



# News release

Insurance Council  
of Australia

Wednesday, 1 June 2022

## 2022 flood cost continues to rise

The cost of the record-breaking flood that hit South-East Queensland and Northern New South Wales earlier this year continues to rise and is now Australia's fourth costliest disaster, the Insurance Council of Australia (ICA) said today.

As of Tuesday 31 May, insured losses are estimated at \$4.3 billion from 216,465 claims across both states.

The cost is almost double that of the 2011 Brisbane flood, which saw \$2.3 billion in insured losses.

The extreme weather event has now surpassed the 1989 Newcastle Earthquake, which recorded \$4.24 billion in insured losses and falls fourth behind the following (*all normalised to 2017 values*):

- Eastern Sydney Hailstorm (1999, \$5.57 billion)
- Cyclone Tracey (1974, \$5.04 billion)
- Cyclone Dinah (1967, \$4.69 billion)

The 28 per cent rise in estimated claims cost from last month's figures is largely due to the progression in the claims assessment process and an increase in commercial claims, which are typically slower to come through and have a greater cost per claim.

Insurers are working as fast as possible to support their customers, with more than 20 per cent of claims already closed and almost \$1 billion paid to policyholders.

Quote attributable to Andrew Hall, CEO, Insurance Council of Australia:

The Insurance Council and insurers continue to work with communities affected by this record-breaking flood, now Australia's fourth costliest disaster.

Over the past two weeks we have been holding community forums in flood-impacted areas of New South Wales, and next month will spend two weeks holding forums in Queensland towns and in Brisbane.

Keeping Australia insurable as extreme weather events worsen requires governments to invest in appropriate physical mitigation and adaptation strategies.

Insurers and the Insurance Council look forward to working with the Albanese Government to implement its \$200 million *Prevent, Repair, Rebuild* package, to better protect Australian homes and communities from the impacts of extreme weather.