



Dear Convener

The Alternative Commonwealth Capabilities for Crisis Response Discussion Paper

UGL is pleased to provide input into the future Emergency Response and Recovery options available to Government, underpinned by the Discussion Paper: Alternative Commonwealth Capabilities for Crisis Response.

UGL offers comments provided from two perspectives – the first being general observations on the body of the paper and the second responding where appropriate specifically to the questions posed at its conclusion.

The Discussion Paper provides a useful starting point for the debate around the respective roles of the Federal and State and Territory governments with respect to disaster response and recovery. Notably, the underlying premise of seeking consultation on replacing the ADF's role appears unworkable.

By examining the ADF's involvement and contribution in recent emergencies, perhaps in extremis – through Operation Bushfire Assist, (three ships, 6500 people, and an estimated cost of \$65m) a whole of nation response, including the ADF was necessary. Industry simply does not have the capacity, materiel or personnel to offset the readily available resources of the ADF. This was acknowledged in one of the working groups UGL attended.

However, it is also acknowledged that in recent years, and in particular at Federal Government level, the ADF has too often been considered the 'easy answer'; northern NSW flood response, COVID response, etc. As such, UGL's response is based on how academia, volunteers and industry could supplement the ADF's capacity to support the full spectrum of emergency preparation, response, recovery and 'return to normal', acknowledging that in the 'response' phase, for major emergencies or disasters, the ADF will form a critical part of the response consideration.

We offer a number of suggestions in our response that might be useful as catalysts for discussion, knowing full well that some might meet with robust opposition. Nevertheless, we feel all perspectives should be represented in the debate going forward.

UGL is keen to be an ongoing participant in the dialogue between all parties. Should you have questions or are seeking input for future studies and discussion, please contact Mr Ian McKenzie, who is UGL's [REDACTED]
[REDACTED] Once again thank you for providing UGL with the opportunity to participate in this endeavour.

Kind Regards

[REDACTED]
Terry Nichols
General Manager – Defence

Alternative Commonwealth Capabilities for Crisis Response Discussion Paper – August 2023

According to the 2018 National Disaster Risk Reduction Framework, ‘federal and state government spending on direct recovery from disasters is already around \$2.75 billion per year’; with indirect costs ‘borne by many sectors across multiple years’.^[5] Economic costs are anticipated to double before 2030

Excerpts from the **Alternative Commonwealth Capabilities for Crisis Response Discussion Paper – August 2023**

The acceleration of major climate events risks overwhelming our emergency services, and national capacity to respond effectively. Over the last four years especially, the Australian Defence Force (ADF) has played a critical role in providing assistance to the civil community in response to natural disasters. But this has come at a cost to our military’s force preparedness, readiness and combat effectiveness.

In response to the Defence Strategic Review, released on 24 April 2023, the Government agreed in-principle to work with the states and territories to develop national resilience and response measures for adverse climate change at the local level without the need of ADF support, except in the most extreme emergencies.

The Government also agreed in-principle that Defence should be the force of last resort for domestic aid to the civil community.

Scene Setting for UGL Response – drawn from the Purpose of the Discussion Paper

Calls for: “.....views on the capabilities that the Commonwealth Government needs to have to support state and territory-led crisis response and recovery efforts as an alternative to the ADF”

“....insights gained through public consultation will be used to inform potential long-term options to uplift Commonwealth capabilities, which will be provided to the Commonwealth Government for consideration.”

“The Commonwealth also acknowledges that the ADF will continue to have a role to play as the Commonwealth’s capability of last resort in times of extreme emergency.”

“.....this discussion paper focuses on response and recovery efforts”

“Feedback on the discussion paper will inform the development of a suite of options for Commonwealth capability to enhance and broaden Australia’s response and recovery measures – in turn, bolstering Australia’s overall resilience to, and preparedness for natural disasters.”

“The purpose of this discussion paper is to elicit feedback on longer-term, structural changes to Commonwealth capacities that may be required to support state, territory and locally-led crisis response efforts”

States and Territories

“Each state and territory maintains its own emergency management legislation, processes, plans and arrangements to respond to crises, but have arrangements in place to share resources across borders if required.”

UGL COMMENT: One of the apparent critical factors that emerges from allowing states and territories to, in essence, *go their own way*, is the lack of consistency and uniformity. This is inherently costly and inefficient as each jurisdiction goes through the process of establishing “legislation, processes, plans and commercial arrangements”.

The Commonwealth, while not overriding the rights of States and Territories under the provisions of our Federated model, needs to foster and coordinate a more collegiate approach to activities that, while they may vary in terms of the specific threats, ultimately are the same in so far as they impact on lives, livelihoods, communities and economies.

It would not be an overreach for the Commonwealth, under the leadership of NEMA to bring together representation from each of the jurisdictions to agree the key elements of Legislation, particularly around taxonomies, specific wording and intent of the legislation.

Similarly, such a gathering could, through themed workshops with appropriately qualified and experienced representatives, determine and agree processes, plans and arrangements – including the engagement model for seeking assistance.

Finally, through Working Groups – drawn from across the Commonwealth and with carefully framed terms of reference, the relevant standards could be developed and agreed for Training and qualifications for both professional and volunteer emergency service providers.

The investment required to achieve uniformity would be significant, however the anticipated prognosis for climate events suggests it would be investment well spent.

Volunteers, Not-for-Profit Organisations and Charities

“the overall number of volunteers joining state emergency service organisations has been in decline since 2015”

UGL COMMENT: The Commonwealth has historically recognised the benefit to the nation of having an ADF Reserve capability and appropriately has provided support to both the reservists themselves and to their employers.

Notwithstanding that many within the volunteer ranks of the SES, various state Bushfire fighting organisations etc are also ADF Reservists, there is the potential to establish similar funding arrangements for training and equipping these emergency response elements of our communities, and to recognise the impact on businesses when those services are called into action.

As was discussed during the Engineering Roundtable, many of these volunteers are employees of companies with contractual obligations to State, Territory, or Federal entities. Suggestions were made to the Chair, that companies releasing staff for Emergency Response activities should receive acknowledgement of the impact of their (the staff) absence and perhaps could obtain ‘stays’ against delivery deadlines or other forms of recognition, including relief from any associated penalties

relating to contract non-performance (so long as the issue can be directly linked to the release of personnel for ER activities). These would of course need to be proportionate to the impact of staff absences on the company's capacity to meet the deadlines.

Dispensation of this nature would again require cooperation and agreement between the levels of Government as the metrics, terms and conditions of the relief model would necessarily need to be uniform across the nation.

Funding for recognised training would likely fall to the Federal Government, with implementation managed by the States and Territories. All training would need to be nationally recognised and transferrable, as would specified roles and functions that are obtained through experience – these would be captured through the application of national standards.

The problem: A more challenging future

“Remote and very remote communities are particularly susceptible to compounding crises due to a narrow economic base, infrastructure with limited resilience and a lack of redundancy for essential transport routes and communications infrastructure.”

UGL COMMENT: The quick restoration of lines of communication will remain a difficult task – particularly where disruptions occur significant distances from the materials required - borrow-pits for aggregate – for road-base, bitumen road surfacing or concrete etc. However as necessary as it is to restore access to remote communities, the more immediate needs will be for Power, Communications and access to potable water. Modular systems are now becoming available to deliver these immediate remedies and they are transportable enough to be able to be deployed by road, rail or air. Readily available, easily transportable systems for power, communication, water purification need to be held in bulk in each state and should be available to be deployed as soon as crisis conditions have abated, and recovery has commenced.

Discussion Paper - The Questions:

- Q: Acknowledging the primary role of state and territories in emergency response, what longer-term capacities and capabilities does the Commonwealth need to develop to meet the challenges of the evolving strategic environment?

Having agreed that response is, in the first instance a State/Territory (States) responsibility, the Commonwealth needs to ensure it retains a centralised coordination capability for when crises involve multiple-jurisdictions or overwhelm the resources of the affected State.

At a high level, it will be the Commonwealth's responsibility to ensure that training delivered by States provides the responders and incident managers with the skills and supporting processes (including C2 doctrine) to be able to manage their task, understand their limitations and instigate escalation before a situation gets out of control (within reason). State-delivered training across basic responder skills through to Incident Management and multi-agency coordination needs to be uniform across all jurisdictions. The standards, certifications and qualifications have to be recognised and implemented under the authority of a Commonwealth agency – presumably NEMA.

National guidelines for the call up of volunteer resources, and mechanisms to reward or compensate employers for temporary reduction in capacity, need to be agreed; as will the Contractual-relief

where volunteer participation in Emergency Response impacts on delivery relating to Government contracts.

The Commonwealth needs to be able to manage the collection of lessons learned and must have the capacity to undertake both academic and practical evaluation of failings and successes and be able to translate lessons not amendments to training, processes and procedures. The Commonwealth needs to balance the engagement of academics – which is the most common approach and is significantly flawed – by the inclusion of emergency response professionals and volunteers, those Defence personnel routinely called in to assist, and Industry (those involved in civil D&C, energy and water solutions).

1. The aim is to continue to improve the response and recovery phases by improving preparedness through solid data and evaluation of vulnerabilities and opportunities
2. NEMA and the Commonwealth and States need to involve industry in the planning and coordination for support to emergency response – understanding the availability and disposition of assets beyond those anticipated to be included in the NEMS
3. Despite the increasing complexity and severity of crises, planning response needs to have a fundamentally simple formula and it needs to be repeatable.
4. Repeatability through industrial partnerships, particularly for longer term recovery operations is essential for the effectiveness of recovery activities and will be more cost efficient to administer and deliver.

Fundamentally, such a resilient, reliable and repeatable solution is in the national interest for both civil emergency and in the event of Defence Force readiness and support of extended operations, the latter being a key interrelationship with Defence and expected to be classified in nature.

- Q: At a national level, what are likely to be the key pressure points or challenges for the Commonwealth responding to competing and concurrent crises?

Most of the pressure points are well documented: insufficient resources, or resources not located where they are needed most.

Whilst some pre-positioning can be anticipated based on geography, the key point that commenced the dialogue is that we will face unprecedented circumstances – suggesting that no amount of pre-positioning of supplies and equipment will be sufficient for the task.

The Commonwealths single biggest challenge will arise from absence of national standards and approaches to crisis management. Jurisdictional issues have plagued many aspects policing and emergency response – including data management, and information sharing, response coordination and control, cross-border transfer of skills and accreditation.

Of immediate concern is the necessity to create a policy frame work to allow Federal and State Authorities to access resources as well as protections for volunteers and industry to release the necessary (and limited) resources that will create the response and recovery effects desired.

- Q: How could the Commonwealth build community resilience and capability so they are better able to respond to and recover from national-level crises?

No specific recommendations or suggestions beyond implementing targeted active communications focussing on highest probable threat and best preparedness strategies. These could be

supplemented during times of increasing likelihood with more specific advisory campaigns tailored around to the rising probability of a crisis occurring.

- Some of this is done now but the campaigns could be perhaps more focussed – storm information for coastal communities, flood inundation prevention for low-lying areas – this would include town planning guidelines – fire survivability in bushland or heavily treed urban environments. None of this is new – there simply needs to be more of it.
- Increasing the number of programs where “local” groups are encouraged to undertake a moderate level of training as is the case in the ACT with the Community Fire Units and are supplied with a modest level of equipment for taking immediate action.
- Q: What changes in the current system are necessary to help Australia have the right capabilities and capacity to handle concurrent crises?

It was raised during the Engineering roundtable that the military process of evaluating the environment and preparing for response actions is critical to the success of any campaign. The “intelligence preparation of the battlefield” takes the lessons learned and knowledge of terrain, available resources (eg high-pressure water and access to water bodies), likely weather conditions and factors all of that into a response plan should a crisis arise. The information set to allow for planning must be able to identify critical vulnerabilities and potential mitigation measures as well as opportunities that can be leveraged in the event of an emergency in any location. This is a planned activity that should appraise accessibility, critical access infrastructure, communications, fresh and potable water, etc.

Given this paper looks at Response and Recovery the key areas continue to be on changing our structures of State-led, state determined capabilities. There needs to be uniformity and standardisation – on every factor. The current system promotes the existence of bureaucracies that could be trimmed significantly if a single agreed framework for “legislation, processes, plans and arrangements to respond to crises”

The piece missing is our ability to accurately predict when a *potential* crisis is likely to transition into an *actual* crisis – or at least we have not demonstrated our ability to act to prevent it from occurring when all evidence was present.

Defence uses an Indications and Warning model that starts with the worst possible outcome, then determines how that might manifest – usually in three to four plausible scenarios - then identifies the “critical indicators” to enable early identification of which scenario is emerging. Action is taken immediately to address the key elements of that scenario. It is similar to Risk Management but the differentiation is you aren’t trying to mitigate to reduce the likelihood or consequence – you are acknowledging that an eventuality is sufficiently grave as to be unacceptable. Knowing how it can occur and monitoring those “pathways” allows for earlier intervention.

The best I&W models are those that have been wrong every time!

WHY?

Because if the model is understood and the ramifications are agreed to be unacceptable, then action will be taken earlier and the “worst case” does not occur.

The Threat statement needs to be agreed by the senior decision-maker, and in agreeing the existence of the threat and its ramifications being unacceptable, they have to agree to take action when the indications begin to occur.

An I&W model that calls out a major (preventable) catastrophe; has realistic, detectable and measurable indicator; that “gets it right” ie the catastrophe happens (you were right!!); then the model and process have actually failed because no one took the agreed action when an indicator was triggered.

- Q: What models could the Commonwealth explore to replace or supplement support currently provided by the ADF during domestic crisis?

Difficult to determine. Below is a snapshot of what the ADF did in Bushfire Assist :

ADF Contribution	Activity
2 x LHDs 1 x LSD	Evacuation by sea
6500 Personnel	Meal preparation Medical assistance Command support – including C2 systems Fence mending Road clearance Supplementing fire crews Water purification
Army B-vehicle fleet	Logistics support Movement of D-vehicles – bulldozers back-hoes and graders
Army Commercial fleet	Mostly to move ADF personnel around but also for civilian evacuation
Army “yellow fleet” (D Vehicles?)- bulldozers, graders etc	Road clearance civil engineering tasks, fire break creation

It is difficult to see how the level of commitment on this occasion could be replicated. The specific nature of the services and equipment provided are not likely to be available beyond Defence. Defence has what is known as a Social Contract with the Australian people. In a Bushfire Assist scenario, DSR recommendations or not, the Australian public would expect the ADF to be available – or no DSR.

A more realistic aim would be to replace “some” of the activities that the ADF performed – perhaps for example, Meal preparation for responders.

- Q: How could a Commonwealth workforce surge capacity be replicated in a scalable, efficient, and effective way?

The question seems to pose the proposition that problem lies squarely in the remit of the Commonwealth. However, there were 2,420,600 “public sector” employees at the end of June 2022 comprising: 364,300 employees in Commonwealth government; 1,847,400 in state government; and 208,900 in local government.

When looking for “capacity to respond,” there may be options to find resources from within the government workforce and looking outside to industry might be a second option vice the first.

Some thought might be given to amending Public Service employment Terms and Conditions/ Employment Contracts to include Emergency Response (ER) Training and that they be available for ER deployment in times of crisis.

The Australian public would see this as being appropriate, given the entirety of their (the Public Servants') pay and conditions are provided via tax-payer dollars; however appropriate it may seem, it is unlikely the combined Public Sector Unions would agree to "conscription" of their members – or if they agreed in part, it would be at (an additional) significant cost to the tax-payer.

Looking towards Industry to pick up where the ADF are no longer available and/or where a Public Sector reserve force was not acceptable under current employment conditions, it would need to be seen as a contractable element and would be unlikely to gain support if it were to be completely voluntary.

Capability to manage the resources necessary to bolster Emergency Response assets when needed in a crisis does exist in companies such as UGL. However, those resources are not currently "just held in reserve" on the off chance that they might be called upon during a crisis. Industry manages its resources carefully and utilisation rates for people and machinery are understandably very high. For equipment and/or people to be available on short notice to assist, there would need to be a well-considered and defensible business case. The NEMS will need to consider what is an acceptable cost to the budget to have access to People, equipment and supplies when required – even when they are not utilised in any given year.

- How could we harness the critical role of volunteers and civilian groups under this model?

As discussed above, some capacity in the civil sector exists beyond the current SES and Rural Fire Service, Red Cross and volunteer ambulance staff. "Industry" however, would need some form of incentivisation to firstly get staff trained in skills that are needed, and then be prepared to release them during a crisis.

Few companies have sufficient "fat" in margins and/or staffing levels, to be able to wear the impact of losing staff for extended periods. "Production" (in whatever form it exists) would slow or cease, contracts would be unlikely to be satisfied – worse if it is a Contract with schedule delay and performance penalties.

Companies would be prepared to contribute, but a model would need to be developed along the lines of the ADF Reserves, where companies are compensated to support staff who wish to undertake training and deployment. Commonwealth Contracts would need special "relief clauses" against milestones where production has been impacted by the release of staff to assist in emerging crises.

Policy position for response to declared civil emergencies is a critical area for consideration. Such a declaration should be centralised with the effect being the response to and recovery from an emergency is significantly bolstered. Even if initial personnel support surge was expected to be voluntary, companies cannot release their human capital at scale without relief of performance (schedule, performance and cost). The capacity for volunteerism is held predominantly in the flexibility to release that human capital that is otherwise providing productive effort.

It is also critical that both companies and individuals are "protected" for the work done in such an emergency given that emergency response and recovery operations may necessarily require short term "work arounds" that may not fully comply with complete adherence to standards

(environmental, personal qualifications, engineering, quality, etc). While the response needs to be thoughtful it needs to be available quickly with an appropriate appetite for imperfection!

Determining whether these additional resources operate outside of the existing “response” framework, or simply bolster numbers in times of crisis would need to be looked at closely – and again the Reserves model may give some insight. For most in the Army Reserves, they fill gaps in existing Units. But some Defence Reserve units do operate completely independently – or at least, they operate as a discrete Unit within the structure of the Army/navy/Air Force organisation.

- Q: How do these models supplement, but not replicate, existing models operating at a state and territory and local level?

In most situations it is difficult to see how they could operate independently and therefore “supplementary” manner. They would necessarily add capacity to the existing available resources but unless they bring in specialist capabilities not already present within the ER community, they would do so under the current model.

A review of tasks currently not performed by ER teams, but necessary – or desirable – in crisis situations might identify how specialist volunteers could be employed outside of the SES, RFS, et al, but those roles and the activation criteria would need close examination. Logically, ER teams have “all the necessary skills” within them. To suggest something could be added that creates a more effective response would suggest the existing arrangements do not adequately consider all aspects in terms of staffing and skills; and that would suggest they are currently operating with one hand tied.

Not sure this question can be answered in a way that does not cast a negative light on current arrangements. I think the error is to assume “adding more” is “replicating”it is simply giving responders more resources and if they are trained and deployed effectively “more is better”.

- Q: What role could industry / the private sector play? How can the Government attract increased investment in emergency management from the private sector?

To a large degree this is spoken to above – industry needs to be enabled. Most companies – and certainly, most of the larger companies, have very strong community support initiatives.

To take a more direct approach to answering this, the Private Sector could take on the role of preparing for and reacting to major crisis situations if that were their Contract. A Private Sector solution would be leaner than current Public Sector organisations because they approach all problems from a commercial perspective – the function is delivered by necessary resources and when the function is not required those resources are employed – or redeployed. In the Public Sector, once they are in a role, they tend to stay in that role and create activities to occupy their time when it is not directly required rather than being redeployed – which tends to draw the ire of Public Sector member representative bodies.

Commercial models tend to be more “outcome-focussed” not role or Job-description specific

The NEMS may resolve some aspects of supply of critical elements – people, equipment, supplies etc, however the big-ticket items that are needed in emergency response could only be held and managed by the private sector if it was done under an operate and maintain contracting model. The return would be difficult to model but would likely be not be in terms of a reduction in cost of the materials but more likely a reduction in the “recovery spend, which on

current trends, is expected to grow significantly. The reality will be that – similar to the I&W analogy – a little spent up front is likely to reduce the overall level of recovery spend. Those against the investment into the private sector will point to reduced recovery cost and argue the problem wasn't as bad as expected, ergo the investment was unwarranted.

- Q: What gaps currently exist in state and territory emergency management capability?

Not known and unable to provide comment.

- Q: Are there sectors that could replicate the capabilities provided by the ADF?

Unlikely in entirety – main attribute ADF brings is arms and legs backed by significant holdings of engineering vehicles (see table above).

The civil engineering sector can provide access to plant and equipment necessary to assist in response and recovery. Similarly, the entities possessing large quantities of (for example) earth-moving equipment would have human capital that, if appropriately trained, could aid the overall response effort. In all likelihood, those resources would already be expected to be involved in the latter 'Recovery' phase.

- Q: What are the critical functions the Commonwealth Government should continue to perform in disaster relief and recovery, in support of local, state and territory governments?

States and Territories necessarily need to manage the on-scene environment in the response-phase of any disaster, aided where appropriate by resources from the Federal Government (CoA).

For example, the CoA needs to provide the coordination function where/when:

- the event is not, or is unlikely to be, restricted to a single jurisdiction,
- access to Commonwealth resources – such as the ADF is required,
- facilitation of access to resources from external authorities – such as international fire-fighters.
- Early access to disaster recovery funding is required to restore essential services.

The most critical role for the CoA will always be to attempt to broker national standards and policies – and to set the bar for legislation; to fund the research into prevention and response. By its nature, the CoA is not a tactical player unless called upon to do so.

- Q: What legislative, regulatory or policy changes could be undertaken to make it financially viable for other sectors to contribute to a Commonwealth crisis response capability?
 - Policy measures to ensure protection of volunteers and industry when providing response and recovery operations in relation to personal liabilities. Ensuring capacity to respond through release of human capital by providing mechanisms for commercial relief of performance obligations when resources are made available for emergency response and recovery in the national interest, particularly when contracts are held with governments.
 - Standardisation of ER legislation, drafted cooperatively with States and Territories but adopted uniformly across all jurisdictions.
 - Standardised escalation and call out provisions that:
 - allow states to leverage resources from other jurisdictions,
 - enable companies in affected areas to release appropriately trained staff to assist with the response effort without suffering financial or contractual hardship;

- Administrative arrangements to enable transfer of qualification and credentials between the States and Territories;
- The establishment of National Standards and training criteria for all ER-relevant qualifications and practical training;
- The adoption of national communications protocols;
- The establishment of an ER “Ready Reserve”, funded Federally, enacted locally;
- Funding lines/models to enable Industry to acquire, store and maintain equipment and supplies necessary in ER and recovery.