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Carbonista bushfire fallacies

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Illustration: Tom Jellet Source: TheAustralian

LIKE the theologians Voltaire skewered for attributing the great Lisbon earthquake of 1755 to licentiousness and vice, the green lobby has seized on the NSW bushfires as a sign that the carbon tax must be retained.

After all, say these descendants of Voltaire's "grim speculators on the woes of man", what greater proof could there be of the start of the apocalypse than bushfires in October?

Ah, sighed Voltaire, "One short prayer I made to God: O Lord, make our enemies ridiculous! And he granted it." Indeed he did. For the carbonistas' claims are so absurd one has to stand in line to rebut them.

Had they bothered to check, even a cursory examination would have taught them that October fires hardly portend the end of days. On the contrary, October saw fires causing serious loss of property and life in NSW in 1928, 1936, 1968, 1984, 2001, 2002 and 2006.

Nor is there any evidence of increases in fire severity. The most careful analysis has been carried out by Macquarie University's professor John McAneney and his colleagues at Risk Frontiers, a research centre that provides modelling services to the insurance industry. Surveying the data from federation to the present, they conclude that "it is not possible to detect a greenhouse-gas climatic-change signal in the time series of Australian bushfire damage".

Yet, even were climate change adding to the threat from fires, the question would still be the most

efficient way of responding. To believe Australia's unilateral carbon tax reduces the likelihood of global warming, and hence could cost-effectively avert an increase in bushfires, is on a par with faith in the tooth fairy.

But the tooth fairy leaves money under the pillow. The carbon tax, according to the previous government's own modelling, will impose losses with a present value as high as 83 per cent of current Australian GDP, or \$1.25 trillion.

Far from enhancing the capacity to deal with natural disasters, making ourselves poorer reduces our ability to invest in mitigating threats and recovering from catastrophes. The carbon tax therefore aggravates the very problem it pretends to solve.

Rather, we need to address the root causes of bushfires' rising cost. As McAneney and his colleagues have shown, that increase is not due to a rise in the frequency, spread or intensity of fires, but to the ever greater number of people and buildings at risk. Controlling the resulting threat to life and property has required growing outlays on fire safety and mitigation, which now amount to nearly 1.5 per cent of GDP, only slightly less than current spending on defence.

Those outlays have been strikingly successful in reducing the harm from bushfires, with the probability of losing 25 or more houses in a week no higher today than it was in 1900. Bushfire-related property damage therefore accounts for only 10 per cent to 20 per cent of annual average losses from natural disasters while lives lost to bushfires are about one-tenth those due to structural fires in homes and less than 1 per cent of annual road fatalities.

But no amount of sacrifice by firefighters can eliminate the prospect of thousands of homes being destroyed, and of hundreds of lives being lost, in catastrophes such as the 2009 Black Saturday fires in Victoria. That is especially the case because of the continuing rise in the number of homes located on or near bushland.

The facts are stark: in extreme bushfires about 60 per cent of the homes within 50m of fire-affected bushland will be destroyed. In the 2009 fires, for example, 25 per cent of destroyed buildings in Kinglake and Marysville were located within the bushland boundary and 90 per cent were within 100m of it. Conversely, homes 700 or more metres from the boundary face virtually no risk of being lost.

Land use regulations therefore seem crucial in limiting the scope to build in places of greatest threat. At the same time, building codes should maximise the safety of any structures that are built.

But these are blunt tools, and they can readily have perverse effects. For instance, the rising safety requirements imposed on new buildings in fire-prone areas have made it cheaper to extend the life of existing structures than to replace them, increasing the average age of buildings and the danger to people in them.

Ultimately, these instruments do not signal to families and businesses locating in bushland the risks they are imposing on themselves and on the community. On the contrary, current policies subsidise risky locations, both by not requiring property owners to bear the full cost of firefighting and through the compensation provided when catastrophic fires occur.

Given those subsidies, it is unsurprising population pressures in fire-prone areas are as strong as they are. In contrast, obliging all building owners in those areas to be fully insured would increase the cost of living in those areas, possibly by 10 per cent to 20 per cent, thus helping to limit the population in harm's

way. And insurers would have incentives to reward property owners who took mitigation measures while imposing higher premiums on those who didn't. Combining that with reasonable cost-recovery for fire suppression would make the gain in saved lives and property all the greater.

But such practical responses are of no interest whatsoever to the carbonistas. For their concern is not really with bush fires; it is solely with advancing their cause. Having elevated the carbon tax into a totem, they have descended from reason into superstition.

Voltaire knew all about that. Faced with moralists who thought renouncing "Lisbon's deeper drink of vice" could save "London, Paris, or sunlit Madrid", he cried "Ecrasez l'inf acime!": crush the infamy of superstition. More than two centuries on, that remains easier said than done.