPC has advised that an operational objective is to ensure that appropriate benefits are delivered to this group.

The adequacy ratios in Table 8.2 represents the ratio of the technical cost to the Cyclone Pool premium split by cyclone risk (measured by estimated technical cyclone claim costs)

Table 8.2 – Comparison of technical cost to Cyclone Pool premiums

	Number of Home Building policies		% Home Building policies		
Basis for risk segments	Cyclone affected regions[1]	Northern Australia[2]	Cyclone affected regions[1]	Northern Australia[2]	Estimated premium adequacy
Nil/minimal risk	2,059,000	213,000	76%	41%	131%
Low Risk	491,000	187,000	18%	36%	113%
Medium Risk	128,000	93,000	5%	18%	91%
High Risk	27,000	22,000	1%	4%	46%

[1] Cresta Zones 1 - 24, 47 - 49

[2] Cresta Zones 5 - 20

Policies with medium to high cyclone risk have an adequacy ratio below 100%, meaning that their Cyclone Pool premium is less than their expected cost alone. This is offset by policies with lower technical risk costs which are more than adequate (i.e. adequacy ratio greater than 100%). The overall estimated adequacy and the allocation of cross-subsidisation between lower and higher cyclone risk policies is an intended outcome.

Given overall adequacy is broadly in line with the previous review and cross-subsidies between low/medium-high risk policies appear to be working as intended, we have concluded that there is no significant reason to revise the overall level and shape of premium rates at this point.

6% of home buildings (representing around 155,000 insured homes) in cyclone exposed regions would be considered to be medium to high risk. For this segment, the Cyclone Pool premium is below the estimated risk cost, and therefore below what these policies may be required to pay in the private market.

Around 27,000 home buildings fall into the most acute high-risk category. For this cohort, the Cyclone Pool premiums are around half of the estimated true risk cost.

Around 94% of home buildings in cyclone exposed regions have nil/minimal or low levels of cyclone risk. These policyholders pay above the technical risk cost, however in absolute amount this difference is generally small (up to tens of dollars difference, which is small relative to the total policyholder premium). This difference represents the loadings/margins that an insurer requires as compensation for taking on the risk; this was originally estimated such that premium for policyholders with low levels of cyclone risk is similar with and without the Cyclone Pool.

The illustrated outcomes result from the design of the Cyclone Pool, where a small implicit margin is continued to be charged to a large number of policies to provide cross-subsidies to a small number of medium/high risk policyholders. If benefits are intended to reach a greater number of home building policyholders, then the level of discount able to be provided to the most acute risks would be reduced.

9 Reliances and limitations

This report and the analysis contained therein summarises work completed solely for ARPC for the purposes of determining the Cyclone Pool premium. This summary report has been provided to insurers to assist with their own implementation of the Cyclone Pool. We understand that ARPC may publish this report on its website.

Insurers, or any other third party, should recognise that the furnishing of this report is not a substitute for their own due diligence and should place no reliance on this report or the data contained herein which would result in the creation of any duty or liability by Finity to the third party.

We have relied on exposure data furnished to ARPC by insurers.

We have relied on catastrophe models (from a number of providers) commissioned by ARPC, and in some cases run by Aon for ARPC, for the purpose of informing this work. We have not independently verified nor have we independently validated the data or outcomes. We have reviewed the findings for reasonableness and suitability for the purpose of this report.

We have formed our views based on the current environment and what we know today. If future circumstances change, it is possible that our findings may not prove to be correct.

This report concentrates on changes proposed to the premium rates. The underlying exhibits and attachments contained in our report are an integral part of this report and should be considered in order to place our report in its appropriate context. We have prepared this report in conformity with its intended use by persons technically competent in insurance matters. Judgements as to the conclusions drawn in this report should be made only after considering the report in its entirety.

Appendices

A Premium calculation

A.1 The Cyclone Pool premium formula

At a high level, the Cyclone Pool premium formula has the following structure when calculated in respect each eligible policy.

$$CRP\ premium_{product\ type,peril} = Policy\ sum\ insured \times CRP\ base\ rate_{product\ type,location,peril}$$

$$\times \left[risk\ rating\ factor_{1,product\ type,peril} \times risk\ rating\ factor_{2,product\ type,peril} \times \ldots\right] / 100$$

There are different risk rating factors for each peril and insurance product.

The following insurance products are covered by the Cyclone Pool:

- Home:
  - Building
  - Contents
- SME
  - Building
  - Contents
  - Business Interruption
- Strata
  - Buildings and common contents combined

A separate Cyclone Pool premium formula applies for each insurance segments and for each of the risks posed by cyclone (wind, flood, and storm surge). Flood and storm surge premiums need only be calculated where the policy conditions include coverage for these perils.

For example, where a SME business purchases insurance coverage for contents and business interruption, and the Business Packages policy excludes coverage for flood risk, then the Cyclone Pool premium applicable for that insurance policy will be the aggregate of the following calculations:

- SME contents for wind risks
- SME contents for storm surge risks
- SME business interruption for wind risks
- SME business interruption for storm surge risks

If the above example SME policy includes flood coverage, then the Cyclone Pool flood premium will also need to be calculated for each of the content and business interruption policy sections.

The base rate is expressed per $100 Sum Insured (SI). The base rate is dependent on the location of the risk, and varies by peril:

- Wind: Each suburb in Australia has been allocated to one of 26 Wind Bands, designated by the letters A to Z. Each Wind Band has a base rate to be applied per $100 SI.

- Flood and storm surge: Each GNAF in Australia has been allocated to one of 8 flood / storm surge bands (Nil, Minimum, Very Low, Low, Medium, High, Very High and Maximum). Each flood / storm surge band has a base rate to be applied per $100 SI.

The relativities are dependent on the individual characteristics of the risk and associated policy and can be found in Appendices C, D and F.

A.2 Calculation of sum insured risk relativity

The sum insured risk relativity is determined such that there is no 'saw-tooth' pattern to calculated Cyclone Pool premiums as the sum insured increases.

The sum insured risk relativity is calculated using the formula below.

$$\frac{\text{Start of SI band} \times \text{Relativity}_{start\ of\ SI\ band} + (\text{SI} - \text{Start of SI band}) \times \text{Relativity}_{marginal\ for\ the\ SI\ band}}{\text{SI}}$$

SI refers to sum insured in the above formula.

For example, for a home building with sum insured of $790,000, the start of the sum insured band would be $700,000, which has a relativity of 0.97. The marginal additional $90,000 sum insured has a relativity of 0.90. The sum insured relativity applying to this policy is the weighted average of these amounts, which is 0.96.

Instead of applying the above formula, insurers may instead calculate the implied relativity for each sum insured value resulting in a large look up table.

A.3 Worked example

Below is a worked example of the Cyclone Pool premium calculation for a one storey, freestanding timber and terracotta roof home insured for $450,000 located in Cairns City (4870, which is risk band Q), built in 1975. The owner has retrofitted shutters to the windows. Looking up the address of this property in the Cyclone Pool's G-NAF dataset shows Medium flood risk and Maximum storm surge risk.

The insurance policy includes coverage for flood and storm surge. There is a $250 excess on the policy. This insurance product offers coverage consistent with ARPC's A category.

The Cyclone Pool premium is calculated as follows.

		Wind	Flood	Storm surge	Total
Sum insured		$450,000	$450,000	$450,000	
Risk band		Band Q	Medium	Maximum	
Base rate		0.1400	0.0400	0.0500	
Risk Relativities					
Sum insured	$450,000	1.016			
Policy excess	$250 excess	1.060	1.060	1.060	
Building type	Freestanding home	1.000			
Construction type	Timber	1.100	1.100	1.100	
Roof type	Terracotta Tile	0.900			
Construction year	1975	1.400	1.000	1.000	
Landlords flag	No	1.000	1.000	1.000	
Number of storeys	1		1.000	1.000	
Policy coverage level	A	1.030	1.030	1.030	
Risk mitigation relativities					
Garage doors	No	1.000			
Window openings	Shutters installed	0.900			
Replaced roof	No	1.000			
Total risk relativity (product of all relativities)		1.383	1.201	1.201	
CRP premium (ex GST, duties, and levies)		$871	$216	$270	$1,358

Note that the sum insured relativity for the wind risk is calculated as follows to give a relativity of 1.016

$$\frac{400{,}000 \times 1.030 + (450{,}000 - 400{,}000) \times 0.900}{450{,}000}$$

The total Cyclone Pool premium for this property is $1,358, excluding GST and levies, summing up the wind, flood, and storm surge components of the premium.

B List of changes for 1 April 2026 premium rates

Line of business	Rating algorithm changes
Home	• Nil
Strata	• Nil
SME	• Added the following mitigation rating factors: > Roof mitigation > Window protection > External doors > Vehicle access door > Gutter overflows

C Home building premium rates

Changes from the previous premium rate tables have been highlighted.

C.1 Wind Base Rates per $100 SI

	Wind	
Band	Buildings	Contents
A	0.0000	0.0000
B	0.0040	0.0028
C	0.0080	0.0056
D	0.0120	0.0084
E	0.0160	0.0112
F	0.0200	0.0140
G	0.0240	0.0168
H	0.0280	0.0196
I	0.0320	0.0230
J	0.0360	0.0259
K	0.0400	0.0288
L	0.0500	0.0450
M	0.0600	0.0540
N	0.0800	0.0720
O	0.1000	0.0900
P	0.1200	0.1080
Q	0.1400	0.1260
R	0.1600	0.1440
S	0.1800	0.1620
T	0.2000	0.1800
U	0.2000	0.2000
V	0.2500	0.2500
W	0.3500	0.3500
X	#N/A	#N/A
Y	#N/A	#N/A
Z	#N/A	#N/A

C.2 Flood and Surge Base Rates per $100 SI

	Flood		Surge	
Band	Buildings	Contents	Buildings	Contents
Nil	0.0000	0.0000	0.0000	0.0000
Minimum	0.0100	0.0115	0.0060	0.0067
Very Low	0.0200	0.0230	0.0120	0.0134
Low	0.0300	0.0345	0.0200	0.0224
Medium	0.0400	0.0460	0.0300	0.0336
High	0.0500	0.0575	0.0400	0.0448
Very High	0.0700	0.0805	0.0500	0.0560
Maximum	0.1000	0.2000	0.0500	0.1000

C.3 Sum Insured

Buildings		Wind		Contents		Wind	
Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity	Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity
0	99,999		1.2000	0	9,999		1.2500
100,000	199,999	1.2000	1.0500	10,000	19,999	1.2500	1.0800
200,000	299,999	1.1250	0.9500	20,000	29,999	1.1650	1.0200
300,000	399,999	1.0670	0.9200	30,000	39,999	1.1170	0.8500
400,000	499,999	1.0300	0.9000	40,000	49,999	1.0500	0.8200
500,000	599,999	1.0040	0.9000	50,000	59,999	1.0040	0.8200
600,000	699,999	0.9870	0.9000	60,000	69,999	0.9730	0.8200
700,000	799,999	0.9740	0.9000	70,000	79,999	0.9510	0.8200
800,000	899,999	0.9650	0.9000	80,000	89,999	0.9350	0.8200
900,000	999,999	0.9580	0.9000	90,000	99,999	0.9220	0.8200
1,000,000	1,099,999	0.9520	0.9000	100,000	109,999	0.9120	0.8200
1,100,000	1,199,999	0.9470	0.9000	110,000	119,999	0.9040	0.8200
1,200,000	1,299,999	0.9430	0.9000	120,000	129,999	0.8970	0.8200
1,300,000	1,399,999	0.9400	0.9000	130,000	139,999	0.8910	0.8200
1,400,000	1,499,999	0.9370	0.9000	140,000	149,999	0.8860	0.8200
1,500,000	1,599,999	0.9350	0.9000	150,000	159,999	0.8810	0.8200
1,600,000	1,699,999	0.9320	0.9000	160,000	169,999	0.8770	0.8200
1,700,000	1,799,999	0.9310	0.9000	170,000	179,999	0.8740	0.8200
1,800,000	1,899,999	0.9290	0.9000	180,000	189,999	0.8710	0.8200
1,900,000	1,999,999	0.9270	0.9000	190,000	199,999	0.8680	0.8200
2,000,000	100,000,000	0.9260	0.9000	200,000	209,999	0.8660	0.8200
				210,000	219,999	0.8640	0.8200
				220,000	229,999	0.8620	0.8200
				230,000	239,999	0.8600	0.8200
				240,000	249,999	0.8580	0.8200
				250,000	259,999	0.8570	0.8200
				260,000	269,999	0.8550	0.8200
				270,000	279,999	0.8540	0.8200
				280,000	289,999	0.8530	0.8200
				290,000	299,999	0.8520	0.8200
				300,000	100,000,000	0.8510	0.8200

C.4 Excess

Buildings					Contents				
Excess Min	Excess Max	Wind	Flood	Surge	Excess Min	Excess Max	Wind	Flood	Surge
0	99	1.1200	1.1200	1.1200	0	99	1.1200	1.1200	1.1200
100	199	1.1000	1.1000	1.1000	100	199	1.1000	1.1000	1.1000
200	299	1.0600	1.0600	1.0600	200	299	1.0600	1.0600	1.0600
300	399	1.0450	1.0450	1.0450	300	399	1.0450	1.0450	1.0450
400	499	1.0300	1.0300	1.0300	400	499	1.0300	1.0300	1.0300
500	599	1.0000	1.0000	1.0000	500	599	1.0000	1.0000	1.0000
600	699	0.9880	0.9880	0.9880	600	699	0.9880	0.9880	0.9880
700	799	0.9760	0.9760	0.9760	700	799	0.9760	0.9760	0.9760
800	899	0.9640	0.9640	0.9640	800	899	0.9640	0.9640	0.9640
900	999	0.9520	0.9520	0.9520	900	999	0.9520	0.9520	0.9520
1,000	1,249	0.9400	0.9400	0.9400	1,000	1,249	0.9400	0.9400	0.9400
1,250	1,499	0.9350	0.9350	0.9350	1,250	1,499	0.9350	0.9350	0.9350
1,500	1,749	0.9300	0.9300	0.9300	1,500	1,749	0.9300	0.9300	0.9300
1,750	1,999	0.9250	0.9250	0.9250	1,750	1,999	0.9250	0.9250	0.9250
2,000	2,999	0.9200	0.9200	0.9200	2,000	2,999	0.9200	0.9200	0.9200
3,000	3,999	0.9133	0.9133	0.9133	3,000	3,999	0.9133	0.9133	0.9133
4,000	4,999	0.9067	0.9067	0.9067	4,000	4,999	0.9067	0.9067	0.9067
5,000	1,000,000	0.9000	0.9000	0.9000	5,000	1,000,000	0.9000	0.9000	0.9000

C.5 Building Type

Level	Building Type	Wind	
		Buildings	Contents
Home_A01	Freestanding house	1.0000	1.0000
Home_A02	Semi detached, duplex or terrace	1.0000	1.0000
Home_A03	Unit, flat or apartment	1.0000	1.0000
Home_A04	Townhouse or villa	1.0000	1.0000
Home_A05	Caravan, mobile or relocatable home	2.0000	2.0000
Home_A06	Other	1.0000	1.0000
Home_A07	Unknown	1.0000	1.0000

C.6 Construction Type

		Wind								Flood		Surge	
		Buildings				Contents				Buildings	Contents	Buildings	Contents
Level	Construction Type	A	B	C	D	A	B	C	D				
Home_B01	Brick Veneer	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B02	Fibro/Asbestos	1.2500	1.2500	1.2500	1.2500	1.1000	1.1000	1.1000	1.1000	1.1000	1.0000	1.1000	1.0000
Home_B03	Concrete/Cement/Hebel	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.9000	1.0000	0.9000	1.0000
Home_B04	Timber/Weatherboard/Hardiplank	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0000	1.0500	1.0000
Home_B05	Double Brick	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9500	1.0000	0.9500	1.0000
Home_B06	Metal Sheeting	1.1500	1.1500	1.1500	1.1500	1.1000	1.1000	1.1000	1.1000	1.0000	1.0000	1.0000	1.0000
Home_B07	Metal Frame	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.9000	1.0000	0.9000	1.0000
Home_B08	Mudbrick/Rammed Earth	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B09	Stone	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B10	EPS	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B11	Caravan, mobile or relocatable home	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B12	Other	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_B13	Unknown	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

C.7 Roof Type

Level	Roof Type	Wind	
		Buildings	Contents
Home_C01	Concrete Tiles	0.9000	0.9000
Home_C02	Terracotta Tile	0.9000	0.9000
Home_C03	Metal/Colorbond	1.0000	1.0000
Home_C04	Concrete	0.9000	0.9000
Home_C05	Fibro/Asbestos Cement	1.1000	1.0000
Home_C06	Shingle	1.0000	1.0000
Home_C07	Slate	1.0000	1.0000
Home_C08	Timber	1.0000	1.0000
Home_C09	Decramastic	1.0000	1.0000
Home_C10	Thatched	1.2000	1.2000
Home_C11	Caravan, mobile or relocatable home	1.0000	1.0000
Home_C12	Other	1.0000	1.0000
Home_C13	Unknown	0.9500	0.9500

C.8 Construction Year

		Wind								Flood		Surge	
		Buildings				Contents				Buildings	Contents	Buildings	Contents
Level	Construction Year	A	B	C	D	A	B	C	D				
Home_D01	Pre 1920	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D02	1920 - 1949	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D03	1950 - 1959	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D04	1960 - 1969	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D05	1970 - 1981	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D06	1982 - 1989	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_D07	1990 - 1999	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_D08	2000 - 2011	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_D09	2012 - 2019	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000	1.0000	1.0000
Home_D10	2020+	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000	1.0000	1.0000
Home_D11	Caravan, mobile or relocatable home	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_D12	Unknown	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000
Home_D13	Contents only	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

C.9 Landlords Flag

		Wind		Flood		Surge	
Level	Landlords Flag	Buildings	Contents	Buildings	Contents	Buildings	Contents
Home_E01	Non-Landlords	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Home_E02	Landlords	1.1000	1.0000	1.1000	1.0000	1.1000	1.0000

C.10 Number of Storeys

		Flood		Surge	
Level	Number of Storeys	Buildings	Contents	Buildings	Contents
Home_F01	1	1.0000	1.0000	1.0000	1.0000
Home_F02	2	0.8000	0.6000	0.8000	0.6000
Home_F03	3+	0.6000	0.4000	0.6000	0.4000
Home_F04	1 Storey elevated (>1m)	0.5000	0.4000	0.5000	0.4000
Home_F05	2 Storeys elevated (>1m)	0.4500	0.3500	0.4500	0.3500
Home_F06	3 Storeys elevated (>1m)	0.4000	0.3000	0.4000	0.3000
Home_F07	Caravan, mobile or relocatable home	1.0000	1.0000	1.0000	1.0000
Home_F08	Unknown	1.0000	1.0000	1.0000	1.0000
Home_F09	Apartment - Ground floor - contents only		1.0000		1.0000
Home_F10	Apartment - 1st floor - contents only		0.3500		0.3500
Home_F11	Apartment - 2nd floor - contents only		0.2500		0.2500
Home_F12	Apartment - 3rd floor and above - contents only		0.2000		0.2000

C.11 Coverage Level

		Wind		Flood		Surge	
Level	Building Coverage Level	Buildings	Contents	Buildings	Contents	Buildings	Contents
Home_G01	A	1.0300	#N/A	1.0300	#N/A	1.0300	#N/A
Home_G02	B	1.0000	#N/A	1.0000	#N/A	1.0000	#N/A
Home_G03	C	0.9700	#N/A	0.9700	#N/A	0.9700	#N/A
Home_G04	Not Applicable	1.0000	#N/A	1.0000	#N/A	1.0000	#N/A

C.12 Mitigation – Roller Door

		Wind	
Level	Mitigation	Buildings	Contents
Home_H01	No qualifying mitigation	1.0000	1.0000
Home_H02	Roller door bracing upgrade or retrofit replacement of roller door (compliant with AS 4505:2012) – on homes built pre-2012	0.9200	0.9200
Home_H03	Unknown	1.0000	1.0000

C.13 Mitigation – Window Protection

		Wind	
Level	Mitigation	Buildings	Contents
Home_I01	No qualifying mitigation	1.0000	1.0000
Home_I02	Window protection to all windows (e.g. cyclone shutters)	0.9000	0.9000
Home_I03	Unknown	1.0000	1.0000

C.14 Mitigation – Roof Replacement

		Wind	
Level	Mitigation	Buildings	Contents
Home_J01	No qualifying mitigation	1.0000	1.0000
Home_J02	Roof structure tie-down upgrades (e.g. over-batten roof system) - on homes built pre 1982	0.8000	0.8000
Home_J03	Complete roof replacement and structure tie-down upgrades to current standards - on homes built pre 1982	0.7000	0.7000
Home_J04	Unknown	1.0000	1.0000

D SME business insurance premium rates

Changes from the previous premium rate tables have been highlighted.

D.1 Wind Base Rates per $100 SI

	Wind		
Band	Buildings	Contents	BI
A	0.0000	0.0000	0.0000
B	0.0028	0.0010	0.0018
C	0.0056	0.0020	0.0036
D	0.0084	0.0032	0.0055
E	0.0112	0.0045	0.0073
F	0.0140	0.0056	0.0091
G	0.0168	0.0071	0.0109
H	0.0196	0.0082	0.0127
I	0.0240	0.0108	0.0156
J	0.0288	0.0130	0.0187
K	0.0380	0.0182	0.0247
L	0.0475	0.0228	0.0309
M	0.0570	0.0274	0.0371
N	0.0760	0.0365	0.0494
O	0.0950	0.0456	0.0618
P	0.1176	0.0564	0.0764
Q	0.1372	0.0659	0.0892
R	0.1568	0.0753	0.1019
S	0.1764	0.0882	0.1058
T	0.2000	0.1080	0.1100
U	0.2000	0.1200	0.1200
V	0.2125	0.1275	0.1594
W	0.3500	0.3500	0.1750
X	#N/A	#N/A	#N/A
Y	#N/A	#N/A	#N/A
Z	#N/A	#N/A	#N/A

D.2 Flood and Surge Base Rates per $100 SI

	Flood			Surge		
Sublimit as % of sum insured	Buildings	Contents	BI	Buildings	Contents	BI
0-5%	0.4500	0.3000	0.3800	0.4500	0.3000	0.3800
5-10%	0.6200	0.4000	0.5100	0.6200	0.4000	0.5100
10-15%	0.7100	0.4600	0.5900	0.7100	0.4600	0.5900
15-20%	0.7400	0.5100	0.6300	0.7400	0.5100	0.6300
20-25%	0.7700	0.5600	0.6700	0.7700	0.5600	0.6700
25-30%	0.8050	0.6100	0.7100	0.8050	0.6100	0.7100
30-40%	0.8400	0.6700	0.7600	0.8400	0.6700	0.7600
40-50%	0.9300	0.7500	0.8400	0.9300	0.7500	0.8400
50-60%	0.9700	0.8400	0.9100	0.9700	0.8400	0.9100
60-70%	1.0000	0.9000	0.9500	1.0000	0.9000	0.9500
70-80%	1.0000	0.9400	0.9700	1.0000	0.9400	0.9700
80-90%	1.0000	0.9700	0.9900	1.0000	0.9700	0.9900
90-100%	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

D.3 Flood and Surge Sublimits

Band	Flood			Surge		
	Buildings	Contents	BI	Buildings	Contents	BI
Nil	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Minimum	0.0077	0.0105	0.0044	0.0049	0.0075	0.0041
Very Low	0.0154	0.0210	0.0088	0.0097	0.0150	0.0083
Low	0.0231	0.0315	0.0132	0.0162	0.0250	0.0138
Medium	0.0308	0.0420	0.0176	0.0243	0.0375	0.0207
High	0.0385	0.0525	0.0220	0.0324	0.0500	0.0250
Very High	0.0539	0.0735	0.0308	0.0405	0.0625	0.0250
Maximum	0.1000	0.2000	0.0500	0.0500	0.1000	0.0250

D.4 Sum Insured

Buildings		Wind		Contents		Wind		Business Interruption		Business Interruption	
Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity	Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity	Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity
0	99,999		1.1500	0	99,999		1.0500	0	99,999		1.0500
100,000	199,999	1.1500	1.1500	100,000	199,999	1.0500	0.9500	100,000	199,999	1.0500	0.9800
200,000	299,999	1.1500	1.1500	200,000	299,999	1.0000	0.9500	200,000	299,999	1.0150	0.9500
300,000	399,999	1.1500	0.9500	300,000	399,999	0.9830	0.9000	300,000	399,999	0.9930	0.9500
400,000	499,999	1.1000	0.9500	400,000	499,999	0.9620	0.8500	400,000	499,999	0.9820	0.9500
500,000	599,999	1.0700	0.9500	500,000	599,999	0.9400	0.8500	500,000	599,999	0.9760	0.9500
600,000	699,999	1.0500	0.9500	600,000	699,999	0.9250	0.8000	600,000	699,999	0.9720	0.9500
700,000	799,999	1.0360	0.9500	700,000	799,999	0.9070	0.8000	700,000	799,999	0.9690	0.9000
800,000	899,999	1.0250	0.9500	800,000	899,999	0.8940	0.8000	800,000	899,999	0.9600	0.9000
900,000	999,999	1.0170	0.9500	900,000	999,999	0.8830	0.8000	900,000	999,999	0.9530	0.9000
1,000,000	1,099,999	1.0100	0.9000	1,000,000	1,099,999	0.8750	0.8000	1,000,000	1,099,999	0.9480	0.9000
1,100,000	1,199,999	1.0000	0.9000	1,100,000	1,199,999	0.8680	0.8000	1,100,000	1,199,999	0.9440	0.9000
1,200,000	1,299,999	0.9920	0.9000	1,200,000	1,299,999	0.8620	0.8000	1,200,000	1,299,999	0.9400	0.9000
1,300,000	1,399,999	0.9850	0.9000	1,300,000	1,399,999	0.8580	0.8000	1,300,000	1,399,999	0.9370	0.9000
1,400,000	1,499,999	0.9790	0.9000	1,400,000	1,499,999	0.8540	0.8000	1,400,000	1,499,999	0.9340	0.9000
1,500,000	1,999,999	0.9730	0.9000	1,500,000	1,999,999	0.8500	0.8000	1,500,000	1,999,999	0.9320	0.9000
2,000,000	2,499,999	0.9550	0.9000	2,000,000	2,499,999	0.8370	0.7500	2,000,000	2,499,999	0.9240	0.9000
2,500,000	2,999,999	0.9440	0.8500	2,500,000	2,999,999	0.8200	0.7500	2,500,000	2,999,999	0.9190	0.9000
3,000,000	3,499,999	0.9280	0.8500	3,000,000	3,499,999	0.8080	0.7500	3,000,000	3,499,999	0.9160	0.9000
3,500,000	3,999,999	0.9170	0.8000	3,500,000	3,999,999	0.8000	0.7000	3,500,000	3,999,999	0.9140	0.9000
4,000,000	4,499,999	0.9020	0.8000	4,000,000	4,499,999	0.7870	0.7000	4,000,000	4,499,999	0.9120	0.9000
4,500,000	5,000,000	0.8910	0.8000	4,500,000	5,000,000	0.7780	0.7000	4,500,000	5,000,000	0.9110	0.9000

D.5 Sum Insured Type

Level	Industry Group	Business Interruption Gross Profit Relativity
SME_A01	Wholesale Trade	2.0000
SME_A02	Retail Trade	2.0000
SME_A03	Accommodation	1.5000
SME_A04	Food and Beverage Services	2.0000
SME_A05	Professional, Scientific and Technical Services	1.5000
SME_A06	Health Care and Social Assistance	1.5000
SME_A07	Arts and Recreation Services	1.5000
SME_A08	Repair and Maintenance	1.5000
SME_A09	Personal and Other Services	1.5000
SME_A10	Private Households Employing Staff and Undifferentiated Good:	1.0000
SME_A11	Property Owner Only	1.0000
SME_A12	Standard/Default	1.5000

D.6 Excess

Excess Min	Excess Max	Buildings Wind	Buildings Flood	Buildings Surge	Excess Min	Excess Max	Contents Wind	Contents Flood	Contents Surge
0	249	1.1000	1.1000	1.1000	0	249	1.1000	1.1000	1.1000
250	499	1.1000	1.1000	1.1000	250	499	1.1000	1.1000	1.1000
500	749	1.0000	1.0000	1.0000	500	749	1.0000	1.0000	1.0000
750	999	0.9750	0.9750	0.9750	750	999	0.9750	0.9750	0.9750
1,000	1,499	0.9500	0.9500	0.9500	1,000	1,499	0.9500	0.9500	0.9500
1,500	1,999	0.9250	0.9250	0.9250	1,500	1,999	0.9250	0.9250	0.9250
2,000	4,999	0.9000	0.9000	0.9000	2,000	4,999	0.9000	0.9000	0.9000
5,000	9,999	0.8500	0.8500	0.8500	5,000	9,999	0.8500	0.8500	0.8500
10,000	24,999	0.8000	0.8000	0.8000	10,000	24,999	0.8000	0.8000	0.8000
25,000	49,999	0.7500	0.7500	0.7500	25,000	49,999	0.7500	0.7500	0.7500
50,000	99,999	0.7000	0.7000	0.7000	50,000	99,999	0.7000	0.7000	0.7000
100,000	1,000,000	0.6500	0.6500	0.6500	100,000	1,000,000	0.6500	0.6500	0.6500

D.7 Industry Group

Level	Industry Group	Wind Buildings	Wind Contents	Business Interruption
SME_A01	Wholesale Trade	1.0000	1.0000	0.9500
SME_A02	Retail Trade	1.0000	1.0000	0.9500
SME_A03	Accommodation	1.0000	1.0000	1.2500
SME_A04	Food and Beverage Services	1.0000	1.0000	1.1000
SME_A05	Professional, Scientific and Technical Services	1.0000	1.0000	0.8000
SME_A06	Health Care and Social Assistance	1.0000	1.0000	0.7000
SME_A07	Arts and Recreation Services	1.0000	1.0000	1.0000
SME_A08	Repair and Maintenance	1.0000	1.0000	0.8500
SME_A09	Personal and Other Services	1.0000	1.0000	0.8500
SME_A10	Private Households Employing Staff and Undifferentiated Good:	1.0000	1.0000	0.8500
SME_A11	Property Owner Only	1.0000	1.0000	1.0000
SME_A12	Standard/Default	1.0000	1.0000	1.0000

D.8 Construction Type

Level	Construction Type	Wind Buildings A	Wind Buildings B	Wind Buildings C	Wind Buildings D	Wind Contents A	Wind Contents B	Wind Contents C	Wind Contents D	Wind BI A	Wind BI B	Wind BI C	Wind BI D	Flood Buildings	Flood Contents	Flood BI	Surge Buildings	Surge Contents	Surge BI
SME_B01	Brick Veneer	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B02	Fibro/Asbestos	1.2500	1.2500	1.2500	1.2500	1.1000	1.1000	1.1000	1.1000	1.2500	1.2500	1.2500	1.2500	1.1000	1.0000	1.1000	1.1000	1.0000	1.1000
SME_B03	Concrete/Cement/Hebel	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.9000	1.0000	0.9000	0.9000	1.0000	0.9000
SME_B04	Timber/Weatherboard/Hardiplank	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500	1.0000	1.0500	1.0500	1.0000	1.0500
SME_B05	Double Brick	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9500	1.0000	0.9500	0.9500	1.0000	0.9500
SME_B06	Metal Sheeting	1.1500	1.1500	1.1500	1.1500	1.1000	1.1000	1.1000	1.1000	1.1500	1.1500	1.1500	1.1500	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B07	Metal Frame	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.9000	1.0000	0.9000	0.9000	1.0000	0.9000
SME_B08	Mudbrick/Rammed Earth	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B09	Stone	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B10	EPS	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B11	Other	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_B12	Unknown	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	0.9500	1.0000	0.9500	0.9500	1.0000	0.9500

D.9 Roof Type

Level	Roof Type	Wind Buildings	Wind Contents	Wind BI
SME_C01	Concrete Tiles	0.9000	0.9000	0.9000
SME_C02	Terracotta Tile	0.9000	0.9000	0.9000
SME_C03	Metal/Colorbond	1.0000	1.0000	1.0000
SME_C04	Concrete	0.9000	0.9000	0.9000
SME_C05	Fibro/Asbestos Cement	1.1000	1.1000	1.1000
SME_C06	Shingle	1.1000	1.1000	1.1000
SME_C07	Slate	1.0000	1.0000	1.0000
SME_C08	Timber	1.0000	1.0000	1.0000
SME_C09	Decramastic	1.0000	1.0000	1.0000
SME_C10	Thatched	1.2000	1.2000	1.2000
SME_C11	Other	1.0000	1.0000	1.0000
SME_C12	Unknown	1.0000	1.0000	1.0000

D.10 Construction Year

		Wind												Flood			Surge		
		Buildings				Contents				BI				Buildings	Contents	BI	Buildings	Contents	BI
Level	Construction Year	A	B	C	D	A	B	C	D	A	B	C	D						
SME_D01	Pre 1920	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D02	1920 - 1949	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D03	1950 - 1959	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D04	1960 - 1969	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D05	1970 - 1981	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D06	1982 - 1989	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D07	1990 - 1999	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D08	2000 - 2011	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D09	2012 - 2019	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D10	2020+	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D11	Unknown	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_D12	Contents only	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

D.11 Number of Storeys

		Flood			Surge		
Level	Number of Storeys	Buildings	Contents	BI	Buildings	Contents	BI
SME_E01	1	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_E02	2-3	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000
SME_E03	4-6	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
SME_E04	7+	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
SME_E05	Unknown	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_E06	Ground floor - contents only		1.0000			1.0000	
SME_E07	1st floor - contents only		0.2000			0.2000	
SME_E08	2nd floor - contents only		0.0500			0.0500	
SME_E09	3rd floor and above - contents only		0.0200			0.0200	

D.12 AICOW

	Business Interruption
AICOW	Business Interruption
No	1.00
Yes	1.30

D.13 Coverage Level

		Wind		Flood		Surge		Business Interruption
Level	Coverage Level	Buildings	Contents	Buildings	Contents	Buildings	Contents	Business Interruption
SME_F01	A	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_F02	B	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_F03	C	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
SME_F04	Not Applicable	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

D.14 Duration of Cover

		Business Interruption
Level	Duration of Cover	Business Interruption
SME_G01	3 Months	0.6000
SME_G02	6 Months	0.8000
SME_G03	12 Months	1.0000
SME_G04	18 Months	1.1000
SME_G05	24 Months	1.2000
SME_G06	36 Months	1.3000

D.15 Mitigation – Roof

Level	Mitigation - Roof *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for each discount)*	Wind		
		Buildings	Contents	BI
SME_H01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_H02	Full roof structure retrofit for pre-1982/unknown construction year	0.9000	0.9000	1.0000
SME_H03	Tile roof type with sarking under tiles	0.9500	0.9500	1.0000
SME_H04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	0.9500	0.9500	1.0000
SME_H05	Metal roof type with compliant fastened flashings	0.9700	0.9700	1.0000
SME_H06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	0.9300	0.9300	1.0000
SME_H07	Unknown	1.0000	1.0000	1.0000

D.16 Mitigation – Window protection

Level	Mitigation - Window Protection *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind		
		Buildings	Contents	BI
SME_I01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_I02	Permanent protection (cyclone wind-rated shutters or cyclone debris-rated screens), installed externally on all glass windows	0.9700	0.9700	1.0000
SME_I03	Unknown	1.0000	1.0000	1.0000

D.17 Mitigation – External Doors

Level	Mitigation - External doors *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind		
		Buildings	Contents	BI
SME_J01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_J02	All external doors are either: - Metal OR - Timber with solid cores OR - Glass doors (including balcony doors) with debris-rated impact screens or wind-rated shutters	0.9700	0.9700	1.0000
SME_J03	Unknown	1.0000	1.0000	1.0000

D.18 Mitigation – Vehicle Access Door

Level	Mitigation - Vehicle access door *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind		
		Buildings	Content	BI
SME_K01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_K02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	0.9700	0.9700	1.0000
SME_K03	Unknown	1.0000	1.0000	1.0000

D.19 Mitigation – Gutter overflows

Level	Mitigation - Gutter overflows *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind		
		Buildings	Contents	BI
SME_L01	No qualifying mitigation	1.0000	1.0000	1.0000
SME_L02	All gutters are compliant with the following conditions: - Gutter overflows for all perimeter gutters on boxed eaves and/or all box gutters (at each end) OR - All eaves have no eave lining	0.9700	0.9700	1.0000
SME_L03	Unknown	1.0000	1.0000	1.0000

E Qualifying features for SME business mitigation discounts

E.1 Roof Mitigation discount

Roof Mitigation - Roof Type Requirements		Concrete Tiles	Terracotta Tile	Metal/Colorbond	Concrete	Fibro/Asbestos Cement	Shingle	Slate	Timber	Decramastic	Thatched	Other	Unknown
		Roof Type											
SME_H01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_H02	Full roof structure retrofit for pre-1982/unknown construction year	✓	✓	✓	×	×	✓	✓	×	✓	×	×	×
SME_H03	Tile roof type with sarking under tiles	✓	✓	×	×	×	✓	✓	×	×	×	×	×
SME_H04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	✓	✓	×	×	×	✓	✓	×	×	×	×	×
SME_H05	Metal roof type with compliant fastened flashings	×	×	✓	×	×	×	×	×	✓	×	×	×
SME_H06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	×	×	✓	×	×	×	×	×	✓	×	×	×
SME_H07	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Roof Mitigation - Construction Year Requirements		Pre 1920	1920 - 1949	1950 - 1959	1960 - 1969	1970 - 1981	1982 - 1989	1990 - 1999	2000 - 2011	2012 - 2019	2020+	Unknown	Contents only
		Construction Year											
SME_H01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_H02	Full roof structure retrofit for pre-1982/unknown construction year	✓	✓	✓	✓	✓	×	×	×	×	×	✓	×
SME_H03	Tile roof type with sarking under tiles	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_H04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	✓	✓	✓	✓	✓	×	×	×	×	×	✓	×
SME_H05	Metal roof type with compliant fastened flashings	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_H06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	✓	✓	✓	✓	✓	×	×	×	×	×	✓	×
SME_H07	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Sarking (for tile roofs) and flashings (for metal roofs) mitigation discounts are not limited to pre-2020 constructions as the potential benefits from sarking and flashing are not reflected in the construction year relativities.

E.2 Vehicle access door discount

Vehicle Access Door Mitigation - Construction Year Requirements		Pre 1920	1920 - 1949	1950 - 1959	1960 - 1969	1970 - 1981	1982 - 1989	1990 - 1999	2000 - 2011	2012 - 2019	2020+	Unknown	Contents only
		Construction Year											
SME_K01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_K02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	✓	✓	✓	✓	✓	✓	✓	✓	×	×	✓	×
SME_K03	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Vehicle Access Door Mitigation - Number of Storeys Requirements		1	2-3	4-6	7+	Unknown	Ground floor - contents only	1st floor - contents only	2nd floor - contents only	3rd floor and above - contents only
		Number of Storeys								
SME_K01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓
SME_K02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	✓	✓	×	×	×	✓	×	×	×
SME_K03	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓

F Strata building premium rates

Changes from the previous premium rate tables have been highlighted.

F.1 Wind Base Rates per $100 SI

Band	Wind
A	0.0000
B	0.0038
C	0.0076
D	0.0114
E	0.0144
F	0.0180
G	0.0216
H	0.0252
I	0.0288
J	0.0324
K	0.0360
L	0.0450
M	0.0552
N	0.0736
O	0.0920
P	0.1104
Q	0.1288
R	0.1472
S	0.1656
T	0.1840
U	0.2000
V	0.2500
W	0.3500
X	#N/A
Y	#N/A
Z	#N/A

F.2 Flood and Surge Base Rates per $100 SI

Band	Flood	Surge
Nil	0.0000	0.0000
Minimum	0.0086	0.0056
Very Low	0.0172	0.0113
Low	0.0258	0.0188
Medium	0.0344	0.0282
High	0.0430	0.0376
Very High	0.0602	0.0470
Maximum	0.1000	0.0500

F.3 Sum Insured

		Wind	
Sum Insured Min	Sum Insured Max	Relativity applied to min. of band	Marginal relativity
0	499,999		1.0000
500,000	999,999	1.0000	1.0000
1,000,000	1,999,999	1.0000	1.0000
2,000,000	2,999,999	1.0000	1.0000
3,000,000	3,999,999	1.0000	1.0000
4,000,000	4,999,999	1.0000	1.0000
5,000,000	5,999,999	1.0000	1.0000
6,000,000	6,999,999	1.0000	1.0000
7,000,000	7,999,999	1.0000	1.0000
8,000,000	8,999,999	1.0000	1.0000
9,000,000	9,999,999	1.0000	1.0000
10,000,000	14,999,999	1.0000	1.0000
15,000,000	19,999,999	1.0000	1.0000
20,000,000	24,999,999	1.0000	0.7500
25,000,000	29,999,999	0.9500	0.7500
30,000,000	34,999,999	0.9167	0.5000
35,000,000	39,999,999	0.8571	0.5000
40,000,000	44,999,999	0.8125	0.5000
45,000,000	49,999,999	0.7778	0.5000
50,000,000	54,999,999	0.7500	0.5000
55,000,000	59,999,999	0.7273	0.5000
60,000,000	64,999,999	0.7083	0.2500
65,000,000	69,999,999	0.6731	0.2500
70,000,000	74,999,999	0.6429	0.2500
75,000,000	79,999,999	0.6167	0.2500
80,000,000	84,999,999	0.5937	0.2500
85,000,000	89,999,999	0.5735	0.2500
90,000,000	94,999,999	0.5556	0.2500
95,000,000	99,999,999	0.5395	0.2500
100,000,000	119,999,999	0.5250	0.2500
120,000,000	139,999,999	0.4792	0.2500
140,000,000	159,999,999	0.4464	0.2500
160,000,000	179,999,999	0.4219	0.2500
180,000,000	199,999,999	0.4028	0.2500
200,000,000	249,999,999	0.3875	0.2500
250,000,000	299,999,999	0.3600	0.2500
300,000,000	349,999,999	0.3417	0.2500
350,000,000	399,999,999	0.3286	0.2500
400,000,000	449,999,999	0.3187	0.2500
450,000,000	499,999,999	0.3111	0.2500
500,000,000	549,999,999	0.3050	0.2500
550,000,000	599,999,999	0.3000	0.2500
600,000,000	649,999,999	0.2958	0.2500
650,000,000	699,999,999	0.2923	0.2500
700,000,000	749,999,999	0.2893	0.2500
750,000,000	100,000,000,000	0.2867	0.2500

F.4 Excess

Excess Min	Excess Max	Wind	Flood	Surge
0	499	1.0200	1.0200	1.0200
500	999	1.0000	1.0000	1.0000
1,000	1,999	0.9800	0.9800	0.9800
2,000	4,999	0.9600	0.9600	0.9600
5,000	9,999	0.9200	0.9200	0.9200
10,000	24,999	0.9000	0.9000	0.9000
25,000	49,999	0.8800	0.8800	0.8800
50,000	99,999	0.8500	0.8500	0.8500
100,000	249,999	0.8000	0.8000	0.8000
250,000	499,999	0.7500	0.7500	0.7500
500,000	749,999	0.7000	0.7000	0.7000
750,000	999,999	0.7000	0.7000	0.7000
1,000,000	100,000,000	0.7000	0.7000	0.7000

F.5 Flood and Surge Sublimits

	Flood					Surge				
	Sum insured band					Sum insured band				
Sublimit as % of sum insured	0-$10m	$10m-$20m	$20m-$50m	$50m-$100m	$100m+	0-$10m	$10m-$20m	$20m-$50m	$50m-$100m	$100m+
0-5%	0.4500	0.4900	0.5500	0.6200	0.7600	0.4500	0.4900	0.5500	0.6200	0.7600
5%-10%	0.6200	0.6700	0.7200	0.7600	0.8500	0.6200	0.6700	0.7200	0.7600	0.8500
10%-20%	0.7100	0.7700	0.8200	0.8500	0.8900	0.7100	0.7700	0.8200	0.8500	0.8900
20%-30%	0.7700	0.8300	0.8900	0.9200	0.9300	0.7700	0.8300	0.8900	0.9200	0.9300
30%-50%	0.8400	0.9100	0.9600	0.9700	0.9800	0.8400	0.9100	0.9600	0.9700	0.9800
50-100%	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

F.6 Construction Type

		Wind				Flood	Surge
Level	Construction Type	A	B	C	D		
Strata_A01	Brick Veneer	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_A02	Fibro/Asbestos	1.2500	1.2500	1.2500	1.2500	1.1000	1.1000
Strata_A03	Concrete/Cement/Hebel	0.6500	0.6500	0.6500	0.6500	0.9000	0.9000
Strata_A04	Timber/Weatherboard/Hardiplank	1.0500	1.0500	1.0500	1.0500	1.0500	1.0500
Strata_A05	Double Brick	1.0000	1.0000	1.0000	1.0000	0.9500	0.9500
Strata_A06	Metal Sheeting	1.1500	1.1500	1.1500	1.1500	1.0000	1.0000
Strata_A07	Metal Frame	0.8500	0.8500	0.8500	0.8500	0.9000	0.9000
Strata_A08	Stone	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_A09	EPS	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_A10	Other	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_A11	Unknown	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

F.7 Roof Type

Level	Roof Type	Wind
Strata_B01	Concrete Tiles	1.0000
Strata_B02	Terracotta Tile	1.0000
Strata_B03	Metal/Colorbond	1.0000
Strata_B04	Concrete	0.9000
Strata_B05	Fibro/Asbestos Cement	1.1000
Strata_B06	Shingle	1.0000
Strata_B07	Slate	1.0000
Strata_B08	Timber	1.1000
Strata_B09	Decramastic	1.0000
Strata_B10	Aluminium	1.0000
Strata_B11	Iron	1.0000
Strata_B12	Copper	1.0000
Strata_B13	Other	1.0000
Strata_B14	Unknown	1.0000

F.8 Construction Year

Level	Construction Year	Wind				Flood	Surge
		A	B	C	D		
Strata_C01	Pre 1920	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000
Strata_C02	1920 - 1949	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000
Strata_C03	1950 - 1959	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000
Strata_C04	1960 - 1969	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000
Strata_C05	1970 - 1981	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000
Strata_C06	1982 - 1989	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_C07	1990 - 1999	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_C08	2000 - 2011	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Strata_C09	2012 - 2019	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000
Strata_C10	2020+	0.9000	0.9000	0.9000	0.9000	1.0000	1.0000
Strata_C11	Unknown	1.3000	1.3500	1.4000	1.6000	1.0000	1.0000

F.9 Number of Storeys

Level	Number of Storeys	Wind	Flood	Surge
Strata_D01	1-3	1.0000	1.0000	1.0000
Strata_D02	4-6	0.8000	0.6000	0.6000
Strata_D03	7-9	0.7000	0.3000	0.3000
Strata_D04	10-19	0.6500	0.2000	0.2000
Strata_D05	20+	0.6000	0.1500	0.1500
Strata_D06	Unknown	1.0000	1.0000	1.0000

F.10 Number of Basement Levels

Level	Number of Basement Levels	Flood	Surge
Strata_E01	0	1.0000	1.0000
Strata_E02	1	1.4000	1.4000
Strata_E03	2	1.5000	1.5000
Strata_E04	3+	1.6000	1.6000
Strata_E05	Unknown	1.0000	1.0000

F.11 Coverage Level

Level	Coverage Level	Wind	Flood	Surge
Strata_F01	A	1.0000	1.0000	1.0000
Strata_F02	B	1.0000	1.0000	1.0000
Strata_F03	C	1.0000	1.0000	1.0000
Strata_F04	Not Applicable	1.0000	1.0000	1.0000

F.12 Mitigation – Roof

Level	Mitigation - Roof *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for each discount)*	Wind
Strata_G01	No qualifying mitigation	1.0000
Strata_G02	Full roof structure retrofit for pre-1982/unknown construction year	0.9000
Strata_G03	Tile roof type with sarking under tiles	0.9500
Strata_G04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	0.9500
Strata_G05	Metal roof type with compliant fastened flashings	0.9700
Strata_G06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	0.9300
Strata_G07	Unknown	1.0000

F.13 Mitigation – Window protection

Level	*discount)*	Wind
Strata_H01	No qualifying mitigation	1.0000
Strata_H02	Permanent protection (cyclone wind-rated shutters or cyclone debris-rated screens), installed externally on all glass windows	0.9700
Strata_H03	Unknown	1.0000

F.14 Mitigation – External Doors

Level	Mitigation - External doors *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind
Strata_I01	No qualifying mitigation	1.0000
Strata_I02	All external doors are either: - Metal OR - Timber with solid cores OR - Glass doors (including balcony doors) with debris-rated impact screens or wind-rated shutters	0.9700
Strata_I03	Unknown	1.0000

F.15 Mitigation – Vehicle Access Door

Level	Mitigation - Vehicle access door *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind
Strata_J01	No qualifying mitigation	1.0000
Strata_J02	year)	0.9700
Strata_J03	Unknown	1.0000

F.16 Mitigation – Gutter overflows

Level	Mitigation - Gutter overflows *(Refer to the Implementation and Pricing Structure Guide for full description of conditions for discount)*	Wind
Strata_K01	No qualifying mitigation	1.0000
Strata_K02	All gutters are compliant with the following conditions: - Gutter overflows for all perimeter gutters on boxed eaves and/or all box gutters (at each end) OR - All eaves have no eave lining	0.9700
Strata_K03	Unknown	1.0000

G Qualifying features for strata mitigation discounts

G.1 Roof Mitigation discount

Roof Mitigation - Roof Type Requirements		Roof Type													
		Concrete Tiles	Terracotta Tile	Metal/Colorbond	Concrete	Fibro/Asbestos Cement	Shingle	Slate	Timber	Decramastic	Aluminium	Iron	Copper	Other	Unknown
Strata_G01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strata_G02	Full roof structure retrofit for pre-1982/unknown construction year	✓	✓	✓	×	×	✓	✓	×	✓	✓	✓	✓	×	×
Strata_G03	Tile roof type with sarking under tiles	✓	✓	×	×	×	✓	✓	×	×	×	×	×	×	×
Strata_G04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	✓	✓	×	×	×	✓	✓	×	×	×	×	×	×	×
Strata_G05	Metal roof type with compliant fastened flashings	×	×	✓	×	×	×	×	×	✓	✓	✓	✓	×	×
Strata_G06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	×	×	✓	×	×	×	×	×	✓	✓	✓	✓	×	×
Strata_G07	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Roof Mitigation - Construction Year Requirements		Construction Year										
		Pre 1920	1920 - 1949	1950 - 1959	1960 - 1969	1970 - 1981	1982 - 1989	1990 - 1999	2000 - 2011	2012 - 2019	2020+	Unknown
Strata_G01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strata_G02	Full roof structure retrofit for pre-1982/unknown construction year	✓	✓	✓	✓	✓	×	×	×	×	×	✓
Strata_G03	Tile roof type with sarking under tiles	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strata_G04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	✓	✓	✓	✓	✓	×	×	×	×	×	✓
Strata_G05	Metal roof type with compliant fastened flashings	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strata_G06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	✓	✓	✓	✓	✓	×	×	×	×	×	✓
Strata_G07	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Sarking (for tile roofs) and flashings (for metal roofs) mitigation discounts are not limited to pre-2018 constructions as the potential benefits from sarking and flashing are not reflected in the construction year relativities.

G.2 Vehicle access door discount

Vehicle Access Door Mitigation - Construction Year Requirements		Construction Year										
		Pre 1920	1920 - 1949	1950 - 1959	1960 - 1969	1970 - 1981	1982 - 1989	1990 - 1999	2000 - 2011	2012 - 2019	2020+	Unknown
Strata_J01	No qualifying mitigation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strata_J02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	✓	✓	✓	✓	✓	✓	✓	✓	×	×	✓
Strata_J03	Unknown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Vehicle Access Door Mitigation - Number of Storeys Requirements		Number of Storeys					
		1-3	4-6	7-9	10-19	20+	Unknown
Strata_J01	No qualifying mitigation	✓	✓	✓	✓	✓	✓
Strata_J02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	✓	×	×	×	×	×
Strata_J03	Unknown	✓	✓	✓	✓	✓	✓

H Building standards for mitigation discounts

H.1 Mitigation – Roof

Strata

Level	Mitigation - Roof	Qualifying criteria
Strata_G02	Full roof structure retrofit for pre-1982/unknown construction year	Metal roof type: Full roof replacement and roof structure tie-down upgrades to AS 1684.3 (version 1999 or later), where the fastened flashings are compliant with AS1562.1 (version 2018 or later). Metal roof types are defined as Metal/Colorbond, Decramastic, Aluminium, Iron and Copper roof types. Tile roof type: Full roof replacement and roof structure tie-down upgrades to AS 1684.3 (version 1999 or later), and sarking under the tiles. Tile roof types are defined as Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types. Buildings must have a construction year before 1982 to receive this discount. Concrete/Fibro/Asbsestos Cement/Unknown/Timber/Other roof types are not eligible to receive this discount.
Strata_G03	Tile roof type with sarking under tiles	Tile roofs that have a sarking layer under the tiles. The discount is restricted to Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types.
Strata_G04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	Full roof replacement and roof structure tie-down upgrades to AS 1684.3 (version 1999 or later), without sarking under the tiles. Buildings must have a construction year before 1982 to receive this discount. The discount is restricted to Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types.
Strata_G05	Metal roof type with compliant fastened flashings	Metal roof type with fastened flashings, where the fastened flashings are compliant with AS1562.1 (version 2018 or later). The discount is restricted to Metal/Colorbond, Decramastic, Aluminium, Iron and Copper roof types.
Strata_G06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	Full roof replacement and roof structure tie-down upgrades to AS 1684.3 (version 1999 or later). The roof does not have fastened flashings fully compliant with AS1562.1 (version 2018 or later). Buildings must have a construction year before 1982 to receive this discount. The discount is restricted to Metal/Colorbond, Decramastic, Aluminium, Iron and Copper roof types.

SME

Level	Mitigation - Roof	Qualifying criteria
SME_H02	Full roof structure retrofit for pre-1982/unknown construction year	Metal roof type: Full roof replacement and roof structure tie-down upgrades for buildings that satisfy the scope of AS 4055 to AS 1684.3 (version 1999 or later), and for other buildings as specified by a structural engineer. The fastened flashings are to be compliant with AS1562.1 (version 2018 or later). Metal roof types are defined as Metal/Colorbond and Decramastic roof types. Tile roof type: Full roof replacement and roof structure tie-down upgrades for buildings that satisfy the scope of AS 4055, to AS 1684.3 (version 1999 or later), and sarking under the tiles. Tile roof types are defined as Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types. Buildings must have a construction year before 1982 to receive this discount. Concrete/Fibro/Asbsestos Cement/Unknown/Timber/Thatched/Other roof types are not eligible to receive this discount.
SME_H03	Tile roof type with sarking under tiles	Tile roofs that have a sarking layer under the tiles. The discount is restricted to Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types.
SME_H04	Tile roof type with pre-1982/unknown construction year and full roof structure retrofit, without sarking under the tiles	Full roof replacement and roof structure tie-down upgrades for buildings that satisfy the scope of AS 4055, to AS 1684.3 (version 1999 or later), without sarking under the tiles. Buildings must have a construction year before 1982 to receive this discount. The discount is restricted to Concrete Tiles, Terracotta Tiles, Shingle or Slate roof types.
SME_H05	Metal roof type with compliant fastened flashings	Metal roof type with fastened flashings, where the fastened flashings are compliant with AS1562.1 (version 2018 or later). The discount is restricted to Metal/Colorbond and Decramastic roof types.
SME_H06	Full metal roof structure retrofit for pre-1982/unknown construction year, however fastened flashings are not compliant	Full roof replacement and roof structure tie-down upgrades for buildings that satisfy the scope of AS 4055, to AS 1684.3 (version 1999 or later), and for other buildings as specified by a structural engineer. The roof does not have fastened flashings fully compliant with AS1562.1 (version 2018 or later). Buildings must have a construction year before 1982 to receive this discount. The discount is restricted to Metal/Colorbond and Decramastic roof types.

H.2 Mitigation – Window Protection

Level	Mitigation - Window Protection	Qualifying criteria
Strata_H02/ SME_I02	Permanent protection (cyclone wind-rated shutters or cyclone debris-rated screens), installed externally on all glass windows	Permanent protection (cyclone wind-rated shutters or cyclone debris-rated screens), installed externally on all glass windows. For house-type buildings that comply with the scope of AS 4055, shutters are certified to resist wind pressures given in AS 4055 (version 2012 or later). For all other buildings, shutters are certified to resist wind pressures given in AS/NZS1170.2 (version 2011 or later). Cyclone debris-rated screens should have a test certificate for resisting the debris load for the wind region in which the building is located (or a higher wind region) as given in AS/NZS 1170.2 (version 2011 or later).

H.3 Mitigation – External Doors

Level	Mitigation - External doors	Qualifying criteria
Strata_I02/ SME_J02	All external doors are either: - Metal OR - Timber with solid cores OR - Glass doors (including balcony doors) with debris-rated impact screens or wind-rated shutters	Any timber doors have solid cores. All glass doors, including balcony doors, need to have shutters or debris-rated screens, compliant with the following: For house-type buildings that comply with the scope of AS 4055, shutters are certified to resist wind pressures given in AS 4055 (version 2012 or later). For all other buildings, shutters are certified to resist wind pressures given in AS/NZS1170.2 (version 2011 or later). Cyclone debris-rated screens should have a test certificate for resisting the debris load for the wind region in which the building is located (or a higher wind region) as given in AS/NZS 1170.2 (version 2011 or later).

H.4 Mitigation – Vehicle Access Door

Level	Mitigation - Vehicle access door	Qualifying criteria
Strata_J02/ SME_K02	Vehicle access door located in the main structure, and main structure has three storeys or less (for pre-2012/unknown construction year)	Vehicle Access door installed prior to 2012 has been retrofit (or braced) to be compliant with AS4505 (version 2012 or later), is located in the main structure, and main structure has three storeys or less. For SME businesses with contents-only cover, the business can be located on the ground floor of the building with a vehicle access door directly connected to business operating area. Buildings must have a construction year before 2012 to receive this discount.

H.5 Mitigation – Gutter overflows

Level	Mitigation - Gutter overflows	Qualifying criteria
Strata_K02/ SME_L02	All gutters are compliant with the following conditions: - Gutter overflows for all perimeter gutters on boxed eaves and/or all box gutters (at each end) OR - All eaves have no eave lining	A non-exhaustive list of options which may be eligible for this discount are provided separately .

H.5.1 Gutter overflow examples

The following gutter designs from the Australian Building Codes Board Housing Provisions Standards 2022 (1 May 2023) would be examples of acceptable overflows.

Figure 7.4.6a: **Construction of front face slotted gutter**

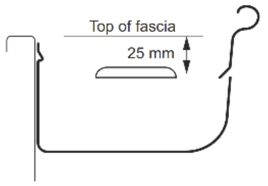


Figure 7.4.6b: **Construction of controlled back gap**

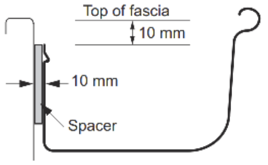


Figure 7.4.6c: **Construction of controlled front bead height**

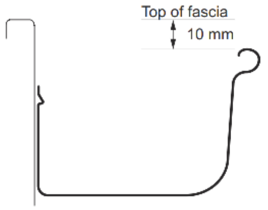


Figure 7.4.7a: **Construction of end-stop weir**

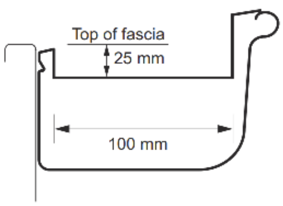
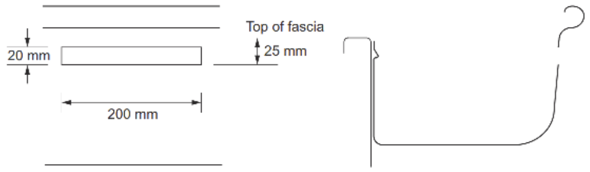
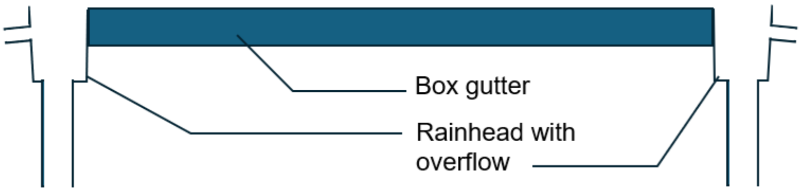


Figure 7.4.7c: Construction of front face weir

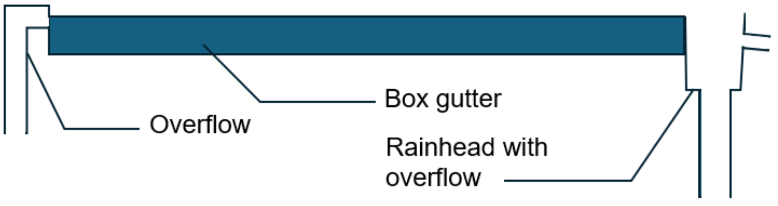


H.5.2 Box gutter overflow examples

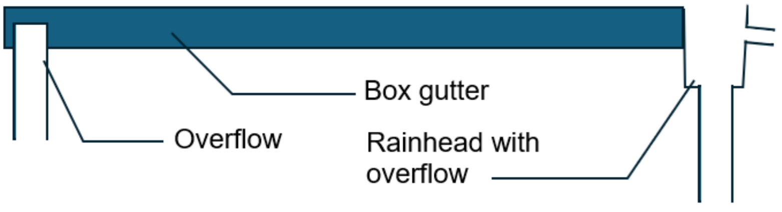
Rainhead with overflow at each end



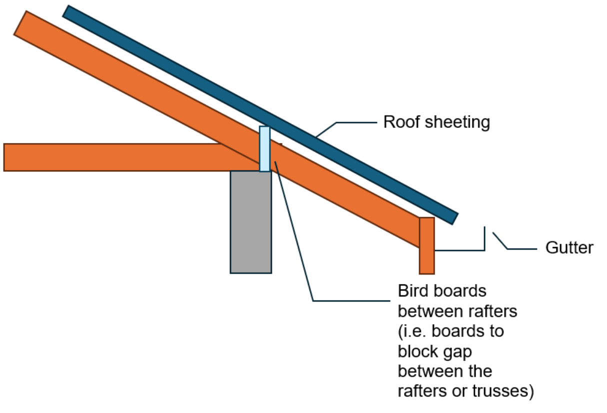
Horizontal pipe set so that the base of the pipe is 25 mm lower than the top of the gutter at the opposite end to the rainhead



Vertical pipe set so that the top of the pipe is 25mm below the top of the gutter



H.5.3 Unlined eave



I Average premium by CRESTA

I.1 Home buildings

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates							v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium ($m)	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and coverage	Average non-zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	138,792	724,313	28	205	154	29%	156	8%	76	205	154	156	76
2	Brisbane	671,893	652,505	89	132	110	12%	176	2%	72	132	110	176	72
3	Sunshine Coast	126,369	682,496	28	219	189	12%	178	10%	78	219	189	176	78
4	Wide Bay	106,666	543,751	19	176	161	13%	87	6%	57	176	161	87	57
5	Rockhampton	45,325	536,849	16	355	341	12%	115	0%	48	355	341	115	48
6	Marlborough	23,047	581,447	8	366	356	11%	81	1%	46	366	356	81	46
7	Mackay	40,012	560,452	33	832	821	7%	118	6%	51	832	821	119	51
8	Proserpine and Offshore Islands	10,951	639,287	11	1,047	1,026	3%	147	17%	102	1,047	1,026	145	102
9	Townsville	64,585	537,391	44	675	626	31%	118	11%	109	675	626	118	109
10	Ingham	14,382	503,003	7	464	414	29%	122	13%	113	464	414	122	113
11	Cairns	63,584	564,998	32	498	457	18%	171	11%	96	498	457	171	96
12	Cape York	3,579	484,987	1	395	365	23%	90	14%	74	395	365	90	74
13	Fair Cape	938	682,828	0	418	415	1%	61	3%	76	418	415	67	74
14	Gulf	322	471,509	0	364	255	58%	145	14%	180	364	255	146	180
15	Inland QLD	194,650	542,183	12	63	43	17%	123	0%	92	63	43	125	92
16	North NT	8,803	678,490	2	180	169	9%	103	1%	164	180	169	103	163
17	Darwin	24,352	735,258	15	621	616	1%	166	4%	76	621	616	167	76
18	Remainder NT	6,339	685,516	0	4	1	5%	61	0%	27	3	1	61	27
19	Kununurra-Broome	3,112	620,812	3	1,059	1,016	10%	179	15%	169	1,059	1,016	179	169
20	Pilbara	10,231	636,694	23	2,237	2,202	1%	279	23%	142	2,237	2,202	281	142
21	Geraldton Central Coast	27,033	528,736	9	343	322	12%	129	3%	129	343	322	129	129
22	Perth	683,594	612,460	79	115	108	2%	187	3%	86	115	108	184	86
23	Albany-Bunbury	106,290	570,685	11	102	90	7%	115	8%	54	102	90	115	54
24	Remainder WA	31,478	497,534	2	68	48	9%	215	0%	-	68	48	215	-
38	South-West NSW	317,670	660,202	0	0	-	0%	208	0%	-	0	-	208	-
47	Northern Slopes	84,161	615,630	1	8	0	5%	154	0%	-	8	0	154	-
48	Mid-North coast	83,288	650,962	1	12	12	0%	69	1%	41	12	12	69	37
49	Far North coast	131,905	669,326	19	142	79	28%	187	14%	79	142	79	187	79
Total		3,023,351		494										

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I.2 Home contents

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates								v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and	Average non-zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	209,997	94,710	5	24	15	40%	18	12%	11	24	15	18	11
2	Brisbane	764,578	100,858	13	17	11	20%	27	3%	9	17	11	27	9
3	Sunshine Coast	154,391	93,990	4	25	19	18%	25	14%	10	25	19	25	10
4	Wide Bay	97,666	86,048	2	21	18	13%	16	8%	9	21	18	16	9
5	Rockhampton	40,808	80,365	2	43	40	13%	22	0%	5	43	40	22	5
6	Marlborough	20,927	85,984	1	44	42	11%	17	1%	6	44	42	17	6
7	Mackay	36,858	75,442	4	98	96	7%	17	6%	6	98	96	18	6
8	Proserpine and Offshore Islands	11,470	72,868	1	111	108	2%	21	23%	11	111	108	21	11
9	Townsville	60,641	71,746	5	86	78	37%	18	15%	15	86	78	18	15
10	Ingham	11,521	69,235	1	57	48	30%	22	15%	16	57	48	21	16
11	Cairns	61,406	69,448	4	64	56	23%	24	20%	11	64	56	24	11
12	Cape York	2,650	67,887	0	49	44	23%	16	15%	11	49	44	16	11
13	Fair Cape	844	62,721	0	33	33	1%	7	3%	11	33	33	6	11
14	Gulf	235	63,095	0	39	25	54%	19	19%	16	39	25	20	16
15	Inland QLD	174,851	93,707	2	9	5	17%	24	0%	15	9	5	24	15
16	North NT	7,761	91,080	0	20	18	9%	16	1%	23	20	18	15	23
17	Darwin	30,354	76,964	2	63	62	1%	19	5%	7	63	62	19	7
18	Remainder NT	6,610	82,770	0	0	0	4%	8	0%	5	0	0	8	5
19	Kununurra-Broome	2,639	66,192	0	113	107	11%	22	18%	19	113	107	22	19
20	Pilbara	10,023	68,597	2	236	231	1%	25	26%	18	236	231	25	18
21	Geraldton Central Coast	24,266	83,339	1	44	39	12%	29	3%	31	44	39	29	31
22	Perth	692,631	106,861	10	14	13	2%	37	4%	17	14	13	37	17
23	Albany-Bunbury	98,909	96,277	1	13	10	8%	24	8%	10	13	10	24	10
24	Remainder WA	27,676	87,990	0	10	6	10%	51	0%	-	10	6	51	-
38	South-West NSW	292,417	119,238	0	0	-	0%	44	0%	-	0	-	44	-
47	Northern Slopes	72,631	111,411	0	2	0	5%	32	0%	-	2	0	32	-
48	Mid-North coast	82,289	102,201	0	1	1	0%	45	1%	7	1	1	45	7
49	Far North coast	131,782	97,538	3	22	8	32%	36	18%	12	22	8	36	12
Total		3,128,831		63										

I.3 Strata buildings

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates							v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and	Average non zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	10,165	5,928,718	10	958	790	35%	377	20%	173	957	790	377	171
2	Brisbane	15,279	6,882,352	10	635	474	14%	1,159	2%	240	636	474	1,163	250
3	Sunshine Coast	5,568	4,409,047	5	840	730	18%	514	13%	122	840	730	514	121
4	Wide Bay	1,277	2,548,121	1	500	457	27%	127	10%	81	500	457	127	81
5	Rockhampton	696	3,115,323	1	1,067	1,021	31%	147	0%	46	1,067	1,021	147	46
6	Marlborough	225	2,936,431	0	1,172	1,163	8%	102	1%	191	1,172	1,163	102	191
7	Mackay	1,004	2,127,546	2	2,005	1,993	5%	229	1%	94	2,005	1,993	229	94
8	Proserpine and Offshore Islands	317	4,033,376	1	2,507	2,341	1%	1,284	73%	211	2,507	2,341	1,284	211
9	Townsville	1,601	2,832,026	4	2,567	2,184	81%	235	65%	297	2,568	2,184	235	298
10	Ingham	146	2,045,218	0	1,838	1,616	45%	195	84%	160	1,842	1,616	195	163
11	Cairns	2,098	3,531,003	5	2,505	2,067	48%	443	62%	362	2,505	2,067	443	362
12	Cape York	12	631,858	0	421	337	100%	52	92%	35	421	337	52	35
13	Fair Cape	88	1,796,540	0	1,202	1,189	1%	107	10%	114	1,202	1,189	107	114
14	Gulf	2	553,795	0	1,328	899	100%	205	100%	224	1,328	899	205	224
15	Inland QLD	2,679	1,513,759	0	81	59	15%	151	0%	41	81	59	161	41
16	North NT	72	3,919,208	0	324	239	13%	683	0%	-	324	239	683	-
17	Darwin	1,796	5,760,362	5	2,543	2,504	1%	463	10%	353	2,543	2,504	463	353
18	Remainder NT	427	2,666,284	-	-	-	0%	-	0%	-	-	-	-	-
19	Kununurra-Broome	15	1,827,381	0	1,552	1,394	20%	299	27%	370	1,552	1,394	299	370
20	Pilbara	156	4,001,609	1	9,397	9,069	2%	36	53%	615	9,397	9,069	36	615
21	Geraldton Central Coast	209	2,729,470	0	1,372	1,352	8%	111	7%	177	1,372	1,352	111	177
22	Perth	17,307	3,605,326	6	340	328	1%	921	2%	154	340	328	921	154
23	Albany-Bunbury	926	2,294,716	0	296	259	13%	230	7%	83	296	259	230	83
24	Remainder WA	280	2,130,561	0	23	15	4%	207	0%	-	23	15	207	-
38	South-West NSW	4,124	2,585,162	-	-	-	0%	-	0%	-	-	-	-	-
47	Northern Slopes	874	1,488,261	0	7	-	3%	225	0%	-	7	-	225	-
48	Mid-North coast	2,793	2,245,580	0	39	39	0%	-	0%	-	39	39	-	54
49	Far North coast	6,106	2,266,634	3	508	256	50%	401	40%	130	508	256	401	130
Total		76,242		54										

I.4 SME business buildings

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates							v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and	Average non-zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	3,312	1,075,424	1	182	146	18%	159	9%	91	182	146	159	91
2	Brisbane	14,471	1,061,693	2	125	73	17%	302	4%	70	125	73	301	70
3	Sunshine Coast	3,112	869,623	0	109	87	11%	162	7%	66	109	87	162	66
4	Wide Bay	3,322	747,193	0	110	82	20%	128	5%	51	110	82	128	51
5	Rockhampton	1,845	882,613	1	283	262	16%	115	2%	77	283	262	116	77
6	Marlborough	654	701,686	0	258	243	17%	81	6%	27	258	243	81	27
7	Mackay	1,350	991,949	1	892	886	4%	58	5%	71	892	886	59	70
8	Proserpine and Offshore Islands	582	796,238	1	947	919	3%	199	25%	91	947	919	196	90
9	Townsville	2,485	913,031	2	813	739	32%	141	20%	150	813	739	141	151
10	Ingham	748	595,740	0	424	360	35%	164	14%	46	424	360	164	46
11	Cairns	3,031	879,902	2	713	548	35%	283	34%	190	713	548	283	191
12	Cape York	226	558,332	0	291	256	32%	85	24%	36	291	256	85	36
13	Fair Cape	163	1,017,976	0	758	716	0%	-	12%	362	758	716	-	362
14	Gulf	175	308,395	0	193	137	33%	114	17%	114	193	137	114	114
15	Inland QLD	9,204	680,687	0	45	21	19%	129	0%	21	45	21	130	21
16	North NT	613	785,363	0	238	223	14%	84	4%	72	237	223	80	72
17	Darwin	1,150	1,189,006	1	692	688	1%	74	6%	51	692	688	74	51
18	Remainder NT	702	850,368	0	12	4	14%	62	0%	-	12	4	62	-
19	Kununurra-Broome	463	641,391	0	191	146	26%	156	24%	24	191	146	156	24
20	Pilbara	1,104	937,836	2	2,171	2,106	2%	228	40%	154	2,171	2,106	228	154
21	Geraldton Central Coast	1,783	549,434	1	292	270	15%	112	4%	99	292	270	112	99
22	Perth	14,944	1,002,742	1	47	42	2%	207	2%	77	47	42	204	77
23	Albany-Bunbury	5,124	690,326	0	53	36	9%	123	9%	64	53	36	123	64
24	Remainder WA	2,527	588,585	0	43	28	6%	259	0%	-	43	28	256	-
38	South-West NSW	14,704	771,131	0	0	-	0%	187	0%	-	0	-	187	-
47	Northern Slopes	3,877	767,253	0	12	-	8%	152	0%	-	12	-	152	-
48	Mid-North coast	2,753	816,399	0	10	10	0%	-	1%	17	10	10	-	18
49	Far North coast	5,181	839,396	1	132	55	21%	291	14%	113	132	55	291	113
Total		99,605		17										

I.5 SME business contents

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates							v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and	Average non-zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	13,838	191,125	0	20	12	13%	42	5%	34	20	12	42	34
2	Brisbane	43,669	213,186	1	20	6	13%	104	2%	32	20	6	104	32
3	Sunshine Coast	9,085	172,641	0	14	8	8%	51	7%	24	14	8	54	24
4	Wide Bay	4,923	160,289	0	18	8	15%	60	5%	21	18	8	60	21
5	Rockhampton	2,453	172,421	0	30	25	12%	42	1%	13	31	25	44	13
6	Marlborough	879	142,799	0	32	27	15%	30	4%	12	32	27	30	12
7	Mackay	2,310	201,510	0	99	97	4%	30	3%	35	99	97	31	35
8	Proserpine and Offshore Islands	969	153,816	0	102	94	2%	53	20%	30	102	94	53	30
9	Townsville	3,775	182,625	0	101	78	27%	48	17%	55	101	78	48	55
10	Ingham	878	142,504	0	59	40	28%	60	12%	18	59	40	60	18
11	Cairns	4,833	172,058	0	101	61	25%	99	26%	61	102	61	99	61
12	Cape York	235	153,628	0	52	36	25%	20	21%	47	52	36	20	47
13	Fair Cape	184	267,719	0	97	83	1%	179	18%	66	96	83	89	66
14	Gulf	94	157,315	0	52	27	59%	29	29%	28	52	27	29	28
15	Inland QLD	11,065	182,855	0	10	3	14%	56	0%	8	10	3	57	8
16	North NT	857	199,019	0	31	27	11%	33	2%	23	31	27	32	23
17	Darwin	2,581	200,979	0	68	67	1%	15	5%	17	68	67	15	16
18	Remainder NT	990	193,191	0	3	0	11%	22	0%	-	3	0	23	-
19	Kununurra-Broome	438	167,942	0	43	21	29%	59	10%	48	43	21	59	48
20	Pilbara	1,541	161,320	1	335	316	1%	95	35%	50	335	316	95	50
21	Geraldton Central Coast	1,827	144,684	0	41	32	14%	57	4%	49	41	32	57	49
22	Perth	38,830	213,332	0	5	3	1%	84	2%	34	5	3	82	34
23	Albany-Bunbury	6,452	168,725	0	8	3	8%	39	8%	20	8	3	38	20
24	Remainder WA	2,422	155,877	0	13	3	7%	153	0%	-	13	3	151	-
38	South-West NSW	19,549	189,287	0	0	-	0%	61	0%	-	0	-	61	-
47	Northern Slopes	4,518	185,497	0	4	-	6%	69	0%	-	4	-	69	-
48	Mid-North coast	4,690	162,007	0	1	1	0%	-	1%	15	1	1	-	14
49	Far North coast	8,723	173,573	0	31	6	17%	118	12%	47	31	6	117	47
Total		192,608		4										

I.6 SME business interruption

Data as at 31 March 2025				v4 - updated: 1 April 2026 version of the rates							v3 previous: 1 April 2025 version of the rates			
CRESTA	Name	Number of policies	Average SI ($)	Total Cyclone Pool premium	Average Cyclone Pool premium ($)	Average wind premium ($)	Proportion of policies with flood risk and coverage	Average non-zero flood premium ($)	Proportion of policies with surge risk and	Average non zero surge premium ($)	Average Cyclone Pool premium ($)	Average wind premium ($)	Average non-zero flood premium ($)	Average non-zero surge premium ($)
1	Gold Coast	6,049	459,684	0	78	70	14%	42	5%	38	78	70	42	38
2	Brisbane	20,832	436,284	1	44	30	16%	82	2%	29	44	30	82	29
3	Sunshine Coast	4,050	416,327	0	54	47	10%	54	6%	38	54	47	55	38
4	Wide Bay	2,469	350,639	0	51	39	20%	48	4%	40	51	39	48	40
5	Rockhampton	1,438	342,731	0	98	94	14%	28	1%	29	98	94	28	29
6	Marlborough	356	438,014	0	169	164	10%	45	4%	18	169	164	45	18
7	Mackay	1,045	473,314	0	428	426	2%	20	4%	33	428	426	20	33
8	Proserpine and Offshore Islands	462	409,134	0	481	471	2%	81	17%	50	481	471	81	49
9	Townsville	2,100	380,069	1	303	282	31%	37	19%	48	302	282	37	48
10	Ingham	377	267,891	0	150	135	27%	53	6%	17	150	135	53	17
11	Cairns	2,400	350,732	1	261	229	30%	56	30%	50	261	229	56	51
12	Cape York	55	552,877	0	264	241	18%	39	20%	75	264	241	39	75
13	Fair Cape	55	618,326	0	335	329	0%	-	9%	69	335	329	-	69
14	Gulf	21	641,405	0	194	179	24%	50	10%	29	194	179	50	29
15	Inland QLD	5,483	378,367	0	20	13	16%	48	0%	15	20	13	49	15
16	North NT	337	508,099	0	139	131	15%	28	4%	100	139	131	26	100
17	Darwin	1,302	424,106	0	269	268	0%	7	5%	25	269	268	7	25
18	Remainder NT	415	397,886	0	2	1	6%	27	0%	-	2	1	27	-
19	Kununurra-Broome	170	336,004	0	76	58	26%	55	7%	50	76	58	55	50
20	Pilbara	574	318,899	0	745	722	1%	61	39%	57	745	722	61	57
21	Geraldton Central Coast	691	332,082	0	162	158	12%	34	2%	22	162	158	34	22
22	Perth	17,824	449,885	0	21	20	1%	86	2%	35	21	20	83	35
23	Albany-Bunbury	2,887	384,355	0	28	22	9%	33	12%	23	28	22	33	23
24	Remainder WA	994	313,835	0	19	13	8%	81	0%	-	19	13	82	-
38	South-West NSW	9,329	332,376	0	0	-	0%	71	0%	-	0	-	71	-
47	Northern Slopes	2,241	311,209	0	2	-	5%	45	0%	-	2	-	45	-
48	Mid-North coast	2,264	348,582	0	5	5	0%	-	0%	25	5	5	-	21
49	Far North coast	4,440	365,549	0	54	31	22%	78	13%	47	54	31	78	47
Total		90,660		6										

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