

Our Ref: (DES/02/0237-2616)
Min Ref: (E/03/03679)

Mr Neil Laurie
The Clerk of the Parliament
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Laurie

I refer to your letter of 31 October 2003, enclosing a petition received by the House on 30 October 2003 from Mr Bill Flynn MP, Member for Lockyer, concerning the collection of the Queensland Government's Community Ambulance Cover.

Collecting the levy through electricity accounts is considered the most suitable option available. The Queensland Government's preferred collection method was through rates. Following the reaction from local government, the Government considered a number of other collection options, with electricity accounts found to be the most suitable option.

The Federal Government has confirmed in writing that the Medicare levy is not available to fund ambulance services. It has also refused to allow the Subscription Scheme to access the 30% private health insurance rebate.

Community Ambulance Cover is a broad-based charge. It is not a direct user-pays system for ambulance services. The introduction of Community Ambulance Cover on 1 July 2003 replaces the Queensland Ambulance Service (QAS) Subscription Scheme and ambulance transport charges to spread the cost of ambulance services across the community.

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 demand for ambulance services is rising and the previous voluntary QAS Subscription Scheme was no longer raising sufficient revenue to cover the costs of providing services and administering the Subscription Scheme.

Under the new arrangements, about 412,000 families who subscribed to the ambulance service will save. The annual Community Ambulance charge of \$88 is more than 10 per cent cheaper than the family subscription rate of \$98.

As from 1 July 2003, all Queensland residents are automatically covered for the cost of authorised ambulance services anywhere, anytime, across Australia regardless of their circumstances and the QAS will be provided with an adequate and predictable funding base through the introduction of Community Ambulance Cover.

On Tuesday 11 November 2003, the State Government announced a range of new exemptions from the Community Ambulance Cover. These exemptions cover electricity accounts which are for business and residential building common accounts; residential building multiple accounts; stand-alone security lighting; public park facilities; and stand alone hot water systems.

Further information on these new exemptions and how to apply can be obtained through the website www.ambulancecover.qld.gov.au or by telephoning the new Community Ambulance Cover hotline 1300 304 274.

Yours sincerely

HON MIKE REYNOLDS AM MP
Minister for Emergency Services
Minister Assisting the Premier in North Queensland