

1992

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

AMBULANCE SERVICE LEVY (AMENDMENT) BILL 1992

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister and Treasurer

Rosemary Follett, MLA

AMBULANCE SERVICE LEVY (AMENDMENT) BILL 1992

Outline

The Ambulance Service Levy Act 1990 (the Act) provides for a system of monthly levies payable by health benefit fund organisations for the provision of ambulance services in the ACT.

Each fund is required to lodge a monthly return together with the levy. The levy is calculated under a formula that is identical to the formula found in similar legislation in New South Wales. Contributors to the funds are provided with free ambulance services.

At present the Act specifies the Minister for Health, Education and the Arts as the Minister responsible for the ambulance service and the Minister for Finance and Urban Services as the Minister responsible for fixing the relevant rate set in the formula to determine a fund's monthly levy.

The change of Government in June 1991 resulted in the adoption of new administrative arrangements and the specified Ministerial titles in the Act became obsolete.

This Bill proposes amendments to overcome this anomaly and to validate a determination made under the new administrative arrangements.

The Bill also proposes the adoption of a new formula for calculating the levy in line with recent changes made to the formula in NSW. The new formula replaces a notional number of contributors with actual contributors at the commencement of the month and will ensure that the levy imposed on all funds is fairer and more realistic.

Financial Implications

The validation of the determination will ensure that revenue from levies received from funds after May 1992 are protected. The changes to the formula, based on NSW forecasts should result in additional revenue of approximately \$60,000 this financial year and \$360,000 in a full year.

The details of the proposed Bill are attached.

DETAILS OF AMBULANCE SERVICE LEVY (AMENDMENT) BILL 1992

Short Title

Clause 1 - provides for the short title of the Bill to be the Ambulance Service Levy (Amendment) Act 1992.

Commencement

Clause 2 - specifies the effective date of the Act as from date of notification in the gazette except in the case of Clause 5(a) which takes effect on 1 February 1993.

Principal Act

Clause 3 - provides that the Principal Act is the Ambulance Service Levy Act 1990.

Ambulance Service

Clause 4 - omits the words 'for Health, Education and the Arts' from the reference to Minister in section 6 of the Principal Act.

Calculation of the Ambulance Levy

Subclause 5(a) provides for the repeal of subsections 8(1) and 8(2) of the Principal Act and for replacement by a new subsection 8(1) which provides a description of the new formula.

Subclauses 5(b) and (c) omit the words 'for Finance and Urban Services' from the reference to Minister in subsections 8(4) and 8(6) of the Principal Act in respect of the calculation of the ambulance levy.

Validation

Clause 6 - provides for the validation of the instrument dated 17 February 1992 published in the Gazette of 21 February 1992 which fixed the prescribed rate under the principal Act.