

Our Reference: P0400182

01/11/2004

Mr N Laurie
The Clerk of the Parliament
TableOffice@parliament.qld.gov.au

Dear Mr Laurie

I refer to your letter of 1 October 2004 addressed to the Honourable C Cummins MP, Minister for Emergency Services regarding the petition of Mr C Beckingham and others in relation to the Community Ambulance Cover levy. The matters raised in the petition fall within the portfolio responsibilities of the Honourable T Mackenroth MP, Deputy Premier, Treasurer and Minister for Sport, and your correspondence has been forwarded to this Office for consideration and direct reply. As Parliamentary Secretary to Mr Mackenroth, I have been asked to respond on his behalf.

Given the declining support for the previous voluntary subscription scheme, it was preferable to create a fully funded universal system for free emergency ambulance transport covering all Queenslanders anywhere in Australia. In order to provide such a universal system it was necessary to develop a scheme that was both efficient and provided a reliable funding base for the Queensland Ambulance Service (QAS). The method for collecting such funds also had to be found within the State Government's revenue raising powers as the Commonwealth was not prepared to enter into an arrangement to provide funding through the Medicare levy.

Therefore, after considerable deliberation, the State Government decided a levy on electricity accounts would be the most effective means to raise the required revenue for the QAS and would represent a sufficiently broad base to which the vast majority of Queenslanders would contribute either directly or indirectly. As a method of collection it presents fewer anomalies and is more equitable than a levy on other transactions.

It was, however, possible to provide a number of exemptions without having a disproportionate adverse impact on the funding provided to the QAS for the provision of universal ambulance coverage. Approximately 500,000 exemptions applied to Queensland accounts in the first year of the scheme.

From 1 July 2004, the annual levy amount increased from \$88 to \$90.20 and the daily levy amount increased from 24.044 cents to 24.712 cents in accordance with the Consumer Price Index for the 2004-05 financial year. This increase is consistent with the Government's policy to increase fees and charges in line with the Consumer Price Index.

It is important to remember the collection of the Community Ambulance Cover levy has enabled the QAS to provide emergency ambulance transport to all Queenslanders anywhere in Australia free of charge and guaranteed the QAS has an ongoing reliable and as equitable as possible source of funding.

I trust this information is of assistance.

Yours sincerely

(Signed)

Neil Roberts MP
Parliamentary Secretary
to the Deputy Premier, Treasurer
and Minister for Sport
Member for Nudgee