

13 August 2026



The Hon Kristy McBain MP
Minister for Regional Development, Local Government and Territories,
and Minister for Emergency Management
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

Via email: Kristy.McBain.MP@aph.gov.au

Dear Minister

Re: Australian Government's proposed Disaster Recovery Funding Framework and Disaster Recovery Funding Arrangements

The Queensland Water Directorate (**qldwater**) is writing to you about our significant concerns regarding the Commonwealth Government's proposed changes to the Disaster Recovery Funding Framework (DRFF) and Disaster Recovery Funding Arrangements (DRFA).

Queensland has the most distributed population in Australia as well as being the most climate-impacted state.

qldwater is the central advisory and advocacy body for Queensland's urban water service providers (WSPs), working with members to support the delivery of safe, secure and sustainable urban water (drinking water, water networks and sewerage) services.

We represent all 72 Queensland WSPs with domestic connections including two Torres Strait Island Councils, 15 Aboriginal Councils, all 52 non-Indigenous Councils, the council-owned Statutory Authorities in South-East Queensland and a Government-Owned Corporation.

Together our members operate 370 water supply schemes and 265 sewage schemes, servicing approximately 1.98 million sewerage and 2.15 million drinking water connections. These numbers are set to substantially increase with current and projected population growth.

Queensland's urban water sector is at a critical point. Essential infrastructure is ageing rapidly, the regulatory burden is growing and climate impacts are accelerating. Disasters, particularly floods, are causing significant damage to urban water infrastructure, with consequent public health impacts.

Managing adverse amenity impacts on water infrastructure is becoming increasingly important as new urban residential growth is happening in climate-exposed locations, creating a future legacy of climate risk and impact.

It is **qldwaters** understanding that the Australian Government's proposed DRFF has been developed in response to recommendations from the Colvin Review and is intended to replace the current Disaster Recovery Funding Arrangements (DRFA) from mid-2027. Moving to the proposed DRFF will see the Commonwealth contribute billions of dollars less to Queensland's communities at time of crisis.

When a climate event causes damage and disruption to essential water infrastructure that supports human health and wellbeing, fast and effective reconstruction is imperative to ensure community safety, protect the environment and minimise economic loss to businesses that rely on water.

The proposed DRFF, which advocates for a 50:50 cost sharing arrangement, would mean a significant cut to the funding available for disaster reconstruction. Over the past three years, Queensland would have lost at least \$500 million per year and, in 2025-26 alone, Queenslanders would have been \$713 million worse off.

The DRFF proposes several other significant changes that will intensify financial pressures on local and state governments, constrain the delivery of reconstruction activity, and increase the likelihood of deferred repairs to essential (water) services including drinking water and sanitation infrastructure. This is unacceptable.

We also note that the DRFF provides a lack of clarity on the eligibility of Counter Disaster Operations (CDO), which delivers funding to councils and state agencies for essential emergency activities before, during and immediately after a disaster. Under the DRFF, Queensland Councils would have had to pay more than \$70 million over the past two years to prepare, make safe and clean up if CDO costs are made ineligible.

Analysis from the Queensland Government also shows that 99 per cent of Queensland's Betterment projects, which increase infrastructure and community resilience, funded over the last 13 years would have been ineligible under the new criteria in the DRFF. This means a billion dollars of Betterment investments in 722 projects (including those projects in essential water services) would never have occurred.

qldwater strongly requests that further consideration is given to the proposed amendments to the DRFF and DRFA. We welcome the opportunity for further engagement with your office and the department. Please do not hesitate to contact me if you have any questions or require further information.

Yours sincerely

Dr Georgina Davis
Chief Executive Officer