

**EMERGENCY SERVICES LEVY REVIEW****TERMS OF REFERENCE**

I, Dr Michael Dennis Nahan, Treasurer, pursuant to Section 38(1) of the *Economic Regulation Authority Act 2003*, request that the Economic Regulation Authority (the Authority) prepare a report on the current arrangement for, and options to improve, the management and distribution of the Emergency Services Levy (ESL) in Western Australia.

In conducting this report, the Authority will consider the following:

- The current ESL expenditure applied to managing the emergency services (prevention of, preparedness for, response to and recovery from natural hazard emergencies).
- The proportion of ESL funding directed towards each aspect of emergency management: prevention, preparedness, response and recovery.
- The extent to which the current allocation of ESL funds towards prevention and response reflects best practice in managing the risk of bushfire and other hazards.
- The extent to which the current methodology for setting the ESL is appropriate, now and into the future.
- The current transparency and accountability arrangements for the distribution of the ESL.
- Whether it would be more appropriate for the allocation of ESL funds to be the responsibility of an agency other than the Department of Fire and Emergency Services.
- The extent to which the ESL should be available to fund administrative and/or operational costs of a Rural Fire Service.
- The extent to which the use of the ESL to fund a Rural Fire Service would impact on ESL rates.

The Authority must make a draft report available for consultation with the key entities involved in emergency management and complete a final report, including recommendations, no later than 29 September 2017.



**HON DR MICHAEL DENNIS NAHAN MLA  
TREASURER**

23 DEC 2016