

# How to tell the difference between an emergency and a crisis, and why it matters

Wendy McGuinness

McGuinness Institute  
July 2025

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## Key documents in press

Working Paper 2025/13

The Language of When Things Go Wrong: Exploring how the terms 'emergency' and 'crisis' are used in legislation

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Working Paper 2025/14

Examination of the Emergency Response and the Crisis Response within the National Resilience System

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Discussion Paper 2025/02

How to Tell the Difference Between an Emergency and a Crisis – and Why it Matters

**CRISES** *versus*  
**EMERGENCIES**

**CRISES** *versus*  
**EMERGENCIES**

**CRISES** *versus*  
**EMERGENCIES**

**Before**

**Exploring the future**

Exploring risk

Exploring uncertainty

Event or  
circumstance occurs →

**After**

**Dealing with the present**

Dealing with an emergency

Dealing with a crisis

# Risks vs Uncertainty

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# Risk vs Uncertainty

## *Risk, Uncertainty and Profit (1921)*

by Frank Knight

The practical difference between the two categories, risk and uncertainty, is that in the former the distribution of the outcome in a group of instances is known... while in the case of uncertainty this is not true, the reason being in general that it is impossible to form a group of instances, because the situation dealt with is in a high degree unique. (p.233)

# RISK, UNCERTAINTY AND PROFIT

BY  
FRANK H. KNIGHT, PH.D.

ASSOCIATE PROFESSOR OF ECONOMICS IN THE STATE UNIVERSITY  
OF IOWA



BOSTON AND NEW YORK  
HOUGHTON MIFFLIN COMPANY  
The Riverside Press Cambridge  
1921

# Before it happens: Exploring risk and uncertainty

## Reduction

- **Risk** – watch for weak and emerging signals/incidents/hazards
- **Uncertainty** – watch for what is different

## Readiness

- **Risk** – measure probability/magnitude, exercises, test plans
- **Uncertainty** – explore goals, ethics, and shared values; build flexibility, capability, redundancy and skills

## Response

- **Risk** – execute plans, monitor,
- **Uncertainty** – trusted relationships, alignment, and opportunities

## Recovery

- **Risk** – back to normal
- **Uncertainty** – move to a new normal

# Emergency vs Crisis

# Emergencies and crises are on the rise

NEMA assesses and advises the Minister on whether the criteria have been met for Cabinet to declare a State of National Emergency.

## Part 4 Declaration of state of emergency

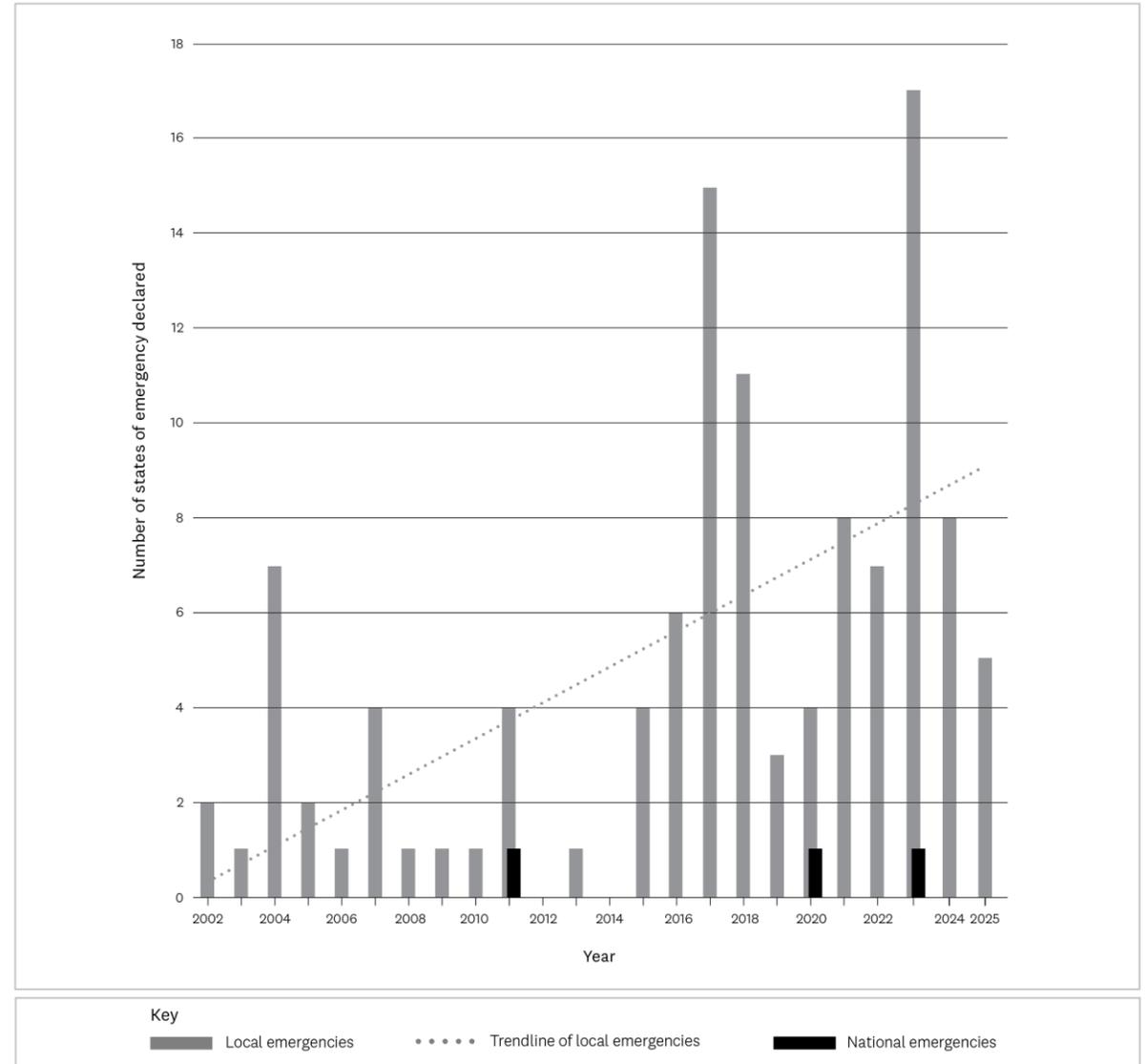
### *Declaration of state of national emergency*

#### 66 Minister may declare state of national emergency

- (1) The Minister may declare that a state of national emergency exists over the whole of New Zealand or any areas or districts if at any time it appears to the Minister that—
  - (a) an emergency has occurred or may occur; and
  - (b) the emergency is, or is likely to be, of such extent, magnitude, or severity that the civil defence emergency management necessary or desirable in respect of it is, or is likely to be, beyond the resources of the Civil Defence Emergency Management Groups whose areas may be affected by the emergency.
- (2) The Minister must advise the House of Representatives as soon as practicable where a state of national emergency has been declared or extended.

Figure 1: States of emergency declared per annum (local and national) as at 16 July 2025

Source: McGuinness Institute, Nation Dates 5th Edition, December 2023<sup>1</sup>



# After it happens: Dealing with an emergency or crisis

## Reduction

- **Emergency** – prepare for incidents and hazards
- **Crisis** – navigate uncertainty

## Readiness

- **Emergency** – complicated
- **Crisis** – complex

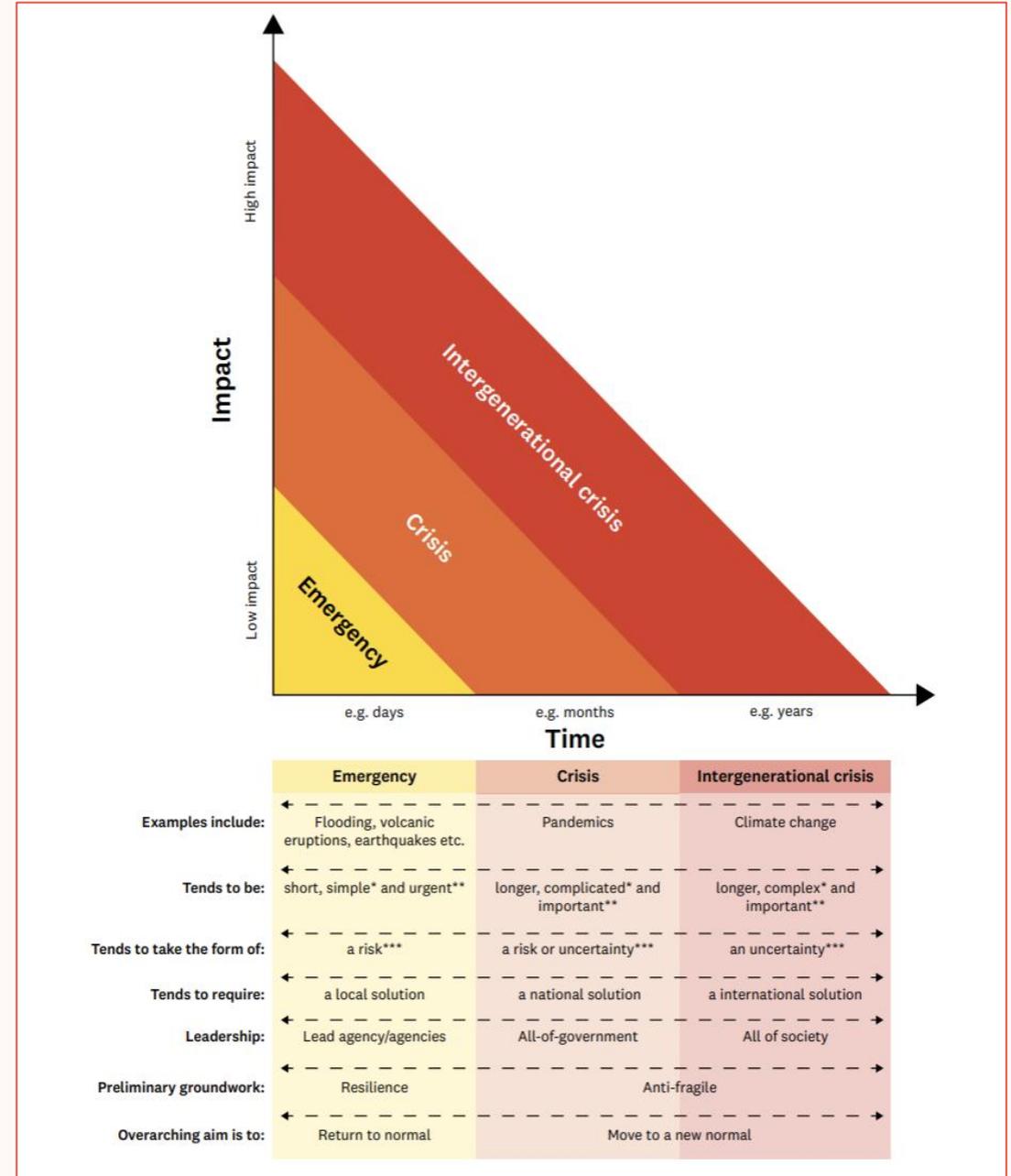
## Response

- **Emergency** – may feel shocked
- **Crisis** – may feel overwhelmed

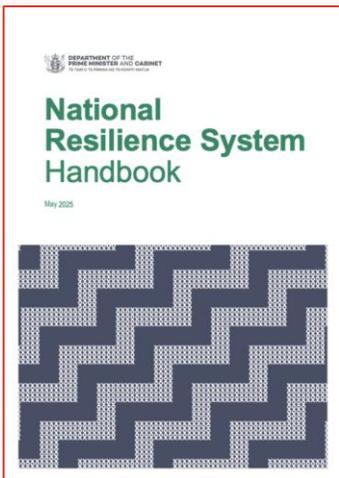
## Recovery

- **Emergency** – aim to get back to normal asap
- **Crisis** – aim is to find a ‘new normal’

# Possibly two types of crises



# New Zealand Legislation



33 National Risks across five broad categories:

1. natural hazards
2. biological hazards
3. technological hazards
4. malicious threats
5. economic crisis

# National Resilience System

Comprises the various systems that function across Reduction, Readiness, Response and Recovery to collectively improve our resilience to our most serious hazards and threats.

Led by the Department of the Prime Minister and Cabinet, the strategic system lead.

## National Risk and Resilience Framework December 2024

The strategic, proactive, national-level framework that drives action and provides assurance across National Risks.

### National Hazards System

Proactive management of National Risks focusing on national hazards.

### National Security System

Proactive management of National Risks focusing on national security threats.  
Guided by the *National Security Strategy*.

### ODESC System

(Officials' Committee for Domestic & External Security Coordination)

Strategic crisis management, coordination and governance. All-hazards, all-threats.

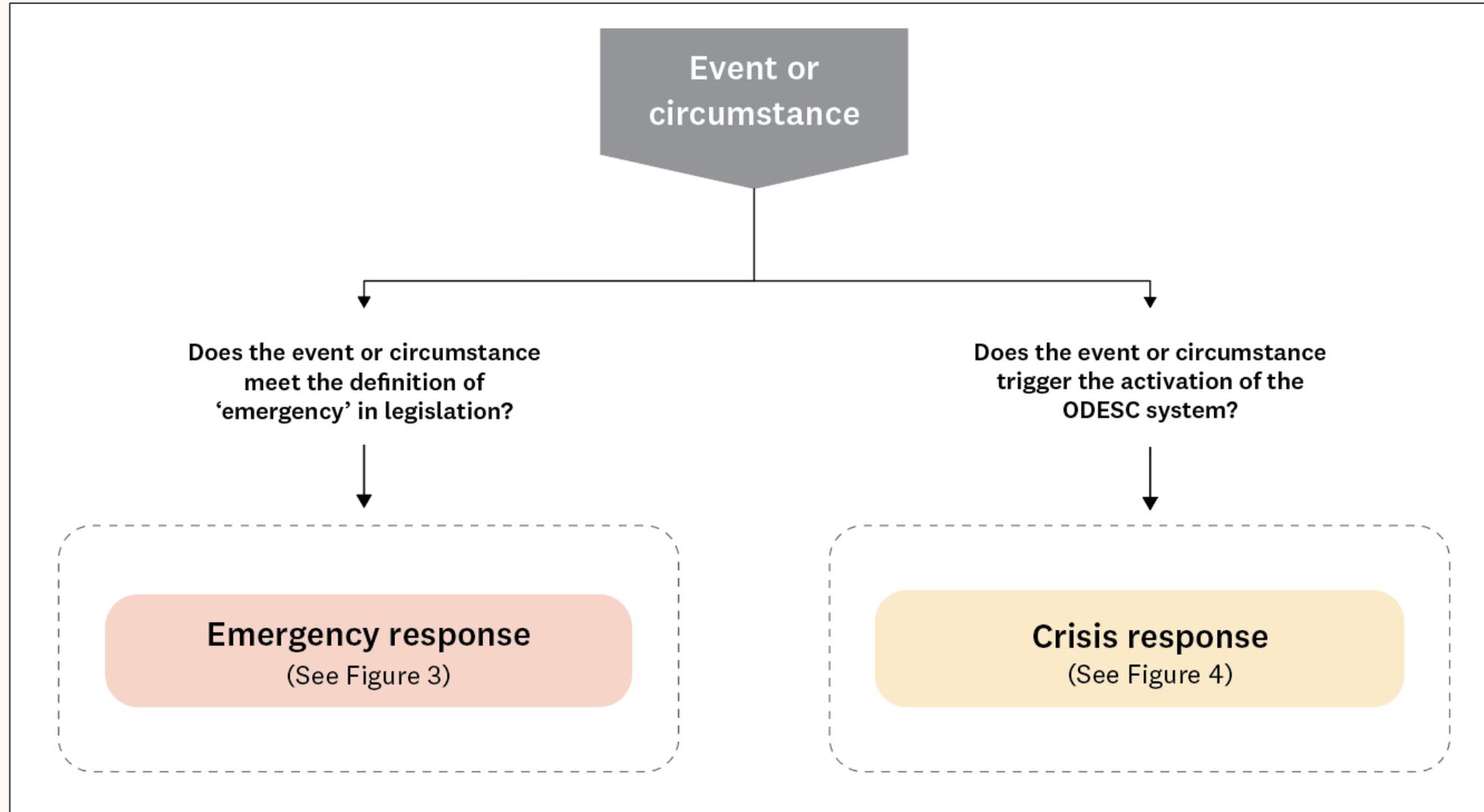
### Emergency Management System

Building preparedness and managing the consequences of national and local emergencies.

Guided by the *National Disaster Resilience Strategy*.

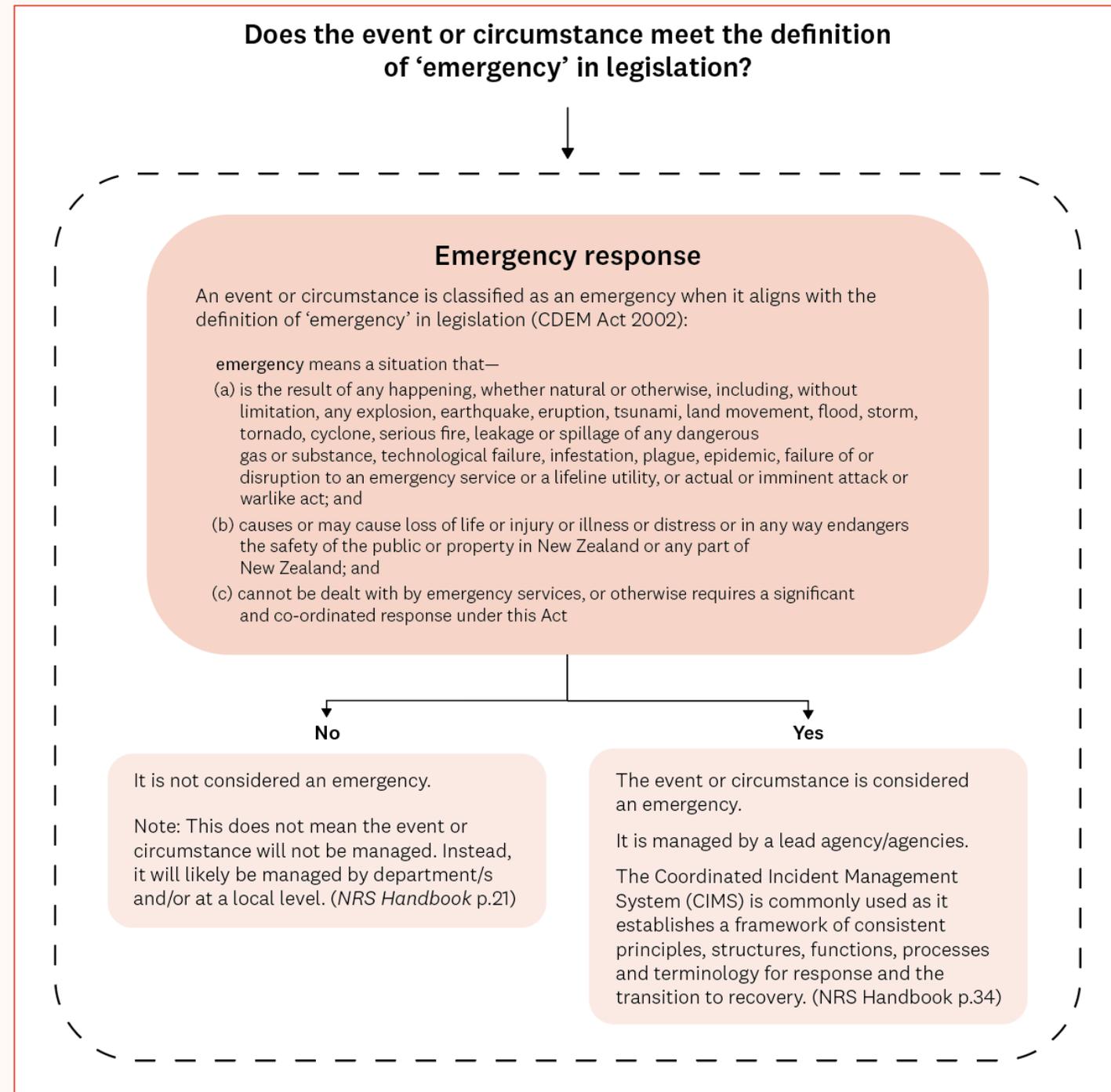
Led by the National Emergency Management Agency, the operational system lead of the emergency management system, across the 4Rs of Reduction, Readiness, Response and Recovery.

# How NZ responds to an event or circumstance



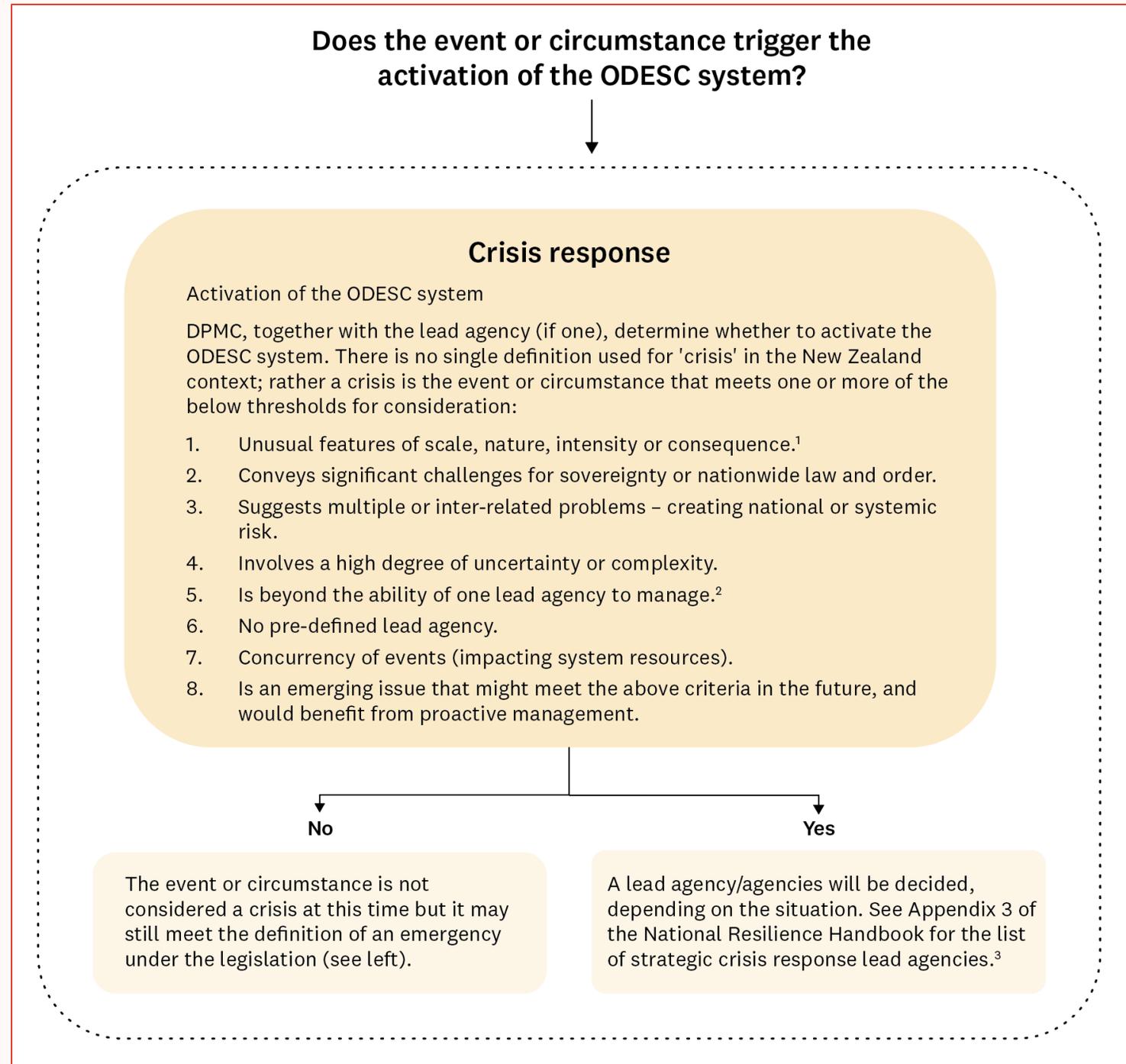
# How NZ responds to an emergency

Figure 3: Emergency response



# How NZ responds to a crisis

Figure 4: Crisis response

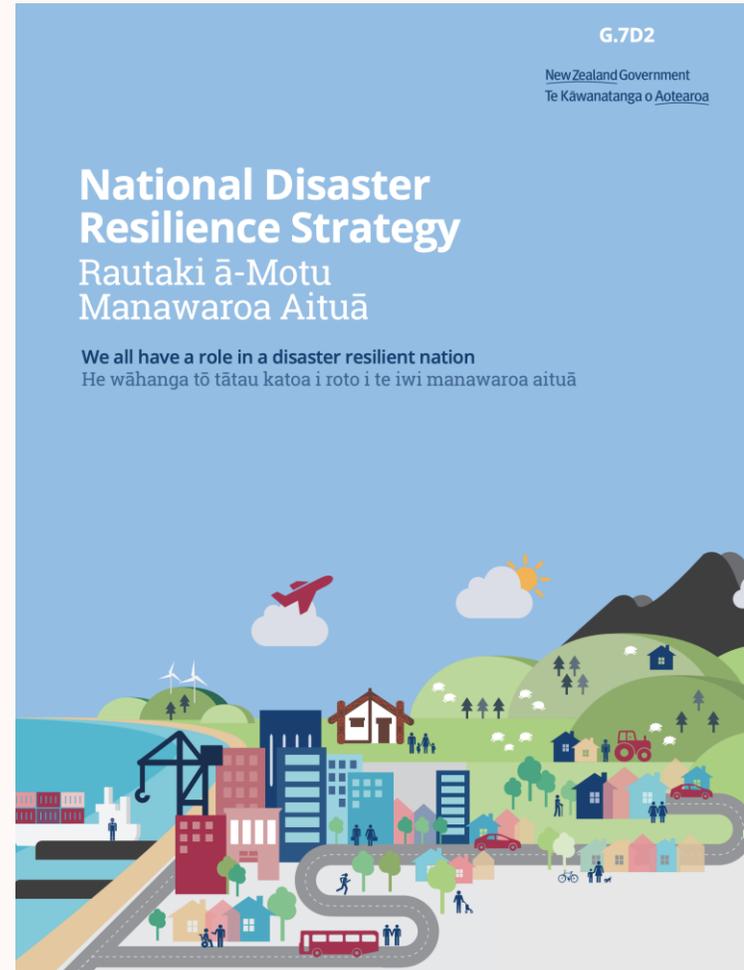


# 2019: National Disaster Resilience Strategy (2019)

## 3.2 Our current risks

New Zealand is exposed to a range of significant hazards and threats. Natural hazards, such as earthquakes, volcanoes, or extreme weather, are only one type. Our economy relies heavily on primary production and is vulnerable to adverse impacts from pests and diseases; the potential for an infectious disease pandemic has been highlighted in recent years through the bird and swine flu crises; heavy reliance on technology and just-in-time supply chains means we are vulnerable to disruption from a wide range of domestic and international sources; and the global geopolitical environment means threats to our security and economy are complex and often unpredictable.

In New Zealand, we classify risks in five categories: natural hazard risks, biological hazard risks, technological risks, security risks, and economic risks.



Mentions:

'crisis' - 6

'crises' - 1

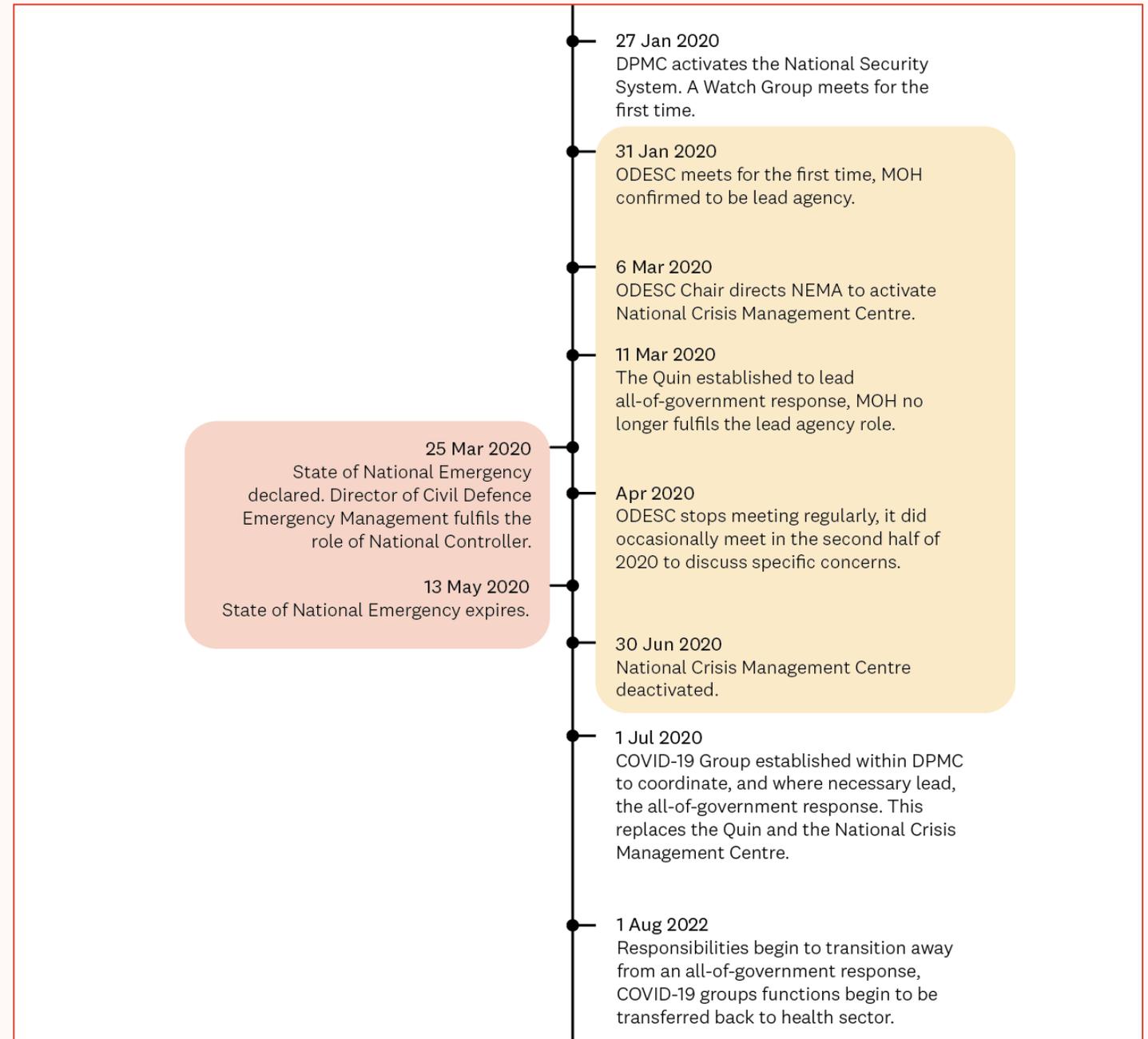
'emergency' - 85

# How NZ responded to the COVID-19 pandemic

An emergency response can occur simultaneously with the crisis response.

## Emergency response

## Crisis response



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# 'Emergency' trumps 'crisis'

## In primary legislation...

Term searches across current public act legislation (primary legislation) as at 12 September 2024

	In title	In text	Specifically defined
'Emergency'	4	220	9
'Crisis'	0	5	0

## ... and in secondary legislation

In the National Civil Defence Emergency Management Plan Order 2015, which is secondary legislation, 'emergency' appears **786** times and 'crisis' appears **9** times.

## ... and in Cabinet

There is a Minister for Emergency Management and Recovery,  
but not a Minister for Crises

# Key Legislation

The Acts providing a definition of 'emergency' are:

- Civil Defence Emergency Management Act 2002
- Fire and Emergency New Zealand Act 2017
- Hazardous Substances and New Organisms Act 1996
- Land Transport Act 1998
- Customs and Excise Act 2018
- Railways Act 2005
- Lake Wanaka Preservation Act 1973
- Building Act 2004
- Mines Rescue Act 2013.

Version  
as at 1 July 2025



**Civil Defence Emergency Management Act 2002**

Public Act 2002 No 33  
Date of assent 17 October 2002  
Commencement see section 2

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**Note**  
The Parliamentary Counsel Office has made editorial and format changes to this version using the powers under subpart 2 of Part 3 of the Legislation Act 2019.  
Note 4 at the end of this version provides a list of the amendments included in it.  
**This Act is administered by the National Emergency Management Agency.**

1

Version  
as at 1 July 2025



**National Civil Defence Emergency Management Plan  
Order 2015**  
(LI 2015/140)

Jerry Mateparae, Governor-General

**Order in Council**

At Wellington this 2nd day of June 2015

Present:  
His Excellency the Governor-General in Council

Pursuant to sections 39(1) and 45 of the Civil Defence Emergency Management Act 2002, His Excellency the Governor-General makes the following order, acting—

(a) on the advice and with the consent of the Executive Council; and

(b) on the recommendation of the Minister of Civil Defence made following compliance with sections 41 and 42 of that Act.

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1

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## Definitions from CDEM Act 2002

Emergency	means a situation that— (a) is the result of any happening, whether natural or otherwise, including, without limitation, any explosion, earthquake, eruption, tsunami, land movement, flood, storm, tornado, cyclone, serious fire, leakage or spillage of any dangerous gas or substance, technological failure, infestation, plague, epidemic, failure of or disruption to an emergency service or a lifeline utility, <b>or actual or imminent attack or warlike act</b> ; and (b) causes or may cause loss of life or injury or illness or distress or in any way endangers the safety of the public or property in New Zealand or any part of New Zealand; and (c) cannot be dealt with by emergency services, or otherwise requires a significant and co-ordinated response under this Act [bold added]
Emergency services	means the New Zealand Police, Fire and Emergency New Zealand, Taumata Arowai, and providers of health and disability services
Hazard	means something that may cause, or contribute substantially to the cause of, an emergency

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## Definitions from CDEM Act 2002 etc

Health and disability services	means services as defined in <a href="#">section 4</a> of the Pae Ora (Healthy Futures) Act 2022. The 2022 Act definition includes: (a) personal health services; and (b) public health services; and (c) disability support services; and (d) services provided to a person who has requested assisted dying under the <a href="#">End of Life Choice Act 2019</a>
Recovery	means the co-ordinated efforts and processes used to bring about the immediate, medium-term, and long-term holistic regeneration and enhancement of a community following an emergency
Risk	means the likelihood and consequences of a hazard
State of emergency	means a state of national emergency or a state of local emergency

# Upcoming legislation

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## 2017:

### *Ministerial Review: Better Responses to Natural Disasters and Other Emergencies in New Zealand - Technical Advisory Group (17 Nov 2017)*

The review (often referred to as the TAG review) was initiated because of concerns about how the emergency response system operated during the:

1. Kaikōura earthquake (November 2016), and
2. Port Hills fires (February 2017).

Ministerial Review

Better Responses to Natural Disasters and  
Other Emergencies

17 November 2017

Released by the Minister of Civil Defence

Mentions:

'crisis' - 12

'crises' - 2

'emergency' - 384

# Emergency management legislation continues to evolve

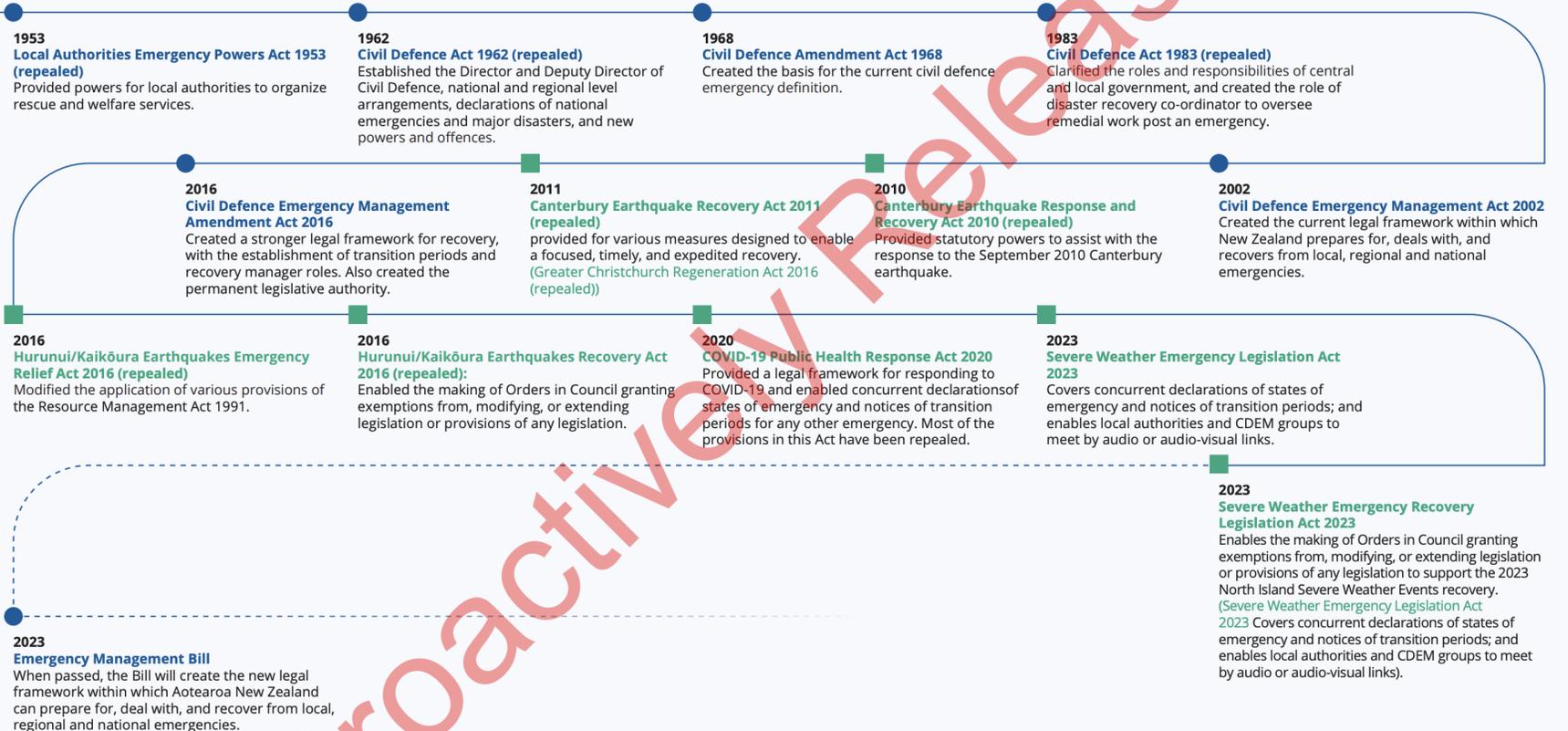
## Timeline of Emergency Management Primary Legislation

This timeline shows the main points of change in the evolution of Aotearoa New Zealand's emergency management primary legislation.



### Key:

- Core Emergency Management Legislation
- Events Based Bespoke Legislation



A number of other Acts also play a role in emergency management by, for example, regulating activities of particular emergency management participants, assisting in land use planning, hazard identification and management, and emergency response. **They include (but are not limited to) the:**

Biosecurity Act 1993  
Building Act 2004  
Climate Change Response Act 2002  
Defence Act 1990  
Earthquake Commission Act 1993

Epidemic Preparedness Act 2006  
Fire and Emergency New Zealand Act 2017  
Hazardous Substances and New Organisms Act 1996  
Health Act 1996  
Health and Safety at Work Act 2015

Local Government Act 2002  
Maritime Transport Act 1994  
Public Works Act 1981  
Resource Management Act 1991

# 2024:

## *Emergency Management Bill*

The Bill was introduced in June 2023, and was intended to replace the the Civil Defence Emergency Management Act 2002. However, it was discharged 8 May 2024.

### Excerpt from Hon Mark Mitchell, 2 April 2024

- 2 Over 2018 – 2022, the previous Government made policy decisions to replace the Civil Defence Emergency Management (CDEM) Act 2002 with the Bill to implement that Government’s response in 2017 to the Ministerial Review ‘Better Responses to Natural Disasters and other Emergencies in New Zealand’<sup>1</sup> (Ministerial Review) [CAB-18-MIN-0169; GOV-19-MIN-0017; GOV-20-MIN-0035; GOV-21-MIN-0043; GOV-22-MIN-0031; LEG-22-MIN-0239; GOV-22-MIN-0339; GOV-22-MIN-0339.1; CAB-22-MIN-0601.01 refers].
- 3 The Bill was introduced in June 2023 and referred to the Governance and Administration Committee (GAC). Submissions on the Bill closed in November 2023 and 312 submissions were received. On 4 December 2023, the Emergency Management Bill was reinstated. The Committee is due to report back to the House on 19 December 2024. The Committee has not yet received an initial briefing from officials or held oral hearings of submissions.

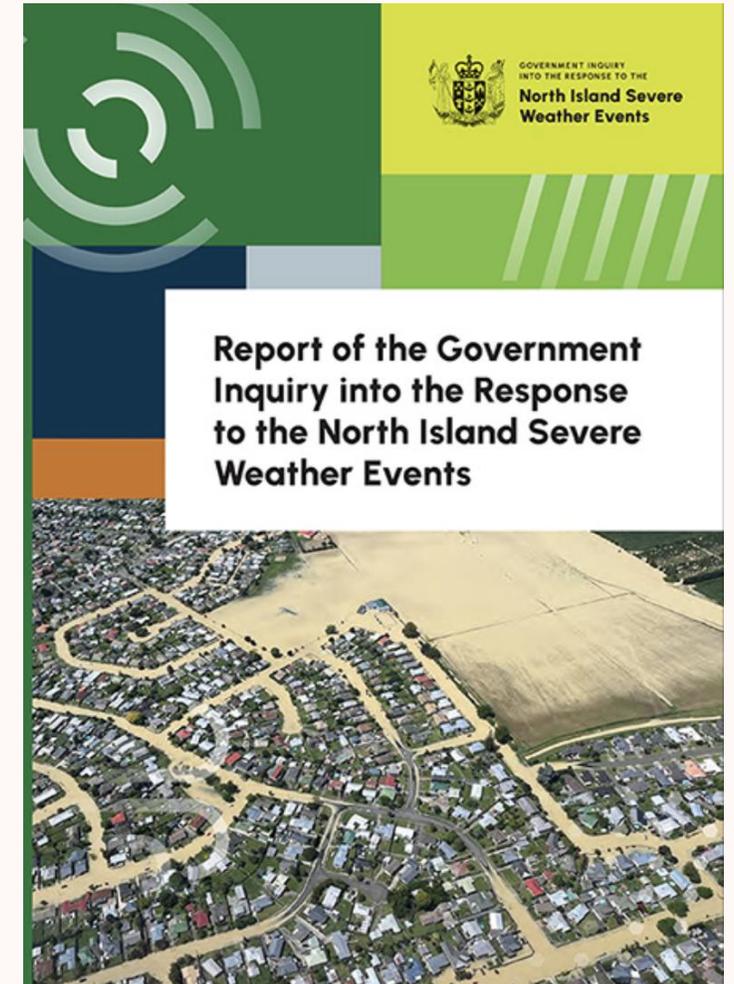
### **Discharge of the Emergency Management Bill**

- 9 I seek approval to take steps to discharge the Bill. I am concerned that much of the Bill is bureaucratic rather than practical and will not make much difference on the ground. I am also concerned that some provisions treat certain groups in our community differently from others.
- 10 Many of the new provisions in the Bill can be achieved (at least to some extent) by existing mechanisms in the CDEM Act such as regulations, amending the national CDEM Plan or Director’s Guidelines, or by non-legislative means such as supporting CDEM Groups to improve planning and interoperability.
- 11 Many of the Bill’s intended outcomes for critical infrastructure entities can be progressed by work led by the Minister for Infrastructure to enhance the resilience of New Zealand’s critical infrastructure system, with a Bill likely to be introduced in late 2025.
- 12 Reflecting the scope of the 2017 Ministerial Review, the Bill is largely focused on improving response (and readiness for response). Many submitters to the Bill are concerned that it does not make the fundamental changes required to address systemic issues and deliver an integrated emergency management framework. s9(2)(f)(iv)

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## 2024: Reforms

- The coalition proposed reforms based on the learnings from the *Report of the Government Inquiry into the Response to the North Island Severe Weather Events (23 April 2024)*.
- The authors had found that the emergency management system was ‘not fit-for-purpose’.
- There was a major disconnect between communities and CDEM agencies: ‘We observed a striking disconnect between the way communities and CDEM agencies – particularly councils and CDEM Groups – viewed the response to the severe weather events. Many CDEM agencies had a perception or assumption that communities and volunteer groups knew their role in the immediate response. Often these expectations did not seem to be evident to the communities themselves.’
- ‘Urgent system change is required.’

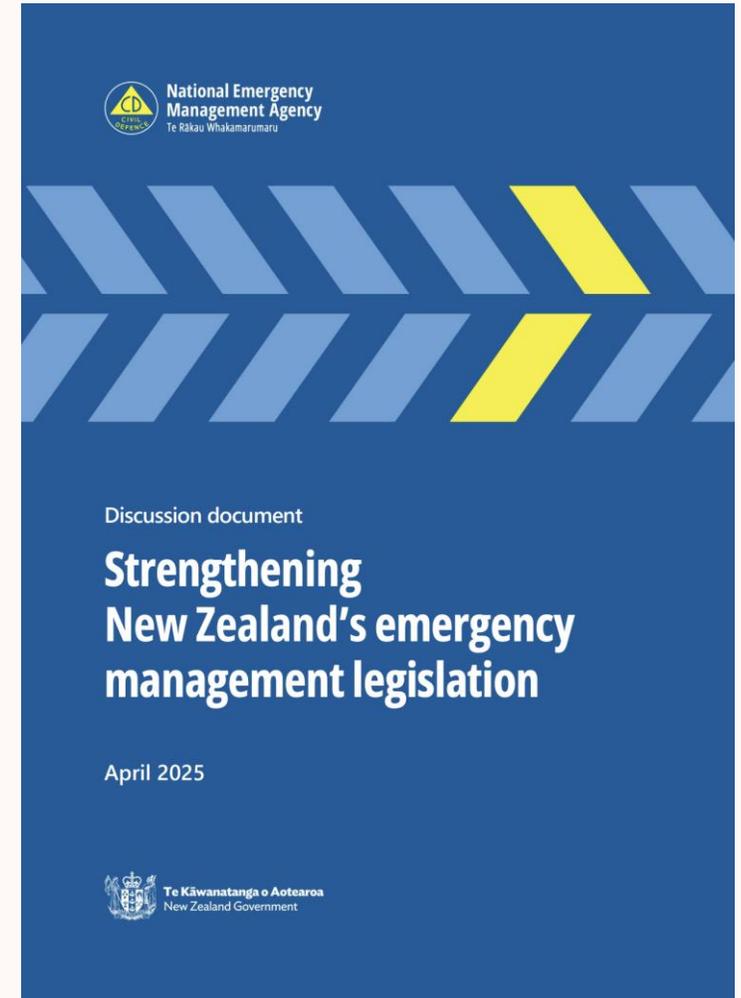


Mentions:  
'crisis' - 20  
'crises' - 0  
'emergency' - 724

## 2025 NEMA discussion document

In April 2025, NEMA published the discussion document *Strengthening New Zealand's emergency management legislation*. It contains the Government's proposed objectives for the Bill and was published to help people make submissions.

172. We have identified three key problems relating to the restoration of essential infrastructure in an emergency:
- a. the narrow definition of "lifeline utility" in the CDEM Act
  - b. inadequate business continuity planning
  - c. barriers to cooperation and information sharing.



Mentions:

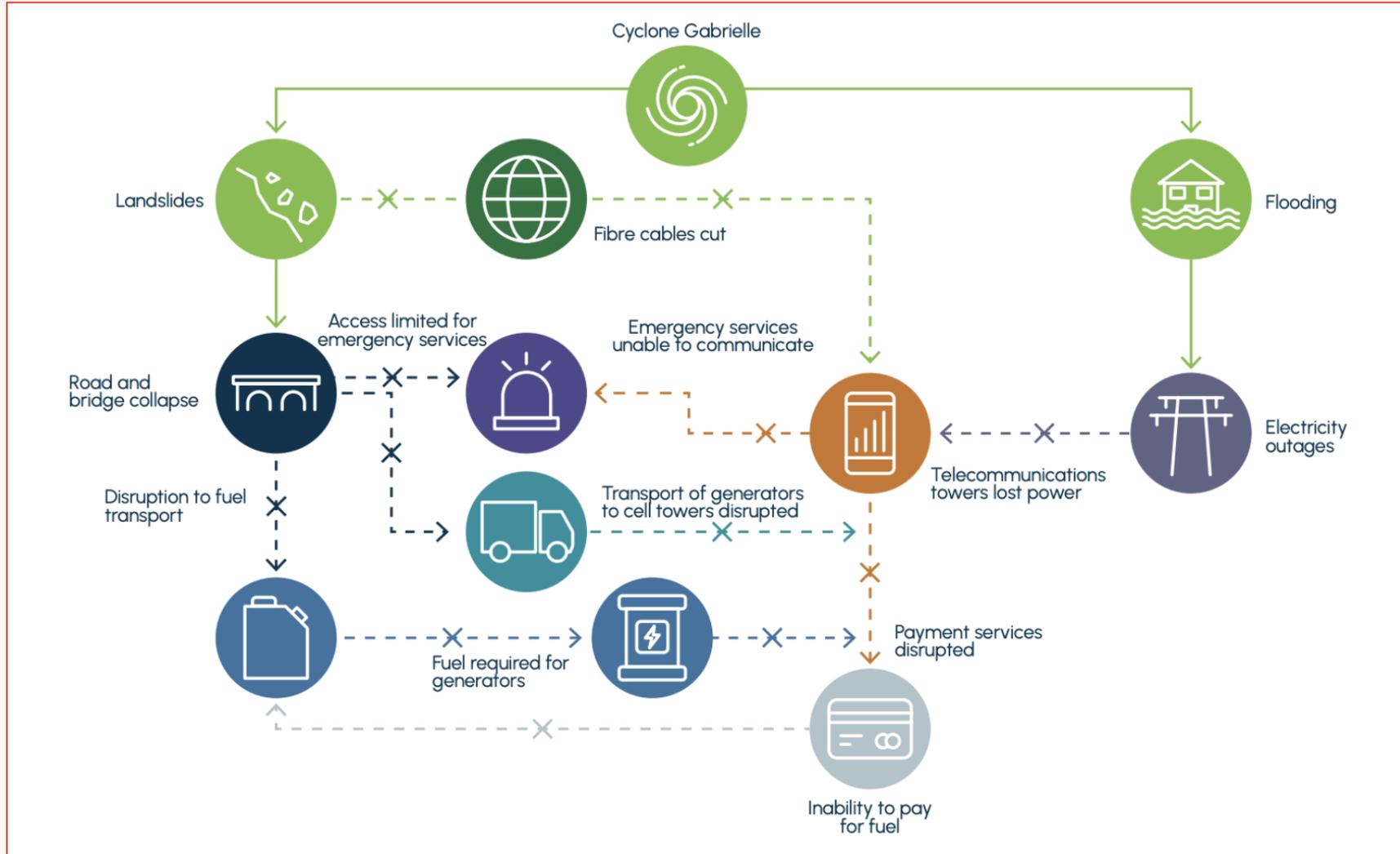
'crisis' - 0

'crises' - 1

'emergency' - 515

# Minimising disruption to essential services

## Fragility of an interconnected system



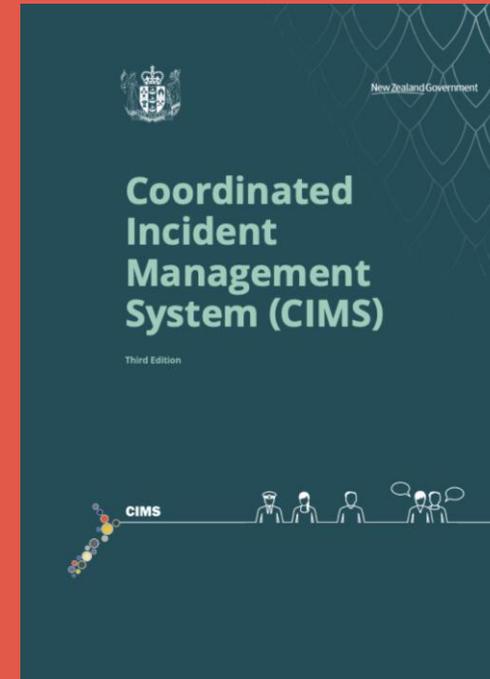
# What to watch for:

## A: CDEM Amendment Bill 2025?

The Government's proposed objectives for reform of the CDEM Act are to:

1. strengthen community and iwi Māori participation in emergency management
2. provide for clear responsibilities and accountabilities at the national, regional, and local levels
3. enable a higher minimum standard of emergency management
4. minimise disruption to essential services
5. ensure agencies have the right powers available when an emergency happens. (p. 8)

## B: 5-Year Review 2019/2025?



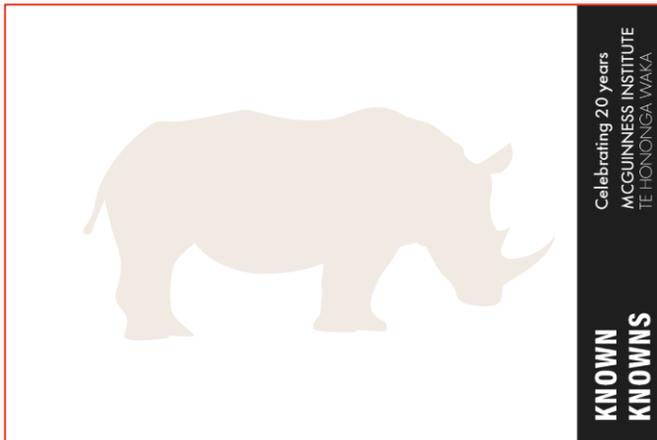
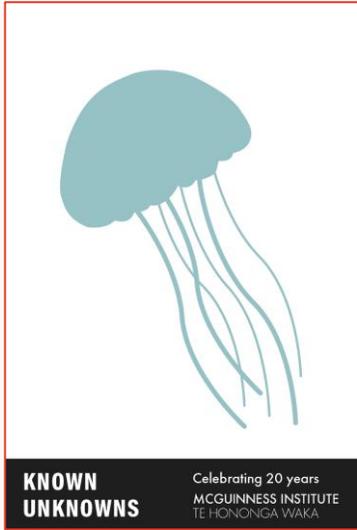
Mentions:

'crisis' - 9

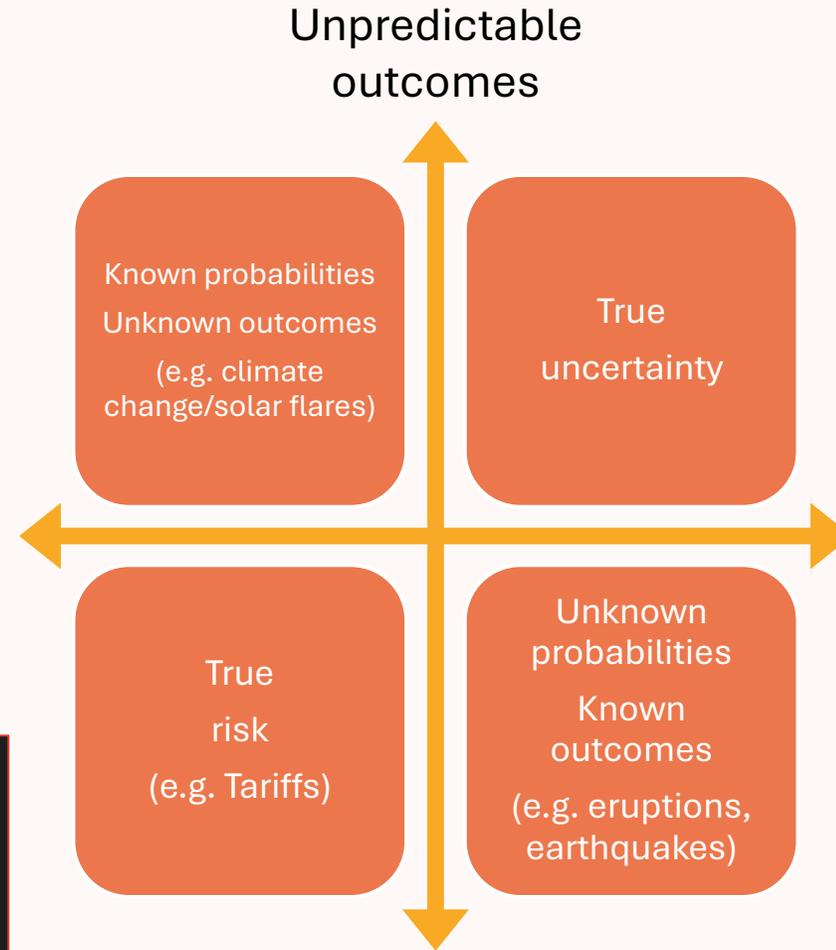
'crises' - 0

'emergency' - 135

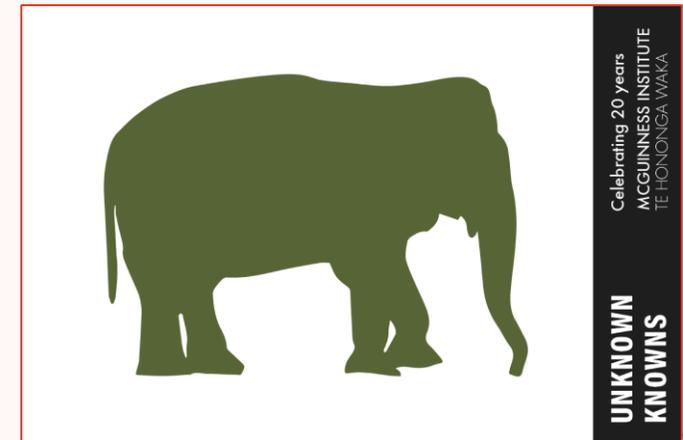
# Animal Metaphors



Known probabilities



Unknown probabilities



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# Lessons in nature AI/Intelligence Hubris



1. Make space  
for being wrong



... it enables  
you to keep  
moving forward

2. Risk lends  
itself to control  
*[You change the  
environment]*



... but  
uncertainty  
demands  
adaptability  
and ethics  
*[You change]*

3. Scan the  
scanners



... but be  
critical &  
curious, ask  
questions and  
seek out  
diverse views

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Being open to the possibility of error

‘I beseech you, in the bowels of Christ, think it possible that you may be mistaken.’

- Oliver Cromwell, 1650

# Thank You

## Contact details:

Level 1A, 15 Allen Street, PO Box 24222,  
Wellington 6011, New Zealand

Email: [enquiries@mcguinnessinstitute.org](mailto:enquiries@mcguinnessinstitute.org)

Website: [www.mcguinnessinstitute.org](http://www.mcguinnessinstitute.org)

LinkedIn: [Wendy McGuinness](#)

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# Where to from here

## McGuinness Institute's upcoming work

Working Paper 2025/08

Analysing COVID-19  
Wage Subsidy Information  
Disclosed in Annual Reports  
of NZSX-listed Companies

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Discussion Paper 2025/03

Time to Prepare:  
Lessons from the  
COVID-19 Wage Subsidy



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Working Paper 2025/05

Reviewing Non-GAAP  
Financial Information  
in Annual Reports and  
Market Announcements  
of NZSX-listed Companies

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Working Paper 2025/06

Analysing Climate  
Statements Contained in  
2023 and 2024 Annual  
Reports of NZSX-listed  
Companies

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