



Grape Grower's Association of W.A. (Inc.)

ABN: 42 847 407 132

VIA EMAIL

8th March 2017

Manager
Review of the Emergency Services Levy
Economic Regulation Authority

records@erawa.com.au

Dear Sir/Madam

REVIEW OF THE EMERGENCY SERVICES LEVY

Our Association would like to submit our paper on the above review, which was originally submitted on the 21st of July 2014 to DFES. We believe our previous submission adequately details our position on this review. It is currently harvest time in the Swan Valley and therefore our time is limited.

I would like to make an observation from the current draft paper that on Page 9, item 2.3 quotes:

"The Emergency Services Minister has determined maximum and minimum amounts that may be applied to each property. These vary by Emergency Services Levy (ESL) location category and by land use".

From this I would ascertain that the Minister, as advised by DFES, can declare a category that appropriately addresses the anomalies within the ESL as applied to Swan Valley farmers and corrects the current inequitable method used. Our Association firmly believes that to charge Swan Valley farmers ESL's at the commercial rate must change and realistically correspond to the risk (cost) that these properties represent in an emergency situation.

Yours sincerely

Allyson Kudid
EXECUTIVE OFFICER

Cc: Mark Bishop – City of Swan



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VIA EMAIL

21st July 2014

Department of Fire & Emergency Services

SUBMISSION: REVIEW OF EMERGENCY SERVICES ACT

Thank you for the opportunity to comment on the review of your Act. Our main concern is the onerous cost of the Emergency Services Levy (ESL) which has occurred because of the method of calculating the Gross Rental Value (GRV), commercial rating of farmers and the unavailability of the ESL category 1 service we are paying for. When the current legislation was written no doubt it did not envisage there would ever be commercial farmers within an ESL 1 area. We believe the current ESL methodology is flawed and this review provides an opportunity to correct the inequity.

This submission is made by the Grape Growers Association of WA and has been discussed and agreed by the committee of 10. Our Association represents around 90 grape growers in the Swan Valley and therefore this submission must be considered or weighted as much more than just a single submission.

Background Information:

The Swan Valley is almost all in an ESL1 area and is also covered by the Swan Valley Planning Act (SVPA). The SVPA has no relation to your Act and is not recognised by DFES. This situation where farmer's are greatly restricted by one government department and then taxed, without consideration, by another is not in the best interests of the Swan Valley which is the prime objective of the SVPA.

Submission:

1.1 ESL Administration

We believe the administration of the ESL must be managed by an independent body. To leave an agency in charge of setting rates and collecting money is not in the best interest of those who then have to pay the ESL. Discussions with DFES staff over recent years on the high cost of ESL has not been helpful and was met with the "we need the funding and can't help you" response.

1.2 ESL Funding Model and Revenue Streams

These are our main areas of concern:

- a) Commercial rating. Many farmers are rated as commercial and this is unrelated to either the cost of the DFES service provided or the associated risk. The grape growers are the least likely participants in the Swan Valley to need DFES services. Vineyards do not burn! The highest risk group needing DFES services in the Swan Valley are the absentee owners and the hobby farmers yet this group pay the lowest ESL rate.
- b) GRV is unreasonable. Many farmers have a GRV set at 5% of unimproved value and this presents values that cannot be achieved as leases. One example is a farmer with 8ha who has a GRV of \$110,000 and pays an ESL of around \$2,000. The GRV cannot be achieved as a lease with most vineyard leases being at no return but maintenance and repair in exchange for the crop. The 5% of unimproved land that has been applied to some is set by the Valuer General and appeals have failed. This is another example whereby the Valuers Act again does not recognise the Swan Valley Planning Act. Discussions and correspondence with that department has also produced no change. The only method possible to achieve a reasonable ESL rate is for DFES to strike a new rate category to overcome this anomaly.
- c) Farming rate. The ESL rate set for "Residential, Farming and Vacant Land" is set at a reasonable cost yet Swan Valley Farmers are currently rated as commercial. This falls under the category "Commercial, Industrial and Miscellaneous". The question posed here is "when is a farmer not a farmer"? We believe that the aim here is to maximise revenue and is a good reason why DFES should again not administer the ESL collection policy.

1.3 Higher ESL for Higher Risk Areas

We support this initiative. Grape growers are a very low risk (won't burn) in comparison to, for example, the adjoining Brigadoon hobby farm area which is very high risk yet the residents only pay at the lowest rate.

1.4 Additional Levies

We support the collection of levies from all users of DFES services.

1.5 Review of ESL Boundaries

We strongly support the review of ESL boundaries based on DFES ability rather than time from the closest fire station. It is essential that ESL categories represent the service that DFES will supply. The Swan Valley is almost all ESL Category 1 but this service cannot be provided at this level. The response time for a DFES appliance has been used to set the category but on arrival the units require hydrant support at 200 metre intervals which is not available in most of the Swan Valley.

1.6 Review of the Application of the ESL to Owners with Multiple Land Holdings

The use of grouped ratings is common in the Swan Valley and is appropriate in an area where lot sizes are small and most farms consist of several lots and a grouped ESL is appropriate. However, the inequity here is that many farmers have multiple lots that are not adjoining and pay an ESL on every lot resulting in a much higher ESL cost. These

farmers must also be given the opportunity to pay a single ESL fee. This could be done by the City of Swan allowing a single rate notice, though this does not occur and again it is the farmers who pay the high cost of state and local government departments not cooperating in the spirit of the Swan Valley Planning Act.

On behalf of our committee and members I thank you for the opportunity to comment. If you would like further information or, as we would prefer, to meet and discuss our concerns then I can be contacted via the above email address.

Yours faithfully

Darryl Trease JP
PRESIDENT

**cc: Joe Francis MLA – Minister for Emergency Services; Corrective Services;
Small Business; Veterans
Frank Alban MLA – Member for Swan Hills
Rita Saffioti MLA – Member for West Swan
Derek Tomlinson – Chair, Swan Valley Planning Committee
Duncan Harris – President, Swan Valley Winemakers Association**