



Government of **Western Australia**
Department of **Lands**

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Ms Nicola Cusworth
Chair
Economic Regulation Authority
PO Box 8469
PERTH WA 6849

By email to: publicsubmissions@erawa.com.au

Dear Ms Cusworth

EMERGENCY SERVICES LEVY (ESL)

In response to the invitation contained within your media statement dated 30 January 2017, and as promised during our subsequent meeting with representatives from your Office, I have pleasure in providing the Department of Lands' formal submission for your consideration.

I understand the attached submission will be made available on the ERA's website and confirm that nothing within is considered confidential or otherwise inappropriate for release into the public domain.

I wish you well with this important review and look forward to reviewing a copy of your draft report towards the middle of calendar 2017.

Please do not hesitate to contact either Tony Richman, Strategic Policy Manager or Amanda Hughes, Executive Director on 6552 4687 from the department's Strategy, Policy and Planning division, should you wish to clarify any aspect of the submission's content or seek further information.

Yours sincerely



Colin Slattery
Director General

14 March 2017

Submission from the (WA) Department of Lands to the Economic Regulation Authority's review of the Emergency Services Levy (ESL)

March 2017

About the Department of Lands

The Department of Lands (DoL) administers Western Australia's Crown land estate under the *Land Administration Act 1997*.

Crown land makes up 92 per cent of the State and includes all land (other than freehold), and all State coastal and other waters.

DoL undertakes a number of key functions, including:

- direct responsibility for all unallocated Crown land and unmanaged reserves;
- administering pastoral leases and providing support to the Pastoral Lands Board;
- assembling land for residential, industrial, infrastructure corridor, conservation and community needs;
- managing land acquired for infrastructure corridors, including the Dampier to Bunbury Natural Gas Pipeline corridor;
- participating in strategic native title negotiations, investigating, identifying, reporting and managing contamination on Crown land; and
- leading a coordinated sales program of State-owned land assets.

To carry out these functions, the department has over 200 staff. The great majority of these staff are based in the Central Business District of Perth, with several based in smaller offices in Bunbury, Broome and Kununurra.

Specific nature of the Department's interest in the Review

Western Australia has a vast area of some 2.5 Million square kilometres. The great majority this area (92%) comprises some form of Crown land – pastoral leases (35%), reserves (18%), general leases (2%), or land without any form of assigned tenure (37% - unallocated Crown land).

The *Land Administration Act 1997* (LAA) is the State's principal statute governing Crown land and it is administered by the Minister for Lands with support from DoL.

In practice, the responsibility for on-ground management of many Crown land parcels is legally transferred to third parties (private individuals, corporations, and Commonwealth, State and Local Government entities), via the grant of some form of land tenure. For example, as a condition of their lease granted, a pastoral lessee is has legal obligations under a range of other statutes. These include but are not limited to the obligation to control fire, and declared pests and weeds within the confines of the leased area. Similarly, many areas of Crown land which have been

formally reserved for a public purpose, are accompanied by a Management Order, which legally places the care, control and management of the land concerned, with a third party Management Body (in many cases, a Local Government Authority or an entity such as the Aboriginal Lands Trust). Additionally, National Parks, State Forests, Conservation Parks, Nature Reserves, and a range of other reserves also form part of the Crown Estate, but are directly managed by the Department of Parks and Wildlife (DPaW) under the authority of the *Conservation and Land Management Act 1984*.

Reserves without formal management arrangements in place ("unmanaged reserves" or "UMR"), and other Crown land for which no tenure exists ("unallocated Crown land" or "UCL"), remain the responsibility of the Minister for Lands, assisted by DoL. These areas comprise approximately 38% of Western Australia's land mass. In the absence of other arrangements, the Minister/Department of Lands then becomes responsible for the on-ground management of fire risk (and a range of other risks including those posed by declared pests and weeds, rubbish, non-native vegetation under power lines, recreational users, hazards, contamination, and derelict and poorly maintained buildings etc) on these areas of Crown land.

In practice, long-standing arrangements have previously been agreed within government, which see on-ground management of fire risk on UMR and UCL across the State undertaken either by the Department of Fire and Emergency Services [DFES] or the Department of Parks and Wildlife [DPaW], depending on location. DFES typically manages mitigation of fire risk on parcels of UCL and UMR occurring within the Perth Metropolitan Area, Regional Centres and Townsites, while DPaW manages the equivalent risk on remaining parcels of UCL and UMR elsewhere within Western Australia – but only to the extent possible within the quantum of funding made available. DoL acknowledges that the management of UCL and UMR within the Regional Centres and Townsites may well change going forward, if the proposed Rural Fire Service adopts a significant focus on preventative mitigation works, as has been suggested.

Unfortunately, the existing arrangements for the mitigation of fire risk on areas of UCL and UMR throughout the State have long struggled to attract adequate levels of funding through the annual Consolidated Fund Appropriation process. DoL currently receives \$450,000 for necessary fire mitigation works on UCL and UMR parcels located within the Perth Metropolitan Area, the Regional Centres and Townsites, and DPaW is understood to be directly receiving about \$360,000 for the mitigation of fire risk on all other areas of UCL and UMR throughout the State. Detailed estimates prepared in 2012 by KPMG¹ suggested a comprehensive and fully costed fire preparedness and prevention program on all areas of UCL and UMR across the State would need an annual investment of some \$5.56 Million over a ten-year period.

The shortfall in available Consolidated Funds, together with the very public calls from eminent people such as the Fire and Emergency Services Commissioner, Wayne Gregson (West Australian Newspaper, 19th February 2016), and the Chairperson of the Bush Fire Front, Roger Underwood (ABC Radio, 3rd February 2016), for much greater attention to fuel reduction on Crown land, led DoL to put forward a case for use of Royalties for Regions grant monies, for on-ground works seeking to mitigate

1 – State Wide Risk Management on Crown Land – A Proactive and Coordinated Approach – Final Report (pp 77-79), Department of Regional Development and Lands, June 2012

priority bushfire (and other) risks on State-owned land parcels within and immediately adjacent to the regional townsites throughout WA.

In response, the State Government approved the allocation of \$15M over the period 2016/17 to 2019/20, to “seed” the establishment of a new Mitigation Activity Fund (MAF) which will be made accessible to owners/occupiers of State-owned land as necessary, to complement their existing efforts to mitigate the more extreme/higher priority bushfire (and other) risks in these areas. DoL proposed the concept of a Mitigation Activity (Trust) Fund, able to hold and direct funding from a range of different sources, as a means of driving increased coordination of effort across government, in light of its belief that the implementation of the State Government’s Bushfire Risk Management Planning (BRMP) framework would otherwise be inconsistent, incomplete, and unnecessarily expensive, if individual agencies and entities were just left to their own devices as had initially been suggested. DoL also saw the apparent absence of a central means by which to resolve competing priorities identified at the individual Local Government Authority level as problematic. DoL’s belief in this regard stems from its detailed knowledge of the myriad of different agencies and entities holding land in and around the different settlements and townsites of WA, under various forms of tenure, and the scattered location of these land parcels in the landscape (see illustrative examples forming appendices to Attachment A).

Whilst the \$15M grant from the Royalties for Regions Program being approved is a very significant step forward, DoL remains conscious that these funds will be quickly exhausted within the 4 year period, and that the pre-existing situation will return, if a more sustainable source of funding cannot be identified and agreed before 30 June 2020. In line with the old adage that “an ounce of prevention is worth a pound of cure”, DoL strongly believes that a greater and more coordinated effort in reducing fuel loads across all land tenures is needed to effectively mitigate the highest bushfire risks, and that an annual contribution from the Emergency Services Levy ought therefore be considered in order to sustain the MAF going forward.

DoL Comment on “Questions for Interested Parties” (Posed Within the ERA’s Discussion Paper)

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

DoL believes that the continued roll-out of the whole-of-landscape, tenure blind approach to the identification and prioritization of bushfire risk embodied within the BRMP process is absolutely critical to inform investment in on-ground mitigation. Whilst DoL acknowledges there is lots of very good mitigation work being done at present, there is no overall visibility or understanding of the totality of this effort, and therefore no intelligence as to the key gaps in its coverage. DoL believes the results of the “strategic stocktake” of bushfire related activity and investment across government commissioned by the Minister for Emergency Services, Joe Francis MLA in 2015, ought be used as an initial baseline which each government agency/entity ought then be asked to update annually, to help build this visibility and understanding.

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

DoL suggests there is a need to model:

- Likely increases in demand for ESL funding, in response to the various climate change events which have been widely forecast (increasing frequency and intensity of storms, longer and hotter fire seasons, declining reserves of surface water in the South West of WA etc)
- Likely changes to the distribution of fire risk throughout WA, from increased development of bushland areas for residential use, increased ageing of the WA population etc
- The likely increase in/physical distribution of rateable properties as a result of projected increases in overall State population.

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

DoL acknowledges that the ESL was initially introduced to ensure WA's response capability was modernized and strengthened, and that volunteer groups no longer had to spend considerable amounts of their time and energy trying to raise the funds they needed to adequately train and equip their members.

However, in line with the sentiments separately expressed within both the Report of the Special (Ferguson) Inquiry into the January 2016 Waroona Fire, and the independent report prepared by Pacer Legal for Cascade Scaddan Fire Review Limited, the Department of Lands supports the notion that a component of the ESL should also be able to be used for preventative purposes.

DoL notes previous debate within the Legislative Assembly on 16 September 2015 (see Attachment B, page [9]) wherein it was suggested that the ESL be used to fund mitigation, and in reply, the Minister for Emergency Services, Joe Francis MLA, indicated that this "...would require an amendment...". DoL interprets this exchange to mean that it is the opinion of the Minister for Emergency Services that specific changes would be needed to the *Fire and Emergency Services Act 1998*, to authorize the use of a component of the ESL for mitigation purposes. DoL notes that it is the opinion of Pacer Legal that "the allocation of funds to mitigation works is within the scope of the legislation governing the ESL"². Given the apparently conflicting views, DoL believes it would be useful to remove any remaining doubt on this point. The current development of a new and consolidated replacement for the existing *Fire Brigades Act 1942* (Fire Brigades Act), the *Bush Fires Act 1954* (Bush Fires Act) and the *Fire and Emergency Services Act 1998* (Fire and Emergency Services Act) would seem to provide an appropriate and timely opportunity to do this.

2 - Independent report prepared by Pacer Legal for Cascade Scaddan Fire Review Limited (p 62)

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

DoL expects there to be increased demand for ESL funding, in response to the various climate change events which have been widely forecast (increasing frequency and intensity of storms, longer and hotter fire seasons, declining reserves of surface water across the South West of WA etc), as well as changes to the distribution of fire risk throughout WA (from increased development of bushland areas for residential use, increased ageing of the WA population etc). Further DoL expects there to be increased costs from sophisticated new technologies that enhance mitigation and response capabilities and the associated public expectation that they be routinely used.

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

DoL believes the method for setting the ESL would be improved if the initial "bids" for funding were to be collated by the State Treasury/Dept of Finance, independent of DFES, and the State Emergency Management Committee, supported by the Office of Emergency Management, was then given a mandated role to advise on the amount of funding raised and the manner in which it is distributed and used (see Attachment C).

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

There is currently very limited public reporting about the distribution and end-use of ESL funding. Public confidence would be enhanced through more extensive public reporting as to the total amount of funding raised annually, the various groups to which it was distributed, and the manner in which the funding was broadly applied in each case. Ideally, the latter would include some breakdown against the different categories of emergencies (fire, rescue, accidents, chemical spills, natural disasters etc) and assessed risks (to life, property and environment).

DoL believes that clear indications as to the amounts raised from within each LGA, and the amounts returned to each LGA, would be of particular benefit in highlighting the extent of cross-subsidisation occurring between metro and rural areas.

Similarly, DoL also believes the full extent of the State Government's direct contribution to the ESL from the Consolidated Fund should also be highlighted, against a backdrop of ongoing assertions that the government is seeking to transfer its own funding obligations to the general public.

Given the particular public interest in the issue of mitigation of bushfire risks on Crown land, ideally, information regarding the State Government's direct contribution to the annual ESL revenue, should also be complemented by additional information showing its more complete contribution to the management of the fire risk on State owned and controlled land, from the range of different funding sources (Consolidated Fund, Royalties for Regions, other own-source revenues). This additional investment is typically embedded within the operating budgets of a range of "landholding" agencies and utilities

such as the Departments of Parks and Wildlife, Fire and Emergency Services, Health, Housing, Education, Planning, Lands, Water Corporation, Western / Horizon Power etc. Unfortunately, it seems no one entity within the State Government currently has a good grasp of the totality of this fire related investment across the Crown Estate. The Minister for Emergency Services sought to quantify it via a so-called "strategic stocktake" in 2015, but no results were made public on completion. Understanding the nature and quantum of funding will become increasingly important to the success of the progressive rollout of the State Government's Bushfire Risk Management Planning (BRMP) framework.

The aim of such enhanced public reporting would be to provide greater transparency and confidence to the public that the additional monies raised via the ESL continue to be used in accord with the original intent, as well as being actively complemented by a range of other investment at an individual agency level.

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

DoL believes an "up-front" public disclosure of the initial budget at the time each ESL rate is set, ought be followed by a more detailed (special) report on actuals at the end of each budget period (along the lines of the response to question 6 above). DoL believes this detailed report would be most effective if included within the physical distribution of Local Government Rate Notices for the following year, so that every ESL Ratepayer would then be directly informed as to where their ESL rate contributions had gone. A similar practice is already utilized by the Australian Taxation Office, to communicate the Federal Government's use of the income tax collected annually from across the nation.

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

DoL is aware of ongoing concerns within the broader WA community that suggest DFES has a conflict of interest under present arrangements which see it advise the Minister for Emergency Services as to the amount of money to be raised via the annual ESL, and then directly receive all amounts collected by the LGAs in response to the Minister's decision and actions to implement the ESL. DoL believes an alternative arrangement which might see the State Treasury responsible for receipt of initial LGA collections of the ESL, and the subsequent distribution of amounts collected in accordance with agreed instructions, would assist in countering this perception of conflict of interest.

Given the ESL is intended to be used for the management of a range emergencies, and that the State Emergency Management Committee, supported by the Office of Emergency Management, is WA's peak body on emergency management, and has as one of its functions, the provision of advice to government on any matters relating to emergency management, DoL believes that the process for the collection, administration and expenditure of the ESL ought be amended to include a direct role for the SEMC to advise (Attachment C).

DoL has recently agreed to participate as a member of the newly established State Bushfire Coordinating Committee (SBCC), a sub-Committee of SEMC, and is therefore aware that the former has been established to:

- develop, implement and maintain a State Bushfire Management Policy and a set of long term bushfire risk management objectives
- provide a forum for the exchange of information and ideas amongst bushfire agencies and key stakeholders and promote an ethos of continuous improvement
- advise the State Emergency Management Committee (SEMC) on matters pertaining to bushfire, in particular, to report against investment in bushfire management and the achievement of bushfire risk management objectives
- provide advice and support to the Commissioner Fire and Emergency Services on bushfire risk management matters
- provide a mechanism to prioritise bushfire mitigation grant expenditure and advise SEMC concerning risk-based distribution
- report to the SEMC and to the community on bushfire risk management matters annually

With such a body now in place, and broadly representative of the main sectoral interests in bushfire related matters, DoL believes the SEMC should also have a clear and mandated role in advising the Minister for Emergency Services as to the quantum of ESL to be collected annually, as well as the manner in which revenues received should be broadly distributed.

DoL also notes that, if the State Government moves to establish a separate Rural Fire Service, it should also then be given a direct role in advising the Minister for Emergency Services as to its annual funding requirements.

Similarly, the Local Government Authorities responsible for collecting and remitting the ESL, and which operate the volunteer Bush Fire Brigades, should have a direct opportunity to put forward their annual funding requirements, so as to address their ongoing complaints that under present arrangements, they receive insufficient amounts of the funding actually raised.

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

DoL notes that the WA Premier, Colin Barnett MLA, was quoted in the media on 9th February 2017³ as indicating that the Rural Fire Service would be established by transfer of existing DFES staff involved in rural fire management to Collie – if this proves correct, it appears this particular decision has already been made, given that DFES is already being funded to a very great extent through the ESL. In any event, DoL is of the opinion that it is difficult to conceive an argument against funding the proposed new RFS from the ESL, given the latter's stated purposes.

3 – Interview with Colin Barnett, ABC South West WA, Bunbury, Morning Show with Clare Negus, 9th February 2017
10.13 AM

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

How much a RFS would cost would clearly depend very much on what it might ultimately be tasked to do, and whether or not it will largely be formed by transfer of existing DFES staff. If staffing is ultimately drawn from within existing DFES ranks, DoL expects that there would be minimal effect on ESL rates, given that DFES is already funded from the ESL to a very great degree.

ATTACHMENTS

A – Sample distributions of government managed land in proximity to townsites having previously suffered significant bushfire induced losses

B – Hansard Record of Parliamentary debate from the Legislative Assembly 16th September 2015 suggesting (to DoL) that use of the ESL for mitigation purposes may require specific amendments to the enabling Fire and Emergency Services Act 1998

C – DoL alternative proposal for the future administration of the ESL



Mr Frank Edwards CSC
Chair
State Emergency Management Committee
20 Southport Street
WEST LEEDERVILLE WA 6007

Dear Mr Edwards

MANAGEMENT OF BUSHFIRE RISK ON STATE OWNED LAND

The Department of Lands (DoL) recognises the appropriateness of the whole-of-landscape, tenure blind approach to the management of bushfire risk across WA, having previously expressed its support for the rollout of the State's new Bushfire Risk Management Planning (BRMP) framework, subject to adequate funding being made available to affected State agencies, as Plans are completed and the extent of resultant priority treatment obligations progressively becomes known.

As currently proposed, I understand implementation of the BRMP framework will force individual State government agencies holding land within WA to:

1. separately represent their interests at annual BRM Planning meetings held within each of the participating Local Government Authority areas;
2. separately fight for any additional resources needed to meet their obligations under each LGA's approved BRM Plan;
3. separately arrange for requisite on-ground action to mitigate bushfire risks identified under each LGA's approved BRMPlan; and
4. separately review the effectiveness of all mitigation efforts commissioned.

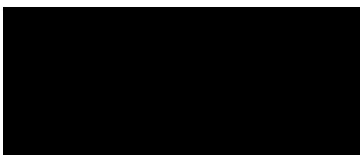
With many State agencies to be affected, high numbers of government held land parcels requiring treatment geographically scattered across multiple LGAs participating (see sample maps at Appendices A-C), I have some concerns that this "individualised" approach will best serve the collective needs of the State Government as a whole. The scope for unnecessary duplication of effort, significant increase in outsourcing to the private sector (with concomitant increase in cost), and general inconsistency of approach would appear considerable. Opportunities for efficiency savings through shared use of equipment and resources across State Government are also likely to be reduced if not largely lost. It will be difficult if not impossible to assess and decide relative priorities across multiple LGAs, so as to ensure total available State Government funding held within the budgets of affected State agencies can be directed to the most pressing bushfire risks in a whole-of-government sense.

I have broached these concerns in direct discussions with the Director General of the Department of Parks and Wildlife (DPaW), Mr Jim Sharp, and the Fire and Emergency Services Commissioner, Mr Wayne Gregson, and found some sympathy with the thought that the State Government's total interest might well be better served via the adoption of a more centrally coordinated approach to the implementation of the BRM Plans. Given that a number of the State agencies to be affected will have limited relevant knowledge or capacity of their own (indeed if any), there would also appear to be further opportunity yet to leverage the professional fire management expertise residing within DFES.

DoL is responsible for the administration of the 92 percent of the State that is Crown land and is the default land manager for unallocated Crown land (UCL) and unmanaged reserves (UMR). A vast number of these areas of UCL and UMR either adjoin town boundaries or are located within town sites including the Perth Metropolitan Area (PMA). The Department of Fire and Emergency Services (DFES) currently manages the mitigation activities within town sites and the PMA on DoL's behalf. However, DFES has indicated repeatedly that the funding currently provided by my department is wholly inadequate to manage the spread and extent of mitigation activities believed necessary throughout these areas.

I note recent media reports indicating that the Minister for Emergency Services, the Hon. Joe Francis MLA, has asked your Committee to review the coordination of bushfire risk management strategies across government. In this context, I would greatly appreciate SEMC's consideration as to how the actual on ground mitigation activities will be coordinated and funded, in lieu of an individual agency approach.

Yours sincerely

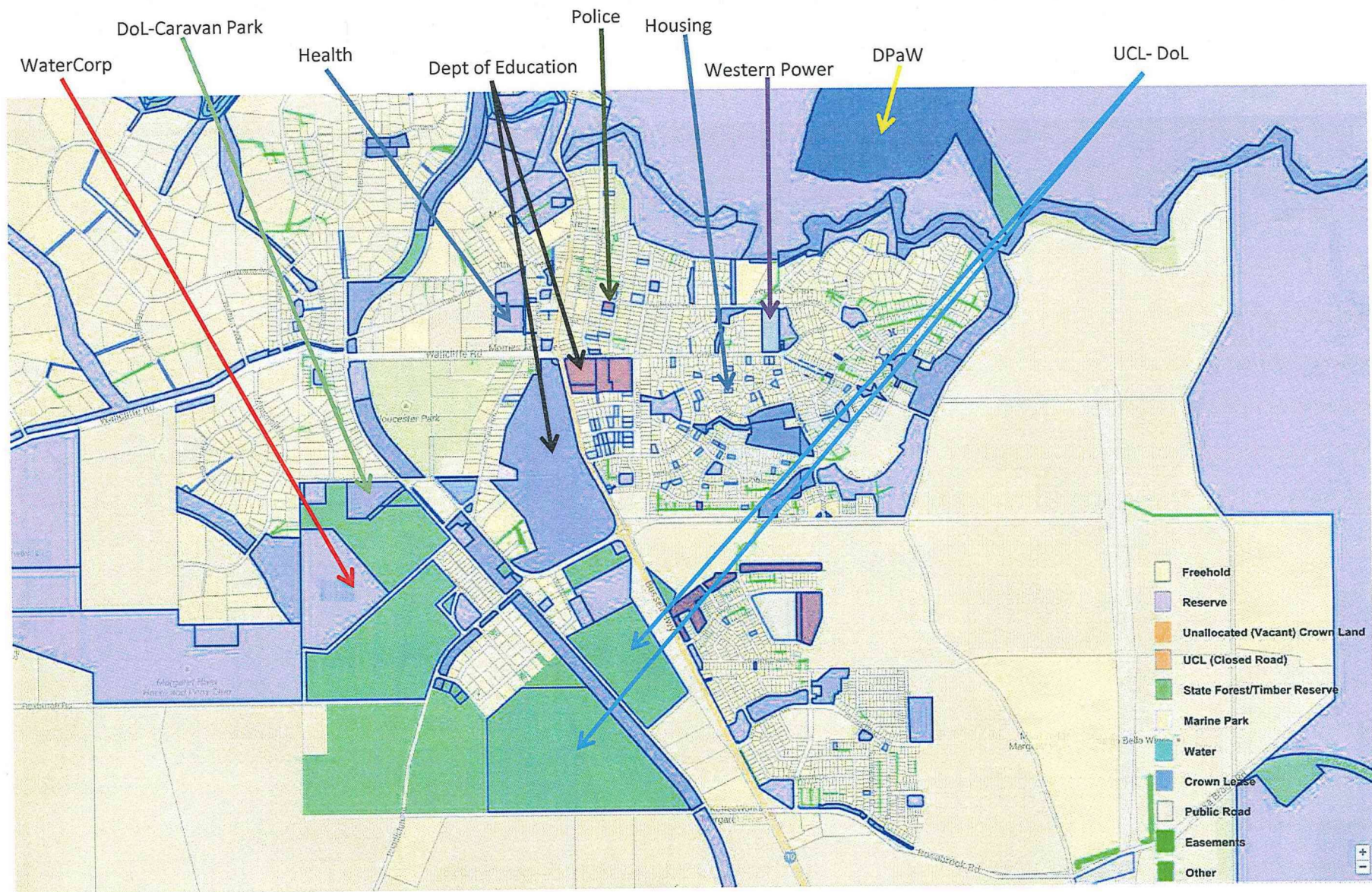


Colin Slattery
Director General

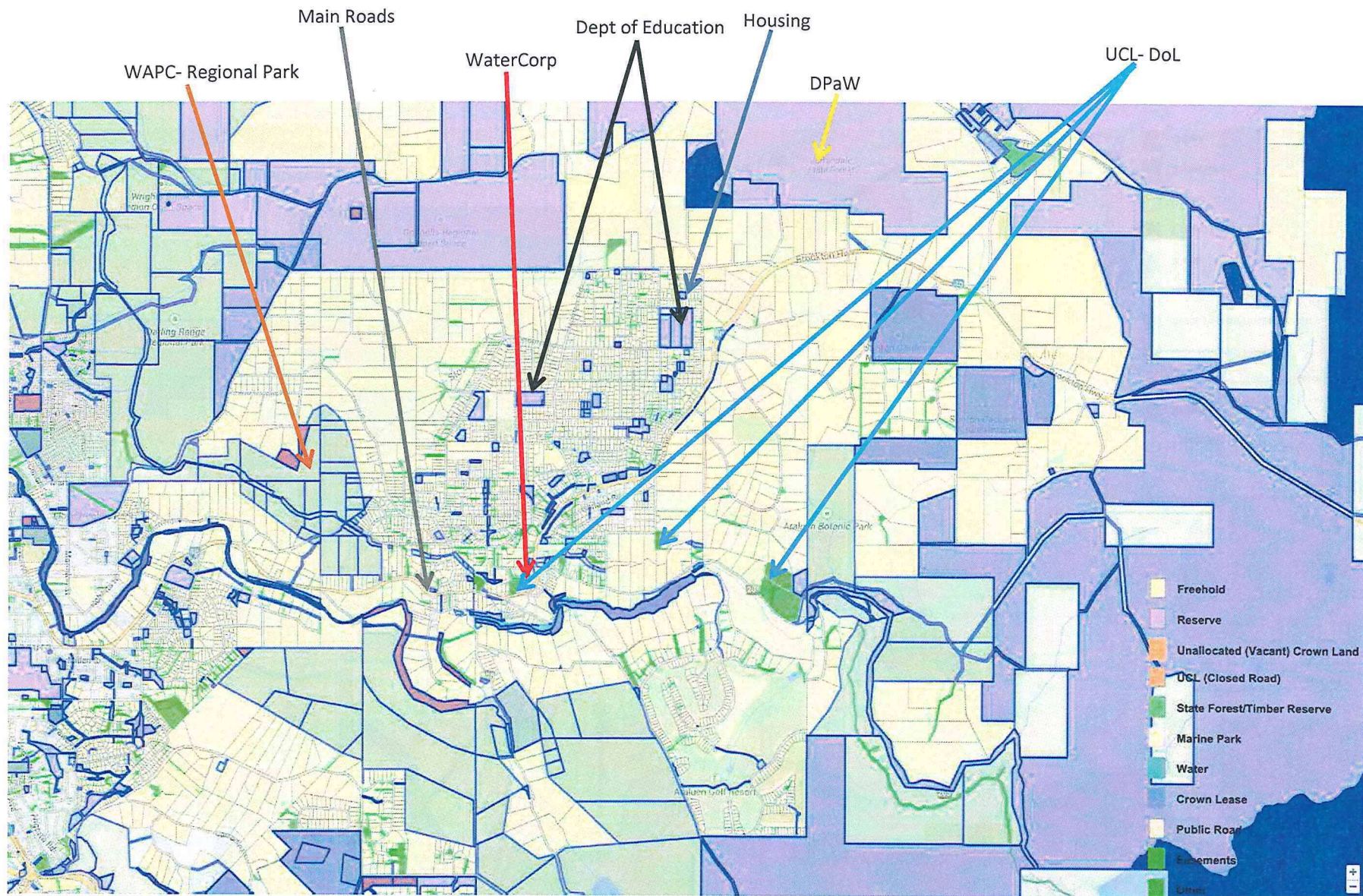
23 February 2015

cc: Mr Jim Sharp, DPaW
Mr Wayne Gregson, DFES

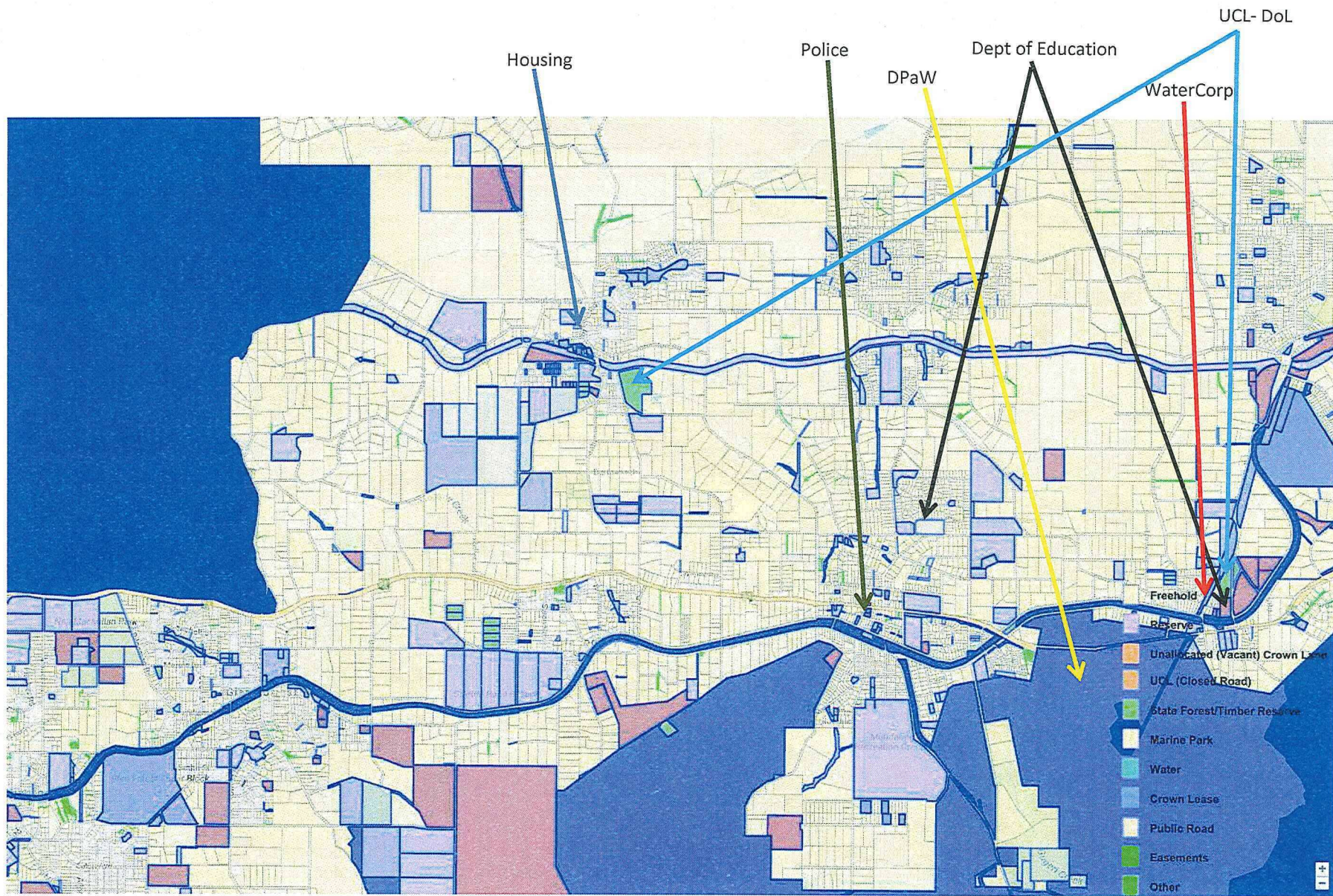
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APPENDIX A - Margaret River



APPENDIX B - Roleystone



APPENDIX C - Parkerville

EMERGENCY SERVICES LEVY

Motion

Resumed from 9 September on the following motion moved by Ms M.M. Quirk —

That this house condemns the Barnett government for misappropriating funds collected by the emergency services levy for purely administrative purposes instead of for frontline emergency needs, and calls for a system of independent allocation of ESL funds to be implemented as recommended in the first Keelty inquiry.

MR J.M. FRANCIS (Jandakot — Minister for Emergency Services) [5.40 pm]: I start by acknowledging members of the opposition who have spoken to this motion; I do not have a list of names with me, but I know the member for Armadale made a contribution last Wednesday before this motion was adjourned. I say from the start that obviously the government does not support the motion brought to the house by the shadow Minister for Emergency Services, the member for Girrawheen, and I will outline the reasons why.

Firstly let me say that the wording of the motion —

The ACTING SPEAKER (Mr I.M. Britza): Members, if you want to have a conversation, I ask you to leave the chamber, please.

Mr J.M. FRANCIS: Firstly let me say that obviously the government will not support this motion and I will outline the reasons why. I do not mean to be provocative by saying this, but I would suggest that the motion is fairly harshly worded and, I would go so far as to say, pretty offensive to both the Fire and Emergency Services Commissioner and the staff of the Department of Fire and Emergency Services, purely through the use of the words “misappropriating funds”. As members know, the Fire and Emergency Services Commissioner, through delegated authority, has responsibility for the administration of every single cent spent by that department, whether the funding comes from the emergency services levy, consolidated revenue or any other means. He is the one who is responsible for making sure that every single cent spent by the department is spent in accordance with the relevant legislation. Obviously, in this case, we are predominately talking about the Fire and Emergency Services Act 1998, which was amended on 1 July 2003 to allow the raising of funds through an emergency services levy.

I would go so far as to say that if the Fire and Emergency Services Commissioner spent any money whatsoever that was not in accordance with the act, both the Auditor General and the Corruption and Crime Commission would be breathing down his neck. Every single cent he spends, he spends in accordance with the act and the annual reports provided by the Department of Fire and Emergency Services to this Parliament, to the government and to the public, outlining exactly where every single cent comes from and where every single cent and dollar is spent.

I want to provide some background on how we ended up with an emergency services levy. I will say from the start—I have said this publicly in the media before—that I actually support the model for the emergency services levy; I think it is a wonderful model. In respect of transparency of charges, fees, taxes or whatever we want to call it, in any government agency, I would say that the emergency services levy is actually a great model, and I compliment the member for Midland who, as minister back in 2003, introduced the amendment to the act to allow the raising of the ESL.

It was done for a number of different reasons at the time, but let me make it perfectly clear: the ESL is there to raise money for specific purposes, and I will just go through the advice I have on this. It is based on the level of service available and calculated on the gross rental value of most urban properties with a fixed rate charge per property in rural and remote areas. The document I am referring to sets out the operating arrangements and business rules that apply to the ESL, through a manual of operating procedures that forms the basis of ESL guidelines issued by the minister under section 36Y of the Fire and Emergency Services Act.

All property owners are required to pay either a GRV-based or fixed-charge ESL to provide the majority of the source of funds for the operation of —

The ACTING SPEAKER: Members, the conversations in the chamber are a little bit loud. I ask you to either quieten it down completely, or remove yourselves from the chamber.

Mr J.M. FRANCIS: It is for the operation of the career Fire and Rescue Service, which has obviously had a significant expansion over the last seven years. It grew slightly under the previous government, but I will talk about what we spend money on shortly: the volunteer Fire and Rescue Service; the local governments’ bush fire brigades; Volunteer Emergency Service units, predominantly down south; the Volunteer Marine Rescue Service; State Emergency Service units; and the Department of Fire and Emergency Services’ corporate support costs, associated with the above services.

That is where we spend the money, but obviously the predominant cost in all of that is in providing the equipment, the trucks, the resources, and the career firefighters who get paid, which we have added to significantly over the last six years. In fact, we have added just over 100 net additional career firefighters. There are also the costs associated with new fire stations, capital costs upright, and certainly there are a lot of other costs, such as the costs of running those fire stations, the costs of welfare, the costs of chaplaincy services, the cost of new boats and the cost of new trucks for volunteer bush fire brigades and the costs of the aerial firefighting fleet, which I will touch on shortly. It is a significant investment by the state to protect people's lives, assets, homes and businesses, and all the critical infrastructure around the place such as roads, bridges, Telstra towers—whatever it might be. It is a significant task and we do not have to go too far to see how much more this government spends and what kinds of resources we get to protect the people of Western Australia every fire season. Obviously, as I said, there are SES units during storm seasons and during floods and whatever the emergency may be.

As a rough idea, one does not have to go too far through the annual reports—they are obviously a little more accurate than the budget documents because they are actually what was spent rather than what was forecast to be spent every single year—to look at the history of the ESL and how much of it relates to the actual operating budget of the Department of Fire and Emergency Services.

I will refer to some information that I am happy to table for the member for Girrawheen when I finish, but I will go through it for the purpose of *Hansard*. In 2003–04, under the Labor government, the actual operating budget for Department of Fire and Emergency Services was—I will round them up—\$145 million, and the ESL raised \$81 million; that was the very first year of the ESL. Essentially, the criticism is that the government is shifting the cost from consolidated revenue onto the ESL, and I accept that that is happening, but within the requirements of the act, obviously. In 2003–04, \$145 million was raised, of which \$81 million was raised by the ESL, which made up 56 per cent of the department's total budget. The very next year, 2004–05, under a Labor government, the actual operating budget was \$171 million and the ESL increased to raise \$126 million—a jump of 73.5 per cent of the total operating cost of the agency. We have gone from 56 per cent to 73.5 per cent, and the following year, as a percentage of the actual operating budget, it went to 76.3 per cent. The opposition's criticism is that this year we have taken it to 80 per cent. The following year, 2006–07, it went down to 66 per cent, and the year after that, 2007–08, it went back up to 74 per cent. There was a great lack of consistency, but that was the percentage that the ESL covered of the total operating budget of the agency and now department. In 2008–09, the first year of the Liberal–National government, when the member for Hillarys was the Minister for Emergency Services, before Troy Buswell and then me, the total operating budget went up to \$224 million and the percentage funded by the ESL was 75.25 per cent; in the following year, 2009–10, it was 69.73 per cent. The percentage then dropped down but went back up to 78.63 per cent. This year, we are at a record high as a percentage of the total operating budget of the department at 80.5 per cent, which means about 19.5 per cent comes from other sources, predominantly consolidated revenue.

I am interested in one of the comments made by the member for Armadale in his speech, when he accused the government of being tricky. He said the government was increasing the emergency services levy to cost shift away from, essentially, consolidated revenue. What is the opposite of tricky—untricky, anti-tricky, overt?

Ms R. Saffioti: Honest!

Mr J.M. FRANCIS: The member can give me another one. I would say that the government is whatever is opposite of tricky.

Dr A.D. Buti: You're being straightforward about being dishonest.

Mr J.M. FRANCIS: I am not, and the member should let me explain why. The member for Armadale says the government is being tricky and is trying to shift the cost. The total operating cost of the department in 2014–15 is \$359 million, and I will go through the significant achievements that has provided and that we are very proud of. I have said before that governments do not have money; taxpayers have money. Our job is to raise revenue as fairly as possible and to spend it where the community needs it. In this case, it is the provision of emergency services and the resources that go along with it. Nothing could be more transparent than putting the actual cost of providing that service on someone's rates notice. When people get their rates notice every single year, they know exactly how much their ESL is. I got my rates notice from the City of Cockburn a couple of months ago. I looked at it as I walked out the door today, and the ESL for my house in Atwell is —

Dr A.D. Buti: That's not what we are talking about; we're talking about how you use the money.

Mr J.M. FRANCIS: I will get to that, too.

Dr A.D. Buti: That's where you're tricky.

Mr J.M. FRANCIS: I had already started to explain that. The ESL for my 4 x 2 in Atwell is about \$251. The only alternative to telling people up-front how much we are charging them for their emergency services levy is to somehow charge them through an indirect tax or fee. Could anyone seriously tell me, with most of the other government services—I am not picking on anyone in particular, but first off the top of my head is a community service such as policing—how much tax they pay indirectly or how much they forfeit through royalties? The same could be applied to health or education. Can any member seriously tell me how much that cost them out of their family budget every single year? They cannot; they have no idea. That is not a criticism; that is a fact. With the ESL, people know how much it costs them—or at least what 81 per cent costs them! It is contained in their rates notice.

Dr A.D. Buti: That's not what we are talking about.

Mr J.M. FRANCIS: I will come back to my opening remarks about where it goes.

Dr A.D. Buti interjected.

The ACTING SPEAKER: Member for Armadale, he is going to address you directly.

Mr J.M. FRANCIS: The member for Armadale might have missed the start of my speech, when I went through section 36Y of the Fire and Emergency Services Act and listed what the ESL can be spent on. It does not get spent on anything more or anything less. I cannot spend the ESL on surf lifesaving, but I fund that, so 19.5 per cent of its operating costs come out of consolidated revenue. The ESL cannot be used to fund a number of different services and different organisations. I can tell members that every single cent that the commissioner spends is spent in accordance with section 36Y of the act, and that every single minister and government since this levy was introduced on 1 July 2003 has varied the rate—almost always progressively increasing the percentage of the operating budget of the department that is paid for by the ESL. I could turn around and lower the ESL to 10 per cent and 90 per cent would come from consolidated revenue, but people would not have any idea when they get their rates notice how much they are paying for emergency services, but I can tell members what: as I said, governments do not have money; taxpayers have money. Money does not grow on trees and someone would have had to put up some other tax in some other way in order to fund it. That is the reality of the state's books. It does not matter who is in government; it is a financial fact that the money has to come from somewhere.

Several members interjected.

Mr J.M. FRANCIS: Where do members think consolidated revenue comes from? Whether a person is a taxpayer or a ratepayer, essentially, they are same person.

Ms J.M. Freeman: You are just hitting them in another way.

Mr J.M. FRANCIS: At least I am not being tricky; I have the decency to tell people how much I am charging them. It is the opposite of tricky; it is being an open and honest government. It is saying, "This is how much this service is costing you and this is how we are going to collect it. You pay it through your rates." The alternatives are either to bring in an indirect tax or to cut funding to schools, police, hospital services, roads or whatever it might be. At the end of the day, even that funding would come from consolidated revenue, which is raised by an indirect tax and no-one would know how much they are paying. I argue come hell or high water that this is the most transparent way of raising finances for the Department of Fire and Emergency Services. The opposition wants to remove the levy and put it back into consolidated revenue. In 2003, 2004, 2005, 2006, 2007 and 2008 the percentage of the ESL funding the department's operating budget increased from 53 per cent to 73 per cent then 76 per cent, then decreased to 65 per cent and back up to 74 per cent, so exactly the same thing happened under a Labor government.

Ms M.M. Quirk: That was more in relation to the Cockburn headquarters. In 2007–08 there was an anomaly in the figures because of the Cockburn headquarters.

Mr J.M. FRANCIS: The percentage of the total operating cost is fairly consistent and I would say that the anomaly caught up with the rate in about 2011–12 when Mr Buswell was the minister and, essentially, the government put a significant injection into the department post-Keely and raised an amount of money, which it did not spend in that year and which trickled over to the next year. Obviously, the department cannot give it back to the government; it has to spend the money it raises. The government cannot use the ESL, and it has no intention of using the ESL to raise money to pay for anything other than what is prescribed in the act. In 2012–13 the percentage of total operating costs dropped back to 47.8 per cent, and then it went back up to 78 per cent. Other than an injection arising from the Keely recommendations, we have been on a steady and fairly constant trajectory of increasing the amount of overall percentage, plus the net amount, that ESL funds the department. That is fine; I do not have a problem with that. As I said, the alternative is to put up an indirect tax, and no-one would know how much they were contributing to pay for those services.

As I said, I want to again go through the things that we spend the money on. It is not a boast of the government, although it is exceptionally proud that it does this. I want to give members an indication of the size and scale of emergency services and the cost in the state of Western Australia. In the last six years, the government recruited, and obviously paid for, a net extra 100 firefighters. Roughly, off-the-cuff, by the time we weigh up superannuation, workers compensation and all the other associated costs, a firefighter costs \$100 000 a year. I do not know the exact salary, but WA has the best-paid firefighters in the commonwealth. I am absolutely proud of that, and they are too, because it is a bloody difficult job being a firefighter. It is dangerous and confronting. I will not go into the details, but members could imagine some of the scenes that they come across. I do not want to sidetrack the debate, but we should acknowledge the volunteer fire and rescue service and the State Emergency Service. They attend road crash rescues as well. They are volunteers and they see some horrific scenes out on the road. Predominantly, career fire and rescue firefighters see appalling and confronting scenes. Good on them! They deserve every single cent they get paid because it is a difficult and challenging job.

We do not have to go far back in history to see the cost trajectory of spending on aerial firefighting. I have spoken so many times in this place about how much we budget every single year for the aerial firefighting fleet, because when it comes to putting out fires the most effective way these days is aerial firefighting and predominantly helicopters. I will give one example of what we have done, which I did as minister, that increased the total operating cost to the Department of Fire and Emergency Services, which obviously increased the requirement to raise the emergency services levy, and that is the Erickson sky crane. Every single year until two years ago, the then minister, whoever it might have been, went to cabinet at the last minute and said, "Give me an extra three million bucks out of consolidated revenue." I know Troy Buswell did this as did the member for Hillarys, and no doubt whichever member of the opposition was minister at the time would have done exactly the same thing. They would have gone to cabinet and said at the last minute, "Give me an extra \$3 million; I want to secure the services of the Erickson sky crane." It is obviously a fairly old air frame, which has been modernised and rebuilt, but it operates very safely. It spends our winter in Greece, I think, and our summer here, so it comes back and forth every year. It travels through the off-season on a ship, comes to Fremantle and is put together. It costs \$3 million a year. Every single year, that was a last request by whoever the minister was. I sat there two years ago and thought: you want to be a bloody brave minister to go into a fire season in the state of Western Australia with a changing climate without that aerial asset that can drop 7 000 litres of water in one hit and reload in 50 seconds. That is amazing power for fighting massive fires. I spoke to the Fire and Emergency Services Commissioner about it and asked, "Would you be able to negotiate a better deal if you knew that you were going to need that for the next three or five years, rather than rushing in at the last minute trying to secure a contract?" He said, "Absolutely", so I said, "Let's put it in the budget." He asked me how I was going to pay for it and I told him by putting up the ESL but that he would have to pay for it and negotiate a contract, not at the last minute, as has been done for years under the member for Girrawheen's government and at the start of this government, so that he could get better value for money for the people who pay the ESL—the ratepayers and taxpayers. Whoever they are; they are predominantly the same people. That led to an automatic increase to the requirement of \$3 million every single year but what members can know is that I will not have to go out every single year saying, "I secured an extra \$3 million at the last minute, aren't I great?" It gives absolute certainty. The same thing happened for negotiating the entire aerial fleet, so there is certainty in that. I can go back 10 years—I am not having a political crack here—and look at the trajectory of the increase every single year on what has been spent on aerial firefighting fees. Obviously, the population is growing and the climate has changed and the challenges of fire have increased dramatically; therefore, the requirement for the government of the day, whichever party it might have been —

Ms M.M. Quirk: You spend more money on emergency services and less on administration. That's the same point we're making, minister.

Mr J.M. FRANCIS: For whatever it might be, the cost has gone up and we now allocate just over \$20 million a year—every single year it gets bigger and bigger—to have the aerial firefighting fleet. It is not just that. I have spoken in this place about it before. We just need to look at where else the money might go. I think under the Labor government, the Success fire station was opened in 1999 and the Murdoch station in 2004–05.

Ms M.M. Quirk: Duncraig, I think.

Mr J.M. FRANCIS: Is that two fire stations in seven years?

Ms M.M. Quirk: There might be more.

Mr J.M. FRANCIS: Under this government there is Kambalda Fire and Rescue, and \$6.7 million for the Kiara Fire Station alone; \$1.8 million for a new SES headquarters at Belmont; and, \$2.5 million for a new Geraldton Fire Station, which is now being built.

Ms M.M. Quirk: It's not yet built.

Mr I.C. Blayney: It's about half built.

Mr J.M. FRANCIS: It is about half built, member for Geraldton. I bet the community of Geraldton absolutely love the fact that it will have a decent home for its firefighters. It is not cheap at \$2.5 million. The government committed \$5.5 million for the new Butler Fire Station, which was delivered, and one for Bridgetown. The government provided \$6 million or \$7 million just for the capes enhancement project; \$9.5 million was committed and construction is about to start on the Bunbury station, which should be finished in about 12 or 14 months. There is \$9.1 million in this year's budget for Albany Career Fire and Rescue Station, which is to be finished by next year, and \$20 million for West Perth. I know that the member for Perth is very happy about that. I will not go into the detail but we all know the reason we needed another fire station close to the CBD.

To suggest that the ESL is being used purely for administrative purposes is absolutely wrong.

Ms M.M. Quirk: I didn't suggest that

Mr J.M. FRANCIS: The member needs to read the wording of her motion. As I said, the ESL is administered by the Fire and Emergency Services Commissioner under the authority delegated to him in accordance with the act. If he is misappropriating money—he is not allowed to under the act—as I said, he would be breaking the law. I know that the commissioner is not breaking the law. The member for Girrawheen may not like the fact that the ESL has gone up; she might not like the fact that we have been transparent with the ratepayers, taxpayers and householders—the people of Western Australia—about how much we are charging them but, as I said, I find that very open and transparent.

I refer to some of the other things we have spent money on. I am exceptionally proud—as should be the two ministers before me when they had this portfolio under this government—of the average age of the firefighting fleet. I have spoken about this in this place before. All those volunteer bush fire brigades, which are almost overwhelmingly the main responsibility of the local councils, including all the trucks, whether they be light or heavy tankers, are all paid for by the ESL—absolutely every single bit of it. There are 644 appliances across the state: 222 light tankers, predominantly the LandCruisers, and 422 medium-to-heavy tankers. There is a definition on what is over age and under age, by the way. A heavy tanker's age threshold is 16 years and the average life of a light tanker is 10 years. On those figures alone the member for Girrawheen can look at the massive investment we have made on the firefighting fleet in Western Australia. I go back to 2002–03 when 31 per cent of the entire fleet of fire trucks was over age. I think I held up a photo in here once before of the bulk water tanker that used to belong to the Jandakot Fire Station. It was an old rubbish dump truck, with a tank put on the back, donated to the brigade by the City of Cockburn. The old yellow truck was already past its life when it was given to the Jandakot volunteer bush fire brigade by the City of Cockburn. Now the Jandakot station has a brand-new 12/2. I do not know what a 12/2 is worth—\$150 000 or \$200 000. They are not cheap appliances. In 2002–03, 31 per cent of the fleet was over age.

Ms M.M. Quirk interjected.

Mr J.M. FRANCIS: Okay, in 2003, there were 26. All credit to the member; during the Labor years, the average age of the fleet was coming down. In 2004–05 it was at 22 per cent; in 2005–06, 20 per cent; and 2007–08, when the member left office, it was 15 per cent. In 2012–13 it was zero. By 2012–13 every single truck in the fleet was within its age restriction. Right now, as I speak, that is not the case. Some of them have crept over by just a couple of per cent because, as part of our review of the fleet and because we will look at what we call the future fleet program, we will not spend money on a truck that will be replaced by a new model, whether it be a light or heavy tanker, in the next couple of years. It is a couple of per cent at the moment.

There has been a massive investment to ensure our firefighters, both career and volunteer, and our emergency service workers, whether they are SES or whatever they might be, have the newest possible equipment that the state can provide. This costs an absolute mammoth amount of money. On top of that, predominantly funded by royalties for regions, are the crew protection upgrades, the investment we put into every single new fire truck and retrofitting old trucks with radiant heat shields, burn-over blankets, new radios and all the upgrades to all the volunteer bush fire brigades in accordance with the act and all the training and protection equipment that goes with it for both volunteer fire rescue and bush fire brigades and the national standards. It costs an absolute bucketload of money because our firefighters, whether they are paid or volunteers, deserve the best equipment, the best resource and best training the state of Western Australia can provide them.

Opposition members cannot seriously sit here and argue that the government should not do that. The bottom line is that someone has to pay for it, and rather than putting up an indirect tax, we wanted to be up-front and clear. Sure, we might cop a bit of political heat over it, because people's rates went up and the emergency services levy component is listed on their rates notice. We wanted to be absolutely crystal clear with people and tell them how much we are charging them. People can see the value of the ESL every time they see a helicopter fly over them in the bushfire season or they look at fire trucks passing them on the way to a house, building or bush fire. One only has to ask the people of Boddington and Northcliffe whether they think it is worth paying the ESL. One only has to look at volunteer sea rescue.

How many people have boats? I am not the Minister for Transport or Fisheries, but I think we have one of the highest percentages of private boat ownership anywhere in the country. Why wouldn't we? We have such beautiful beaches, Rottnest Island and the great Western Australian coastline. Every time someone goes out in their private boat, as long as they are within the catchment area of a volunteer sea rescue group, they know that if they get into trouble, they can make a radio call and someone will come and help them. If the boat breaks down, they will get a tow home. They might be asked to put a few bob in the bucket for petrol or make a donation, but it is not compulsory. It would be good if people did make a donation, because there is a bit of an issue of people going to Rottnest with half a tank of petrol and running out of fuel and expecting someone to tow them home. Ask Jim McGinty, who I think is still an active member of the Fremantle Volunteer Sea Rescue Group, about the quality of boats that have been provided there that were paid for by the ESL.

Ms M.M. Quirk: Not until this year.

Mr J.M. FRANCIS: The member is right, but the group got new boats, equipment and all the resources that go with it. The electricity gets turned on so its members can operate the radios, phones and everything else. It all costs a bucketload of money.

Dr A.D. Buti: The submarines.

Mr J.M. FRANCIS: I do not think the ESL is funding submarines somehow, unless the member knows something that I do not know, and in that case I would be pretty concerned! The member for Armadale would have made a great candidate in Canning.

Dr A.D. Buti: You would have been an outstanding candidate for the Liberal Party in Canning. Why didn't you make the jump?

Mr J.M. FRANCIS: Probably for the same reason the member did not.

The ESL as a percentage of the budget predominantly every year, other than the anomaly of the injection of the Keelty funding, when the ESL was not spent that year and it was carried over—it was essentially reserved to be spent on only these things—is spent on whatever it might be that requires financing in order to provide a world-class emergency services system in Western Australia. Not only that, we then have the ability and the resources to help out our friends when they are in need. I have firefighters right now in the United States. As we stand here today, the United States has terrible fires burning in California. Our hearts, thoughts and prayers should definitely be with the people of California at the moment. I mean they have lost —

Ms M.M. Quirk: And in Indonesia.

Mr J.M. FRANCIS: The member for Girrawheen is right, and in Indonesia and a number of different places. I think the last count I saw was that 580 houses had gone in one area of California alone. We want to be able to help our friends in need, just as when we get into trouble, we can pick up the phone to our friends in the eastern states and ask for resources. We did that this year in Northcliffe. We brought in about 120 firefighters from the eastern states and the really, really big fixed-wing firefighting aeroplanes. The planes flew out of RAAF Base Pearce, down to Northcliffe and back, just to dump one load. We have reciprocal arrangements with other states, and we want to be able to meet them. We want world-class training for our firefighters and for them to have all the best equipment and the best personal protective equipment and, as I said, it all costs money.

I will come back to the member for Girrawheen's motion. To suggest that the government is misappropriating funds collected by the emergency services levy is essentially saying that Commissioner Gregson —

Ms M.M. Quirk: No, it does not say that.

Mr J.M. FRANCIS: By delegated authority, he is the person who spends every single cent. If the member is saying that Commissioner Gregson is somehow magically taking instructions from me to breach the act and spend money on things that he is not allowed to under the act, if that is the member's accusation, say it. I reckon the Corruption and Crime Commission and the Auditor General might have something to say about that. It is just not happening. The commissioner is a man of absolute integrity, as are the rest of the people who work for him, especially when it comes to the expenditure of ratepayers' ESL and taxpayers' money.

This week we announced the rollout of the volunteer fuel card.

Ms M.M. Quirk: Funded by royalties for regions.

Mr J.M. FRANCIS: Almost, but not entirely, and I will tell the member why. If the brigade, group or unit volunteers—State Emergency Service, sea rescue, St John Ambulance—fall into a royalties for regions gazetted area, they will be covered by royalties for regions, but the rest will be funded through consolidated revenue. I cannot use the ESL to pay for the fuel card because I know that that would be in breach of the act. Therefore, funding for the fuel card is not coming out of the ESL component of the department's budget. I am not going to direct the commissioner to break the law. He does not do that; it just does not happen. Annual reports are tabled in this house by every government agency, every year, including the Department of Fire and

Emergency Services, and agencies can expend the money only in accordance with the act. I cannot tell the commissioner to break the law, and he would not do that anyway. I do not accept that the Fire and Emergency Services Commissioner is “misappropriating funds collected by the emergency services levy”. He is just not doing that.

Secondly, as I said, member for Armadale, I do not accept that what the government is doing is sneaky or tricky in any way. I think whatever the opposite of sneaky and tricky is, that is what we are doing. Sure, we may bear a bit of political pain for being honest and open with people and telling them how much we will charge them and that we are going to charge them more through the ESL on their rates notice, but the only alternative if we want this world-class service that we are so proud to be delivering is to put up an indirect tax—a hidden or secret tax that no-one knows they are paying.

Of course, member for Girrawheen, we acknowledge that we have moved towards—as did the member’s government—funding a greater percentage of the department’s budget through the ESL, but there are some things that just cannot be funded through the ESL and we are funding them out of consolidated revenue. We are doing exactly what the Labor Party did in government; we are following that trajectory. We are doing exactly what the member for Hillarys did when he was the Minister for Emergency Services and exactly what the member for Midland did when she was the minister. We are probably almost at the point at which we have reached the limit without making some kind of amendment to the operating manual in the act or whatever it might take.

On 1 July 2003, when the member for Midland was the Minister for Police and Emergency Services and amended the act through this Parliament, she got it right. If there was an issue with the percentage that the department was funded through the ESL rather than consolidated revenue, it should have been limited in the act at the time, if that is the point of the member’s motion, but it was not. If there is an issue with what the department can and cannot spend the ESL funds on and Labor Party members do not like what the commissioner is spending the levy funds on, they should have limited that in the act as well, but they did not. We are not breaking the law and we are not doing anything wrong; we are doing everything as transparently as possible. We might take political pain for that, but we are doing what is required to provide a world-class service to the people of Western Australia and provide all the equipment, training and resources, including new trucks, crew protection—you name it—to our career and volunteer firefighters, SES and Marine Search and Rescue workers. They bring the boats and horses at their own cost. We are doing whatever it takes to ensure that they have the best of the best in the world. That costs money, and we are being very open and transparent about the way that we are raising that money.

MS M.M. QUIRK (Girrawheen) [6.19 pm] — in reply: The minister did not address a number of the issues I raised in my speech, so I need to reiterate a couple of them. Members, that was a fantastic example of smoke and mirrors. Basically, I have been verballed. The motion is not about the integrity of the Fire and Emergency Services Commissioner nor is it about the integrity of public servants; the motion condemns the Barnett government for misappropriating funds. The minister is being very cute. He is responsible for that agency’s budget. He is the one who goes along cap in hand to Treasury and justifies and puts a case up for funding from consolidated revenue, and he is the one who got rolled. Pressure was brought to bear on the department this year and the commissioner in estimates in the other place, as I quoted, frankly admitted that increasing amounts of the ESL pool were being spent on administrative costs and less was being contributed by the government itself under consolidated revenue. As I said, the minister needs to take some responsibility, because he was rolled by Treasury.

To talk about what is spent on emergency services is not the point. I had the dubious honour of being in the chamber when the legislation was debated, and I had the privilege of travelling around to many units to, if you like, sell the bill to them before it was brought into this place. People such as the member for Hillarys and the then Leader of the Opposition, Paul Omodei, were very concerned that part of the revenue from the ESL would go to matters that were not directly related to emergency response or mitigation. They were concerned that it would be spent on administrative costs and they were concerned that the government itself would contribute less, and all those things have in fact come to pass under this government’s administration. I am well aware of the history of the legislation, and the assurances given by the minister at the time, Hon Michelle Roberts, that this would not occur. In my view, this is part of the mischief of the legislation. The intention of the legislation was very clear and the minister put her hand on her heart and said the levy would be spent on matters directly related to emergency response.

As the current minister has explained, the emergency services levy amount a householder has to pay obviously depends on location—whether people have access, for example, to career firefighting services—and also gross rental value. The ESL is very much linked to property ownership and the argument at the time was that it replaced a system by which insurance companies paid, but those who insured offshore were effectively not contributing to the costs of running emergency services.

I mentioned marine rescue and I think it does a wonderful job, but people do not pay under their household insurance policy, or effectively under the ESL, for marine rescue, because that is a separate issue. It has always been treated separately and has been funded out of things such as Lotterywest and other sources. Yes, marine rescue always did have trouble fundraising and so on, but two wrongs do not make a right. Why should people who do not own a boat pay for marine rescue? I find that a bit interesting.

Mr J.M. Francis: There are lots of people who go out on boats they do not own.

Ms M.M. QUIRK: Yes, but at some stage there is insurance on those boats, but there is no levy on boats for marine rescue.

Mr J.M. Francis: Another point, though, if you are making that point—I am just trying to add something worthwhile here—is that there are people who live in apartments in Scarborough who pay the ESL and that goes to funding the cost of the helicopters to put out fires for people who live in the bush. You could just as well make that argument. Why should people who live in apartments pay the ESL? Sometimes they go out to the bush as well.

Ms M.M. QUIRK: Their unit in Scarborough might burn down and the local fire station, which is probably at Osborne Park, although there might be one closer than that, will send people to rescue them.

Mr J.M. Francis: But sometimes they might go bushwalking.

Ms M.M. QUIRK: What I am saying is that there is a direct nexus between property ownership and the levy, whereas there is not that direct nexus with marine rescue. I do not want to take too much time on it, but that is one of the sleights of hand that we now have to deal with.

Mr P.T. Miles interjected.

The ACTING SPEAKER: Member!

Ms M.M. QUIRK: The minister has talked about how volunteers are funded, but that is effectively the large number of bush fire brigades funded by local government under local government grants, and that amount has stayed static for a number of years—it is a little over \$30 million. In Western Australia we are much more heavily reliant on volunteers than in any other jurisdiction, so on average in Australia there are 63.5 career firefighters per 100 000 people, but in Western Australia there are only 48 career firefighters per 100 000. Effectively, that means that volunteers need to take up the slack, so there is an increasing amount of money under the ESL, but the amount that goes to bush fire brigades has not gone up.

I mentioned two things that I could not really understand the ESL would fund: \$80 000 for a branding exercise by the Department of Fire and Emergency Services and an \$800 000 contract for graphic work for the department. Both of those things seem to be really above and beyond and have no nexus with emergency response.

The next issue the minister raised is that the ESL is on the rates notice and it is transparent, and people know what it is spent on. They would have a view that it was spent within their local government area, because it is in the local government rates, but the minister and I know that a very small percentage is actually spent in the local government area where the levy is imposed and a lot of money goes back into the central coffers, if you like. That is a lack of transparency there. There is also the issue that local government is now not properly funded to administer the imposition of that levy. It costs them money.

Mr J.M. Francis: We give them about \$2 million a year.

Ms M.M. QUIRK: It is not enough. They say they are short of money and if the ESL is not paid —

Mr J.M. Francis: I would argue they should be doing it for free. It costs them absolutely nothing to add a line on their rates notice.

Ms M.M. QUIRK: It costs them every time they have to change a computer program to change the rate. It also costs them, for example, if people do not pay their ESL and local government has to pay for the debt collection. I understand that the Western Australian Local Government Association came to the government and advised that councils were out of pocket by virtue of collecting this ESL.

The minister also asserted that this motion was political in nature, but I remind him that Mr Keelty's first report, the Perth hills bushfire review, made a recommendation that this money should be administered and collected independently and he suggested this be done by the Department of Finance. I certainly think, and the opposition thinks, that even if the government, which has rejected this recommendation on a number of occasions, is not prepared to hand it to a separate authority, a separate inquiry is nevertheless warranted. The act has been in force for over 10 years or so and it is probably appropriate that we review how the collection and the expenditure of the ESL is going. A review is currently taking place on all the emergency services legislation, and in the concept

paper that was supposed to generate discussion there is a chapter on the ESL. However, it has been indicated that the submissions from the public on that concept paper will not be made public, so because of that when the legislation is introduced, we will not know how people feel about the ESL.

The other example I want to raise is the lack of money in Northcliffe to do some prescribed burning. The district officer told two different units, one from, I think, the bush fire brigade and another from a unit attached to the Department of Fire and Emergency Services, that there was insufficient funding to do prescribed burns on the western, eastern and northern sectors around the town of Northcliffe, where some of the fuel load was over 20 years old. That concerns me. When we are talking about coffers of over \$300 million, there is not a few thousand dollars available to fund the volunteers to do the prescribed burning around Northcliffe that they wanted to do.

Mr J.M. Francis: So you want to be able to use the ESL to fund mitigation?

Ms M.M. QUIRK: Well, yes.

Mr J.M. Francis: That would require an amendment. That is fine, if that is your policy.

Ms M.M. QUIRK: If not, it is a training exercise. In any event, the government is placing resources at risk for a mere few thousand dollars so that it can feed some volunteers. If that training exercise happens to be prescribed burning, so be it, but I cannot see the equity, with all this money being paid under the emergency services levy, for a township like Northcliffe that went through the trauma last year. The Minister for Environment can laugh, but only last week another controlled burn escaped and did a small business out of a day's earnings because of the mistake of burning when the temperature forecast was in the low 30s.

Mr A.P. Jacob: Should we know what the temperature will be a week before it happens?

Ms M.M. QUIRK: I can go into my mobile phone and tell the member what the temperature will be next Thursday.

Several members interjected.

The ACTING SPEAKER (Mr N.W. Morton): I have been allowing some generally civil interaction between the minister and the shadow minister, but I do not want it to descend into a free-for-all. Member for Girrawheen, you have the call.

Ms M.M. QUIRK: I note the point about mitigation, and that the ESL is by and large spent on response, but a stitch in time saves nine. The minister may need to, as part of a review, re-examine whether some of those funds should be put towards mitigation. As I said, there is a fine line between training and mitigation exercises, so I do not accept that it necessarily hampering. I am just not sure why this money is being spent on human resources, media, branding exercises and a number of administrative matters that are clearly not related to emergency response. There needs to be a review, given that 70 per cent of the volunteers effectively receive 30 per cent of the funding. There needs to be some detente with local governments to ensure that they are able to train, equip and administer the ESL collection.

Finally, I will give the minister a bouquet. I am very pleased that the Aboriginal cadet program is a finalist in the Premier's awards. Aboriginals have a long history of being custodians and guardians of our landscape. I went to the launch of that program, and it is terrific that these kids will have a future in fire and emergency services. I wish the program well in the Premier's awards.

Just to summarise, we are not making any accusations about the commissioner or public servants. It is in the minister's court; he is the one who has to get the funds out of consolidated revenue. He has failed to do so, and therefore he is dipping into the ESL for matters that are clearly not within the contemplation of the original legislators. As I said, I sat through that debate in here, and I have a recollection of what was said. What is being done is very contrary to the intention of the legislation.

We have not had an adequate explanation for why there is expenditure for these other matters which, as I said, is not insubstantial. Thirdly, there needs to be an independent assessment of the current scheme with a view to revisiting the funding arrangements, especially those for local government.

Question put and a division called for.

Bells rung and the house divided.

Several members interjected.

The ACTING SPEAKER (Mr N.W. Morton): Thank you, members! Just on that point of order, I think that has been discussed at length today, and I have not yet appointed the tellers, having been well across the standing orders, member. Anyway, let us just get back to this, please.

Division

The division resulted as follows, the Acting Speaker (Mr N.W. Morton) casting his vote with the noes —

Ayes (16)

Ms L.L. Baker	Mr D.J. Kelly	Ms M.M. Quirk	Mr P.C. Tinley
Dr A.D. Buti	Mr F.M. Logan	Mrs M.H. Roberts	Mr P.B. Watson
Mr R.H. Cook	Ms S.F. McGurk	Ms R. Saffioti	Mr B.S. Wyatt
Ms J.M. Freeman	Mr P. Papalia	Mr C.J. Tallentire	Mr D.A. Templeman (<i>Teller</i>)

Noes (31)

Mr F.A. Alban	Mr J.M. Francis	Mr S.K. L'Estrange	Mr D.C. Nalder
Mr C.J. Barnett	Mrs G.J. Godfrey	Mr R.S. Love	Mr J. Norberger
Mr I.C. Blayney	Mr B.J. Grylls	Mr J.E. McGrath	Mr D.T. Redman
Mr I.M. Britza	Dr K.D. Hames	Ms L. Mettam	Mr A.J. Simpson
Mr G.M. Castrilli	Mrs L.M. Harvey	Mr P.T. Miles	Mr M.H. Taylor
Mr M.J. Cowper	Mr C.D. Hatton	Ms A.R. Mitchell	Mr T.K. Waldron
Mr J.H.D. Day	Mr A.P. Jacob	Mr N.W. Morton	Mr A. Krsticevic (<i>Teller</i>)
Ms E. Evangel	Dr G.G. Jacobs	Dr M.D. Nahan	

Pairs

Ms J. Farrer	Mr R.F. Johnson
Mr W.J. Johnston	Ms W.M. Duncan
Mr M. McGowan	Ms M.J. Davies
Mr J.R. Quigley	Mr W.R. Marmion
Mr M.P. Murray	Mr P. Abetz

Question thus negatived.

PROPOSED ALTERNATE MODEL FOR ESL ADMINISTRATION (Attachment C)

