

Agreement in Principle

Mr STEVE WHAN (Monaro—Minister for Emergency Services, Minister for Small Business, and Minister for Rural Affairs) [4.16 p.m.]: I move:

That this bill be now agreed to in principle.

I am pleased to introduce the Emergency Services Legislation Amendment (Finance) Bill 2009. The object of the bill is to amend the Fire Brigades Act 1989, the National Parks and Wildlife Act 1974, the Rural Fires Act 1997 and the State Emergency Service Act 1989 in relation to the funding scheme for New South Wales Fire Brigades, the New South Wales Rural Fire Service and the New South Wales State Emergency Service from contributions by insurance companies, local councils and the State Government.

Comments made earlier today suggest that some members are not aware that last year the House passed the State Revenue and Other Legislation Amendment (Budget Measures) Act 2008, schedule 6. That bill amended the three emergency services Acts to include the State Emergency Service as part of the contributory system that had previously applied only to the New South Wales Fire Brigades and the New South Wales Rural Fire Service. The amendments also standardised the provisions in the three Acts to allow for the contributions to be collected centrally by one agency—Emergency Management NSW. This streamlined the processes and made it more user-friendly for the contributors to the funding model—that is, insurance companies and local governments.

Today I put before the House for a second time a bill to further amend the Acts governing the emergency services. The Emergency Services Legislation Amendment (Finance) Bill 2009 seeks to clarify the funding arrangements and to address a number of anomalies detected following the implementation of the previous legislation. The anomalies became apparent only following the commencement of the new funding provisions this year. To make the process even more straightforward, the bill I am presenting today provides for relatively minor changes to the way by which contributions are calculated—ensuring that the correct amounts are collected from contributors and in the simplest manner.

Under this new bill, assessment notices will be issued each year to local councils and insurance companies that are required to make contributions. These assessments will state the amount payable and any amounts that are already paid, are to be paid or to be credited. Instalment notices will be issued each quarter and will specify the amount payable for that quarter and the date by which it must be paid. In addition, the three emergency services Acts presently prescribe an unsuitable means of determining the amount to be collected from local government and insurance companies.

Specifically, as the legislation currently stands, the contributions of insurers and local government made prior to the beginning of any financial year may be taken into account in determining the agencies' surplus or deficit. This bill seeks to amend the method by which estimates of annual expenditure are adjusted so as to include surpluses or deficits in the recurrent expenditure account only and not the capital account. I think we can all agree that unexpended capital funds should not be taken into account when determining the surplus or deficit of contributions during any respective financial year. The change will provide the flexibility to exclude such amounts from the calculation, thus avoiding any confusion in future financial years.

Further matters being addressed in this bill are due dates and penalty provisions. As they currently stand, there are some inconsistencies in the Acts in relation to when contributions are due and payable. The proposed changes will ensure that contributors pay their invoices on time. The penalty of 50 penalty points for late payments that was previously included in the Fire Brigades Act is also being re-instated and replicated across all the respective Acts. This makes it an offence for a council or an insurance company to pay a contribution instalment after the due date, instead of the 10 per cent late fee that is currently the case.

Supporting our emergency services is one of the most important priorities of this House. Our emergency services workers, whether paid or volunteer, are among the best trained, and most professional in the world. Our Rural Fire Service and State Emergency Service volunteers give up their own time to assist their communities in times of flood, fire or other emergencies. As I have outlined previously, there is some urgency to securing the passage of this legislation. Assessments are being prepared for the third quarter of the 2009-10 financial year. Correcting these anomalies before those third quarter assessments are distributed will provide certainty for funding to the emergency service agencies, as well as providing both certainty and stability to the funding contributors. The amendments I put before House fix the anomalies that appeared under the previous revisions of the emergency services Acts. They ensure that the funding provided for our emergency services is appropriate and does not adversely impact on the arrangements we have with our contributors.

I apologise to the Opposition for this debate being brought on suddenly this afternoon. I understand that there have been briefings about the bill. I understand that we are obliged to get the bill to the upper House very quickly

if it is to deal with it before the end of the year. As I have outlined, there are solid reasons for this legislation being passed as soon as possible so it will be in place for the next round of billing. It was not possible for us to give notice of its introduction. Of course, the House passed the original legislation that put this system in place. As things progress it often becomes apparent how one can improve things, and that is what the Government is doing today. I commend the bill to the House.