

**Submission to the
"REVIEW OF THE EMERGENCY SERVICES LEVY"
by the Economic Regulatory Authority.**

[Note: This submission was provided to the ERA on the basis that it be published anonymously, and certain information has been redacted accordingly. – ERA]

Preamble: *[redacted]*

Q1. How should funding be allocated across prevention, preparedness, response, and recovery activities?

The following comments relate mainly to Prevention, Preparedness and Response.

Funding needs to adequately address the four principles above, but it also needs to be considered, that it should be demonstrated how the ESL funds have been applied. For example the chart on pg 11 of the review shows that more than half of the ESL is spent on salaries! When the ESL was introduced much was made by FESA in the public domain that the ESL was a good thing, because it would enable the volunteer organisations to get new equipment and buildings etc. One nebulous sentence in the pamphlet produced, mentioned something about administrative costs and yet we have arrived at a position now, where 51% is disappearing somewhere into a public service, which should be funded by Treasury, as it used to be.

Is it fair that **only** land-owners in W.A. pay the salaries and superannuation for DFES staff? What about all of the other taxpayers in W.A.; is it fair that they contribute hardly any money at all to fund this ever-growing bureaucracy? At a time of great financial restraint for W.A., when all public departments have had their budgets cut for at least the last 3 years, why is the budget for DFES increasing on average at \$20 million each year, at the expense of land-owners only?

When the ESL was first introduced it was deemed fair that land-owners paid the cost, because fire-response especially, was usually to someone's private property. Similarly it was deemed that any WA citizen on land, may require the assistance of the SES for; road-crash-rescue; search for a missing person; rescue from collapsed buildings; cliff rescue, etc.

Since then; however; FESA took control of the volunteer sea-search and rescue units and is now giving 10% of the ESL annual budget to the VMRS. Initially, it was not deemed appropriate to use the ESL for sea-rescue but now, it is apparently suitable for land-owners to pay through their rates, for a service which is highly-unlikely to be needed by the vast majority of WA citizens. Would it not be appropriate to extract a levy from every registered ocean-going vessel, to at least partly fund the VMRS, rather than expect land-owners to pay?

Since the 1990's the fire situation in rural WA has changed significantly, with more farmland being subdivided and therefore more homes and people situated on semi-rural land, sometimes close to State forest; nature reserves; and National parks. It is

well known by Parks and Wildlife and the Bushfire Service that reducing fuel in the cooler months is absolutely essential to prevent uncontrollable wildfires in summer. Currently none of the ESL appears to be spent on mitigation works such as prescribed burning! This is quite clearly the duty of the DFES Commissioner – even though he thinks he has no such responsibility and has publicly said so – and is outlined in Westplan and the *Fire & Emergency Services Act, 1998*. Money and training need to be provided to BFS brigades and finance needs to be increased to the DP&W, to enable prescribed burning to be undertaken.

Let there be no misunderstanding of capabilities here either; Parks & Wildlife has been managing the SW forests under various names for about 70 years; they are the premier experts in Australia at prescribed burning and wildfire fighting. The volunteer brigades have less time to spend doing the training and gaining experience in the same skills as the DP&W staff; they are welcome and enthusiastic helpers, but it is true to say that most volunteer brigades do not have the same level of expertise as DP&W. DFES imagines that it has the capabilities to manage and fight forest fires, but the reality is that most of their paid staff are just as inexperienced and do not have the skills, or the personnel to fight a fire on a continual basis, for days on end.

Recommendations:

1. That public employees be paid by Treasury, not from funds raised from the ESL.
2. That funds raised from a levy on rateable land, be used to prepare; prevent; respond; and recover, from emergencies that occur on and over land.
3. That funding for sea-search and rescue, be funded as much as possible from a levy raised from licenced ocean-going vessels.
4. That some portion of the ESL be set aside for wildfire mitigation in the form of prescribed-burning and allocated to any Dept or agency, which has a role in prescribed burning.

Q2. What should the ERA consider in assessing whether the current method for setting the ESL is appropriate for current and future needs?

- Sea-search and rescue should be funded apart from the ESL.
- Salaries for DFES staff should be paid by Treasury, so that the cost of funding DFES is spread across all WA taxpayers, not just land-owners. This would also make DFES accountable to the Govt for how many staff they have and how much they pay them. There is great waste in salaries in DFES, but because they are funded by the ESL, they have not been obliged to make spending cuts, as have other Govt Depts.
- DFES must be accountable for how the funding is spent and clearly demonstrate this to the public.
- If specific budgets are set annually for what is deemed to be worthwhile projects, then it will be much easier to forecast future needs and therefore how much ESL funds will be required.

Recommendations:

1. That the ESL be distributed by a body other than DFES, so that any agency which can satisfy specific criteria related to ESL funding, can apply for financial assistance.

Q3. What emergency service expenditures should be funded by the ESL?

- Funding for the land-based search and rescue organisations i.e. VES, FRS, SES, BFS (or Rural fire service). This must be available for; appropriate mitigation works; equipment and clothing; training; buildings and accommodation; victualling; maintenance; vehicles; travel; day-to-day expenses.
- Response expenses for operations; expenses for private contractors; this should include paid personnel from the Incident Controller downwards, but should not include their salaries;

Q4. How are expenditures on emergency services likely to change in the future?

The only certainty is that is that if DFES remains in control of the ESL, spending on salaries will increase as a percentage of the total ESL collected; the percentage of Operating Grants to brigades and units will continue to decrease annually; and the chance of Capital Grants to country SES Units for modern accommodation will continue to be low. DFES claims now, that there is not enough money to fund capital works for country units and brigades, but if the 51% spent on salaries was available, I suspect that a start could be made on capital works for country units.

Considering the recent example of an SES Unit *[redacted]*, which has new purpose-built accommodation, the work required by the volunteer Local Manager is colossal. Without his indefatigable contribution as a planner; liaison person with DFES and Council; project manager and financial planner, which took years to complete, there would have been no new building at all. It is not right that a very wealthy Govt Dept, relies on a volunteer so heavily, to perform tasks such as these and yet at the same time wants full control of the SES and champions the skills of SES volunteers, as those of DFES.

Recommendations:

- Salaries for DFES paid staff to be funded by Treasury.
- ESL to be distributed, which ensures that a considerable portion be allocated annually for SES, VFRS, VES and BFS accommodation Capital-Grants, as required.

Q5. How could the method for setting the ESL be improved?

See Q2.

Q6. What information should be made public about the administration and distribution of ESL funding?

The public needs to know not just how the money was divided, but how the spending relates to prevention, preparedness, response and recovery. It is not enough to know

that X million dollars was spent fighting a large fire, or that X thousand dollars was spent responding to a large storm.

For example; the March 2010 storm that severely damaged homes in Perth was attended by SES volunteers from Victoria and I believe NSW. It is well known in SES circles that the Victorian volunteers landed in Perth, were taken to a BBQ dinner to thank them for attending and flown back to Melbourne that day, as there was no work for them to do! *[redacted]* In other words the work was running out, long before the Victorians arrived!

Appalling waste of public money such as this, needs to be avoided, not only with better training, but also by public scrutiny.

Q7. What processes should be in place to ensure accountability in the expenditure of ESL funding?

Every brigade or unit that receives public money, should be required to provide evidence of the grants acquittal, annually.

I have anecdotal evidence from a VFERS volunteer, that DFES gives money annually to all VFERS brigades; the sum varies according to how much activity each brigade has in a year. There is no requirement for each brigade to explain how the money was spent! It is provided to allow brigades to buy things such as drinking water and food, at local-level callouts. The volunteer recounted that at his first brigade the money was spent wisely and in accordance with DFES guidelines; at his second brigade all of the money was spent on alcohol for socialising; at his current brigade the money is banked and nothing is spent and has been the case for years, with that brigade now holding tens-of-thousands of dollars of public money in a trust account!

The ERA review paper indicates that BFS, VFERS and VES have money sent to them directly by DFES. In contrast SES units have to apply for an Operating Grant every year and then submit an acquittal every year. There is definitive guide on what the money can spent on, supplied with the grant. This accountability, which is sensible, needs to be applied to every financial manager in DFES.

Recommendations:

- Any brigade, unit or Dept receiving an ESL grant must keep financial records of how the money is spent and prove acquittal of the funds annually. This process already exists for SES units and could easily be implemented at other DFES brigades and units.
- A definitive guide must be provided by DFES to all brigades and units, explaining how the money can be spent.

Q8. Which agency should be tasked with distributing funding from the ESL?

Some Govt body other than DFES!

DFES has shown by its own incompetence, that it has not been able to explain how the money has been spent. Worse still they will have increased the ESL collected from 2013/14 until 2017/18, by an average of \$20million per year and yet from 2013/14 until 2015/16 they have allocated an average of just 8.81% of the total ESL collected to all of the volunteer brigades and units and this percentage has been decreasing!

According to the DFES website about 96% of their staff are volunteers – this is debateable, as on another page they give a different figure – without volunteers DFES could not exist! So why do units and brigades find it so hard to extract funds from DFES?

In *[redacted]*, one SES unit exists in an old basketball pavillion in a flood-zone, owned by DFES who refuse to contribute to the building's upkeep, or consider a replacement; the next has an old vehicle-shed on loan from St John Ambulance; another unit exists in an old Co-operative store-shed built in circa 1920's; a third has a modern steel shed in a city, in a flood-zone and is constantly being badgered by the Local Govt to move somewhere else; neither the Local Govt, or DFES is inclined to help them move, or pay for it!

Does this sound like a responsible Dept, who has acquitted the ESL treasure-trove sensibly since 2003? Or does it sound like one staffed by people who don't really care about the majority of their staff, nor about the poor conditions they train and administer in.

It should be remembered here, that SES units are the response volunteers for flood, storm, cyclone; earthquake; cliff rescue; and land-search amongst other things.

For SES Units, the ESL grants are applied for and approved-funding is sent to the Local Govt, who are then paid handsomely – more than the operating grant received, in the case of *[redacted]* SES – to distribute the grant; ask for the acquittal; remind the local SES unit to apply for new funding and make all returns to DFES on time. Unfortunately some councils such as *[redacted]*, do not want to do this task; often miss due-dates and have to be reminded; and in the case of *[redacted]* rely heavily upon the Local Manager of SES and the DFES District Officer, to get the paper-work done for them!

As *[redacted]*, I would much prefer a system, where the grant is paid directly to the SES Unit by the issuing authority. DFES claim that SES units exist only because historically they are run by Local Govt and therefore building SES accommodation; delivering grants; owning SES vehicles etc. must be the duty of Local Govt. As far as I understand it, there is no legally binding conditions for Local Govt to do this; historically in the 1950's Local Govt may have been asked to establish Civil Defence units, which became SES units in the 1970's but there is nothing in any Act saying that this has to be so. By hiding behind this furphy, DFES has managed to abrogate its responsibility to make sure that SES units are properly and easily funded and accommodated.

Recommendations:

- That DFES no longer be the entity responsible for distributing the ESL.
- That Local Govt no longer be required to administer funds for SES and BFS, units and brigades.
- That ESL grants be made directly to either, brigades and units, or to their nominated DFES Manager.

Q9. If a rural fire service is established, should it be funded by the ESL?

Yes! The current funding to BFS brigades can be directly transferred from DFES to the new service, provided that DFES no longer controls ESL distribution.

Because the RFS would be directly, or indirectly responsible, for bushfire mitigation, response and preparation it meets the requirement of this enquiry for ESL funding and also the requirements of the *Fire & Emergency Services Act, 1998*.

Q10. How much would a rural fire service cost, and what effect would it have on ESL rates?

DFES does not apparently have employees who deal specifically with BFB's, so some personnel will need to be recruited to train and administer the RFS; this would be a new cost. The personnel could probably be accommodated in existing Govt offices to defray building costs.

Most BFB's currently have vehicles and accommodation of some description, so this is not an additional expense.

Rates would not have to increase at all, as long as some other authority distributes the ESL, to prevent the enormous waste of public money, which DFES currently achieves.

One suggestion that I have made to *[redacted]*, is that fire-fighting schools-of-excellence be established, for example, at Manjimup, Collie and Mundaring. These training centres would cater for Parks & Wildlife and Volunteer bushfire fighters. They need not be grand buildings – quite possibly they already exist – and need only be a training room and facilities with an open space to practice skills and with forest nearby. In this way, identical procedures will be learnt by the people who will be responding to wildfires in forest. Training could be conducted by both P&W staff and RFS staff to minimise costs and unnecessary duplication. This is most important from a safety consideration, as many volunteers who respond now, have had no training in off-road driving on very steep country; following and supporting a bulldozer at the fire edge; and assessing overhead hazards in tall forest.

This last suggestion may increase expenditure by BFB's, as they currently do very little and very basic training. If the training centres were dispersed as suggested it would minimise travel time and costs.