

# Fire Authorities Bill

## EXPLANATORY MEMORANDUM

*Clause 1* states the purposes of the Act.

*Clause 2* provides for the commencement of the Act.

*Clause 3* re-constitutes the Metropolitan Fire Brigades Board and makes the necessary transitional provisions.

*Clause 4* amends the *Country Fire Authority Act 1958* and the *Metropolitan Fire Brigades Act 1958* to provide immunity from legal action to members, officers and employees for things done in good faith under the Act.

*Clause 5* amends the *Country Fire Authority Act 1958* and the *Metropolitan Fire Brigades Act 1958* to provide that property which is insured but carries an excess of \$10 000 or more on the policy is deemed to be uninsured for the purposes of the two Acts when damage or destruction by fire is valued at \$10 000 or more but less than the amount of the excess.

Provision is also made for an assessment of the value of damage in cases of dispute.

*Clause 6* amends both the *Country Fire Authority Act 1958* and the *Metropolitan Fire Brigades Act 1958* to require the owner of a house or building on premises where a fire occurs to provide details of excesses applying to the relevant insurance.

*Clause 7* provides in the *Country Fire Authority Act 1958* and the *Metropolitan Fire Brigades Act 1958* for the inspection of books and papers of bodies to ascertain if there is any liability for contribution by the body in respect of insurance held with bodies outside Victoria. The clause also provides for copies of books and papers to be taken and places an obligation on the body to provide information in response to enquiries.

In the case of the *Metropolitan Fire Brigades Act 1958* the provisions extend to municipalities, for the purpose of verifying information provided by a municipality.

*Clause 8* empowers the Metropolitan Fire Brigades Board to adjust contributions in a subsequent year in the event that an insurance company or municipality contributes an incorrect amount in any year.

*Clause 9* requires the Country Fire Authority and the Metropolitan Fire Brigades Board, before the end of every financial year, to provide the Minister with estimates of expenditure and revenue for the next financial year and for the Minister to determine the amounts to be contributed by insurance companies and, in the case of the Metropolitan Fire Brigades Board, municipalities. The determination is subject to approval by the Governor in Council.

*Clause 10* provides for the Country Fire Authority and the Metropolitan Fire Brigades Board to establish certain funds with the approval of the Governor in Council and to pay into those funds amounts approved by the Governor in Council.

*Clause 11* empowers the Country Fire Authority and the Metropolitan Fire Brigades Board to invest money in a manner approved by the Governor in Council on the recommendation of the Treasurer.

*Clause 12* provides for the Governor in Council to set the interest rates applicable to section 41c (2) (a) of the *Country Fire Authority Act 1958*.

*Clause 13* increases the amount of principal liability for borrowing by the Country Fire Authority from \$40M to \$55M and the overdraft limit of the Country Fire Authority from

\$0.3M to \$1M. The clause also increases the amount of principal liability for borrowing by the Metropolitan Fire Brigades Board from \$10M to \$20M.

*Clause 14 increases various penalties in the Country Fire Authority Act 1958 and the Metropolitan Fire Brigades Act 1958 and converts all penalties to penalty units.*

The clause also substitutes a correct reference to interstate and overseas insurance companies in section 44A of the *Metropolitan Fire Brigades Act 1958*.