



News release

Insurance Council
of Australia

Monday, 4 March 2024

Summer extreme weather costs reach \$1.2 billion

New data released today by the Insurance Council of Australia (ICA) shows that losses from declared insurance catastrophes over summer have reached \$1.2 billion.

Ex-Tropical Cyclone Jasper impacted regions from Cape York Peninsula to Townsville from 10 to 16 December, while the Christmas and New Year storms impacted regions of Queensland, New South Wales and Victoria from 23 December to 3 January.

Insured losses from the Christmas and New Year storms have reached \$968 million from nearly 90,000 claims.

More than 18,000 new claims have been lodged as a result of these storms in the last month, illustrating the time many customers take to contact their insurer and get the claims process underway.

The increase in insured losses from last month shows insurers have assessed costs and are actively working with local authorities, builders, suppliers, and engineers to expedite repairs, with 28 per cent of claims already closed.

\$171 million has been paid to impacted customers, significantly higher than the \$22 million paid out in January. Claims closures are proceeding as expected in line with similar past events.

While damage was widespread across three states, the average claim cost is under \$10,000, which is lower than many other similar events.

Insured losses from ex-TC Jasper have reached \$278 million from nearly 10,000 claims.

The average claim cost from ex-TC Jasper is around \$28,000, demonstrating the severe nature of the damage and the more complex claims from this event.

Twenty-one per cent of claims from this event have been closed, with \$62 million paid out to customers.

Insurers have been active in affected areas, providing community consultations, forums, and in-person claims assistance.

Data from the Valentines Day storms in Victoria is being finalised and will be available next week.

Quote attributable to ICA CEO Andrew Hall:

This data highlights the impact of both ex-TC Jasper and the Christmas and New Year storms, but also demonstrates insurers' commitment to assessing claims and facilitating repairs.

While recovery takes time, we anticipate rebuilding efforts to commence soon if it has not already, allowing people to safely return to their homes.

We understand the frustration this process can cause, but thorough assessments and proper repairs are crucial for long-term recovery.

Claims will remain open until all works are completed and approved, which may take some time depending on the severity of the damage caused and the complexity of the claim.