



COASTS and CLIMATE CHANGE COUNCIL
December 2011

Productivity Commission
LB2 Collins Street East
Melbourne Vic 8003

Submission to Inquiry: Barriers to Effective Climate Change Adaptation

Dear Commissioners

I am pleased to provide this submission from the Coasts and Climate Change Council, an advisory body to the Minister for Climate Change and Energy Efficiency, the Hon. Greg Combet MP. The Council was established to consult with coastal decision makers and identify the key barriers and action needed to address coastal climate change risks.

The issues around how we manage our coasts in a changing climate were brought to national attention in the 2009 House of Representatives Standing Committee Report *Managing our Coastal Zone in a Changing Climate: the time to act is now*. The recommendations from that report were developed following extensive consultation around Australia.

I also refer to an interview held with Commissioners on 30 November 2011 in which I provided more detailed information on the Council's findings and advice on coastal adaptation reform priorities.

I take this opportunity to reiterate three key points regarding coastal adaptation, identified through the Council's work and consultation.

(1) The scale of change required to manage risks from sea level rise is large with implications across many sectors and all levels of government

Sea level will continue to rise for centuries to come and will expose large numbers of built assets and valued ecosystems to increasing risks of inundation and erosion. Low lying settlements around estuaries, lakes and rivers will also be increasingly vulnerable. At the same time Australia's population is forecast to grow significantly, further escalating national levels of risk.

Climate change risks to existing assets were quantified nationally for the first time in two recent Australian Government assessments.¹ To illustrate – greater than \$226 billion of existing commercial, industrial, road and rail, and residential assets are potentially exposed

¹ *Climate Change Risks to Australia's Coast* (2009) DCCEE (see Ch. 6 on Barriers to adaptation)
Climate Change Risks to Coastal Buildings and Infrastructure (2011) DCCEE

to inundation and erosion hazards at a sea level rise of 1.1 metres (high end scenario for 2100). Australia is a coastal loving society. Much of our population and industry is located around the coast. Unless managed, this large legacy risk has the potential to increase into the future, and impact on national productivity.

(2) Early planning will be needed to ensure future coastal climate risks are considered in a more central way in the context of planning and development, managing natural disasters, and in major infrastructure investment.

Decisions are being made today that have long lived implications. For example land is being released for new coastal residential settlements and critical infrastructure is being built that will provide essential services for the coming decades.

The Council has explored the extent to which current legislation and policy manages coastal climate risk, the implications for local councils and where regulatory reform may be appropriate. Two new legal studies were commissioned to support Council's deliberations.² The studies highlight a number of gaps and inconsistencies in approaches that can present a barrier to action for coastal decision makers. State policies provide broad direction on managing climate change risks but are often non-binding and, in giving effect to the state policies in planning decisions, a lot of discretion is exercised at local government level. This can result in very inconsistent consideration of risks at local scales, and in some cases no consideration at all. Additionally, where there is progress in reforming coastal planning approaches to address coastal climate change risk it largely applies to new development. Managing coastal climate change risks to existing settlements is more difficult. For example the rights of landholders to make compensatory claims as a result of restricted land-use conditions or resumption of land, prevents authorities from using planning frameworks as a tool to restrict the intensification of land use and development in high-risk coastal areas.

Uncertainty about what constitutes reliable and scientifically based information results in major concerns about legal liability and timidity in decision making. This uncertainty is compounded by a generally low recognition within the community about the nature or scale of climate change risks, and how risks will change over decades (and centuries) to come, and therefore the imperative to adapt. There is also the issue of increased litigation to test decisions where there is uncertainty.

One of the less well understood impacts of sea level rise is the likelihood of more frequent or intense storms. In current state regulatory and policy frameworks, emergency management is still largely based on the assumption of a static climate rather than a climate with escalating risks.

The Council suggested directions for regulatory reform³ to support coastal adaptation. The suggested reforms aim to encourage national leadership, improve certainty for decision

² *Coastal Climate Change Risk – Legal and Policy responses in Australia* (2011) Blake Dawson (in press)
Local Council Risk of Liability in the Face of Climate Change – Resolving uncertainties (2011) Baker & McKenzie

³ *Advice on coastal adaptation and regulatory reform* (2011) Coasts and Climate Change Council

makers, strengthen the way risks are managed to prevent future harm, and facilitate early adaptation action where national scale risks exist.

(3) There have been repeated calls from coastal decision makers, particularly at the local government level, for national leadership and direction to support sound planning and development decisions, and prevent future harm.

Local governments are seen as the level of government that will have a large role in delivering on ground adaptation action, however they face significant capacity issues in managing coastal climate risks. Additionally, while on-ground action will often occur at local scales, many issues require a more strategic approach eg interconnected systems such as sewerage and drainage systems require a regional approach to guide local action. Issues around insurance cover would benefit from a nationally consistent approach delivered through the insurance sector.

Capacity issues were extensively raised in the 2009 parliamentary inquiry report *Managing our Coasts in a Changing Climate*. At the local level, decision makers have varying capacity to acquire the data they need to understand risks under different climate change scenarios, and can lack the know-how to integrate that information into planning and investment decisions.

Further discussion at the National Coastal Climate Change Forum in 2010, which involved around 200 coastal decision makers, resulted in broad consensus across governments on the need for: national leadership; reform to support coastal adaptation; and collaborative action⁴. At the 2011 ALGA National General Assembly local governments passed a resolution calling for 'Federal, State and Territory Governments to work with and support councils with the aim of ensuring national consistency in the notification and education of the owners of property impacted by the predicted sea level rise'.

There are efficiencies to be gained in working more collaboratively and strategically across government and involving key stakeholders to support early consideration of coastal climate change risks.

I would be happy to provide further advice, on behalf of the Coasts and Climate Change Council.

Yours sincerely

Bruce Thom
Chair, Coasts and Climate Change Council
16 December 2011

ATTACHMENTS

- A [Climate Change Risks to Australia's Coast \(2009\) DCCEE](#)
- B [Climate Change Risks to Coastal Buildings and Infrastructure \(2011\) DCCEE](#)
- C [Developing a coastal adaptation agenda: A report on the National Climate Change Forum \(2010\) DCCEE](#)
- D [Local Council Risk of Liability in the Face of Climate Change \(2011\) Baker & McKenzie](#)
- E *Coastal Climate Change Risk – Legal and Policy responses in Australia* (2011) Blake Dawson (IN PRESS)
- F *Advice on coastal adaptation and regulatory reform* (October 2011) Coasts and Climate Change Council

⁴ *Developing a coastal adaptation agenda: A report on the National Climate Change Forum* (2010) DCCEE