### BTE Publication Summary

## bte economic

#### **Costs of Aviation Accidents in Australia -1993**

#### Information Sheet

This Information Paper details the costs of aviation accidents in Australia for 1993. Costs have been grouped into six broad categories: lost earnings of victims; family and community losses; pain and suffering; aircraft damage and property loss; insurance administration; and other.







#### BUREAU OF TRANSPORT AND COMMUNICATIONS ECONOMICS

Information Sheet 5



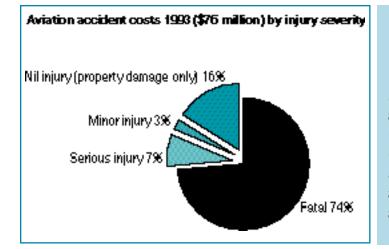
The BTCE is currently updating this information to 1996 data. For further information please contact:

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- AVIATION ACCIDENTS COST AUSTRALIA \$76 MILLION IN 1993
- THE COST TO THE COMMUNITY OF AVIATION ACCIDENTS IN 1993 WAS ABOUT 5 PER CENT LOWER IN REAL TERMS THAN IN 1988 MAINLY BECAUSE OF FEWER FATALITIES
- AVIATION ACCIDENTS ACCOUNT FOR JUST OVER 1 PER CENT OF TRANSPORT RELATED ACCIDENT COSTS IN AUSTRALIA

BTCE (1992), Report 79, Social Cost of Transport Accidents in Australia, estimates the total costs of aviation accidents in 1988 as \$64 million (in 1988 dollars). To compare costs in 1988 and 1993, they have been expressed in common 1993 dollars (see table).

Year	Persons				Social cost	
	Fatalities	Serious injuries	Minor injuries	Not injured	Nominal \$m	1993 \$m
1988	70	44 <sup>1</sup>	55	461	64	80
1993	67	57	64	438	76	76



#### COSTS BY INJURY SEVERITY

Aviation accident costs are estimated according to four classifications: fatal, serious, minor and nil injury (property damage only). An accident is defined as an occurrence associated with the operation of an aircraft in which a person is fatally or seriously injured and/or the aircraft sustains serious damage or structural failure.

# Total aviation accident costs 1993 (\$75 million) by category Other 3% Aircraft damage 22% Lost earnings 40% Family and community 21%

#### **COSTS BY CATEGORY**

Costs of aviation accidents have been estimated by the BTCE for six broad categories:

- Lost earnings of victims \$30.4 million (40%)
- Family and community losses \$16 million (21%)
- Pain and suffering of victims \$3.9 million (5%)
- Aircraft damage and property loss \$16.4 million (22%)
- Insurance administration costs \$6.9 million (9%)
- Other costs \$2.4 million (3%) comprising losses to non-victims, medical costs, hospital and rehabilitation costs, aviation accident investigation, and search and rescue.

#### NUMBER OF ACCIDENTS

There were 320 aviation accidents in 1993. Most accidents were in the private/business sector (118 accidents), followed by air charter (43), sports aviation -ultralights, parachuting, hang gliding (42) and other aerial work (41). General aviation accounted for 46 fatalities, of which 34 were attributed to private or business aircraft. Sports aviation claimed another 14 lives. In the low capacity regular public transport category (RPT—38 or fewer seats or a maximum payload of 4200 kg or less) there was one fatal accident (7 fatalities) and five other accidents causing 4 serious injuries and 24 minor injuries. There were no fatalities or injuries sustained in operations involving high capacity RPT aircraft.

A detailed explanation of the methodology used to produce accident cost estimates for all transport modes is provided in Report 79 (1992). The cost estimates in this information sheet are an update of the 1988 aviation accident costs presented in that report.

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Other information sheets in this series are:

Information Sheet 1 - Cost of road crashes in Australia - 1988. Issued 1989

Information Sheet 2 - Cost of road crashes in Australia - 1988: Supplementary Information. Issued 1989.

Information Sheet 3 - Cost of aviation accidents in Australia - 1988. Issued 1990.

Information Sheet 4 - Costs of road crashes in Australia - 1993. Issued December 1994.