

Our Ref: (DES/02/0237-1469)
Min Ref: (E/03/01893)

Mr Neil Laurie
The Clerk of the Parliament
Queensland Parliamentary Service
TableOffice@parliament.qld.gov.au

Dear Mr Laurie

I refer to the petitions received by the House on 29 and 30 April 2003 regarding the introduction of the Queensland Government's Community Ambulance Cover.

At the outset, I would like to assure the petitioners that this Government is committed to providing the best possible ambulance service to the people of Queensland.

The Community Ambulance Cover will come into effect from 1 July 2003 and will be collected through electricity accounts at a rate of \$22 per quarter – or 24 cents a day. It is a broad-based charge, as opposed to a user-pays system, to ensure the majority of people likely to use ambulance services contribute to the cost of operating that service.

The State Government has taken this important step as the current Queensland Ambulance Service (QAS) Subscription Scheme is no longer raising sufficient revenue to cover the costs of providing services and the cost of administering the scheme. Had the subscription scheme been maintained, the Government would have been forced to increase the annual rates to provide the required funding for Queensland's ambulance service. Family rates would have risen to \$130 per annum and Single rates would have risen to \$82 per annum.

The levy is not based on electricity usage, as indicated in the petition. The State Government is simply using electricity accounts as a collection mechanism, which will keep administration costs to a minimum and deliver maximum funds for frontline ambulance services.

The levy will be applied to both residential and business accounts. If the levy was restricted to residential accounts or principal places of residence, it would significantly reduce the base from which funds are drawn and the levy would have to be much higher.

Community Ambulance Cover on business electricity accounts may qualify for a tax deduction, and I encourage business operators to speak with a tax advisor or the Australian Taxation Office (ATO) regarding eligibility. The ATO can be contacted on telephone number 13 2866.

The State Government has worked hard to develop the most equitable system possible. After 1 July 2003, all Queensland residents will be covered for ambulance services anywhere in Australia regardless of their circumstances. The QAS will be provided with an adequate and predictable funding base through the introduction of Community Ambulance Cover.

I trust this information is of assistance to you. However, should further information be required, please visit www.ambulancecover.qld.gov.au or telephone the new Community Ambulance Cover hotline on 1300 304 274.

Yours sincerely

HON GORDON NUTTALL MP

Acting Minister for Emergency Services

Acting Minister Assisting the Premier in North Queensland