



The Near-Miss Effect of Forest Fires

Evidence from Australia

1.

Socioeconomic costs associated to forest fires



- Natural resources

- Human life and wellbeing

- Carbon emissions

- Wildlife & biodiversity

- Air pollution



- Management, suppression & recovery



- Infrastructure & property loss

- Political climate & stability



2.

Near-miss concept

An event where a negative outcome very nearly happened, and for which one would expect an update in information and risk perception.



3.

Near-miss forest fire property

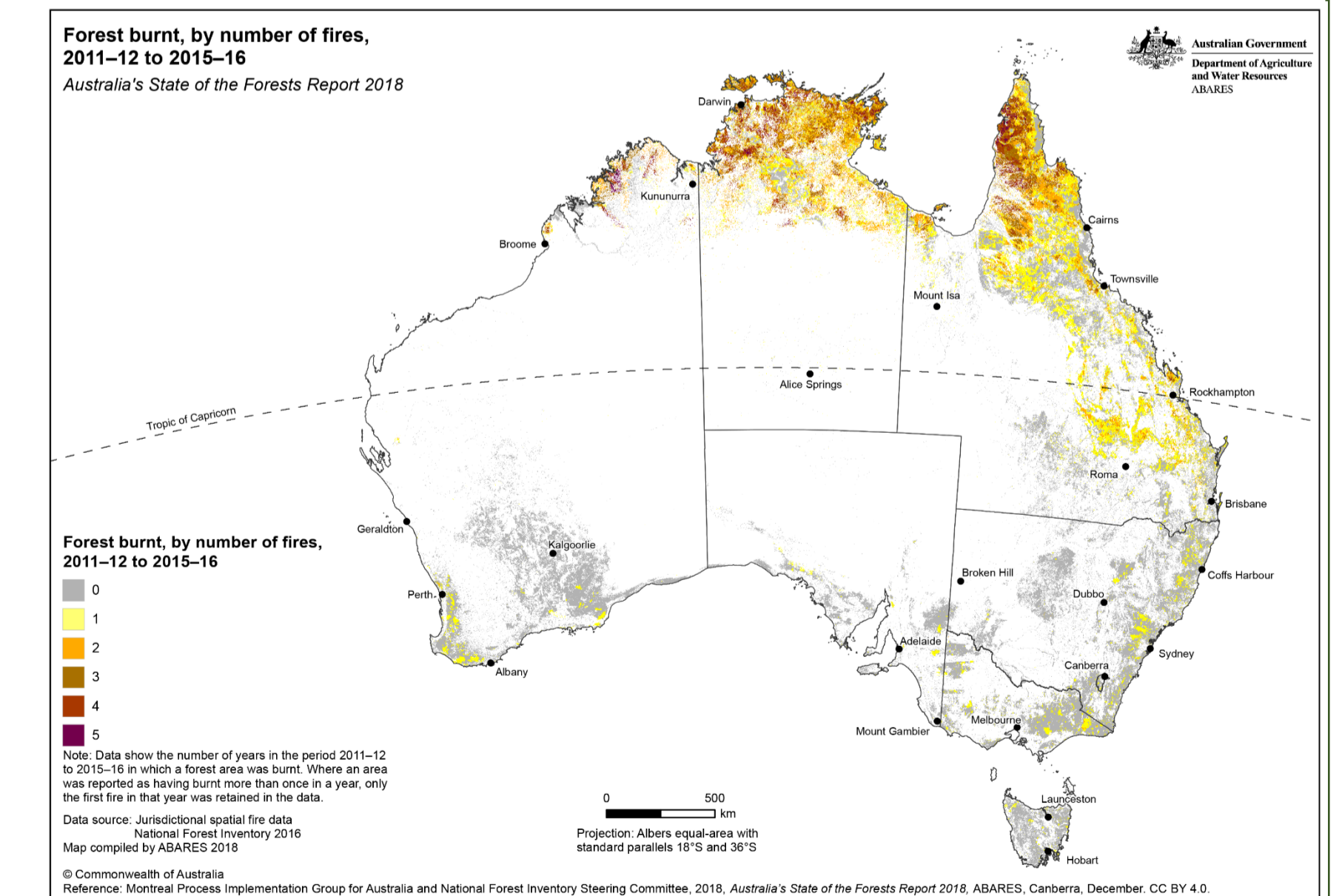
A property very nearly consumed by a forest fire and for which one would expect a negative impact on its value as a result of increased risk perception.



4.

Do changes in forest-fire risk perception impact property prices?

To answer this question, we will undertake a hedonic-pricing model under a difference-in-difference approach, i.e. we will compare the before-and-after change in prices for properties subject to a near miss forest fire with price changes for properties not subject to a near miss.



5.

Possible future research interests

- Preventive and emergency aid efficiency in risk reduction (i.e. controlled burning & evacuation management)
- Has the 2019/2020 bushfire crisis caused a structural break on risk perception parameters?