

Question on Notice

No. 604

Asked on 18 April 2007

DR FLEGG asked the Deputy Premier, Treasurer and Minister for Infrastructure (MS BLIGH)—

QUESTION:

- (1) What was the annual cost in 2003-04, 2004-05, 2005-06 and 2006-07 (year to date) of collecting the Community Ambulance Cover?
- (2) Has an audit been completed on the systems used to collect this levy and, if so, what are the recommendations?

ANSWER:

The *Community Ambulance Cover Act 2003* (the Act) sets out the role and functions of electricity retailers in collecting the levy from electricity customers on behalf of the Commissioner of State Revenue (the Commissioner). Those functions include:

- issuing statements of levy liability;
- receiving and processing customer notifications and returns;
- processing levy exemption applications and applying/removing exemptions;
- collecting the levy and pursuing any unpaid levy amounts;
- providing levy refunds;
- paying the Commissioner all of the levy amounts collected;
- providing statistical information to the Commissioner; and
- undertaking other functions specified in administration agreements reasonably necessary for the administration of the Act.

The Office of State Revenue processes objections, manages the Community Ambulance Cover website, provides approved forms and deals with other matters escalated by retailers.

The administration costs associated with the collection of the levy only represent approximately 1.7% of the Queensland Ambulance Service's annual budget.

The table below details administration fees paid to electricity retailers and costs of the Office of State Revenue in administering Community Ambulance Cover.

2003-04	2004-05	2005-06	2006-07 (to 31 March 2007)
\$4,479,615	\$5,357,345	\$5,502,030	\$3,545,679

The Auditor-General has previously undertaken an audit of the systems used to manage the levy, and page 43 of *Auditor-General's Report No. 5 2004-05* indicates "QAO considers that suitable management systems and procedures were in place in 2003-04 (the period of the audit) to administer the collection and distribution of the CAC levy in accordance with the relevant legislative requirements".

Additionally, in January 2007 the Office of State Revenue audited a number of electricity retailers to determine levels of compliance by these retailers with their obligations under the Act.

No significant issues were identified and accordingly no significant recommendations from the audits were made. Minor issues for correction included an accounting error in one retailer's general ledger, an error in relation to a customer claiming a levy refund outside the 12 month period required in the Act, and enhancements being required to retailers' process and procedures manuals to reflect full retail competition from 1 July 2007.