



## Emergency service reforms maintain frontline services

November 11, 2008

Mini-Budget reforms to State Emergency Services will maintain frontline services while still achieving significant savings for the NSW public each year.

Emergency Services Minister Tony Kelly said today that funding reforms in Emergency Services announced in the Mini-Budget would save the State Government almost \$40 million a year.

Mr Kelly said the reforms would not impact on frontline services or the budgets of the NSW Fire Brigades, Rural Fire Service or State Emergency Service.

"We need to make tough decisions, and this streamlining will not impact on frontline services or affect the agencies' operational capabilities.

"Streamlining and simplifying back-office administrative processes, such as ordering, purchasing and invoicing, will also produce efficiencies among the services, which will in turn lead to additional cost savings."

Mr Kelly said from July 1, 2009, the SES would be brought under the same funding structure as the NSW Fire Brigades and Rural Fire Service, where the insurance industry, local government and the state government all make a contribution.

"The work of our SES volunteers is every bit as important as that done by our fire services, so it is appropriate for the SES to be funded in the same manner," Mr Kelly said.

"This will provide an estimated \$39 million in the first year under the new system, reducing the direct burden on the State Budget."

Mr Kelly said that in recognition of the continuing support of the emergency services the Government has reduced the Local Government's contribution to emergency services funding to 11.7 per cent from the existing 12.3 and 13.3 per cent to the NSW Fire Brigades and the Rural Fire Service respectively. Accordingly the State Government contribution has been increased to 14.6 per cent.

"Insurance companies are required by legislation to contribute towards the annual costs of running the fire services, in recognition of the significant savings in claims on the industry each year from properties being saved by our fire fighters from destruction by fire.

"Until now, the SES has not been part of this system, despite the insurance industry and the community benefiting from the work of volunteers to help people suffering from damage of storms and floods. The swift response of the SES volunteers significantly reduces the extent of damage and subsequent insurance claims.

"The contribution of the volunteers can be seen in the figures – in the past decade volunteers of the NSW State Emergency Service have responded to more than 210,000 storm and flood calls involving more than 1,650,000 volunteer hours.

"The year to June 2008 was one of the busiest on record for the SES and the State Government has recognised the tremendous contribution the volunteers make to the NSW community with record funding of \$57.6 million this year

"The looming impact of climate change leading to more extreme storm events means now is the time to end this funding anomaly and for the industry that benefits the most from volunteers' efforts to share the SES funding costs with the State's taxpayers"

"The transition to a uniform funding model will continue to provide all three of this State's frontline Emergency Service agencies with a flexible and sustainable funding base," Mr Kelly said.

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