

21 January 2025

Jaclyn Symes
Treasurer
Minister for Regional Development
Minister for Industrial Relations



Via email: Jaclyn.Symes@minstaff.vic.gov.au

Dear Treasurer

Impact on SWVA Councils from the Emergency Services and Volunteer Fund

The SouthWest Victoria Alliance (SWVA) comprises the six local councils of South West Victoria as well as significant employers Deakin University and Wannon Water.

As you would be aware, your predecessor introduced a new levy shortly before his retirement. The impact on rural councils in implementing the Emergency Services and Volunteer Fund (ESVF) levy will be enormous. This cannot be understated.

SWVA stands with Rural Councils Victoria in our concern for the consequences of this new fund.

The following points are just a handful of issues that have been raised by our members since the announcement on Friday 13 December.

Administration:

- Higher administrative burden for Councils has been raised as a significant concern.
- The view of our members is that the ESVF should be collected in the same way as land tax and windfall tax - directly by the State government.
- However, if Councils must collect the tax they need to be compensated for the administrative and system burden (including both one-off grants for property and rating system changes and higher ongoing support).
- It is disappointing to see an increase to the levy, which for some ratepayers will be well over 50%, when the State Government caps Councils rates at a minimal 3% for the upcoming year. This inconsistency is frustrating to small rural councils with no alternative income stream but rates.

Consultation and communication:

- Many of our members expressed surprise at this announcement and felt there was a significant lack of consultation taken prior to making this decision. SWVA would like to understand what consultation was undertaken to inform the ESVF and if the views of impacted councils were taken into account.
- SWVA seeks to gain insight into the considerations made regarding the communication of this proposed change.
- SWVA firmly believes that if the ESVF is to be implemented that the State government has an obligation to conduct a communication campaign (pre and post rate period) to ensure ratepayers understand the levy is being collected for the State government and not the local council.

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Community and Timing:

- Our members have expressed concerns regarding the potential impact ESVF may have on communities. Some communities are experiencing financial difficulties due to the cost of living, in particular our region of Victoria is in a 'green drought' and have just recently faced bushfires, with more predicted in the upcoming months.
- Cashflow is already a real problem for farmers and other rural businesses. This flows onto reduced spend within the region and subsequently is impacting farmers, residents, community, the shires and the broader agriculture sector.
- The ripple effect to services such as National Centre for Farmer Health and the Rural Financial Counselling Services continues. It also flows on Rural Councils to provide greater support into their communities, with our members constantly facing pressure to deliver services with less resources.

Volunteers:

- While we commend the attempt to recognise and reward those who volunteer in the emergency services, many of whom live and work in our rural communities, we have some logistical concerns about how the ESVF and its effects will be managed.
- How will the systems be able to track who is a volunteer and who is not? Is this is also intended to be a Council responsibility?
- The rewards for volunteering in the emergency services are now very high. Volunteering may save a ratepayer tens of thousands of dollars. It may also encourage new volunteers. How will the State government assist in the training of the new surge of volunteers across the eligible services? How will the infrastructure and resource needs be met across the many emergency services branches in our communities?

SWVA would welcome the opportunity to meet with you to discuss the points outlined.

SWVA believes that our diverse rural communities are a wonderful place to live and visit and we welcome the opportunity to work with you to ensure the decision to implement an ESVF is not borne by our rural Councils through council rates

Kate Downward at the SWVA Secretariat is available to provide assistance to arrange a meeting. She can be contacted on 0400 430 584 or by email at info@southwestvictoriaalliance.com.au

Yours sincerely



Cr Ben Blain
Chair, SouthWest Victoria Alliance
Mayor, Warrnambool City Council

cc: The Hon Nick Staikos, Minister for Local Government: Nick.Staikos@minstaff.vic.gov.au
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