

From: [John GIBBON](#)
To: s. 22(1)(a)(ii)
Subject: FW: EMA - Options for providing financial support to volunteer firefighters [DLM=For-Official-Use-Only]
Date: Friday, 10 January 2020 2:22:00 PM
Attachments: [EMA - Options for providing financial support to volunteer firefighters.docx](#)

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From: John GIBBON
Sent: Saturday, 21 December 2019 2:58 PM
To: s. 22(1)(a)(ii) @homeaffairs.gov.au>
Cc: Rob CAMERON s. 22(1)(a)(ii) @homeaffairs.gov.au>; s. 22(1)(a)(ii) @homeaffairs.gov.au>
Subject: FW: EMA - Options for providing financial support to volunteer firefighters [DLM=For-Official-Use-Only]

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s. 22(1)(a)(ii) as discussed, – give me a call if you need more info

Cheers

John gibbon
s. 22(1)(a)(ii)

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From: John GIBBON
Sent: Saturday, 21 December 2019 2:14 PM
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Subject: EMA - Options for providing financial support to volunteer firefighters [DLM=For-Official-Use-Only]

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Hi Ben

Please see the attached paper on options for providing financial support to volunteer firefighters.

Regards s. 22(1)(a)(ii)

John Gibbon
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EMA – Options for providing financial support to volunteer firefighters

Context

The bushfires in NSW are extraordinary. Significant unprecedented firefighting effort has been ongoing since September and will continue at the current rate into 2020. Given this, many volunteer firefighters will not be able to continue to respond without financial support. Employed volunteers may have exhausted leave entitlements, and self-employed volunteers will have forgone income earning opportunity—and may now have to return to work—rather than continue to support the firefighting effort. In this context, Australian Government financial support for volunteer firefighters may be needed.

It is not yet known—and will not be for some time—how many volunteers have been involved in the response to date, or the duration of their involvement. The NSW Rural Fire Service (NSW RFS) has approximately 72,000 volunteers. As such, accurate costings for providing any additional financial support are not available.

The following policy principles may be appropriate for providing financial support to volunteer firefighters:

- Financial support should be in recognition that the contribution of volunteer fire fighters has been crucial to the firefighting effort, has been sustained over many weeks/months, and may need to continue for a prolonged period.
- Financial support should be in the nature of helping hand for volunteer fire fighters who have suffered a financial hardship as a result of their volunteering efforts, i.e.: not compensation for loss.
- Financial support should be provided with the intention of assisting volunteer firefighters to continue to support the firefighting efforts.
- Financial support should not act a disincentive to the broader volunteering cause.
- Financial support should be tax-free and not income tested.

Important note: The options below refer to support for NSW RFS fire fighters only—they have spent most time of all volunteers fighting fires. Interstate volunteers deployed to NSW have generally spent less time on fire grounds. Nonetheless, decision makers should consider extending any support to the volunteers of all agencies with codified roles in the State emergency arrangements. In the interests of equity, decision makers should consider extending any support to Rural Fire Service QLD volunteers and other QLD volunteers who have faced a similar length season.

Options

The Australian Government could provide financial support to volunteer firefighters through the following mechanisms:

- 1. PREFERRED OPTION: a \$2,000 payment to volunteer firefighters facilitated through a lump-sum payment to the state government under Category D of the Disaster Recovery Funding Arrangements (DRFA)**
 - Category D assistance is a flexible measure which is intended to address circumstances presented by a disaster which are not addressed by standard of relief and recovery measures or other Commonwealth and state programs.
 - This option involves making a one-off lump sum payment to the NSW Government through Category D of the DRFA so that financial support could be provided to volunteer firefighters.
 - Funding could then be provided directly to NSW RFS as the agency is well placed to identify the volunteers who should receive support.

- Funding could also include a component for any additional administration costs incurred by NSW RFS in delivering the assistance—i.e. it could allow for the engagement of additional temporary staff to develop guidelines and administer the payments.
- Funding could either be cost shared on a 50:50 basis with the NSW Governments or 100 percent funded by the Australian Government.
- The Prime Minister is responsible for Category D funding decisions and funding can be paid quickly to the state.
- This option would require the agreement of the NSW Government as they would be responsible for administering the payments.
- DRFA Category D funding is effectively new money and not require Departmental offsets.

2. Ex-gratia payments of \$2,000 to volunteer firefighters

- This option provides for \$2,000 payments to be made to volunteer firefighters.
- Ex-gratia payments are a one-off, non-precedent setting payment, considered a gift from the government to an individual or entity.
- They can be made available under Schedule 1AA of the *Financial Framework (Supplementary Powers) Regulations 1997*.
 - Item 402.027A allows the development of ex-gratia disaster recovery assistance.
- Policy parameters underpinning ex-gratia payments must be developed by the relevant department and approved by the Department of the Prime Minister or the Cabinet.
 - For the bushfires in NSW disasters the relevant department would be Home Affairs (EMA).
- Ex-gratia payments would be delivered by the Department of Human Services.
- The Prime Minister is the approver for ex-gratia assistance. Approval can be given via an exchange of letters between the relevant Minister and the Prime Minister.
- This option carries some implementation risk for the Commonwealth and will take time to implement.
- The Department of Home Affairs cannot provide offsets for ex-gratia payments—new money would be required.

3. An income support payment similar to Disaster Recovery Allowance (DRA)

- DRA provides a short-term income support payment to assist those who have lost income as a direct result of the bushfires.
- Volunteer firefighters are not considered eligible for DRA because their place of employment has not been directly damaged.
- This option involves creating a payment similar to DRA, making volunteer firefighters eligible to apply, because of a loss of income following their involvement in firefighting operations.
- People eligible for DRA can access income assistance for up to 13 weeks, equivalent to the maximum rate of Newstart Allowance or Youth Allowance.
- DRA eligibility criteria requires that a person must have an income under the relevant income cut off for Newstart. Volunteer fire fighters may have difficult qualifying under this criteria and therefore the reach of this option would be limited.
- This option carries significant implementation risk for the Commonwealth and will take time to implement.