

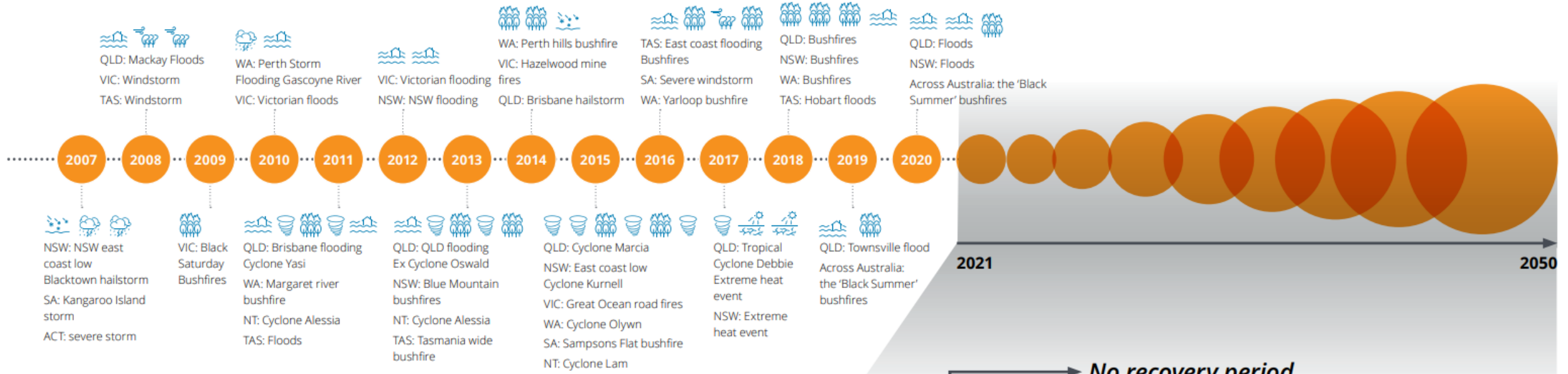


The Economic Costs of Natural Disasters and Climate Change

NGA 2022 Panel: Building Stronger Communities

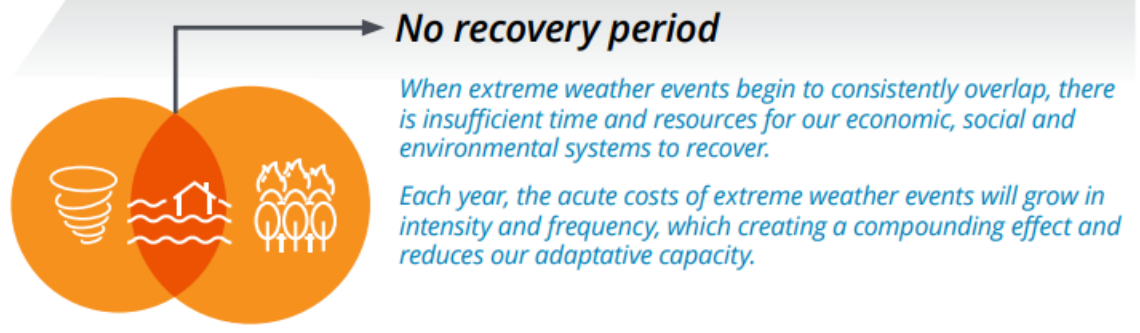
June 2022

Climate change is expected to increase the intensity and frequency of natural disasters in the coming years



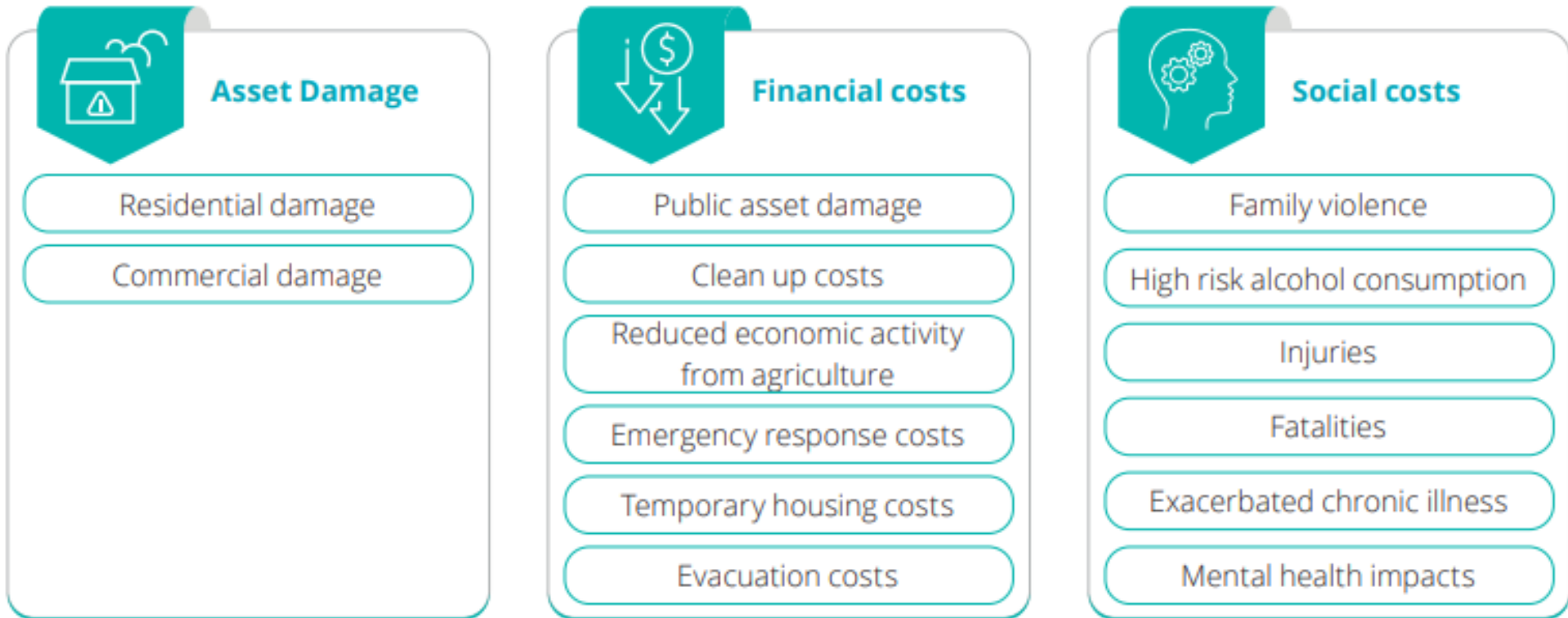
Continuing on the disaster response and recovery treadmill is not a long-term strategy.

The increasing frequency and intensity of extreme weather events will erode Australia's adaptive capacity.

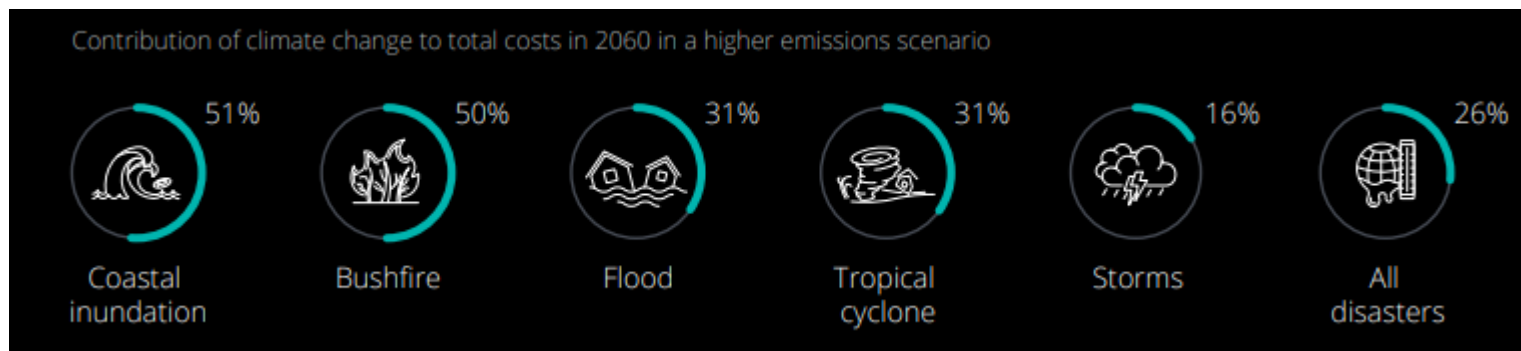


Australian Business Roundtable

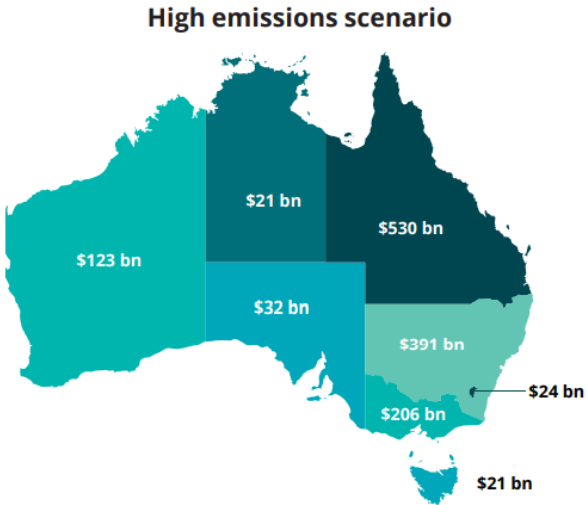
Economic Modelling Approach: looking beyond the immediate



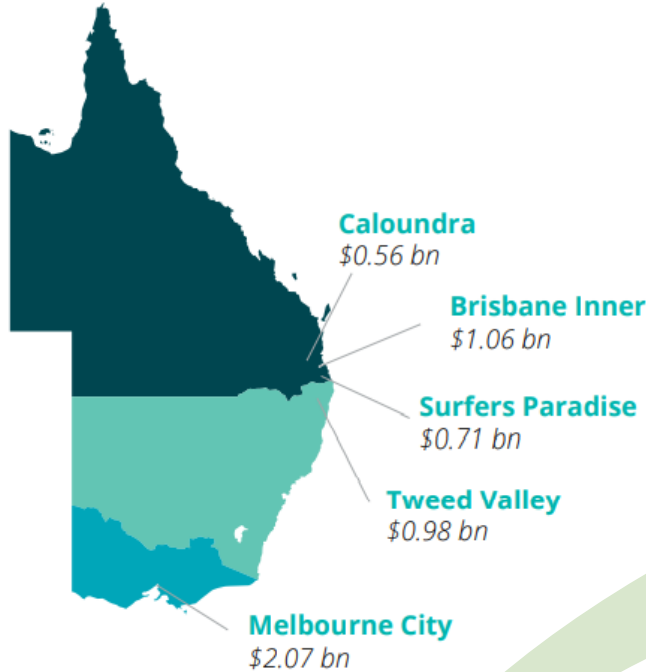
Source: Deloitte Access Economics 2021



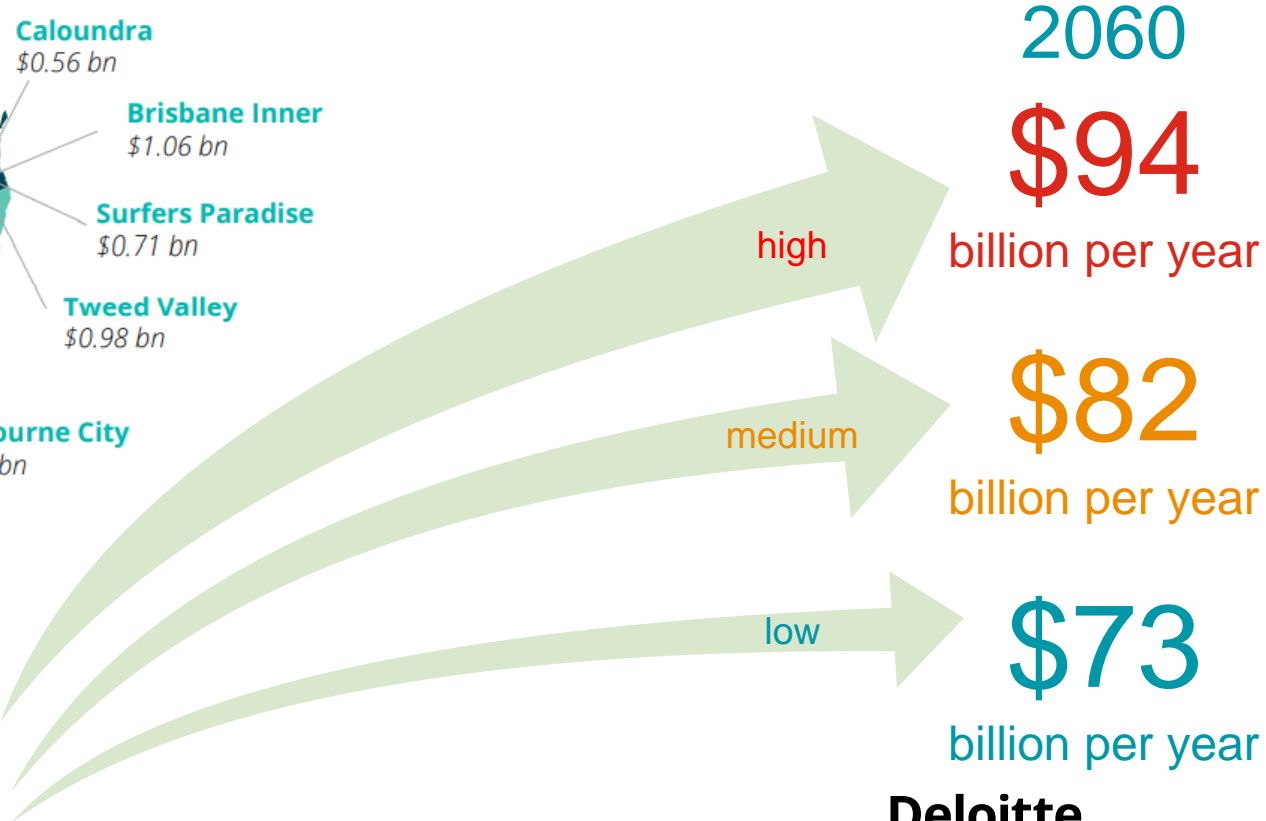
Costs of natural disasters are getting higher with the increasing frequency and intensity of natural disasters impacting many cities and regions for years to come



Regions with the largest increase in costs for high emissions scenario (relative to low scenario), 2060



Today
\$38
 billion per year



2060
\$94
 billion per year

\$82
 billion per year

\$73
 billion per year

Australia stands to realise a \$380BN economic dividend resulting from proactive resilience-planning and climate-adaptation initiatives

Total economic dividend of climate resilience by 2050

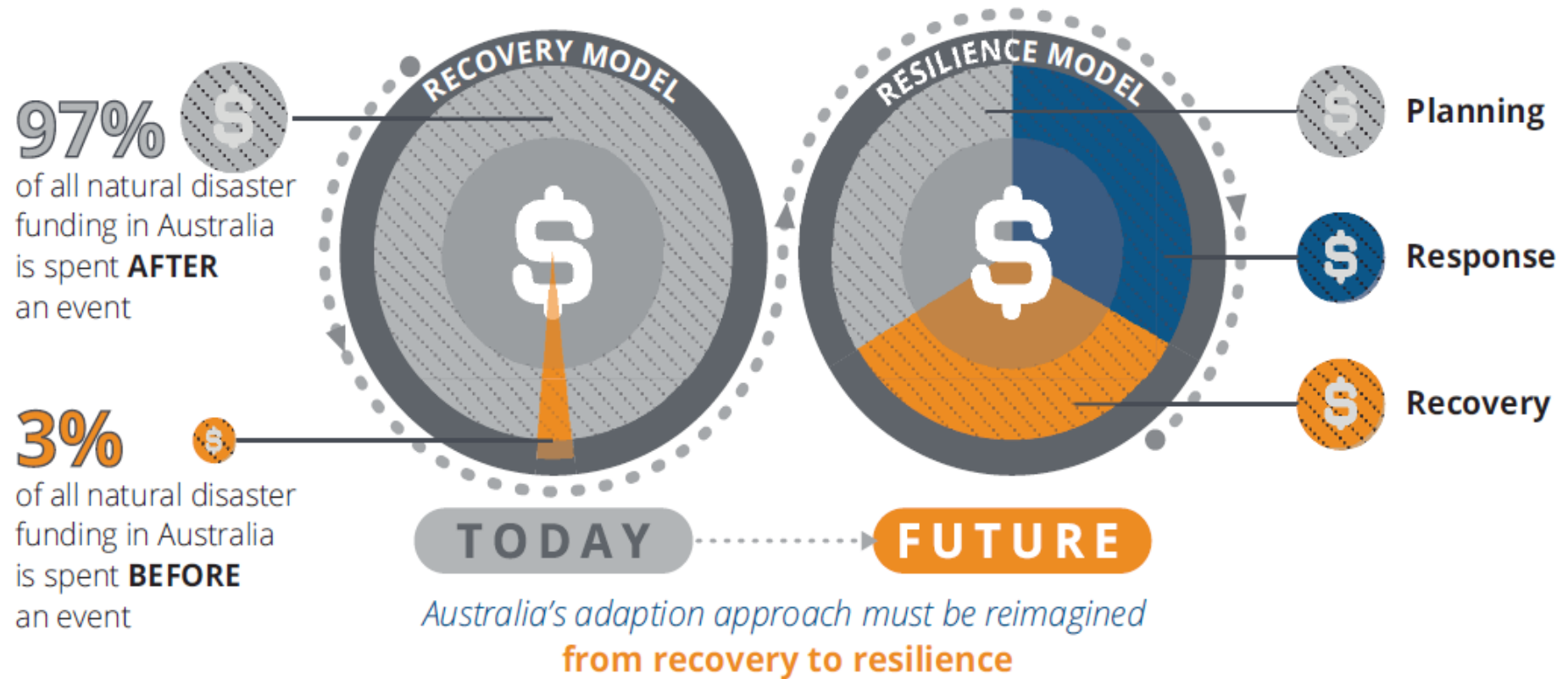


Source: Deloitte Access Economics



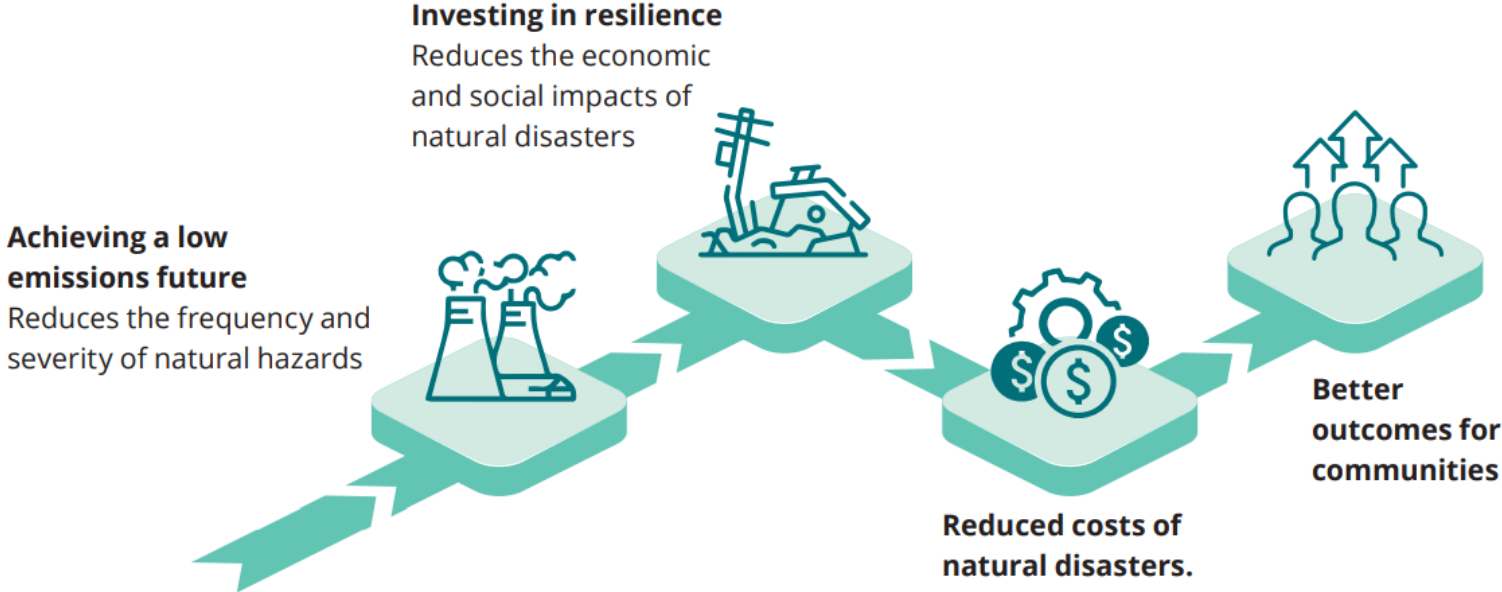
Australia's adaptation approach must be reimagined from recovery to resilience

Moving from recovery to resilience



Source: Deloitte Access Economics, Productivity Commission¹¹

Investment in resilience is key



Achieving a low emissions future coupled with increasing investment in resilience to natural disasters will deliver better outcomes for communities.

Source: Deloitte Access Economics (2021)

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Muheed leads the urban and regional economics team in NSW. He is an economist who advises public and private sector clients on a range of public policy and strategy issues relating to natural disasters, infrastructure, supply chains, and regional economics covering both microeconomic and macroeconomic considerations. Muheed is a keen thinker on cities and regions, striving to create places and communities that function at their very best, considering not only economic factors, but also social, environmental, cultural, and ecological considerations.



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