

Second Reading

The Hon. HENRY TSANG (Parliamentary Secretary) [3.43 p.m.]: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

I am pleased to introduce the Emergency Services Legislation Amendment (Finance) Bill 2009.

The object of this 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 NSW Fire Brigades, the NSW Rural Fire Service and the NSW State Emergency Service from contributions by insurance companies, local councils and the State Government.

As the House may be aware, last year the House passed the State Revenue and Other Legislation Amendment (Budget Measures) Act 2008 (Schedule 6). This 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 NSW Fire Brigades and the NSW Rural Fire Service.

The amendments also standardised the provisions over 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—insurance companies and local governments.

Today I rise to 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 only became apparent following the commencement of the new funding provisions this year.

So, 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 new bill seeks to amend the method by which estimates of annual expenditure are adjusted to 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 due and payable.

The proposed changes will ensure that contributors pay their invoices on time, the previous penalty of 50 penalty points for late payments which was previously included in the Fire Brigades Act, is also being reinstated 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 RFS and SES 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 commend the Bill to the House.