

31 July 2010

Fire Services Levy in Victoria Must Go

The Insurance Council of Australia welcomed the release today of the final report from the Bushfires Royal Commission which has recommended that the current Fire Services Levy (FSL) system in Victoria be replaced with a property-based levy.

“Recommendation 64 of the final report recognises the position that the general insurance industry has put forward for many years – namely that the FSL is an unfair and economically inefficient tax that lacks transparency,” said Mr Rob Whelan, CEO of the Insurance Council.

The ICA fully supports the immediate removal of the FSL in Victoria because it **is inefficient, inequitable** and places an **unfair burden** on those who do the right thing and purchase insurance.

“Replacing the FSL with a **property-based levy** will remove the inequities of the current system.”

The ICA calls on the Victorian Government to implement Recommendation 64 without delay.

“The time for review after review of the current FSL system in Victoria is over. This issue requires real action, as recommended by the Victorian Bushfires Royal Commission, and a commitment from the Victorian Government to act in the best interests of the entire community,” said Mr Whelan.

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