

SUBMISSION TO ACT REMUNERATION TRIBUNAL RE

ISSUES PAPER: REVIEW OF ENTITLEMENTS FOR MEMBERS OF THE ACT LEGISLATIVE ASSEMBLY

The ACT Remuneration Tribunal Issues Paper provides an unbalanced commentary as to the responsibilities of ordinary members of the Legislative Assembly, apparently with a premeditated view to justifying an increase in the basic salary.

The over-emphasis on “increased work complexity” exaggerates the situation, which is little different to that faced by ordinary citizens in their day-to-day lives. Knowledge, values and methods do evolve over time and processes sometimes become more detailed – whether they may be said to become automatically “more complex” is often a moot point. Applying this argument *ad hominem* to ACT Legislative Assembly members brushes aside, amongst other things, the development of considerable institutional support for members in terms of technology, systems and staff. The focus on a member’s basic salary ignores other material benefits, e.g. motor vehicle, superannuation, social status. This approach masks the true total remuneration that members in fact receive.

Often the Issues Paper confuses the responsibilities and duties of Executive members with ordinary members (e.g. in disingenuous references to “inter-jurisdictional forums and ministerial councils”) and blurs important accountability and governance differences between the concepts of “the [ACT] Government” and the “[ACT] Legislative Assembly”.

Regard should be had to what a local non-Executive member in fact does – not generalised assertions. Several other critical considerations are not properly analysed by the Issues Paper, including:

- the size of ACT budget compared to other polities and major cities; and
- the very low number of ACT Legislative Assembly sitting days.

If regard were had to these important considerations, the necessary conclusion would be that the current salary level is appropriate and that there is little justification for any significant increase. If these considerations were reflected in the assessment, it is submitted that the conclusion would be that ordinary members should be paid at the bottom end of the current range of salaries of other State and Territory members.

There is no justification for linking the salaries of local members to federal MPs or setting the salaries at the mean of salaries paid to State and Territory members. The Tribunal is almost petulant in its dismissal of the reality that the Canberra conurbation is, when compared to others around Australia, simply a moderate size town without the extensive non-urban land issues and other issues that confront other dispersed State polities. The fact that responsibilities include a mix of State/local issues is not in itself a reason for elevating

salaries. Most local government responsibilities elsewhere are discharged by part-time councillors with modest remuneration. There should be no double-dipping in terms of remuneration based on the fact ACT members cover local and some parts of State-like functions.

Furthermore the Tribunal's assertion that "constituents outside of the ACT" expect "a level of service from MLAs while not belonging to the electorates of those MLAs" does seem to be an exercise in clutching at any available rationale, no matter how slim or non-material, to bolster the argument about increased complexity of duties. To this end the reader is surprised that the Tribunal's Paper does not attempt to highlight any Twitter, Facebook or email 'burden' that ACT Legislative Assembly members 'hourly shoulder'.

The Issues Paper on the one hand bemoans "the fewer number of MLAs in the ACT" per 100,000 population and "an estimate of 150,000 additional population from the surrounding districts who are not resident in the ACT ... a whole separate dimension with constituents outside of the ACT" but later asserts "[b]ecause the ACT is small in geography [*sic*] the chances of MLAs meeting with constituents regularly is much higher than anywhere else in Australia".

Ordinary members are not responsible for the public service (that is an Executive responsibility), and if they are not relevant Executive officeholders there is no reason to determine their salary by reference to public service levels. Non-Executive Members of Parliament have always been paid less than senior public service executives for good reasons – look at the stark differences in non-discretionary work tasks between, for example, an ACT Opposition backbencher and an SES officer.

While it is all very well to refer to the supposed increased responsibilities of local members, the reality is that the ordinary member with no ministerial responsibilities has a relatively straight forward job, to be crafted as they see fit.

The Issues Paper does not give any consideration to the number of days that the Legislative Assembly sits, i.e. the non-discretionary element of an ordinary MLA's duties. There are very few ACT Legislative Assembly sitting days compared to other legislatures (39 in 2013, 39 planned for 2014). Compare the House of Representatives, about 72 in 2014, and the South Australian and Tasmanian Legislative Assemblies, about 50 in 2013. The 2014 ACT Legislative Assembly sitting calendar shows that for each of 5 months of the year members are required to attend only one 3 day sitting week and for 3 months of the year there are zero scheduled sitting days. Thus it can be said that for the greater majority of the working days of the year it is for each ordinary MLA to determine how they spend their time, and the degree of productivity of their activities.

While schools and hospitals are part of Territory responsibilities, for the most part it is local government functions related to maintaining a moderate size city that are the predominant issues in Canberra. A city councillor in Sydney or Brisbane has far greater responsibilities in

terms of budget and number of constituents, yet there seems very little regard to the salaries paid to ordinary councillors in those cities in the Issues Paper.

The use of statistics as to number of representatives per head of population is an irrelevant consideration. Those statistics do no more than reflect historical anomalies. The real focus should be on what the local member actually does. The reality is that local members can choose to be busy in the community or to have a low profile for long periods secure in the knowledge of party pre-selection.

In an early paragraph the Tribunal's Issues Paper says that there has been "no substantive review of work value" of ACT MLAs. Where in the Issues Paper are key comparative benchmarks like statistics on the number and type of constituent communications each member receives, the number and nature of community functions attended, the actual hours spent in committee activity? Surely these are essential facts about what local members do that are critical in assessing work value.

The recent outcry over Members of Parliament asserting they were "on duty" when attending weddings of friends and relatives offers a glimpse as to how the public winces at the credulity of MP's assertions that they are, to use the Tribunal's words, "on duty all the time" because "there are no set hours". The Tribunal's Issues Paper perpetuates this myth in observing that "whenever they [MLAs] are outside their homes they are essentially at work as it is impossible, for example, for them to visit the supermarket, the hardware store or the rubbish tip without being recognised".

One wonders how many ordinary Canberrans (i.e. the great majority of persons who are not active political party members) would recognise a MLA backbencher in the street or at the shops. Moreover, simply "being recognised" cannot be equated with being "at work". Saying "g'day Mick" or "hello Nicole" in the dust clouds at the tip is not an example of "more complex work".

Ordinary ACT MLAs are members in a small territory requiring little travel outside the city and surrounding suburbs and without the spread of communities (e.g. in Tasmania) and relative depth of social issues (e.g. in the Northern Territory) that arise in any of the other States or Territory. The ACT electoral system means there is no one local member for individual electorates and this is very likely to reduce constituent pressure. The references to backbenchers wrestling with "COAG type activities" should not hide the reality that a local member is mostly responsible for local issues – they may, like many citizens, have wider concerns but they are not primarily responsible for them.

The budget for the ACT is not large compared to most of the States or some big cities like Sydney, Melbourne or Brisbane. The Issues Paper gives no consideration to this comparator. It is, however, surely a critical consideration when assessing job value to consider relative size of budget.

If the number of members of the Assembly is increased, there should be no overall increase in salary costs and the base salary should be adjusted downwards to reflect the greater numbers. This is an essential efficiency dividend demanded of other areas of the public sector. Local members cannot have it both ways – a reduced workload and increased remuneration.

This submission makes no comment on the other allowances considered in the Issues Paper, except for the resettlement allowance. Any such allowance should, if to be paid at all, be modest. There is no evidence that former members have had trouble securing another job. Many ACT workers who lose their jobs are lucky to get all their entitlements, let alone extra pay. MLAs' entitlements in this area should reflect the community norm and not be a material special condition.

All remuneration tribunals should not indulge special pleadings without solid evidence.

Any resettlement allowance should also be designed so that there is no incentive for a member to stand knowing they face certain defeat, e.g. after losing pre-selection. Retirement or loss of seat should be treated the same.

CONCLUSION

It is submitted that a realistic analysis of what the humble ACT backbencher does, chooses to do, and is required to do, would lead to a conclusion that they should be paid at the bottom end of the salary range of other State and Territory members. There is little about Federal MPs that makes any linkage with their salaries appropriate. Nor is the mean of State and Territory salaries of any relevance in terms of determining salaries, given the very diverse range in the nature, population size, and territory, of the other polities. The most appropriate base is at the bottom end of the range of those other polities. Such a rate could not be said to be parsimonious and is certainly adequate given the ACT's circumstances.

If the number of members is increased, then there should be a commensurate decrease in the base salary paid to reflect the greater burden-sharing achieved by the increase.

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