

**From**  
**Sent:** Monday, 17 January 2011 6:25 PM  
**To:**  
**Cc:**  
**Subject:** FW: facts

Joe  
Attached is a page of facts related to the Queensland floods. I'm happy to discuss them with you.  
Cheers

**From**  
**Sent:** Monday, 17 January 2011 9:13 AM  
**To:**  
**Cc:**  
**Subject:** RE: facts

[This section has been redacted under Section 22]

Thanks Steve

General Manager

Domestic Economy Division  
The Treasury, Langton Crescent, Parkes ACT 2600  
phone:  
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**From:**  
**Sent:** Monday, 17 January 2011 9:04 AM  
**To:**  
**Cc:**  
**Subject:** facts

Dave/Owen/Dave

[This section has been redacted under Section 22]

Thanks Steve

General Manager

Domestic Economy Division

The Treasury, Langton Crescent, Parkes ACT 2600

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## **ATTACHMENT**

### **QUEENSLAND FLOODS OF JANUARY 2011**

- The Queensland floods of January 2011 are a significant economic event. While the total damage to property is yet to be counted, it could end up being the most costly disaster in Australian history.
- Economic activity will be significantly disrupted. Estimates of the effect on GDP are preliminary at this stage, but Treasury has estimated the loss could be as high as ½ of a percentage point of GDP and perhaps even higher, with the main negative impact expected in the March quarter.
- The disruption in Brisbane includes effects on major industries like construction, retail trade and manufacturing. Losses are due to both the closure of workplaces, like offices and business centres, and employees being unable to work because they were tending to the floods.
- One of the factors that increases the severity of these floods compared with the floods in 1974 is the relative expansion of Queensland. In 1973-74 Queensland represented around 14 per cent of the national economy, by 2009-10 that number had increased to around 19 per cent.
- The coal industry is suffering the biggest losses in production. Exports of metallurgical coal represent 10 per cent of exports, or around 2 per cent of GDP, and around 80 per cent of Australia's metallurgical coal is produced in Queensland.
  - Metallurgical coal production is concentrated in the Bowen Basin, which has been seriously affected by floodwaters. While the effects vary from mine to mine, industry sources estimate that the worst affected mines could be disrupted for months. The production losses in the coal industry will amount to several billion dollars.
- Agforce, the Queensland rural industry group has estimated the sector's losses at around \$1 billion.
  - The nation relies on Queensland for much of its produce. In 2009-10, around 22 per cent of value added by the Agriculture, forestry and fishing industry came from Queensland.
  - All Australians will notice the effects of the floods when they shop, with fruit and vegetable prices expected to rise temporarily in the March quarter.
- The damage to property will take time to assess and much longer to repair. With over 25,000 houses in flooded or partly flooded and 7,000 commercial buildings affected in Brisbane alone, this represents billions of dollars of damage to structures. Other major categories of losses are buildings in other towns, contents and damage to roads.
- The tourism industry contributes around 4 per cent of Queensland's state product. Tourism is suffering from flood related disruptions as tourists are turned off by the dramatic news coverage, unfairly in some cases as tourists fail to distinguish between parts of the state that are flood affected and parts that are not.