

## Special report: Update to the economic cost of natural disasters in Australia

This special report updates the previous estimates of the costs of natural disasters with new data, and extends the analysis to consider how climate change will affect costs.

Natural disasters currently cost the Australian economy

# \$38

billion per year

This cost will rise to at least

# \$73

billion per year by 2060

The three drivers of growth in costs of natural disasters are:



**POPULATION GROWTH**

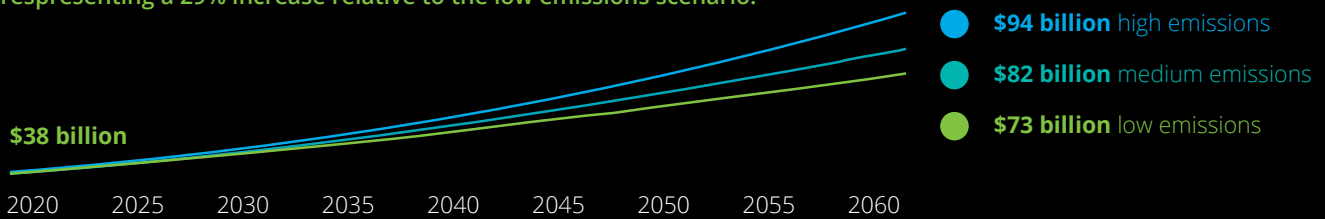


**CLIMATE CHANGE**



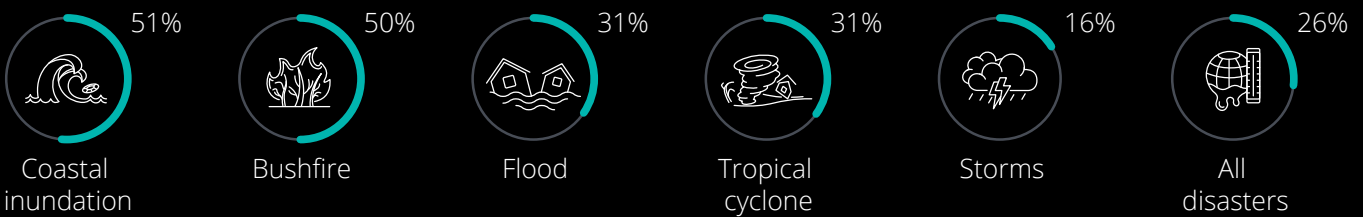
**PROPERTY VALUE GROWTH**

By 2060, costs in the high emissions scenario reach \$94 billion, representing a 29% increase relative to the low emissions scenario.



A high emissions scenario would see climate change **double the costs of coastal inundation and bushfires**

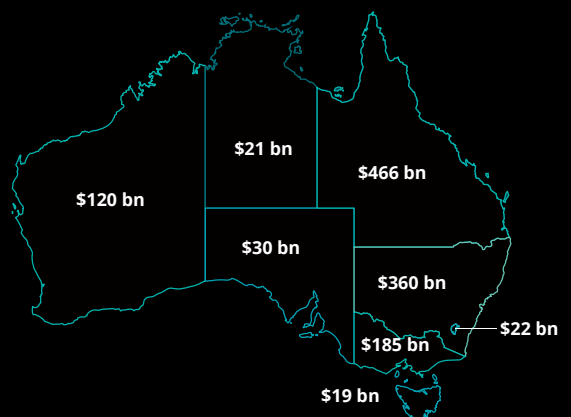
Contribution of climate change to total costs in 2060 in a higher emissions scenario



These costs estimates account for **asset losses** and their **flow on financial and social impacts** on affected communities



**Total costs of natural disasters under a low emission scenario over the next forty years**



This report was commissioned by the Australian Business Roundtable for Disaster Resilience & Safer Communities. To view the full report visit: <https://www2.deloitte.com/au/en/pages/economics/articles/building-australias-natural-disaster-resilience.html>

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