



[Are we uninsurable?](#)

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Body

As the cost-of-living crisis continues to bite insurance costs have risen, resulting in home and contents insurance being cost prohibitive for some Clarence Valley homeowners with prices ranging from \$35.51 to \$252.36 per week, while in some parts of the valley some companies refuse to insure homes.

[A comparison of home and contents insurance costs across the Clarence Valley has revealed prices up to \\$252.36 per week, while some companies refuse to offer insurance in some locations. Photo: File photo](#)

Part of the increase in insurance costs can be attributed to the 2019- 2020 black summer bushfires, where about 39,000 claims totalling \$2.32 billion were lodged, and the 2022 floods which were Australia's most costly natural disaster causing \$5.87 billion in insured damages.

The question about whether more homes are now uninsurable was asked by Sue Higginson, chair of a NSW Parliamentary inquiry into the Planning system and the impacts of Climate Change on the Environment and Communities, at a meeting on March 15, 2024.

"I notice there was a statement today—I think it was Swiss Re talking about how one in eight homes are now uninsurable, which was up compared to two years ago when it was one in 10. That is a fairly alarming reality. You think, "It would be great if everyone could be insured," but when your focus is on don't build on flood plains anymore, the reality is in New South Wales we are. We are still building today, tomorrow and yesterday. I can point to west Yamba right now, and we are literally rolling out hundreds of houses. At what point don't you insure? Is there a point where you just say, "No, we're not insuring that," or is it always insurable but the premiums are prohibitive," Ms Higginson said.

To determine home and contents insurance costs across the region and if we are insurable, the Clarence Valley Independent sought quotes for a 3 bedroom, 2 bathroom, single storey home, without a mortgage, that is not used

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as a holiday home or for a home business, for a 50 year-old person, from insurance companies GIO, AAMI, NRMA, and Budget Direct, at Grafton, Ulmarra, Lawrence, Maclean, [Iluka](#), and Yamba...

At Yamba, a \$800,000 home and \$80,000 contents insurance on a home on Carrs Drive ranges from \$8233.32 (\$158.33 per week) with NRMA, to \$9683.28 (186.22 per week) with AAMI, and \$11839.79 (\$227.68 per week) with GIO, while Budget Direct replied, "we do not offer insurance at this location"

For a \$600,000 home and \$80,000 contents insurance on a home in Duke Street, [Iluka](#), prices ranged from \$5015.22 (\$96.45 per week) with AAMI, to \$5072.89 (\$97.55 per week) with GIO, and \$5432.88 (\$104.48 per week) with NRMA, while Budget Direct does not offer insurance at this location.

A \$600,000 home and \$80,000 contents policy on a home on Grafton Street, Maclean, costs from \$2313.63 (\$44.49 per week) with GIO, to \$2361.36 (\$45.41 per week) with AAMI, \$3017.92 (\$58.04 per week) with Budget Direct, and \$4994.04 (\$96.04 per week) with NRMA.

A home on Havelock Street, Lawrence, insured for \$600,000 with \$80,000 contents would cost \$1846.71 (\$35.51 per week) through AAMI, \$2091.70 (\$40.23 per week) with GIO, \$2217.55 (\$42.65 per week) through Budget Direct, and \$4020.50 (\$77.32 per week) with NRMA. Further down river, a home insured for \$600,000 with \$80,000 of contents on River Street, Ulmarra would cost \$6930.91 (\$133.29 per week) with NRMA, \$6950.24 (\$133.66 per week) with AAMI, \$8266.26 (\$158.97 per week) with GIO, while Budget Direct does not offer insurance at this location.

In Grafton, a home on Clarence Street insured for \$800,000 with \$80,000 of contents would cost \$6165.13 (\$118.56 per week) with AAMI, \$8394.42 (\$161.43 per week) with GIO, and \$13,122.68 (\$252.36 per week) with NRMA, while Budget Direct does not offer insurance at this location.

All customers are advised to check with their insurance company about the level of flood insurance provided in their policy.

To determine the flood risk of properties the insurance industry has developed and licensed the National Flood Information Database NFID for use by insurers in determining the flood risk to individual properties.

The NFID is an address database containing 13.7 million property addresses, overlaid with the known flood risk according to government flood mapping.

Most insurers use NFID to determine the flood risk to individual properties, and calculate the premium based on this risk and other criteria including building type, location and claims history.

[Link to Image](#)

This article appeared in the [Clarence Valley Independent, 29 May 2024](#).

Graphic

A comparison of home and contents insurance costs across the Clarence Valley has revealed prices up to \$252.36 per week, while some companies refuse to offer insurance in some locations. Photo: File photo

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