

***State
Fire
Commission***



***Annual
Report
2003***

Contents

Statement of Compliance	1
Vision	2
Tasmania Fire Service	2
Facts at a Glance	5
Chairperson's Report	6
State Fire Commission Members	7
Tasmania Fire Service Structure	7
Responding to Emergencies	8
Developing a Fire Safe Community	14
Supporting Our People	18
Managing Our Resources	25
Financial Management	25
Physical Resource Management	28
State Fire Management Council	29
Financial Report	30

Statement of Compliance

Honourable D Llewellyn MHA

Minister for Health and Human Services

Dear Minister

In accordance with Section 107(g) of the *Fire Service Act 1979*, we hereby submit for your information and presentation to Parliament the Report of the State Fire Commission for the year ending 30 June 2003.

The Report has been prepared in accordance with the provisions of the *Fire Service Act 1979*.



J. B. Gledhill BSc. FI.Fire E. AFSM

CHIEF OFFICER



W. K. Sawford BEc

COMMISSION MEMBER

29 October 2003

Vision

Our vision is a Tasmanian community safe from the impact of fire and other emergencies.

Tasmania Fire Service

PROFILE

Tasmanian firefighters have served the Tasmanian community since the early 1800's and have had a legislated responsibility since 1883.

The current Tasmania Fire Service (TFS) was established by the *Fire Service Act 1979*. Today the TFS is an innovative and efficient statewide service that takes pride in its long and proud history.

The TFS provides services from 239 brigades throughout Tasmania. These services include rapid and effective response to emergencies including rescue and hazardous materials as well as fire prevention and community education. Strategic placement of brigades has ensured

that over 98% of Tasmania's population are no further than ten kilometres from a fire station.

We also protect residential and commercial land and buildings worth more than \$15 billion and over one million hectares of privately owned forested land from fire and other emergencies. In 2002-03 our 251 career firefighters and 4,866 volunteer firefighters responded to over 10,000 incidents. Our firefighters were reinforced by 170 support staff.

Our volunteers and career staff work as an integrated team committed to achieving our strategic goals for a safe Tasmania.



OUR ROLE

The role of the State Fire Commission is to protect life, property and the environment from the impact of fire and other emergencies. We provide a rapid emergency response and promote fire safety in partnership with the community. The Commission delivers all of its services through its operational arm, the Tasmania Fire Service.

We will measure our success in terms of:

- comparing performance with industry benchmarks.
- Achieving our periodic goals and objectives.
- Maintaining financial strength and viability.

OUR GUIDING PRINCIPLES

In carrying out this role we will demonstrate a commitment to the following key principles:

- Operate in a consistent and fair manner.
- Keep in touch with stakeholder expectations.
- Provide development opportunities for all members.
- Display strength and unity in membership.



Major Goals and Expected Outcomes

Major Goals	Expected Outcomes
Delivery of an effective and efficient fire service.	A rapid response to fires and other emergencies that minimises the social, economic and environmental cost to the community.
Promotion, coordination and delivery of effective fire prevention and safety education and training to the community.	Fewer unwanted fires in a community that is willing and able to respond appropriately when threatened by fire.
A safe and productive workplace where people are able and willing to contribute towards the achievement of organisational goals.	An increase in skill levels, job satisfaction, workplace safety, reduced absenteeism together with a harassment-free workplace.

Business Performance Targets

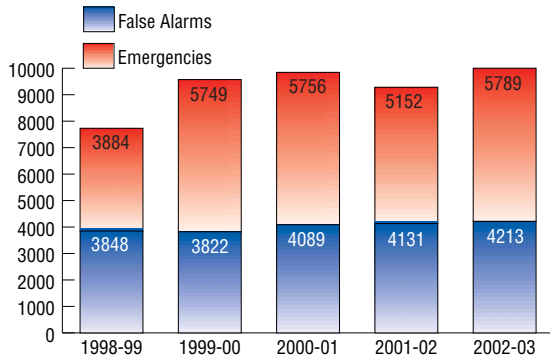
The State Fire Commission is committed to a program of continuous improvement, and has established the following targets as indicators of performance.

Performance Targets 2002-03

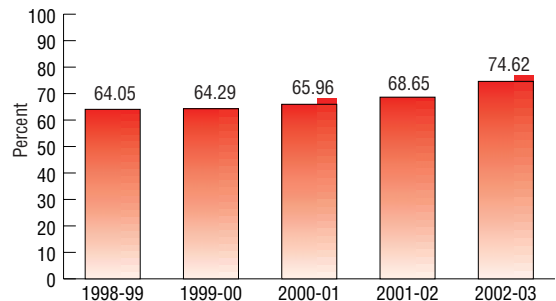
	2001-02 Actual	2002-03 Target	2002-03 Actual	2003-04 Target	2004-05 Target	2005-06 Target
Operational						
Number of incidents	9,823	8,100	10,002	8,000	8,000	8,000
Number of fires	4,181	3,625	4,720	3,600	3,600	3,600
Number of false alarms	4,131	2,850	4,213	2,850	2,850	2,850
Percentage of fire causes undetermined	19%	28%	13%	27%	26%	25%
Percentage structure fires confined to the room of origin	69%	68%	75%	70%	72%	74%
Financial						
Net Surplus	\$2.6M	\$3.8M	\$5.9M	\$3.2M	\$2.8M	\$2.3M
Return on assets	9.20%	3.60%	9.40%	5.40%	4.60%	3.70%
Return on equity	5.60%	3.90%	11.00%	6.10%	6.10%	3.90%
Debt to equity	11.80%	11.40%	8.80%	10.70%	10.40%	10.00%
Current ratio	97.40%	101.80%	81.20%	107.60%	111.80%	114.60%
Human Resource						
Staff turnover	4.90%	6.00%	2.60%	6.00%	6.00%	6.00%
Average sick days per staff	8.9	5	5.5	4.8	4.8	4.8
Workers compensation claims	86	75	95	79	77	77

Facts at a Glance

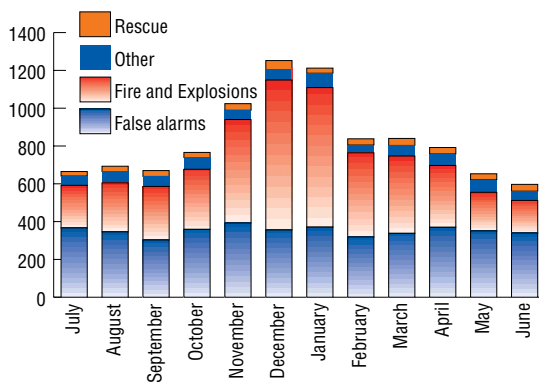
Total Incidents Divided by Type



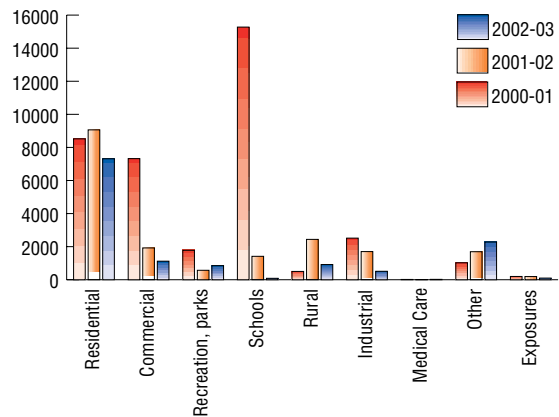
Structure Fires Confined to the Room of Origin



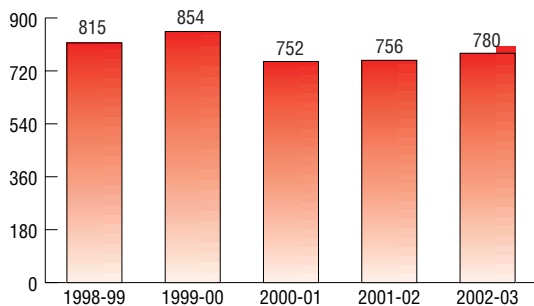
Total Incidents by month 2002-03



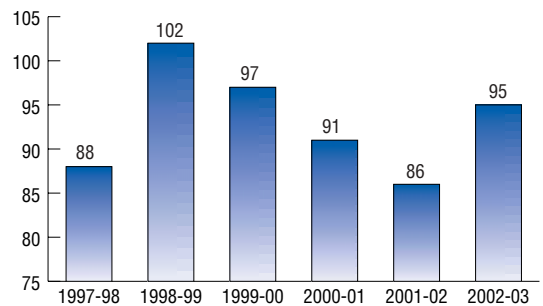
Change in Dollar Loss by Property Type



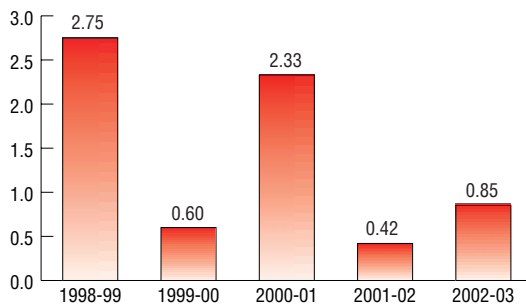
Number of Structure Fires



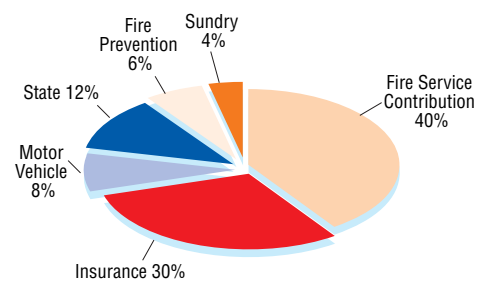
Number of Workers Compensation Claims



Fire Death Rate Per 100,000 Persons



Revenue 2002-03 (\$49.3 Million)



Chairperson's Report 2002 - 03



During the summer of 2002/03 many communities in Tasmania faced their biggest threat from bushfires for more than 30 years. Widespread record drought, closely linked to the climatic conditions that affected most of Eastern Australia, was the main culprit. The damage and losses however did not reflect the severity of the season. There were no deaths or major injury and

relatively low losses of built assets, despite there being some 26 major fires from November through till March. The excellent results can, in the main part, be attributed to the committed fire fighting effort. Hobart faced its greatest bushfire threat since 1967 when a large fire in the Broadmarsh/Mt Dromedary area threatened to invade the northern suburbs and beyond over the Australia Day weekend in January. Fortunately, forecast winds did not eventuate thus averting a disastrous event.

Once again TFS volunteers made an enormous commitment in excess of 50,000 hours battling the fires. Providing resources to adequately manage the major fires presented an ongoing challenge for most of the summer months. The exceptionally dry conditions meant that fires were extremely difficult to extinguish. Even when fires were under control firefighters and equipment had to remain deployed in patrol mode, at times for weeks. Therefore each fire progressively diminished our resources available to deal with new fires. Again the value of having an integrated fire service was very obvious. Career and volunteer firefighters, as well as support personnel moved from one part of the State to another in a spirit of co-operation that has become a hallmark of TFS in recent times. Co-operation with Parks and Wildlife Service and Forestry Tasmania provided efficient and seamless resourcing and management of many of the major fires.

The people living in the areas under threat played a significant role in their own protection. Encouraged by TFS to stay and work with TFS to protect their properties, residents showed their willingness and effectiveness in being actively involved. We now intend to build on this community support by encouraging other people in communities in areas of bushfire risk, to work in partnership with TFS for their own safety and protection of their assets. If people are to make informed decisions and take increased responsibility for their own safety, they need accurate and up-to-date information.

In order to provide timely information in relation to bushfires, TFS made greater use of its website. The media, other agencies, and the general community were able to access accurate, updated and specific information on going fires. This was an overwhelming success and TFS now intends developing and improving its website which will become the focal information source during emergencies.

Additional to dealing with a challenging fire season in Tasmania, a request for assistance from New South Wales Rural Fire Service in early November resulted in TFS deploying some 230 firefighters and support staff over a three week period to New South Wales. Again in mid February, during a short lull in bushfire activity in Tasmania, a further 18 incident management personnel were deployed to Victoria to assist in managing the Gippsland fires. During both of these deployments TFS personnel made a significant contribution to the fire fighting effort and at the same time gained valuable experience.

Despite the high demands on our fire fighting appliances over the Tasmanian fire season there were few serious equipment failures. However our aged fleet still presents a large concern to the Commission. Over half the fire fighting fleet of 470 appliances is still in excess of 20 years of age. More than 100 vehicles have recently been identified as being overweight. Some have been easily modified but many have been taken out of service. Most can and will be economically modified prior to the next fire season, however about 30 are not viable for modification. This has put even greater demands on the fire appliance replacement program which continues as the biggest financial challenge facing the Commission.

Fortuitously, the Commission has had another financially strong year with revenue exceeding budget. This largely occurred as a direct consequence of increasing insurance premiums producing above-forecast revenue from the insurance fire levy. The Commission decided to direct most of the surplus to fire appliance replacement. A record number of new fire tankers were subsequently built. The Commission also took the opportunity to retire approximately one million dollars of its 5.5 million dollar debt.

Three members of TFS were recognised for their outstanding service to Tasmania Fire Service and the Tasmanian community. I congratulate Errol Gleeson, Charles Blizzard and Jim Grace on being awarded the Australian Fire Service Medal.

Overall the Commission enjoyed a very positive year. The whole organisation rallied for an extended period of activity and worked as a team, with communities working closely in partnership on many occasions. The difficult fire season clearly demonstrated the capability and effectiveness of Tasmania Fire Service. I take this opportunity to once again thank all the men and women of the TFS who play their part in keeping Tasmania safe.

J B Gledhill
CHIEF OFFICER

State Fire Commission Members

John Gledhill BSc FIFireE AFSM

Chairperson of the State Fire Commission and Chief Officer of the Tasmania Fire Service. A Director of the State Fire Commission Superannuation Scheme Pty. Ltd. and member of the State Fire Management Council and currently President of the Australasian Fire Authorities Council.

James Smith AFSM OAM JP

Tasmanian Retained Firefighters Association representative on the State Fire Commission since May 2003. Commenced as a Junior Member of the Stanley Fire Brigade in 1957 and currently Brigade Chief of the Stanley Fire Brigade. Mr Smith is presently a Councillor with Circular Head Municipal Council.

Chris Deegan AFSM

Tasmanian Volunteer Fire Brigades Association representative on the State Fire Commission since October 2002. A Volunteer Firefighter since 1969 and current member of the Triabunna Fire Brigade. Group Officer of the Spring Bay Group of Brigades. Has represented the Forest Industries Association of Tasmania on the State Fire Management Council.

Marie Gill

Local Government Association of Tasmania representative on the State Fire Commission since March 2003. Currently an Alderman with the Devonport City Council. Ms Gill is a retired legal practitioner and served as a barrister and solicitor of Supreme Courts of Victoria, Northern Territory, Tasmania and High Court of Australia.



Leon Dewhurst, Chris Deegan, John Gledhill, James Smith, Marie Gill
Absent: Wendy Sawford, Richard Bowden

Richard Bowden

Local Government Association of Tasmania representative on the State Fire Commission since June 1993. Former Warden of the Bothwell Municipality and currently Deputy Warden of the Central Highlands Council. Member of the Forestry Committee for the Tasmanian Farmers and Graziers Association since its inception.

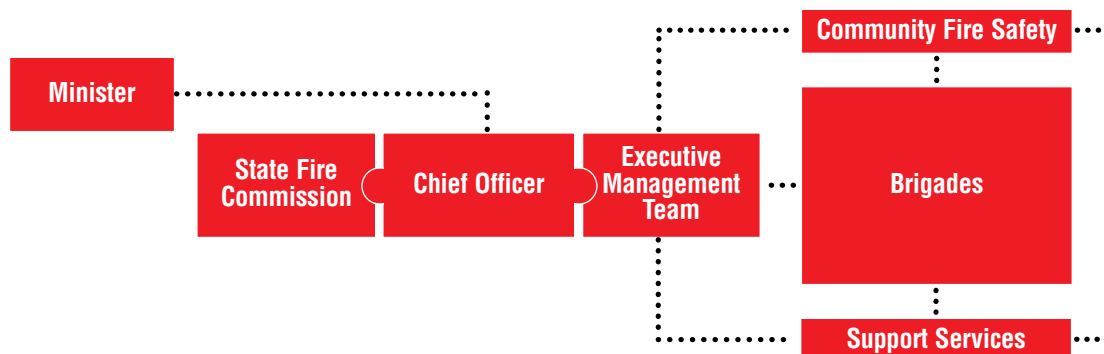
Leon Dewhurst

United Firefighters Union Tasmania Branch representative on the State Fire Commission since June 1993. Career fire officer with 28 years experience with the Hobart Fire Brigade. Past President of the UFU.

Wendy Sawford BEc

Department of Treasury and Finance representative on the Commission since June 2001. Assistant Director Inter-government Financial Policy Branch with the Department of Treasury and Finance.

Tasmania Fire Service Structure



Responding to Emergencies

GOAL STATEMENT

To respond to fire and other emergencies in the most efficient and effective manner:

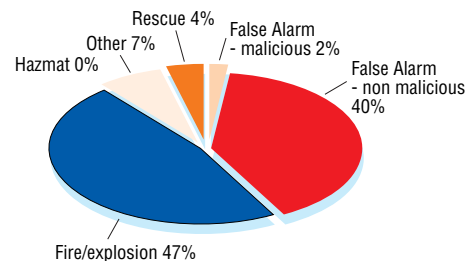
OBJECTIVES

- To ensure that the closest and most appropriately resourced brigade arrives at an incident in the shortest possible response time.
- Improve the capacity of brigades to manage the risks associated with their respective response area.
- To foster the establishment and maintenance of emergency management arrangements between the TFS and other organisations.

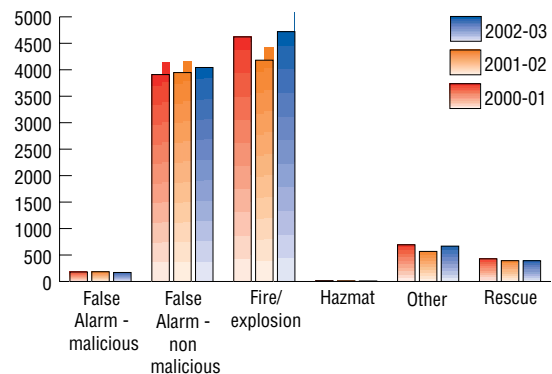
Brigade Activity

There was a slight increase in the number of incidents attended by brigades during the 2002-03 financial year compared to the previous year. A total of 10,390 reported incidents were attended of which 10,002 incidents (96.27%) had full reports submitted. Total incidents were slightly higher than the 9,289 incidents attended in 2001-02. The total number of fires attended was 4,726 up from 4,187 in 2001-02. Total fires attended is high because Tasmania experienced an extreme bushfire season with brigades attending more than 2,700 bushfires. There was a slight increase in the number of non-malicious false alarms.

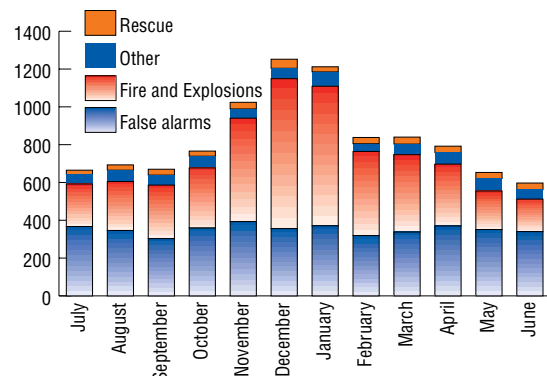
Type of Incidents Attended 2002-03



Type of Incidents Attended



Total Incidents by Month 2002-03





Bushfire Season

During the summer of 2002-03, Tasmania experienced the most severe, potentially damaging and challenging fire season since 1967.

Regardless, Tasmania got through it with no deaths or major injuries and relatively little damage to property and assets. Approximately some 52 000 hectares were burned. The first major fire occurred at Gravelly Ridge, Campania in early November with the last major fire concluding at White Beach, Nubeena in late February. Between those incidents there were some 23 major fires and 1 054 vegetation fires attended from 1 December 2002 to 28 February 2003. During this period there were 5 days of Total Fire Ban.

A large fire on Flinders Island burnt for several weeks and required the assistance of incident management teams as well as fire appliances and crews from the Tasmanian mainland.

A fire at Broadmarsh that started on 20 January required one of the biggest operations for a decade before it was controlled. Remarkably little damage occurred despite a major run through grassland into and through suburban Brighton. A disappointing aspect was the deliberate fires started outside the established control lines in the lead up to bad weather. In an unprecedented move, the Chief Officer appealed to people in the south of the State to stay home on the Australia Day long weekend and people in the potential impact areas were doorknocked to ready themselves for the coming bad fire conditions. The position was assessed as the worst threat to Hobart since the disaster of 1967. The forecast weather conditions did not eventuate and the fire was held within its control lines on Hobart's northern outskirts.

At this time serious fires also occurred at Uxbridge, Middleton, Lake Crescent and the Saddleback Plantation (which threatened to invade Mathinna).

In addition, TFS deployed some 230 firefighters and support staff to NSW in November. In mid February, during a lull in Tasmania, TFS deployed a further 18 incident management personnel to Victoria to assist in managing the Gippsland fires.

Overall, from a TFS perspective, everything went extremely well. Whilst there were problems to overcome, the fire season was a very positive experience for the organisation. The huge input of volunteers time (44,000 hours) did begin to take its toll towards the end of February when volunteers were starting to become in short supply. But considering the resource demands of 24 hour

operations for days and weeks at a time it could be expected. By drawing volunteers and staff from the North West and to a lesser extent the Northern Region we were able to resource incidents in the South where firefighters started to run short.

The exceptionally dry conditions meant that fires were extremely difficult to extinguish. Even when fires were under control firefighters and equipment had to remain deployed in patrol mode, at times for weeks. Therefore each fire progressively diminished our resources.

On the whole, our equipment stood up extremely well in the extreme conditions. There are still many old appliances in the TFS fleet and these are the subject of an on-going financial strategy in relation to replacement.

The people fared better; however fatigue management on long running fires is an issue to be addressed.

The Australian Inter-Agency Incident Management System (AIIMS), Incident Control System (ICS) adopted and used across Tasmania and nationally proved its worth. This year some 26 major incidents were managed very successfully using ICS by incident management teams. The generic structure and national acceptance and use means interstate assistance on incidents can occur easily.

A number of fires adjacent to populated areas allowed TFS to emphasise that people at risk from bushfire have a responsibility for their own safety. Generally there was eager acceptance by residents in or near bushland of their responsibilities for property preparation and participation in firefighting assistance when needed.

The TFS website was used very effectively to provide up to date information about the fires. This was of huge benefit to the media, other agencies and the wider community. Further refinement and development is planned for this resource.

Co-operation and support by Police and the SES was invaluable. The use of SES to doorknock people at risk and distribute information was very effective.

SES supported TFS incident management all around the State as usual.

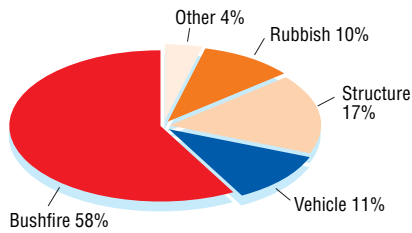
The fire season came to a conclusion in most places in late March with the receipt of heavy rainfall in many places particularly the South East.

Number of Fire Permits Issued

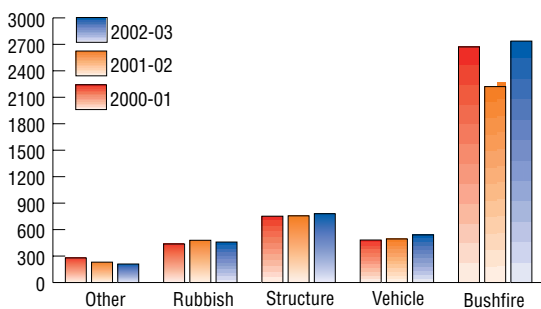
Region	Number of fire permits 2001-02	Number of fire permits 2002-03
North West	1750	838
Northern	1635	737
Southern	2401	1078
Total for state	5786	2653

The total of 2653 permits issued during the year was significantly less than the previous year. This was the result of increased restrictions on issuing permits due to the potentially severe bushfire conditions present over the summer period.

Type of Fires Attended 2002-03



Type of Fires Attended



Response Times

OBJECTIVE

- To ensure that the closest and most appropriately resourced brigade arrives at an incident in the shortest possible response time.

Response time (the total time it takes for an agency to respond to an emergency) is generally accepted Australia wide as a recognisable, reasonable and potentially useful indicator of performance for agencies responding to emergencies. There are many factors outside the control of the fire service that impact on response times including weather conditions, topography, road networks and traffic situations.

The median call handling time for 2002-03 was 47 seconds. The increase in call handling time from the previous year can be directly attributed to the large increase in vegetation fires. These specific types of fires typically require a longer verification process.

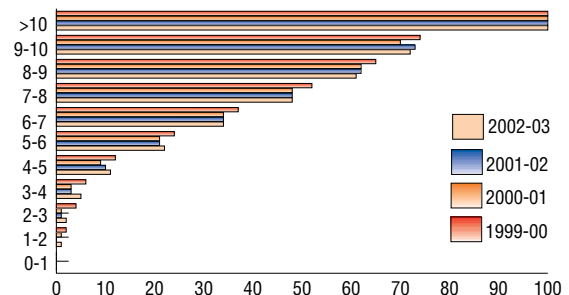
TFS undertook development of a mapping system to aid dispatchers in locating fires and displaying fire permits. FIREMap has dramatically improved the process of dispatching brigades to fires. A special feature allows fire boundary information to be displayed from aerial reconnaissance of fires. This information is used in FireComm to provide the most up to date information to be available to callers. The use of this information as part of the dispatch environment is an Australian first.

The graph indicates the response times for incidents, defined as the time from when FireComm answers a call reporting an incident



until the first TFS unit arrives at the scene of the incident. Response times have marginally increased compared to the previous year. The median time for combined career and volunteer crews has increased from 8.0 minutes in 2001-02 to 8.1 minutes in 2002-03.

Response Times (Structural Fires)

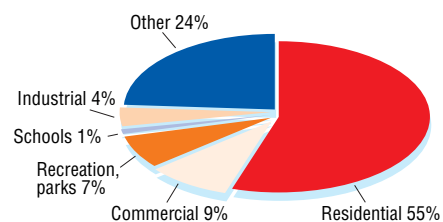


Property Fires

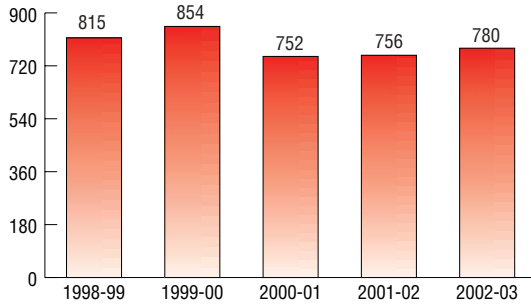
The total value of property fire losses in 2002-03 was approximately \$13.2 million, well down on the previous year which recorded \$19 million. This was largely due to significant falls in school and industrial related fire damage. This reduction in fire related damage came despite the total number of incidents for the period increasing from 9,603 to 10,390.

The number of structure fires in the past financial year has risen slightly from 756 to 780 although the number of residential fires dropped again in 2002-03 from 565 to 558, continuing the trend of the past few years.

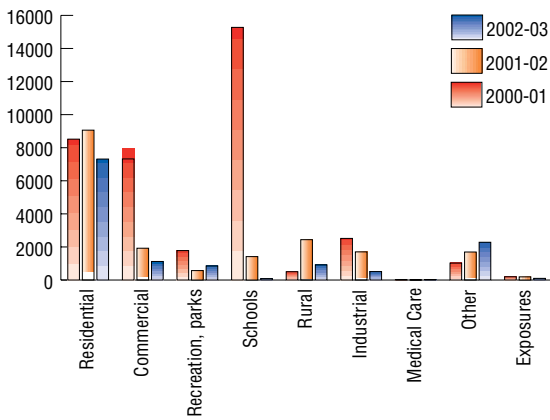
Dollar Loss by Property Type 2002-03



Total Structure Fires 1998-99 - 2002-03



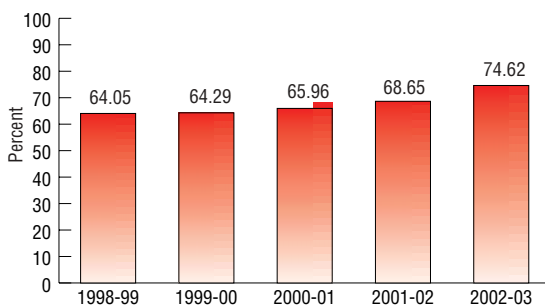
Dollar Loss by Property Type 2000-01 - 2002-03



Extent of damage

A key performance indicator for measuring the effectiveness of property damage mitigation is the proportion of fires that spread beyond the room of origin of the initial fire. The figures for the current year show another slight improvement in this indicator: In 2002-03, 74.62 per cent of all structure fires were confined to the room of origin compared to 68.65 per cent in 2001-02.

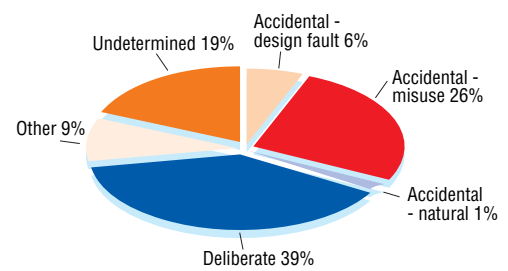
Structure Fires Contained to the Room of Origin



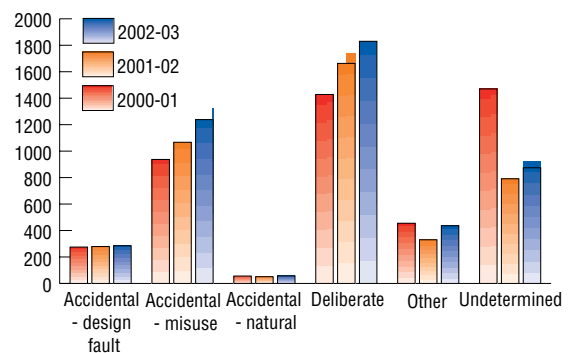
Cause of Fire Incidents

There was an increase in the number of deliberately lit fires reported, from 1,663 in 2001-02 to 1,830 in 2002-03. This rise mirrors the rise in the total number of incidents reported during 2002-03. The number of incidents deemed undetermined remained stable at 19 per cent.

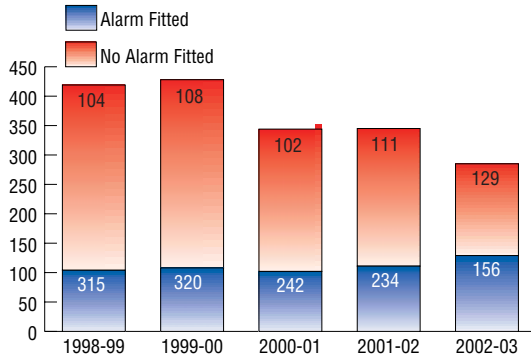
Cause of Fires Attended



Cause of Fires Attended 2000-01 - 2002-03



Domestic Property Fires - Alarm Installed



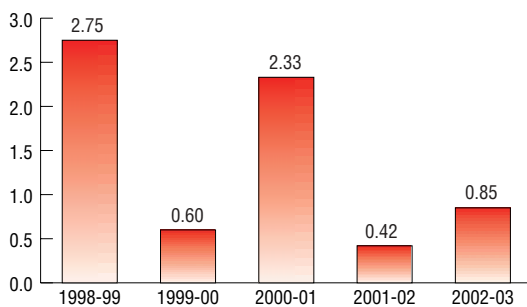
Deaths as a Result of Fire

Given the relatively small population in Tasmania and the relative infrequency of fire fatalities and injuries compared to more populous Australian states, the fire fatality and injury rates in Tasmania vary widely from year-to-year.

Preventable fire fatalities (fire-related suicides and homicides are excluded) in Tasmania over the last ten years have varied from a high of twelve in 1998-99 to a low of two in 2001-02, with an average of six such fatalities per year since 1994. In the year to 30 June 2003, there were four preventable fire-related fatalities. This represents a fire fatality rate of 0.8 fatalities per 100,000 population, higher than the national average of 0.6 fatalities.

Research indicates that age, household income and climate all impact on the fire fatality rate of a population. Given the age and income profile of the Tasmanian community and the state's relatively cool climate, the fire fatality rate is likely to remain above the national average for the foreseeable future.

Fire Death Rate per 100,000 Persons



Statistical Information

The data used for the reporting of operational activities was derived from the Service's incident reporting system which conforms to Australian Standard 2577 - Australian Incident Reporting System.

All TFS fire brigades contribute data to the reporting system. Incident reports are compiled from observations made at the scene by responding officers and fire investigators.

Official incident reports from brigades were received for 96.27 per cent of the 10,390 incidents responded to by the Service. All graphs and tables are based on incidents with completed reports.

FireComm

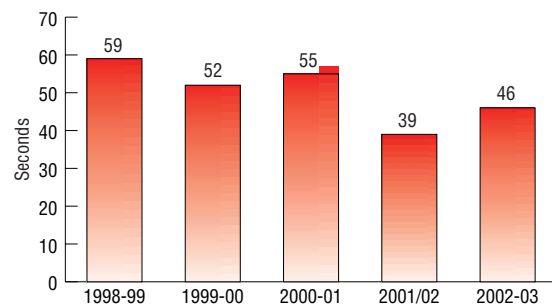
- FireComm is responsible for emergency incident call taking and the despatch of brigades and resources to emergency incidents.
- The collation and dissemination of operational and media information for multi-agency incidents is being coordinated by FireComm.
- Increasing use was made of the TFS website for dissemination of continually updated fire situation information. The high number of web site hits was evidence that the information was found very useful by both the media and general public.

Work has been completed on developing a training framework for FireComm call taking and dispatch function, along with the development of a fire specific certificate and diploma qualification within the nationally accredited Public Safety Training Package. Accreditation on a state and Federal basis was completed 2002-03.

OBJECTIVE

- Improve the capacity of brigades to manage the risks associated with their respective response area.

Median Call Handling Times



Development of the first draft of a new model for classifying brigades has progressed during the year. The model has four basic levels or categories of brigades. Each category identifies brigades that have similar risks, based on the key risk factors of population, property, responses, isolation and support. This will ensure consistent risk-based decisions can be made in the future about what type of appliances, fire stations and other resources brigades need in order to manage the risks in their communities. Prior to adoption extensive consultation will be undertaken.

OBJECTIVE

- To foster the establishment and maintenance of emergency management arrangements between the TFS and other organisations.

The Tasmania Fire Service has the responsibility for Urban Search and Rescue (USAR) and Hazardous Material incidents within Tasmania.

The Commonwealth Government has required all Australian States to review their capacity to deal with a possible terrorism incident, due to the alert level being revised from a low to a medium state of alert.

The Tasmania Fire Service, as a member of the Tasmanian Government's State Security Advisory Group (SSAG), has been involved with the establishment of interagency response plans, protocols and memorandums of understanding. The SSAG meets regularly to plan preparedness, training and resourcing for possible chemical, biological and radiological (CBR) incidents as well as with possible urban search and rescue (USAR) incidents.

The Commonwealth Government has funded the allocation of specialist equipment for the States to enhance their capability for a CBR event. TFS has purchased new and additional advanced equipment to enhance its capacity in any future USAR incidents.

Fire Investigation

The Commission has a statutory responsibility to investigate and determine the cause of all fires. A fundamental responsibility of the officer in charge of a fire incident is to determine the cause of the fire. Where the cause cannot be determined and/or any of the following circumstances exist a formal fire investigation will be undertaken by a full time Fire Investigation Officer:

- A major fire*.
- Where a fatality or serious injury** has occurred.
- Where a coroner or Police requests that it be investigated.
- Where the fire is apparently deliberate, suspected to be deliberate and the fire causes or has the potential to cause major damage.
- Where the cause is not known and the fire causes or has the potential to cause major damage.

* Includes fire(s) of significant financial or historic loss and/or of political or public.

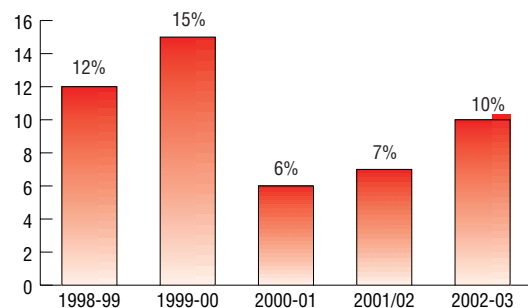
** Where the injury may result in the eventual death of a person.

As a result of a review of the Memorandum of Understanding (MOU) between the Tasmania Fire Service and Tasmania Police a revised MOU has been agreed to by the Chief Officer and Police Commissioner. The revised MOU has improved the cooperative arrangements between Fire and Police at major fire incidents and where there has been a fire related fatality.



Fire Investigation Officers formally investigated 197 or 4.2 per cent of all fires during 2002-03. The percentage of formally investigated building fires where the cause was undetermined increased marginally to 9.9 per cent.

Fire Investigation - % of Cause Undetermined



Planned Outcomes/Achievements 2003-04

The Tasmania Fire Service in conjunction with the CFA Victoria has undertaken a joint project to develop an improved "Dispatch System".

The new Dispatch System will provide automatic electronic data on:

- Address verification;
- Assignment response procedures; and,
- Call line identification.

The project is planned to be completed for commissioning prior to the 2003-04 fire season.

Developing a Fire Safe Community

GOAL STATEMENT

To have a Tasmanian community that is able to manage fire risks and respond safely to fire

The TFS delivers a broad range of programs to improve the safety of people in the community most at risk from fire. These programs aim to prevent fires and minimise the impact of any fires that occur. The Community Fire Safety Division delivers programs addressing fire safety in the home and in the workplace. The Division in partnership with the Fire Management Unit manages programs to address bushfire risks.

OBJECTIVES

- To deliver programs and services that assist the community to minimise fire risks and act safely when fire occurs.
- To have the business community take responsibility for its fire safety obligations.
- To ensure our people are equipped to provide consistent fire safety information to the community.

OBJECTIVE

- To deliver programs and services that assist the community to minimise fire risks and act safely when fire occurs.

Improving fire safety in our homes

Young people, the elderly and people with disabilities have a higher-than-average risk of experiencing a fire and suffering injury from fire. In 2002-03, the Service focused its community education strategies on these at-risk sectors of the community to minimise the social impact of fire.





• For children

The School Fire Education Program reached 22,500 primary school children in 2002-03. Children learned about fire safety in and around the home, prepared a home evacuation plan, and learned what to do if a fire occurs.

The Juvenile Fire Lighter Intervention Program provides counselling for young children engaged in unsafe fire-lighting behaviour. 79 children and their families participated in the program in 2002-03, with practitioners making approximately 300 home visits.

• For the dependent elderly and people with disabilities

The Service actively participates in Tasmania's 'Plan for Positive Aging 2000-05'.

Project Wake Up! aims to improve fire safety in the homes of people with disabilities and elderly people, with a focus on the dependent elderly. The program offers free home fire safety checks, and in the homes of most participants, smoke alarms are also installed for free. Community organisations working in the aged care field, as well as many medical practitioners, assisted the Service to identify potential beneficiaries of the program. This year, 344 households participated, bringing the total number of participants in the program since its inception in 1999 to 1,357. During the same period, 1,030 free smoke alarms have been installed.

Approximately 2,000 Housing Tasmania units, occupied by elderly and disabled people, had their smoke alarms serviced during the year by TFS staff to ensure they remain in working order.

• For the community generally

The Service responded to 780 fires in or involving buildings in 2002-03, slightly up on the 3 year average of 771 fires. In contrast, the number of preventable fires that brigades have responded to in residential property has decreased steadily over the last 10 years. 367 residential fires were responded to in 2002-03; this compares favourably with the 10 year average of 433 fires, and represents a 25% decrease over that period.

In 2002-03, approximately one third of fires in dwellings started in lounge-rooms, with another third starting in the kitchen. Publicity campaigns in 2002-03 focussed on these two priority areas, with an emphasis on stove-top fires and heater-related fires.

Lounge-room fires - 'A metre from your heater'

The major initiative this year was the development and implementation of a new public awareness campaign targeting fires originating from heaters in lounge rooms. 'A metre from your heater' was the slogan developed to warn residents to keep combustible material away from heaters.

The campaign line 'That's all it takes' was developed to enhance and support this initiative, and to accompany previous and future fire safety campaigns.

Kitchen fires - 'Turn it off before you turn away'

The winter 'Turn it off before you turn away' campaign also adopted the new 'That's all it takes' tag line to enhance the message about the dangers of stove-top fires.

Fire safety measures

The Service continues to offer smoke alarms, fire extinguishers and fire blankets for sale to the community through outlets in Hobart, Launceston, Burnie and Devonport. An estimated 84% of Tasmanian homes now have a working smoke alarm, an increase of one percentage point over the previous year.

A continuing partnership with Duracell to encourage householders to replace smoke alarm batteries every March helps ensure that the number of working smoke alarms in Tasmania remains high.

Research indicates that for properties fitted with a smoke alarm, fires are often discovered early enough for householders to extinguish them without fire brigade intervention. In these instances too, homes suffer significantly less damage. The proportion of homes without a smoke alarm attended by brigades to extinguish a fire continued to fall.

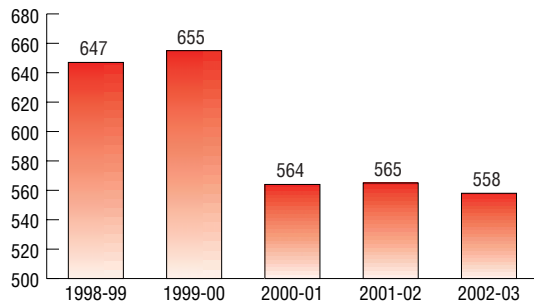
Fire safety information

Numerous fire safety information sessions were conducted throughout the state by brigade personnel and community educators. Participating community groups included those representing youth, the elderly and people with disabilities. Additional home fire safety information is communicated

through brochures distributed widely throughout the community, as well as on the Service's website. The Service also maintains a free-call service for general fire safety enquiries.

Two mobile community education display trailers promoting fire safety were used extensively by fire brigades throughout the State in 2002-03.

Number of Residential Property Fires



Improving safety from bushfires

TFS has a statutory responsibility to manage bushfire risks in Tasmania, and has developed and implemented an effective range of strategies for this purpose over many years. Some strategies are still being implemented in regional areas so further improvements in safety from bushfires are expected.

Measures undertaken during 2002-03 to prevent bushfires and minimise their impact on the community include:

- Bushfire mitigation work undertaken by the 34 Fire Management Area Committees (FMACs) established under Section 18 of the *Fire Service Act 1979*. FMACs include representatives from local government, fire brigades, and other stakeholders who assess fire risks, prepare fire protection plans, advise the Commission on fire permit periods and on the adequacy, efficiency and coordination of fire brigades, and advise local councils on fire hazards;
- Input into planning schemes to mitigate the risk from bushfires to new developments. The Fire Management Unit made a number of submissions to local government in relation to developments in areas at risk from bushfire. A number of appeals were also made, as well as amendments to planning schemes to incorporate appropriate bushfire safety measures;
- Review of the fire permit system. The Service continues to review the system and evaluate options to improve its effectiveness and efficiency;
- Measurement of the performance of Incident Management Teams (IMTs). Monitoring and measurement of IMT performance against established performance indicators contributes to more effective and efficient incident management practises being adopted by agency personnel assigned to these teams.



Improving fire safety in the workplace

OBJECTIVE

- To have the business community take responsibility for its fire safety obligations.

• Fire safety information

A brochure outlining fire safety legislation applicable to buildings in the business and government sectors was developed and widely distributed during 2002-03. Entitled 'Fire Safety in Buildings - it's your business', the brochure details the obligations owners and occupiers have under the *Fire Service Act 1979* and the *General Fire Regulations 2000* with regard to fire safety in their buildings. It is supported by an informative booklet which is available on request, and information duplicated on the Service's website.

• Fire Protection Systems and Equipment

The permit system applicable to persons installing and servicing portable fire protection equipment, introduced to ensure equipment is maintained by competent people in accordance with Australian Standards, is in the final stages of implementation. The permit system was introduced in 2001 and requires all practitioners to have their competence assessed against the nationally-accredited Asset Maintenance Training Package. All permits expired on 30 June 2003 and only applicants who demonstrate competence against the new Training Package will be issued a permit.

The Service randomly inspects workplaces to ensure fire protection equipment and systems are serviced in accordance with Australian Standards. Two hundred and thirty inspections were carried out to 30 June 2003, with indications of significant improvements in service standards.

The Service's TasFire Equipment unit employs eighteen permit holders to service fire protection equipment in approximately 7,000 workplaces across the State. Offices are located in Hobart, Launceston, Burnie and Devonport. Many procedural changes implemented in TasFire Equipment in 2002-03 resulted in greater operational consistency across the State and significant improvements in efficiency.

The Service continued to work closely with Education Department officers to upgrade fire detection systems in those government-owned schools identified as presenting an above-average fire risk. Work, which commenced on the program in 2001, is nearing completion. Damage caused by recent fires at schools equipped with a fire detection system has been minimal, reinforcing the value of this work.

Emergency Procedures

The *General Fire Regulations 2000* require owners and occupiers of specified buildings to have plans for the evacuation of their buildings in the event of fire. These plans must comply with the requirements of Australian Standards AS 3,745 and 4,083 and must be approved by the Chief Officer.

The Service's officers worked actively with owners and occupiers of buildings that require an approved plan, encouraging them to review their plans and to develop new plans where required.

The Chief Officer approved 135 evacuation plans in 2002-03, and another 80 were given approval subject to a practice evacuation.

• Training

Twenty-eight accredited training courses designed to improve safety in Tasmanian workplaces are offered to the business sector by the Service's TasFire Training unit. These courses focus on the management of fires and other emergencies, how to

evacuate safely from buildings during an emergency, and how to work safely in risky environments.

During 2002-03, 824 courses were conducted for 8,448 participants from across Tasmania. Increasing levels of fire safety awareness and emergency response skills in the workplace also help ensure that the households of these employees are becoming increasingly safe.

OBJECTIVE

- To ensure our people are equipped to provide consistent fire safety information to the community.

A number of strategies to increase TFS members' knowledge about fire safety issues and programs have been implemented.

- Community Fire Safety staff are participating increasingly in staff development workshops to ensure knowledge and understanding of the community fire safety issues they address are being shared throughout the organisation;
- Brigades are becoming increasingly engaged in the delivery of selected community development programs such as *Project Wake Up!* Participation in these programs increases understanding of fire safety issues impacting on at-risk sectors of the community; and
- The in-house magazine 'Fireground' includes information about fire safety issues and programs the Service has introduced to address community safety. This year for the first time, the quarterly magazine is posted to all volunteer members and widely distributed in TFS workplaces to broaden readership.

Planned Outcomes/Achievements 2003-04

- Increase brigades' participation in the delivery of selected fire safety programs.
- Increase vulnerable people's participation in relevant fire safety programs.
- Integrate community safety strategies with operational and other measures to improve the community's safety from bushfire.
- Provide information to at-risk sectors of the business community about their fire safety obligations.
- Inform the community about the range of fire safety programs and services available from the TFS.
- Improve the standard of fire protection equipment servicing throughout Tasmania
- Ensure TFS members provide consistent information about fire safety to the community.



Supporting Our People

GOAL STATEMENT

To support our people in a productive and safe work environment.

OBJECTIVES

- To have effective internal communications systems used by our people.
- To continue the development and implementation of systems for recruitment, selection, promotion and retention.
- To provide a work environment that fosters cooperation, respect and equity for our people.
- To continue with the development and implementation of effective training and development systems.
- To implement a nationally recognised OH&S management system.

Internal Communication

OBJECTIVE

- To have effective internal communications systems used by our people.

Work is continuing on a major project to improve TFS communication systems. The project will focus on ways of improving both communication between the TFS and its members as well as communication with external stakeholders.

The first review of the Volunteer Handbook has commenced with further work being done on new information designed to give guidance and tools to assist volunteer brigades and volunteers with the management of their brigades and members. Feedback from our volunteer members indicates that the Handbook is providing valuable assistance and guidance.

Whilst work has been completed on improving the TFS intranet website to enable access to a "members' page" by our volunteers, the TFS has also identified the need to revamp and refocus our intranet, internet and extranet sites. This project will be undertaken during 2003-04.

A new communication initiative implemented this year has been the introduction of a Volunteer State Consultative Committee. This committee provides a forum for TFS management and volunteer representatives to identify and discuss issues of strategic and statewide importance to the management and operation of our volunteer brigades.





Recruiting and Retaining Our People

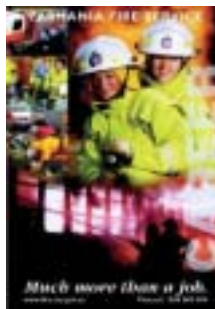
OBJECTIVE

- To continue the development and implementation of systems for recruitment, selection, promotion and retention.

A number of major initiatives were achieved this year in relation to recruitment, recognition and retention.

A new project has commenced to develop organisational volunteer recruitment strategies and tools to assist volunteer brigades to recruit new members.

A major project to widen the range of applicants the TFS receives for its vacant Trainee Firefighter positions was concluded. The project produced new information packs, brochures, CD's and posters aimed at attracting people to apply for firefighter positions who may never considered fire fighting as a career previously.



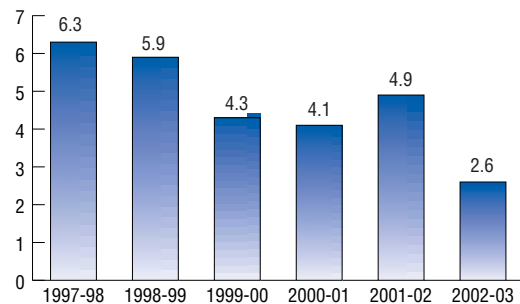
For the second time in the past 5 years, the contributions of the TFS and its volunteers were recognised by the Hobart City Council by the awarding of a 'Volunteer Organisation of 2003 Best Practice Award'. The award recognises the efforts of the TFS and its volunteer brigades in the areas of training, resourcing, management, recognition and participation by young people.

The Premier and State Government also recognised the contributions of our people by initiating the Community Thank You Day which was held on 21 March 2003. Over 2,400 people participated in functions statewide aimed at saying thank you to firefighters, their families, employers and other individuals and organisations in the community that worked together so

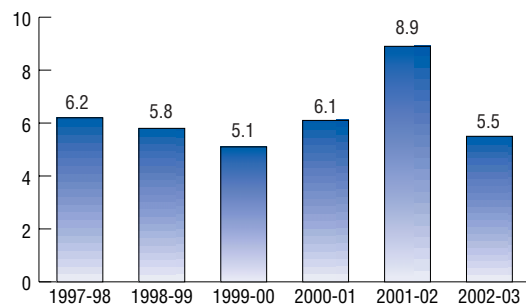
magnificently during the very difficult 2002-03 fire season. Donations, sponsorship and support from organisations and individuals helped to make the event so successful.

A new project commenced early in 2003 on the development of a feedback system for career members. The system is being developed with the assistance of employees representing all career workgroups. It is expected that a trial of the new system will commence in 2003-04.

Employee Turnover



Average Sick Days Per Employee



Managing Diversity

OBJECTIVE

- To provide a work environment that fosters cooperation, respect and equity for our people.

A new harassment and discrimination policy has been approved by the Commission. The policy makes it clear that any form of harassment, discrimination and bullying will not be tolerated in TFS workplaces. The policy ties in with the draft TFS Resolution Process which is nearing finalisation. This process has been trialed throughout the last financial year and amended to ensure it meets stakeholder requirements.

There were no claims for harassment or discrimination involving the TFS lodged with the Anti-Discrimination Commission this year.

Training and Career Development

OBJECTIVE

- To continue with the development and implementation of effective training and development systems.

The TFS strategy to adopt nationally recognised industry standard level of training and skills maintenance continues with the implementation of the Public Safety Training Package (PSTP). Throughout the year a lot of effort has been focused on developing the infrastructure, systems and procedures to facilitate the delivery of the PSTP. Quality assurance procedures must be maintained to ensure the TFS complies with the Australian Quality Training Framework standards for Registered Training Organisations. A review into the structure of training in the TFS was conducted during the past year to ensure best practice for training was being applied to the whole of agency.

Career Training

After a comprehensive advertising program for the recruitment process this year, twelve trainee firefighters successfully completed the twelve week recruit course. These firefighters are now stationed throughout the state.

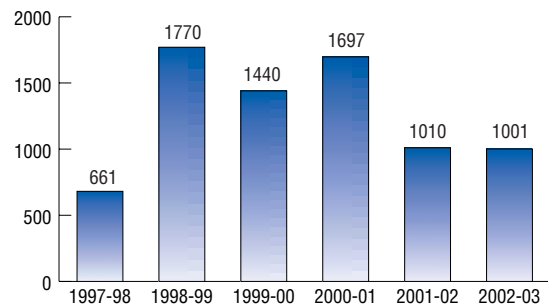
During this year one Leading Firefighter assessment block was held with nine successful candidates. It was notable that the experience of this group combined with their years of service enabled them to clearly demonstrate a broad range of skills and understanding of the organisational goals. The quality of the mentoring process is proving to be successful with other fire agencies showing interest in adopting the TFS program.

One Senior Station Officer assessment program was conducted this year with three successful candidates.

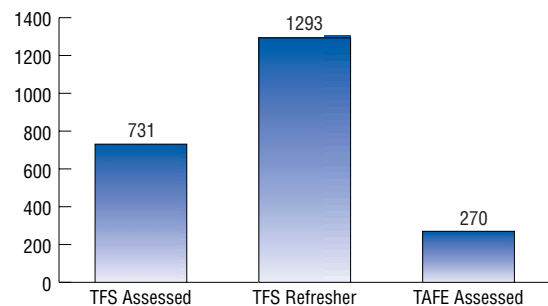
CBR (Chemical, Biological and Radiological) training amongst Australian fire agencies is still continuing albeit in preparation stage pending the arrival of federally funded equipment to facilitate combating.

The number of qualifications issued to career firefighters in 2002-03 was 58. The total number of Australian Fire Curriculum modules completed during 2002-03 was 1,001, of these 731 were assessed by TFS personnel and 270 were assessed by the Institute of TAFE Tasmania.

AFC Modules Completed by Career Staff



AFC Modules Assessed and Refreshers



Volunteer Training

Volunteer training has undergone significant change during the past year with volunteer firefighters becoming familiar with the requirements of the PSTP. The target for Training Services is to have all the current course material converted to the competency standards of the PSTP before the end of 2003.

The recognition process has commenced to formally map all the volunteer firefighter qualifications to the PSTP. This process has been well received and should be completed by the end of 2003.

The total number of courses provided for 2002-03 was 510, the participants attending these courses totalled 3,780. This is a significant drop in courses compared to the previous year for several reasons, the first of which is the time required to develop the training courses to the PSTP requirements and to train/mentor the Volunteer Training Instructors to deliver the course. Secondly, the summer we had impacted upon training, affecting training courses from the time crews were deployed to NSW in November.





- Two members participated in the inaugural Australasian Fire Authorities Council (AFAC) Volunteer Leadership Development Program at the Australian Institute of Police Management in Sydney, NSW.
- One member successfully completed the AFAC Executive Development Program at the Australian Institute of Police Management in Sydney, NSW.
- Other members are undertaking post-graduate studies in Public Sector Management at both Graduate Certificate and Masters level.

Occupational Health and Safety

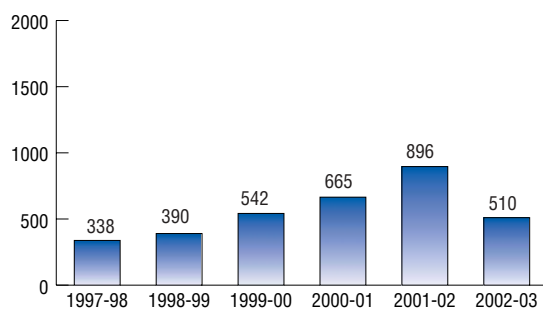
OBJECTIVE

- To implement a nationally recognised OH&S management system.

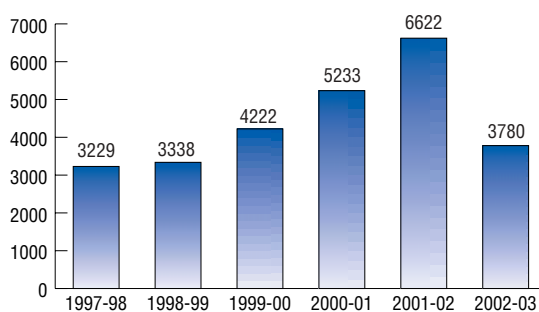
The TFS continues to work towards its goal of achieving Initial Level SafetyMAP accreditation. To help us to achieve this, we have focussed on improving our safety awareness in conjunction with improving our safety systems. Some of the initiatives undertaken or under development during the 2002-03 year include:

- A specialist accident investigation group have been trained to investigate serious (or potentially serious) accidents across the State;
- Development of a risk assessment tool that assists with hazard identification;
- Development of Sunsafe policies and procedures;

Volunteer Training Courses



Volunteer Trainees



Leadership and Management Development

The TFS has continued to sponsor the leadership and management development of our people. During 2002-03:

- One member successfully completed the Executive Fire Officer Program at the National Fire Academy in Emittsburg, Pennsylvania, USA. Only two people from Australia are selected nationally to participate in this program each year, provided they meet the strict selection criteria.

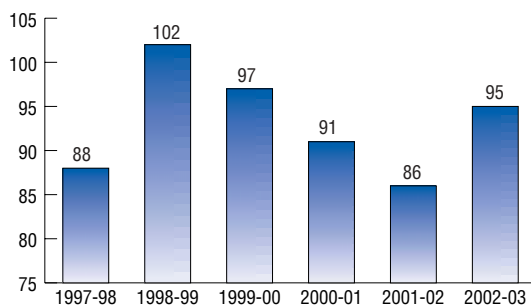


- A publicity campaign on the need to wear Personal Protective Equipment (PPE) for firefighting operations through Fireground articles and the statewide distribution of PPE posters;
- Development and implementation of an OH&S database. All completed Accident and Hazard reports are now entered into a TFS OH&S specific database. This provides a history of where and why members have been injured. It also provides an opportunity for us to be proactive in instigating corrective measures to reduce the likelihood of members being injured in the same manner in the future;
- Development of a OH&S Briefing Video which will be presented Statewide in the coming year. This TFS specific film will update members on recent OH&S system changes as well as outlining how an individual's behaviour can potentially lead to a serious accident;
- Development of manual handling initiatives. Recently the TFS has begun to address the high number of manual handling injuries we receive statewide. A small group of firefighters, plus a mechanic from Engineering Services have been externally trained in manual handling techniques. This group will develop training programs, policies and procedures in an effort to reduce the number of manual handling injuries we are currently having across the state; and
- Ongoing distribution of information about what's occurring in OH&S is sent out through regular newsletters. Whenever required, Safety Alerts are produced to inform members of significant new safety hazards.

Workers Compensation

Our workers compensation performance has continued to improve however given the prolonged and arduous fire season this year a slight increase in claims lodged was experienced. With the ongoing implementation of the new occupational health and safety systems it is hoped that the number of claims can be further reduced. This outcome will be closely monitored in the future.

Number of Workers Compensation Claims



Number of worker's compensation claims

	Employees	Volunteers
2001-02	53	33
2002-03	65	30

Cost of worker's compensation per member

	Employees	Volunteers
2001-02	\$198	\$78
2002-03	\$126	\$190



Awards and Medals

Australian Fire Service Medal (AFSM)

The 2002-03 AFSM recipients were invested with their awards by the Governor of Tasmania.

The recipients were:

KEVIN (JIM) WILLIAM GRACE

joined the Lackrana Country Fire Brigade on Flinders Island in December 1979 as a volunteer firefighter.

His initial interest in protecting his local community grew steadily into a passion.

In 1993 his peers elected him as Group Officer for Flinders Island. In this position Jim has become thought of as "Mr Fire Service" on the island by his community. Regardless of where or when a fire occurs, Jim is involved.

In 1994 he was awarded the National Medal.

He serves as a fire permit officer and is a member of the Flinders Fire Management Area Committee.

CHARLES MERTON EDWARD BLIZZARD

commenced duties as a firefighter on the 22 January 1974 with the Hobart Fire Brigade.

He was subsequently promoted to Station Officer on 23 September 1980 and has been an exemplary operational officer.

In the early 1990's, he pioneered the Juvenile Fire Lighter Intervention Program in Tasmania.

Charles currently holds the position of Manager of the Tasmanian Emergency Services Critical Incident Stress Management Program. In its earliest development, the program received considerable voluntary input from Charles who gave much of his time in providing counselling services to traumatised emergency services workers.

His empathy and commitment to fellow human beings is widely recognised and as such his view and counsel are regularly sought and highly respect from all areas of the Fire Service.

He was awarded the National Medal in 1989 and the Clasp to the Medal in 1999.



(L to R) Jim Grace AFSM, Charlie Blizzard AFSM and Errol Gleeson AFSM

ERROL GLEESON joined Deloraine Fire Brigade in March 1977 as a volunteer firefighter. In November 1990 he was appointed Second Officer of the brigade. He was elevated to Brigade Chief in May 1996, the position he held until he resigned to take up the position of Group Officer.

As Group Officer Errol works tirelessly in support of the Meander Group of Brigades. He has been a fire permit officer for 7 years as well as serving as a member of the Western Tiers Fire Management Area Committee

Errol provides training to volunteer brigades as a casually paid instructor.

He was awarded the National Medal in June 1991 and Clasp in 2000.

National Medal

A number of National Medals are presented each year to members of fire services around Australia and include. In 2002-03 the following awards were received by TFS personnel.

Award	Number of Recipients
National Medal - awarded for 15 years service	138
1st Clasp to the National Medal - awarded for an additional 10 years service	77
2nd Clasp to the National Medal - awarded for a further 10 years service	18
3rd Clasp to the National Medal - awarded for a further 10 years service	2
4th Clasp to the National Medal - awarded for a further 10 years service	1

Battered Branch Award

The Battered Branch is awarded each year to brigades who have demonstrated a high level of performance in both emergency fire operations and community involvement. Brigades nominated from all Regions are assessed on their performance during the year in the three representative brigade categories of career, vegetation and structural. The 2002-03 Awards were presented to the following brigades:

Career Brigades:	D Shift - Launceston Fire Brigade
Volunteer Structural (Pumper):	New Norfolk Fire Brigade
Volunteer Vegetation (Tanker):	Pipers River Fire Brigade.

Competitions

The Tasmanian Fire Brigades Competitions Association (TFBCA) held five competitions around the State with the Open title being hosted by the Hobart Fire Brigade and the State titles being hosted by Devonport Fire Brigade. In the State titles Franklin were victorious in the junior section with a clean sweep of the under 14's and under 17's, however, the senior titles were a much closer affair, ending with Franklin being the 2003 TFBCA Champions.

We continue to look at ways to improve participation in competitions and bring the two variations closer together to be more reflective of our one service. On the National scene a working group is looking at the development of a standard National competition. This Review Committee, along with a team of four, will be attending the National Championships in New South Wales in October to evaluate the format.

The Tasmanian Volunteer Fire Brigades Association (TVFBA) conducts Regional and State competitions using contemporary fire fighting equipment in a number of events simulating operational activities. Last year's State Competitions were cancelled due to the heavy fire season and volunteer firefighters assisting at fires interstate.

Annual Charity Run

The TFS charity run was staged from the 25th to 28th March 2003. The beneficiary this year was the Clifford Craig Medical Research Trust. The total amount of funds raised was \$30,000. This can be attributed to the tireless efforts of the runners and collectors who jointly covered in excess of 400km over the 4 days. This money will be used for research in Tasmania in the areas of renal disease, premature babies and bowel cancer.

TFS Annual Conference

The Annual TFS Conference, attended by approximately 265 delegates and held over the weekend of 13 and 14 July 2002 in Launceston, was again a great success. The Conference provides a forum for TFS staff and volunteers from all parts of the State to meet and discuss current issues. The theme of the Conference was **"Our Future"** and delegates were addressed by in-house and external speakers on a wide range of issues.

Lessons from the 2001-02 Sydney fires and Linton tragedy together with issues such as terrorism, organisational values and safety were the predominant subjects.



Planned Outcomes/Achievements 2003-04

- Implement a communication framework for the TFS.
- Trial a feedback system for TFS career members.
- Implement new recruitment tools to assist volunteer brigades.
- Implement the new harassment and discrimination policy and resolution process.
- Continue to implement agreed values and behaviours across the TFS.
- Continue development and implementation of new occupational health and safety systems

Managing Our Resources

Financial Management

GOAL STATEMENT

To manage our financial, information and physical resources effectively and efficiently.

OBJECTIVES

- To provide a flexible financial system that meets the needs of our users.
- To provide our staff with appropriate financial management training.
- Maximise our information management efficiency through easy and secure entry and access of information.

OBJECTIVE

- Provide a flexible financial system that meets the needs of our users

Continual review of the financial system has occurred over the past 12 months with some significant productivity improvements being made. Upgrading of the financial system has allowed payment by electronic funds transfer and a significant portion of creditors are now being paid by this method. This has resulted in a significant efficiency gain related to the printing and mailing of cheques and better control of cash flows.

There has been conscious effort to maximise the functionality of the present system and to that end a number of different

methods of reporting have been trialled with some success. Improvements in costing has been achieved by attaching a description to transactions where required. This allows for improved and more flexible project costing and has been used in a variety of instances such as major capital programs and interstate and international fire deployments.

OBJECTIVE

- Provide staff with financial management training

The training needs of Finance staff have been surveyed and a training plan will be developed for individuals taking into account the outcomes of the survey.

There has been a concerted effort to cross-train staff in order to improve work satisfaction and to increase flexibility by improving backup for staff during periods of leave. Examples include cross-training in the payroll, annual reporting and purchasing functions. In addition to this, a number of staff attended professional development courses and seminars on a variety of financial topics, including employment law and payroll, taxation and accounting standards.

During the year, four operational staff completed the TAFE budgeting unit developed by the TFS. In addition to this, the unit was completed by a number of staff from other Fire Services around Australia.

OBJECTIVE

- Maximise our information management efficiency through easy and secure entry and access of information.

An electronic records management program called TRIM has progressively been implemented. All inward correspondence to the TFS SHQ is now scanned and held electronically and progress is well underway for the Northern and North West Regions to follow. Work has commenced on the regular electronic capture of outward correspondence either by electronic transfer or by scanning.

The desktop upgrade was successfully completed this year. The upgrade of the Windows servers proved quite complex due to the implementation of Active Directory and Terminal Services which delayed the desktop rollout. A new deployment application was implemented for the rollout which enabled users to keep much of their customisation through a fresh install of the operating system. It also has the ongoing benefit of being able to update and deploy software centrally and better software licensing monitoring.

Employee information in the TFS is contained in many separate databases and systems all having their own, often complex, business rules.

Significant complexities have been experienced in seeking a simple and cost effective solution as a result of the way the various databases store and update information and the differing business rules of each database.

Following identification and documentation of the databases and associated business rules the implementation will proceed progressively across systems as data is cleaned and synchronised.

Financial Overview

The Net Surplus for the State Fire Commission for 2002-03 was \$5.4 million, compared to \$1.8 million for 2001-02, an increase of \$3.6 million.

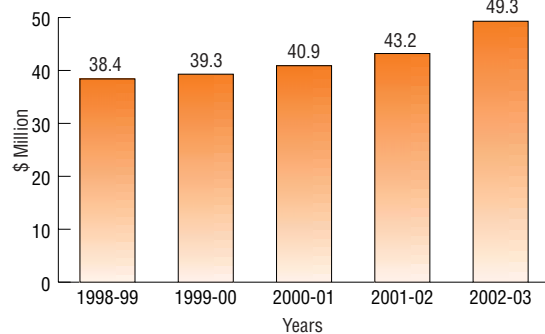
Revenue from Ordinary Activities for the twelve months to June 2003 was \$49.3 million compared to \$41.8 million for the same period last financial year. The major positive variations related to the Insurance Fire Levy that increased by \$4.7 million. As a result of a very intense fire season the total State Government Contribution increased by \$2.3 million. The general State Government Contribution increased by \$0.4 million whereas the costs reimbursement as a result of wildfire fighting increased by \$1.9 million.

Expenses from Ordinary Activities for the twelve months to June 2003 were \$43.5 million compared to \$39.2 million for the same period last financial year. The major variations related to Salaries and Operations Expenses which increased by \$2.2 and \$2.0 million respectively. Equipment under \$1,000 declined by \$0.8 million and the expenditure incurred of \$0.5 million was more consistent with previous years.

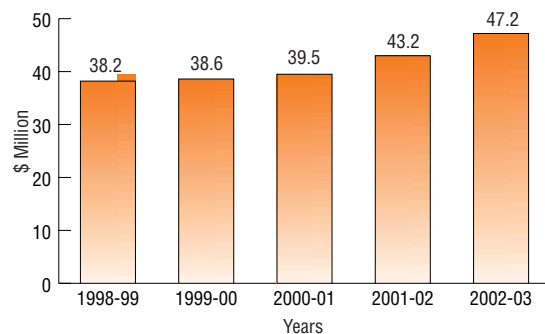
Net Assets for 2002-03 totalled \$53.7 million as compared to \$48.3 million for 2001-02, an increase of \$5.4 million.

An overview of the major revenue sources is detailed as follows..

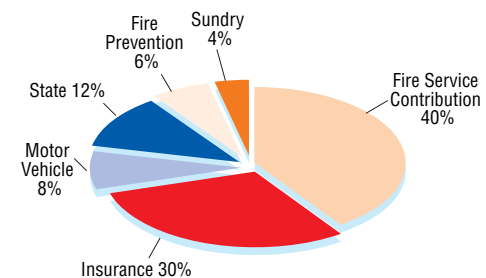
Total Revenue 2002-03 Dollars



Total Revenue Excluding Wild Fire Reimbursements 2002-03 Dollars



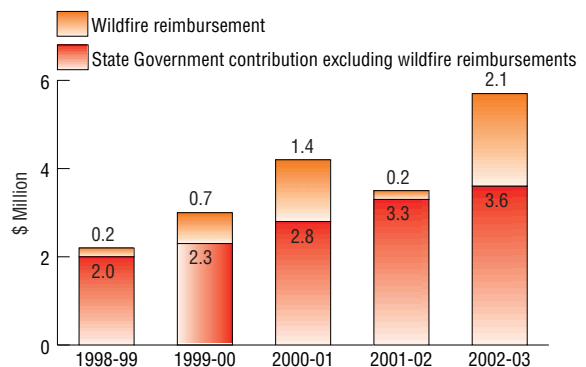
Total Revenue 2002-03 (\$49.3 Million)



State Government Contribution

The Treasurer must pay to the Commission, out of money appropriated by the Parliament for the purpose, such amount as

State Contribution 2002-03 Dollars



the Treasurer determines is appropriate towards defraying the operating costs of the Commission. The contribution in 2002-03 was \$5.7 million and represented 12 per cent of the total revenue of the Service for 2002-03.

The cost of fighting wildfires is partly funded by the State Government. From 1 July 1987, these costs have been funded by the State Government in the same year in which the expenditure was incurred. By arrangement with the Department of Treasury and Finance, the Commission is required to meet the first \$35,000 for wildfire fighting costs and the State Government meets the remainder. In 2002-03, the State Government reimbursed the Commission \$2.1 million and this amount is included as part of the total State Government Contribution of \$5.7 million.

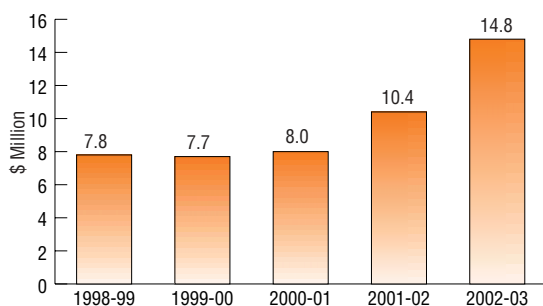
Commonwealth Government Contribution

The Commonwealth Government provided a contribution of \$177,000 which was less than one per cent of the total revenue for 2002-03. The purpose of this contribution is to meet the costs associated with providing fire prevention and protection to Commonwealth Government buildings and property in Tasmania.

Insurance Fire Levy

Insurance companies are responsible for the collection of the insurance fire levy. Collections for 2002-03 were \$14.8 million which equated to 30 per cent of total revenue. These funds were applied directly to both operating costs and the appliance replacement program. The contribution rate is an amount equal to two per cent of gross premium income on marine cargo insurance, 14 per cent on aviation hull insurance and 28 per cent of gross premium income on all other prescribed classes of insurance.

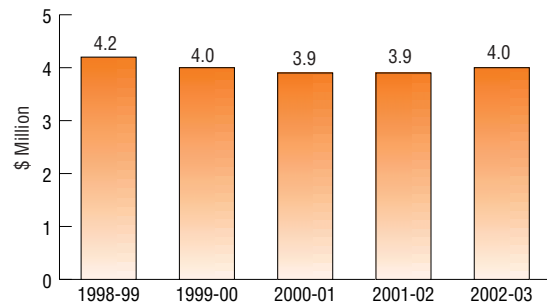
Insurance Fire Levy 2002-03 Dollars



Motor Vehicle Fire Levy

The motor vehicle levy contribution of \$4.0 million collected by the Department of Infrastructure, Energy and Resources represents nine per cent of total revenue. The general levy for motor vehicles is \$12 and for pensioners \$8 per vehicle and these rates were effective from 1 July 2001. Motor cycles are excluded.

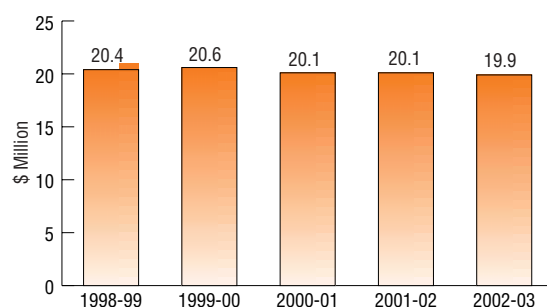
Motor Vehicle Fire Levy 2002-03 Dollars



Fire Service Contribution

The Fire Service Contribution is collected by local councils on a fee for service basis on behalf of the Commission. Fire service contributions on properties for 2002-03 amounted to \$19.9 million and represented 40 per cent of total revenue. The levels of contribution payable by ratepayers vary throughout the State according to whether the ratepayer is in an urban or country area. However, the objective of the demand on ratepayers is to ensure that an equitable contribution is applied to each ratepayer, based on the assessed annual value of their respective urban or country properties and the level of fire protection provided. Local authorities are paid a four per cent collection fee by the Commission and this amounted to \$838,000 in 2002-03.

Fire Service Contribution 2002-03 Dollars



Fire Prevention Charges

The Commission generates revenue through its community fire safety activities including the sale and servicing of fire safety equipment, commercial training, alarm rentals, inspection fees and avoidable false alarm fees. Revenue raised in 2002-03 was \$3.1 million or six per cent of total revenue.

Sundry Income

Sundry income is derived from a number of sources including profit on sale of non-current assets, donations, interest received, rent and other sundry sources. Revenue raised in 2002-03 was \$1.6 million or three per cent of total revenue.

Physical Resource Management

Building Program

During 2002-03 the Melville Street wing of State Headquarters was completed. The new wing houses the new Hobart Fire Station as well as the Community Fire Safety Division and the Fire Management Unit. In addition, new fire stations were completed at Kettering and Nile. Various upgrades of stations occurred throughout the State.

Engineering Services

Appliance Production

During the financial year 2002-03, Engineering Services completed the fabrication of 30 Medium Tanker appliances, one Light Tanker and conducted refurbishments on nine Light Tanker appliances. The 30 Medium Tanker appliances consisted of 12 'urban' and 18 'vegetation' configured appliances.

Heavy Tanker Plus Project

After establishing the 2002-03 build at 12 heavy tanker plus appliances, a stakeholder meeting was held promoting consultation and input from current user groups into the design of the next generation heavy tanker appliance. The design of the appliances has begun and it is envisaged that the prototype will be completed mid November for evaluation by the members of the established user group, prior to commencement of the build.

Workshop Equipment Acquisition

The acquisition of essential workshop equipment has led to unprecedented efficiencies in the fabrication program. The establishment of a production line, along with the ability to manufacture all major components internally has led to significant reductions in both the timeframe and cost of production of appliances, allowing the fabrication of 30 appliances to be completed within the 12 month period.

Communications Services

During the year the following major projects were completed:

Communications Site Infrastructure Upgrades:

- The installation of new multiplexers in Hobart and Launceston enabled the expansion of available channels and increased the bandwidth for voice and data communications for both TFS and TAS in the Northern Region. This Digital Data link was upgraded in October 2002.
- A new 30 metre tower and new equipment shed at Walkers Lookout on Flinders Island was completed in December 2002. This was a joint venture project with TAS, Tas Police and Ericsson Australia. It replaced two temporary containers and a wooden power pole.

- The installation of a new 18 metre tower at Companion Hill south of Hampshire in the North West Region and a minor upgrade of the building was completed in April 2003. This new tower replaces several old structures on the site that were deemed unsafe. The installation of new paging and radio transmission equipment has improved radio and paging coverage for West Coast units of TFS, TAS and SES.

Other items of note during the year:

- Fire Alarm System upgrades were completed at Latrobe and Wynyard.
- Communications Services staff completed many new installations of communications cabling at new fire stations across the state as well as at Regional and State Headquarters.

Information Services

TFS is increasing the use of GIS technology to better plan and manage resources and incidents. FirePlotter which allowed easy access to GIS technology in the field was used extensively during the fire season. This technology was previously only available at limited sites and by specialist staff. It is becoming an essential tool and will improve significantly the safety of firefighters and the public and the planning and management of resources and incidents. FireMap was developed and deployed. This GIS system is closely integrated with the dispatching system and will allow accurate and rapid location of fires to assist in the dispatch process. The CallOut System, to manage details of the call out staff was developed and deployed.

A new web base system will be progressively deployed in 2003-04 called TFS-Online. It is designed to service staff, volunteers and the general public. This will replace the current members section of the TFS website and provide far more information and flexibility than was previously possible.

A new version of the dispatching system (FIRM) is under development ready for deployment in the 2003 fire season. It will further improve FireComm's dispatching GIS capabilities.



State Fire Management Council

State Fire Management Council

The State Fire Management Council is established under Section 14 of the *Fire Service Act 1979*. The Council's primary role is to develop a State Vegetation Fire Management Policy to be used as the basis for all fire management planning. The Council comprises:

Chairperson nominated by the Minister (Maurice Geard);

Chief Officer of the Tasmania Fire Service (John Gledhill);

Chief Executive Officer of the Forestry Corporation (Evan Rolley);

Director of National Parks and Wildlife (Peter Williams);

Nominee of the Chief Officer, Tasmania Fire Service (Peter Alexander);

Nominee of the Chief Executive Officer of the Forestry Corporation (Dick Chuter);

Nominee of the Director of National Parks and Wildlife (Tony Blanks);

Nominee of the Tasmanian Farmers and Graziers Association (Lyndley Chopping);

Nominee of the Forest Industries Association of Tasmania (Greg Hickey); and

Nominee of the Local Government Association of Tasmania (Rod Sweetnam)

State Fire Management Council Annual Report

2002-2003 Chairman's Annual Report

As Chairman of the State Fire Management Council (SFMC) I am pleased to report on the activities of the Council which has met three times in the past year.

The SFMC continued to provide input into the Environmental Protection Policy (Air Quality) and to develop smoke management guidelines for land managers.

Standard fire mapping practices and methods have been developed for use in the 2003-04 fire season.

The Multi-Agency Coordination Group which coordinates the management of multi agency bushfires has continued to encourage better practices and standards for incident management teams in Tasmania and Tasmanian fire fighters are well regarded both by the public at home and on the mainland and even overseas.

The review of the Fire Permit System in Tasmania has been progressed with implementation of any change to occur during 2004-05.

I completed my term as the inaugural Chairman of the Council at the end of July 2003 and wish the Council well for the future.



M S Geard
CHAIRMAN

30 September 2003



***State Fire
Commission
Financial
Report 2003***

Certification of Financial Statements

The accompanying financial statements of the State Fire Commission have been prepared in compliance with the provisions of the *Fire Service Act 1979* from proper accounts and records.

In the opinion of the Commissioners of the State Fire Commission;

- a) the financial statements are drawn up so as to give a true and fair view of the results and cash flows for the period 1 July 2002 to 30 June 2003 and the statement of affairs at 30 June 2003 of the State Fire Commission;
- b) the accounts have been made out in accordance with the provisions of the *Fire Service Act 1979*, and
- c) at the date of this statement, there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they fall due.

At the date of signing we are not aware of any circumstances which would render the particulars in the financial statements misleading or inaccurate.



J.B. Gledhill BSc. FI.Fire E. AFSM

CHIEF OFFICER



Wendy Sawford BEc

COMMISSION MEMBER

30 September 2003

Independent Audit Report



Tasmanian Audit Office

INDEPENDENT AUDIT REPORT

To the Members of the State Fire Commission

Scope

I have audited the financial report of the State Fire Commission comprising a Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes thereto, for the year ended 30 June 2003. The Commissioners of the State Fire Commission are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Commissioners.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the financial position of the State Fire Commission, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the financial report presents fairly in accordance with Accounting Standards, other mandatory professional reporting requirements in Australia and applicable legislation, the financial position of the State Fire Commission as at 30 June 2003, and the results of its operations and its cash flows for the year then ended.

TASMANIAN AUDIT OFFICE

D W R Baulch
Deputy Auditor-General
Delegate of the AUDITOR-GENERAL

1 October 2003
HOBART

Accountability on Your Behalf

Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 \$'000	2002 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Insurance Fire Levy	1(q)	14,772	10,103
Fire Service Contribution	1(r)	19,968	19,506
State Government Contribution	9	5,734	3,388
Commonwealth Government Contribution	9	177	183
Motor Vehicle Fire Levy	1(s)	4,005	3,835
Fire Prevention Charges	10	3,063	3,164
Sundry Revenue	11	<u>1,624</u>	<u>1,657</u>
Total Revenues from Ordinary Activities		49,343	41,836
EXPENSES FROM ORDINARY ACTIVITIES			
Salaries, Wages and Related Expenses	1(j), 1(t), 12	25,936	23,725
Public Relations, Subscriptions and Consultants	13	849	639
Training and Education		513	451
Operations Expenses	14	5,684	3,726
Protective Clothing and Uniforms	15	1,005	1,263
Depreciation	6	3,367	3,004
Financial and Other Expenses	16	2,223	2,052
Insurance		1,469	1,385
Borrowing Costs	17	349	330
Repairs and Maintenance	18	1,540	1,305
Equipment under \$1,000	19	<u>548</u>	<u>1,329</u>
Total Expenses from Ordinary Activities		43,483	39,209
Net Surplus	1(t), 20	<u>5,860</u>	<u>2,627</u>
Non-Owner Changes in Equity			
Increase/(decrease) in asset revaluation reserve due to revaluation of non-current assets	21	74	(821)
Adjustment to Retained Operating Surplus as a result of the adoption of Accounting Standard - AASB 1028 'Employee Benefits'		<u>(561)</u>	<u>-</u>
Total change in Equity from Non-Owner related Transactions		(487)	(821)
Total change in Equity	22	<u>5,373</u>	<u>1,806</u>

The Financial Statements are to be read in conjunction with the accompanying notes to the accounts.

Statement of Financial Position

AS AT 30 JUNE 2003

	Note	2003 \$'000	2002 \$'000
CURRENT ASSETS			
Cash Assets	l(p),2,8	3,465	4,458
Receivables	l(d),3,8	1,252	1,242
Other Assets	4	1,671	1,463
Inventories	l(c)	719	617
Total Current Assets		<u>7,107</u>	<u>7,780</u>
NON-CURRENT ASSETS			
Work in Progress	l(e), 5	3,224	1,869
Property, Plant and Equipment	l(f),l(g), l(o),6	59,381	54,344
Total Non-Current Assets		<u>62,605</u>	<u>56,213</u>
TOTAL ASSETS		69,712	63,993
CURRENT LIABILITIES			
Bank Overdraft	l(m)	-	1,251
Payables	l(n),7,8	4,817	3,282
Provision for Long Service Leave	l(h),l(t)	525	449
Provision for Annual Leave	l(i),l(t)	2,040	1,641
Interest Bearing Liabilities	l(m)	1,368	1,368
Total Current Liabilities		<u>8,750</u>	<u>7,991</u>
NON-CURRENT LIABILITIES			
Provision for Long Service Leave	l(h),l(t)	3,966	3,368
Interest Bearing Liabilities	l(m)	3,330	4,341
Total Non-Current Liabilities		<u>7,296</u>	<u>7,709</u>
TOTAL LIABILITIES		16,046	15,700
NET ASSETS		<u>53,666</u>	<u>48,293</u>
EQUITY			
Retained Operating Surpluses	20	53,592	48,293
Reserves	21	74	-
TOTAL EQUITY	22	<u>53,666</u>	<u>48,293</u>

The Financial Statements are to be read in conjunction with the accompanying notes to the accounts.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 \$'000	2002 \$'000
Cash Flows from Operating Activities			
Cash Receipts from Ordinary Activities		48,199	40,581
Cash Payments from Ordinary Activities		(37,525)	(35,532)
Interest Paid		(349)	(330)
Interest Received		110	73
Net Cash provided by Operating Activities	25(b)	<u>10,435</u>	<u>4,792</u>
Cash Flows from Investing Activities			
Proceeds from Sale of Equipment		981	703
Payments for Property, Plant and Equipment		(10,147)	(5,532)
Net Cash used in Investing Activities		<u>(9,166)</u>	<u>(4,829)</u>
Cash Flows from Financing Activities			
Repayment of loan		(1,011)	-
Net Cash used in Financing Activities		<u>(1,011)</u>	<u>-</u>
Net Increase/(Decrease) in Cash Held		258	(37)
Cash at the Beginning of the Financial Period		3,207	3,244
Cash at the End of the Financial Period	25(a)	<u>3,465</u>	<u>3,207</u>

The Financial Statements are to be read in conjunction with the accompanying notes to the accounts.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

I. Statement of Accounting Policies

(a) Basis of Financial Statements

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, and other authoritative pronouncements of the Australian Accounting Standards Board. It has been prepared on the basis of historical costs except for the revaluation of land and buildings, and does not take into account changing money values. Accounting policies used are consistent with those of the prior year.

(b) System of Accounting

The accompanying financial statements are prepared in accordance with the accrual basis of accounting that brings to account known assets and liabilities at balance date. All amounts shown in the financial statements are in thousands of dollars. The system of accounting complies with the requirements of the *Fire Service Act 1979*.

(c) Inventories

Consumable stores are expensed at the time of purchase. Stock on hand is valued at average cost.

(d) Receivables

Trade receivables are carried at amounts due. The collectability of debts is assessed at year-end and a specific provision is made for any doubtful accounts. In addition a general provision of \$10,000 (1.25% of debtors outstanding) is maintained. The carrying amount of trade receivables approximates net fair value.

(e) Work in Progress

Work in Progress is valued at the cost of material, labour and labour oncosts for work to date and includes Capital Works Commitments incurred but unpaid at year-end.

(f) Land and Buildings

Freehold land and buildings are valued at fair value. Cost is considered to be the best measure of fair value for recently purchased property. Where available in years subsequent to acquisition, the Valuer-General's valuation is used.

The Valuer-General progressively revalues land and buildings in a systematic manner, which is both independent and consistent.

On revaluation, the balances of the revalued assets' Provision for Depreciation accounts are transferred to the related asset accounts. The assets are then depreciated over their estimated remaining useful lives using their revalued amount as the base.

When a class of assets is revalued upwards, that part of the revaluation increment that reverses previously expensed revaluation decrements is treated as revenue, and any excess is credited to the Asset Revaluation Reserve.

When a class of assets is revalued downwards, that part of the revaluation decrement that reverses a credit balance in the Asset Revaluation Reserve is debited to the Reserve, and any excess decrement is expensed.

During the year ended 30 June 2003 Land was revalued upwards by \$74,113, and this amount was posted to the Asset Revaluation Reserve. Buildings were revalued downwards by \$322,705, and this revaluation decrement was debited to Financial and Other Expenses.

(g) Fire Appliances and Plant and Equipment

Internal expenses incurred in the fabrication of Fire Appliances and the construction of Radio and Communications Equipment are capitalised.

Plant and Equipment is at cost and is comprised of Fire Fighting Equipment, Workshop and Other Equipment, Radio and Communications Equipment, Office Furniture and Equipment and Computer Equipment.

Items of Plant and Equipment with a purchase price of less than \$1,000 are expensed at time of purchase. Items of Plant and Equipment with a cost of \$1,000 or more are shown at cost less depreciation and are written off over their expected useful life to the Commission on a straight line basis. Equipment is not depreciated until full operational status is attained.

Costs incurred in relation to plant and equipment subsequent to initial acquisitions are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the assets will flow to the Commission in future years. Where these costs represent separate components they are accounted for as separate assets and are separately depreciated over their useful lives.

(h) Provision for Long Service Leave

Provision for Long Service Leave is made for all employees. No cash reserve has been set aside to meet commitments from the Provision for Long Service Leave and commitments will be met as they fall due from revenue at that time.

The liability is the sum of the existing entitlements and an estimate of future entitlements expected to arise from service completed at 30 June. (refer Note 1(t))

In determining the liability for expected future entitlements, consideration has been given to future increases in wage and salary rates, and experiences with staff separations. Related on-costs have been included in the liability. Estimated future accrued leave has been discounted using the rates applied to national government securities at balance date, which best match the terms of maturity of the related liabilities.

The Current Provision (\$525,324 in 2003 and \$449,143 in 2002) is defined as the expected expense for the forthcoming financial year and the balance of the provision is treated as the Non-Current Provision (\$3,965,558 in 2003 and \$3,368,293 in 2002).

(i) Provision for Annual Leave

The provision represents employee entitlements due and accrued as at 30 June 2003. The provision has been calculated using the remuneration rates the Commission expects to pay when the obligations are settled and includes related on costs.

(j) Superannuation

The State Fire Commission provided \$2,534,330 for superannuation in 2003.

The Commission, by virtue of the *State Fire Commission Superannuation Scheme Act 1994*, operates a fully funded superannuation scheme for employees of the State Fire Commission classified under the *Federal Tasmanian Fire Fighting Industry Employees Award*. This fund is managed by Financial Synergy Tasmania Pty Ltd.

In addition, the Commission makes employer superannuation contributions based as a minimum on the Commonwealth's Superannuation Guarantee rate for State Award employees. These employees may elect to have their contributions forwarded to any complying superannuation scheme. The total superannuation contribution provided in 2003 comprised:

	2003 \$'000	2002 \$'000
State Fire Commission Superannuation Scheme	2,035	1,976
Retirement Benefits Fund	485	443
Other	14	-
Total	2,534	2,419

Prior to 1 July 1986 the State Fire Commission maintained its own fully funded superannuation scheme for Commission employees who contributed to the RBF. As at 30 June 1986 the provision had accumulated to \$2,447,447 and this amount was recorded in the Commission's accounts. As at 1 July 1986 accounting for Retirement Benefits Fund Superannuation entitlements was transferred to the State Treasury. A payment

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

representing the provision as at 30 June 1986 of \$2,447,447 was made to the State Treasury on the condition that the Government would fund the current and future superannuation liability of Commission employees.

(k) Investments

The Commission conducts its investment and loan programs with the Tasmanian Public Finance Corporation (Tascorp) and private investment managers.

Investments are carried at the face value of the amounts deposited. The carrying value of investments approximates the net fair value. Interest revenue is accrued at the market or contractual rate.

(l) Sick Leave

No amount is shown for non-vested sick leave. On the basis of previous experience, namely sick leave of 3,669 days per annum, the estimated liability of \$449,846 is not material in comparison with total liabilities.

The total average number of hours taken per person in 2003 was 56.4 as compared to 62.1 in 2002.

(m) Interest Bearing Liabilities

Loans and bank overdrafts are carried on the statement of financial position at their principal amount. Interest expense is accrued at the contractual rate and included in "Accrued Expenses."

(n) Payables, Accrued Expenses and Commitments.

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Commission. The carrying amount of accounts payable approximates to fair value.

(o) Provision for Depreciation

Items of Property, Plant and Equipment, including buildings, are depreciated over their estimated useful lives.

All items are depreciated using the straight line method of depreciation at the following range of rates:

Asset Class	Range of Rates
Buildings	1% to 3.3%
Motor Vehicles and Fire Appliances	4% to 25%
Plant and Equipment	10% to 33.3%

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

(p) Cash, Short Term Deposits and Bank Overdrafts

The Commission operates its own bank account and all cash transactions are recorded through this account.

Cash, short-term deposits and bank overdrafts are carried at face value of the amounts deposited or drawn. The carrying amounts of cash, short-term deposits and bank overdrafts approximates net fair value. Interest revenue is accrued at the market or contractual rate.

(q) Insurance Fire Levy

Contributions are received from insurance companies in respect of premium income on certain prescribed classes of insurance where the risks insured are situated within Tasmania. Contributions are received monthly in accordance with an approved lodgment return. The current insurance fire levy is 28 per cent and this was last increased from 14 per cent in October 1990.

(r) Fire Service Contribution

Contributions are received from Local Councils through a fire service contribution raised on properties. A minimum contribution was initiated to provide additional funds to re-equip volunteer brigades. This minimum contribution was set at \$27 for the year ended 30 June 2003 (\$26 in 2002)

(s) Motor Vehicle Fire Levy

The State Fire Commission receives income raised through a fire levy applied to all registered vehicles. This is collected by the Registrar of Motor Vehicles via the vehicle registration fee and forwarded to the State Fire Commission. The current fire levy raised through vehicle registration is \$12 per vehicle and this was last increased from \$11 in July 2001.

(t) Changes in Accounting Policy

Employee entitlements

The State Fire Commission has changed the way it calculates its provisions for Annual Leave and Long Service Leave in accordance with amendments to the accounting standard AASB 1028 *Employee Benefits*.

The revised AASB 1028 requires provisions for Annual and Long Service Leave to be calculated using the remuneration rates the Commission expects to pay when obligations are settled. Previously the Commission used the remuneration rates existing at the end of the reporting period.

The initial adjustments to the financial report as at 1 July 2002 as a result of this change are:

Increase in Provision for Annual Leave	\$222,836
Increase in Provision for Long Service Leave	\$338,917
Decrease in Opening Retained Operating Surpluses	(\$561,754)

The following table shows restated expense, liability and equity figures that would have been disclosed had the new accounting policies always been applied:

	2003 \$'000	2002 \$'000
Statement of Financial Performance		
Net Surplus before employee costs	31,796	26,352
Employee Costs before change in Accounting Policy	25,699	23,725
Effect of change in Accounting Policy	237	561
Employee Costs	25,936	24,286
Net Surplus	5,860	2,066
Restatement of Retained Operating Surpluses		
Reported Balance at the end of the previous year	48,293	45,229
Increase/(Decrease) due to change in Accounting Policy	(561)	-
Restated Retained Operating Surpluses at the start of the year	47,732	45,229
Restated Net Surplus	5,860	2,066
Transfers (to)/from Reserves	-	437
Restated Retained Operating Surpluses at year end	53,592	47,732
Restatement of Provision for Annual Leave		
Balance at end of year - as previously reported	2,040	1,641
Increase due to change in Accounting Policy	-	222
Restated Balance at end of year	2,040	1,863
Restatement of Provision for Non-Current Long Service Leave		
Balance at end of year - as previously reported	3,966	3,368
Increase due to change in Accounting Policy	-	339
Restated Balance at end of year	3,966	3,707

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

	2003	2002
	\$'000	\$'000
2. Cash Assets		
Cash on Hand	8	8
Cash at Bank	<u>3,457</u>	<u>4,450</u>
Total	<u>3,465</u>	<u>4,458</u>
3. Receivables		
Trade Debtors	1,262	1,252
Less Provision for Doubtful Debts	<u>(10)</u>	<u>(10)</u>
Total	<u>1,252</u>	<u>1,242</u>
4. Other Assets		
Accrued Revenue	980	988
Prepayments	<u>691</u>	<u>475</u>
Total	<u>1,671</u>	<u>1,463</u>
5. Work in Progress		
Capital Works in Progress in 2003 represents capital expenditure to date of \$1,985,776 plus Capital Works commitments of \$1,238,748 and in 2002 they were \$1,018,876 and \$850,010 respectively.		
6. Property, Plant and Equipment	2003	2002
	\$'000	\$'000
Land		
At Fair Value (Note 1(f))	<u>5,225</u>	<u>5,142</u>
	<u>5,225</u>	<u>5,142</u>
Buildings		
At Fair Value (Note 1(f))	29,820	26,051
Accumulated Depreciation	<u>(2,133)</u>	<u>(2,182)</u>
	<u>27,687</u>	<u>23,869</u>
Motor Vehicles		
At Cost	4,518	4,227
Accumulated Depreciation	<u>(2,689)</u>	<u>(2,217)</u>
	<u>1,829</u>	<u>2,010</u>
Fire Appliances		
At Cost (Note 1(g))	33,215	31,445
Accumulated Depreciation	<u>(14,200)</u>	<u>(13,944)</u>
	<u>19,015</u>	<u>17,501</u>
Plant and Equipment		
At Cost	\$16,648	15,777
Accumulated Depreciation	<u>(11,023)</u>	<u>(9,955)</u>
	<u>5,625</u>	<u>5,822</u>
Total Property, Plant and Equipment		
Total Gross Value	\$89,426	\$82,642
Total Accumulated Depreciation	<u>(30,045)</u>	<u>(28,298)</u>
Net Book Value	<u>59,381</u>	<u>54,344</u>

Reconciliation of Property, Plant and Equipment as at 30 June 2003

	Carrying Amount 30 June 02	Additions	Revaluations	Disposals	Depreciation	Carrying Amount 30 June 03
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land at Fair Value (Note 21)	5,142	51	74	(42)	-	5,225
Buildings at Fair Value (Note 21)	23,869	4,666	(323)	(12)	(513)	27,687
Motor Vehicles at Cost	2,010	1,454	-	(719)	(916)	1,829
Fire Appliances at Deemed Cost	17,501	2,323	-	(77)	(732)	19,015
Plant and Equipment at Deemed Cost	5,822	1,009	-	-	(1,206)	5,625
	54,344	9,503	(249)	(850)	(3,367)	59,381

Due to effects of rounding some totals may not cross balance.

7. Payables

Accrued Expenses

Trade Creditors

Capital Works Commitments

GST Payable

TOTAL

2003
\$'000

1,540

1,931

1,239

107

4,817

2002
\$'000

1,247

1,091

850

94

3,282

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

8. Additional financial instruments disclosures

The Commission's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities for 2002-03 are detailed below:

	Non Interest Bearing	Floating Interest Rate	Fixed Interest 1 year or less	Maturing Over 1 year to 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash	-	3,465	-	-	3,465
Receivables	1,252	-	-	-	1,252
Investments	-	-	-	-	-
	<u>1,252</u>	<u>3,465</u>	<u>-</u>	<u>-</u>	<u>4,717</u>
Weighted Average Interest Rate	-	4.65%	-	-	-
Financial Liabilities					
Bank overdrafts and loans	-	-	1,368	3,330	4,698
Payables	4,817	-	-	-	4,817
	<u>4,817</u>	<u>-</u>	<u>1,368</u>	<u>3,330</u>	<u>9,515</u>
Weighted Average Interest Rate	-	-	5.65%	6.24%	-

Comparative figures for 2001-02 are detailed below:

	Non Interest Bearing	Floating Interest Rate	Fixed Interest 1 year or less	Maturing Over 1 year to 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash	-	4,458	-	-	4,458
Receivables	1,242	-	-	-	1,242
Investments	-	-	-	-	-
	<u>1,242</u>	<u>4,458</u>	<u>-</u>	<u>-</u>	<u>5,700</u>
Weighted Average Interest Rate	-	4.71%	-	-	-
Financial Liabilities					
Bank overdrafts and loans	-	1,251	1,368	4,341	6,960
Payables	3,282	-	-	-	3,282
	<u>3,282</u>	<u>1,251</u>	<u>1,368</u>	<u>4,341</u>	<u>10,242</u>
Weighted Average Interest Rate	-	5.10%	5.50%	6.22%	-

Bank Overdraft Facility

The State Fire Commission has access to an overdraft facility of \$2.5M. This bank overdraft is unsecured and subject to annual review. As at 30 June 2003, this facility was not utilised.

Loans

Since 1986, all loan raising has been arranged through the Tasmanian Public Finance Corporation.

All loans are recorded in Australian dollars and are unsecured. The loan amount in current liabilities comprises the portions of the loans payable within one year. The non-current loan balance represents the portion of the loans not due within one year.

Credit Risk Exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on the commission's financial assets excluding investments, has been recognised on the Statement of Financial Positions as the carrying amount, net of any provision for doubtful debts.

The Commission minimises credit risk by undertaking transactions with a large number of customers and counterparties.

9. Contributions from State and Commonwealth Governments

Under Section 101 of the Fire Service Act 1979 the Treasurer must pay out of moneys appropriated by the Parliament, such amounts as the Treasurer determines is appropriate towards the operating costs of the Commission.

The Commonwealth Government pays to the Commission an annual contribution towards the operating cost of brigades.

Funds provided to the Commission are detailed below:-

	2003 \$'000	2002 \$'000
State Government Contributions		
General Contribution	3,644	3,184
Wildfire Fighting reimbursements	<u>2,090</u>	<u>204</u>
	5,734	3,388
Commonwealth Government Contribution	177	183

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

10. Fire Prevention Charges

Revenue is raised by the Commission's Service Divisions and Brigades through the sale, inspection, recharging and repair of fire safety equipment and training throughout the State. Revenue is recorded when the goods or services are provided.

Fire Prevention Charges comprise:-

	2003 \$'000	2002 \$'000
Sale of Fire Safety Services and Equipment	1,276	1,474
Less Cost of Goods Sold	<u>(671)</u>	<u>(786)</u>
	605	688
Alarm Rental	603	609
Avoidable False Alarms	95	81
Commercial Training	950	837
Commercial - Evacuation Planning	30	115
Inspection Fees - TasFire Equipment	674	695
Inspection Fees - Building Safety	<u>106</u>	<u>139</u>
TOTAL	<u>3,063</u>	<u>3,164</u>

11. Sundry Income

	2003 \$'000	2002 \$'000
Reimbursement from NSW Rural Fire Service ¹	123	216
Reimbursement by Tasmanian Ambulance Service ²	196	670
Interest Received	110	84
Insurance Recoveries	310	11
Rent	88	91
Wildfire fighting reimbursements ³	307	65
Worker's Compensation Refunds	97	138
Sale of Fixed Assets	251	94
Other	<u>142</u>	<u>288</u>
TOTAL	<u>1,624</u>	<u>1,657</u>

1. Reimbursement of costs incurred sending fire fighters to assist with wildfires in NSW.
2. Contribution for shared facilities and reimbursement for costs incurred in upgrading and maintaining Tasmanian Ambulance Service radio network and communications centre. (Note 19)
3. Contribution from Departments of Forestry and Parks and Wildlife towards shared helicopter expenses and international wildfire fighting expense reimbursements.

12. Salaries Wages and Related Expenses

	2003 \$'000	2002 \$'000
Salaries, Wages and Allowances	18,838	17,141
Payroll Tax	1,474	1,369
Annual Leave	2,319	2,108
Long Service Leave	771	688
Superannuation	<u>2,534</u>	<u>2,419</u>
TOTAL	<u>25,936</u>	<u>23,725</u>

13. Public Relations, Subscriptions and Consultants

	2003	2002
	\$'000	\$'000
Advertising	375	313
Grants and Donations	55	36
Functions	213	81
Professional Fees	101	119
Subscriptions	80	80
Other	25	10
TOTAL	849	639

14. Operations Expenses

	2003	2002
	\$'000	\$'000
Printing and Stationery	158	175
Consumables	288	178
Electricity	311	346
Hire of Equipment	27	26
Office Cleaning	121	110
Municipal Rates	114	109
Rental of Premises	16	15
Wildfire Fighting Hire & Equipment Costs	783	20
Motor Vehicle Expenses	883	743
Removal Expenses	17	13
Travel Expenses	983	496
Communication Expenses	1,045	895
Computer Expenses	545	499
Fire Suppression & Control	15	7
Other	378	94
TOTAL	5,684	3,726

15. Protective Clothing and Uniforms

	2003	2002
	\$'000	\$'000
Protective Clothing	643	952
Uniforms	362	311
TOTAL	1,005	1,263

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

16. Financial and Other Expenses

	2003 \$'000	2002 \$'000
Loss on Sale of Non-Current Assets		
Gross Proceeds	-	703
Less Net Asset Value	-	(765)
Net Loss	-	62
Audit Fees	22	21
Fringe Benefits Tax	147	73
Land and Buildings Decrement	323	293
Local Government Collection Fees	838	785
Pensioner Rebates (Municipal)	628	560
Pensioner Rebates (Transport)	183	181
Stock Expenses and Write Offs	24	9
Other	58	68
TOTAL	2,223	2,052

17. Borrowing Costs

	2003 \$'000	2002 \$'000
Interest on Bank Overdraft	3	8
Interest on Capital Debt	346	322
TOTAL	349	330

18. Repairs and Maintenance

	2003 \$'000	2002 \$'000
Land and Buildings	436	433
Motor Vehicles	786	628
Fire Fighting Equipment	121	110
Communication Expenses	129	69
Office Furniture	20	18
Workshop Equipment	32	33
Computer Equipment	16	14
TOTAL	1,540	1,305

19. Equipment Purchases under \$1,000

	2003 \$'000	2002 \$'000
Computer Equipment	27	45
Fire Fighting Equipment	197	310
Office Furniture and Related Equipment	116	93
Communication Expenses	59	118
Tasmanian Ambulance Service Communications Equipment (Note 11)	82	709
Workshop Equipment	37	52
Other	30	2
TOTAL	548	1,329

20. Retained Operating Surpluses

	2003	2002
	\$'000	\$'000
Accumulated Surplus at the beginning of the year	48,293	45,229
Adjustment for adoption of AASB 1028 - 'Employee Benefits'	(561)	-
Net Surplus for year (Note 1 (t))	5,860	2,627
Transfers between Reserves and Retained Operating Surplus	-	437
Accumulated Surplus at the end of the year	53,592	48,293

21. Reserves

Asset Revaluation Reserve

	2003	2002
	\$'000	\$'000
Accumulated Balance at beginning of year	-	1,258
(Less) Add Net Revaluation of Assets - Land and Buildings (Note 6)	74	(923)
Add Net Revaluation of Assets - Fire Appliances (Note 6)	-	102
	<u>74</u>	<u>(821)</u>
Balance available before Transfers	74	437
Less Transfer to Retained Operating Surplus	-	(437)
Accumulated Balance at the end of the year	74	-

22. Reconciliation of Total Equity

	2003	2002
	\$'000	\$'000
Total Equity at the beginning of the year	48,293	46,487
Total changes in equity recognised in the Statement of Financial Performance (Note 1(t))	5,373	1,806
Total Equity at the end of the year	53,666	48,293

23. Remuneration of Commissioners

Commissioners not employed under the *Tasmanian State Service Act 2001* are paid a sitting fee and are reimbursed for travel costs. There are seven Commissioners and three of these are State Servants.

The total remuneration of the Members of the Commission was \$24,392 in 2003 and \$20,030 in 2002.

24. Remuneration of Auditors

The Tasmanian Audit Office audits the accounts for the State Fire Commission. The total remuneration to the Tasmanian Audit Office was \$22,000 in 2003 and \$21,230 in 2002.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

25. Notes to the Statement of Cash Flows

(a) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:-

	2003 \$'000	2002 \$'000
Current and 11am Call Account	3,457	4,450
Overdraft	-	(1,251)
On hand	8	8
Total Cash	<u>3,465</u>	<u>3,207</u>

(b) Reconciliation of Accumulated Surpluses to net cash provided by Operating Activities

Net Surplus	5,860	2,627
Add (less) non-cash items:		
Depreciation	3,367	3,004
(Profit)/Loss on disposal of assets	(131)	62
Net cash used in operating activities before change in Assets and Liabilities	<u>3,236</u>	<u>3,067</u>
Changes in assets and liabilities during the financial period		
(Increase)/Decrease in receivables	(10)	(424)
(Increase)/Decrease in accrued revenue	7	(100)
(Increase)/Decrease in inventory	(101)	80
(Increase)/Decrease in prepayments	(216)	(251)
Increase/(Decrease) in payables/accruals	1,146	(515)
Increase/(Decrease) in provisions	512	309
Net cash from operating activities	<u>10,435</u>	<u>4,792</u>

Photo Credits

Burning Curiosity, The Mercury, Front Cover
Flamin' Hard work, The Mercury, Page 2
Aftermath, The Mercury, Page 2
Drill, The Examiner, Page 3
Fight Plan, Sunday Examiner, Page 3
State Fire Commission, Page 7
Red Peril, The Examiner, Page 9
Ready for Action, The Mercury, Page 10
Mopping Up, The Mercury, Page 11
Aftermath, The Advocate, Page 13
Thanks, The Advocate, Page 14
Out with the Old, The Advocate, Page 15
Action, The Examiner, Page 19
Respite, The Mercury, Page 21
Function, The Advocate, Page 21
Photographer's Choice, The Examiner, Page 22
AFSM Recipients, J Barry Laurance Studios, Page 23
Charity Run, The Advocate, Page 24

Head Office of the State Fire Commission

Corner Argyle and Melville Streets
Hobart

Postal Address:

GPO Box 1526
HOBART TAS 7001

Phone: (03) 6230 8600
Fax: (03) 6234 6647
Email: fire@fire.tas.gov.au

ABN 68 039 681 690

© Copyright 2003 State Fire Commission

