

Senate Estimates Opening Statement – May 2021

Senators, good morning. The establishment of the National Recovery & Resilience Agency by the Morrison Government is historic and I am pleased to see that the initiative enjoys bi-partisan support. For the first time in our history, there will be a single Agency in the Department of Prime Minister and Cabinet that will have a wide charter and remit.

In the same spirit in which contemporary Queensland Reconstruction Authority (QRA) and the Queensland Rural and Industry Development Authority (QRIDA) were put on a sound footing by the Queensland Bligh Government with the bipartisan support of the Opposition led by Lawrence Springborg, we are off to a very promising start.

I have now been in the new role these past three weeks. There is a lot to do and we will not be complete until our colleagues from the Rural Financial Counselling Service and Emergency Management Australia (EMA) formally join our ranks on 1 July coming.

Senators, our fellow Australians have once again been through a lot this year – cyclones in Queensland, the Northern Territory and Western Australia; floods and severe storms in Western Australia, New South Wales, Queensland, Victoria and the ACT; bushfires in Western Australia and the ongoing drought and COVID-19 pandemic.

Across the country, people have been rendered homeless; businesses crippled; and transport routes, telecommunications and electricity disrupted.

As I speak, people in Eastern Australia have started their long recovery from the March storms and floods, in which, sadly, two died¹.

¹ <https://www.sbs.com.au/news/the-most-tragic-of-circumstances-two-men-die-in-queensland-nsw-floods>

The Australian Government is providing support to people in 64 - or half - the local government areas in New South Wales. This support is in the form of disaster recovery payments directly to people impacted by these floods, and via the Commonwealth-State Disaster Recovery Funding Arrangements, also known as DRFA.

In Queensland, 11 local government areas were disaster declared and will receive Australian Government assistance under DRFA.

Forty-two of the local government areas impacted by these floods were recovering from the 2019/20 Black Summer bushfires. Thirty-four of them – 25 in New South Wales and 9 in Queensland – are drought-declared.

While New South Wales definitely bore the brunt of the March wild weather, we need to acknowledge there have been five² separate events in Queensland this year - including Tropical Cyclones Imogen and Niran - that have caused significant damage to people's homes and businesses and to private and public infrastructure. Each of these events warranted Australian and Queensland Government assistance.

In Western Australia, the full impact of Cyclone Seroja is still to be realised. This severe tropical cyclone made landfall between Kalbarri and Port Gregory on 11 April. Buildings didn't stand a chance with winds reaching 170 km/hr at Kalbarri and 120 km/hr at Geraldton. At the same time, the drought lingers, mainly in Queensland and Western Australia. For example, the Burnett in Queensland is in serious trouble. Whist attending Beef Week in Rockhampton two weeks ago I was hearing first hand that the drought is far from over.

² <https://www.qra.qld.gov.au/activations>

The BOM reports that April rainfall was well below average for most of mainland Australia³. In the Capricornia, Wide Bay and Burnett districts of Queensland, serious or severe rainfall deficiencies have persisted since April last year. The impact of year upon year of rainfall deficiencies is still evident, with a slow return to decent soil moisture and water storage levels.

So it was against this backdrop, and in response to the Royal Commission into National Natural Disaster Arrangements (sometimes referred to as the “Bushfire Royal Commission”), that Prime Minister Scott Morrison stood up the National Recovery and Resilience Agency 5 May.

You may recall that last time I sat before you I was the Coordinator-General of the National Drought and North Queensland Flood Response and Recovery Agency. Prior to that, I was Chairman and CEO of the North Queensland Livestock Industry Recovery Agency, established following the devastating monsoon and floods of 2019.

As the Coordinator-General for National Recovery and Resilience, my title changes, our remit expands beyond our work with drought and flood-affected communities, but the way my Agency and I work doesn't change. We remain focussed on bringing hope to people dealing with drought, natural disasters and other hazards through locally-led, locally understood and locally implemented solutions.

We are also at the forefront of driving efforts to minimise the impact of future disasters. We can never flood, cyclone, drought or fire proof the nation, but we can be better prepared. Indeed, we **must** be better prepared, and I'll talk more about this shortly.

³ <http://www.bom.gov.au/climate/drought/>

I also want to make the point that we must not lecture people about resilience or allow the terminology to become a platitude of sorts. Resilience means different things to different people depending where they live across this vast continent. People who have had everything thrown at them across generations don't need a lecture on being more resilient. What they deserve is the support and encouragement to be better prepared, and this is where every level of Government has a role to play, together in partnership with the local communities they serve.

As I said before this is an historic move. With the establishment of the National Recovery and Resilience Agency, there is now a consolidated, enduring national Agency to support recovery and resilience for communities impacted by natural disasters, drought and other hazards, with a strong on-the-ground presence and a guiding principle of locally-led recovery, risk reduction and preparedness. I will keep coming back to this commitment to locally led, bottom up.

The Agency will coordinate and align Australia's national capability to build resilience, better prepare for natural disasters, and recover from all hazards.

We work closely with EMA, which remains the national disaster response agency during the immediate relief phase after major disasters.

And we work hand in glove with State, Territory and local governments who also play a vital disaster response and recovery role and who are a key agent in strengthening communities' ability to minimise the impact of natural disasters.

Through our work with floods, bushfires and drought we already have well established relationships with local and state governments and have continued our commitment to collaboration across all levels of

government, in recent weeks meeting with senior disaster and emergency response and recovery officials from the Northern Territory, Queensland and New South Wales.

The Agency brings together the National Drought and North Queensland Flood Response and Recovery Agency (my former Agency) and the National Bushfire Recovery Agency, which was led by Mr Andrew Colvin, APM, OAM. I thank Andrew for his leadership and the work his Agency undertook supporting recovery from the 2019-20 bushfires which had a devastating impact across Queensland, NSW, Victoria, South Australia and the ACT.

From 1 July, the Agency will incorporate the disaster risk reduction and recovery functions from the Department of Home Affairs, and will manage the Rural Financial Counselling Program, which is currently with the Department of Agriculture, Water and the Environment.

The Rural Financial Counsellors will complement the Agency's national network of Recovery Support Officers. These "RSOs" come from, live and work in communities across Australia. As the Prime Minister said, they are our "boots on the ground and hearts at the table", making sure people get the information they need, and directing them to the help and support that is right for their situation.

We are a decentralised organisation. Our offices are in Brisbane and Canberra and we have a network of Recovery Support Officers around the country. They operate from their Agency vehicles on the road.

In New South Wales, we have people working from Dubbo, Eurobodalla, Scone, Delungra, and a merino station between Balranald and Ivanhoe.

In South Australia, Recovery Support Officers live near Kimba, near Berri, and on Kangaroo Island.

In Queensland, we have staff at Charleville, Townsville and Dimbulah, and in Victoria, in the Goulburn Valley, Ballarat, and Wangaratta.

This is just a sample of our footprint – we have staff in every Australian State and Territory and our network is growing. For example, we will soon have Recovery Support Officers in place in Cloncurry, Cape York and Alice Springs.

When the Prime Minister announced the Agency in Townsville earlier this month, he underscored how vital it is that we address our ‘collective resilience’ to natural disasters, because the science tell us that longer, hotter, drier summers and more extreme weather are here to stay.

In late 2017, Deloitte Access Economics estimated that, for the preceding decade, natural disasters have cost Australia \$18.2 billion per year on average, taking into account both tangible and intangible costs.⁴

The Insurance Council of Australia cites a Productivity Commission estimate that 97% of all disaster funding is spent on the clean-up and just 3% on mitigation, preparedness and resilience. Insurance Council CEO Andrew Hall labelled this Agency’s establishment and the Government’s other commitments to buffer Australians against natural disasters an ‘historic first step towards redressing that imbalance’⁵.

The National Recovery and Resilience Agency will be at the forefront of driving efforts to minimise the impact of future disasters, working with communities, councils, state and territory governments, emergency services and peak bodies and industry groups.

We will design and deliver the new **\$600 million** Preparing Australia Program to improve long-term resilience of Australian communities and

⁴ *Royal Commission into National Natural Disaster Arrangements Report*, 28 October 2020, p.67

⁵ https://insurancecouncil.com.au/media_release/plain/629

households. We will also develop a **\$4.5 million** National Capability Package to help regional communities prepare for high-risk hazards, including by providing accredited training for people working in disaster recovery and foster greater coordination across all levels of government when responding to a natural disaster.

Following a large-scale natural disaster, governments at every level are paying an unacceptable cost of putting it all back together again, repeatedly. We have 100 years of data documenting catastrophes, so it's time to ask the hard questions.

The tragedy is that many disasters such as floods and bushfires could have been reasonably anticipated.

We must be better prepared and help local communities find a pathway to strengthening their resilience to future disasters. If we're going to do this, we need to bring together the information and expertise that will help them make decisions that best suit them.

As one of the main clients of the new Australian Climate Service, we'll be able to call on the collective expertise of Australia's best and brightest scientists to give us the information and advice to understand Australia's disaster risks and vulnerabilities, and help us target investment in long-term risk reduction. I was pleased to see BOM upscaling their on-the-ground presence in North Queensland last week. These are all important steps in the right direction.

Mitigation and risk reduction cannot be the work of Government alone. The public also must step up – we all share this responsibility. It is estimated that many are not prepared. In 2017-18, in NSW 13% of households did not have suitable insurance. In Victoria, the figure is 8%⁶.

⁶ *Northern Australia Insurance Inquiry Final Report*. November 2020. Figure 12.9, p. 279

In Queensland, particularly in the tropics the situation is worse - largely as a consequence of the high cost of premiums.

As I indicated above the biggest challenge is agreeing on what 'resilience' looks like and who funds it. This is not an easy question to answer. Suggestions range from changing attitudes, better educating our communities, to enforcing and mandating planning, construction, and flood mitigation – not a complete list.

Resilience must be the prism through which local communities plan and execute real fair dinkum strategies that work for them and their particular circumstances.

Local communities must seize the moment. They best understand the risk, and working with State agencies and local government they can ensure we are better prepared next time. It also follows that government agencies including the Australian Government through the National Recovery and Resilience Agency have a role to play in driving resilience projects like betterment, levees, water diversion, cyclone shelters in remoter parts of the country, cyclone- and bushfire-proof building standards, and consistent town planning in flood prone areas. Nothing should be off the table. I'll say that again: nothing should be off the table.

While the National Recovery and Resilience Agency champions this collective responsibility for disaster risk mitigation, preparedness and resilience, we continue walking alongside our fellow Australians who've endured great hardship, as they recover.

As well as continuing to work with people, businesses and communities affected by the 2019 North Queensland Monsoon Trough, 2019-20 Black Summer Bushfires, and drought, the Agency will start the important work

of supporting the long-term recovery of communities in NSW and Queensland affected by the recent floods.

A little over two years after the destructive and devastating Monsoon Trough across much of northern and western Queensland, we continue to turn up, listen and act. To date, the Australian Government has rolled out **\$850 million** in support measures to help the region get back on its feet.

Money paid directly to affected individuals, primary producers, and councils includes **\$71.6 million** under the Restocking, Replanting and On-farm Infrastructure grants program for primary producers. Applications for these co-contribution grants of up to \$400,000 close on 30 June next year and people have until March 2024 to use their approved funds.

Recovery will take many years and we have been careful to make sure the financial assistance committed by the Australian Government is available at the right time and provides the greatest value for the people who'll most benefit.

In October we announced a **\$58 million** package that supports the regions' long-term recovery and strengthened resilience. This money is exclusively for 14 of the hardest hit shires in the north and north west.

Grant opportunities under each of the five grants programs are in the final stages of being assessed. They include recovery and resilience grants; funding for improved telecommunications and energy services; risk planning and mitigation projects; support for emerging industries; and preventative mental health programs for school kids.

We're still working with communities, industry and all levels of government in this region. Our priority remains supporting the continued recovery and ways to minimise the impact if something of the size and scale of the 2019 event were to happen again.

Supporting people to recover in their own way and at their own pace also guides our work with the communities impacted by the 2019-20 bushfires. My Agency builds on the work started by the National Bushfire Recovery Agency.

A year and a half into recovery from Australia's Black Summer, more than **\$1.6 billion** of the Australian Government's National Bushfire Recovery Fund has been spent – part of a **\$2.3 billion** investment from the Commonwealth on bushfire response, recovery and resilience so far.

Almost 300,000 people have received individual payments and recovery grants have helped more than 20,000 small businesses and primary producers.

As of Friday last week, we have agreed to the 24 proposed projects for Round two of the Victorian Local Economic Recovery program and expect to settle the next round of the NSW program in the coming weeks.

More grants will be available soon through the Australian Government's **\$280 million** Black Summer Bushfire Recovery Grants program, announced last month by Minister David Littleproud.

This new program provides funding directly to bushfire affected communities for a broad range of initiatives, from community wellbeing projects through to projects that support the recovery of natural and built environments. It sees the last of the National Bushfire Recovery Fund delivered where it's need most.

At the start of my address, I mentioned that areas of Queensland and Western Australia are still in drought. We live in a drought cycle. We are either living with, recovering from, or preparing for the next drought. When one drought ends, another one begins. That's Australia.

In July, responsibility for overall coordination and oversight across government of drought policy and programs will move to the Department of Agriculture, Water and the Environment. This department is already responsible for a range of drought programs, including the \$5 billion Future Drought Fund.

Drought remains a top priority for Government, and there will be no reduction in support. Our fellow Australians in drought you have not been forgotten. Through Recovery Support Officers and Rural Financial Counsellors, the Agency will continue making sure people know where they can go for assistance and advice as they recover from drought and put in place ways to minimise the impact of future droughts.

The Government's approach to drought policy and support is not 'set and forget'. The National Recovery and Resilience Agency will continue providing feedback to Government on the effectiveness of the Future Drought Fund and other programs designed to support people and communities at whatever stage of the drought cycle they happen to be.

The challenge of rebuilding and recovery and the importance of investing in resilience often gets lost in the fog when one disaster is overtaken by the next.

Senators, we have a generational opportunity to address many of the challenges we face. The responsibility to balance public safety and our expectations of the "Australian way of life" with what is responsible and sensible development is long past due.

This will be a difficult and painful national discussion. Living life among the gum trees, developing on flood plains and atop cliff tops in coastal areas, and building homes and workplaces that are not fit for the risks, must be challenged. That is not an exclusive list.

We can start with a conversation around resilience, and we can agree as a nation. The challenge is how we collectively prepare ourselves for the next disaster while ensuring that we support those recovering from the last.