

Speaker



Member for
Ginninderra

Legislative Assembly for the Australian Capital Territory

7 March 2013

Ms Anne Cahill Lambert AM
Chairperson
ACT Remuneration Tribunal
PO Box 964
CIVIC SQUARE ACT 2608

Dear Ms Cahill Lambert

I refer to the Tribunal's current annual review of remuneration for members of the Legislative Assembly.

I am writing in my capacity as the Speaker of the Legislative Assembly. In that capacity I chair the Assembly's Standing Committee on Administration and Procedure (the Committee), which is established under the Assembly's standing order 16. One of the functions of that Committee is to advise the Speaker on members' entitlements. Recently I consulted with the Committee about the Tribunal's review. The Committee, despite some changes in personnel, continues to observe that the existing arrangements for members to meet the costs associated with constituent communication remain problematic, both for members and for the Assembly administration.

The Committee noted that my two most recent predecessors and the Clerk of the Assembly have all raised this issue with the Tribunal over the last five or six years. The Committee noted that the Tribunal wrote to the Speaker on 10 June 2011 to seek its views on whether the Tribunal might prescribe an allowance to cover 'discretionary office allocation' under a broader 'communication allowance'. I am advised that Speaker Rattenbury responded to the Tribunal on 16 March 2012 and that, during May 2012, the Tribunal met with Speaker Rattenbury, the Clerk of the Assembly and the Assembly's Corporate Manager to explore this and other issues. These three were all present when the committee recently met to discuss the Tribunal's current review (Mr Rattenbury has remained a member of the Committee). The general impression they each relayed was that the Tribunal was continuing to consider this proposal.

On that basis, the Committee resolved that I relay to you that the desire for an appropriate communication allowance, that would allow Assembly members to meet the costs of communicating with their electorate, enjoys the same level of support from within the Assembly. Members generally agree that any communications allowance should be payable to members in the much the same manner as the existing phone allowance.

For comparative purposes, I draw the Tribunal's attention to the arrangement that has operated for a number of years in the Western Australian Parliament. That jurisdiction's Salaries and Administrative Tribunal (WASAT) provides members with an "electorate allowance" that is payable

directly to members and which, consistent with a taxation ruling, is not subject to PAYG tax instalments at the time of payment. Members use the allowance to meet expenses associated with the functioning of their electorate office and, in the event that any part of the allowance is not expended, it becomes assessable as income. The WASAT website - <http://www.sat.wa.gov.au/Pages/Default.aspx> - contains relevant determinations, including some detailed statements outlining the WASAT's consideration of this entitlement.

A number of other important factors need to be contemplated in relation to the provision of the type of allowance proposed. I am advised that these issues have been flagged with the Tribunal in earlier discussion and submissions but I highlight them again because they are significant factors.

- The first is that, any such allowance should be available to all 17 Assembly members. Currently, Ministers have no access to any source of funding to enable them to communicate with their constituents in their role as MLAs. This has been acknowledged by my predecessors as incongruous.
- The second is to observe that any allowance or entitlement along the lines proposed would, if it is to be fair and effective, need to take account of the size of the ACT's three electorates. A fair and realistic approach to this issue would recognise the number of residences, or constituents with whom MLAs are required to communicate, including the current differential in electorate size and the scope for that to change over time.

In conclusion, I request that the Tribunal give further consideration to the proposal to establish a communication allowance. In doing so, I recognise that a number of precise details would need to be clarified and, in that regard, the Tribunal may wish to meet with me and other Assembly officials, to explore those matters further.

Yours sincerely



Vicki Dunne MLA
Speaker