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Insurer in \$7b naval gazing

ICWA targets opportunities from AUKUS nuclear submarine plan

EXCLUSIVE SEAN SMITH

The State Government insurer is looking at tapping its \$7 billion investment pile to help build the infrastructure to support AUKUS nuclear submarines and major defence contracts earmarked for WA.

The Insurance Commission of WA's chief executive Rod Whithear says the group is "sniffing around shipbuilding and AUKUS-related investments" in anticipation of the defence-driven growth spurt in Perth's southern suburbs.

"I've had a lot of discussions with well-informed people in the US and Australia and there are investment opportunities, it just depends which ones come first," Mr Whithear told The West Australian.

"A lot of people see those opportunities, we're one of them, but we just happen to be one with a fair bit of capital behind us to deploy," he said.

As well as insuring Government departments, ICWA collects third-party insurance premiums, providing registered motorists with compensation cover for injuries incurred in crashes and lifetime care for those disabled.

As of December 31, its investment portfolio stood at \$7.4b after returning \$221 million in the second half of 2023.

Mr Whithear said some 15 per cent of the funds were invested in the "alternatives" asset class, which includes infrastructure plays such as a recent investment in a remote renewable energy project.

The latter represented a rare direct investment by ICWA since the sale of Perth office buildings seven years ago, with almost all of its portfolio now handled by external fund managers.

again. Thousands of jobs are expected to flow from the home-basing of US and then Australian-made nuclear submarines in WA from as early as 2027 and billions of dollars in contracts to make surface warships for the

well in our investment function and if there is an opportunity to invest more in a growing industry within Australia that should deliver a good return to offset our insurance liabilities, we would look very hard at it."

ICWA is one of the WA's best-performing State enterprises, delivering \$145.7m in dividends to Government coffers in the second half of 2023, including a special dividend of \$109.7m.

It also transferred another \$201m last year to the Government to meet more than \$350m in expected compensation claims for historical child abuse in State-run institutions.

After-tax profit for the half-year, according to new filings posted on the ICWA website, was \$154.5m, down from \$181m for the same period in 2022.



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Rod Whithear



However, the expected boom in housing, shipbuilding and asset maintenance in and around Henderson and Perth's southern suburbs has got ICWA thinking of investing directly

Royal Australian Navy at Henderson.

"Something that is of interest to Australia and WA is of interest to us," Mr Whithear said.

"We think we have done pretty