



## Response to Discussion Paper – cover sheet

Post your response (if over 5 megabytes in size) with this cover sheet to:

Response  
2009 Victorian Bushfires Royal Commission  
GPO Box 4358  
Melbourne VIC 3001

Or

Email your response with this cover sheet to: [enquiries@royalcommission.vic.gov.au](mailto:enquiries@royalcommission.vic.gov.au)



**RECEIVED**  
25 NOV 2009

<b>Title:</b>	<b>First Name:</b> Mario	<b>Surname:</b> Galteri
<b>Organisation represented by your response (if applicable):</b> Coldstream Timber & Hardware		
<b>Email address:</b>	[REDACTED]	
<b>Postal address:</b>	[REDACTED] Coldstream 3770	
<b>Telephone:</b>	03 [REDACTED]	
<b>Main topic(s) addressed by your response (please tick:)</b>		
	<input checked="" type="checkbox"/> Insurance	<input checked="" type="checkbox"/> Fire Services Levy

### Confidentiality

All responses will be treated as public documents. This means that, in all but exceptional cases, responses will be published to the Commission's website.

Should you wish for your response, or parts of your response, to be treated as confidential, please clearly state the reason in the space provided below. If you require more room, please attach a separate page and provide together with your response.

Should the Commission consider the request for confidentiality not to be appropriate you will be provided with an opportunity to withdraw your response or re-submit it in a form suitable for publication.

Please select one of the following options

I acknowledge that my response will be treated as a public document and may be cited in reports or material published by the Commission.

OR

I request that my response, or parts of my response, be treated as confidential, and not published quoted or summarised by the Commission, for the reasons stated here:

Enclosed is an insurance renewal, I am happy for the figures to be used as this illustrates my main point.  
I would like our company hidden from public view.

### Acknowledgements

I understand that:

- I can be contacted by the Royal Commission in relation to my response.
- Anonymous responses will not be accepted.
- The name and town or suburb of each submitter will be identified as part of every published response. Other contact details will be removed before publishing.
- The Commission will not publish responses if it believes that the response material is or could be defamatory, offensive, contravenes anti-discrimination or anti-vilification legislation or is outside the scope of the Commission's terms of reference.

Signature: Mario Galteri [REDACTED]

Date: 24/11/2009

Or if sending by email, please confirm your acknowledgment by ticking this box:



# COLDSTREAM TIMBER & HARDWARE

Ph: [REDACTED]

Fax: [REDACTED]

Email: [REDACTED]

The impact of the FSL on small business.

I would like to concentrate my response and objection to the FSL on facts and figures.

When I read information on the cost of the FSL I often find it quoted as a percentage or based on a premium of \$100 (as in your discussion paper). I find, and I am sure many others do as well very misleading.

When one looks at the true cost in actual dollars then the severity of the problem is more obvious.

We are not talking hundreds of dollars but **thousands of dollars** going towards the FSL. This is a huge impost on any business and this must be paid before any profit.

	PHILLIPS last year	GIO quote this year
Premium + terrorism levy	\$ 13,768.36	\$ 26,498.01
<b>FSL</b>	<b>\$ 9,362.48</b>	<b>\$ 22,258.32</b>
Stamp Duty	\$ 2,544.39	\$ 5,363.19
Broker Fee	\$ 2,500.00	\$ -
GST	\$ 2,563.08	\$ 4,875.63
total BILL	\$ 30,738.31	\$ 58,995.15

I hope by pointing out the actual figures is enough to change the way the FSL is charged

Regards

Mario Galteri

Attached:

Phillips premium

GIO Premium

Article from Mountain Views Mail by Kath Gannaway



**News, Views & Gossip**  
About and around Coldstream.  
[www.coldstreamau.blogspot.com](http://www.coldstreamau.blogspot.com)



E mail: [REDACTED]

*Sponsored by:*  
**Coldstream Timber & Hardware**



**Mario Galteri**

[REDACTED] Phone: (03) [REDACTED]  
Coldstream, Vic. 3770 Fax: (03) [REDACTED]  
A.H: [REDACTED]



## RENEWAL QUOTATION

Mario Galteri  
 Coldstream Timber and Hardware  
 [REDACTED]  
 COLDSTREAM VIC 3770

Our Reference: [REDACTED]  
 Date: 27 May 2009  
 Class: Industrial Special Risks  
 Insurer: Wesfarmers Gen Ins Ltd t/as Lumley General  
 Policy No: [REDACTED]  
 Period: [REDACTED]

### Transaction Description:

Renewal Quotation for Industrial Special Risks Policy

This premium indication has been calculated on a "Net basis".  
 This means that we are not receiving commission from your insurer.  
 Instead the Broker Fee disclosed includes an amount in lieu of commission.

<b>Premium</b>	\$ 13,768.36
<b>Fire Services Levy</b>	\$ 9,362.48
<b>GST</b>	\$ 2,563.08
<b>Stamp Duty</b>	\$ 2,544.39
<b>Broker Fee</b>	\$ 2,500.00
<b>Total Amount</b>	<b>\$ 30,738.31</b>

Your account Manger is Daniel Tribuzio

**Austbrokers Phillips Pty Ltd** ABN: 91 007 075 93

Australian Financial Services Licence No. 23445

PO Box 8467, Heatherton VIC 320

Melbourne: Level 2, 424 Warrigal Road, Moorabbin VIC 318

Sydney: Austbrokers Holdings Lt

Level 21, 111 Pacific Highway, North Sydney NSW 206

E: [info@austbrokersphillips.com.au](mailto:info@austbrokersphillips.com.au) W: [www.austbrokersphillips.com.au](http://www.austbrokersphillips.com.au)

T: 03 8586 9333 F: 038586 939

**Premium Rate:**

**Rate 0.340% Gross + Terrorism** applicable on the total declared values Section 1 and 2 combined plus all statutory charges as applicable for each location.

The above rates are based on the BI values declared in the quotation slip reflecting the indemnity periods specified. Should the values not represent the indemnity periods specified, we reserve the right to amend our basis of premium rating. In the event that the total declared values or the combined policy limit are amended from the amounts specified in the quotation slip on or following the inception of cover, we reserve the right to amend the rates specified above.

<b>GIO Participation:</b>	100% Capacity
<b>ISR Basic Premium</b>	\$25,836.60
<b>Terrorism Premium</b> <b>(applicable)</b>	\$661.41 (for Terrorism Insurance Act Cover, if applicable)
<b>Gross Premium</b>	<b>\$26,498.01</b>
<b>FSL</b>	\$22,258.32
<b>GST</b>	\$4,875.63
<b>Stamp Duty</b>	\$5,363.19
<b>Total Payable</b>	<b>\$58,995.15</b>

**Conditions:**

**\*\*\* Subject to Loss Control Survey of target risks should GIO be successful in obtaining account \*\*\***

The above terms and conditions remain valid until expiry date of the current policy period.

Should there be any material changes to the proposed risk (including claims experience), or if any particulars are incorrect, please notify GIO immediately. We reserve our right to revise our terms subsequent upon any changes.

Please find attached information notices, briefly explaining to your client some important aspects of the GST legislation which was effective from 1 July 2000 and our Privacy Statement in respect of our obligations under the Privacy Act of 1988 (as amended) and now applicable.

In addition, attached is a Duty of Disclosure notice for the notification to the Insured, in respect of their obligations under the Insurance Contracts Act.

Should you have any questions at all in relation to the above, please do not hesitate to contact us.

Regards

**Brendan Dillon**  
**Corporate Property Underwriter**



# COLDSTREAM TIMBER & HARDWARE

Ph: [REDACTED]

Fax: [REDACTED]

Email: [REDACTED]



## 'Fix fire levy'

By Kath Gannaway

2nd June 2009 02:00:28 AM



*Fire Services Levy reform campaigner Mario Galteri met with Coalition MP Peter Ryan last week to put the case for a restructure of the FSL system.*

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A YARRA Valley businessman is calling on the State Government to put a stop to the inequity of the current fire service levy (FSL) system.

The FSL is paid as a percentage of house and business insurance premiums and funds the Country Fire Authority and the Metropolitan Fire Brigade.

Mario Galteri, owner of Coldstream Timber and Hardware in Coldstream is campaigning for a system which would see the fire services funded from the public purse.

He says there are a number of inequities, starting with the fact that figures which have come out of the recent February bushfires show that 30 per cent of property owners did not have insurance.

The other he says is that businesses are now being made to pay an increased rate of 68 per cent of the premium, while house owners pay 26 per cent.

“Most businesses would have insurance as one of their outgoings and would be paying it, but it’s not an equal tax,” Mr Galteri said.

“It’s nothing, 26 or 68 and that is simply not a fair tax when everybody gets the same service.”

“Apart from FSL on the premium, stamp duty and GST must be paid as well so for every dollar in insurance the government gets another dollar from business,” Mr Galteri said.

“These taxes are paid regardless of whether the company makes a profit or a loss.”

He said the cost was a huge burden on businesses.

“In our case the FSL and taxes add about an extra \$15,000 to our annual insurance bill.”

Mr Galteri said the rising FSL and taxes were forcing insurance costs up, acting as a further disincentive to people and businesses to insure their properties at prudent levels – or at all.

“Victoria continues to exploit insurance as a convenient and low-profile way to extract millions of dollars from people and individuals who simply want to protect their property,” he said.

Coalition Shadow Minister for Regional and Rural Development and for Bushfire Response, Peter Ryan, met with Mr Galteri last week.

He said Mr Galteri was typical of people who pay their way but are penalised by what he also labelled a grossly inequitable system.

“The system is just not fair,” he said. “I have asked the Federal Government to have a look at

this in the current tax review and asked the Bushfire Royal Commission to consider the Fire Services Levy as part of their recommendations.

“With the recent announcement by the government of a further five per cent increase in the levy, an already unsatisfactory arrangement has become completely unacceptable,” he said.

The same amount of money will need to be provided because it is vital that the CFA gets proper funding,” Mr Ryan said. “The question is how best to do it.”

Mr Galteri is using his blog – [coldstreamau.blogspot.com](http://coldstreamau.blogspot.com) to raise awareness of what he said was a situation which affected every business in the Yarra Valley.