

Costs of Aviation Accidents in Australia -1988

Information Sheet

This Information Paper details the costs of aviation accidents in Australia for 1988. Costs have been grouped into four broad categories: lost productivity; aircraft damage; insurance administration and legal; and other.

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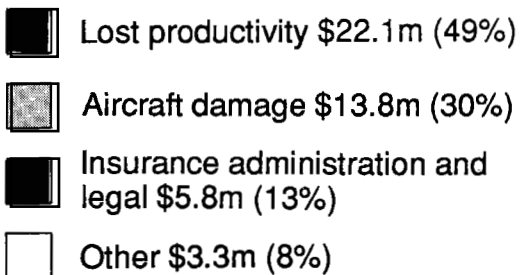
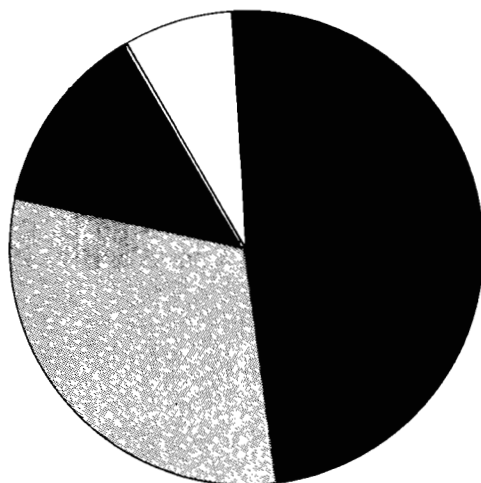
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COST OF AVIATION ACCIDENTS IN AUSTRALIA - 1988

Aviation accidents cost \$45 million in 1988

Aviation accidents in 1988 generated losses to society of some \$45 million, or \$138 000 per accident. Nearly half of this cost is made up of the loss to society of the productive capacity of the victims of aviation accidents, particularly the fatalities. Another 30% is attributable to damage to the aircraft involved in accidents. The other major component is the insurance administration and legal cost, which accounted for some 13% of the total cost, with the remaining 8% being made up of a range of other cost factors. Accidents are classified by the most serious injury which occurred. Fatal accidents cost over \$30 million, some 66% of the total, reflecting the high costs of the loss of life in these accidents. Accidents where no injuries took place cost over \$10 million, 24% of the total cost. Over 70% of aviation accidents were nil injury accidents.

COST BY CATEGORY



COST BY CLASS OF ACCIDENT
(as determined by most serious injury)

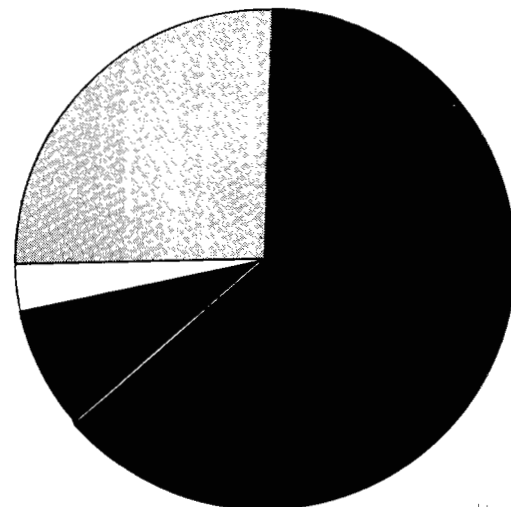


Table 1 shows the total cost associated with the various cost categories by class of aviation accident. Table 2 shows the average cost of aviation accidents again by accident class. Fatal accidents were the most costly at some \$811 000 per accident and \$353 000 per casualty.

TABLE 1 COST OF AVIATION ACCIDENTS IN AUSTRALIA, 1988

(\$'000)

Cost category	Accident class				Total
	Fatal	Serious	Minor	Nil	
Lost productivity					
Earnings	14 959	74	2	..	15 035
Family and community	7 060	35	1	..	7 096
Accident generated activities					
Aircraft damage	5 028	760	701	7 292	13 781
Insurance administration and legal	2 122	321	296	3 077	5 816
Loss to others	264	7	- ^a	..	271
Hospital	162	392	10	..	564
Accident investigation	42	2	6	38	88
Search and rescue	40	35	24	229	328
Medical	29	94	73	..	196
Rehabilitation	8	43	51
Pain and suffering	306	1 623	131	..	2 060
Total all costs	30 020	3 386	1 244	10 636	45 286

.. Not applicable.

a. Less than \$1000.

Note Due to rounding figures may not add to totals.

TABLE 2 AVERAGE COST OF AVIATION ACCIDENTS IN AUSTRALIA, 1988

(\$'000)

	Accident class				Total
	Fatal	Serious	Minor	Nil	
Per accident	811	97	52	46	138
Per aircraft	732	94	52	46	136
Per casualty ^a	353	69	33	..	263
Per person involved	330	53	18	26	72

.. Not applicable.

a. Casualty refers to any person killed or injured.

Note Due to rounding figures may not add to totals.

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