



## DAVE'S DAIRY

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### **Insure one, insure the lot**

After each natural disaster such as fire, flood or cyclone, a great cry goes up: "the government must have a National Disaster Scheme so we can be ready to meet the next disaster. Surely, even the government can see that such a scheme is necessary".

So after a big bushfire in our district a few years ago we really gave Clarkson the rounds of the kitchen, urging him to get off his tail for once and do something useful instead of just talking all the time about tariffs. He responded by pointing out that it wasn't quite so simple as it seemed.

He took bushfires first. There was no doubt that a bushfire was a disaster but is it the kind of national disaster that should attract compensation?

To a chap who gets his farm burnt out in a little fire that is confined to his property, it is just as painful as getting burnt out in a big fire that burns out hundreds of other farmers also. So should we have a policy to insure against all fires or only big ones?

And what do we do about the chap who doesn't get burnt out because he has, at great expense spread over many years, protected his property with very well-maintained fire breaks, backed up with a first-class fire fighting unit maintained by him at considerable expense?

It is little incentive for him to look after his fire breaks if his neighbour who hasn't bothered to do anything at all gets looked after while he doesn't.

And some farmers insure themselves against a fire in a more direct way by simply paying good money in insurance premiums. Are these not to be helped if they get burnt out, or do we only help the chap who won't help himself at all?

And where do we draw the line at what is a national disaster? A chap may get his house unroofed in a big whirlwind and it is about as serious to him as if the same thing happened in a cyclone. So are we to cover big disasters only or all of them? If so, where do the insurance companies fit in?

And seeing a vineyard blackened by frost would be very similar to seeing one burnt by fire, if such a thing could happen and the results would be the same. So is frost to be included also?

We all know that particular parts of some vineyard districts are "frost pockets" and are known to be particularly susceptible to frost and so this land can be bought cheaply.

But if you have a scheme of insurance that compensates against frost damage in frost pockets, then you will be encouraging people to plant vines where they shouldn't be planted. Or are we going to have an army of civil servants going round delineating the frost pockets?

And what do we do about rust? A farmer who has his wheat yield wiped out by rust will regard this as a natural disaster but if he is compensated, then there will be less incentive to use rust-resistant wheats.

Getting wiped out by a drought is about as painful as being wiped out by fire, so droughts ought to be also included. But if so, what do you do about the farmer who has conserved fodder to get himself through the drought? Is he to be helped?

And floods, what do we do about floods? "Flood plains are for floods" Moss Cass once said, and never said a truer word. So, are the people who build their homes on a flood plain to be covered against flood? Or is this only to apply if a lot of them decide to build a town?

In other words, are houses in towns to be covered or just houses on flood plains? If so, it's not much of an incentive to build your homestead away from the flood plain.

There is at present a group of dedicated civil servants beavering away in the bowels of Parliament, drawing up the blueprint of a national disaster insurance scheme. They have been at it for some time and I can now understand why.

I guess they have found it a tougher task than they thought. It is easy to get all misty eyed and compassionate about repairing the damage done by a big natural disaster, but being wise about the same subject is a lot harder.