

# 2022 floods among Australia's costliest ever disasters: ICA

ew data from the Insurance Council of Australia shows that flooding in South-East Queensland and Northern New South Wales in late February and early March has caused \$4.8 billion in insured damages, meaning it ranks as the third costliest extreme weather event in Australia's history.

Only Cyclone Tracy (1974) and the Sydney hailstorm (1999) caused more insured losses, and this year's East Coast Flood is the costliest flood in Australian history, analysts report.

Close to 225,000 insurance claims relating to the event have now been lodged across both states, an increase of 3.6% on last month's count.

However, as claims assessments continue to be completed, insurance costs for the event have increased 12% on last month, ICA data shows, driven in part by increasing materials and labour costs.

Almost 30% of claims have been closed and \$1.5 billion has already been paid to policyholders.

This week marked four months since the ICA first declared the floods as an insurance catastrophe.

The event stretched over several days and many claims were not made until days, weeks or months after the initial event, with locations like Lismore being hit for a second time at the end of March, generating many new or additional claim lodgements.

"The sheer scale of the extreme weather event that devastated Queensland and New South Wales is something we have never seen before, and the cost continues to rise," said ICA CEO Andrew Hall.

"Money is flowing into these devastated communities with \$1.5 billion already paid and this number increasing every day," he continued. "Past experience has shown us that local councils need to be looking at what they can do to process the higher than usual number of development applications we expect to see as a

result of this flood.”

“The time it takes for some property claims decisions to be made has been a consistent issue raised at our policyholder forums in New South Wales and Queensland,” Hall acknowledged. “There are clear obligations and regulations on insurers around claims, but ultimately the type of claim, the assessment required and the complexity of the repair or rebuild can impact that process.”

---

Source:

<https://www.reinsurancene.ws/2022-floods-among-australias-costliest-ever-disasters-ica/>

[Disclaimer]