



Description of issue

'Climate proofing infrastructure is no longer optional; it is essential to economic sustainability, public safety and disaster preparedness'

- World Economic Forum July 2025

The increasing frequency and severity of extreme weather events are placing infrastructure assets under significant strain. Critical infrastructure such as drainage, roads and bridges is especially vulnerable and damage to such assets is highly disruptive to the social and economic fabric of local communities.

A funding program that gives councils flexibility to upgrade infrastructure based on local priorities would be of immense value. Pre-emptive investment can reduce the overall social and financial impacts of flooding, given the significant costs associated with post emergency recovery activities.

According to Deloitte Access Economics between 2007 and 2026 recovery from extreme weather events cost Victoria an average of \$2.7 billion a year*

A 2022 report commissioned by the Insurance Council of Australia found that by 2050 direct costs associated with extreme weather events are estimated to reach \$35.24 billion, meanwhile the ten-year rolling average of insurance claims Australia-wide has doubled from \$1.5 billion to more than \$3 billion.

The report notes that between 2005 and 2022 the federal government spent \$23.99 billion on disaster recovery and relief compared to just \$0.51 billion spent on disaster resilience.

Deloitte Access Economics, Building resilience to natural disasters in our states and territories, report to the Australian Business Roundtable for Disaster Resilience and Safer Communities, 2017, p 23

Our ask

Surf Coast Shire Council seeks targeted government investment to strengthen the resilience of critical local infrastructure—including drainage systems, roads, and bridges—against the growing impacts of climate change.

Proactive mitigation funding

A grant funding program is sought that supports councils to upgrade key infrastructure assets to ensure they are equipped to withstand extreme weather events. Most of the assets within council jurisdictions were designed and built to accommodate less extreme weather and upgrades are beyond the means of councils to fund.

More strategic recovery funding

Disaster recovery funding programs should be redesigned to enable assets to be rebuilt to a higher standard that mitigates against similar future events. Current disaster funding programs require damaged assets to be returned to pre-disaster design. There is no scope to build back better even where repeat weather events can be reasonably predicted - for example, for assets in known high risk locations.

Benefits

- **Community safety:** Reduced risk of infrastructure failure during extreme weather events.
- **Economic resilience:** Protection of key transport routes and trading precincts supporting tourism, agriculture, and local businesses.
- **Cost efficiency:** Proactive investment can significant lower long-term repair and recovery costs associated with disaster damage.
- **Service continuity:** Improved reliability of essential services during and after climate events.
- **Environmental outcomes:** Better water management reduces erosion, protects waterways, and supports sustainable land use.

Conclusion

Investment in climate resilient infrastructure is essential. Extreme weather events are occurring more frequently and at a greater intensity than before. A strategic approach to investment will reduce the cost to communities and facilitate a more rapid recovery. Future proofing assets also ensures the cost of extreme weather events is equitably shared and not borne exclusively by future generations.

