

Transitional Levy Consultation
Fire and Emergency New Zealand
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Funding Fire and Emergency Services for all New Zealanders

We appreciate the opportunity to comment on the discussion document about a proposed fee increase to the Fire and Emergency Transitional Levy for 2024/25 and 2025/26.

Aviation NZ is the pre-eminent commercial General Aviation (GA) Association in New Zealand. We have over 300 members across six divisions - NZ Agricultural Aviation Assn, NZ Helicopter Assn, UAVNZ, Training & Development, Engineering & Supply and Operational.

As you will know, we responded to the Targeted Consultation: Fire and Emergency New Zealand Levy Exemptions on 7 September 2022.

The consultation document on the proposed transitional levy increase, comments on the significant public good aspect of many of the services and roles performed by Fire and Emergency New Zealand (FENZ).

It is also clear that the justification for increasing the transitional levy is the new collective employment agreement settled in December 2022 between Fire and Emergency NZ (FENZ) and the NZ Professional Firefighters Union (NZPFU).

In our view, funding through a general levy is not efficient. It takes no account of risk, penalises those with fire insurance and favours those without such insurance. Penalising those who take a responsible approach to business is not fair.

The commercial General Aviation industry is not in a strong financial position and faces an uncertain future - a direct consequence of economic conditions. However, the industry takes a proactive approach to risk management and mitigation, and regards insurance cover as a critical part of business.

It appears from the consultation document that the role assigned to FENZ when it was created, has been broadened considerably. In our view, the cost implications of those broader responsibilities should have been considered when that broadening occurred. Similarly, the cost implications of industrial relations settlements should

also have been considered at the time. It is not responsible commercial practice to be considering them months after settlements are reached.

Given the small amount Government gives FENZ in the name 'public good' and the undoubted public good of many of the functions performed by FENZ, it only seems fair that the shortfall in funding FENZ should be met through public good - in other words, from general taxation.

We are happy for this submission to be released under the Official Information Act.

We are happy to comment further.

Yours sincerely

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John Nicholson
Chief Executive