

School of Earth and Environment

SUSTAINABILITY RESEARCH INSTITUTE



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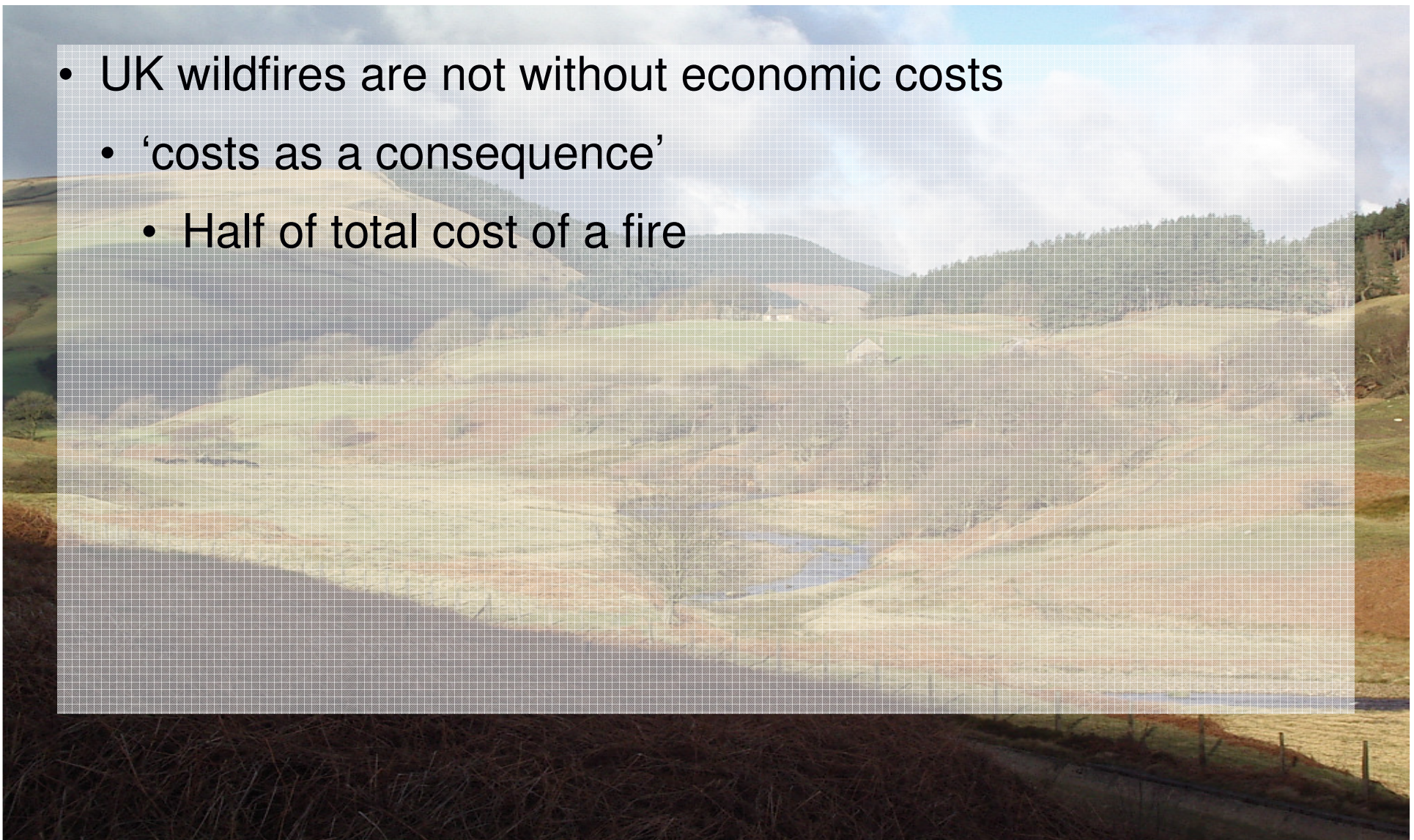
Local economic impacts of wildfire

Dr Claire Quinn



- Local economic impacts not really costed in the UK
 - Higher priority in US and Australia
 - 1998 catastrophic wildfires in Florida
 - \$400 million in timber losses
 - \$10 million in property losses
 - \$61 million lost hotel revenues
 - \$77 million in lost tourism spending
 - \$325,000 health care costs

- UK wildfires are not without economic costs
 - ‘costs as a consequence’
 - Half of total cost of a fire





- Economic loss assessments (Handmer & Proudley 2004)
 - Direct damages
 - Indirect losses
 - Intangibles
- Wildfire economic assessments (Abt et al 2008)
 - Issues of spatial scale
 - Issues of temporal scale
 - Issues of sectoral scale



Estimated Costs

Costs as a Consequence

Property losses

Lost output

Emotional & physical suffering
(related to injuries and death)

Healthcare costs

Loss of business

Costs not estimated

Environmental costs

Heritage and cultural costs

Costs to the community

Emotional suffering and health care costs related
to fire-fighter injuries incurred during training.

Emotional suffering related to property damage

Clean-up costs

Disruption to households

Wider economic distortions

Disruption costs to public services

Loss of output due to false alarms

Activity	Estimated cost	Assumptions
Farming	£35,000 (10 years)	store lambs @ £35 head for 10 years
Grouse shooting	£350,000 (5 years)	Average grouse moor income in good year
Tourism	£850,000 (5 days) (£25,500 as a proportion of area)	Assumes spend of £5.60 per person per day All 30,000 visitors deterred
Loss of business	£?	ODPM figures put loss of business costs for outdoor fires at £0
Health consequences	£370	ODPM figures for all outdoor fires
Property damage	£?	ODPM figures put property damage costs for outdoor fires at £0

Government statistics put average outdoor fire consequential costs at £880 per fire



What's missing?

- Water treatment costs of wildfire
- Affects on wider regional economy
 - Road closures
 - Impacts on airports (diversions, delays)



Questions for you!

- Do we need better quantitative information about the impacts of wildfire on the local economy?
 - If so then how do we begin to go about compiling the right information?
- Is there a better way of factoring in the costs of wildfire on the local economy?