TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Subcommittee

Inquiry into rate capping policy

Bendigo — 29 April 2016

Members

Mr David Davis — Chair
Ms Harriet Shing — Deputy Chair

Mr Richard Dalla-Riva
Mr Shaun Leane

Participating Member

Mr Simon Ramsay

Staff

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Witnesses

Mr Stephen Griffin (sworn), Chief Executive Officer, and
Mr Mark Cattell (sworn), Acting Regional Manager North-West, State Emergency Service.
Ms SHING — On behalf of the chair of the committee, I declare open this public hearing of the Legislative Council Standing Committee on the Environment and Planning. All mobile telephones should now be turned to silent. Today’s hearings are being undertaken by a subcommittee to receive evidence in relation to the inquiry into rate capping.

I welcome the witnesses today from the State Emergency Service. Thank you for making yourselves available at such short notice, and also for coming, as I understand it, from Melbourne for the purposes of today’s hearing.

All evidence taken at this hearing is protected by parliamentary privilege as provided by the Constitution Act 1975 and further subject to the provisions of the Legislative Council standing orders. Therefore the information you give today before this committee is protected by law. However, any comment that is repeated outside this particular hearing may not be similarly protected. All evidence is being recorded. You will be provided with proof versions of the transcript in the next couple of days. We have allowed 45 minutes for this particular session. To ensure there is sufficient time for questions, the committee requests that any opening comments be kept to around 5 minutes in duration.

Thank you, gentlemen. If you would like to begin with some opening remarks, then we can go to questions from here, noting that we are now joined by the chair, Mr David Davis.

Mr GRIFFIN — Good morning, members. I would just like to, firstly, go very quickly through the role of the SES just to give a context for our discussions later on this morning, and Mark Cattell will give a little bit of a briefing as to the north-west region and the issues they are facing there.

Our business is actually the control of flood, storm, earth and tsunami, and we have support for VicPol, CFA, MFB et cetera, depending on the particular circumstance. There are 5000 volunteers and about 150 paid members of the SES. Our funding is quite complex, in that it has an appropriation from the state government but also has a contribution made by various local governments. The local governments have traditionally made a contribution. It goes back to 1988 when an agreement, which was not signed, between local government and the state government projected that local government would supply land, buildings and maintain that land and those buildings, and at the time would also match the state government contribution that was made directly to the units. That is in contention now and has been for some time.

Those units obviously fundraise. You would have seen those units fundraising yourself — they are very obvious — to contribute to the various supplies that they need. They pay their own electricity, gas, outgoings, utilities, and contribute to the equipment that they require as well.

The regional offices support them in the context of training; also there is support from the regions from the point of view of making sure that they are supplied with proper equipment, PPE and making sure that the training matches the types of incidents that they respond to. We also have 105 road crash rescue units, which obviously extricate people from various car crashes around the state, which is a major piece of work we do.

So in my summary it is a complex funding formula that has been threatened by the issue of local government now saying to us quite clearly that they are going to pull back from the matching funding, but also the fact that they are not going to maintain or repair or in fact contribute to the renewal of the various units around the state. That varies, I must admit. In some areas it is very positive, and in other areas it is certainly moving towards not supporting. At the moment that affects the future of the units. They are using their own funds to support, and in some cases the board of the SES is looking at how does it contribute in some way from its funding to an area that has not been traditionally appropriated in their budget. I will leave it there and hand over to Mark.

Mr CATTELL — The north-west region has 25 units in the region. We range from Mildura right down to the Gisborne area, and across to Rushworth in the east to basically the border in the west, particularly from Woomelang to the north and around to Mildura.

We have a range of different sizes of units, some of those with only five or six members in them, and they do provide the road rescue, plus stormwater damage and flood. The impact of the funding for particularly those smaller units is their capacity to raise the additional funds to meet the gap. There has always been a gap. If I take the Bendigo unit here in town, their annual costs for running the unit will be in the order of $35 000 to $40 000 a year, and they receive about $30 000 from government and from the council. So that shortfall needs to be met.
They do an annual tin-rattle to gain those funds, and traditionally in the past that fundraising has taken a huge amount of volunteers’ time, meaning in recent times they have had to review that so that they are doing more time on their training, more time with their families and less time actually doing the fundraising. When you look at the smaller units, the ability to get out and do that tin-rattle is negligible.

**The CHAIR** — I have got a few questions. I might start with just a recap of what Stephen has told us. What you are saying is there is no funding agreement with local councils, period; is that correct?

**Mr GRIFFIN** — That is correct.

**The CHAIR** — That is correct. There was an agreement discussed in 1988.

**Mr GRIFFIN** — Yes, 1988

**The CHAIR** — How many years ago was that? That is a while — let us do the arithmetic — and it was a different world, a different time. Do you have a copy of that agreement?

**Mr GRIFFIN** — I do, but I have not got it here.

**The CHAIR** — That would be very helpful if you could provide that to us. But it was not signed. Are you aware of why it was not? I am just trying to establish the base history here.

**Mr GRIFFIN** — I am not exactly sure why it was not signed, although it has always been seen as almost the way we would work together, but not officially signed. So, as it has become more problematic — the issue of funding — parties have said, ‘Well, it is not signed, so really what does it mean?’.

**The CHAIR** — And the SES prior to that time, how did that work?

**Mr GRIFFIN** — It was a civil defence unit going some way back to, we heard, about 40 years ago.

**The CHAIR** — Running from state government level?

**Mr GRIFFIN** — Originally really from local precincts, so it was not funded then, and then it went to being a statutory authority. It went from a department of justice, sitting in there, and then it went in as a statutory authority, where it sits today, with its own board and an appropriation through government.

**The CHAIR** — A community-started organisation?

**Mr GRIFFIN** — Yes.

**The CHAIR** — Not council-started?

**Mr GRIFFIN** — No, community.

**The CHAIR** — And then consolidated into a statutory authority which now sits with Justice, or whatever we call it now?

**Mr GRIFFIN** — Yes.

**The CHAIR** — The quantum that is received from councils to support the activities, do you have some tabulation of that that would give us information around the state?

**Mr GRIFFIN** — It is a contribution from councils in cash terms.

**The CHAIR** — Yes.

**Mr GRIFFIN** — That is that contribution, matching the contribution that the state gives to the units; councils match that. Depending on the size of the unit, it is roughly in the order of $1.2 million.

**The CHAIR** — Per?

**Mr GRIFFIN** — That is the quantum.
The CHAIR — Across the state. Right.

Ms SHING — Currently.

Mr GRIFFIN — Currently.

The CHAIR — Currently. So what would also be helpful, I think, for us is to have perhaps a table of the municipalities around the state to know as best you can what their contribution is.

Mr GRIFFIN — I do have that today, if that helps.

The CHAIR — That would be very helpful indeed. This just give us a little bit of a baseline. In John Cain’s days there was an agreement that was not signed by either party and now of course, as I understand it — and we have heard testimony to this effect — many councils, let me say, feel that they have not got a fair deal here and that they are being asked to contribute more to what is essentially a state-controlled service; and that that contribution from the state has not kept pace and councils have had to contribute more and more. I think that is a fair summary of what people have put to us, and you might want to respond to that.

Mr GRIFFIN — The cash contribution we need to differentiate, as you have articulated, that is the dollars and cents of it. The real contribution, if you like, and the larger quantum is around the facilities, so the land that the units sit on. About 95 per cent of it is owned by local government. They sit on local government land, and it is maintained by them, but you would have to say in recent years it has not been maintained because of this issue that they have got other priorities. So they will say to you quite clearly, ‘We have got kindergartens, other capital works programs; this is not a priority for us’. So that is the maintenance and then the actual building of them. In growth areas you would find councils saying, ‘Well, in the growth area we need a unit, but we do not see it as a priority to invest in that at the moment’. It is the capital works where the larger figure is and the larger gap.

The CHAIR — Do you have some tabulations of that as well — some estimates?

Mr GRIFFIN — We do have on the spreadsheet the agreements that are there, but are you talking about the actual asset value?

The CHAIR — Yes.

Mr GRIFFIN — We would have to get that for you.

The CHAIR — That would be very helpful indeed to understand that statewide in particular and to get some parameters, because obviously councils are struggling in some areas financially, and it is one of the significant costs that they face. I have got one further question before I hand over to Harriet. Before your evidence today did you talk to a government minister or minister’s office?

Mr GRIFFIN — About coming here?

The CHAIR — Yes.

Mr GRIFFIN — No.

The CHAIR — Thank you.

Ms SHING — Thank you, gentlemen, for your opening remarks and also for the oral evidence that you have given this morning. I look forward to seeing the information that you have provided to the secretariat today in relation to the spread and allocation of funding across the state. At the outset I would like to indicate my admiration for the ongoing work of the SES and for its volunteers. I represent Gippsland, which has a formidable SES contingent, and work with a group that works extremely hard to juggle the competing demands of the training components, the response and call-outs, the triage and working across and with different agencies, often as the first attendees on scene, as well as the very difficult and onerous — as you mentioned, Mr Cattell — tin-shaking, tin-rattling, raffling, fundraising work that is needed to supplement the income and the assistance provided from local government and state levels.
I note from your evidence, Mr Griffin, that you indicated that there was no agreement, and then you have referred to an agreement which operated in practice. So I think it is probably important just to clarify that despite the fact that there was not any formal document signed by parties representing the local government sector and also the SES on the one hand and the state government perhaps on the other, that the SES has relied, to its detriment, in terms of depending on councils to actually provide land to assist with the maintenance of that land and to offset or defray the costs that have been incurred by the SES since that document was first prepared in 1988. Is that a correct statement?

Mr GRIFFIN — That is a fair statement.

Ms SHING — Thank you. I would also note the evidence that you provided, Mr Griffin, around the cost pressures faced in recent years by local councils. Is it also a fair statement to say that local government has in effect been reducing the amount of support and assistance it can provide to the SES for, I think you said, a number of years, which has in fact predated the introduction of rate capping?

Mr GRIFFIN — That is true, and in fact I have got a table here that we collated, going back only three years, but it has been a decline right across each of the regions, from around 84 per cent contribution, so it was never matched; if you go back in history, it was never completely matched.

Ms SHING — So 84 per cent met by local government as compared with — —

The CHAIR — Eighty-four per cent of what, sorry?

Mr GRIFFIN — Eighty-four per cent of the contribution that local government should have made, so the matching funding. Let us say we would have expected 100 per cent. In 2012–13 it was a total of 84 per cent; and it declined in the 2014–15 year to 75 per cent. So it is true that it has trended down in recent years. That is the cash contribution.

Ms SHING — Maybe that could be provided, then, to the secretariat if you are in a position to do that, perhaps after this hearing, for distribution to members.

In relation to the way in which that cash component has been reducing, what has been the effect on the SES in relation to — I have seen this on the ground but would like to hear it from an operational perspective — the way in which you are able to service the community and also to provide for training and other resourcing opportunities for volunteers?

Mr GRIFFIN — It has meant that the units have had to fundraise to meet that gap, but of course what has happened as well as that is that in some cases, and I will use the Bass Coast shire as an example, Bass Coast council has, going into the next financial year commencing 1 July 2016, paid for the rent of the units at Wonthaggi, Leongatha and also at San Remo. So they are saying, ‘We will not be making that contribution’, so we will have to find a way of paying, if you like, on the private market the rental for those three units. So it comes as quite a hefty contribution that will have to be either made from the savings that the units have or there will be extra fundraising capability needed to make up that gap.

Ms SHING — So in essence what you are saying, from what I have heard this morning from your answers and also your opening remarks, and knowing what I do about the way in which the SES works, there are increasing cost pressures on local government which have impacted upon the way in which the SES provides the services that it does through volunteer networks and through the organisation itself, and that these are not necessarily tied to rate capping or to any individual specific policy of a state government, but rather as a trend that has been occurring over the last few years. If that is indeed correct — and I would welcome your view in relation to that — whereto, in your view, for the SES in relation to what it needs to be able to function, given in particular the way in which families are increasingly spreading their time across numerous community organisations and often do not in fact have the time to be able to shake a tin, as well as attend training and attend call-outs?

Mr GRIFFIN — Okay. On your first question, there has been a trend over time and increasing pressure from local government generally over the number of years, and these figures indicate that. To go to the next step about completely identifying that rate capping has not been the issue, some have made that statement to us; others have not overtly but have talked about the cost pressures. So there is a mixture of views that we would
receive in the SES at the moment around why this is occurring. You would have to take every one of the 79 local governments and talk to each individual circumstance to actually identify the reason for these contributions, in some cases, declining.

Ms SHING — But I note, though, that we have gone from 84 per cent to 75 per cent in the years 2012–14.

Mr GRIFFIN — Yes, over the years 2012–13 down to 2014–15, we have gone from an 84 per cent contribution to 75 per cent, and what we are foreshadowing from some local governments is their really saying, ‘Next year don’t anticipate there will be a contribution’. In some cases we have had councils who have said that we actually might sell the asset. Now we have been able to retrieve those situations by obviously talking to them about that. So there has been a mixture, if you like. It is very hard to say this is a definite reason why, but there are a multitude of reasons, if you like. But if you wanted to summarise it, they feel that they are under cost pressure and have other priorities, and that some of them think they will not contribute in the future. Others have said that they will leave it alone and they will continue to contribute.

Ms SHING — And whereto for the future of the SES in relation to those ongoing trends as you have indicated to have been at play since around 2012 when we moved from 84 per cent downwards?

Mr GRIFFIN — Okay. I have been working with the department of justice, and, through the minister’s office, talking that we need to review this. I have been sitting down with local government, with the MAV, Local Government Victoria, the minister’s office, the department of justice, and really pulling apart this funding and seeing what services we are delivering, and what contributions need to be made in order to deliver those. At the moment the SES itself is doing a service review — how we structure ourselves, where do we need to be and how often do we need to be there, if you like — as compared to just having a one-size-fits-all. We actually are going through that at the moment. We also need to get an agreement between those parties as to how we will fund that service given that new structure. So we are having those discussions at the moment with government, and we hope to see something in the future around a review of this whole funding issue.

Ms SHING — Excellent. One final question, if I may. In relation to the agreement which has been relied upon by the SES to its detriment over time, despite the fact that no formal document was signed, have you given any consideration to actually seeking to enforce that agreement on the terms set out in the 1988 document?

Mr GRIFFIN — We have never got to a very adversarial position on it. We have worked very closely with local government to try to talk to them about those issues, and we work very much on an individual basis. It has never been one of withdrawing or anything like that. We have been trying to work through the situation. So it has been quite amicable, but it is having an effect now on units.

Ms SHING — Thank you very much, gentlemen. I appreciate the evidence, and again the great work that your volunteers do.

Mr LEANE — Thanks so much for coming up and helping us with the inquiry. The SES has been bandied around quite a bit in the hearing, so it is great that you get an opportunity to come up yourself. Mr Cattell, I just want to unpick a bit of your funding, and then ask Mr Griffin a follow-up question. So on the funding, it is about $40 000 to run?

Mr GRIFFIN — We use three different sizes of units. We have a medium, a large and a small. So Bendigo is a large unit. It is based on number of members, number of anticipated jobs that they will get throughout the year and the resources that they have at their disposal. Given that the state funding provides for one state-owned vehicle — they provide one state-owned vehicle — all other vehicles are generally having to be resourced by the units themselves. So they do that fundraising and submit BERC bids or VESEP bids to gain additional vehicles or replacement vehicles as time goes on as well.

Mr LEANE — I appreciate that you have got to the point where, and I think you said that you needed to meet a gap of about $10 000.

Mr GRIFFIN — Ten thousand to fifteen thousand dollars.

Mr LEANE — The funding from council and government was about $13 000?

Mr GRIFFIN — Yes, about $13 600, I think it is, each.
Mr LEANE — So $13,000 each. And your area would cover a number of councils because it is that big; is that fair to say?

Mr GRIFFIN — There are 11 councils in our region.

Mr LEANE — Eleven?

Mr GRIFFIN — Yes.

Mr LEANE — Eleven councils. So 11 into 13 is one thousand dollars-and-something, and so you are being told that there are bigger priorities than $1000 to keep you doing the fantastic work that people, men and women, volunteer to do?

Mr GRIFFIN — Yes. We can understand the impact, because Bendigo council has three units within their municipality, so they are paying for each of those.

Mr LEANE — Yes, they are paying.

Mr CATTELL — They are paying for each of those. Heathcote is a medium unit and so is Marong at the moment, but Marong will be upgraded. We have requested it go up to a large unit as well. So with the medium units the funding is about $8000.

Mr LEANE — So about $8000 from the Bendigo council?

Mr CATTELL — Yes.

Mr LEANE — That leads me to Mr Griffin and how the SES has been mentioned a lot in these hearings. This is the second report we are about to deliver. We started one at the start of the change of government and delivered a report. Right at the start of the hearings the VLGA and the MAV, which, as you know, are the councils’ union or association — —

The CHAIR — They are just peak bodies.

Mr LEANE — Some people call them peak bodies; that is what they are. The first thing that was flagged was that councils will look at their support of the SES. It was the first thing that was brought up by them. Then when we went to regional sittings and had metropolitan sittings, the first thing that has been brought up about what resources or what items councils might reduce as a result of rate capping is the SES. So they are not going to say, ‘Well, the first thing we’re going to back off on is putting statues in parks’. Yesterday there was the $30,000 statue at Hepburn. They are not going to say that. They are going to say something about an organisation that everyone loves. Everyone knows they do the good work. They are going to say that you have to be the losers out of this because of rate capping. If you do not want to answer it, do not. But do you feel like you are being used as a political football by the two levels of government?

Mr GRIFFIN — Look, I would have to declare I came out of local government.

The CHAIR — I was going to say you have got a long history where you might be able to speak on that.

Mr GRIFFIN — So I put that up-front.

Ms SHING — Put your SES hat on then.

Mr GRIFFIN — Because we are prominent and because of the volunteer nature of the business and because of the terrific work that is done — —

Mr LEANE — Absolutely.

Mr GRIFFIN — I think the community understands that it is a great service which they would want supported. They do not want to get into a fight as to whom, but they really want it supported, and they do not want to see, and we do not want to see, our members — and Mark has alluded to this — become the meat in the sandwich in this. That is why we are not confrontational, if you like, about this. We really want to work with the local government and our members because they have to have a good working relationship for a number of
reasons as you would understand. So we are trying to work around this problem. I have had personal
discussions with the MAV and tried to work through it as well with them, and it is a difficult situation. But what
I would say is we do not want to see the volunteers caught up in the middle of it.

Mr LEANE — Yes, I would agree with that. Thanks for appearing again.

Mr DALLA-RIVA — Very good timing. You do not want the volunteers caught up with what has been
happening with the CFA? But anyway, I digress. If you were the CEO of the council — one of the councils that
you come from — you would be here probably presenting pretty much what we have heard from other councils,
saying, ‘You know, we’re going to have to look at our bottom line, our budget’. As a CEO you have got
responsibility for the annual budget, and you would be looking at what costs you do not need to be
apportioning. I know the SES has brought up other examples.

You are here as the CEO of a new organisation, with previous history in local government. I am trying to work
out something. You would clearly have an understanding of the pressures that local government has; you would
have to have that understanding. With that knowledge base and with the experience of now being the CEO of
the SES, I am trying to work out why you are not going to the state government to say, ‘Look, you’ve applied
this policy position. We’re hearing feedback from councils. In the BERC process’ — or whatever process that
you are engaged in — ‘we’ve worked out on the figures that for us to sustain the operations across the state it is
going to cost us X amount of dollars extra per annum’. So why are you not as a representative of the
organisation going to the state government that is the main funder of the SES to seek those additional funds,
rather than putting it back on local government which have their own cost pressures?

Mr GRIFFIN — Since I have been with the SES and seen this occurring, because these issues have been
occurring as we have talked about for some time, I have been working with the government and expressing the
view that we need to have a review of our funding because it does not match the needs of the service. I would
have to inform you that I have been having those discussions since I have been with the SES.

Mr DALLA-RIVA — So which minister did you have those discussions with?

Mr GRIFFIN — Minister Garrett.

Mr DALLA-RIVA — So you met the minister prior to coming here?

Mr GRIFFIN — No. I have been in the job two years. Virtually since I started we could see that there was
an issue with local government and we needed to sit down and look at the formula or a new formula for funding
the SES, so we have been talking to them. I have also in my role spoken to the MAV around this issue of sitting
around the table and working through what would be a new funding formula for the SES. I have been
speaking — —

Ms SHING — That is part of your review?

Mr GRIFFIN — As part of the terms of the review, and we have done a draft terms of reference. We have
been working that up with the government of the day and in consultation with the MAV to get to a point where
we would do a review. We have been working quite actively around this issue.

Mr DALLA-RIVA — You were appointed in May of 2014?

Mr GRIFFIN — Yes, that is right.

Mr DALLA-RIVA — The government changed and the policy implementation occurred after November
2014.

Mr GRIFFIN — Yes.

Mr DALLA-RIVA — You made just before a comment that you were concerned about the cost factors, so
that was clearly before the policy position was either announced or indeed implemented.

Mr GRIFFIN — That is true. In fact, talking with the previous government and minister, that came up
specifically.
Mr DALLA-RIVA — So the cost pressures were there before the policy position that we are now discussing at this inquiry. They were in your mind even then?

Mr GRIFFIN — That is true.

Mr DALLA-RIVA — So that is true. I am actually trying to get to the nub of it. Is it your concern with state government trying to properly fund your operations irrespective of the policy position on rate capping and it just seems to be an issue that has come up, because you have just said that it was an issue before the policy announcement, given you were a CEO prior to the 2014 state election? Is that a yes?

Mr GRIFFIN — The situation was that you could see the trend occurring, where local government was withdrawing their support. It has been, I suppose, more intense or it has exacerbated recently — in the last 12 months. It has been flagged in correspondence to us that the 2016 and 2017 financial years for local government will see more pressure on the contribution side. So, if you like, there is an issue there. It becomes greater and it has become greater again over that ensuing time.

Mr DALLA-RIVA — In the recent budget, with the allocation of funding to the SES, was that increased to deal with the known factor that was occurring even prior to the policy announcement?

Mr GRIFFIN — This recent budget, just announced?

Mr DALLA-RIVA — Yes.

Mr GRIFFIN — No, no change in appropriation.

Mr DALLA-RIVA — So the state government for all its barking and carrying on, recognising the conversations you have had with Minister Garrett, has not responded to the concerns of the SES seeking additional funds given the policy implementation of the rate capping. I think that is an interesting point. That is why I wanted to go through the line of questioning. We heard one side from Mr Leane. I just think it is important for the record that it is not all beer and skittles as some would like to make it out to be.

Mr LEANE — Are you saying I was barking?

Mr DALLA-RIVA — I was saying that you are putting a government proposition which was clearly not representative of what the SES concerns were prior to the state election in 2014, because it was the issue front and centre of the current CEO back then about the concerns of local government not funding SESs. So the argument that local government are using it as a political vehicle, I think, has just been ruled out as being an example.

Mr LEANE — No, it has not.

Ms SHING — While local governments have removed their support.

Mr DALLA-RIVA — For the Premier’s advisors at the back of the room, they can actually be well advised — —

Ms SHING — The Premier’s advisors are not present. Do not misrepresent what is occurring in committee, Mr Dalla-Riva.

Mr DALLA-RIVA — The minister’s advisors; whoever is out there.

Ms SHING — No, there are no ministerial advisors in terms of the information being provided.

Mr DALLA-RIVA — They were there yesterday. The other question I have, while I am on it, is: the SES operates in local areas. The local government says that if the state government has a requirement for rate capping to be applied to their local government area and they are providing a service or assisting a service that falls outside of their LGA, they therefore have a right to perhaps say that if there is an SES that is based in a certain location that is providing services into other LGAs and those other LGAs do not make a contribution, they are therefore justified in saying that it is not reasonable for them to fund an SES operation in an area that actually has greater coverage across a broader LGA base. What do you say about that sort of statement?
Mr Griffin — That occurs; that is a real situation. There are units that reside in a municipality but service other municipalities. That is a historic fact of where the units were established and, of course, when amalgamations occurred in some cases that just did not sit equally with a unit in each municipality. Some of those municipalities that are serviced by our units, there are no contributions from some, and in some cases there are contributions back into the unit. So it is not a uniform approach. Of the 142 units, I would have to say there are 142 ways of funding the SES units. That is why this review needs to occur; to get some consistency and continuity over the way this service actually is funded to support the service that we require as a community.

Ms Shing — I have got a further follow-up question just before we go on. Gentlemen, I am not sure whether the information that you provided to the secretariat or that you intend to provide will include this information, but could we get a breakdown on the dollar contributions made to the SES by LGAs so that we can understand — —

Mr Leane — Individual.

Ms Shing — Yes, individual council contributions to the SES.

The Chair — I think that is what I was asking before.

Ms Shing — Just for avoidance of doubt, if that is actually included in the information that you provide so we can see and compare and contrast what is being contributed in cash terms by councils, that would be great — as well as the land valuations.

Mr Griffin — I am sure that is. There is a contribution there in the dollars, and it gives an indication of the various municipalities, I am sure. But if it does not, I will make sure it does.

The Chair — The deeper thing is the contribution of property and support as well.

Ms Shing — No, that is another component of it. I am asking for cash.

The Chair — No, I think he has already said that is provided.

Mr Ramsay — I apologise for being late; I was caught on a train which was running late, which is probably not surprising up here.

Ms Shing — Perhaps you should have invested more money in regional rail when you were in government.

Mr Ramsay — Well, they are still not running on time, Ms Shing, so there is still some work to be done.

My question is in relation to sustainability of funding for the SES. We have heard evidence from the LGA that is indicating that given the rate cap that they are going to be under considerable pressure for their co-contributions. You have talked about potentially a review and model that might provide a different funding model. Is there a preferred model or discussions that you have had with stakeholders? Given there is some sensitivity and nervousness about LGAs having capacity to continue their co-contributions to the SES, is there a preferred model from your own organisation in relation to future funding?

Mr Griffin — No, we have not got a preferred model. Obviously you look at interstate models and other jurisdictions. There is obviously the fire services levy. Some states have an emergency services levy. A contribution comes from that, so there is some continuity around that.

The issue about funding is also not only around the contributions that local governments make, but in emergency management the issue is making sure that the relationship works, because emergency management is not just around the emergency service organisations; the municipalities and the community need to play a role. So we have got to be very careful that if we break that nexus, if you like, between the funding, we do not also break this issue of how we actually keep our communities safe in emergency management.

Going back to your question, there are a number of ways of formulating the dollars and cents and the sustainability. One is an emergency services levy, extending that, and that has been discussed. It still could be a
contribution that is made by each municipality as well, but at least there is an agreement and an understanding of what the contributions would be like and how they might maintain and also support new units in growing parts of the state. I think that is still open and needs more work.

The CHAIR — Is there a document that lays out these different models and options?

Mr GRIFFIN — A model at the moment, no.

The CHAIR — Is there a discussion paper or something that has been prepared?

Mr GRIFFIN — No, initially there is a terms of reference to look at what we need to look at in the review, and that has been worked up, but it is really just still in the stages of being approved to have a look at in the government.

The CHAIR — The other point I would make on that, is part of the terms of reference to look at involvement of professional staff?

Mr GRIFFIN — No, it does not look at that.

The CHAIR — It is purely about the funding, that is right.

Mr GRIFFIN — It is really about the funding in the sense that the appropriation that we currently get pays for staff and office accommodation et cetera, such as the regional offices. In essence I suppose you would look at the total picture and the total cost. That is all part of it, so I suppose you do. But the heat in the system, if you like, is around the 142 units that are now potentially having issues around funding and maintenance with the unit.

The CHAIR — Can I thank you, Stephen and Mark, for your contribution and echo the thoughts of other members of this committee about the contribution of SES volunteers and people across the state. It is a truly magnificent organisation, and we are thankful for your information today.

Ms SHING — If I could win the raffle this year in Trafalgar, that would also be very much appreciated. I keep going by and buying tickets every time I see them, and I have not had any luck yet, so any assistance would be appreciated.

The CHAIR — We will have the secretariat be in contact about those other additional details.

Mr GRIFFIN — Thank you very much for those kind words, and we will certainly pass those back to our units.

Mr CATTELL — Thank you for the opportunity.

Witnesses withdrew.