



STATE FIRE COMMISSION



ANNUAL REPORT 2003-04



STATEMENT OF COMPLIANCE

Honourable D Llewellyn MHA
Minister for Health and Human Services

Dear Minister

In accordance with Section 107(g) of the *Fire Service Act 1979*, we hereby submit for your information and presentation to Parliament the Report of the State Fire Commission for the year ending 30 June 2004.

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



J. B. Gledhill BSc. F.I.Fire E. AFSM

CHIEF OFFICER

29 October 2004



L. P. Dewhurst

COMMISSION MEMBER



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STATE FIRE COMMISSION



VISION

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

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 238 brigades throughout Tasmania. These services include rapid and effective response to emergencies including rescue and hazardous materials as well as fire prevention and community education.

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

We also protect residential and commercial land and buildings worth more than \$15 billion and over one million hectares of privately owned forested land from fire and other emergencies.

In 2003-04 our 294 operational employees and 4,543 volunteer firefighters responded to over 9,500 incidents. 59 Community Fire Safety employees contributed in the work units of Building Safety, TasFire Training, TasFire Equipment and Community Education. Our firefighters were reinforced by 94 support and administrative staff. Our volunteers and career staff work as an integrated team committed to achieving our strategic goals for a safe Tasmania.



High-wire Act, The Examiner

OUR ROLE

The role of the TFS 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 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.



On fire, The Examiner

MAJOR GOALS AND EXPECTED OUTCOMES

GOAL: Delivery of an effective and efficient fire service.

OUTCOME: A rapid response to fires and other emergencies that minimises the social, economic and environmental cost to the community.

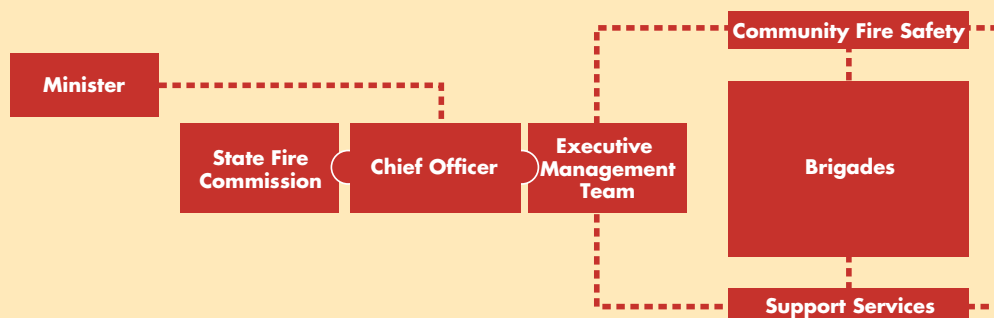
GOAL: Promotion, coordination and delivery of effective fire prevention and safety education and training to the community.

OUTCOME: Fewer unwanted fires in a community that is willing and able to respond appropriately when threatened by fire.

GOAL: Supporting our people.

OUTCOME: An increase in skill levels, job satisfaction, workplace safety, reduced absenteeism together with a harassment-free workplace.

TASMANIA FIRE SERVICE STRUCTURE

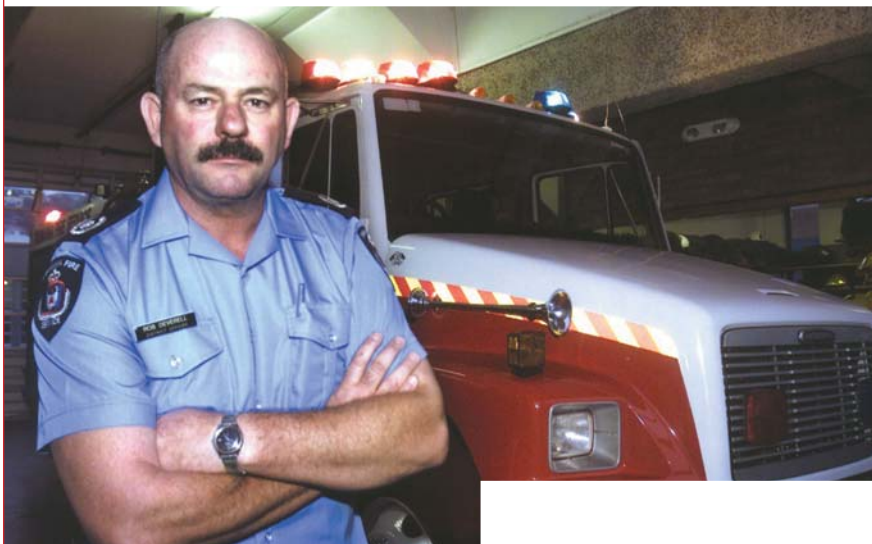


STATE FIRE COMMISSION



KEY PERFORMANCE TARGETS

Performance Targets	2002-03 Actual	2003-04 Target	2003-04 Actual	2004-05 Target	2005-06 Target
Operational					
Number of incidents	10,387	8,000	9,787	8,000	8,000
Number of fires	4,821	3,600	4,050	3,600	3,600
Number of preventable house fires per 100,000 households	216	N/A	205	195	185
Number of false alarms	4,259	4,000	4,328	3,900	3,800
Percentage of fire causes undetermined	19%	18%	23%	17%	16%
Percentage of fires in structures confined to room of origin	75%	77%	76%	78%	79%
Financial					
Operating surplus after abnormal items	\$5.4M	\$2.6M	\$5.3M	\$2.2M	\$1.4M
Return on assets	9.3%	4.2%	7.7%	3.6%	2.5%
Return on equity	11.5%	4.7%	9.4%	3.7%	2.2%
Debt to equity	8.8%	8.3%	8.0%	9.3%	10.2%
Current ratio	81.2%	101.1%	111.4%	96.5%	82.5%
Human Resources					
Staff turnover	2.6%	6.0%	2.3%	6.0%	6.0%
Average sick days per staff	5.5	4.8	5.7	4.8	4.8
Workers compensation claims	95	79	70	77	77

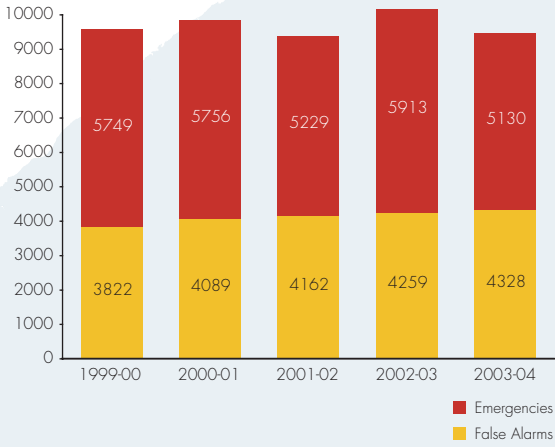


Baffled, The Advocate

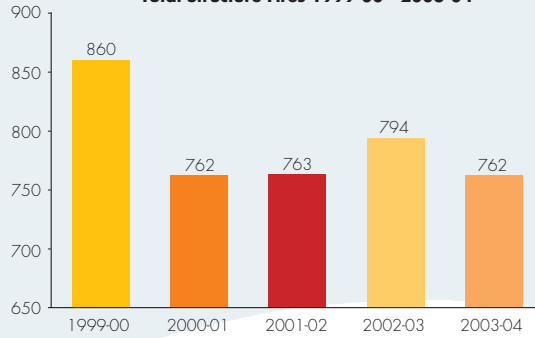
FACTS AT A GLANCE



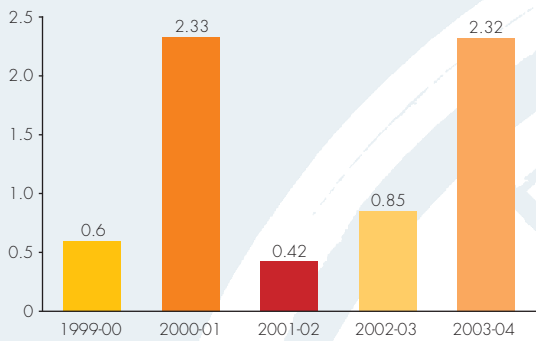
Number of Incidents 1999-00 - 2003-04



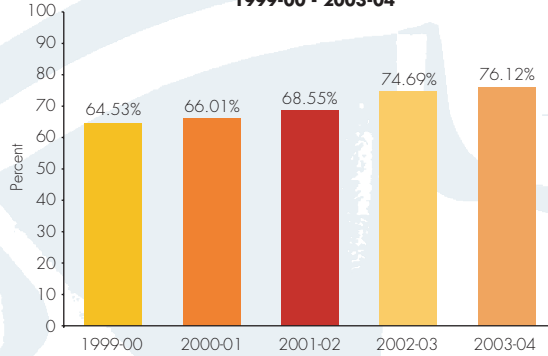
Total Structure Fires 1999-00 - 2003-04



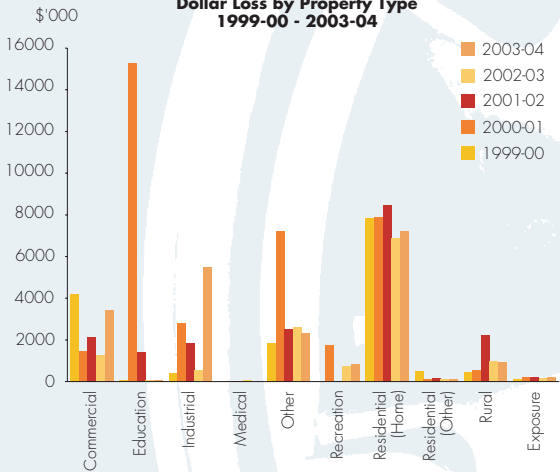
Fire Death Rate per 100,000 Persons



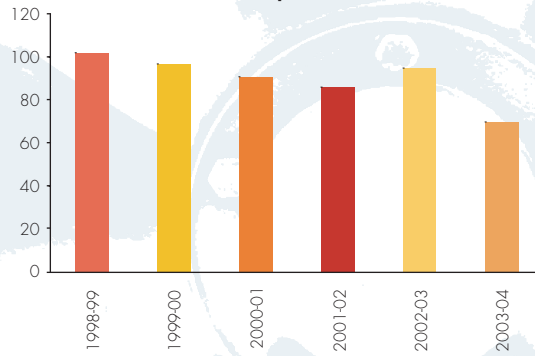
Structure Fires Confined to the Room of Origin 1999-00 - 2003-04



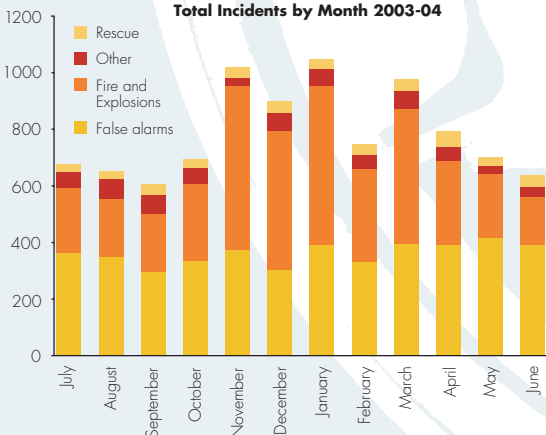
Dollar Loss by Property Type 1999-00 - 2003-04



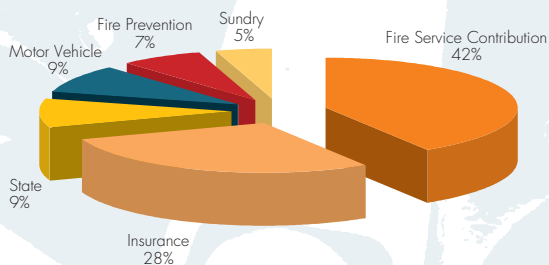
Workers Compensation Claims



Total Incidents by Month 2003-04



Revenue 2003-04 (\$49.7 million)



STATE FIRE COMMISSION



Call to prepare for summer fire season, The Advocate

CHAIRPERSON'S REPORT 2003-04

Maintaining a safe and effective fire appliance fleet has been the State Fire Commission's greatest concern for a number of years and I am pleased to report that a five year fire appliance replacement program was approved by the Commission and incorporated into the 2004-05 Corporate Plan. The program will result in the production of 140 fire appliances over the next five years at an average cost of approximately \$107,000. This is the first significant step in achieving a rolling and sustainable program that will bring about modernisation of the current fleet over a relatively short period of time. The continuing buoyant insurance market resulted in better than expected revenue from the Insurance Fire Levy and this provided the Commission with an opportunity to build a number of additional fire appliances in 2003-04.

The provision of appropriate training for firefighters is clearly a vital and continuous activity to maximise safety and effectiveness. After considerable time in development and planning, the move to competency based training arrangements through the delivery of the Public Safety Training Package (PSTP) began in earnest across the State. This nationally developed and endorsed training package recognises the existing skills and competencies of our firefighters while also providing them with the appropriate training to attain the knowledge and skills needed to undertake their tasks safely and effectively. An audit of all volunteer firefighters' competencies was undertaken prior to the PSTP being implemented and was very useful in exposing skill and knowledge gaps to enable training priorities to be developed. However, delivery of training to volunteers requires considerable flexibility because of their general limited availability and accessibility. Increased effort and resources are being made available to meet the demands and additional staff have been allocated to enhance the provision of volunteer training.

The fire season began suddenly early in mid November despite a widespread wet spring. Some of the fires in remote areas in the west burned for extended periods. One of those fires in the Arthur Pieman area was not extinguished for some months, eventually burning through more than 100,000 hectares of mainly moorland. The majority of significant fires occurred on Crown Land under the control of Forestry Tasmania (FT) and Parks and Wildlife (PW) and did not directly threaten private tenures. TFS assisted on many fires, participating in incident management teams and remote area firefighting activities in accordance with the Inter-Agency Fire Management Protocol. This once again highlighted the effective co-operative arrangements that have developed between the TFS, FT and PW.

For the first time a Commonwealth subsidised, medium sized helicopter was engaged during the peak fire danger period

primarily for water bombing on initial attack close to the urban interface. The quiet nature of the fire season meant that the helicopter was only deployed on three occasions but it confirmed its capability to complement traditional ground based firefighting. It also demonstrated great potential as an effective tool for water cartage and personnel transport in support of remote area firefighting.

A relatively easy fire season was overshadowed by the tragic fire deaths that occurred during this year. Eleven lives were lost through fire across the State highlighting the ongoing challenge TFS faces in making all people aware of the importance of fire safety in the home. The Community Fire Safety Division continues to approach this task with innovation and 2003-04 introduced several new campaigns including the Spota-Firebug campaign and a new campaign to commence in July specifically targeting parents with young families to encourage them to develop fire escape plans. The TFS believes that such programs have contributed to a very encouraging 38% reduction of accidental house fires over the past ten years.

Regrettably we are now living in a world subject to threats posed by terrorism requiring a capability to mitigate the impact of attacks on individuals and property. The TFS has accepted new responsibilities to ensure Tasmania can respond effectively to deal with events such as chemical, biological or radiological attacks and other terrorist incidents. Commonwealth funded equipment chemical, biological and radiological (CBR) has been provided to the TFS and training of our firefighters to respond to such incidents is well underway. The CBR equipment and training complements the current urban search and rescue capability of the TFS and Tasmanians can be proud of the professional and enthusiastic way that our firefighters have embraced these new roles.

I firmly believe that the TFS has emerged from this busy and challenging year with significant benefits and great potential for the future. I thank all members of the State Fire Commission and Tasmania Fire Service for their contribution in the successes of the past year. Finally, I would like to congratulate the three Australian Fire Service Medal recipients for this year; Brigade Chief Hobart Tony Davidson, Brigade Chief Queenstown Ian Mitchell and Group Officer (Coal River Group) Robin Howlett who typify the spirit and commitment of the TFS.

JB Gledhill
CHIEF OFFICER



STATE FIRE COMMISSION MEMBERS



John Gledhill BSc FFireE AFSM

Chairperson of the State Fire Commission and Chief Officer of the TFS. Former Deputy Chief Officer and Regional Officer of the TFS with 30 years experience. A Director of the State Fire Commission Superannuation Scheme Pty. Ltd., member of the State Fire Management Council and Director on the Bushfire CRC Governing Board.



Marie Gill

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



Richard Bowden

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



Wendy Sawford BEc

Department of Treasury and Finance representative on the Commission since June 2001. Director Inter-Government Financial Relations with the Department of Treasury and Finance.



Chris Deegan AFSM

Tasmanian Volunteer Fire Brigades Association representative on the State Fire Commission since October 2002. A Volunteer Firefighter since 1969 and current member of the Triabunna Fire Brigade. Group Officer of the Spring Bay Group of Brigades.



James Smith AFSM OAM JP

Tasmanian Retained Volunteer Firefighters Association representative on the State Fire Commission since May 2003. Commenced with the Stanley Fire Brigade in 1957 and held various positions including that of Brigade Chief of the Stanley Fire Brigade until his move to Launceston.



Leon Dewhurst

United Firefighters Union Tasmania Branch representative on the State Fire Commission since June 1993. Career fire officer with 30 years experience with the Hobart Fire Brigade. Past President of the UFU.

STATE FIRE COMMISSION



GOAL STATEMENT

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

OBJECTIVES

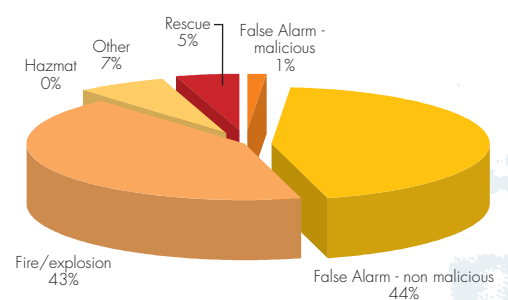
1. To ensure that the closest and most appropriately resourced brigade arrives at an incident in the shortest possible response time.
2. To improve the capacity of brigades to manage the risks associated with their respective response area.
3. To foster the establishment and maintenance of emergency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

BRIGADE ACTIVITY

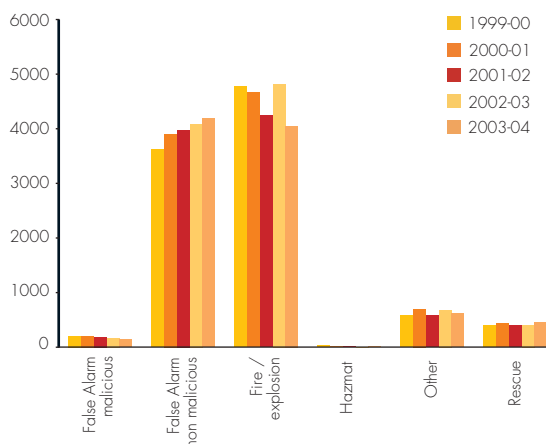
The total number of incidents attended by brigades during 2003-04 decreased slightly from 2002-03. A total of 9,787 incidents were attended, of which 9,458 incidents (96.64%) had full reports submitted.

The total number of fires attended was 4,050, down from 4,821 during 2002-03. This can be attributed in part to the quiet fire season experienced during Summer 2003-04. There was a slight increase in the number of non-malicious false alarms.

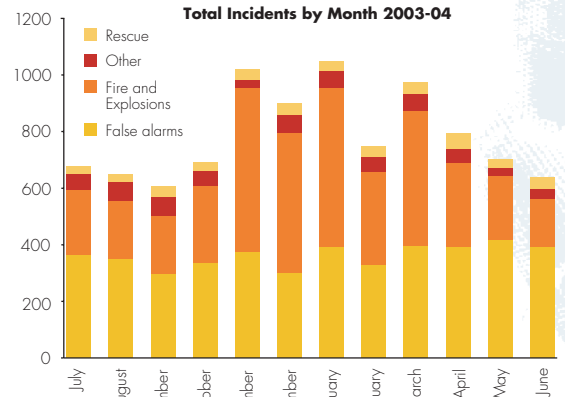
Type of Incidents Attended 2003-04



Type of Incidents Attended 1999-00 - 2003-04



Total Incidents by Month 2003-04





BUSHFIRE SEASON

Following consistent rain through the winter and early spring the State began to dry out from October onwards. Many parts of Tasmania experienced record low rainfall during November and December leading to the season's peak soil dryness index in mid January. Significant rain occurred throughout the State in late January leading to a decline in fire danger indexes.

Most of the 2,124 bushfires attended by brigades occurred during the November to late January period. Thirty two significant fires combined to burn in excess of 170,000 hectares of the Tasmanian landscape.

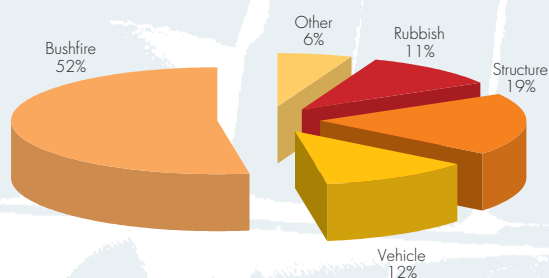
Much of the area burnt can be attributed to fires in North-Western Tasmania. The fire on State Forest south of Smithton (the Holder fire) burnt nearly 9,000 hectares of forest. The Mt Franklin and Mt Donaldson fires between the Arthur and Pieman River burnt over 140,000 hectares of moorelands of what was mostly protected area managed by the Parks and Wildlife Service (PWS). Approximately 3,500 hectares of private property was burnt in bushfires throughout the year.

Large bushfires in Tasmania are managed by Incident Management Teams using the Incident Control System of the Australian Inter-Service Incident Management System. When fires spread across multiple tenures they are managed by inter-agency (TFS, PWS and FT) Incident Management Teams. Fifteen fires were managed on an inter-agency basis this year.



Remote Area Team , Andrew Skelly

Type of Fires Attended 2003-04



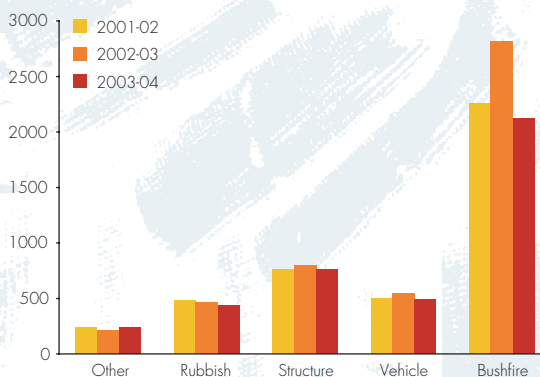
Number of Fire Permits Issued

Region	2001-02	2002-03	2003-04
North West	1,750	838	1,003
Northern	1,635	737	786
Southern	2,401	1,078	1,397
Total for State	5,786	2,653	3,186

The Fire Permit Period was declared statewide on 18 November 2003 and revoked on 15 March 2004. During that time 3,186 permits were issued, which is over 600 more than last year and an indication of reasonably benign conditions which were suited to fuel reduction burning.

One day of Total Fire Ban was declared for the State

Type of Fires Attended 2001-02 - 2003-04



STATE FIRE COMMISSION



OBJECTIVE 1

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

RESPONSE TIMES

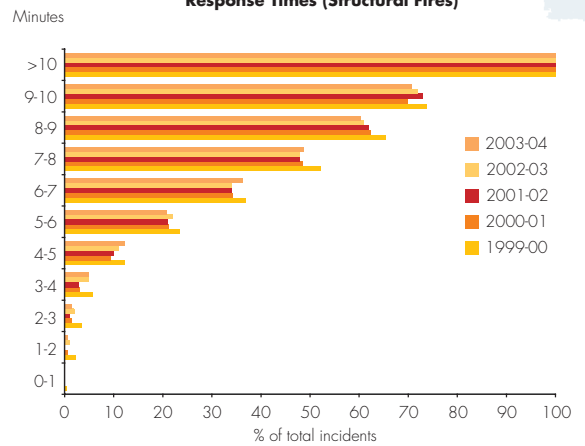
A trial in Hobart Brigade has commenced reporting against defined performance benchmarks. In particular an agreed mobilisation time has been determined and since reporting commenced the initial issues identified and acted on have resulted in an improvement in overall mobilisation times of 20 seconds. It is envisaged that this will improve as we are able to further refine response processes.

PROPERTY FIRES

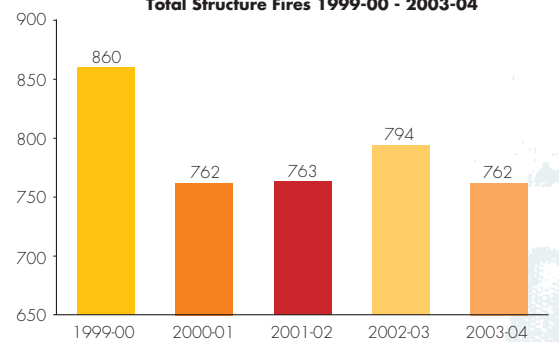
The total value of property fire losses in 2003-04 was approximately \$20.7 million. This was a considerable increase from \$13.5 million in 2002-03 and is due largely to a marked increase in the loss incurred in commercial and industrial properties as well as a small increase in the residential (home) loss figures.

The number of structure fires over the last financial year has dropped from 794 in 2002-03 to 762 in 2003-04 with the number of residential fires also dropping from 533 in 2002-03 to 507 in 2003-04. This is continuing a steady downward trend in the number of residential fires over the past few years which is very positive for the Tasmanian community.

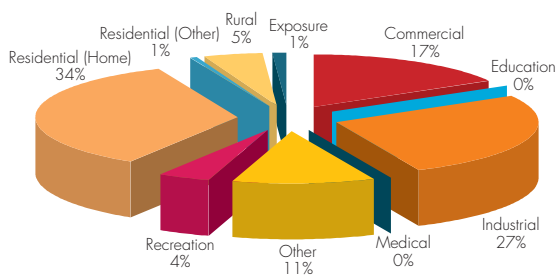
Response Times (Structural Fires)



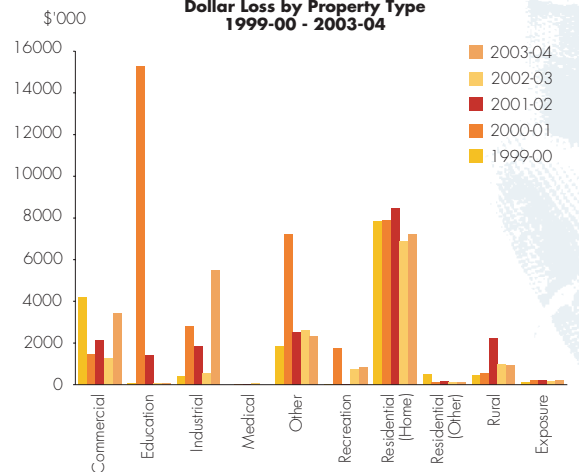
Total Structure Fires 1999-00 - 2003-04



Dollar Loss by Property Type 2003-2004



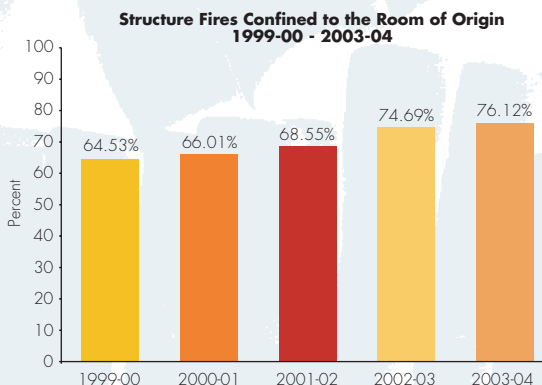
Dollar Loss by Property Type 1999-00 - 2003-04





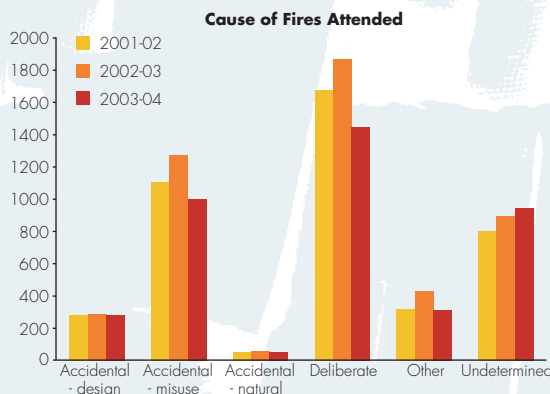
EXTENT OF DAMAGE

A key performance indicator for measuring the effectiveness of property damage mitigation is the proportion of fires that do not spread beyond the room of origin of the initial fire. TFS has maintained steady improvement in this area with an increasing proportion of fires being restricted to the room of origin. This proportion has consistently risen from 64.05 in 1998-99 to 74.62 in the past financial year.

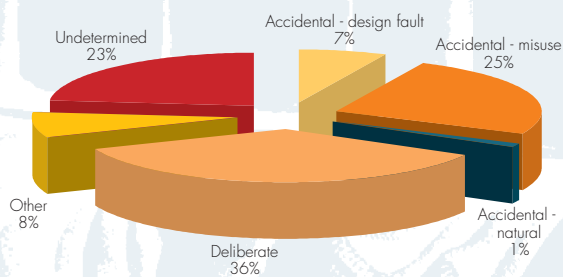


CAUSE OF FIRE INCIDENTS

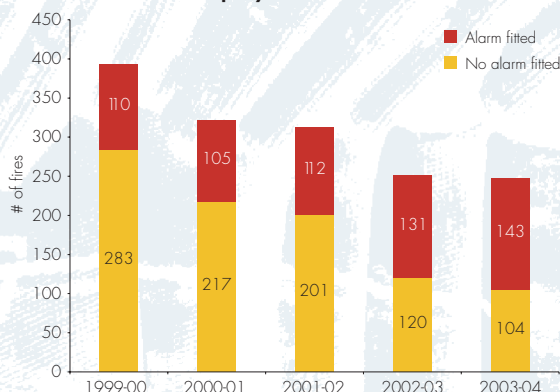
The number of deliberately lit fires dropped from 1,871 in 2002-03 to 1,449 in 2003-04. Accidental fires also dropped in all three subcategories. There was a slight increase in the percentage of fires in which the cause was undetermined, rising from 895 to 947.



Cause of Fires Attended 2003-04



Domestic Property Fires - Smoke alarm installed



Alight, The Advocate

STATE FIRE COMMISSION



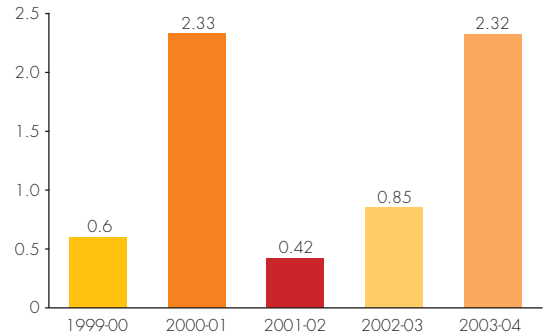
DEATHS AS A RESULT OF FIRE

Preventable fire fatalities (fire-related suicides and homicides are excluded) in Tasmania over the last ten years have varied from a high of twelve in 1998-99 to a low of two in 2001-02, with an average of six such fatalities per year since 1994. Regretably the 2003-04 financial year saw an unusually high number of fire fatalities with 11 preventable fire deaths, up from four in the 2002-03 financial year. This increase was effected by several fires claiming multiple casualties.

The graph beside shows the rate of fire deaths per 100,000 people. This provides a statistic with which to compare our figures with other jurisdictions. The national fire death rate is 0.6 as compared to our rate of 2.32 in 2003-04. As Tasmania has a relatively small population, individual deaths have a significant effect on the fire death rate.

Research indicates that age, household income and climate all impact on the fire fatality rate of a population. The higher age and lower income profile of the Tasmanian community and the State's relatively cool climate (with a greater reliance on heating) appear to be responsible for the State's fire death rate.

Fire Death Rate per 100,000 Persons



OBJECTIVE 2

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

FIRECOMM

FireComm is responsible for emergency call taking and the dispatch of brigades and resources to emergency incidents. FireComm also collates and disseminates operational and media information for incidents.

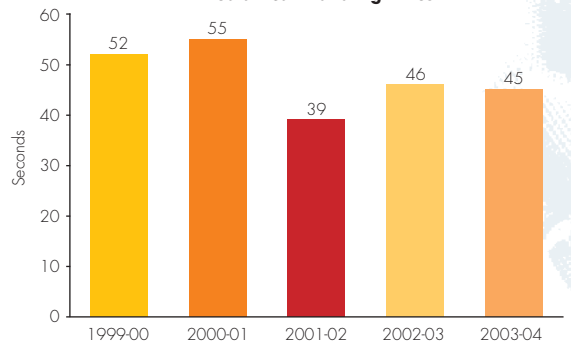
Since 1996 there has been a 16% average increase in the number of emergency incidents reported and dispatched from Firecomm, from 8,446 in 1996 to 9,787 in 2003-04.

Emergency calls received via "000" have increased by 29%.

Data collected from 2001 to 2003 shows a significant increase in radio and telephone communication. Radio communication on the TFS network has increased by 76% during the period 2003/04. Communication via telephone has increased by 76%.

TFS continues to support software upgrading to the Computer Aided Dispatch system and develop and use new technologies to assist with the rapid location of fires and the dispatch of appropriate response resources. The positive impact of this technology is demonstrated through a decrease in the time taken to handle despatch despite an increasing number of emergency incidents being handled by FireComm.

Median Call Handling Times





The Geographical Information System (GIS) mapping project that continued in 2003-04 provided dispatch staff with faster automated access to information that provides an important part of the call taking/dispatch process.

The number of direct brigade alarms monitored by FireComm has increased significantly over recent years. From 2002 a total of 220 additional alarms have been connected to FireComm. A further 163 alarms are pending connection in 2004. FireComm currently monitors approximately 1,741 alarms.

OBJECTIVE 3

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

In 2002-03 the Commonwealth provided funding to enhance the capability of each State to deal with a chemical, biological or radiological (CBR) incident. While the response to a terrorist incident is largely an extension of our current activities, the arrival of almost \$2 million worth of this equipment has greatly enhanced our capability to deal with these types of incident.

The majority of equipment arrived early in 2004 and personal protective equipment (PPE), detection equipment, decontamination units and sundry items

related to health and sampling. There has been extensive training in the CBR equipment within the TFS. In addition, TFS staff have also delivered training to Tasmania Police, Tasmanian Ambulance Service (TAS) and the major hospitals.

The TFS participated in 2 major terrorist related exercises; a nationally based exercise as well as a State organised exercise. This also provided the opportunity to move resources from the North to the South to test mobilisation capacity.

PLANNED OUTCOMES/ACHIEVEMENTS 2004 - 05

The TFS volunteer brigades will commence using the Country Fire Authority (CFA) (Victoria), Australian Incident Reporting System (AIRS) call centre during the 2004-05 financial year. This will:

- reduce time and effort required from volunteers in filing fire reports.
- improve the consistency, accuracy and timelines of fire reporting.

STATISTICAL INFORMATION

The data used for the reporting of operational activities is derived from the TFS'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 96.64% of the 9,787 incidents responded to by the TFS. All graphs and tables are based on incidents with completed reports.

The AIRS Call Centre Project commenced on 2 March 2004. A trial was conducted to determine the feasibility of the responding brigade providing fire call information over the phone instead of manually completing a comprehensive fire report. Between March and June, eight brigades participated in the trial with around 150 incidents being recorded by a call centre operated by CFA. The trial proved very successful with significant improvements in accuracy, consistency and timeliness of information. A significant reduction in paperwork coupled with a reduction in the amount of time and effort necessary to complete the forms was also evident. Following successful trial it will be introduced to all volunteer brigades commencing in early 2004-05.

STATE FIRE COMMISSION



GOAL STATEMENT

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

OBJECTIVES

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

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

OBJECTIVE 1

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

IMPROVING FIRE SAFETY IN OUR HOMES

Young people, the elderly and people with disabilities have a higher-than-average risk of experiencing a fire and suffering injury from fire. In 2003-04, the TFS focused its community education strategies on these at-risk sectors of the community to minimise the social impact of fire.

For children

The School Fire Education Program reached 22,541 primary school children in 2003-04. Through this program children learn about fire safety in and around the home, prepare a home evacuation plan, and learn what to do if a fire occurs.

The Juvenile Fire Lighter Intervention Program provides counselling for young children who engage in unsafe fire-lighting behaviour. Forty-eight children and their families participated in the program in 2003-04.



For the dependent elderly and people with disabilities

The TFS 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 in the homes of many participants, much needed smoke alarms are installed for free. Community organisations working in the aged care field, as well as many medical practitioners, assisted the Service in identifying potential beneficiaries of the program. This year, 306 households participated, bringing the total number of participants in the program since its inception in 1999 to 1,663. During the same period, 207 free smoke alarms were installed and 170 batteries were replaced.

Smoke alarms in approximately 2,000 housing units managed by Housing Tasmania and occupied by elderly and disabled people were serviced during the year by TFS staff, to ensure they remain in working order.

For the community generally

The number of preventable fires that brigades respond to in residential property has decreased steadily over the last 10 years, from approximately 30 fires per month per 100,000 households in 1994-95, to approximately 17 house fires per month per 100,000 households in 2003-04.

Heater-related fires and fires starting on stove-tops continue to be the two most common sources of house fires in Tasmania.

NEW WINTER FIRE SAFETY INITIATIVE – TARGETING THE FAMILIES OF YOUNG CHILDREN

In response to a spate of house fires and related fatalities in April and May, the Minister for Health and Human Services launched a new strategy, developed in partnership with the *Our Kids* Bureau and Housing Tasmania, to address the fire safety needs of young children.

The strategy focussed on the parents of young children, to increase their awareness of fire safety issues in the home and to encourage them to take an active role in the development of awareness and fire-safe behaviour in their children.

The main feature of the strategy was a new 'Fire Safety at Home' booklet, which includes information parents need to make sure their homes and their children are safe from fire, and a home fire escape plan for families to work on together.

The new strategy was supported by an advertising campaign that included new television and radio advertisements, as well as advertising on buses, fire trucks and shopping trolleys.

Along with other strategies aimed at those most at risk from fire, this initiative should help ensure further decreases in the number of house fires in Tasmania.



Ready for Action, The Examiner

STATE FIRE COMMISSION



FIRE SAFETY MEASURES

The TFS continues to offer smoke alarms, fire extinguishers and fire blankets for sale to the community through outlets in Hobart, Launceston, Burnie and Devonport. An estimated 84% of Tasmanian homes have a working smoke alarm.

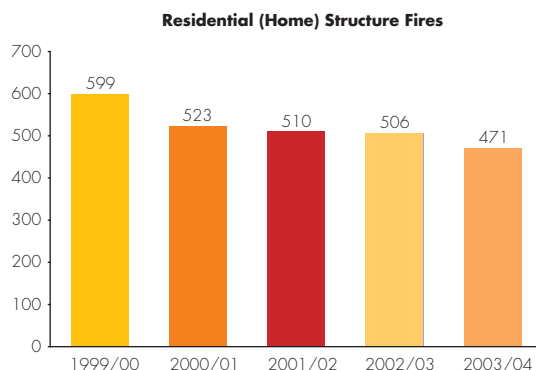
A continuing partnership with Duracell to encourage householders to replace smoke alarm batteries at the end of daylight saving helps to ensure that the number of working smoke alarms in Tasmania remains high.

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

FIRE SAFETY INFORMATION

Numerous fire safety information sessions were conducted throughout the state by brigade personnel and community educators. Participating community groups included those representing youth, the elderly and people with disabilities. Additional home fire safety information is communicated through brochures distributed widely throughout the community, as well as on the TFS's website. The TFS also maintains a free-call service for general fire safety enquiries.

Two mobile community education display trailers promoting fire safety were used extensively by fire brigades throughout the State in 2003-04.



IMPROVING SAFETY FROM BUSHFIRES

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

Measures undertaken during 2003-04 to prevent bushfires and minimise their impact on the community include:

- Bushfire mitigation work undertaken by the 34 Fire Management Area Committees (FMACs) established under Section 18 of the *Fire Service Act 1979*. FMACs include representatives from local government, fire brigades, and other stakeholders who assess fire risks, prepare fire protection plans, advise the Commission on fire permit periods and on the adequacy, efficiency and co-ordination 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 of the fire permit system. The TFS continues to review the system and evaluate options to improve its effectiveness and efficiency;
- Measurement of the performance of Incident Management Teams (IMTs). Monitoring and measurement of IMT performance against established performance indicators contributes to more effective and efficient incident management practices being adopted by agency personnel assigned to these teams.



OBJECTIVE 2

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

IMPROVING FIRE SAFETY IN THE WORKPLACE

Partnerships in fire safety

Forming effective working relations with organisations and representative groups in order to develop consistent messages for their business is an important step toward effective dissemination of information.

Working with organisations such as the Department of Tourism, Parks, Heritage and the Arts and the Department of Education's Child Care Unit and Facilities Management section have resulted in a standard approach to fire safety being adopted in visitor centres, child care centres and schools across Tasmania.

Examples of the positive outcomes produced through these relationships include:

- The development of fire safety checklists for all National Park Visitor Centres. These checklists provide guidance to staff and identify fire safety measures typically installed in these centres, describes their function, specify the maintenance frequency and detail relevant standards.
- Fire safety procedures and maintenance requirements recently incorporated into the Tasmanian Licensing Standards for Centre Based Child Care. These standards are designed to safeguard children and outline a number of licensees' responsibilities including fire safety. They also serve as a self assessment checklist.
- An internet-based evacuation plan template developed for use by all schools. The template provides all underpinning procedures common to this type of risk, with only those details that are specific to each school needing to be added.

Evacuation Plans

The *General Fire Regulations 2000* require owners and occupiers of specified buildings to have plans for the evacuation of their buildings in the event of fire. These plans must comply with the requirements of Australian Standards 3745 and 4083, and must be approved by the Chief Officer.

In 2003-2004, 115 evacuation plans were approved by the Chief Officer. Many of these plans were associated with large or complex buildings around Tasmania and their development has significantly enhanced community safety in the event of a fire in these buildings.



Suspicious, The Sunday Examiner

STATE FIRE COMMISSION



FIRE PROTECTION EQUIPMENT MAINTENANCE

A new permit system applicable to people who install, maintain or repair portable fire protection equipment took effect on 1 July 2003. Applicants are required to demonstrate competence against the nationally-accredited Asset Maintenance Training Package before being issued a permit. A review of permit holder performance was conducted during the year, and some gaps in consistency were identified.

The TFS continued to conduct random building inspections to measure the standard of fire protection equipment maintenance and to assess owner/occupier compliance with the *General Fire Regulations 2000*. In excess of three hundred inspections were carried out during the year. Results confirm increasing levels of compliance and maintenance standards.



Bit of a Breather, The Examiner

The TFS's TasFire Equipment (TFE) unit employs twenty three permit holders to service fire protection equipment in approximately 7,000 workplaces across the State. Fire Equipment Officers are trained to inspect, install and maintain a broad range of equipment such as fire hose reels, fire blankets, fire hydrants, fire extinguishers and fire hose, and sell about 250 other stock items. TFE operates workshops in Hobart, Launceston and Devonport where extinguishers are pressure tested and recharged, hose is coupled and repaired and other maintenance is performed.

TRAINING

The TFS's commercial training unit, TasFire Training, underwent a major redevelopment of its services this financial year. In response to industry needs and accreditation compliance requirements, many of the existing training courses were replaced with ten new accredited courses designed to further improve safety in Tasmanian workplaces. 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 2003-04, 987 courses were conducted for 9,647 employees from workplaces across Tasmania. Increasing levels of fire safety awareness and emergency response skills in the workplace also help ensure that the households of these employees are becoming increasingly safe.



OBJECTIVE 3

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

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

Community Fire Safety staff are participating increasingly in staff development workshops to ensure knowledge and understanding of the community fire safety issues they address are being shared throughout the organisation.

Fire brigades are becoming increasingly engaged in the delivery of selected community development programs such as *Project Wake Up!* Participation in these programs increases understanding of fire safety issues impacting on at-risk sectors of the community.

The in-house magazine 'Fireground' includes information about fire safety issues and programs the TFS has introduced to address community safety. This quarterly magazine is posted to all TFS members and widely distributed in TFS workplaces to broaden readership.



The "Spot a fire" bug, Charles Minster

PLANNED OUTCOMES/ACHIEVEMENTS 2004 - 05

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

STATE FIRE COMMISSION

GOAL STATEMENT

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

OBJECTIVES

1. To have systems and strategies that enable our people to be productive in the workplace.
2. To continue the development and implementation of systems for recruitment, selection, promotion and retention.
3. To provide a work environment that fosters co-operation, respect and equity for our people.
4. To continue with the development and implementation of effective training and development systems.

OBJECTIVE 1

To have systems and strategies that enable our people to be productive in the workplace.

INTERNAL COMMUNICATION

The development of a communication framework to guide internal communication has progressed significantly this year. The principles, purpose and outline of the framework have been established with further work to occur in 2004-05 to finalise the structure and processes to support the framework.

A new TFS website was launched in 2003-04 which included a more functional intranet site for TFS members. The intranet site has been developed with substantial input from members being gathered



Dampener, The Advocate

throughout the year. Although only partially completed in 2003-04, the intranet site provides all users with the ability to view their own personal records and to electronically change some of this information on-line. Users can also view their own training records including training courses attended and competencies attained. Ongoing enhancements will allow users to access and exchange corporate information more readily in the future.

A thorough review of the Volunteer Handbook has been undertaken in the past year. It has resulted in a large amount of valuable new information and guidance being included in a draft update of the Handbook. The updated Handbook will be issued to volunteer brigades towards the end of 2004.

The new Volunteer State Consultative Committee provides a forum where TFS management and volunteer representatives discuss strategic and statewide volunteer management issues. One of its first key initiatives has been to embark on a strategic planning process aimed at identifying and prioritising the volunteer management issues that need to be addressed.



OBJECTIVE 2

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

RECRUITING AND RETAINING OUR PEOPLE

A major research project was completed during the year that aimed to develop volunteer recruitment strategies to assist with the sustainability of our volunteer workforce. The recommendations from the project have been approved for implementation and will assist the TFS and volunteer brigades to:

- strategically managing volunteer workforce planning and recruitment;
- encourage flexibility and inclusiveness in brigades;
- support local recruitment; and
- attract more young people to become volunteers.

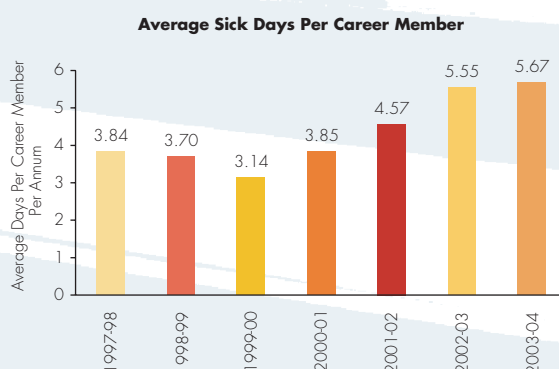
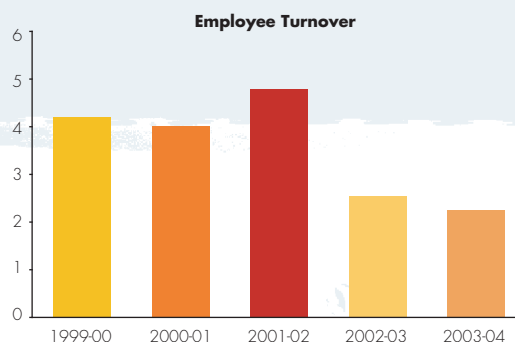
The project recommendations will be implemented over the next two years.

Further improvements to the recruitment process for Trainee Firefighters are being made based on a review of the 2002-03 Trainee Firefighter recruitment process. Particular areas being reviewed include the timing of the recruitment phases, content of the physical fitness and abilities assessments, the aptitude assessments and recruitment documentation. The majority of improvements will be implemented in time for the 2004-05 recruitment process.

Ongoing improvements are being made to recruitment and selection processes for non-Trainee Firefighter positions, including the development of standardised Statements of Duties elements across operational and non-operational areas.

A new TFS procedure has been developed to provide a process for positions classified under State awards to be reclassified. The implementation of the procedure has resulted in a number of positions being reclassified due to changes in position responsibilities.

Further work has occurred on the development of a workplace feedback system for career members. Whilst trials will not commence until late 2004, work has continued on finalising documentation and identifying training needs to facilitate the implementation of trial arrangements.



Note: The methodology for calculating average sick days per career member has been changed from previous annual reports to ensure consistency with national reporting methodologies.

STATE FIRE COMMISSION

OBJECTIVE 3

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

MANAGING DIVERSITY

The TFS finalised its Resolution Process in 2003-04. The purpose of the Resolution Process is to provide guidance to members and managers on the ways in which issues that arise in the workplace can be resolved. The Process underpins the effective operation of the *Policy for the Prevention of Harassment and Discrimination* and will be fully implemented in 2004-05.

During 2003-04, there were three requests lodged with the State Service Commissioner for review of a State Service action. Substantial progress has been made in the resolution of these requests. There were no claims for harassment or discrimination lodged with the Anti-Discrimination Commission.

OBJECTIVE 4

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

TRAINING AND CAREER DEVELOPMENT

The recommendations from a major review of strategic learning and development directions within the TFS were approved for implementation in 2003-04. The implementation of these recommendations will result in an integrated strategic learning and development plan for the TFS and all its members, whether operational or non-operational. Greater focus will also be given to vocational education and training needs within non-operational areas of the TFS. The implementation of the recommendations has already commenced and will continue over the next two years.

The TFS is nearing the end of the transition phase to the Public Safety Training Package (PSTP), which is the recognised industry standard for firefighter training and development. To further support the transition to the PSTP the TFS has increased staff positions responsible for training at the District Officer level.

The TFS status as a Registered Training Organisation (RTO) has been scrutinised during a compliance audit by the Tasmanian Qualifications Authority (TQA) against the Australian Quality Training Framework standards conducted last year and again recently for re-registration as an RTO. Both these audits were successful with positive outcomes demonstrating that TFS training and development systems comply with national standards.



USAR training, Mike Brown



Career Training

Two Leading Firefighter assessment blocks were conducted this year with twenty successful candidates, clearly demonstrating the effectiveness of the mentoring process used to develop our future officers. Two Senior Station Officer assessment blocks were also conducted with seven successful candidates. These assessments were conducted under the Australian Fire Curriculum (AFC).

The TFS did not conduct a recruit firefighter course during the past year.

The transition to the PSTP for career firefighters commenced in March 2004 with an extensive competency maintenance and gap training schedule to address identified differences between the AFC and the PSTP. This process is part of a teach-out phase from the AFC's and will be completed in March 2005.

The 2003-04 year has seen an increase in workshops for specialist skills instructors and practitioners as part of the enhanced TFS quality assurance process. Inter-agency training has been significant especially with CBR training (Chemical, Biological and Radiological).

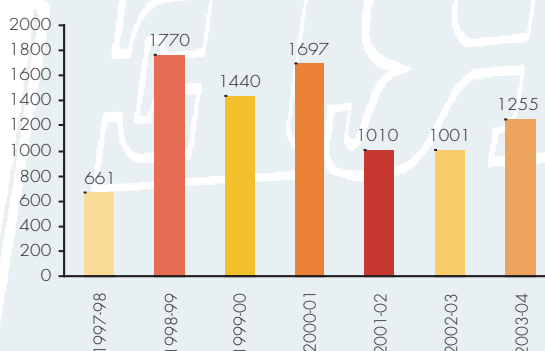
The number of AFC qualifications issued to career firefighters in 2003-04 was 70. The total number of AFC modules completed was 1,255, of these 708 were assessed by TFS personnel and 546 were assessed by the Institute of TAFE Tasmania.

Volunteer Training

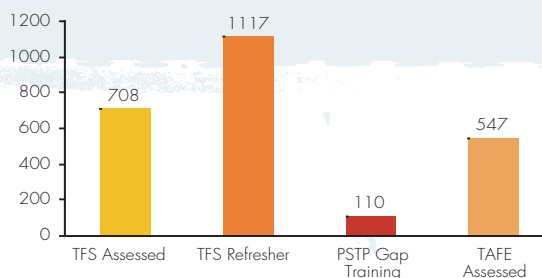
The start of 2004 saw the completion of the transition phase for volunteer firefighters into the PSTP. Volunteer firefighters in Tasmania now train in the units of competence from the PSTP as detailed in the Volunteer Firefighter Skills Matrix. To achieve this transition a recognition process was conducted which involved face to face interviews with 4,500 Volunteers.

The recognition process has enabled the TFS to conduct an audit of all volunteer firefighters and formally recognise their skills under the PSTP. The data collected has provided the tools to identify the current skill level of our volunteer firefighters. This has enabled the development of a strategic plan for the delivery of identified training to ensure our firefighters are appropriately skilled to perform their job role in a competent and safe manner. The strategies include setting targets between 2005-08 with a strong focus on officer development and core firefighter skills.

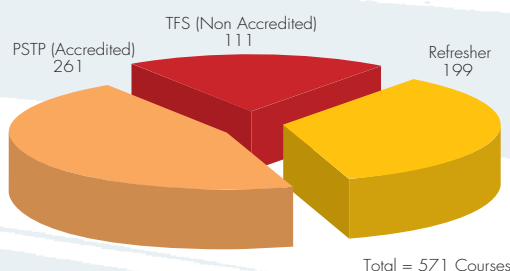
AFC Modules Completed By Career Staff



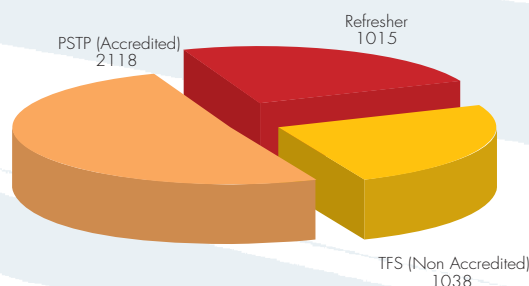
AFC Modules Assessed and Refreshers



Volunteer Courses 2003-04



Volunteer Trainees 2003-04



STATE FIRE COMMISSION



The introduction of the PSTP has seen a significant change in volunteer firefighter training. In some cases there is a requirement to further practice skills post course and record that evidence in Skills Development Record Books and some previously short courses are now amalgamated into a single larger course. This has been a significant achievement with the delivery of nationally recognised industry standard training to volunteer firefighters in Tasmania. The total number of courses delivered during 2003-04 was 571 with the total number of participants attending these courses totalling 4,171.

Leadership and Management Development

The TFS focus on leadership and management development has continued in 2003-04. During this period:

- Two members participated in the Australasian Fire Authorities Council (AFAC) Volunteer Leadership

Development Program at the Australian Institute of Police Management in Sydney, NSW.

- One member successfully completed the AFAC Executive Development Program at the Australian Institute of Police Management in Sydney, NSW.
- One member successfully completed the inaugural AFAC Developing Future Leaders Program at the Australian Institute of Police Management in Sydney, NSW.
- One member commenced the inaugural AFAC Executive Leadership Program at the Australian Institute of Police Management in Sydney, NSW.
- Other members are undertaking post-graduate studies in Public Sector Management at both Graduate Certificate and Masters level.

OBJECTIVE 5

To implement a nationally recognised OH&S management system.

OCCUPATIONAL HEALTH AND SAFETY

2003-04 has seen the TFS continue to develop its safety systems in line with SafetyMAP accreditation requirements. A further external audit on our systems will take place in 2004-05 and will assess our progress and highlight any of areas still requiring attention. These areas will form part of the 2004-2005 OH&S management plan.

Some of the initiatives undertaken in 2003-04 include:

- The implementation of manual handling strategies. Manual handling injuries are our most frequently occurring form of injury across the organisation. Our externally trained manual handling "experts" have assisted in creating training programmes, procedures and policies that will provide a framework for reducing the number of injuries. The training programmes will be implemented during 2004-05.

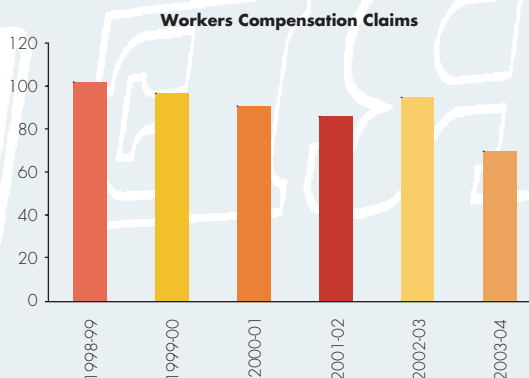
- The review of OH&S training content. The transition to the PSTP has enabled the TFS to re-visit the OH&S information covered in earlier training and revise it to reflect current TFS systems and practices. This will enable our members to learn the safest ways to minimise their safety exposure.
- The progressive implementation of safety committees that will assist in promoting both OH&S systems and safe behaviour across the State.
- The training of Employee Safety Representatives (ESR's). So far almost 30 ESR's from across the state have been elected and trained in order to assist in addressing local safety issues.

Other areas where significant progress has been made to improve safety in the workplace include future appliance designs, fatigue management, database development, safety advisor development and contractor management. All of these initiatives will assist in making the TFS a safer place to work in the years to come.



Workers Compensation

Our Workers Compensation performance has significantly improved over the past financial year. The number of claims lodged has reduced significantly over five of the last six years. One of the primary reasons for this reduction has been the TFS's ongoing commitment to implementing safety systems across the organisation.



AWARDS AND MEDALS

AUSTRALIAN FIRE SERVICE MEDAL

Thomas Anthony (Tony) Davidson

Tony Davidson commenced employment as a Firefighter with the Hobart Brigade in 1976. He was promoted to his current position as the Brigade Chief of Hobart Brigade in 1997.

During his career, Tony has gained wide experience in most facets of TFS operations including contributing to fire appliance design. Following deployment to the USA to assist in firefighting their 2000 wildfires, Tony used his experience to help establish multi-agency co-operative arrangements in Tasmania.

Ian Francis Mitchell

Ian Mitchell joined Queenstown Fire Brigade in March 1960 as a volunteer firefighter. In July 1995 he was elected to his current position as the Brigade Chief of the Queenstown Brigade.

During his 43 years actively serving the Queenstown Fire Brigade he has made a very significant commitment to the security and safety of his community.

Robin Geoffrey Howlett

Robin Howlett joined Campania Fire Brigade in 1968 as a volunteer firefighter. He was promoted to his current position as Group Officer of the Coal River Brigades in 1992.

As Group Officer he has provided exemplary leadership and support for his brigades.



AFSM recipients with TFS Chief Officer. From left: Robin Howlett, Chief Officer John Gledhill, Ian Mitchell and Tony Davidson.

NATIONAL MEDALS

- National Medals - awarded for 15 years service *130 recipients.*
- 1st Clasp - awarded for additional 10 years service. *62 recipients.*
- 2nd Clasp - awarded for a further 10 years service. *27 recipients.*
- 3rd Clasp - awarded for a further 10 years service. *1 recipient.*

BATTERED BRANCH AWARD

- Career Brigade
B Shift, Hobart Fire Brigade
- Volunteer Structural (Pumper)
George Town Fire Brigade
- Volunteer Vegetation (Tanker)
Boat Harbour Fire Brigade

STATE FIRE COMMISSION



TFS ANNUAL CONFERENCE

The Annual TFS Conference, attended by approximately 270 delegates and held over the weekend of 19 and 20 July 2003 in Launceston, was again a great success.

The theme of the Conference was 'Reflections for the Future' and delegates were addressed by in-house and external speakers on a wide range of issues

including fatigue management, mapping technology and the vehicle fabrication program. Craig Lapsley from the Country Fire Authority of Victoria was the guest speaker and provided insight into the results and lessons learnt from the 2002-03 Victorian bushfires.

COMPETITIONS

The Tasmanian Fire Brigades Competitions Association (TFBCA) held five competitions around the State with the Open title being hosted by the Franklin Fire Brigade and the State titles being hosted by Ulverstone Fire Brigade.

The State Championships were won by Franklin in the seniors, Devonport the under 17's and Hobart the under 14's.

The Tasmanian Volunteer Fire Brigades Association (TVFBA) conducts competitions using contemporary firefighting equipment in a number of events simulating operational activities. This year saw the 34th annual competitions being held at George Town and hosted by Bell Bay Brigade. Bowen Brigade won the senior event with Richmond successful in the junior section.

Both associations 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. A composite team from our two competition associations travelled to Coffs Harbour in New South Wales to compete in the inaugural National Championships. The team performed admirably in winning a gold medal in the Wet Hose Marshall Event and Daniel Beamish of Devonport was crowned National Ladder Race Champion. Tasmania fared very well, finishing sixth overall. The team was accompanied by officials from the competition review group and much discussion was had pertaining to ways to improve our competitions here.



Competitions at George Town 2003, Graeme Campbell



ANNUAL CHARITY EVENT

The TFS Annual Charity Run was staged from the 11th to 14th May 2004. The beneficiary this year was Appin Hall Children's Foundation run by Ronnie and Maggie Burns located at Erriba in the North West of Tasmania. The event raised in excess of \$25,000. This money will be used to provide a safe haven for children with serious illnesses. The runners and collectors jointly covered in excess of 400km, from Burnie to Hobart, over the 4 day event.



Pumped Up, The Examiner

PLANNED OUTCOMES/ACHIEVEMENTS 2004 - 05

- Finalise revisions to the Volunteer Handbook.
- Establish priorities for volunteer management support.
- Commence implementation of new recruitment strategies to assist volunteer brigades.
- Trial the workplace feedback system for career members.
- Implement the harassment and discrimination policy and resolution process.
- Develop plan for the management of diversity.
- Development of strategic learning and development plan.
- Commence implementation of non-operational vocational education training strategies.
- Implement strategies for the achievement of training and development targets.
- Achievement of priorities identified on 2004-05 OH&S Management Plan.

STATE FIRE COMMISSION



GOAL STATEMENT

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

OBJECTIVES

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

OBJECTIVE 1

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

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

There has been conscious effort to maximise the functionality of the present system and to that end a number of different methods of reporting have been trialled with some success. Improvements in costing has been achieved by attaching a description to transactions where required. This allows for improved and more flexible project costing and has been used in a variety of instances such as major capital programs and interstate and international fire deployments.

OBJECTIVE 2

Provide staff with financial management training.

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

There has been a concerted effort to cross-train staff in order to improve work satisfaction and to increase flexibility by improving backup for staff during periods of leave. Examples include cross-training in the payroll, annual reporting and purchasing functions.

In addition to this, a number of staff attended professional development courses and seminars on a variety of financial topics, including employment law and payroll, taxation and accounting standards.

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



OBJECTIVE 3

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

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

The desktop upgrade was successfully completed this year. A new deployment application was implemented for the rollout which enabled users to keep much of their customisation through a fresh install of the operating system. It also has the ongoing benefit of being able to update and deploy software centrally and better software licensing monitoring.

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

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

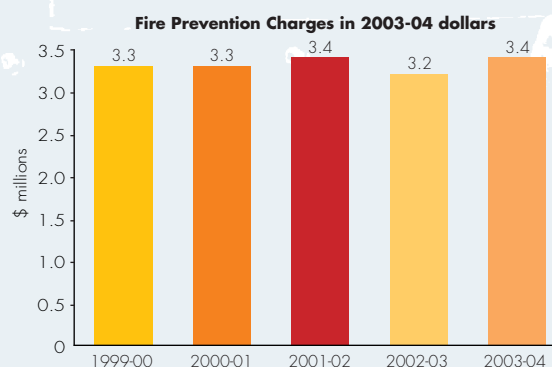
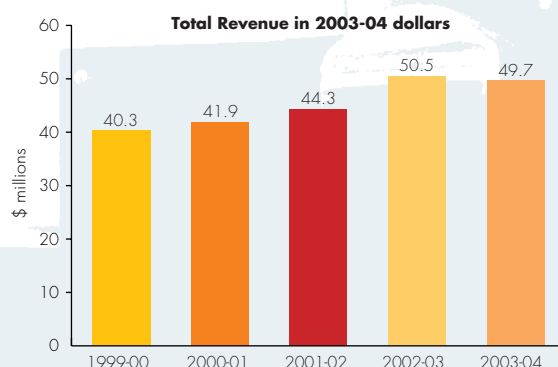
Following identification and documentation of the databases and associated business rules the implementation will proceed progressively across systems as data is cleaned and synchronised.

FINANCIAL OVERVIEW

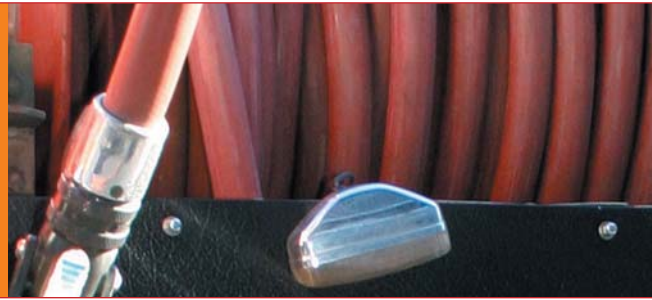
The Net Surplus for the SFC for 2003-04 was \$5.3 million, compared to \$5.9 million for 2002-03, a decrease of \$0.6 million.

Revenue from Ordinary Activities for the twelve months to June 2004 was \$49.7 million compared to \$49.3 million for the same period last financial year. The major positive variations related to the Fire Service

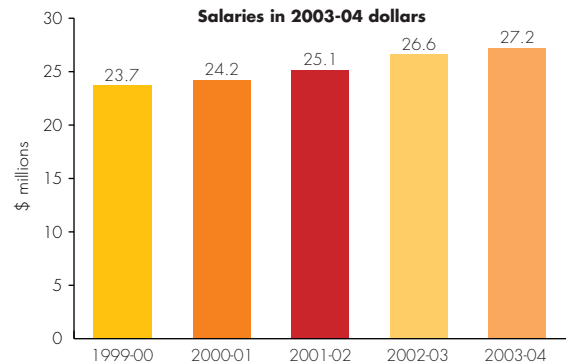
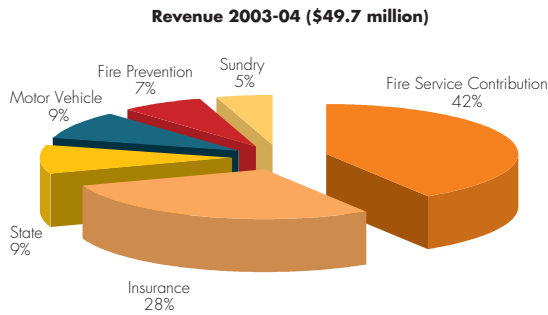
Contribution, the Motor Vehicle Fire Levy and Sundry Revenue all of which increased by approximately \$0.5 million. The State Government Contribution declined by \$1.0 million as a result of a relatively quiet fire season and a decline of \$0.6 million was also experienced with the Insurance Fire Levy.



STATE FIRE COMMISSION

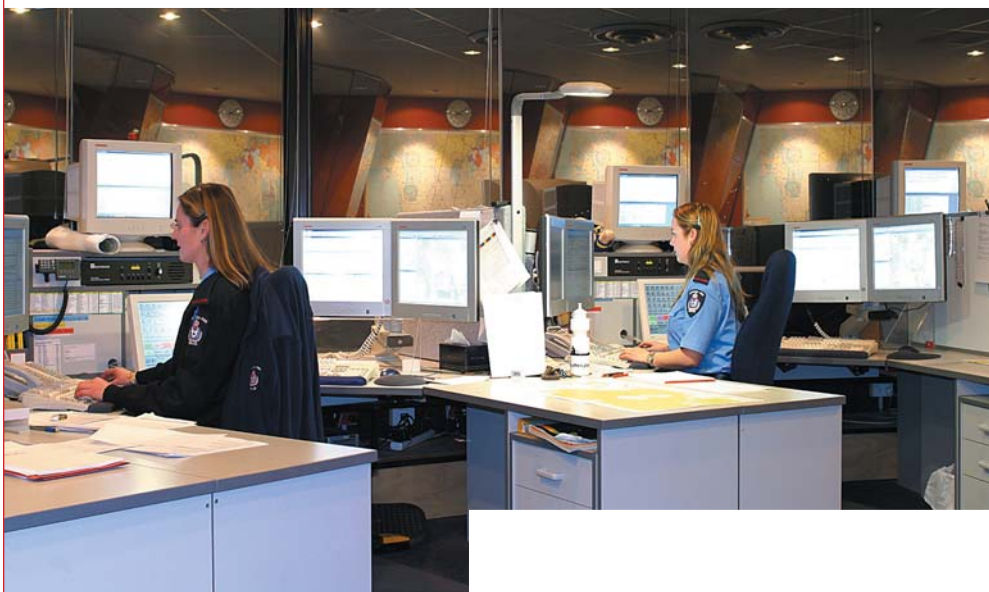
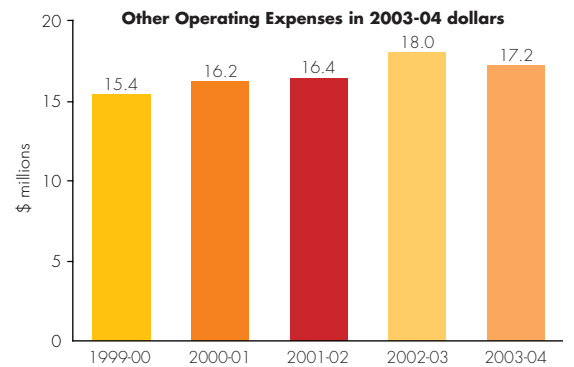


MANAGING OUR RESOURCES



Expenses from Ordinary Activities for the twelve months to June 2004 were \$44.4 million compared to \$43.5 million for the same period last financial year. The major variation related to Salaries which increased by \$1.2 million. Expenditure on Operations was some \$0.3 million below that of the previous year again due to a relatively quiet fire season. Expenditure on Protective Clothing and Uniforms whilst not as high as the previous year achieved budget.

Net Assets for 2003-04 totalled \$58.9 million as compared to \$53.7 million for 2002-03, an increase of \$5.2 million.





An overview of the major revenue sources is as follows.

STATE GOVERNMENT CONTRIBUTION

The Treasurer must pay to the SFC, 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 2003-04 was \$4.7 million and represented 9 per cent of the total revenue of the Service for 2003-04.

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 2003-04, the State Government reimbursed the Commission \$1.1 million and this amount is included as part of the total State Government Contribution of \$4.7 million.

COMMONWEALTH GOVERNMENT CONTRIBUTION

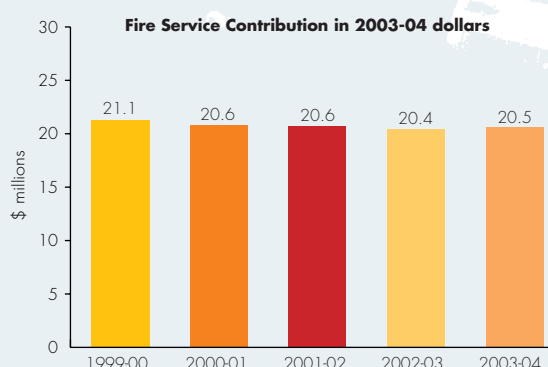
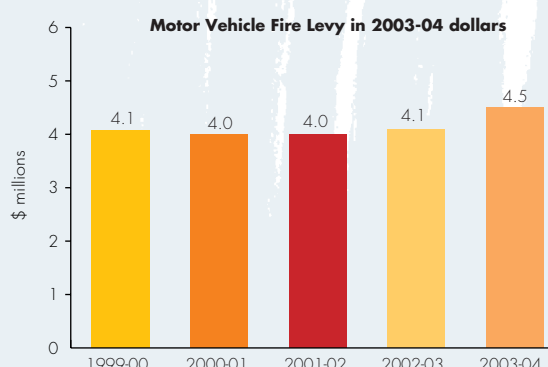
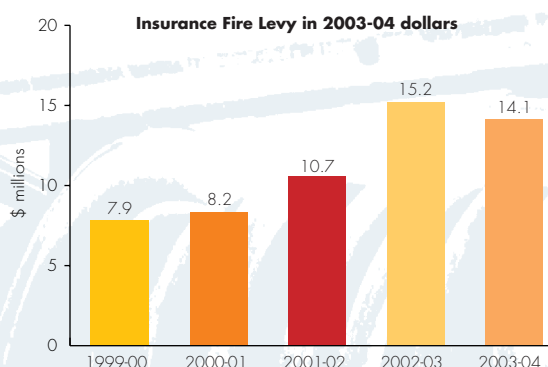
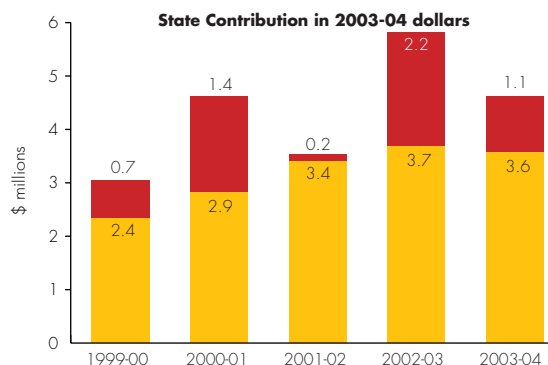
The Commonwealth Government provided a small contribution of \$278,000 which was approximately one per cent of the total revenue for 2003-04. The major purpose of this contribution is to meet the costs associated with providing fire prevention and protection to Commonwealth Government buildings and property in Tasmania. As part of the National Aerial Firefighting strategy Tasmania also received \$104,000 from the Commonwealth (DOTARS) through the National Aerial Firefighting Centre towards the standing charges of a medium capacity helicopter assigned to Tasmania during January and February 2004.

INSURANCE FIRE LEVY

Insurance companies are responsible for the collection of the insurance fire levy. Collections for 2003-04 were \$14.1 million which equated to 28 per cent of total revenue. These funds were applied directly to both operating costs and the appliance replacement program. The contribution rate is an amount equal to two per cent of gross premium income on marine cargo insurance, 14 per cent on aviation hull insurance and 28 per cent of gross premium income on all other prescribed classes of insurance.

MOTOR VEHICLE FIRE LEVY

The motor vehicle levy contribution of \$4.5 million collected by the Department of Infrastructure, Energy and Resources represents nine per cent of total revenue. The general levy for motor vehicles is \$13 and for pensioners \$8 per vehicle and these rates were effective from 1 July 2001. Motor cycles are excluded.



STATE FIRE COMMISSION



FIRE SERVICE CONTRIBUTION

The Fire Service Contribution is collected by local councils on a fee for service basis on behalf of the SFC. Fire service contributions on properties for 2003-04 amounted to \$20.5 million and represented 42 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 SFC and this amounted to \$774,000 in 2003-04.

FIRE PREVENTION CHARGES

The SFC 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 2003-04 was \$3.4 million or seven per cent of total revenue.

SUNDRY REVENUE

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 2003-04 was \$2.1 million or four per cent of total revenue.

PHYSICAL RESOURCE MANAGEMENT

BUILDING PROGRAM

During 2003-04 the building of the new Regional Management Headquarters at the Youngtown complex was commenced. This included the upgrading of present administrative and warehousing facilities for Engineering Services and TasFire Equipment. Work on this complex is anticipated to be completed early next financial year. In addition fire stations at Bushy Park, Snug and Pipers River along with the Glenorchy museum were completed. Various upgrades of stations occurred throughout the State.

ENGINEERING SERVICES

Appliance production

The financial year 2003-04, saw the establishment of two major user groups; one concentrating on the design and fabrication of a tanker/pumper prototype and the other on a light tanker prototype. Following the finalisation of the tanker/pumper design, a prototype was fabricated, presented back to the group for appraisal. Subsequently, 12 tanker/pumper

appliances were fabricated. The year also saw the acceptance of a second aerial refurbished appliance and purchase of two heavy pumper appliances.

Appliance replacement strategy

The SFC endorsed a five year appliance fabrication program, the first year of which will commence in 2004-05 with the fabrication and commissioning of 55 light tanker appliances. The five year program will see the fabrication and commissioning of 145 appliances, leading to the decommissioning of all petrol single cab appliances from service. Appliance designs have been finalised for all appliance categories, negating the requirement to fabricate a prototype prior to beginning the mass production of appliances. The establishment of a standard design for each appliance category has also allowed the designs of appliances and individual components to be drawn and stored electronically for future reference, as well as maintaining quality control during the fabrication process.



COMMUNICATIONS SERVICES

During 2003-04 Communications Services completed the following projects:

Radio Site Infrastructure Upgrade:

The installation of new digital radio link between Launceston and our radio site on Mt Arthur enabled the expansion of available channels with an improvement in voice quality for the Northern region radio network. The upgrade also included new power supply with an increase in solar and wind generation capacity.

A new paging transmitter was installed near Tarraleah to improve coverage and enhance response for both the TFS and TAS. Gunns Plains also benefited with the installation of a new paging transmitter for the local area to improve coverage and enhance brigade response.

Other items of note during the year:

Fire Alarm System upgrades were completed at Huonville, Cygnet, Dover and Geeveston.

Approximately 1500 items were repaired in the Hobart workshop with the majority being pagers.



Proven Point, The Examiner

INFORMATION SERVICES

Significant development of TFS information technology infrastructure occurred in 2003-04. Of the 35 servers operating from seven locations around the State 15 are UNIX servers and 20 are Windows servers. Seven of the twenty Windows 2000 servers were upgraded or deployed with Windows 2003 and three of the five exchange servers were upgraded from Exchange 2000 to Exchange 2003. Network speeds were increased and local area networks were set up in eleven sites.

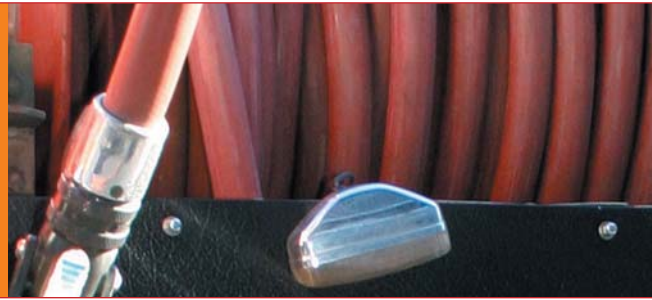
Six servers, two Windows 2003 and four UNIX servers, and other communications hardware were deployed to support the new TFS website which went live in December. A key feature of the new website is the geographical information system that allows browsers to zoom in and out of high resolution maps to pinpoint bushfires.

The Fire Incident Management Reporting (FIRM) system, a computer aided dispatch system used to turnout fire appliances to incidents, underwent significant enhancements in 2003-04. These included a new context intelligent interface, map display interface (GIS) and a 000 caller line identification, all of which assisted in greatly enhancing the accuracy and speed of FIRM.

A new integrated operational training module was successfully implemented with data being converted from existing career and volunteer recording systems.

Numerous other systems, applications and databases were developed or had enhancements in 2003-04 including; incident management computer kits with radio networking, a resource management system, a juvenile fire lighting intervention program, records management and electronic document storage, electronic funds transfer and remittance faxing, automatic email profile creation, login message from statewide calendar, field mapping and a geographic information system.

STATE FIRE COMMISSION



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** - Stephen Geard
- **Chief Officer of the Tasmania Fire Service** - John Gledhill
- **Chief Executive Officer of the Forestry Corporation** - Evan Rolley
- **General Manager of National Parks and Wildlife** - Peter Mooney
- **Nominee of the Chief Officer, Tasmania Fire Service** - Peter Alexander
- **Nominee of the Chief Executive Officer of the Forestry Corporation** - Alen Slijepcevic
- **Nominee of the Director of National Parks and Wildlife** - Tony Blanks
- **Nominee of the Tasmanian Farmers and Graziers Association** - Lyndley Chopping
- **Nominee of the Forest Industries Association of Tasmania** - Greg Hickey
- **Nominee of the Local Government Association of Tasmania** - Rod Sweetnam

2003-2004 CHAIRMAN'S ANNUAL REPORT

As Chairman of the State Fire Management Council I am pleased to report on the activities of the Council which met four times in the year ended 30 June 2004.

The Council has continued to have input into the draft Environmental Protection Policy (Air Quality).

A significant review of the Fire Permit system has commenced, and a survey of approximately 700 permit officers and other personnel has been undertaken. The results of the survey will form the basis for future changes to the fire permit system.

A working group has been set up to consider the issue of Strategic Fuel Reduction in Tasmania. It is hoped that the development of appropriate strategies will assist the Fire Management Area Committees.

Other matters considered by the Council include the issue of indemnity for Forestry Tasmania and Parks & Wildlife personnel assigned to Interagency Incident Management Teams.

A handwritten signature in black ink, appearing to read 'S.D. Geard'. The signature is fluid and cursive, written on a light-colored background.

S D Geard
Chairman
17 August 2004



FINANCIAL REPORT 2003-04

STATE FIRE COMMISSION FINANCIAL STATEMENTS 2003/04

The accompanying financial statements, including notes to accounts, are provided to disclose activities funded both within and outside the Public Account. These statements have been prepared on an accrual basis in accordance with the *Fire Service Act 1979*.

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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;

- 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 2003 to 30 June 2004 and the statement of affairs at 30 June 2004 of the State Fire Commission;
- the accounts have been prepared in accordance with the provisions of the *Fire Service Act 1979*, and
- 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. F.I.Fire E. AFSM
CHIEF OFFICER

L.P. Dewhurst
COMMISSION MEMBER

12 August 2004

STATE FIRE COMMISSION

FINANCIAL REPORT 2003-04

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$'000	2003 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Fire Service Contribution	1(r)	20,449	19,968
Insurance Fire Levy	1(q)	14,144	14,772
State Government Contribution	9	4,741	5,734
Motor Vehicle Fire Levy	1(s)	4,545	4,005
Fire Prevention Charges	10	3,420	3,063
Sundry Revenue	11	2,108	1,624
Commonwealth Government Contribution	9	278	177
Total Revenues from Ordinary Activities		49,685	49,343
EXPENSES FROM ORDINARY ACTIVITIES			
Salaries, Wages and Related Expenses	1(j), 12	27,172	25,936
Public Relations, Subscriptions and Consultants	13	919	849
Training and Education		539	513
Operations Expenses	14	5,380	5,684
Protective Clothing and Uniforms	15	755	1,005
Depreciation	6	3,696	3,367
Financial and Other Expenses	16	1,910	2,223
Insurance		1,441	1,469
Borrowing Costs	17	291	349
Repairs and Maintenance	18	1,578	1,540
Equipment under \$1,000	19	740	548
Total Expenses from Ordinary Activities		44,422	43,483
Net Surplus	20	5,264	5,860
NON-OWNER CHANGES IN EQUITY			
Increase/(decrease) in asset revaluation reserve due to revaluation of non-current assets	21	-	74
Adjustment to Retained Operating Surplus as a result of the adoption of Accounting Standard AASB1028 <i>Employee Benefits</i>		-	(561)
Total change in Equity from Non-Owner related Transactions		-	(487)
Total change in Equity	22	5,264	5,373

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



STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2004

	Note	2004 \$'000	2003 \$'000
CURRENT ASSETS			
Cash Assets	1(p),2,8	4,485	3,465
Receivables	1(d),3,8	1,219	1,252
Other Assets	4	1,726	1,671
Inventories	1(c)	969	719
Total Current Assets		8,399	7,107
NON-CURRENT ASSETS			
Work in Progress	1(e), 5	5,594	3,224
Property, Plant and Equipment	1(f), 1(g), 1(o),6	60,173	59,381
Total Non-Current Assets		65,766	62,605
TOTAL ASSETS		74,166	69,712
CURRENT LIABILITIES			
Payables	1(n),7,8	3,394	4,817
Provision for Long Service Leave	1(h)	437	525
Provision for Annual Leave	1(i)	2,209	2,040
Interest Bearing Liabilities	1(m)	1,500	1,368
Total Current Liabilities		7,539	8,750
NON-CURRENT LIABILITIES			
Provision for Long Service Leave	1(h)	4,498	3,966
Interest Bearing Liabilities	1(m)	3,198	3,330
Total Non-Current Liabilities		7,696	7,296
TOTAL LIABILITIES		15,236	16,046
NET ASSETS		58,930	53,666
EQUITY			
Retained Operating Surpluses	20	58,856	53,592
Reserves	21	74	74
TOTAL EQUITY	22	58,930	53,666

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

STATE FIRE COMMISSION

FINANCIAL REPORT 2003-04

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$'000	2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Ordinary Activities		48,468	48,199
Cash Payments from Ordinary Activities		(39,987)	(37,525)
Interest Paid		(291)	(349)
Interest Received		92	110
Net Cash provided by Operating Activities	25(b)	<u>8,282</u>	<u>10,435</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Equipment		777	981
Payments for Property, Plant and Equipment		(8,039)	(10,147)
Net Cash used in Investing Activities		<u>(7,262)</u>	<u>(9,166)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loan		(1,368)	(1,011)
Proceeds from loan		1,368	-
Net Cash used in Financing Activities		<u>-</u>	<u>(1,011)</u>
Net Increase/(Decrease) in Cash Held		1,020	258
Cash at the Beginning of the Financial Period		3,465	3,207
Cash at the End of the Financial Period	25(a)	<u>4,485</u>	<u>3,465</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 2004

1. 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 (0.8% 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 Provision for Depreciation accounts are transferred to the related asset accounts. The assets are then depreciated over their estimated remaining useful lives using their revalued amount as the base.

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

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

During the year ended 30 June 2004, Buildings were revalued upwards by \$5,326 and this revaluation increment was credited to Sundry Income.

(g) Fire Appliances, Passenger Vehicles and Plant and Equipment

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

Passenger vehicles are valued at cost.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

(h) Provision for Long Service Leave continued

In determining the liability for expected future entitlements, consideration has been given to known 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 (\$437,351 in 2004 and \$525,324 in 2003) is defined as the expected expense for the forthcoming financial year, based on recent experience of leave taken, and the balance of the provision is treated as the Non-Current Provision (\$4,497,653 in 2004 and \$3,965,558 in 2003).

(i) Provision for Annual Leave

The provision represents employee entitlements due and accrued as at 30 June 2004. The provision has been calculated using the remuneration rates the Commission expects to pay when the obligations are settled and includes related on-costs.

(j) Superannuation

The State Fire Commission incurred a superannuation expense of \$2,793,930 in 2004 and \$2,534,330 in 2003.

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

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 expense comprised:

	2004 \$'000	2003 \$'000
State Fire Commission Superannuation Scheme	2,145	2,035
Retirement Benefits Fund	649	485
Other	-	14
Total	2,794	2,534

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

The Commission does not provide for sick leave. All of the Commission's sick leave is non vesting, and it is thus inappropriate to make provision for future sick leave.

The total average number of hours taken per person in 2004 was 59.7 as compared to 56.4 in 2003.

(m) Interest Bearing Liabilities

Loans and bank overdrafts are carried on the statement of financial position at their principal amount. Where appropriate 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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

The carrying amount of accounts payable approximates 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 in Tasmania. Contributions are received monthly with an approved lodgement return. The current insurance fire levy is 2% on marine cargo insurance, 14% on aviation hull insurance, and 28% on other classes of insurance. The first two rates were established in November 1986 and the last was increased from 14% 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. The minimum contribution was \$28 for the year ended 30 June 2004 and this was increased from \$27 in 2003.

(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 \$13 per vehicle and this was last increased from \$12 in July 2003.

(t) Impact of Adopting AASB Equivalents to IASB Standards

The State Fire Commission is transitioning its accounting policies and financial reporting from current Australian Accounting Standards to Australian equivalents of International Financial Reporting Standards (IFRS). The Commission has allocated resources and to assess the impact of the transition to IFRS. As the Commission has a 30 June year-end, priority has been given to considering the preparation of an opening balance sheet in accordance with AASB equivalents to IFRS as at 1 July 2004. This will form the basis of accounting for Australian equivalents of IFRS in the future, and is required when the Commission prepares its first fully IFRS compliant financial statements for the year ended 30 June 2006. Set out below are the key areas where accounting policies will change and may have an impact on the Commissions accounts. At this stage the Commission has not been able to reliably quantify the impacts on the financial report.

Employee Benefits

Under AASB 119 Employee Benefits, employer sponsors are required to recognise the net surplus or deficit in their employer sponsored defined benefit funds as an asset or liability, respectively. This will result in a change in the group's current accounting policy which does not currently recognise the net assets/liabilities of the defined benefit fund. Under the new policy the Commission will be required to recognise an asset of the defined benefit fund for the net surplus based on an actuarial calculation of the position of the fund. The initial adjustment on transition will be through retained earnings and subsequent adjustments will be to net surplus or deficiency for the period. Reliable estimation of the future financial effects of this change in accounting policy is impracticable because the actuarial calculations have not yet been completed as at 30 June 2004.

STATE FIRE COMMISSION

FINANCIAL REPORT 2003-04

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

	2004 \$'000	2003 \$'000
2. CASH ASSETS		
Cash on hand	9	8
Cash at Bank	4,477	3,457
Total	4,485	3,465
3. RECEIVABLES		
Trade Debtors	1,229	1,262
Less Provision for Doubtful Debts	(10)	(10)
Total	1,219	1,252
4. OTHER ASSETS		
Accrued Revenue	1,126	980
Prepayments	600	691
Total	1,726	1,671
5. WORK IN PROGRESS		
Capital Works in progress in 2004 represents capital expenditure to date of \$4,799,306 plus Capital Works commitments of \$794,731 and in 2003 they were \$1,985,776 and \$1,238,748 respectively.		
At balance date the Commission had obligations for outstanding purchase orders and existing contracts for capital purchases and works of \$1,536,000 that have not been included in the accounts.		
6. PROPERTY, PLANT AND EQUIPMENT		
Land		
At Fair Value (Note 1 (f))	5,381	5,225
Buildings		
At Fair Value (Note 1 (f))	30,714	29,820
Accumulated Depreciation	(2,691)	(2,133)
Adjusted Value	28,023	27,687
Motor Vehicles		
At Cost	4,835	4,518
Accumulated Depreciation	(3,178)	(2,689)
Adjusted Value	1,657	1,829
Fire Appliances		
At Cost (Note 1 (g))	34,698	33,215
Accumulated Depreciation	(14,986)	(14,200)
Adjusted Value	19,712	19,015
Plant and Equipment		
At Cost	17,621	16,648
Accumulated Depreciation	(12,221)	(11,023)
Adjusted Value	5,400	5,625
Total Property, Plant and Equipment		
Total Gross Value	93,249	89,426
Accumulated Depreciation	(33,076)	(30,045)
Adjusted Value	60,173	59,381



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

6. PROPERTY, PLANT AND EQUIPMENT CONTINUED

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2004

	Carrying Amount 30 June 03	Additions	Revaluations	Disposals	Depreciation	Carrying Amount 30 June 04
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land at Fair Value	5,225	156				5,381
Buildings at Fair Value (Note 21)	27,687	898	5		(567)	28,023
Motor Vehicles at cost	1,829	1,273		(701)	(744)	1,657
Fire Appliances at Deemed Cost	19,015	1,769		(36)	(1,036)	19,712
Plant and Equipment at Deemed Cost	5,625	1,125		(1)	(1,349)	5,400
TOTALS	59,381	5,221	5	(738)	(3,696)	60,173

	2004	2003
	\$'000	\$'000

7. PAYABLES

	2004	2003
	\$'000	\$'000
Accrued Expenses	655	1,540
Trade Creditors	1,806	1,931
Capital Works Commitments	795	1,239
GST Payable	138	107
TOTAL	3,394	4,817

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 2003-04 are detailed below:

	Non Interest Bearing \$'000	Floating Interest Rate \$'000	Fixed Interest 1 year or less \$'000	Maturing Over 1 year to 5 years \$'000	Total \$'000
Financial Assets					
Cash	8	4,477	-	-	4,485
Receivables	1,219	-	-	-	1,219
Investments	-	-	-	-	-
	<u>1,227</u>	<u>4,477</u>	<u>-</u>	<u>-</u>	<u>5,704</u>
Weighted Average Interest Rate		5.41%			
Financial Liabilities					
Bank overdrafts and loans	-	-	1,500	3,198	4,698
Payables	3,394	-	-	-	3,394
	<u>3,394</u>	<u>-</u>	<u>1,500</u>	<u>3,198</u>	<u>8,092</u>
Weighted Average Interest Rate			6.35%	6.03%	

STATE FIRE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

8. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES CONTINUED

COMPARATIVE FIGURES FOR 2002/03 ARE DETAILED BELOW:

	Non Interest Bearing \$'000	Floating Interest Rate \$'000	Fixed Interest 1 year or less \$'000	Maturing Over 1 year to 5 years \$'000	Total \$'000
Financial Assets					
Cash	8	3,457	-	-	3,465
Receivables	1,252	-	-	-	1,252
Investments	-	-	-	-	-
	<u>1,260</u>	<u>3,457</u>	<u>-</u>	<u>-</u>	<u>4,717</u>
Weighted Average Interest Rate		4.65%			
Financial Liabilities					
Bank overdrafts and loans	-	-	1,368	3,330	4,698
Payables	4,817	-	-	-	4,817
	<u>4,817</u>	<u>-</u>	<u>1,368</u>	<u>3,330</u>	<u>9,515</u>
Weighted Average Interest Rate			5.65%	6.24%	

Bank Overdraft Facility

The State Fire Commission has access to an overdraft facility of \$2.5M. This bank overdraft is unsecured and subject to an annual review. As at 30 June 2004, this facility was not utilised.

Loans

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

All loans are recorded in Australian dollars and are unsecured. The loan amount in current liabilities comprises the portions of the loans payable within one year. The non-current loan balance represents the portion of the loans due later than one year.

Credit Risk Exposures

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

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

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

9. CONTRIBUTIONS FROM STATE AND COMMONWEALTH GOVERNMENTS

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

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

Funds provided to the Commission are detailed below:-

	2004 \$'000	2003 \$'000
State Government Contributions		
General Contribution	3,610	3,644
Wildfire Fighting Reimbursements	<u>1,131</u>	<u>2,090</u>
	4,741	5,734
Commonwealth Government Contributions		
General Contribution	147	177
Other (1)	<u>131</u>	<u>-</u>
	278	177



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

9. (1) As part of the National Aerial Firefighting strategy the Commission received \$104,000 from the Commonwealth Government toward the standing charges of a helicopter assigned to Tasmania during the summer months. The Commonwealth also provided \$27,273 to assist in maintaining chemical, biological and radiation equipment on loan to the State.

10. FIRE PREVENTION CHARGES

Revenue is raised by the Commission's Service Divisions 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:-

	2004 \$'000	2003 \$'000
Sale of Fire Safety Services and Equipment	1,493	1,276
Less Cost of Goods Sold	<u>(723)</u>	<u>(671)</u>
	770	605
Alarm Rental	603	603
Avoidable False Alarms	89	95
Commercial Training	1,091	950
Commercial - Evacuation Planning	-	30
Inspection Fees - TasFire Equipment	740	674
Inspection Fees - Building Safety	127	106
Total	<u>3,420</u>	<u>3,063</u>

11. SUNDRY INCOME

Reimbursement from NSW Rural Fire Service (1)	-	123
Reimbursement by Tasmanian Ambulance Service (2)	163	196
Interest Received	92	110
Insurance Recoveries	106	310
Rent	71	88
Wildfire fighting reimbursements (3)	867	307
Worker's Compensation Refunds	122	97
Sale of Fixed Assets	115	251
Other	<u>572</u>	<u>142</u>
Total	<u>2,108</u>	<u>1,624</u>

- (1) Reimbursement of costs incurred sending Tasmania Fire Service firefighters to assist in fighting wildfires in NSW.
 (2) Contribution for shared facilities and reimbursement for costs incurred in upgrading and maintaining the Tasmanian Ambulance Service radio network and communication centre. (Note 19)
 (3) Reimbursement from Forestry Tasmania and the Parks and Wildlife Service for helicopter expenses and international wildfire fighting.

12. SALARIES, WAGES AND RELATED EXPENSES

Salaries, Wages and Allowances	19,457	18,838
Payroll Tax	1,526	1,474
Annual Leave	2,560	2,319
Long Service Leave	835	771
Superannuation	<u>2,794</u>	<u>2,534</u>
Total	<u>27,172</u>	<u>25,936</u>

STATE FIRE COMMISSION

FINANCIAL REPORT 2003-04

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

	2004 \$'000	2003 \$'000
13. PUBLIC RELATIONS, SUBSCRIPTIONS AND CONSULTANTS		
Advertising	451	375
Grants and Donations	31	55
Functions	123	213
Professional Fees	76	101
Subscriptions	180	80
Other	58	25
Total	919	849
14. OPERATIONS EXPENSES		
Printing and Stationery	169	158
Consumables	272	288
Electricity	354	311
Hire of Equipment	196	27
Office Cleaning	132	121
Municipal Rates	122	114
Rental of Premises	12	16
Wildfire Fighting Equipment Hire	139	783
Motor Vehicle Expenses	783	883
Removal Expenses	4	17
Travel Expenses	1,200	983
Communication Expenses	1,071	1,045
Computer Expenses	790	545
Fire Suppression & Control	39	15
Other	97	378
Total	5,380	5,684
15. PROTECTIVE CLOTHING AND UNIFORMS		
Protective Clothing	422	643
Uniforms	333	362
Total	755	1,005
16. FINANCIAL AND OTHER EXPENSES		
Audit Fees	23	22
Fringe Benefits Tax	118	147
Land and Buildings Decrement	-	323
Local Government Collection Fees	774	838
Pensioner Rebates (Municipal)	615	628
Pensioner Rebates (Transport)	274	183
Stock Expenses and Write Offs	27	24
Other	79	58
Total	1,910	2,223



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

	2004 \$'000	2003 \$'000
17. BORROWING COSTS		
Interest on Bank Overdraft	7	3
Interest on Capital Debt	284	346
Total	<u>291</u>	<u>349</u>
18. REPAIRS AND MAINTENANCE		
Land and Buildings	447	436
Motor Vehicles	841	786
Fire Fighting Equipment	102	121
Communication Expenses	122	129
Office Furniture	22	20
Workshop Equipment	28	32
Computer Equipment	16	16
Total	<u>1,578</u>	<u>1,540</u>
19. EQUIPMENT PURCHASES UNDER \$1,000		
Computer Equipment	27	27
Fire Fighting Equipment	253	197
Office Furniture and Related Equipment	86	116
Communication Expenses	132	59
Tasmanian Ambulance Service Communications Equipment (Note 11)	129	82
Workshop Equipment	88	37
Other	25	30
Total	<u>740</u>	<u>548</u>
20. RETAINED OPERATING SURPLUSES		
Accumulated Surplus at the beginning of the year	53,592	48,293
Adjustments for adoption of AASB 1028 -Employee Benefits	-	(561)
Net Surplus for year	5,264	5,860
Transfers between Reserves and Retained Operating Surplus	-	-
Total	<u>58,856</u>	<u>53,592</u>
21. RESERVES		
Asset Revaluation Reserve		
Accumulated Balance at beginning of year	74	-
(Less) Add Net Revaluation of Assets - Land and Buildings Note 1(f), Note 6	-	74
Balance available before Transfers	<u>74</u>	<u>74</u>
Less Transfer to Retained Operating Surplus	-	-
Accumulated Balance at the end of the year	<u>74</u>	<u>74</u>

STATE FIRE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004 (cont.)

	2004 \$'000	2003 \$'000
22. RECONCILIATION OF TOTAL EQUITY		
Total Equity at the beginning of the year	53,666	48,293
Total changes in equity recognised in the Statement of Financial Performance	<u>5,264</u>	<u>5,373</u>
Total Equity at the end of the year	58,930	53,666
23. REMUNERATION OF COMMISSIONERS		
There are seven Commissioners and three of these are State Servants. Commissioners not employed under the Tasmanian State Service Act 2001 are remunerated on an annual basis and superannuation is also paid to these Commissioners in accordance with the superannuation guarantee legislation. All Commissioners are reimbursed for reasonable out-of-pocket expenses.		
Commissioners were paid the following remuneration:		
Annual Remuneration	24,251	24,392
Superannuation	<u>1,402</u>	<u>1,647</u>
Total Remuneration	25,653	26,039
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 \$23,040 in 2004 and \$22,000 in 2003.		
25. NOTES TO THE STATEMENT OF CASH FLOWS		
(a) Reconciliation of Cash		
For the purpose of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows.		
Current and 11am Call Account	4,477	3,457
Overdraft	-	-
On hand	<u>8</u>	<u>8</u>
Total Cash	4,485	3,465
(b) Reconciliation of Accumulated Surpluses to net cash provided by Operating Activities		
Net Surplus	5,264	5,860
Add (less) non-cash items:		
Depreciation	3,696	3,367
(Profit)/Loss on disposal of assets	<u>(40)</u>	<u>(131)</u>
Net cash used in operating activities before change in Assets and Liabilities	3,656	3,236
Changes in assets and liabilities during the financial period		
(Increase)/Decrease in receivables	33	(10)
(Increase)/Decrease in accrued revenue	(146)	7
(Increase)/Decrease in inventory	(250)	(101)
(Increase)/Decrease in prepayments	91	(216)
Increase/(Decrease) in payables/accruals	(979)	1,146
Increase/(Decrease) in provisions	<u>613</u>	<u>512</u>
Net Cash from Operating activities	8,282	10,435



INDEPENDENT AUDIT REPORT

To the Members of the Parliament of Tasmania

STATE FIRE COMMISSION

Financial Report for the Year Ended 30 June 2004

Scope

The financial report and the Commissioners' responsibilities

The financial report comprises the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows, accompanying notes to the financial statements, and the Statement from Commissioners for the year ended 30 June 2004.

The Commissioners are responsible for the preparation and true and fair presentation of the financial report in accordance with Section 107D of the *Fire Service Act 1979*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion to the members of Parliament of Tasmania. My audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Fire Service Act 1979*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the State Fire Commission's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Commissioners.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

The Audit Opinion expressed in this report has been formed on the above basis.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In my opinion the financial report presents fairly, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the State Fire Commission as at 30 June 2004, and the results of its operations and its cash flows for the year then ended.

TASMANIAN AUDIT OFFICE

D W R Baulch
Deputy Auditor-General
DELEGATE OF THE AUDITOR-GENERAL

9 September 2004
Hobart

Accountability on Your Behalf



HEAD OFFICE OF THE STATE FIRE COMMISSION

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