

State Fire Commission



Annual Report 2002

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Statement of Compliance

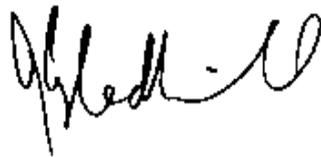
Honourable D Llewellyn

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 2002.

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



L. Dewhurst

COMMISSION MEMBER

18 November 2002

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 235 brigades throughout Tasmania. These services include rapid and effective response to fires and 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 2001-02 our 251 career firefighters and 4,866 volunteer firefighters responded to over 9,000 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 and outcome of a safe Tasmania.



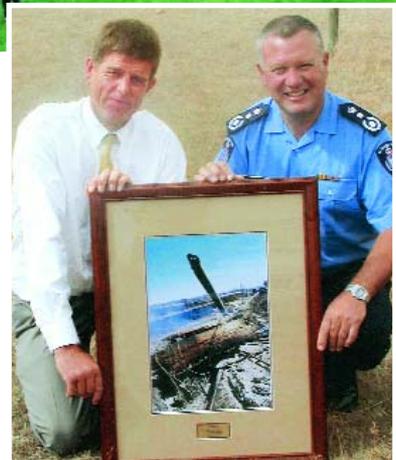


OUR ROLE

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.

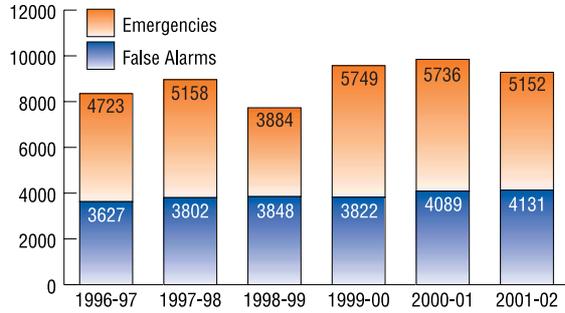
Business Performance Targets

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

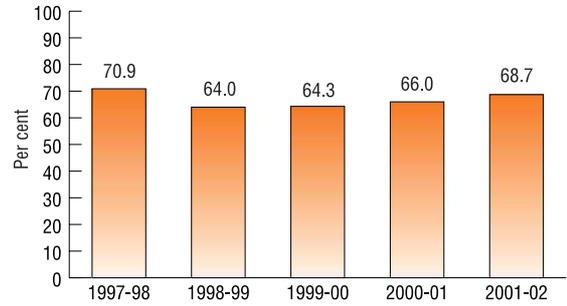
Performance Targets						
	2000-01 Actual	2001-02 Target	2001-02 Actual	2002-03 Target	2003-04 Target	2004-05 Target
Operational						
Number of incidents	10,164	8,200	9,283	8,100	8,000	8,000
Number of fires	4,593	3,650	4,181	3,625	3,600	3,600
Number of false alarms	4,065	3,000	4,131	2,850	2,850	2,850
Percentage of fire causes undetermined	32%	29%	19%	28%	27%	26%
Percentage structure fires confined to the room of origin	65%	72%	69%	68%	69%	70%
Financial						
Net Surplus	\$1.4M	\$1.1M	\$2.6M	\$1.9M	\$2.0M	\$1.9M
Return on assets	3.2%	2.8%	4.7%	3.9%	3.9%	3.6%
Return on equity	3.1%	2.3%	5.5%	4.0%	4.0%	3.7%
Debt to equity	12.3%	12.1%	11.8%	11.9%	11.7%	11.2%
Current ratio	44.3%	66.9%	97.4%	62.4%	57.5%	52.6%
Human Resource						
Staff turnover	4.1%	6.0%	4.9%	6.0%	6.0%	6.0%
Average sick days per staff	6.1	4.9	8.9	4.8	4.8	4.8
Workers compensation claims	91	80	86	79	78	77

Facts at a Glance

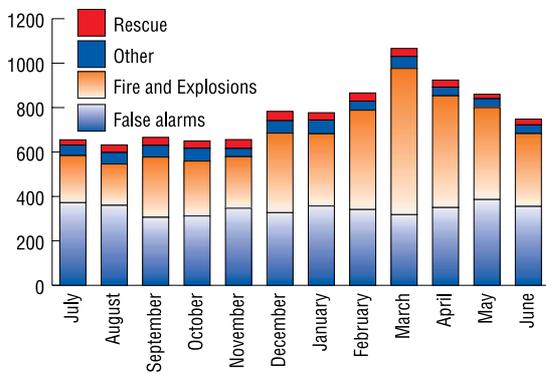
Total Incidents Divided by Type



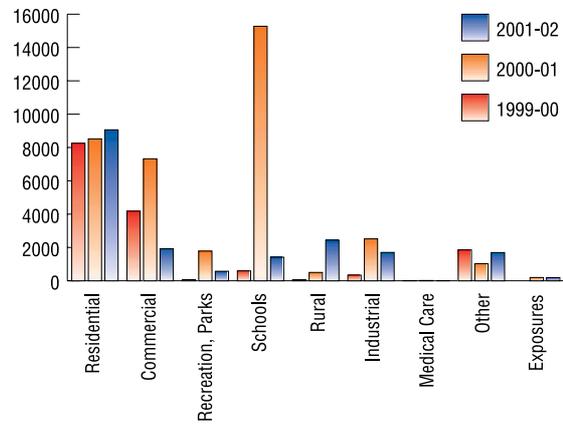
Structure Fires Confined to the Room of Origin



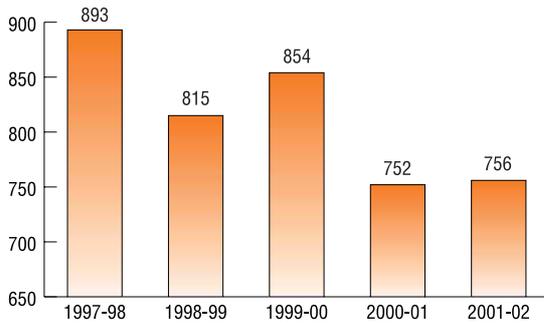
Total Incidents by month 2001-02



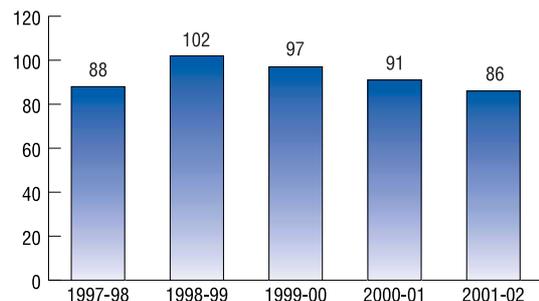
Change in Dollar Loss by Property Type



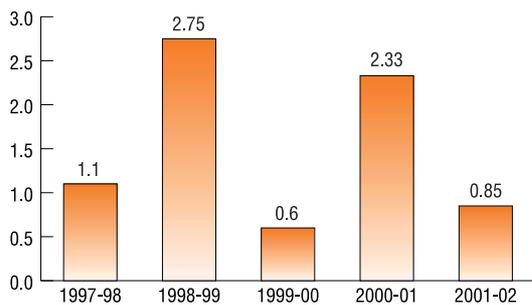
Number of Structure Fires



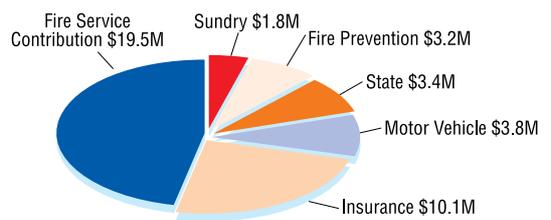
Number of Workers Compensation Claims



Fire Death Rate Per 100,000 Persons



Revenue 2001-02 (\$41.8 Million)





One of the wettest springs on record resulted in a generally benign fire season over the summer of 2001-02. The exceptionally lush conditions that continued until the New Year produced large amounts of grass in most areas of the State, but late drying combined with mild temperatures meant there were few serious fires. In contrast, New South Wales experienced a severe

period of bushfires in December and January. Once again Tasmania Fire Service assisted, deploying some 205 fire fighting personnel. Clearly this support was greatly appreciated by NSW particularly by bolstering their weary fire fighting resources. Whilst the prime objective to provide assistance was successfully achieved, a secondary benefit was gained by Tasmania's firefighters from the training opportunity and exposure to major bushfires.

In Tasmania, two fire outbreaks in pastoral country in the upper Derwent Valley and near Bothwell on the same day in March caused significant fencing damage and stock losses. These fast moving fires were combated by TFS brigades and assisted by the local farming community with their privately owned fire fighting equipment. This partnership assisted greatly in restricting loss and damage.

In April the Commission approved a new policy to rationalise payments to members of retained volunteer fire brigades. The policy established objective criteria to classify brigades to remove the long term inequity whereby some volunteer (retained) brigades received hourly payment for attendance at fires and limited training, whereas the majority of volunteer brigades received no payments. During the long consultation period developing the policy there was considerable difference of opinion and anxiety that was deep seated and challenging. Despite that controversy there is now general support and acceptance of the policy by the majority of volunteer brigades. The phase in arrangements in the policy will now progressively bring about consistent and equitable arrangements. I take this opportunity to thank the Tasmanian Retained Volunteer Firefighters Association for the professionalism shown in dealing with this difficult matter.

The promotion of fire safety in all areas of the Tasmanian community continued as a major priority of the Commission. Proactive initiatives by TFS to both prevent fires and empower people to be able to live safely with fire are now perceived by the community to be important and legitimate responsibilities of TFS. This essential part of the core business of TFS is undertaken across the organisation with the division of Community Fire Safety having a specialist and coordinating role. It does this through a number of organisational units delivering and coordinating a range of fire safety and awareness programs.

The successful school fire education program delivered to primary students by dedicated firefighters continued across the State with some 16,500 children participating over the year. Seventy children with behavioural problems in regard to fire lighting underwent one-on-one counselling with trained firefighters as part of the

Juvenile Fire Lighter Intervention Program. A very low recidivist rate indicates the success of the program. Modification of this behaviour has an obvious benefit to the whole community.

Fires caused by cooking, particularly involving fat or oil on stoves and fires caused by wood heaters were identified as priorities for awareness campaigns. Two separate campaigns were undertaken during the year particularly using television advertising and newspapers targeting these causes.

The TFS Building Safety unit continues to take an objective and pragmatic view of safety in the built environment. Over the medium to long term, significant improvements in fire safety are likely especially in high risk buildings such as health-care facilities, licensed premises, low budget accommodation and schools. Additionally a large and increasing demand for fire safety training for people in their the workplace is being met by TasFire Training. The unit was established to improve fire safety in the business and industry sector of the community with a large range of courses being provided on a fee for service basis.

A strong financial performance was recorded this financial year with an operating surplus of \$2.6 million. This was well above the budget prediction of \$1.1 million and resulted largely from a significant increase in the insurance fire levy contribution as a direct consequence of rising insurance premiums. This increase is in stark contrast to the mid to late 1990's where the insurance fire levy contributions fell dramatically.

The fire appliance fabrication program continued to deliver high quality fire fighting appliances for TFS brigades and 20 appliances were locally produced this financial year at the TFS fabrication workshop at Cambridge. Reducing the number of old fire fighting appliances continues to be a high priority of the Commission and wherever possible additional funds are used to build additional fire appliances.

The Commission's indebtedness has remained constant at \$5.7 million since 1994 due to funding constraints and whilst a major objective of the Commission is to be debt free, it is cognisant of the need to provide additional funding, wherever possible, for the fire appliance fabrication program.

Three members of the Tasmania Fire Service were recognised this year for their outstanding fire service contribution and I congratulate Graeme Brown, Rex Kemp and Eddie Wilson on being awarded the Australian Fire Service Medal.

Finally, the State Fire Commission recognises the importance of its people. May I once again pay tribute to the men and women from all parts of the Tasmania Fire Service who are deeply committed to working for a safe Tasmania.

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. Former Deputy Chief Officer and Regional Officer of the Tasmania Fire Service with 28 years experience. A Director of the State Fire Commission Superannuation Scheme Pty. Ltd. and member of the State Fire Management Council and current President of the Australasian Fire Authorities Council.



Wayne Burn AFSM

Tasmanian Retained Volunteer Firefighters Association (TRVFA) representative on the State Fire Commission since 1990. Past President of the TRVFA. Former member of the Fire Service Advisory Council and member of the New Norfolk Fire Brigade since 1968.



Don Mackrill AFSM OAM JP

Tasmanian Volunteer Fire Brigades Association (TVFBA) representative on the State Fire Commission since 1989. Brigade Chief of the Bell Bay Fire Brigade since 1978. Former National Secretary and Vice President of the Australian Assembly of Volunteer Fire Brigades Associations. Former State President of the TVFBA. Member of Minister's Advisory Council 1984-1990.



William (Bill) Ryan AFC JP

Local Government Association of Tasmania representative on the State Fire Commission since June 1992. Served as a Councillor of the Clarence City Council since 1981. A previous member of the State Fire Commission in the early 1980's.



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. Served as a Councillor with the Bothwell Municipal Council since 1976. Member of the Forestry Committee for the Tasmanian Farmers and Graziers Association since its inception.



Leon Dewhurst

United Firefighters Union Tasmania Branch (UFU) representative on the State Fire Commission since June 1993. Career fire officer with 27 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 emergency needs of the Tasmanian community with the appropriate resources in a timely and efficient manner.

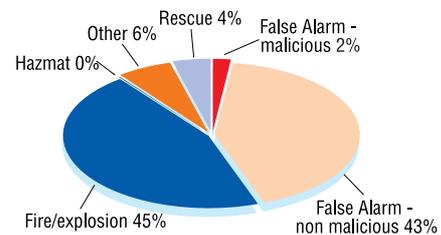
OBJECTIVES

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

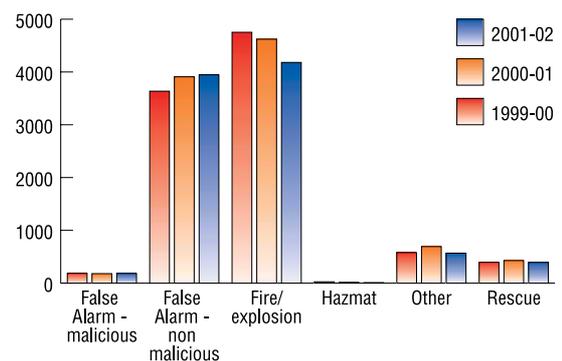
Brigade Activity

There was a slight reduction in the number of incidents attended by brigades during the 2001-02 financial year compared to the previous year. A total of 9,603 reported incidents were attended of which 9,292 incidents (96.8%) had full reports submitted. The total number of fires attended was 4,181 down from 4,621 in 2000-01. The mild climatic conditions resulted in an average bushfire season and bushfires fell from 2,671 last year to 2,221 for 2001-02.

Type of Incidents Attended 2001-02

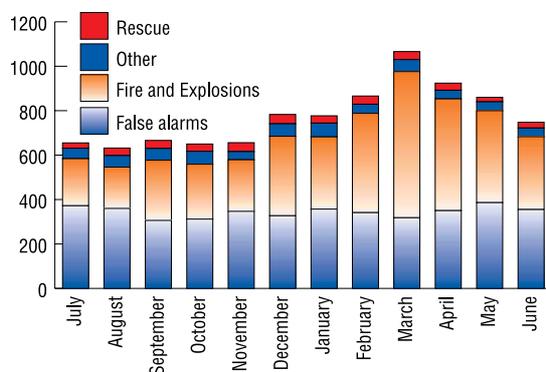


Type of Incidents Attended



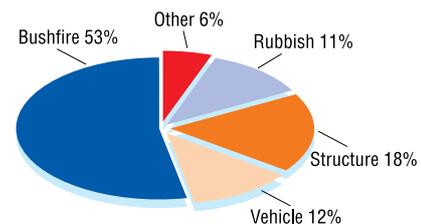


Total Incidents by Month 2001-02



A Tasmanian inter-agency taskforce of fire fighters was deployed to the NSW bushfires after Christmas. TFS volunteer and career firefighters worked with Forestry Tasmania staff and Parks and Wildlife Service rangers and firefighters at several fires. The Tasmanian fire crews gained valuable experience and further developed their skills in a testing environment.

Type of Fires Attended 2001-02



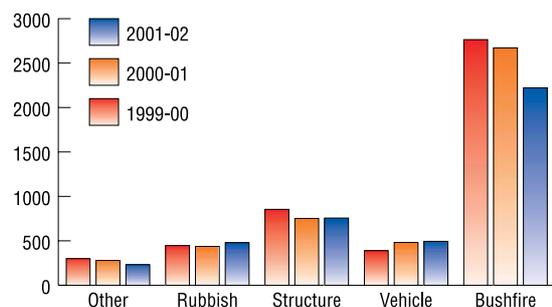
Bushfire Season

Following the extensive fires of the previous season, the winter of 2001 was very dry across much of the State. The extent of the rainfall deficiency led to the early declaration of the Fire Permit Period for the whole State on October 17 2001. This was the beginning of a very wet period and so the Permit Period was revoked on October 31 2001. The above average rains for late spring and early summer then produced much new growth, especially of pasture. The Fire Permit Period was then reintroduced on December 21 2001 and it continued until May 3 2002 which was much later than usual. A single day of Total Fire Ban for the whole State was declared on February 8 2002.

The number of bushfires, 2,228, was lower than usual as was the total area burnt, 5284Ha. Only three fires managed by TFS grew larger than 100Ha and fewer than 30% of fires were greater than one hectare in extent. No deaths or serious injuries occurred as a result of bushfires. Two large grassfires near Ouse and Hamilton in the Derwent Valley caused extensive stock losses as well as damage to other property. The other firefighting agencies, Forestry Tasmania and Parks and Wildlife Service managed serious fires at Pieman River, Sisters Beach and Bruny Island. Forty four percent of fires managed by TFS were found to have been deliberately lit and twenty four percent resulted from accidents.

The Multi-Agency Coordinating Group (MAC), consisting of TFS, Forestry Tasmania and Parks and Wildlife Service appointed a number of Incident Management Teams (IMT) during the fire season. Inter-agency Incident Management Teams were used to manage most large fires and had responsibility for the overall management of large bush fires burning on multi-tenure land.

Type of Fires Attended



Number of Fire Permits Issued

Region	2000-01	2001-02
North West	1,053	1,750
Northern	744	1,635
Southern	1,105	2,401
Total for State	2,902	5,786

The total of 5,786 permits issued during the year was significantly higher than the previous year. This was the result of a moderate bushfire season whereas in 2000-01 there was a restrictions on issuing permits due to the potentially severe bushfire conditions present over the summer period.

Responding to Emergencies

Response Times

Objective:

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

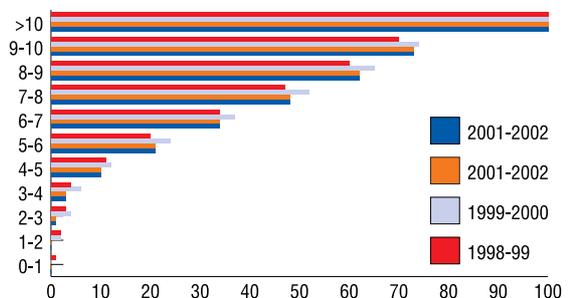
Response time (the total time it takes for an agency to respond to an emergency) is generally accepted Australia-wide as a recognisable, reasonable and potentially useful indicator of performance for agencies responding to emergencies. There are many factors outside the control of the fire service that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

The 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. The significant reduction in the median call handling time can be attributed to a combination of: software and hardware upgrades, performance review and training, procedural changes, improvements in the computer aided dispatch system and the paging databases.

The combined median response time for career and volunteer brigades for 2001-02 was 8.0 minutes and this was identical to that for 2000-01.

The Service has continued to provide statistics that include data for both permanently staffed and volunteer brigades and direct comparison with other jurisdictions as previous indicated in the Report on Government Services is inappropriate and misleading.

Response Times

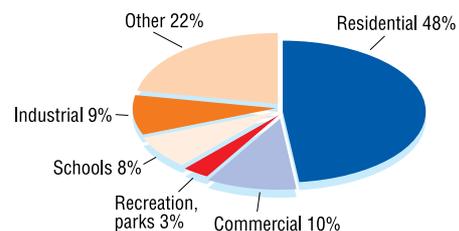


Property Fires

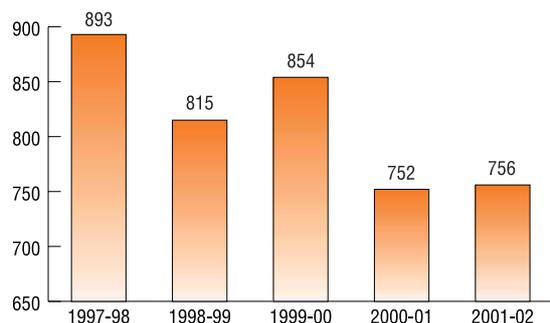
The total value of property fire losses in 2001-02 decreased significantly in comparison with the previous year despite a slight increase in structure fires from 752 to 756 over the period. Total estimated damage for 2001-02 was \$19.0 million down from \$37.1 million in 2000-01. The total value of property fire losses for 2001-02 was in line with the average property fire loss for the previous five years.

The number of structure fires for 2001-02 of 756 was again a positive outcome for the TFS and supports the hypothesis that our fire prevention strategies are contributing toward a reduction in the number of property fires. For the second year running since 1993-94 the number of structure incidents was below 800. After remaining relatively static for the a long period of time residential property fires substantially decreased from 655 in 1999-00 to 564 and 565 in 2000-01 and 2001-02 respectively.

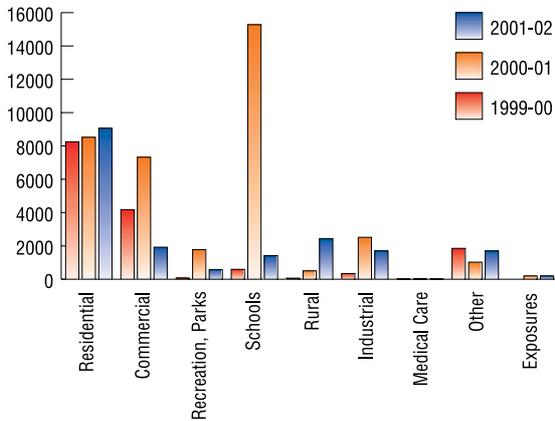
Dollar Loss by Property Type 2001-02



Total Structure Fires 1997-98 - 2001-02



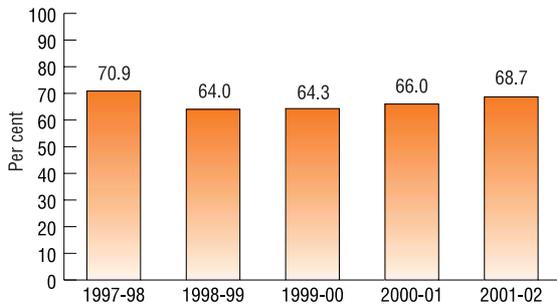
Dollar Loss by Property Type 1999-00 - 2001-02



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 positive improvement in this indicator: In 2001-02 68.7 per cent of all structure fires were confined to the room of origin compared to 66.0 per cent in 2000-01.

Structure Fires Contained to the Room of Origin

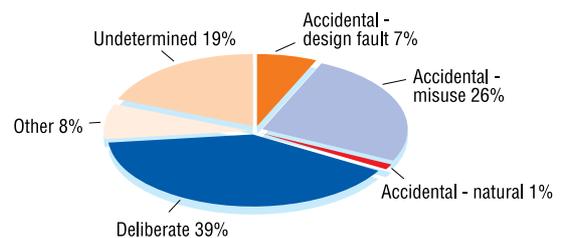


Cause of Fire Incidents

There was an increase in the number of deliberately lit fires reported, from 1,428 in 2000-01 to 1,663 in 2001-02. The increase is somewhat questionable as the number of undetermined fires for 2001-02 of 791 was significantly less than that of 2000-01 of 1,470. The large variation in the increase of deliberately lit fires is explained by an improvement in determination of fire cause rather than an actual increase.

As was the case in the previous year there was a positive reduction in the percentage of fires with an undetermined cause, down from 32 per cent to 19 per cent of total fire incidents. This figure continues to fall and reflects increased training in fire investigation.

Cause of Fires Attended



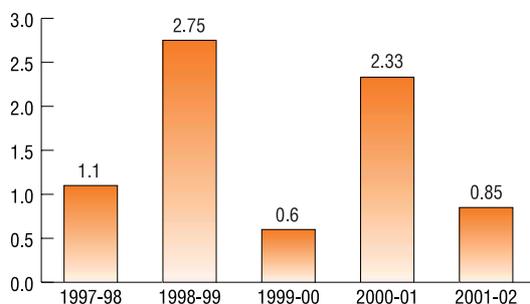
Responding to Emergencies

Deaths and Injuries as a Result of Fire

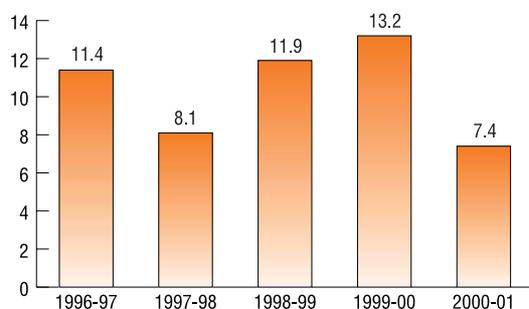
There was a significant decrease in the number of fatalities from fire in 2001-02. During the period, there were four fire-related fatalities compared to 11 for the previous period. The average number of fatalities in Tasmania over the last seven years is 6.6. Given Tasmania's small population size, the number varies significantly year-to-year, from a high of 12 in 1998/99, to a low of three in 1999-00. The fire fatality rate in Tasmania (number of fatalities per 100,000 people) for 2001-02 is 0.8, and approximates the national fire fatality rate of 0.6.

Fire injury statistics are collected by the Australian Institute of Health and Welfare and measure the number of hospital admissions. Excluded are emergency department non-admissions and fire injuries arising from arson, transport accidents and fires resulting from explosions. The data is only available for the year prior to that covered by the annual report. At 7.4 fire injuries per 100,000 people in 2000-01, Tasmania was second lowest of all Australian jurisdictions and below the national three year average of 14.3 injuries per 100,000 people. Note that in the Commission's 2001 report, the reported fire injury rate was 5.1. The correct figure is 11.9.

Fire Death Rate per 100,000 Persons



Fire Injury 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 96.8 per cent of the 9,283 incidents responded to by the Service. All graphs and tables are based on incidents with completed reports.

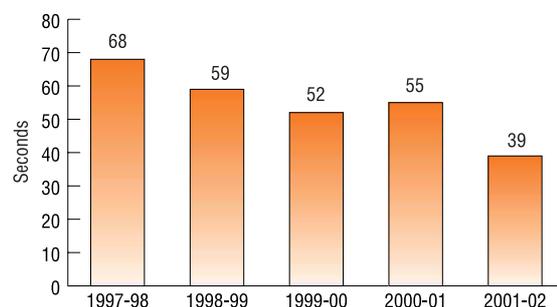
Firecomm

- Firecomm is responsible for emerging incident call taking and dispatch of brigades and resources to emergency incidents.
- The collation and dissemination of operational and media information for multi-agency incidents is coordinated by Firecomm.
- Continued use was made of the TFS website for dissemination of fire related information including the current fire situation. The high number of website hits strongly indicate that the information provided is very useful to both the media and general community.

Objective

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

Median Call Handling Times



Significant progress was made in creating a draft model for classifying brigades based on risk. This model is intended to play a vital role in determining what resources brigades should have to manage their risks. The draft model contains four levels. In consultation with stakeholders further research into secondary risk factors is now being undertaken to refine the model. The project will be completed in 2003.



Objective

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

TFS has continued to work with and develop emergency management arrangements with Forestry Tasmania, Parks and Wildlife Service, Tasmanian Ambulance Service and Tasmania Police. Where necessary procedures have been modified to suit local conditions. The TFS is also working with land holders and farmers in order to develop procedures and protocols that will assist in fighting bushfires.

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 is undertaken by a full time Fire Investigation Officer:

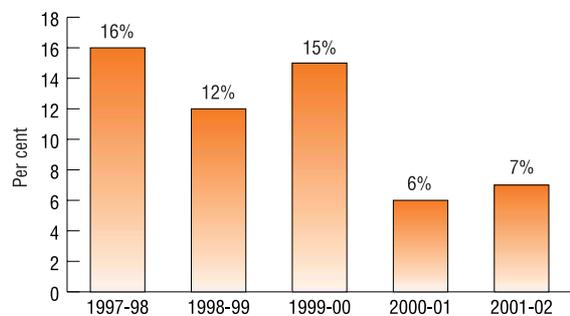
- A major fire*.
- Where a fatality or serious injury** has occurred.
- Where a coroner or Police requests that it be investigated.
- Where the fire is apparently deliberate, suspected to be deliberate and the fire causes or has the potential to cause major damage.
- Where the cause is not known and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

Fire Investigation Officers investigated 202 or 4.8 per cent of fires during 2001-02 compared with 172 in the period 2000-01.

The percentage of formally investigated fires where the cause remained undetermined increased slightly from last year from 6 to 7 per cent. Formally investigated accidental fires increased from 50 to 53 per cent whereas deliberately lit fires decreased from 44 to 39.5 per cent.

Fire Investigation - % of Cause Undetermined



**Planned Outcomes/Achievements
2002-03**

- **Complete the development of a comprehensive risk classification model for brigades. The model will provide the basis for more accurately identifying brigade resourcing and training requirements.**

Developing a Fire Safe Community

GOAL STATEMENT

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

OBJECTIVES

- *To deliver programs and services that assist the community to minimise 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.*

Community Fire Safety

A broad range of programs have been established to assist people in the community who are most at risk from fire. These programs assist people to prevent fires and minimise the impact of fires when they occur. The Community Fire Safety Division manages programs that address fire safety in the home and in the workplace, while the Division, in partnership with the Fire Management Unit, manages programs to address risks presented by bushfires.

Objective

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

Improving fire safety in our homes

Statistics indicate that young people and elderly people have a higher risk of injury from fire than the general population. Accordingly, the Service's community education strategies focussed on these at-risk sectors of the community in 2001-02 in an effort to minimise the social impact of fire.

• For children

The School Fire Education Program reached 16,506 primary school children in 2001-02. These 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. 67 children with a median age of eight years participated in the program during 2001-02. A subsequent survey of parents revealed that 92% of these children had not re-offended.

• For the dependent elderly and people with disabilities

The Service actively participates in Tasmania's 'Plan for Positive Aging 2000 - 2005'.

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 free smoke alarms where necessary. Community organisations



working in the aged care field, as well as local councils, assisted the Service in identifying potential beneficiaries of the program. During the year, 269 households participated, and 172 free smoke alarms were installed. This brings the total number of free smoke alarms installed since the program's inception in 2000 to over 1000.

Smoke alarms in approximately 3,000 housing units were serviced during the year to ensure they remain in working order. These units are managed by Housing Tasmania and are occupied by elderly people and people with disabilities.

To ensure that the fire safety needs of people living in health-care facilities and group homes are addressed, site-specific evacuation plans were developed and care providers received accredited training in emergency response. Audits were completed in approximately 50 health-care facilities to measure the extent to which they meet fire safety requirements.

• **For the community generally**

Following a significant decrease in the total number of structure fires from 854 in 1999-00 to 752 in 2000-01, these fires remained steady in 2001-02, with a total of 756. From a relatively static base for the past seven years, residential property fires substantially decreased from 655 in 1999-00 to 564 in 2000-01, and 565 in 2001-02.

In 2001-02, fires in dwellings represented 75% of all building fires in Tasmania. Approximately one third of domestic fires started in lounge-rooms, with another third beginning in the kitchen. Publicity campaigns in 2001-02 focussed on these two priority areas.

Lounge-room fires - 'Be heater safe and stay alive'

The major initiative this year was the development and implementation of a public awareness campaign targeting fires caused by heating. 'Be heater safe and stay alive' was the slogan developed to warn residents to clean their flues and chimneys and to use heaters safely.

The campaign was based on quantitative research of the key causes of preventable residential fires in Tasmania. Focus groups were conducted to ensure the campaign was informed by residents' perceptions. The campaign was an integrated one, with media advertising, public relations and strategic alliances with the Australian Home Heating Association and Housing Tasmania.

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

The new winter heater campaign supplemented the continuing kitchen fire campaign, which was launched in 2000. The 'Turn it off before you turn away' campaign targets fires caused by stove-top cooking, and encourages residents to turn off their stoves before leaving the kitchen, in order to prevent stove-top fires occurring.

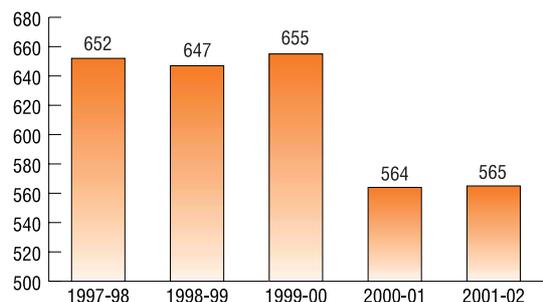
Smoke alarms

Smoke alarms, fire extinguishers and fire blankets were offered for sale to the general public through outlets in Hobart, Launceston, Burnie and Devonport. By the end of 2001-02, an estimated 83% of Tasmanian households had an operational smoke alarm, an increase of one percentage point over the previous year.

The proportion of homes attended by brigades without a smoke alarm fell significantly in 2001-02. These results indicate 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.

An important initiative this year was the partnership with Duracell to increase the rate of smoke alarm battery replacement. Campaign results report that the total number of 9-volt smoke alarm battery sales in Tasmania grew 260% in the week of the 'Change your clock, change your smoke alarm battery' promotion. This was the best result achieved in Australia for the Duracell campaign.

Number of Residential Property Fires



Developing a Fire Safe Community

Fire safety information

Home fire safety information is communicated through brochures distributed widely throughout the community, as well as on the Service's website. A mobile community education display trailer promoting fire safety was used extensively by fire brigades throughout the State in 2001-02. A second mobile display was commissioned during the year, and new posters with new fire safety messages were developed.

The Service maintains a free-call service for general fire safety enquiries. Approximately 1,300 calls were made to this number in 2001-02.

Improving safety from bushfires

TFS has a statutory responsibility to prevent and mitigate bushfire risks in Tasmania, and has developed and implemented a range of measures to good effect over many years. Some strategies are still being implemented in regional areas so further improvements in safety from bushfires are expected.



Measures undertaken during 2001-02 to prevent bushfires and minimise their impact on the community included:

- Bushfire mitigation work undertaken by the 34 Fire Management Area Committees (FMACs) established under Section 18 of the *Fire Service Act 1979*. FMACs consist of local government and local fire brigade representatives 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;
- A review to evaluate options that may improve the effectiveness and efficiency of the fire permit system;
- In conjunction with Forestry Tasmania and the Parks and Wildlife Service, performance standards for Incident Management Teams managing significant bushfires. These standards contribute towards more effective and efficient incident management practices being adopted by agency personnel assigned to those teams;
- Community development programs such as Community Fireguard, which encourages householders living in areas identified as high bushfire risk to work collaboratively with their neighbours to mitigate those risks and prepare for the bushfire season. Six new Community Fireguard groups were established during 2001-02, bringing the total number of groups throughout the State to 84.

Improving fire safety in the workplace

Objective

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

• Fire Protection Systems and Equipment

Recent legislative changes have reinforced the Service's capacity to impact on the standard of fire protection systems and equipment maintenance in workplaces throughout the State.

A permit system for all persons installing and servicing portable fire protection equipment was introduced in August 2001 to ensure equipment is maintained by competent people. Nationally-accredited qualifications were endorsed following agreement between the Property Services Industry Training Advisory Board and affected employers and unions. Competencies drawn from the qualifications are the benchmark against which permit-holders' competence will be assessed.

TAFE Tasmania commenced assessment and training against these nationally-accredited competencies in February 2002. Seventy five permits were issued to individuals servicing fire protection equipment in 2001-02.

To ensure fire protection equipment and systems are serviced competently by permit-holders, the Service in November 2001 began randomly auditing workplaces. Two hundred and thirty inspections were carried out to June 30, and already there are signs of significant improvements in service standards.

The Tasmania Fire Service serviced fire protection equipment in approximately 7,500 workplaces across the State. Workshops for this purpose are maintained in Hobart, Launceston, Burnie and Devonport.

Approximately fifty government-owned schools identified as presenting a relatively high fire risk were fitted with monitored fire detection systems in 2001-02. Several more systems for schools are scheduled for installation soon. Service staff have worked closely with Education Department officers to ensure each system is appropriately designed and installed to meet the risk. Damage caused by subsequent fires at several of these schools has been minimal, reinforcing the value of these systems.

• Emergency Procedures

Evacuation standards required under the *General Fire Regulations 2000* have been reviewed following the release in May 2002 of Australian Standard 3745 dealing with emergency control procedures. Changes implemented following release of the Standard will facilitate the development of effective evacuation plans for Tasmanian workplaces.

One hundred and forty two evacuation plans required by the *General Fire Regulations 2000* were approved by the Chief Officer in 2001-02.

• Training

Twenty-eight accredited training courses designed to improve safety in the workplace are offered to the business sector by the Service. 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 2001-02, 723 courses were conducted for 8,193 employees from across Tasmania.

Objective

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

Strategies were implemented to improve TFS members' knowledge about community fire safety issues. The in-house magazine 'Fireground' includes information about fire safety issues, and programmes TFS has initiated to improve community safety.



Planned Outcomes/Achievements 2002-03

- **Ensure TFS members are able to provide consistent fire safety information to the community by compiling and distributing information about fire safety issues and programs.**
- **Provide information to at-risk sectors of the business community about their fire safety obligations.**
- **Inform the community about the the range of fire safety programs and services available from the Tasmania Fire Service.**
- **Increase vulnerable people's participation in fire safety programs.**
- **Improve the standard of fire protection equipment servicing throughout Tasmania.**

Supporting Our People

GOAL STATEMENT

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

- 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.

A major goal was achieved this year with the production of the Volunteer Handbook. This reference manual was designed with input from volunteers to give guidance and tools to assist volunteer brigades and volunteers with the management of their brigades and members.

Preliminary development work has commenced 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 revamped style of Fireground, the TFS quarterly magazine, continues to deliver high quality information to our people about initiatives and activities within the TFS.

Work is almost completed on improving the TFS intranet website to enable access to a 'member's' page by our volunteers. This initiative will significantly improve our capacity to get timely information to our members in a secure manner.

Recruiting and Retaining Our People

Objective

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

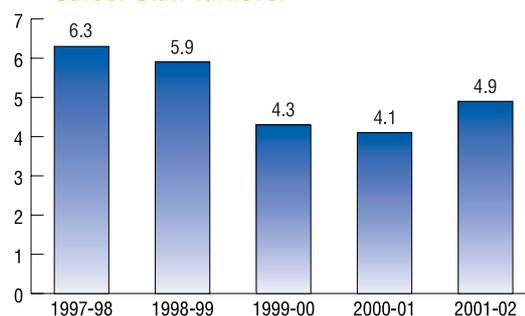
A number of major initiatives were achieved this year in relation to recruitment and retention.

The year 2000 was nominated by the United Nations as the International Year of the Volunteer. The TFS participated actively in

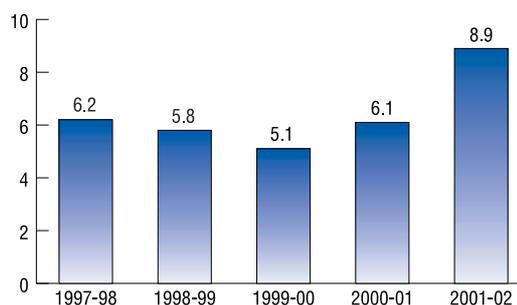
the celebration of this event. October 2001 was dedicated to recognising the contributions of emergency service volunteers. The TFS assisted in organising parades in Hobart, Launceston and Burnie for fire, ambulance and SES volunteers to enable civic recognition of their contributions. The parades were followed by barbecues and activities for volunteers and their families.

An important achievement was the introduction of a new policy for Junior and Cadet Volunteer Members. This policy provides clear guidelines for the recruitment and management of our Junior and Cadet members who are critical to the future of volunteerism in Tasmania. The implementation of the policy has required a strong focus on providing skills to our young people whilst keeping them

Career Staff Turnover



Average Sick Days Per Career Staff





safe with new personal protective equipment and better management systems.

In January 2002, a major project commenced to widen the range of applicants the TFS receives for its vacant Trainee Firefighter positions. The project aims to improve the information that the public has about the nature of firefighting as a career and, through better publicity materials, attract people to apply who may never considered firefighting as a career previously.

Managing Diversity

Objective

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

The TFS has focused on three major areas this year in our efforts to improve the work environment.

A key strategy for the TFS has been the development of a set of values. Every organisation has a set of values that underpins the way it operates. These values are often not articulated or clear to members. The Executive Management Team (EMT) has commenced the process by articulating the values it believes underpins the organisation. These values are:

- Commitment
- Fairness
- Consideration
- Honesty

The EMT has also described the ways in which these values should be evident themselves in the workplace. The values are in a draft stage until they have been discussed and adopted to suit the needs of the different workplaces across the TFS.

A new harassment and discrimination policy has been developed. This policy is currently awaiting Commission approval. 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 to be used to

resolve issues within the workplace. The Anti-Discrimination Commission conducted training for managers across the TFS in the legal requirements of the *Anti-Discrimination Act 1998* and the principles underpinning it.

A reference group representing all areas of the TFS has been assisting us to develop a Resolution Process. This process is designed to enable members and managers to resolve issues that may arise in the workplace from time to time. This process is currently in a final draft format for implementation during the next financial year.

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 Tasmania Fire Service strategy to adopt recognised industry standard level of training and skills maintenance has arrived in the form of the Public Safety Training Package (PSTP). The focus of providing the link between obtaining new skills and applying those skills practically on the job is emphasised in the Public Safety Training Package. The key difference between the training delivered by the TFS in the past and the PSTP is in the assessment. In simple terms in the past people attended training and had an assessment at the end of training followed by being issued a certificate/statement of attainment. In the future under the PSTP people will still attend training and be assessed at the end of training but the statement of attainment is not issued until the new skills acquired during training are practiced and used in the workplace, at incidents or simulated exercises/training events. This becomes a quality assurance check that a person has been able to demonstrate competence in the workplace.

Supporting Our People

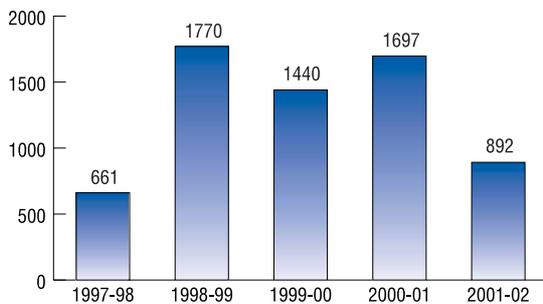
Career Training

A recruit course was not conducted this year as a result of high employee retention. However, the TFS has already embarked on a recruitment drive for 2003. 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.

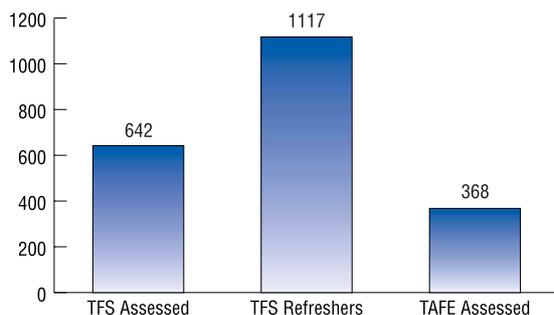
The global impact of September 11th has seen an increase in CBR (Chemical, Biological and Radiological) training amongst Australian fire agencies. TFS sent four Station Officers to a CBR Consequence Management course in preparation for upgrading CBR training within the service. Federal funding for the purchase of equipment to facilitate combating CBR incidents will have an impact on training delivery in this field.

The number of qualifications issued to career firefighters in 2001-02 was 50. The total number of Australian Fire Curriculum modules completed during 2001-02 was 1,010, of these 642 were assessed by TFS personnel and 368 were assessed by the Institute of TAFE Tasmania. The significant reduction in AFC module acquisition during 2001-02 is due to the lack of a recruit course as opposed to the previous two years where two recruit courses were conducted each year:

AFC Modules Completed by Career Staff



AFC Modules Assessed and Refreshers

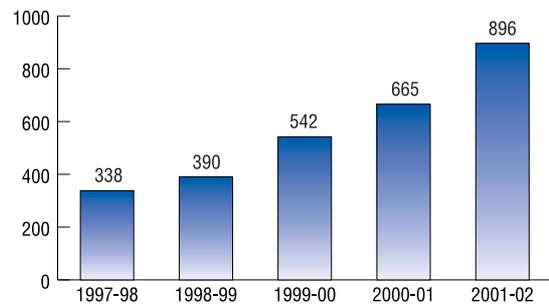


Volunteer Training

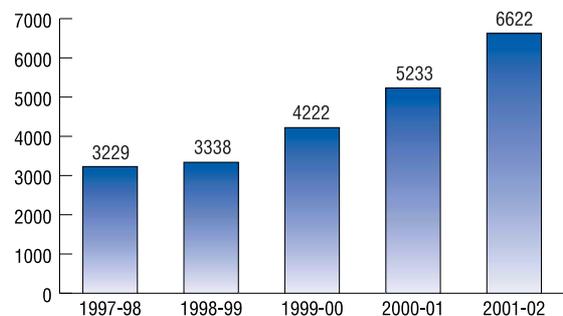
Significant changes have taken place during 2001-02 to volunteer training with the introduction of competency based training. Sixty courses that align to the units from the PSTP have been delivered to Volunteer Firefighters. The target for Training Services is to have all the current course material converted to the competency standards of the PSTP before the end of 2003.

The total number of courses provided for 2001-02 was 896, an increase of 231 from 2000-01. The participants attending these courses totalled 6,622, an increase of 1389 from the previous year.

Volunteer Training Courses



Volunteer Trainees



Occupational Health and Safety

Objective

To implement a nationally recognised OH&S management system.

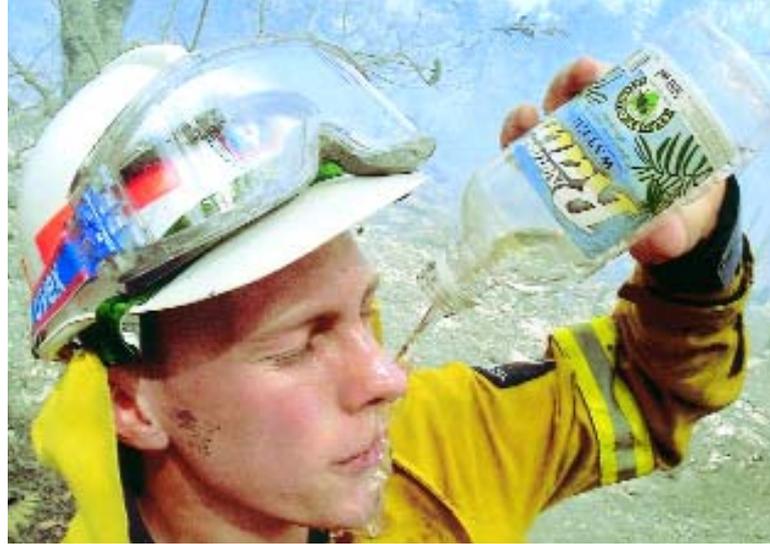
The TFS continues to work towards its goal of achieving Initial Level SafetyMAP accreditation. Considerable effort has been spent addressing non-complying OH&S management system areas such as Contractor Management and High Risk Work Permit Procedures. However, the primary focus over the past 12 months has been revisiting the systems we currently have in place and asking the questions "Is this practical", "Does it represent what we do", "Is there a smarter way"? In some cases the answers to these questions have led us to make minor alterations to systems such as Accident Investigation procedures and Workplace Inspections. These "reality checks" will continue on an ongoing basis whilst further system development will continue throughout 2002-03.

The key to successfully achieving this objective is recognising that we need to do more than just give members access to nationally recognised OH&S management systems. We also need to make sure they understand why they are in place and where they fit in to making the TFS a safe workplace. Some of the promotional tools that are in place to support this education objective include:

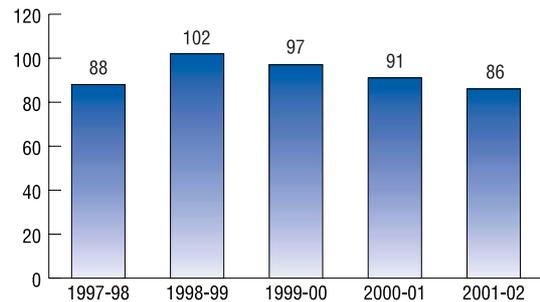
- Ongoing OH&S support services, including the OH&S Helpline;
- OH&S Briefing Sessions for firefighters to enhance their understanding of the new systems that are in place and how to access and use them;
- Regular OH&S Newsletters that discuss current issues such as Sunsafe Policies and Contractor Management;
- The discussion of OH&S system development and uses at all District Conferences in 2002;
- An OH&S specific segment at the State Conference; and
- Including information on statewide issues about changes to our OH&S systems in Fireground.

Workers Compensation

Our workers compensation performance has continued to improve with a decrease in the number of workers compensation claims lodged however there was a slight increase in the cost of each claim per employee. This in part can be contributed to the increases in award wage rates. Commencing this year and for future years the claims will be broken down to reflect the inclusion of volunteers as well as employees, providing more realistic statistics. 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.

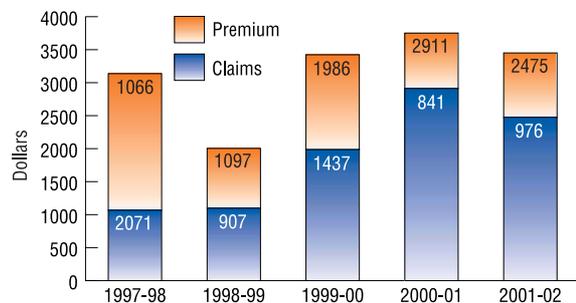


Number of Workers Compensation Claims



	Employees	Volunteers
01-02	53	33

Cost of Workers Compensation per Employee



	Employees	Volunteers
01-02	\$198	\$78

Employee Relations

New industrial agreements were registered with the Tasmanian Industrial Commission to cover employees in Engineering Services and Communications Services. These agreements have finalised a number of issues that have been outstanding for some years.

A new agreement for uniformed employees has also been certified this year. The three year agreement provides salary increases of 12.5% over the life of the agreement in return for settlement of the longstanding 38 hour week issue and implementation of a more flexible work roster. A number of other issues were also resolved in the agreement.

Supporting Our People

Awards and Medals

Australian Fire Service Medal (AFSM)

The 2001-02 AFSM recipients were invested with their awards by the Governor of Tasmania.

The recipients were:

Graeme C. Brown joined the Latrobe Fire Brigade on April 1, 1973 as a volunteer member; to be elected Brigade Chief on June 1, 1976 and is still the Brigade Chief after 25 years.

Since 1994 he has been a Fire Permit Officer. He was awarded the National Medal in 1989 and received the Clasp to the National Medal in 1999 after 25 years service.



Rex Kemp has been actively involved with the Orielton Fire Brigade and community for 50 years.

Rex commenced as a volunteer firefighter with the then Orielton Country Fire Brigade in February 1952. In 1977 he was elected to the position of Third Officer; rising to the rank of Brigade Captain in 1985, a position that he retained for a period of ten years.

In 1993 Rex undertook additional responsibilities by becoming a Fire Permit Officer for the Orielton District in which capacity he still serves.

Rex was awarded the National Medal in 1980 and has subsequently been presented with the first, second and third



Clasps to the National Medal. Rex is still an active member of his brigade and having achieved 50 years service he is one of few members of the Tasmania Fire Service to reach this unique milestone.

Edward (Eddie) J. Wilson, Manager Engineering Services has served 21 years with the Tasmania Fire Service.

Eddie commenced his employment with the Hobart Fire Brigade in March 1980 as a Mechanic and was subsequently promoted to Mechanic-in-Charge of that workshop in February 1984.

Eddie progressed through a series of promotional appointments, which culminated in his appointment as Manager Engineering Services in November 1996. In this position Eddie had the responsibility for the management of the Tasmania Fire Service vehicle fleet which comprised of a range of some 470 fire appliances.

Eddie has represented the Tasmania Fire Service at both national and international forums, he is highly regarded throughout the fire industry as one of the best technical people available in relation to fire appliance technology.



National Medal

A number of National Medals are presented each year to members of fire services around Australia and include. In 2001-02 the following awards were received by TFS personnel.

Award	Number of Recipients
National Medal	144
- awarded for 15 years service	
1st Clasp to the National Medal	70
- awarded for an additional 10 years service	
2nd Clasp to the National Medal	13
- awarded for a further 10 years service	
3rd Clasp to the National Medal	2
- awarded for a further 10 years service	

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 2001-02 Awards were presented to the following brigades:

Career	B Shift - Launceston Fire Brigade
Volunteer Structural	Kingston Fire Brigade
Volunteer Vegetation	Lebrina Fire Brigade

Competitions

The TFBA held five competitions around the State with the Open title being hosted by Burnie Fire Brigade and the State titles being held at Cambridge. Hobart Fire Brigade won both of these championships. There was a strong field of junior teams this year and the under 17 State Champions were Franklin and the under 14's title was taken by Somerset. Hobart Fire Brigade competed in the Victorian State titles at Swan Hill.

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.

The Tasmanian Volunteer Fire Brigades Association conducts Regional and State competitions using contemporary fire fighting equipment in a number of events simulating operational activities. The Port Sorell Fire Brigade hosted this year's State Competitions.

Dunalley Brigade were runaway victors in both the senior and junior titles as well as the senior/junior combined aggregate award.



Annual Charity Run

The TFS charity run was staged from the 2nd to 5th April 2002. The beneficiary this year was the Leukemia Foundation. The event raised a record total of \$30,000 which can be attributed to the tireless efforts of the runners and collectors who jointly covered in excess of 400km over the 4 days.

TFS Annual Conference

The Annual TFS Conference, attended by 260 delegates, and held over the weekend of 28 and 29 July 2001 in Hobart was again a great success. The Conference provides a forum for TFS staff and volunteers from all parts of the State to meet to discuss current issues. The theme of the Conference was "Focus on Safety" and delegates were addressed by in-house and external speakers on a wide range of issues.

Firefighter Health and Fitness together with other safety issues including Nutrition Needs While Fire Fighting were the predominant subjects.

Planned Outcomes/Achievements 2002-03

- *Develop a performance management system for TFS members.*
- *Develop 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 through easy and secure entry and access of information.**
- **Ensure our physical resources are adequately funded.**

Objective:

- *To provide a flexible financial system that meets the needs of our users.*

A number of reporting enhancements have been made to the current financial system and these have resulted in a more flexible system, better reporting and a possible increase in the life of the present system.

Objective:

- *To provide our staff with appropriate financial management training.*

Appropriate financial skill levels have been determined for finance and operational staff. To facilitate training to operational staff TFS Finance Branch developed an Introduction to Budgeting module that has been accredited by TAFE as part of the Diploma of Firefighting Management. This module has been accredited for use nationwide.

Objective:

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

Report capabilities of the TFS financial system, are being fully tested and are expected to satisfy all outstanding user requirements. Various options to eliminate duplication and provide a single point of entry are being considered.

Terminal services was successfully implemented for all of TFS's dialup sites to improve response time.

Implementation of an electronic document management system commenced in 2001-2 and will be fully operational in 2002-03.

Objective:

- *Ensure our physical resources are adequately funded.*

Individual asset classes have been identified and reported on along with individual capital and maintenance requirements. Minimum funding levels for each asset class are yet to be completed.

Financial Overview

The Net Surplus for the State Fire Commission for 2001-02 was \$2.6 million, compared to \$1.4 million for 2000-01, an increase of \$1.2 million.

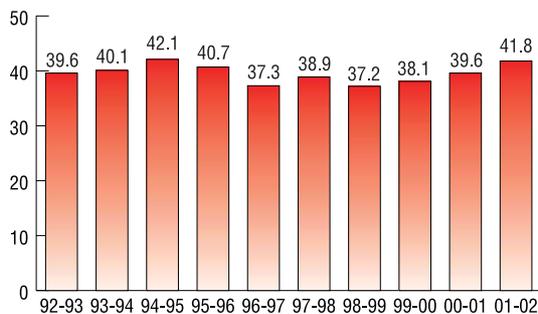
Revenue from Ordinary Activities for the twelve months to June 2002 was \$41.8 million compared to \$38.8 million for the same period last financial year. The major positive variations related to the Insurance Fire Levy that increased by \$2.5 million. As a result of a quiet fire season the total State Government Contribution declined by \$0.6 million. The general State Government Contribution increased by \$0.5 million whereas the costs reimbursement as a result of wildfire fighting were down on the previous year by \$1.1 million.

Expenses from Ordinary Activities for the twelve months to June 2002 were \$39.2 million compared to \$37.4 million for the same period last financial year. The major variations related to Salaries and Equipment under \$1,000 which increased by \$1.3 and \$0.8 million respectively. Operations Expenses declined by \$0.6 million and this also reflected the quiet fire season.

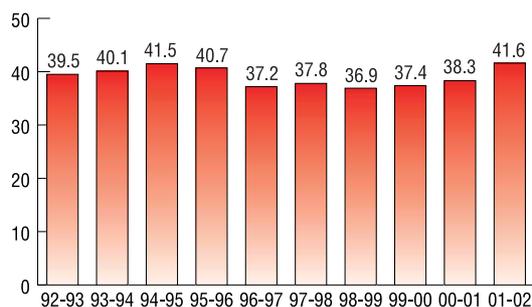
Net Assets for 2001-02 totalled \$48.3 million as compared to \$46.5 million for 2000-01, an increase of \$1.8 million.

An overview of the major revenue sources is detailed below.

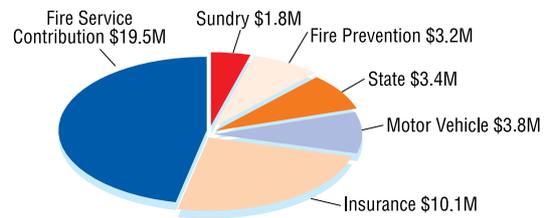
Total Revenue 2001-02 Dollars



Total Revenue Excluding Wild Fire Reimbursements 2001-02 Dollars



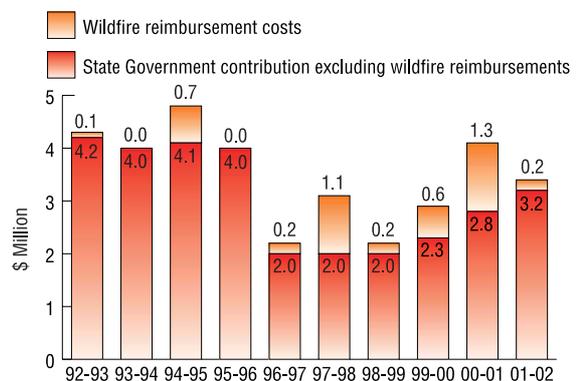
Total Revenue 2001-02 (\$41.8 Million)



State Government Contribution

The Treasurer must pay to the Commission, out of money appropriated by the Parliament for the purpose, such amount as the Treasurer determines is appropriate towards defraying the operating costs of the Commission. The contribution in 2001-02 was \$3.4 million and represented eight per cent of the total revenue of the Service for 2001-02.

State Contribution 2001-02 Dollars



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 2001-02, the State Government reimbursed the Commission \$0.2 million and this amount is included as part of the total State Government Contribution of \$3.4 million.

Commonwealth Government Contribution

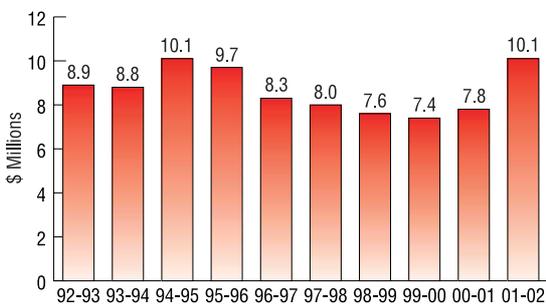
The Commonwealth Government provided a small contribution of \$183,000 which was less than one per cent of the total revenue for 2001-02. The purpose of this contribution is to meet the costs associated with providing fire prevention and protection to Commonwealth Government buildings and property in Tasmania.

Managing Our Resources

Insurance Fire Levy

Insurance companies are responsible for the collection of the insurance fire levy. Collections for 2001-02 were \$10.1 million and equated to 24 per cent of total revenue. These funds were applied directly to operating costs. 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.

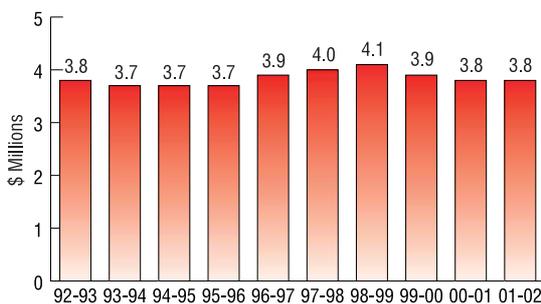
Insurance Fire Levy 2001-02 Dollars



Motor Vehicle Fire Levy

The motor vehicle levy contribution of \$3.8 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 2001-02 Dollars

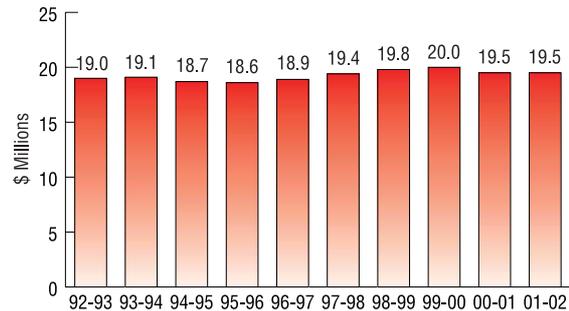


Fire Service Contribution

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 2001-02 amounted to \$19.5 million and represented 47 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 \$785,000 in 2001-02.

Fire Service Contribution 2001-02 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 2001-02 was \$3.2 million or eight 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 2001-02 was \$1.8 million or four per cent of total revenue.

Other Business Issues

The Commission is a non-profit statutory authority and as such is not required to make provision for income tax, sales tax, dividends or returns to the State Government.

External market forces and the ability of users to pay for services primarily determine the pricing policies of the Commission.

The major outside sources of revenue to the Commission are contributions from land owners, insurance companies, motor vehicle owners and the State Government. In addition the Commission raises revenue through alarm monitoring fees, plan approval fees, charges for avoidable false alarms, fire reports, the sale and maintenance of fire equipment, and the provision of training services to both the public and private sectors.

Pensioners and health card holders receive discounts on rates and motor vehicle levies from the Commission.

Physical Resource Management



Building Program

During 2001-02 new fire stations were completed at Dunalley, Glendevie, Bagdad, Agfest and Mole Creek. Various upgrades of stations occurred throughout the State.

Engineering Services

Appliance Production

During the financial year 2001-02, Engineering Services completed the fabrication of two composite heavy tankers, 12 dual cab medium tankers, three heavy tankers, three ex Australian Army tanker conversions. The total number of appliances fabricated for 2001-02 was 20 appliances.

Urban configuration medium tanker

The urban medium tanker prototype was developed and delivered to Risdon Vale Station for introduction into service as a trial appliance. To date the feedback has been very positive and the concept has been accepted as viable.

The two new composite tankers were placed into service in Launceston and Hobart Fire Brigades with two ex Army appliances being placed into service on King Island and one on Flinders Island.

Equipment acquisition

During the financial year, the purchase of a guillotine and brake press (folder) was approved and subsequently purchased. Installation of the equipment was to be in the first month of the financial year 2002-03, to facilitate the build program for that year.

Communications Services

During the year completed the following major projects:

Tasmanian Ambulance Service Radio System Upgrade

This project involved the replacement of all Tasmanian Ambulance Service (TAS) radio infrastructure including console equipment located in the Hobart dispatch centre. The new system was completed and operating by December 2001. This is another sharing arrangement that has seen TAS utilise TFS radio infrastructure and use TFS radio frequencies in rural areas.

Radio Site Infrastructure Upgrade

A new 18 meter tower and a new building for local paging and radio transmission equipment were completed in February at Johns Hill near Irishtown in the North West Region. This improved paging coverage for local TFS, TAS and State Emergency Service units.

Minor upgrade works were also completed at Herringback (Sandfly, Southern Region) Three Mile Line (Burnie, North West Region).

Other items of note during the year

- Fire Alarm System upgrades were completed at Currie, George Town and Devonport.
- New Radio Fire Alarm Systems were also installed in the Southern and Northern Regions.

These upgrades allowed an additional 60 services to be connected to the TFS alarm monitoring network.

Resource Management Planned Outcomes/Achievements 2002-03

- **Complete IT desktop hardware and software upgrades for all areas of the TFS.**
- **Development of a system that will eliminate the need for information to be entered separately into various unrelated databases.**
- **Fabricate and commission 20 medium tankers for TFS brigades.**
- **Refurbishment of the snorkel fire appliance.**
- **Build and open new fire stations at Snug, Piers River, Waterhouse plus a Fire/SES station at Bushy Park.**
- **Development of the State Headquarters Melville Street wing to incorporate fire appliance engine bays, accommodation for Community Fire Safety Division and Fire Management plus major incident operational facilities.**

2001 - 2002 Year in Review

	1999-00	2000-01	2001-02	% Change
Operational				
Total fires	4,752	4,593	4,181	(9)
Structure fires	847	750	756	1
Other fires	3,905	3,843	3,425	(11)
False alarms	3,822	4,065	4,131	2
Other Incidents and Calls	997	1,502	971	(35)
Total Incidents and Calls	9,797	10,164	9,283	(9)
Fire investigations	202	172	202	17
% of investigated fires with cause undetermined	11.8%	6.4%	7.5%	17
% of fires confined to room of origin	65.4%	65.1%	54.0%	(17)
% of homes with a smoke alarm	80%	82%	83.0%	1
Deaths caused by fire	3	11	4	(64)
Human Resources				
Career staff turnover	4.3%	4.1%	4.9%	20
Average sick days per career staff	5.1	6.1	8.9	46
Workers compensation claims	97	91	86	(5)
Financial				
Operating surplus after abnormal items	\$1.1M	\$1.4M	\$2.6M	86

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 (Mike Crisp);

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

Nominee of the Local Government Association of Tasmania (John Munro)

State Fire Management Council Annual Report

2001-2002 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 as well provided comments on the Powerline Clearance - (Vegetation) code of practice developed by the office of the electricity regulator:

The SFMC was also invited to provide comment on the Ecologically Sustainable Forest Management systems and processes of the Regional Forest Agreement Review.

The SFMC endorsed the joint approach adopted by the agencies in their review and subsequent action taken as a result of the Coronial finding of the Mt Kur-in-gai (NSW) and Linton (Vic) tragedies being released.

The SFMC has endorsed the approach of member agencies in preparing a Cabinet Submission recommending a whole of government approach to the Bushfire Co-operative Research Centre.

The Multi-Agency Coordination Group which coordinates the management of multi agency bushfires developed a comprehensive set of Key Result Areas and Performance Standards for each of the functional positions within the Incident Management Teams.

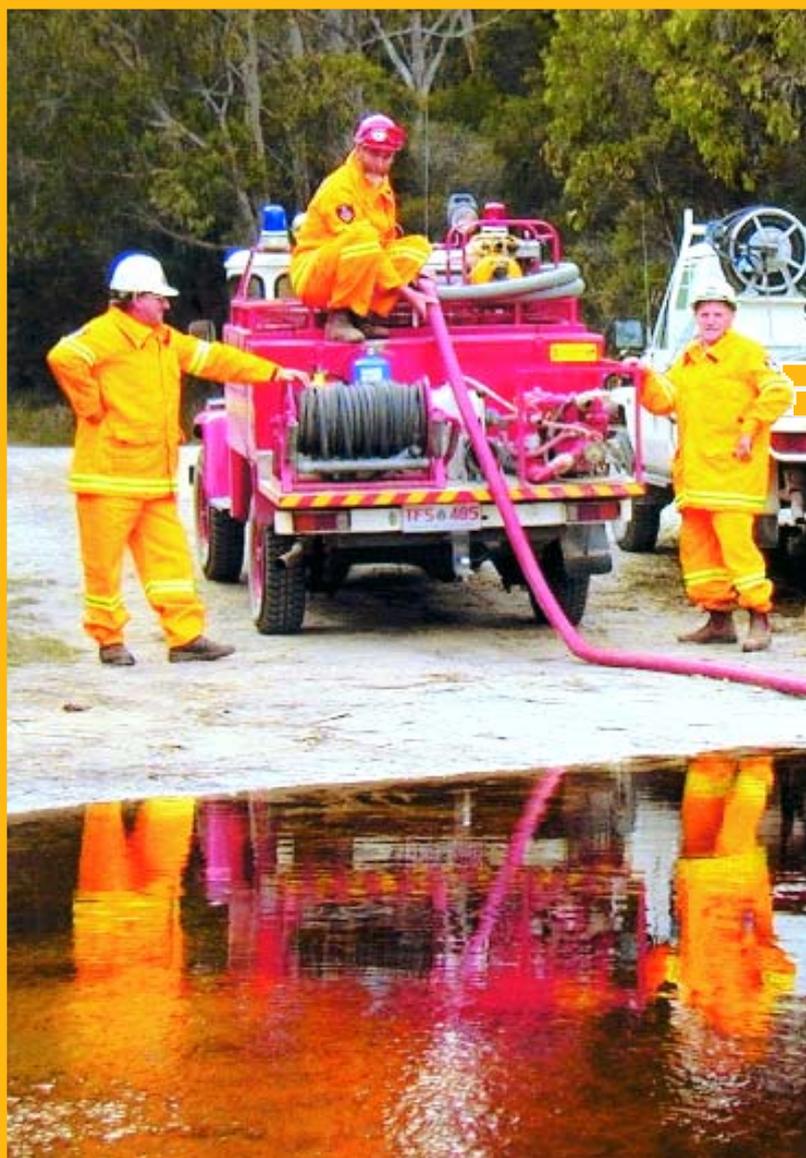
The Council has initiated a review of the Fire Permit System in Tasmania, which should be finalised during 2002-03.



M S Geard
CHAIRMAN

31 October 2002

State Fire Commission



Financial Report 2002

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 2001 to 30 June 2002 and the statement of affairs at 30 June 2002 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



William Ryan AFC JP

COMMISSION MEMBER

28 August 2002



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 2002. 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 and other mandatory professional reporting requirements in Australia and applicable legislation, the financial position of the State Fire Commission as at 30 June 2002, and the results of its operations and its cash flows for the year then ended.

D W R Baulch
ACTING AUDITOR-GENERAL

9 October 2002

HOBART

Accountability on Your Behalf

Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2002

	Note	2002 \$'000	2001 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Insurance Fire Levy	l(q)	10,103	7,601
Fire Service Contribution	l(r)	19,506	19,085
State Government Contribution	9	3,388	4,026
Commonwealth Government Contribution	9	183	184
Motor Vehicle Fire Levy	l(s)	3,835	3,674
Fire Prevention Charges	10	3,164	3,080
Sundry Income	11	1,657	1,175
Total Revenues from Ordinary Activities		41,836	38,825
EXPENSES FROM ORDINARY ACTIVITIES			
Salaries, Wages and Related Expenses	l(j), 12	23,725	22,445
Public Relations, Subscriptions and Consultants	13	639	557
Training and Education		451	495
Operations Expenses	14	3,726	4,279
Protective Clothing and Uniforms	15	1,263	1,174
Depreciation	6	3,004	2,780
Financial and Other Expenses	16	2,052	1,885
Insurance		1,385	1,563
Borrowing Costs	17	330	474
Repairs and Maintenance	18	1,305	1,277
Equipment under \$1,000	19	1,329	473
Total Expenses from Ordinary Activities		39,209	37,402
Net Surplus	l(t), 20	2,627	1,423
Non-Owner Changes in Equity			
Increase/(decrease) in asset revaluation reserve due to revaluation of non-current assets	l(t), 21	(821)	(104)
Total change in Equity from Non-Owner related Transactions		(821)	(104)
Total change in Equity	22	1,806	1,319

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

Statement of Financial Position

AS AT 30 JUNE 2002

	Note	2002 \$'000	2001 \$'000
CURRENT ASSETS			
Cash Assets	l(p),2,8	4,458	3,708
Receivables	l(d),3,8	1,242	819
Other Assets	4	1,463	1,111
Inventories	l(c)	617	697
Total Current Assets		<u>7,780</u>	<u>6,335</u>
NON-CURRENT ASSETS			
Work in Progress	l(e), 5	1,869	2,688
Property, Plant and Equipment	l(f),l(g), l(o),l(t),6	54,344	52,629
Total Non-Current Assets		<u>56,213</u>	<u>55,317</u>
TOTAL ASSETS		63,993	61,652
CURRENT LIABILITIES			
Bank Overdraft	l(m),8	1,251	464
Payables	l(n),7,8	3,282	3,843
Provision for Long Service Leave	l(h),l(t)	449	458
Provision for Annual Leave	l(i)	1,641	1,525
Interest Bearing Liabilities	l(m)	1,368	4,698
Total Current Liabilities		<u>7,991</u>	<u>10,988</u>
NON-CURRENT LIABILITIES			
Provision for Long Service Leave	l(h),l(t)	3,368	3,166
Interest Bearing Liabilities	l(m)	4,341	1,011
Total Non-Current Liabilities		<u>7,709</u>	<u>4,177</u>
TOTAL LIABILITIES		15,700	15,165
NET ASSETS		48,293	46,487
EQUITY			
Retained Operating Surpluses	20	48,293	45,229
Reserves	l(f), 21	-	1,258
TOTAL EQUITY	22	48,293	46,487

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

Statement of Cash Flows

FOR THE YEAR ENDED JUNE 2002

	Note	2002 \$'000	2001 \$'000
Cash Flows from Operating Activities			
Cash Receipts from Ordinary Activities		40,581	39,015
Cash Payments from Ordinary Activities		(35,532)	(32,096)
Interest Paid		(330)	(474)
Interest Received		73	88
Net Cash provided by Operating Activities	25(b)	<u>4,792</u>	<u>6,533</u>
Cash Flows from Investing Activities			
Proceeds from Sale/(Purchase) of Investments		-	1,500
Proceeds from Sale of Equipment		703	912
Payments for Property, Plant and Equipment		(5,532)	(6,242)
Net Cash used in Investing Activities		<u>(4,829)</u>	<u>(3,830)</u>
Net Increase/(Decrease) in Cash Held		(37)	2,702
Cash at the Beginning of the Financial Period		<u>3,244</u>	<u>542</u>
Cash at the End of the Financial Period	25(a)	<u>3,207</u>	<u>3,244</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 2002

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.

(g) Fire Appliances and Plant and Equipment

This year the book value of Fire Appliances and Radio and Communications Equipment has been deemed to be at cost in accordance with the transitional arrangements of AASB 1041 *Revaluation of Non-Current Assets*. Internal expenses incurred in the fabrication of Fire Appliances and the construction of Radio and Communications Equipment are capitalised. In prior years these assets were revalued on completion by capitalising internal costs used in their construction.

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.

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 (\$449,143 in 2002 and \$458,433 in 2001) is defined as the expected expense for the forthcoming financial year and the balance of the provision is treated as the Non-Current Provision (\$3,368,293 in 2002 and \$3,165,649 in 2001).

(i) Provision for Annual Leave

The provision represents employee entitlements due and accrued as at 30 June 2002. The provision has been calculated on nominal amounts based on current wage and salary rates and includes related on costs.

(j) Superannuation

The State Fire Commission provided \$2,419,288 for superannuation in 2002.

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 2002 comprised:

	2002 \$'000	2001 \$'000
State Fire Commission Superannuation Scheme	1,976	1,831
Retirement Benefits Fund	443	409
Total	<u>2,419</u>	<u>2,240</u>

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

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

Retirement Benefits Fund Superannuation entitlements was transferred to the State Treasury. A payment 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 4,034.2 days per annum, the estimated liability of \$547,760 is not material in comparison with total liabilities.

The total average number of hours taken per person in 2002 was 62.1 as compared to 42.2 in 2001.

(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 \$26 for the year ended 30 June 2002 (\$25 in 2000/01)

(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

Revaluation of Non-Current Assets

The introduction of AASB 1041 *Revaluation of Non-Current Assets*, prescribes a new accounting treatment when revaluing a class of non-current assets. When a class of assets is revalued, only that part of the Asset Revaluation Reserve that is attributable to the class of assets being revalued is utilised in the revaluation transaction. (Note 1(f)).

In previous years all revaluation decrements of non-current assets were booked to the Asset Revaluation Reserve with reference only to the sufficiency of the balance in the Reserve. No consideration was given to whether the transaction exceeded the balance in the Reserve relating to the class of assets being revalued.

During the year ended 30 June 2002, Land and Buildings were revalued downwards by \$1,215,748 and the appropriate non-current asset accounts were reduced by this amount. The Asset Revaluation Reserve was debited by \$922,297, which was the credit balance relating to previous revaluations of Land and Buildings. The remaining balance of \$293,451 was debited to Financial and Other Expenses.

Had this change in accounting policy not occurred the balance of the Asset Revaluation Reserve would have been \$293,451 higher and Financial and Other Expenses would have been \$293,451 lower. There was no impact for the year ended 30 June 2001.

Provision for Long Service Leave

The Commission has changed the way it calculates the current and non-current components of its Provision for Long Service Leave. The Current Provision (2002 \$449,143 and 2001 \$458,433) is defined as the amount of the liability *expected to be expensed* for the forthcoming financial year and the balance of the provision is treated as the Non-Current Provision (2002 \$3,368,293 and 2001 \$3,165,649).

In previous years the Current Provision was defined as the *existing entitlement* to long service leave at 30 June and the balance of the liability was treated as the Non-Current Provision.

The effect of this change is a reduction in the Current Provision of \$2,752,998 (2001 \$2,714,702) and an increase in the Non-Current Provision of \$2,752,998 (2001 \$2,714,702).

Internally Constructed Non-Current Assets

There has been a change in accounting policy in relation to certain Non-Current Assets as at 30 June 2002. Fire Appliances and Radio and Communications Equipment (included in the asset class of Plant and Equipment) were previously revalued to capitalise internal construction costs.

During the year ended 30 June 2002, and prior to the change in policy, Fire Appliances were revalued upwards by \$102,000, which was booked to the Asset Revaluation Reserve.

The Commission no longer revalues these assets on completion of construction, and all internal construction costs are capitalised with no transactions booked to the Asset Revaluation Reserve.

As a consequence of this change in policy, the balance of the Asset Revaluation Reserve (\$437,295) relating to these assets was transferred to Retained Operating Surpluses. (Notes 20, 21)

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

	2002 \$'000	2001 \$'000
2. Cash Assets		
Cash on Hand	8	8
Cash at Bank	4,450	3,700
	<u>4,458</u>	<u>3,708</u>
3. Receivables		
Trade Debtors	1,252	829
Less Provision for Doubtful Debts	(10)	(10)
	<u>1,242</u>	<u>819</u>
4. Other Assets		
Accrued Revenue	987	887
Prepayments	475	224
	<u>1,463</u>	<u>1,111</u>
5. Work in Progress		
Capital Works in Progress in 2002 represents capital expenditure to date of \$1,018,876 plus Capital Works commitments of \$850,010 and in 2001 they were \$1,791,145 and \$895,903 respectively.		
6. Property, Plant and Equipment		
Land		
At Fair Value (Note 1(f),1(t))	5,142	5,121
	<u>5,142</u>	<u>5,121</u>
Buildings		
At Fair Value (Note 1(f),1(t))	26,051	26,700
Accumulated Depreciation	(2,182)	(2,251)
	<u>23,869</u>	<u>24,449</u>
Motor Vehicles		
At Cost	4,227	3,865
Accumulated Depreciation	(2,217)	(1,825)
	<u>2,010</u>	<u>2,040</u>
Fire Appliances		
At Deemed Cost (Note 1(g),1(t))	31,445	28,377
Accumulated Depreciation	(13,944)	(13,273)
	<u>17,501</u>	<u>15,104</u>
Plant and Equipment		
At Deemed Cost (Note 1(t))	15,777	14,953
Accumulated Depreciation	(9,955)	(9,038)
	<u>5,822</u>	<u>5,915</u>
Total Property, Plant and Equipment		
Total Gross Value	82,642	79,016
Accumulated Depreciation	(28,298)	(26,387)
	<u>54,344</u>	<u>52,629</u>
Net Book Value		

Reconciliation of Property, Plant and Equipment as at 30 June 2002

	Carrying Amount 30 June 01	Additions	Revaluations	Disposals	Depreciation	Carrying Amount 30 June 02
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land at Fair Value*	5,121	16	4	-	-	5,142
Buildings at Fair Value*	24,449	1,176	(1,220)	(44)	(492)	23,869
Motor Vehicles at Cost	2,040	1,281	-	(697)	(614)	2,010
Fire Appliances at Deemed Cost*	15,104	3,098	102	(23)	(780)	17,501
Plant and Equipment at Deemed Cost*	5,915	1,026	-	(1)	(1,118)	5,822
	52,629	6,597	(1,114)	(765)	(3,004)	54,344

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

* Refer Notes 1(t),21

7. Payables

Accrued Expenses
Trade Creditors
Capital Works Commitments
GST Payable

2002 \$'000	2001 \$'000
1,247	1,003
1,091	1,906
850	896
94	38
3,282	3,843

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

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 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%	-

Comparative figures for 2000-01 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	-	3,236	-	-	3,236
Receivables	819	-	-	-	819
Investments	-	-	-	-	-
	<u>819</u>	<u>3,236</u>	<u>-</u>	<u>-</u>	<u>4,055</u>
Weighted Average Interest Rate	-	5.05%	-	-	-
Financial Liabilities					
Bank overdrafts and loans	-	2,294	2,868	1,011	6,173
Payables	3,843	-	-	-	3,843
	<u>3,843</u>	<u>2,294</u>	<u>2,868</u>	<u>1,011</u>	<u>10,016</u>
Weighted Average Interest Rate	-	5.45%	7.02%	6.15%	-

Bank Overdraft

The bank overdraft of the State Fire Commission is unsecured and subject to annual review.

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 financial assets excluding investments, of the Commission, which has been recognised on the Statement of Financial Position, is 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:-

	2002 \$'000	2001 \$'000
State Government Contribution		
General Contribution	3,184	2,723
Wildfire Fighting reimbursements	204	1,303
	<u>3,388</u>	<u>4,026</u>
Commonwealth Government Contribution	<u>183</u>	<u>184</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

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:-

	2002 \$'000	2001 \$'000
Sale of Fire Safety Services and Equipment	1,474	1,374
Less Cost of Goods Sold	<u>(786)</u>	<u>(662)</u>
	688	712
Alarm Rental	609	669
Avoidable False Alarms	81	86
Commercial Training	837	767
Commercial - Evacuation Planning	115	95
Inspection Fees - TasFire Equipment	695	634
Inspection Fees - Building Safety	139	117
TOTAL	<u>3,164</u>	<u>3,080</u>

11. Sundry Income

	2002 \$'000	2001 \$'000
Reimbursement from NSW Rural Fire Service ¹	216	-
Reimbursement by Tasmanian Ambulance Service ²	670	267
Interest Received	84	88
Insurance Recoveries	11	114
Rent	91	78
Wildfire Fighting Reimbursements ³	65	150
Worker's Compensation Refunds	138	106
Other	382	372
TOTAL	<u>1,657</u>	<u>1,175</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. (refer Note 19.)

3. Contribution from Departments of Forestry and Parks and Wildlife towards shared helicopter expenses.

12. Salaries, Wages and Related Expenses

	2002 \$'000	2001 \$'000
Salaries, Wages and Allowances	17,141	16,256
Payroll Tax	1,369	1,356
Annual Leave	2,108	1,875
Long Service Leave	688	718
Superannuation	2,419	2,240
TOTAL	<u>23,725</u>	<u>22,445</u>

13. Public Relations, Subscriptions and Consultants

	2002	2001
	\$'000	\$'000
Advertising	313	278
Grants and Donations	36	28
Functions	81	92
Professional Fees	119	62
Subscriptions	80	83
Other	10	14
TOTAL	<u>639</u>	<u>557</u>

14. Operations Expenses

	2002	2001
	\$'000	\$'000
Printing and Stationery	175	164
Consumables	178	293
Electricity	346	322
Hire of Equipment	26	321
Office Cleaning	110	110
Municipal Rates	109	107
Rental of Premises	15	26
Wildfire Fighting Hire & Equipment Costs	20	161
Motor Vehicle Expenses	743	835
Removal Expenses	13	8
Travel Expenses	496	218
Communication Expenses	895	984
Computer Expenses	499	604
Fire Suppression & Control	7	14
Other	94	112
TOTAL	<u>3,726</u>	<u>4,279</u>

15. Protective Clothing and Uniforms

	2002	2001
	\$'000	\$'000
Protective Clothing	952	859
Uniforms	311	315
TOTAL	<u>1,263</u>	<u>1,174</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

16. Financial and Other Expenses

	2002 \$'000	2001 \$'000
Loss on Sale of Non-Current Assets		
Gross Proceeds	703	912
Less Net Asset Value	<u>(765)</u>	<u>(1,028)</u>
Net Loss	62	116
Audit Fees	21	21
Fringe Benefits Tax	73	128
Land and Buildings Revaluation ¹	293	-
Local Government Collection Fees	785	770
Pensioner Rebates (Municipal)	560	572
Pensioner Rebates (Transport)	181	202
Stock Expenses and Write Offs	9	24
Other	68	52
TOTAL	<u>2,052</u>	<u>1,885</u>

1. Balance from the write down of land and buildings after the Asset Revaluation Reserve for Land and Buildings was exhausted. (Note 1(t))

17. Borrowing Costs

	2002 \$'000	2001 \$'000
Interest on Bank Overdraft	8	3
Interest on Capital Debt	322	471
TOTAL	<u>330</u>	<u>474</u>

18. Repairs and Maintenance

	2002 \$'000	2001 \$'000
Land and Buildings	433	345
Motor Vehicles	628	733
Fire Fighting Equipment	110	77
Communication Expenses	69	61
Office Furniture	18	17
Workshop Equipment	33	33
Computer Equipment	14	10
TOTAL	<u>1,305</u>	<u>1,277</u>

19. Equipment Purchases under \$1,000

	2002 \$'000	2001 \$'000
Computer Equipment	45	94
Fire Fighting Equipment	310	181
Office Furniture and Related Equipment	93	83
Communication Expenses	118	38
Tasmanian Ambulance Service Communications Equipment (Note 11)	709	-
Workshop Equipment	52	57
Other	2	19
TOTAL	<u>1,329</u>	<u>473</u>

20. Retained Operating Surpluses

	2002	2001
	\$'000	\$'000
Accumulated Surplus at the beginning of the year	45,229	43,806
Net Surplus for year	2,627	1,423
Transfers to and from reserves (Note 1(t))	437	-
Accumulated Surplus at the end of the year	<u>48,293</u>	<u>45,229</u>

21. Reserves

Asset Revaluation Reserve

	2002	2001
	\$'000	\$'000
Accumulated Balance at beginning of year	1,258	1,362
Less Net Revaluation of Assets - Land and Buildings (Note 1(t),6)	(923)	(133)
Add Net Revaluation of Assets - Fire Appliances (Note 1(t),6)	<u>102</u>	<u>29</u>
	(821)	(104)
Balance available before Transfers	437	1,258
Less Transfer to Retained Operating Surplus (Note 1(t))	(437)	-
Accumulated Balance at the end of year	<u>-</u>	<u>1,258</u>

22. Reconciliation of Total Equity

	2002	2001
	\$'000	\$'000
Total Equity at the beginning of the year	46,487	45,168
Total changes in equity recognised in the Statement of Financial Performance	1,806	1,319
Total Equity at the end of the year	<u>48,293</u>	<u>46,487</u>

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 \$20,030 in 2002 and \$24,000 in 2001.

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 \$21,230 in 2002 and \$20,793 in 2001.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2002

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:-

	2002	2001
	\$'000	\$'000
Current and 11am Call Account	3,199	3,236
On hand	8	8
	<u>3,207</u>	<u>3,244</u>

(b) Reconciliation of Net Surplus to net cash provided by Operating Activities

Net Surplus	2,627	1,423
Add (less) non-cash items:		
Depreciation	3,004	2,780
(Profit)/Loss on disposal of assets	62	116
Amortisation of discount	-	4
Provision for Doubtful Debts	-	-
Net cash used in operating activities before change in Assets and Liabilities	<u>5,693</u>	<u>4,323</u>
Changes in Assets and Liabilities during the financial period:		
(Increase)/Decrease in debtors	(424)	(310)
(Increase)/Decrease in accrued revenue	(100)	1,327
(Increase)/Decrease in inventory	80	(70)
(Increase)/Decrease in prepayments	(251)	15
Increase/(Decrease) in creditors/accruals	(515)	1,050
Increase/(Decrease) in provisions	<u>309</u>	<u>198</u>
Net cash from operating activities	<u>4,792</u>	<u>6,533</u>

- (c) The State Fire Commission has access to an overdraft facility of \$2,500,000. As at 30 June 2002, the bank facility was not utilised.

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Ready - Burnie Volunteer Firefighters, The Advocate, Page 2

Male Numbers Slide - Launceston woman firefighter, The Examiner, Page 3

Vote of thanks from Rural Communities, The Examiner, Page 3

Man injured in two car crash, The Examiner, Page 8

Residents escape brunt of bushfire, The Advocate, Page 9

Growth fire factor - The Mercury, Page 11

Ablaze again, The Advocate, Page 11

Wynyard pair saved by alarm, The Advocate, Page 13

Smoke alarm reminder, The Examiner, Page 15

How to keep your home safe, The Examiner, Page 16

Home owners urged to clear fire hazards, The Examiner, Page 17

Brigade's new unit ready to go to work, The Advocate, Page 19

Burnie firefighters, The Advocate, Page 20

Firefighter cooling off, The Advocate, Page 21

AFSM Award to Graeme Brown, J Barry Laurence Studio, Page 22

AFSM Award to Rex Kemp, J Barry Laurence Studio, Page 22

AFSM Award to Edward Wilson, J Barry Laurence Studio, Page 22

Record run burns up the miles, The Mercury, Page 23

Junior Competitions, The Advocate, Page 23

Filling up, The Advocate, Page 30

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