



La Niña at a glance

What is a La Niña?

Australia's climate is influenced by two alternating weather patterns, La Niña and El Niño.

These weather patterns are measured by the Southern Oscillation Index, which records interactions between the atmosphere and the ocean air.

Australia is presently experiencing a La Niña event, which involves cooling ocean surface temperatures in the central and equatorial eastern tropical Pacific Ocean, alongside high winds, low pressure systems and higher rainfall.

It may also mean more frequent storms, floods and cyclones, especially across NSW, Queensland and the Northern Territory. The Queensland floods of 2010 to 2011, the NSW and Queensland floods of 2022 and Cyclone Yasi in 2011 all occurred during La Niña cycles.

La Niña is only one of a number of different variables that influence the climate and the weather. Barometric pressure and local geography are just two of the other factors that come into play.

An understanding of weather patterns enables businesses whose operations are influenced by weather such as agriculture, construction and tourism to plan ahead, so when reasonably predictable weather events occur, they are prepared.

"A La Niña event dramatically influences our climate. It may bring more Spring rain, cooler days, tropical cyclones."

[QBE, The La Niña effect: How to prepare for the storm, 2021](#)

Did you know?

\$3.35bn

The cost of claims related to the 2022 South-East Queensland and Northern NSW floods.

(Insurance Council of Australia, 2022)

\$1.4bn

The cost of claims related to Cyclone Yasi.

(Insurance Council of Australia, Historical Catastrophe List, 2022)

\$1.6bn

The cost of claims related to the Queensland floods of 2010/2011.

(Insurance Council of Australia, Historical Catastrophe List, 2022)

What insurance should you take out – and what can it cover?

It's important for businesses to understand how their insurance cover could respond in the event of weather events caused by La Nina such as flood and cyclones.

Type of cover	Potential benefits
Business Pack	<p>Helps safeguard your business premises and contents against:</p> <ul style="list-style-type: none">• damage caused by fire, storm or accidental damage• equipment or machinery breakdown• employee dishonesty• glass damage• legal issues, such as with public and products liability• tax audits• theft, and theft or loss of money• business interruption, which provides cover for financial loss as a result of an interruption to your business caused by an insured event• the risk of flooding.
Motor Insurance	<p>Takes care of your valuable business vehicles with cover to help:</p> <ul style="list-style-type: none">• replace or repair a vehicle damaged by fire or water• if you or your staff damage another person's vehicle• repair your vehicle after an accident or replace it if it's written off• replace a lost or stolen vehicle• safeguard you against legal liability.
Workers Compensation	<p>Covers the cost of your employees' wages, rehabilitation and medication if they become sick or injured through their work.</p>

Limits, excesses and exclusions



Policy exclusions, the excesses you need to pay and limits of liability can vary greatly depending on your insurer and the requirements of your business.

Case Study



Sam runs a café on a river in Southern Queensland. A La Niña event brings excessive rainfall, causing the river to burst its banks and flood. The flood water inundates the café, damaging stock, fixtures and fittings. But as Sam had added a flood extension and business interruption to his business pack policy, he was fully insured for both the physical damage caused to his business and the loss of trade.

Contact us today



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Important note

This information is to assist you in understanding some of the terms, implications and common considerations with insurance. It is not complete, so please request full details from your Steadfast insurance broker as to which insurance is appropriate for you.