



---

**Minister for Seniors and Ageing; Volunteering;  
Sport and Recreation**

Our Ref: 68-01379

Mr Paul Kelly  
Acting Chief Executive Officer  
Economic Regulation Authority  
Level 4, Albert Facey House  
469 Wellington Street  
PERTH WA 6000

Dear Mr Kelly

For your information, I have attached correspondence received from Mr Michael Cain, Secretary Superannuated Commonwealth Officers Association Western Australia (SCOAWA), dated 20 August 2017, regarding the impact of the Emergency Services Levy (ESL) on Western Australian seniors. In addition, a copy of my response to Mr Cain has also been included.

I am aware that an independent review of the ESL is currently being conducted through the Economic Regulation Authority (ERA). I have been informed that the submissions received in response to the draft report are currently being considered in the preparation of the final report.

After liaising with ERA Officer, [REDACTED] I understand that the submission from the SCOAWA has not been received, however, it may be considered as a late submission if forwarded to ERA.

It is likely that the points raised within the SCOAWA submission, particularly in regards to ensuring seniors on a fixed income should not be disadvantaged, may have also been raised in other submissions. However, I would greatly appreciate the ERA accepting the SCOAWA submission for inclusion in its deliberations towards the final report.

Thank you for considering this request.

Yours sincerely



HON MICK MURRAY MLA  
**MINISTER FOR SENIORS AND AGEING; VOLUNTEERING;  
SPORT AND RECREATION**

Att.

13 SEP 2017

**Superannuated Commonwealth Officers' Assn. (WA) Inc.**



PO Box 827  
Hillarys WA 6923  
Secretary: phone 9279 8681

20 August 2017

A further submission has been forwarded to the Economic Regulation Authority on future developments of the Emergency Services Levy in response to the Draft report released by the regulator on 7 July 2017.

I have copied it here for your information and seek your views on this submission

It is noted that almost every one of the 40 submissions received seemed to focus on fighting fires, very few submissions made mention of the other responsibilities of the Dept. of Fire and Emergency Services (DFES);

road crashes, and accidents, on roads all over the State; hazardous and toxic spills; storms, cyclones, tsunamis; floods, earthquakes; searches for missing persons; cliff and cave rescues; possibility of terrorist attacks (e.g. airports, train stations, sports ovals); civil disturbances, including domestic and public riots, etc. etc.

While it is recognised that fighting fires is important (several recent major bushfires were, basically, the main reason for this review being conducted), it should not be forgotten, or overlooked, that the DFES does have other functions. With this in mind, we wish to make the following points;

use of the GRV as the basis for calculation of the ESL is flawed

despite what is said in the draft report, the GRV does not reflect the capacity of a home owner to pay more than someone else

there are many home owners whose income is quite high, but they continue to live in a modest area where the GRV is not high

there are many elderly people who have lived in their home for 30 – 40 years, but due to the growth in surrounding suburbs, their GRV has escalated to very high levels but their "capacity to pay" has not increased at all (many may have been in receipt of the Age pension but, due to recent changes on 1 January 2017, some are not now in receipt of that pension)

currently, those residents in receipt of a part-Age pension may receive a 50% discount on the ESL (but many others do not), there is no guarantee your government will maintain this level of concession into the future

the GRV applies to one house/apartment, irrespective of the number of adults receiving an income who reside in that house

there could be 4 or 5 income producing adults resident in that house, but only one ESL payment is being made

in relation to rented properties, it is naive to believe that the occupant is paying his/her ESL contribution through payment of the weekly rent

the amount of rent being asked is subject purely to market conditions, and has little to do with the payment of an ESL

if the ESL were to double, there would not be any increase in the amount of rent being asked

similarly, if the ESL were to decrease by half, there would not be any change in the rent being paid

of the 6 categories used to calculate the ESL, 4 categories relate to homes etc. in the various "metropolitan areas" and in country towns



the rate for category 1 is **double** the rate in category 3, yet the risk of a fire (together with the many other functions of the DFES) is no different

indeed, many would claim that the risk of fire in the "urban/outer metropolitan areas" could be greater

there is mention in the draft report that proximity to a Fire Station is a factor in charging a higher rate

however, the cost of fighting a fire in the country is much higher than fighting a fire in a suburban house

the cost of aerial fire fighting equipment (helicopters plus fixed wing), is enormous compared to the cost of a fire truck from a Fire Station in suburbia

and certainly has the potential to do more damage

proximity to a Fire Station has absolutely no impact on the many other activities that the Dept. of Fire and Emergency Services is responsible for

*It is our firm belief that all residents in this State should contribute to the cost of running the DFES, and the current level of inequality should not be allowed to continue. A fair charge on all employed adults in WA is warranted.*

The 4 different rates should be condensed to just one rate

Consideration should also be given to increasing the fixed rate (currently \$71), being paid by Pastoral/Rural areas and Mining Tenements.

As an alternative, consideration could be given to imposing a flat fixed charge on every home/apartment (the same as most Councils have for rubbish collection).

Finally, it must be remembered that the introduction of the GST in 2000 was supposed to eliminate any additional cost to the public for Emergency Services (together with several other State taxes e.g. Provisional tax, FID, Payroll tax, some Stamp Duties etc.)

This fact seems to have been overlooked by successive State Governments who continue to ignore the concept behind the introduction of the GST.

#### **Recommendation.**

Amalgamate the 4 different rates (categories 1 – 4) into one rate that is applied to all employed adults within WA

Strong consideration should be given to increasing the flat rate of \$71 on each Pastoral/Rural area, and each Mining Tenement.

Michael Cain

Secretary

SCOAWA



---

**Minister for Seniors and Ageing; Volunteering;  
Sport and Recreation**

Our Ref: 68-01379

Mr Michael Cain  
Secretary  
Superannuated Commonwealth Officers Association WA

Dear Mr Cain

Thank you for your correspondence dated 20 August 2017 regarding the impact of the Emergency Services Levy (ESL) on Western Australian seniors.

As you noted in your correspondence, an independent review of the ESL is currently being conducted through the Economic Regulation Authority (ERA). The purpose of the review is to consider the current arrangement for, and options to improve, the management and distribution of the Emergency Services Levy (ESL) in Western Australia.

An issues paper was released on 30 January 2017. The ERA received submissions from 40 stakeholders in response to the issues paper. These submissions informed a draft report. Comments were then sought from the public on the draft report and the submission period was extended to 16 August 2017.

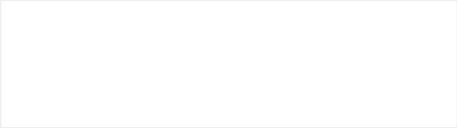
The ERA is now considering the submissions it has received. A final report, including recommendations, is due to be provided to the Treasurer no later than 29 September 2017.

I have been advised by the ERA that they had not received your submission. However, given you believe that your response to the ESL draft report had been received, I understand that the ERA may accept your document as a late submission.

As the review process is nearing conclusion, and to save time, I have taken the liberty of forwarding your correspondence directly to the ERA.

Thank you for bringing this important matter to my attention.

Yours sincerely



HON MICK MURRAY MLA  
**MINISTER FOR SENIORS AND AGEING; VOLUNTEERING;  
SPORT AND RECREATION**

cc. Economic Regulation Authority

**13 SEP 2017**