



Insurance Council
of Australia

News release

Wednesday, 30 November 2022

Three-year weather bill reaches \$12.3 billion

New data released by the Insurance Council of Australia (ICA) today shows that the insurance bill for storms and floods since January 2020 has topped \$12.3 billion.

Every eastern state has been significantly impacted by flooding over the last three years, while South Australia and Western Australia have been hit by storms and cyclone activity over that period.

Since January 2020 almost 788,000 claims related to floods and storms declared Insurance Catastrophes or Significant Events have been received by insurers, meaning that in just three years one in 25 adult Australians has made an insurance claim because of this wild and wet weather.

The cost of this year's February-March floods has now reached more than \$5.65 billion, surpassing the 1999 Sydney hailstorm in cost and making it the most expensive natural disaster in Australia's history.

The February-March floods have seen more than 237,000 claims lodged, and insurers have now paid out \$3.54 billion and closed 69 per cent of claims from this event.

The July severe weather that inundated parts of western Sydney and surrounds has resulted in almost 22,000 claims at a cost of \$244 million.

The mid-October storms and floods that cut across Tasmania, Victoria and New South Wales have generated more than 17,200 claims with estimated insured losses of \$477 million.

The flooding impacting the Central West of New South Wales has so far resulted in nearly 3,600 claims lodged. With insurers currently deployed and assisting affected communities, an estimate of the extent of the damage bill is still being determined.

Quote attributable to ICA CEO Andrew Hall:

Each one of the 788,000 wild and wet weather claims lodged with insurers over the past three years represents a significant disruption to an Australian homeowner, tenant, landlord, business owner, primary producer or motor vehicle owner.

The fact that one in 25 of us has had to lodge an insurance claim because of this extreme weather is very sobering.

We must not ignore what this data is telling us to do – invest in community-level mitigation, home retrofits, home buybacks in the most extreme cases, and better early warning systems.

We also need to stop building homes and in harms' way and make new homes stronger.

While these figures show the massive impact of extreme weather events, they also show how hundreds of thousands of Australians have been helped back on their feet by their insurer.

Given the scale of this year's flooding in northern New South Wales and south-east Queensland it's pleasing that more than two thirds of claims from this event are now closed, and insurers are working around the clock to close out the remainder.

Event	Location	Type	Year	Value	Claims
Central West NSW Floods	NSW	Flooding	2022	NA	3,583
Vic, NSW and Tas Floods	NSW, Vic, Tas	Flooding	2022	\$477m	17,277
NSW Severe Weather	NSW	Flooding	2022	\$244m	21,983
SE Queensland and NSW Floods	NSW and SEQ	Flooding	2022	\$5.65b	237,470
SA Vic Severe Storms	SA, Vic	Storm	2021	\$875m	110,439
Severe Weather & Flooding	VIC	Storm & flooding	2021	\$313m	34,372
TC Seroja	WA	Cyclone	2021	\$400m	9,997
Extreme Weather Event	NSW and SEQ	Flooding	2021	\$618m	58,865
Halloween Hail	SEQ	Hailstorm	2020	\$1.056b	44,703
Rockhampton Hail	FNQ	Hailstorm	2020	\$503m	14,804
South East Coast Storms & Flooding	SEQ	Flooding	2020	\$974m	102,286
January Hailstorms	SEQ	Hailstorm	2020	\$1.68b	132,205
TOTAL				\$12.3b	787,984