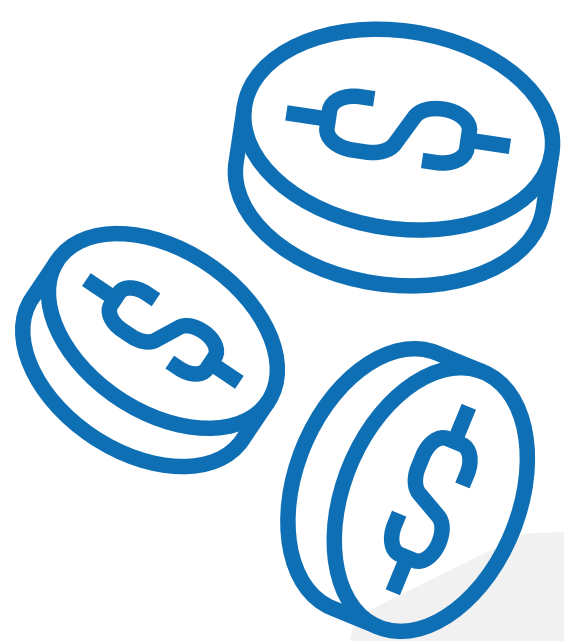




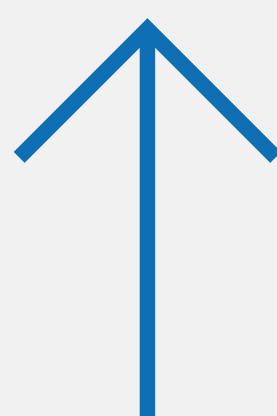
# BUILDING RESILIENCE TO NATURAL DISASTERS IN OUR STATES AND TERRITORIES

## NATURAL DISASTERS IN AUSTRALIA



The total economic  
cost of natural  
disasters in Australia  
over the 10 years to 2016 averaged  
**\$18.2 billion per year**  
equivalent to 1.2% of gross domestic  
product

This cost is forecast to grow by



**3.4%**  
per year

By 2038

the costs of natural disasters will

**DOUBLE**

By 2050

the cost will total around

**\$39** billion  
per year

Natural disasters or extreme weather events have impacted more than

**9** million Australians  
in the past **30 years**

## NATURAL DISASTERS IN VICTORIA

The total economic cost  
of natural disasters in Victoria  
over the 10 years to 2016  
has averaged

**\$2.7bn**  
per year

This equates  
to 15% of the  
national cost

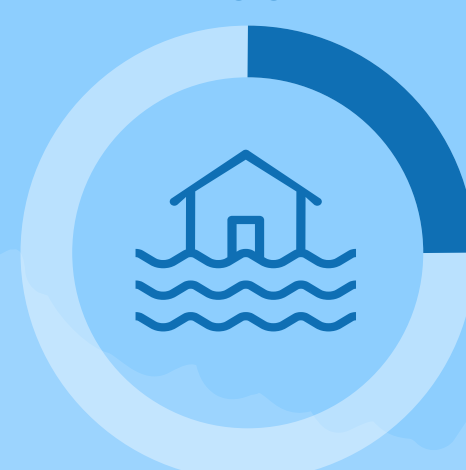


Costs by natural  
disaster type

36%  
HAIL



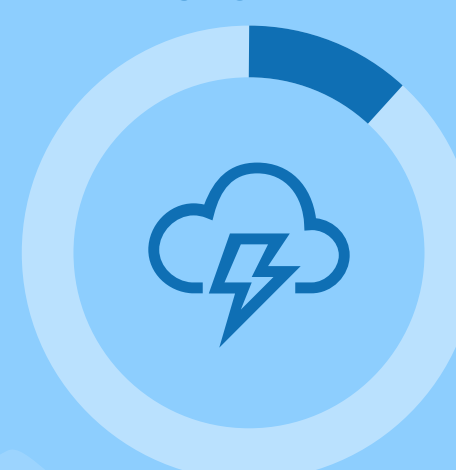
27%  
FLOOD



26%  
BUSHFIRE



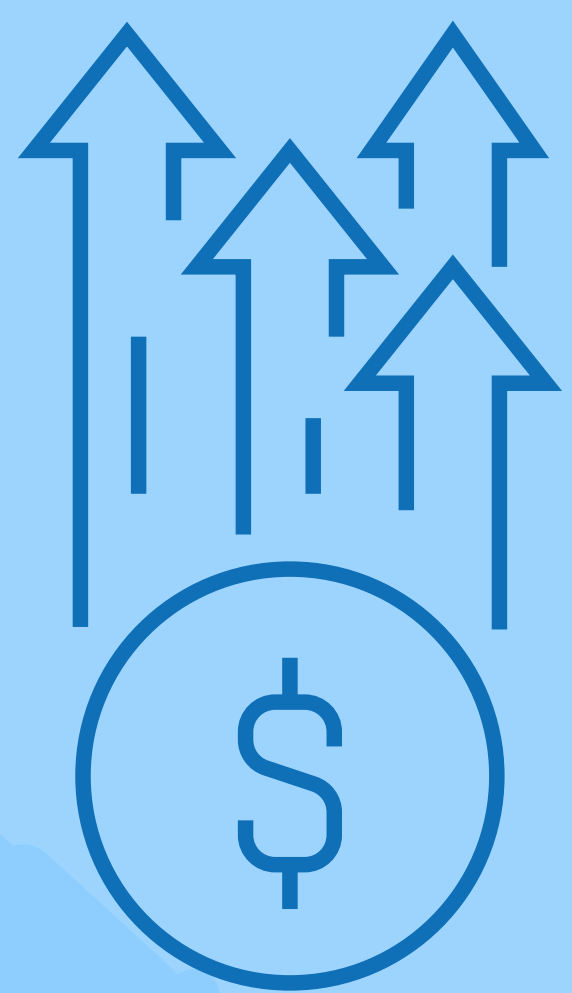
11%  
STORM



Today, based on 50 years of historical data,  
the total economic cost of natural disasters  
in Victoria is estimated to be

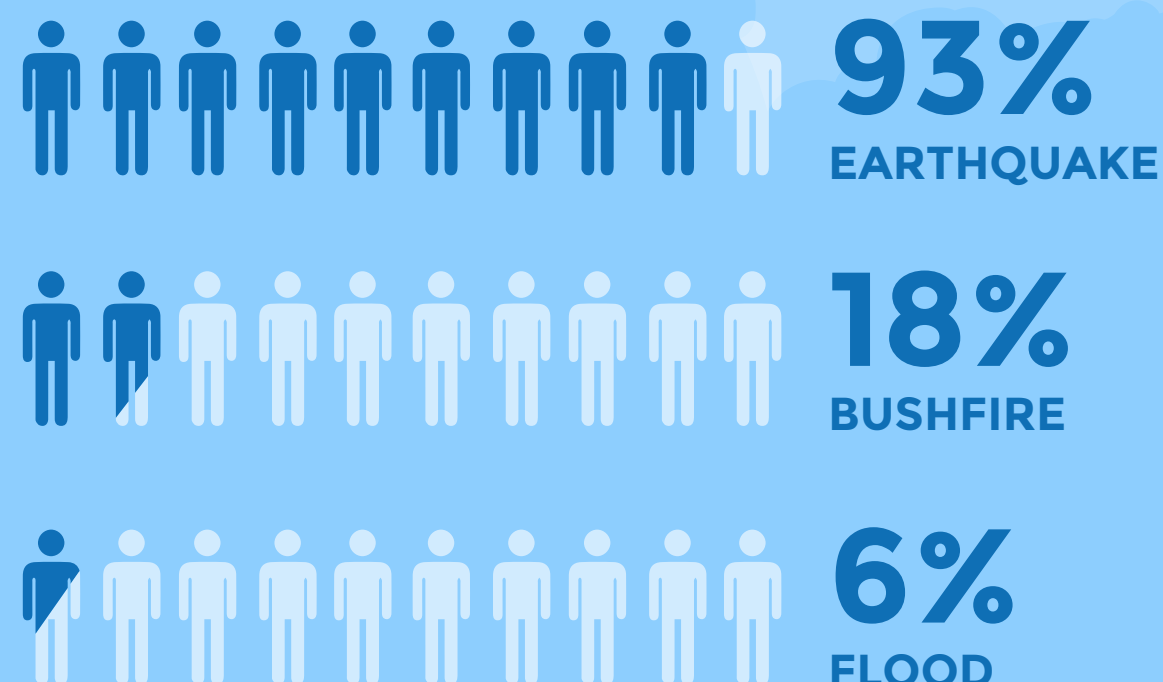
**\$1bn**  
per year





The cost in Victoria  
is forecast to reach  
**\$3.2bn** a year  
by 2050  
growing at **3.6%**  
per year

## Percentage of Victorian population at HIGH OR EXTREME RISK



## BUILDING COMMUNITY RESILIENCE

Community measures include early warning systems and preparedness programs such as property maintenance. Such measures are often sustained by volunteers and are particularly beneficial in reducing the impact of natural disasters in high-risk areas.



**Program:**  
Victorian Community Fireguard  
(1300 groups across the state)

**Funding:**  
The Country Fire Authority

**Purpose:** Prevent damage through fire awareness, evacuation plans and community responsibilities if a bushfire happens.

**Avoided losses:** **\$2** for every dollar spent

**Co-benefits:** Stronger community ties through group discussion of plans and more empowered residents.

Please see the report for the definition of co-benefits

## BUILDING RESILIENCE TO NATURAL DISASTERS IN OUR STATES AND TERRITORIES

Each state and territory faces different natural hazards. This impacts the total cost of natural disasters in each jurisdiction and which tools will best build and foster resilience.

Current Australian and state government spending on direct disaster recovery is around **\$2.75 billion per year**, compared to funding directly for natural disaster resilience of approximately **\$100 million per year**.

Further investment in disaster resilience is essential to lessen the forecast increase in costs. This investment includes physical measures, such as resilient infrastructure, and community measures, such as preparedness programs.

Beyond funding and emergency management, state and territory governments are responsible for a number of areas where reform can build more resilient communities.

These areas include:



## RECOMMENDATIONS

To build greater resilience to natural disasters in our states and territories, the Roundtable recommends the following:

- 1 Embed resilience across all aspects of policy and decision-making**
- 2 Prioritise resilience investments by considering the broader economic and social benefits that result**
- 3 Improve understanding of disaster risks and costs to society**
- 4 Collaborate and coordinate to build resilience and address the long-term costs of natural disasters**

## THE AUSTRALIAN BUSINESS ROUNDTABLE FOR DISASTER RESILIENCE & SAFER COMMUNITIES

Since 2012, the Roundtable has been working to build a country better equipped to handle Australia's natural disasters and extreme weather events.



For more information, please visit  
[australianbusinessroundtable.com.au](http://australianbusinessroundtable.com.au)