

PENNIES ON PREVENTION COULD SAVE THE STATES MILLIONS

Overly complex funding arrangements aren't set to stop the horses from bolting

HENRY ERGAS



With the flames still raging, it is too early to tell how great the losses from this season's bushfires will be. Already now, however, the commonwealth government has pledged \$2bn for a National Bushfire Recovery Agency, while the NSW government has announced an additional \$1bn in recovery funding.

Vast as they are, the sums pale when set against the suffering of those affected. Nothing can compensate for the lives lost, nor fully offset the trauma of homes destroyed and businesses threatened

with failure. That only makes it more important to reduce the likelihood of the harms recurring. Yet ever since the commonwealth took on the role of disaster "insurer of last resort" in the wake of Cyclone Tracy, it has struggled, and invariably failed, to get the balance right between prevention and cure.

Today that is not to suggest the commonwealth ought to abandon its responsibility to assist the states in coping with catastrophes which could be far costlier for them to shoulder on their own. What it does mean, however, is that the national Disaster Recovery Funding Arrangements, under which assistance is provided, need to be seriously reconsidered.

Nothing better highlights the problems than the pattern of spending. According to the Pro-

ductivity Commission, over the period from 2002-03 to 2014-15, the commonwealth spent less than 5c mitigating the risk of disasters for every dollar it spent on rebuilding after they had struck. And while mitigation expenditure has increased slightly since then, the overall proportions have barely changed.

Nor do the states, which control most of the levers that affect vulnerability to the main hazards, have incentives to right the balance.

No doubt, being exposed to disasters is not in their interest. But the pay-off from investing in risk reduction is invariably long term. Moreover, the lives that are not lost to disasters and the homes that are not destroyed are far less tangible to voters than the school halls and hospital wings which can be built by skimping on mitigation.

That so many mitigation measures — from risk-reflective emergency services levies to clearing native vegetation — are politically contentious then compounds the pressures to underinvest.

It is true that the national

agreements require the states to have risk-reduction strategies in place. There is, however, no evidence of the commonwealth penalising states that fail to reduce risks that could cost-effectively have been avoided.

Flood damage is a case in point. After severe flooding hit areas near Sydney in the mid-1950s, the state government acted to protect existing urban developments from inundations while at the same time making it more difficult to develop flood-liaable land for urban purposes. In subsequent decades, it spent almost four times more on controlling flood risks than Queensland, which was every bit as vulnerable but for many years lacked any formal floodplain management plan.

However, Queensland's negligence didn't prevent it from receiving growing federal relief and recovery funds, culminating in the massive payments made after the 2010-11 floods.

Indeed, far from rewarding mitigation efforts, the funding arrangements seem designed to discourage them. For example,

The government has plenty of scope to insist on properly tested mitigation plans and to claw back outlays if the states renege on their commitments

although the commonwealth provides \$3 in funding for each \$1 the states spend on recovering from major disasters, it only matches mitigation outlays dollar-for-dollar, and makes the mitigation payments harder to access.

The bias that creates is then accentuated by the system for the allocation of GST revenues between the states. While that system's complexities make Schrodinger's wave equation look like child's play, the special provisions which apply to disasters basically ensure that the costs the states incur in relief and recovery are pooled, so that each state ultimately covers a share of those costs that reflects its share of the Australian population.

Once the Heath Robinson machine of "horizontal fiscal equalisation" has fully done its work, the \$1bn Gladys Berejiklian recently announced could therefore end up costing the state's taxpayers half that, with the rest being borne mainly by taxpayers in Queensland and Western Australia, which have largely escaped this year's disasters.

In practice, however, expenditure on risk-reduction is not redistributed to anywhere near the same extent. On the contrary, a state which greatly outspends its counterparts on mitigation would likely end up bearing almost all the costs it had incurred, even though much of the longer-term fiscal benefit would go to other states.

Faced with those facts, the states deny they would be so venal as to allow money to affect their decisions on matters of life and death. Perhaps, but this seems an instance where the outcomes, which recur with depressing regularity, speak for themselves.

It is consequently high time the commonwealth acted as a prudent insurer, linking its disbursements

to credible risk-reduction strategies in each affected area. Even within the constraints of the present arrangements, it has plenty of scope to insist on properly tested mitigation plans and to claw back outlays if the states renege on their commitments.

Every bit as importantly, it needs to begin the process of reshaping those arrangements so as to make the future safer than the past. Asking the Productivity Commission to urgently update its 2015 review of natural disaster funding would be an excellent start.

How the states would react is hard to say. What is certain is that a renewed emphasis on genuine risk-reduction will not satisfy the Greens, whose idea of mitigation involves making sacrificial offerings of penance to the gods of decarbonisation who, like Jove, may prove fickle, narcissistic and impossible to please.

But as Australia Day approaches, perhaps we could learn a lesson from the past. In March 1819, after floods had swept through the Hawkesbury River catchment

near Sydney, governor Lachlan Macquarie issued an order to be read in every church and chapel for the three ensuing Sundays.

It was, the order declared, the new settlers' "wilful and wayward Habit of placing their Residences within the Reach of the Flood" that had caused "the deplorable losses which have been sustained within the last few years" — losses which "might have been in great Measure averted" had regulations limiting the area of settlement been respected.

Macquarie didn't demand that the settlers recant their sins, as would have been common in the previous century. Nor did he offer to compensate them for the losses they had incurred, as became common in the century after his own.

Rather, very much in the spirit of the Enlightenment, he told them to mitigate risk by rationally controlling their exposure to that "impetuous element which is not for Man to contend with".

Two hundred years later, as disaster once again devastates families and communities, Australia should at long last heed his call.

LOOSE CANNON IS LOOKING FOR ODDBALLS AND MISFITS

Boris's right-hand man has the public service in a flap

CHARLES WOOLEY

A new broom is sweeping through No 10 Downing Street and great changes have been promised.

Yes, that's what they all say when they finally get their hands on the levers of power, but this time it might be so.

Usually, a government in its first months seeks out consultants and advisers who are just like the folk who informed the previous government. It is often said that the very strength of the Westminster system, which we share with the British, is that no matter what loonies are elected to government, in the end the wiser and cautious permanent heads of the public service will prevail.

Whatever the platform of the new regime, its most radical ardour will be dampened down by the good sense and world-weary advice of mandarins whose briefs above politics and is to ensure the safe continuity of government. Well, maybe not this time.

Perhaps there is no better proof that Boris Johnson is a loose cannon at No 10 Downing Street than the PM's appointment of Dominic Cummings as his right-hand man. Cummings was one of the architects of the victorious Brexit campaign.

He was responsible for the winning slogan, "Take Back Control", which he developed, not by talking to experts and the elite but by hanging out in pubs and talking to ordinary punters.

He listened to the voice of the people, not to the great and the good nor to the shrill, ill-spelt and incoherent echo chamber of social media but to the real voices of real people.

Having a quiet one in the local, is a great learning experience. In Australia we call it "the pub test".

While Cummings was doing his research in the amber zone, he learned that while the Brits hated their life being run by foreign public servants from the EC, they didn't much like their own career public servants either.



His prospective team of government advisers, whether loopy or just outside the loop, will be the very antithesis of Sir Humphrey Appleby

Ordinary Brits believe that their civil servants are neither civil nor do they serve anyone but themselves. The higher echelon that runs the country is largely drawn from the upper classes, all went to the same schools, are members of the same clubs and are dedicated to the status quo.

Privately, their motto is "ne quem stabam navem".

Don't rock the boat. But now with Johnson's approval, chief adviser Cummings is plotting to capsize the civil service elite and to replace it with a very different crew.

Cummings placed a nationwide employment advertisement, not in the Financial Times but on his own blogsite, calling for the CVs of "weirdos and misfits with odd skills... oddballs... wildcards, artists, people who never went to university... an unusual set of people with different skills and backgrounds".

Sir Humphrey Appleby would be horrified.

But here in Australia I reckon our mob would love it. Throw in a few forgers, a couple of horse

thieves, chancers, rebels and miscellaneous villains and Cummings might be drawing from a very Australian gene pool.

His prospective team of government advisers, whether loopy or just outside the loop, will be the very antithesis of Sir Humphrey from the evergreen British television series Yes, Minister. While Sir Humphrey cautioned against reform and change because "you never know where these things might end up", Cummings believes things can't get any worse, so let's try something different.

The apparently madcap scheme has been denounced by the moderate and even the loony left, though you might have thought people who campaigned to shut down Eton and Harrow would have embraced upsetting

the appellation of public privilege.

Conservatives don't like it either, arguing that the government will more than ever need the experience and guidance of the civil service elite to get them through the intricacies of Brexit.

But Cummings did win a round of applause from an influential columnist on The Times, Clare Foges. She is a former No 10 insider and speech writer who earned the title of "the prime minister's larynx". From her experience within the system Foges, in her column, deep-throated her personal frustration with "the slow pace of change" and "the tolerance of mediocrity".

She recalls in her time at No 10 how she was often frustrated by meetings that went nowhere and by the way the place seemed

"stuck in second gear" and how "beyond six o'clock, it was the Mary Celeste".

All of which goes to show, at heart, how very British is Australia.

The idea of changing the guard at No 10 has all the UK talking and other democracies watching. Whether it can really happen in a system of government so hidebound by archaic tradition really depends on how much the new advisers, Cummings' "oddballs", can get inside Johnson's brain. But from what we have seen of Britain's eccentric new PM it might even prove a commodious relationship.

In that case it will certainly be what Sir Humphrey might ironically call "a courageous decision, Prime Minister".

CHURCH, JUDGES IN UNHOLY UNION

Our judiciary should not support Catholic clergy after revelations of child sex abuse

CHRISSIE FOSTER

I see red when I think about the Red Mass. The Red Mass is a Catholic mass said at the end of each January for the legal fraternity marking the beginning of the legal year. The Red Mass is a European tradition dating back to the year 1310 in England and earlier in Paris — 1245.

An invitation to attend the Melbourne Red Mass at St Patrick's Cathedral appeared on the Victorian Bar website. The Victorian Bar is a "professional association of barristers". The invitation reads: "As this is Archbishop Comensoli's first Red Mass since becoming Archbishop of Melbourne, it is important for the legal community of Melbourne to welcome His Grace with as many members of the profession in attendance as possible."

This is the same archbishop who recently said he would defy new child protection laws rather than report admissions of child sexual assault made in the confessional. Victoria recently passed legislation removing clergy exemption from mandatory reporting of a reasonable belief that a child has been sexually abused. Archbishop Peter Comensoli said he would rather go to jail than obey the new law.

Why should our legal profession "welcome" such a man? A man who publicly announced his intention to commit a crime? And not just any crime, one that disobeys child safety laws? The archbishop is the highest-ranking cleric of the Catholic Church in Victoria. Many clergy obey and follow him. Priests have promised obedience to him. Comensoli's words and actions are replicated in communities all over Victoria. Why should the legal fraternity welcome someone who dictates that priests should commit a criminal offence by failing to report to the police information about child sexual abuse?

The new law lifting the secrecy of confession was debated in the Victorian parliament last August 29. It was an extraordinary day in parliament. At least 15 members of parliament rose and stated how shocked they were that the Archbishop of Melbourne would choose to protect paedophiles rather than children. Their anger was palpable. And angry they should be, for the reality of Comensoli's words is to knowingly allow adults to continue to rape and sexually assault children. The archbishop is apparently happy to hear admissions of crimes against children and just let child molesters and rapists go unpunished, unchecked and uncured. This failure to obey the law would allow sexual crimes against children to continue for decades.

In 2003 Catholic priest Michael McArdle swore an affidavit stating that during confession he had disclosed more than 1500 times that he was sexually assaulting children. He made this confession to 30 different priests over 25 years. Not one of those 30 priests stopped him. For decades they just forgave him. This is precisely the situation Comensoli says should remain. What finally stopped McArdle was not the church, but a child going to the police. The church could have reported him to police decades earlier and saved countless children.

The Red Mass invitation also states: "A procession of judges, magistrates, tribunal members, judicial registrars, court officials and barristers will precede Archbishop Comensoli into the Cathedral." That is a powerful line-up to honour and respect the archbishop. It concludes: "After Mass the judiciary, members of the legal profession, staff and their families are invited to join Archbishop Comensoli for morning tea in the Cathedral Presbytery."

What message does this send to our community? What faith should we have in the legal system when there are public displays of support by the legal fraternity for particular institutions? Cardinal George Pell was the archbishop of Melbourne from 1996 until 2001. Pell would have conducted his first Red Mass in January 1997 at St Patrick's Cathedral. As archbishop, he would have presided over any judges, magistrates, tribunal members, judicial registrars, court officials and barristers in attendance. While the legal fraternity was honouring Pell with its presence and socialising with him afterwards, the reality was that he would later appear before them in the courts. He was subsequently convicted of sexual offending against two boys about the time of that Red Mass.

In Australia the child abuse royal commission established that of all complaints of child sexual abuse in religious institutions the Catholic Church attracted most with 61.8 per cent of the complaints. The next worst was the Anglican Church with 14.7 per cent. The Catholic Church has had a much larger problem with child sex abuse than any other religious organisation in Australia.

After everything we have learnt through first the Victorian parliamentary inquiry and then the royal commission, I would rather our judiciary did not honour and support Catholic clergy with its presence. We all now know the shocking truth of the church's history of widespread sexual abuse of children and the cover-ups. Why should the legal fraternity demonstrate public support for such an institution?

What is the purpose of the Red Mass get-together with the judiciary? Why is it necessary? Does the Catholic hierarchy hold a Red Mass for housewives? Or apprentices? Or unmarried mothers? Or students? Or doctors? Victims of clerical abuse need know the judiciary is impartial.

Perhaps judges, magistrates, tribunal members, judicial registrars, court officials and barristers should reconsider attending this event.

Instead, consider the thousands of Australian children caught in the clergy machine — a tag team of offenders with friends in high places, such as archbishops, to protect them. Instead, think of the ordinary members of our community who want our justice system to give them confidence in the idea that we are all equal before the law.

Chrissie Foster is a victim advocate and author (with Paul Kennedy) of Hell On The Way To Heaven.

ROYAL RIFT NO REASON TO REVIVE TIRED REPUBLIC DEBATE

The monarchy is not the problem. It's our inept politicians who are unable to govern

DAVID FLINT

It is a strange world indeed when reports of a minor perturbation in the royal household vie for media space with reports about a possible war in the Middle East. Little wonder that the republican movement hopes this is the elusive silver bullet to deliver their tired project to replace the Crown by increasing the power of the political class.

Anyone who thinks this will tip their uninspiring politicians' republic over the line was not around in the 1990s when the London tabloids unleashed vicious attacks on the Queen and royal family to distract attention from their role in the demise of Diana.

Campaigning on the Constitution, the Australian Republican Movement opportunistically accused the Australians for Constitutional Monarchy of "not mentioning the Queen". They

were hoping that the serious problems within the royal family would help their cause.

In comparison, the present events are but a storm in a royal watcher's coronet.

And even with a more serious situation in London, an exceedingly rich republican movement enjoying the active support of most politicians, the mainstream media, academia, big business and a cast of celebrities, the "no" case still won nationally, in every state and in 72 per cent of electorates.

When Australians say no they mean no. Whenever there has been a second or even up to a fifth referendum, they have still said no. Tempting the politicians to go down this path again will only distract them from what they should be doing. It is not that they cannot walk and chew gum at the same

time; simply that they have demonstrated they can no longer deliver sound government.

Whenever I ask Australians to indicate to me just one major problem in our country which, if it were not created by the politicians, has not been made significantly worse by them, nobody can.

The terrible fact is that our mainly republican politicians are putting this great country into a very serious decline.

But before continuing with that, someone should take the many royal watchers in the London media aside and remind them that while comment is free, facts are sacred.

The renovations to Frogmore Cottage were not paid from taxes but by the Queen from her Crown Estate, hereditary possessions of the Sovereign "in the right of the Crown". Nor do Harry and Meghan receive taxpayer-funded allowances. Their office is funded principally by Prince Charles from his Duchy of Cornwall to cover costs associated with their official duties, including a remarkable range of charitable and sporting

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activities, including the magnificently successful Invictus Games.

So to suggest that they have given Australian republicanism "a shot in the arm" is a vain wish indeed. As to the two key reasons for the so-disant republican project, first, we already have an Australian as head of state (until the ARM pounced on it, an obscure term only known by international lawyers), the governor-general. That he is the constitutional head of the commonwealth of Australia was confirmed unanimously by a High Court bench of founding fathers as long ago as 1907.

Second, we are already a re-

public. This is why Australia was named a "commonwealth", English for a republic. Ours is a crowned republic, influenced most by that great republic with an elected monarch, the United States. The founders reflected the view of many that Australia was destined to be as exceptional and to become just as great.

While copying much of the American model, the founders decided that the English invention following American independence, cabinet government responsible to the lower house, had advantages. Little did they know that representative democracy would be captured by the two-party system. And worse, that the parties would be seized from the members by cabals of self-interested power brokers.

So, should real republicans now be looking at the American republic? For anyone rational and not beholden to America's grotesquely biased mainstream media, the emergence of Donald Trump with only rank-and-file support initially suggests this delivers good government. Not

often. Great presidents such as Reagan and Trump are as rare as great prime ministers such as Churchill and Thatcher.

Neither system guarantees better government. Rather than wasting time on yet another attempt to put in place a flawed and unattractive politicians' republic, which they do not even dare claim will improve governance, surely it is time to do what our founders did and adopt a new version of the enormously successful Corowa Plan to make our country as great as the founders intended.

The only way we can restore the good governance of Australia is through an elected convention to reform the Constitution to make politicians truly accountable, and to enhance the power of the people, constitutionalising the commonsense of the rank and file.

It is not the Queen who is standing in the way.

Professor David Flint was made national convener of Australians for Constitutional Monarchy following the 1998 Constitutional Convention.