



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition  
Date Referred: 10/03/2015

Proposal No: C040  
Date Published: 23/03/2015

Proposal Title: **SUPPORT OUR RURAL FIREFIGHTERS IN BETTER PROTECTING OUR COMMUNITIES**

Cluster: Justice

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		12,832	12,268	2,507	27,607
Depreciation		197	310	310	817
Less: Offsets					-
Revenue		13,926	12,266	2,141	28,333
<b>Net Operating Result:</b>	-	<b>897</b>	<b>(312)</b>	<b>(676)</b>	<b>(91)</b>

Capital Expenditure		3,475	2,095		5,570
Capital Offsets					-
<b>Capital Expenditure:</b>	-	<b>3,475</b>	<b>2,095</b>	-	<b>5,570</b>

<b>Net Lending/(Borrowing)</b>	-	<b>(2,381)</b>	<b>(2,097)</b>	<b>(366)</b>	<b>(4,843)</b>
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<b>Net Financial Liabilities:</b>	-	<b>2,381</b>	<b>4,477</b>	<b>4,843</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>2,381</b>	<b>4,477</b>	<b>4,843</b>	
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## Notes and costing assumptions

The policy proposes to provide rural firefighters with more funding to protect communities. The policy is intended to start from 1 July 2015.

Funding will be allocated to;

- pilot the use of Large Air Tankers (LATs);
- commit to additional hazard reduction activities;
- enhance the fire trail network;
- invest in four regionally based fire fighting training centres; and,
- develop a web portal to provide bush fire information.

### Revenue

Revenue mainly comprises of statutory contributions to fund the Rural Fire Brigade's expenditure. Under the *Rural Fires Act 1997*, local councils contribute 11.7 per cent and the insurance industry contributes 73.7 per cent towards the cost of operating the service. Remaining costs are met by the NSW Government.

### Capital Expenditure

The costing assumes \$5.2 million will be spent across two years from 2015-16 on developing a web portal for bushfire information and improving ICT systems. Also, included in 2015-16 only, is \$350,000 for five Remote Area Fire Team (RAFT) trailers.

**Costing assumptions continued:**

**Expenses**

Expenses consist of the following:

- Two year operating lease of LATs starting 2015-16 at \$9.8 million per year.
- \$2 million per annum towards the enhancement of the rural fire trail network commencing 2015-16.
- In 2015-16, grants will be provided to Local Councils to construct four remote training facilities, estimated to cost \$1 million.
- Ongoing RAFT recurrent costs of \$80,000 per annum from 2016-17.
- ICT recurrent expenses will be \$357,000 in 2016-17 and \$395,000 per annum thereafter.
- Hazard reduction activities are assumed to be funded through existing resources. This assumption is reasonable.