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29 November 2016

Mr Leighton Drury State Secretary Fire Brigade Employees' Union of New South Wales 1-7 Belmore Street SURRY HILLS NSW 2010

Dear Mr Drury,

I refer to your letter of 11 November 2016, concerning proposed changes to response protocols based on risk, and consequential cost savings.

In relation to assertions in your letter about cost reductions, you are of course aware that every NSW Government Agency, including Fire & Rescue NSW (FRNSW), has been required to achieve annual savings of 1.2% (Labour Expense Cap). I confirm advice provided at the last JCC on 11 October 2016 that the required FRNSW LEC saving for 2016/17 is \$22.3 million.

To assist in achieving this LEC requirement FRNSW has identified several targeted strategies that were discussed at the last JCC and were further expanded upon in a letter from Deputy Commissioner Hamilton, subject of subsequent discussions between FRNSW and FBEU representatives.

The identified operational efficiencies have been discussed for many years and seek to address inherent inefficiencies in operational practices. Savings related to the changes will also assist in meeting the LEC requirement.

FRNSW is continuing to focus on reducing avoidable absenteeism and overtime, both of which are running above their targets, placing FRNSW in a difficult position in achieving budget. Metropolitan and Regional Operations are carefully monitoring and ensuring efficient use of personnel to minimise overtime, as well as focusing on retained firefighter availability and recruitment.

FRNSW is continuing discussions with Treasury on the LEC requirements and other options that may be available.

Please do not hesitate to contact Deputy Commissioner Hamilton, who is available at short notice, to discuss these strategies or others that the FBEU may have.

Yours sincerely

Greg Mullins AFSM Commissioner

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