

# > The Emergency Services Levy (ESL)

Update 13 July 2017

On the 30th May 2017, the NSW Government decided to defer the introduction of the Emergency Services Levy (ESL) as an annual levy for all landowners in NSW, opting instead to retain the current system of collecting the ESL as an additional charge on insurance policies pending a review of the policy.

With the commencement of the Emergency Services Levy Act 2017, insurers are now again permitted to charge ESL on insurance policies.

## What does this mean for you?

ESL will be charged for all renewals and new business quotations with effect from 1st September 2017.

For renewals and new business incepting between 1 July 2017 and 1 September 2017, terms already issued will not be amended to include ESL. However, ESL will be charged (where applicable) for any alteration to the cover during the policy period. For example:

*A Farm Pack renewal has been bound for the period 15 July 2017 to 15 July 2018 with no ESL charged. If the same policy is endorsed to increase Domestic Contents with effect from 1 November 2017, ESL will apply to the additional premium applicable for the period 1 November 2017 to 15 July 2018.*

## How is the ESL calculated?

Great Lakes Australia have advised that ESL rates are to be applied as follows:

Fire	35.00%
Domestic	20.00%
Vehicles	1.00%
Static Plant and Machinery	35.00%

## How is the ESL calculated?

As was the case under the previous system, the NSW Government advises insurers the total amount of ESL it requires from each of them (a lump sum), based on each insurers market share of premiums for specified insurance classes. In order to meet that obligation, each insurer then determines what percentage they need to charge for ESL on insurance policies, which is why rates can vary between insurers.

## More Information

If you would like more information please contact us on 02 9496 9300.

More information regarding the Monitor can be found at <http://www.eslinsurancemonitor.nsw.gov.au/node/42>.

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