

April 11, 2025

RE: Statement on Emergency Services and Volunteers Fund (ESVF) Levy

To whom it may concern,

In December 2024, the *2024 – 2025 Budget Update* came with an announcement from the Victorian Government that the Fire Services Property Levy (FSPL) would be replaced with an Emergency Services and Volunteers Fund (ESVF). This will come into effect from 1 July 2025.

The revenue currently raised by FSPL funds accounts for 87.5% of Fire Rescue Victoria (FRV) and 77.5% of the Country Fire Authority (CFA). The change to the ESVF levy will allegedly incur an additional \$2.14 billion in funding in the first three years. While this change comes from the State Government, the ESVF (like the FSPL) will be collected by councils. The existing \$50 concession for pensioners and veterans, and the concession for single farm enterprises, will continue to apply. Active volunteers and life members of CFA and VICSES are proposed to be exempt from the ESVF on their principal place of residence (PPR).

Under this new levy, regional communities with a rich farming and production sector are set to be impacted the most. It is estimated but will vary across LGAs, Residential properties will see an average increase in the levy of 29%. Commercial properties will see an average increase of 63%. Most concerning, primary producers face a staggering 197% increase. Rural Councils Victoria has highlighted that this new levy will take \$139 million from rural communities annually

Despite this revision coming from the State Government, the burden of collection will become a local responsibility. Not only will this increase administrative and financial strain, but it will also welcome confusion as to who is issuing the increased charge. Whilst this change comes with the good intention of better equipping our emergency services, there is concern that this promise will not lead to tangible improvement in operations. The Wooragee and Chiltern fire stations for example continue to operate with outdated equipment, despite a previous increase to the levy made in the same vein.



With the recent Grampians fires, many regional businesses donated equipment, manpower and at least 2 weeks' time to fight fires over the holiday period, only to later find they are being subjected to extra taxes. It's a demoralising process.

A significant portion of Victorian Regional Chamber Alliance members have expressed serious concerns regarding the confusion that could come from the means of collection, and the unfair impact on regional properties. Regional and rural communities are grappling with unique challenges bushfires, drought, increased insurance premiums, poor accessibility both roads and public transport. This is just another increased cost that will cause distress, and pressure on Councils, individuals and businesses.

Regards,

Jodie Gillett

Chair

Victorian Regional Chamber Alliance

