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**BUSINESS NSW DEMANDS INSURANCE REFORM**

The state’s peak business body warns insurance premiums are spiralling out of control, with nearly 80% of businesses in NSW reporting double-digit increases over the past year.

[Business NSW’](https://www.businessnsw.com)s latest quarterly [Business Conditions Survey](https://www.businessnsw.com/getmedia/65290942-ec60-43e5-9a46-5b67aa7b8d05/Mar-2025-BCS-Report-web-v5.pdf) reveals a staggering one in three businesses saw premiums rise by 30% or more — well above the 2.5% inflation rate for the year to January.

CEO Daniel Hunter said businesses are fed up with having the highest-taxed insurance premiums in mainland Australia.

“The NSW Government is collecting more than ever through the Emergency Services Levy (ESL) and stamp duty,” Mr Hunter said.

“This leaves businesses either to either foot the bill or simply go without insurance and hope for the best. Many others have been flat-out rejected by insurance companies.

“On top of this, the Federal Government is sending an ever-increasing proportion of GST revenue to WA because of a terrible deal approved by both sides of federal politics.”

Alarmingly, a December survey of Business NSW members found that 64% of respondents were not fully insured against catastrophic events. This leaves businesses exposed and underscores the urgent need for systemic reform.

Mr Hunter said insurance premiums have been the top financial concern for businesses for nearly two years.

"The state and federal governments need to step up and do something now,” Mr Hunter said.

“Businesses are struggling because of rising premiums, and it's simply unsustainable.

“Many NSW businesses now find themselves either uninsurable or unable to afford the soaring cost of insurance.

"You can’t run a business when your premiums increase by 30% or more in a year.

“If we don’t get this under control, the entire economy will feel the impact.”

Other findings from the Business Conditions Survey include:

* The Business Confidence Index rose to -44.7 for the March quarter of 2025, the highest reading in almost three years.
* 81% of businesses plan to maintain the same headcount or hire additional staff.
* More businesses are investing in technologies like Artificial Intelligence (AI) to boost productivity.

More businesses now view regulatory requirements as excessive, and

* Key factors that would boost business confidence in 2025 include further interest rate cuts, slowing inflation, easier access to skilled workers and stronger sentiment to buy locally.

**About Business NSW**

Formerly the NSW Business Chamber, ***Business NSW*** is the peak policy and advocacy body which has been representing businesses in NSW since 1826. We represent almost 50,000 businesses.

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