

1991—No. 393

**FIRE BRIGADES ACT 1989—NOTICE OF AMENDMENT**

(Relating to contributions by insurance companies)

NEW SOUTH WALES



*[Published in Gazette No. 110 of 26 July 1991]*

I, Edward Phillip Pickering, Minister for Police and Emergency Services (being the Minister administering the Fire Brigades Act 1989), on the recommendation of the Director-General of New South Wales Fire Brigades and being satisfied that at least two-thirds of the insurance companies liable to contribute under section 55 of that Act desire that the amendment be made, do by this notice amend Schedule 1 to that Act by inserting at the end of that Schedule the following matter:

- (e) Inherent or latent defects—confined to damage and/or consequential loss arising out of defective design, defective workmanship or defective materials but excluding any damage or consequential loss arising from fire ..... Nil

and direct that the amendment is to take effect from 1 January 1992.

**EDWARD PICKERING**  
Minister for Police and Emergency Services.

**EXPLANATORY NOTE**

The Fire Brigades Act 1989 requires insurance companies to contribute a proportion of estimated fire brigade expenditure throughout the State for the following financial year. Contributions are apportioned among insurance companies by reference to premium income. Schedule 1 to the Act contains a series of what are in effect apportionment factors that are applied to premium income as a means of measuring the extent to which premium income is attributable to risks involving fire. For example, the apportionment factor for insurance that solely covers loss by theft is nil because that insurance has no fire risk component.

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The object of this amendment to the Schedule is to provide a “nil” apportionment factor for inherent or latent defects insurance not involving a fire risk component.

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