



RACT Response

Establishing the State Fire and Emergency Services Commission

Tasmania Fire and Emergency Service (TFES) Reforms

Position Paper

February 2025

The Royal Automobile Club of Tasmania

Established in 1923, RACT enjoys a trusted position in the Tasmanian community.

RACT is Tasmania's largest member owned organisation with a legacy spanning over 100 years and a member base of more than 218,600.

An apolitical and independent transport infrastructure, road safety and mobility advocate. We are increasingly engaging with and advocating on the impacts of increased extreme weather events and resulting risks and are committed to supporting improved member and community resilience.

RACT is represented by senior staff in a number of stakeholder reference organisations in Tasmania and Australia and undertakes structured liaison with government and other community groups.

Nationally, RACT is a constituent member of the Australian Automobile Association (AAA), which represents some 8 million Australians, and is a member of the Insurance Council of Australia (ICA).

RACT is a regular contributor to the committees and forums of the AAA and the ICA.

RACT's Advocacy Strategy and public policy activity is approved by the RACT Board and is informed by evidence, experience, consultation, broader industry knowledge and our members.

RACT welcomes the opportunity to make a submission to the **Establishment of a Skills-Based Board** for the State Fire and Emergency Services Commission (SFESC).

We commend the Government on the establishment of a skills-based board for the State Fire and Emergency Services Commission. It reflects modern best practices in governance and managing potential conflicts of interest inherent in a representative model.

As Tasmania's largest member owned organisation, RACT operates as profit- for- purpose mutual with all profits reinvested for the benefit our members and the wider Tasmanian Community. Our Advocacy Strategy, approved by the RACT Board in 2024, has three purpose areas, one of which is Building Resilient Communities.

As part of its business RACT operates an award-winning, Tasmanian owned general insurance company the provides insurance exclusively within Tasmania. In this capacity we provide insurance coverage to one third of Tasmanian homes and underwrite \$48 billion in value. This gives us significant and specialised expertise in risk assessment and quantifying potential economic impacts of risk in Tasmania. We actively work with the global reinsurance market and global risk modellers to improve the understanding of risk in Tasmania to support ongoing affordability of insurance for Tasmanians.

With the intent to support continual improvement in the resilience of the Tasmanian community, RACT offers several recommendations that would enhance the independence of the SFESC's board and support decision-making in response to the evolving challenges facing Tasmania's fire and emergency management system.

Adapting to Changing Risks

Over the coming years, changing climate and increasing extreme weather events will significantly alter and increase demands on our emergency services and their role in planning, mitigation and response. While Tasmania and its emergency services have a proud history in leading the management of fire risk, future environmental pressures may challenge the effectiveness of existing systems.

The broader resilience ecosystem is evolving rapidly, with community resilience increasingly connected to the global economic system, particularly through insurability. For example, the New South Wales Fire Commission has formed a partnership with the insurance sector to help safeguard communities from fire risk. This collaboration underscores the potential for resilience strategies to be integrated into broader risk management frameworks and actions, allowing communities to reduce vulnerability and improve their insurability. To meet these challenges, the SFESC must adopt a forward-looking approach that not only prioritises life protection but also evaluates how resilience actions impact the insurability of both individuals and communities.

Key Recommendations:

1. **Independent Chair:** We support an independent chair and recommend the that the chair have no immediate prior connections to TFS, SES, or related interest groups. This will ensure impartiality and a focus on governance rather than advocacy for specific interests.
2. **Majority of Independent Directors:** We support proposed board structure of nine members (including the Chair). We advocate that a clear majority of directors are independent, with emergency services, unions, or government agencies

represented, but not comprising the majority. This ensures diverse perspectives and avoids undue influence from any single stakeholder group.

3. **Insurance Sector Expertise:** We recommend the inclusion of expertise in insurance risk as core skill set for the board. As the government invests in resilience initiatives, it is essential that these efforts are recognised by the global insurance market. Insurance expertise can inform how the potential impact of risk reduction actions—such as hazard mitigation, exposure reduction, and vulnerability assessments—are considered by the global reinsurance market. This will improve global risk evaluation and help maintain the insurability of Tasmania’s communities. By integrating this expertise, the SFESC can better assess the economic and insurability impacts of resilience initiatives, supporting the effective allocation of resources to maximise Tasmania’s resilience.
4. **Independent Chairs for Advisory Subcommittees:** Similar to the board, we recommend that subcommittees also have independent chairs to maintain unbiased and objective decision-making.
5. **Clear Terms of Reference for Subcommittees:** Subcommittees should operate under well-defined terms of reference to ensure their work aligns with the broader goals of the SFESC and Tasmania’s disaster resilience strategy. Regular reporting to the board will maintain accountability and transparency.

We also recognise the importance of amending legislation to bring together the TFS and SES under one organisational structure. This should increase transparency regarding operational identities, roles, and responsibilities. Given the limited resources available for prevention, preparation, and response, it is crucial that the SFESC be tasked with measuring and publicly communicating the resourcing levels for both fire (TFS) and storm/flood (SES) prevention, preparation, and response activities. This transparency will help demonstrate how resources are used to address Tasmania's changing risk profile and foster public engagement and support for actions and highlight the importance of individual responsibility in building resilience.

While efficiency is important, we believe that principles-based governance should guide the SFESC, rather than being driven solely by the principles of Government Business Enterprises (GBEs) or State-Owned Entities (SOEs). The SFESC should remain focused on its core mission: reducing disaster risk for the community. The board's work should align with the Tasmania Disaster Resilience Strategy and be informed by the ongoing initiatives of TFS and SES.

Finally, we acknowledge the lessons learned from past bushfire inquiries, such as those from the 1967 and 2013 Dunalley bushfires. These lessons and lessons from more recent inquiries must remain be preserved within the proposed new legislation to ensure continuity in governance and the incorporation of past experiences. By doing so, we can avoid repeating past mistakes and ensure that these hard-earned lessons are applied effectively.

RACT is committed to being a partner for Tasmanians in lessening the impacts of extreme weather events by supporting our members and communities to take action and feel safe and supported to manage a changing climate. We are committed to working with the new commission and wider emergency services community to achieve this.