<Your Name>

<Address>

NSW <Postcode>

22 October 2020

Dear <Insert name of your local state MP>,

**Emergency Services Levy and insurance affordability**

The recent black summer bushfires highlighted the valuable role our state fire and emergency services provide to all property owners and the need to ensure that these services are funded in the most efficient way possible. The bushfires also revealed the prevalence of non-insurance by homeowners with 27 percent of homes lost having no insurance.

As you may or may not be aware, fire and emergency services in New South Wales are funded by the Emergency Services Levy (ESL), a charge that is added to most insurance premiums. This means that only those who insure their properties contribute to the funding of these services, despite everyone benefitting from them.

Insurance policies in NSW are already subjected to some of the highest levels of taxation in the country.  With ESL, Stamp Duty and GST all being applied on top of the original premium amount. This combination of taxes and levies means that some policyholders pay up to seventy percent of their premium in government taxes and levies.

In the 2020-21 Financial year, the ESL amount has increased to $1.1 billion. After factoring in the other government taxes that means that the cost of home and contents insurance in NSW will increase by around 40%. This increase could not come at a worse time with many households already experiencing financial difficulties due to the Covid-19 outbreak. Many households already reduce the amount their property is insured for to reduce their total premium, these taxes and levies only serve to encourage this behaviour or worse force homeowners to forgo insurance entirely

NSW is the only mainland state to fund their emergency services in this manner. The NSW State Government had previously decided to abolish the ESL from 1st July 2017 and move to a property -based model, similar to most other states. However, at the last minute the decision was revoked, and the ESL was re-introduced.

I urge you as member for <insert name of Electorate> to join me in calling for the NSW government to revisit the 2017 reforms and help increase insurance affordability in NSW.

Yours faithfully,

<Your name>