

Alternative Commonwealth Capabilities for Crisis Response Discussion

I appreciate the opportunity to contribute to the collective rethinking of how the Commonwealth can bring its capability to bear in response to future national crises.

I want the Commonwealth to work harder on catastrophic risks.

One of the key things I learned from COVID-19 is that, as a fairly typical Australian, it's national and international scale crises that pose some of the greatest danger to me and my family and community (both current and future). Not factoring in excess mortality, COVID-19 has killed 30-40 times more Australians than every bushfire in Australia since 1900.

In early 2020, politicians and pundits were calling the COVID-19 pandemic "unprecedented". This did not ring true to me: from the "Spanish Flu" to the Black Death and others, these disasters occur shockingly regularly. Given pandemics are not that rare, and are hugely consequential, I think it was incredibly disappointing that state and federal emergency managers seemed surprised and ill-prepared, and that this state of affairs persisted so far into the pandemic.

Looking forward, what worries me is that there are similar hazards that are plausible and could be hugely consequential – from further pandemics to nuclear war, global armed conflict, volcanic eruptions causing famine, or threats from space. Reviewing Government's documents, including the AGCMF, it seems like we don't even have specific plans for these kinds of threats (at best a general governance framework) and we don't have specific capabilities.

My experience is that the public and political conversation in Australia focuses on hazards based on how likely they are, and neglects the overall picture of risk. I think Commonwealth capability would provide better value for money and better service to Australians if it was based on a more complete understanding of risk. Any change to Commonwealth capability should focus much more effort on catastrophic hazards that are likely to impact the average Australian, and on making sure we have the plans and capabilities we need to manage them at a national level.

Catastrophic disasters matter.

To help paint that picture, the chance of the average Australian dying from floods, fires and storms combined is less than the risk of dying by falling off a ladder. Even if climate change doubles the risk of these disasters, ladders would still be more dangerous.

Meanwhile, the chance of the average Australian dying in a catastrophic disaster is at least 15 times more than their chance of dying in a traffic accident. That is, catastrophic disasters could be about 1,000 times as dangerous as fires, floods and storms *combined*.

Government is right to invest more in transport safety than in ladder safety, because one is more dangerous than the other, given the likelihood and consequences. It follows that the National Emergency Management Agency should be far more concerned with preventing and preparing for catastrophic hazards than hazards like fires, floods and storms. Despite that, reading NEMA's publications, its focus on hazards seems disconnected from the actual risk of those hazards. Catastrophic and existential disasters represent the vast majority of the risk, but are almost entirely neglected.

To give a specific example, I was shocked to learn that no funding from the Commonwealth's Disaster Ready Fund has gone to mitigating natural catastrophic disasters, and almost half went to address bushfires specifically. Given the DRF's objective is to reduce the exposure to risk and that data-driven evidence and value for money are key considerations in decision-making, it's hard to understand how this could be the outcome.

The Commonwealth can take three actions now to start safeguarding its citizens.

I should say at this juncture that while I do think that catastrophic risks in some sense should get more attention than "conventional" hazards, I am not asking the Commonwealth to turn current funding, frameworks, and focus totally inside out.

Rather, I am interested in the Commonwealth considering more carefully where it spends its *next* dollar or hour. Faced with such large-scale problems, and so much attention already focused on conventional hazards, relatively cheap actions will have outsized impact in expectation.

I, along with others, am proposing three immediate, cost-effective steps:

- **Australia needs a National Risk Assessment that compares risk across all hazards.** The UK recently completed its assessment, and most nations like ours have a similar product. Our effort to combat hazards should be proportionate to the risk of those hazards. Currently, even though catastrophic hazards are orders of magnitude more risky than commonly occurring natural hazards, catastrophic hazards are neglected. A robust all-hazards risk assessment is essential to ensuring we build the capability we actually need.
- **NEMA should develop plans for all key catastrophic disasters.** Having a plan, consulting with relevant stakeholders, and regularly exercising the plan is remarkably cheap when compared to physical risk mitigations. NEMA is proud to have committed more than \$3.85 billion in recovery assistance and \$400 million to risk reduction programs like flood levees and cyclone shelters. In that context, the cost for NEMA to develop and maintain a national plan specifically for each kind of catastrophic disaster

type across an all-hazard spectrum is tiny. Having and exercising plans would reduce risk and create a pathway for finding other high-impact risk mitigations and capability ideas.

- **Commonwealth should take a "top-down" approach to identifying and mitigating these risks.** Under the "shared responsibility model" States and Territories are covering the "bottom-up" approach to risk – focusing on frequent kinds of disasters at a community level. Given that, the Commonwealth should think on the all-hazards spectrum about what the big risks are, and tackle the hard problem of planning for and building the capability necessary to tackle those big risks. As we learned from COVID-19, the tools you need to combat a catastrophic risk are not the same as a more common risk, but more. Often it will require special capability and special approaches. This might include understanding supply chains and critical infrastructure and being able to shape them as a crisis requires. The Commonwealth focusing on big risks first is essential to ensuring we can tackle all the coming hazards and maximise the amount of risk we reduce per dollar spent.

I rely on the Commonwealth to tackle the big risks.

I'm not alone in worrying much more about catastrophic and existential risks than hazards we regrettably see every year. I regularly talk to family, friends and others in my community groups about these kinds of risks - Russia's invasion of Ukraine was another topical cause for concern. Indeed, the reason the ADF wants to do less in this space is precisely because it is worrying more about global risks and conflict.

While there are things I can do to stay safe from daily hazards, I need Government to keep me and my family safe from global and catastrophic risks. I trust that Government will take that duty seriously.

Yours truly,
Michael Kerrison

Materials referenced

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