

Thank you for the opportunity to make a submission and share my views about how the Commonwealth should approach its crisis response and recovery capabilities. As rightfully acknowledged, the Government's first responsibility is to provide for the safety and security of its people.

The Australian Defence Force's renewed focus on its primary mission is an opportunity for the Commonwealth to think from first principles about how its capabilities can be better designed to mitigate the hazards that Australians face and overall discharge the Government's obligation to provide for the safety of its people. Rethinking risk could help the Government's capabilities achieve much better return on investment.

In my personal experience, the public and political conversation in Australia focuses on hazards based on how likely they are, and does not focus on 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 holistic understanding of risk.

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 **1000** 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 risky than the other. Extending this reasoning, it follows that NEMA 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 discover 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 was the result.

I would like to offer two recommendations that could start to address the concerns I've raised above:

- Under the "shared responsibility model", States and Territories are taking a "bottom-up" approach to risk – focusing on frequent kinds of disasters at a community level. Given that, the Commonwealth should take a "top-down" approach. 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 needed to combat a catastrophic risk aren't the same as a more common risk - often it will require special capability and special approaches. This might include a deep

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.

- We can't make effective and impactful decisions about risk mitigations if we build arbitrary distinctions into our policies and programs. The most powerful mitigations work across multiple hazard types. If we limit programs to "natural hazards" or projects led by individual jurisdictions we will be inefficient. Powerful and scalable interventions around food security and infrastructure resilience are likely neglected because they are good against many hazards rather than excellent against a single hazard. Government should stop limiting programs to "natural hazards" unless there is an overwhelming justification.

Again, I appreciate the chance to share my views about the opportunity to reform Commonwealth capabilities. I know I'm just one voice, but I hope Government genuinely thinks about the risks of catastrophic and existential hazards. I think the evidence is overwhelming that these are very significant risks – much more so than fires, floods or storms. It's the role of the Commonwealth to take these risks seriously and build the capability we need.