

The Cork Business Association founded in 1957 is not for profit organisation representing almost 200 businesses in Cork City. Membership consists of a mix of local indigenous businesses as well as national and multi-national retailers. As an organisation we cover a wide sectoral base including Retail, Hospitality, Financial, Property, Insurance, Catering, Educational and Service Industry. A significant number of our members are on the City Centre Island, circled by the north and south channels of the River Lee.

In the past 140 years Cork has had 292 flood alerts. It is prone to both fluvial and tidal flooding. The cost to business, most if not all of which have no flood insurance has been quite staggering.

The flood relief works proposed by the OPW are due to begin in 2018 have been widely welcomed by businesses in Cork. Current estimates for the cost of these works at 140-150 million euro, a significant investment of taxpayers money. Confidence in these works has been taken from the OPW's track record of very successful schemes delivered in Mallow, Fermoy, Clonmel and Waterford. These have all been designed to meet a 1 in 100 year event and in all cases have proved very effective to date. Since March 2014 a memorandum of understanding has been in place between the OPW and insurance Ireland which allows for the exchange of flood defence data. Many inadvertently believed both this transparency and delivery of robust flood defences, would naturally lead to realistic flood insurances being reinstated. Alas Irish insurance companies unlike the UK counterparts have not shown the same level of social responsibility. Considering the massive investment of taxpayers money, estimated to be in the region of ½ billion over the next few years, considering the openness of the OPW in sharing information, considering that insurance by its nature is the management of risk where "the premiums of the many pay for the losses of the few, surely we have the right to expect more". Insurance is not a solution for possible loss, however being able to transfer or share risk, traditionally done through insurance is critical to the economic success of communities and regions. The abdication of responsibility in this instance by the insurance industry is truly reprehensible.

Without insurance how do we as a Business Association encourage existing businesses to invest or expand? How do we encourage inward investment whether domestic or foreign? Could some businesses without flood insurance be accused of trading recklessly? It is absolutely vital for businesses and residential owners that these questions are answered. The lack of clarity on these issues has massive implications for the future of Cork. The Status Quo is unsustainable.

On behalf of myself and my colleagues, I would like to thank the committee for the opportunity to put forward the views and concerns of the Cork Business Association on this issue and to raise some important questions about the provision of flood insurance. Our sincere hope is these questions, views and concerns can be addressed in a meaningful way in the very near future.

Thank you Chairman, we are happy to answer any questions the committee may have.