

The Hon Ray Williams MP

Member for Castle Hill Minister for Multiculturalism and Minister for Disability Services

MEDIA RELEASE

FIRE AND EMERGENCY SERVICES LEVY TO BE REVIEWED TO ENSURE FAIRNESS

The NSW Government will defer the introduction of the Fire and Emergency Services Levy (FESL) to ensure residents and small to medium businesses do not face an unreasonable burden in their contribution to the State's fire and emergency services.

Under the proposed reform, in the majority of cases across NSW, fully insured people would be better off under the new system. However it had become clear that many of the fully insured in high growth areas were facing unintended consequences.

Member for Castle Hill Ray Williams stated "The concerns from the community have been heard. As a Government, we will hold off on the reform to ensure we get it right."

Mr Williams stated that the new system will produce fairer outcomes in the majority of cases state-wide. However, those living in areas like the Castle Hill area will be worse off under the current model, which was not the intention.

In a number of cases identified so far, the lived experience has not matched the intention of the reform for commercial and industrial sectors, particularly for small and medium businesses.

Mr Williams explained that the FESL reform is complex, but it is not enough for this reform to work on paper. The implementation has real life consequences for families and businesses, and the NSW Government wants to make sure they are not placed under unfair strain.

"The NSW Government is committed to making the funding of our fire and emergency services fairer and overall reducing NSW's high rates of under insurance" he said.

The NSW Government will work with local government, fire and emergency services, the insurance industry and other stakeholders to find a better and fairer path forward.

The Fire and Emergency Services Levy will continue to be collected via insurance policies until the NSW Government has completed its review of the policy, and the funding requirements of fire and emergency services agencies will be met in full.



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The FESL is revenue neutral, raising no more than the amount required to fund the State's fire and emergency services.

The Insurance Monitor will oversee a smooth continuation of the existing system and ensure insurance companies collect only the amounts necessary to meet fire and emergency services funding requirements.

Further information can be found at www.fesl.nsw.gov.au.

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