AUSTRALIAN CAPITAL TERRITORY
REMUNERATION TRIBUNAL

FINAL REPORT ON THE REVIEW OF ENTITLEMENTS
FOR MEMBERS OF THE
AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY

April 2014
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1. EXECUTIVE SUMMARY

The ACT Remuneration Tribunal (the Tribunal) has a statutory obligation to review
salaries, allowances and entitlements for certain positions within the Australian
Capital Territory, including Members of the ACT Legislative Assembly (Members), on
an annual basis\(^1\).

For the review that was scheduled in early 2014, the Tribunal released an *Issues
Paper*\(^2\) to enable relevant stakeholders to contribute to the Tribunal’s deliberations.

Following receipt of submissions from a range of interested stakeholders, the
Tribunal conducted its inquiries in March 2014. Consultations also occurred with
previous and current Members, officers of the ACT Legislative Assembly, academic
experts and members of the business community. The Tribunal also received
information from the Chief Minister and Treasury Directorate about economic
indicators including:

- Wage Price Index.
- Average Weekly Earnings (full time adult).
- Consumer Price Index.

The Tribunal has issued Determination No. 7/2014 relating to Members. The key
changes are:

- An increase to the base rate of Members pay by 6%, from $125,259 to
  $132,775 per annum.
- A reduction in the loading paid to the Deputy Leader of the Opposition from
  45% to 15% of base salary. This reduction will not occur until the conclusion

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\(^1\) *Remuneration Tribunal Act, 1995 Part 3*

\(^2\) *ACT Remuneration Tribunal (2013), Review of Entitlements for Members of the Australian Capital Territory Legislative Assembly : Issues Paper, December 2013*
of the Eighth Legislative Assembly OR if there is a change from the current Member before the expiration of the current ACT Legislative Assembly (Assembly).

- Introduction of a resettlement allowance which will be an amount of two weeks’ salary per year of service, to a maximum of twelve weeks’ salary, if Members lose office, retire or resign. The resettlement allowance will be paid at the base rate of a Member.

- Streamlining of travelling allowances payable, in line with determinations published from time to time by the Commonwealth Remuneration Tribunal and as specified in rulings from the Australian Taxation Office.

- Abolition of accompanied travel for Executive Members.

- Abolition of study and accompanied travel allowances for non-Executive Members.

- Removal of the direct provision of a privately plated motor vehicle, while instead providing an allowance of $21,500 per annum.

- Formal introduction of a taxi/hire car allowance of $2,500 for all Members to ensure that the safety of Members is not compromised. This is in addition to any support provided by ACT Government Directorates for Ministers who are performing ministerial functions.

- Introduction of a communication allowance of $15,000 per annum for all Members. The introduction of this allowance is dependent on the abolition of the Discretionary Office Allowance maintained by the Office of the Legislative Assembly.

- Abolition of the mobile phone/personal digital assistant allowance of $4,000 per annum for non-Executive Members.

- Abolition of postage allowance of $1,080 for Executive Members.

An explanation of the Tribunal’s reasoning and issues that arose during its inquiries follows.
2. **INTRODUCTION**

The ACT Remuneration Tribunal has a statutory obligation to review the remuneration and other entitlements of Members on an annual basis.

Following the release of its *Issues Paper*, the Tribunal was concerned that letter writers to the press and complainants to radio stations suggested that Members had requested a range of improvements and enhancements to their entitlements. This is not the case.

For the first time in twenty-five years, the Tribunal decided to conduct a comprehensive review on all aspects of Members entitlements. This is a natural progression on the *Review into the Size of the ACT Legislative Assembly*[^3] that was conducted in 2013.

The Tribunal also wanted to ensure transparency of processes so that the ACT community, as well as interested stakeholders, could have input.

The Tribunal’s determinations cannot be disallowed[^4]. Thus, the claim by some in the community that Members vote on their pay and other entitlements is incorrect. A number of other Tribunals throughout Australia, including the Commonwealth Remuneration Tribunal, operate in a similar way.

The Tribunal is mindful that there are major changes included in Determinations 1/2014 and 7/2014. It is noted, however, that Determination 1/2014 regarding accompanied travel for Executive Members and study and accompanied travel allowances for non-Executive Members became applicable on

[^3]: *Expert Reference Group on the Size of the ACT Legislative Assembly (2013), Review of the Size of the ACT Legislative Assembly, 28 March 2013.*

[^4]: *Under section 10(3) of the Remuneration Tribunal Act 1995, determinations are notifiable instruments which must be tabled in the Legislative Assembly but cannot be disallowed.*
3 April 2014, and Determination 7/2014 regarding all other Member entitlements will be applicable from 1 July 2014, usually for a twelve-month period. If the Tribunal finds that there are unintended consequences, it will issue a new Determination as necessary.

Over the next twelve months, the Tribunal will also give further consideration to any specific implications of proposals to increase the size of the Assembly.
3. ECONOMIC INDICATORS

The Tribunal considered the following economic indicators as a preamble to decisions regarding Members pay entitlements:

Table 1: Economic Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Percentage</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage Price Index (1)</td>
<td>2.5% (Australia)</td>
<td>Dec 2012 – Dec 2013 (Compares the December quarter 2012 and the December quarter 2013)</td>
</tr>
<tr>
<td></td>
<td>2.5% (private)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.6% (public)</td>
<td></td>
</tr>
<tr>
<td>Average Weekly Earnings (2)</td>
<td>2.9% (Australia)</td>
<td>Nov 2012 – Nov 2013 (Compares the 6 months to November 2012 and the 6 months to November 2013)</td>
</tr>
<tr>
<td>(Full-time adult)</td>
<td>3.0% (private)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2% (public)</td>
<td></td>
</tr>
<tr>
<td>Consumer Price Index (3)</td>
<td>2.7% (Australia)</td>
<td>Dec 2012 – Dec 2013 (Compares the December quarter 2012 and the December quarter 2013)</td>
</tr>
<tr>
<td></td>
<td>2.3% (Canberra)</td>
<td></td>
</tr>
</tbody>
</table>

The Tribunal noted that the ACT Public Service (ACTPS) remuneration for non-Executive staff was likely to increase by a flat increase of $2,090 in salary, or 2% - whichever is the greater.

The Tribunal was again mindful that no increase in salary or entitlements was granted for Members in 2013.

The following table indicates economic changes over a five-year period compared with those in the ACTPS as well as Members:
Table 2: Economic Changes over Five Years (2009-2013)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CPI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% change for the year to June qtr – from ABS)</td>
<td>2.4</td>
<td>1.2</td>
<td>3.5</td>
<td>3.1</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Annual wage review</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% increase – from Fair Work Commission)</td>
<td>2.6</td>
<td>2.9</td>
<td>3.4</td>
<td>4.8</td>
<td>0</td>
</tr>
<tr>
<td><strong>Wage Cost / Labour Price Index</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% increase for the year to June qtr – from ABS)</td>
<td>2.9</td>
<td>3.7</td>
<td>3.8</td>
<td>3.0</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>ACTPS non-Executive staff</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% increase)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.5</td>
<td>3.5</td>
<td>2.5</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td><strong>ACTPS Executives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% increase)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0</td>
<td>3.5</td>
<td>2.5</td>
<td>3.25</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>ACT Part-time Holders of Public Office</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(% increase)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0</td>
<td>3.5</td>
<td>2.5</td>
<td>3.25</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Members</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>3.5</td>
<td>2.5</td>
<td>3.25</td>
<td>1.5</td>
</tr>
</tbody>
</table>
4. **WORK VALUE**

In making its decisions, the Tribunal was persuaded by the following compelling work value issues:

- Complexity of work has increased.
- The complexity of the economy has increased significantly.
- The role of the Assembly, particularly compared with other jurisdictions, is unique and complex.

The Tribunal has found that the complexity of work value of Members has increased substantially since self-government was granted in 1989. However, associated increases in entitlements have mostly addressed changes in economic indicators, such as cost of living, rather than work value.

The Tribunal agrees with the view of the Expert Reference Group (ERG) on the Size of the Assembly that Members fulfil a much more complicated role than that of a local council. The ERG analysed debates on the floor of the Assembly and identified that, in its survey period, nearly three-quarters of the content centred on the more complex issues of matters relating to the operations of the ACT jurisdiction, and its interrelations as part of the wider Commonwealth, rather than municipal issues.

As noted in the Tribunal’s *Issues Paper*, the ACT economy is now much larger and more complex than it was when self-government was granted. The ACT economy is currently one of the few in Australia to have AAA ratings. In addition, it is a bigger economy than the Northern Territory and Tasmania.

There is no other level of government to which Members can refer thorny, or indeed simple, issues for consideration. All other jurisdictions have local councils that address municipal-type issues such as roads, rates and rubbish. Additionally, many other jurisdictions have upper houses. All jurisdictions have many more politicians
per head of population than the ACT, enabling a more even spread of the important constituency work value.

The Tribunal is mindful that it is likely that the size of the Assembly will increase after 2016. It has therefore adopted a cautious approach to increasing the base salary of Members, as it may be possible that the work value will be altered following the introduction of more Members.

It is difficult to equate the work value of a Member with any other section of society or, indeed, any other parliament or Legislative Assembly. It was pointed out in clear terms that it would be inappropriate to compare the work value and role of a Member with an ACT Public Servant. The Tribunal has decided not to specifically link Members pay rates with any other politician or public servant.

Work value is most visible amongst Office Holders in the Assembly. Despite canvassing whether the loading paid to the Deputy Leader of the Opposition may be overstated, no reasons were promoted for the payment of an additional allowance of 45% for that Member. Other than the Commonwealth and the Northern Territory, no other legislature appears to pay the Deputy Leader of the Opposition a loading. The size of the Assembly may make a stronger argument in the future, but for the current period, the Tribunal was not persuaded that such a significant loading should be payable.

The Tribunal will continue to monitor work value of Members.
5. **BASE SALARY FOR MEMBERS**

Following a review of work value, the Tribunal decided to increase the base salary for Members, initially by a rate of 6%. The base salary therefore increases by $7,516 from $125,259 to $132,775, effective from 1 July 2014. The Tribunal will consider a further increase of around 6% at its annual review in 2015.

Such a quantum from 2015 would essentially equate the base salary of Members with the average paid in other jurisdictions.

The increased base amount of $132,775 is still lower than that paid to politicians federally and in all other jurisdictions except for Tasmania. It is also lower than the amount paid to a Brisbane City Councillor, one of the few full-time councils in Australia. Senior executive officers in the ACTPS will also continue to receive more than the base pay for a Member.

Section 4 of the Tribunal’s report outlines the difficulty of equating work value of a Member with other politicians around Australia and with the ACTPS. In particular, the Tribunal is at pains to ensure that there is no direct linkage with the ACTPS as it would be an inappropriate linkage. A deliberate decision has therefore been made to ensure that there is no direct linkage or ongoing ‘tie’ with any other jurisdictional politician or public servant.

Changes in the base pay for MLAs since 2003 are as itemised in the following table:

**Table 3: Changes in Base Salaries for Members**

<table>
<thead>
<tr>
<th>Year</th>
<th>Base Salary</th>
<th>Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$84,448</td>
<td>3.3%</td>
</tr>
<tr>
<td>2004</td>
<td>$87,826</td>
<td>4%</td>
</tr>
<tr>
<td>2005</td>
<td>$99,937</td>
<td>13.8%</td>
</tr>
<tr>
<td>2006</td>
<td>$102,086</td>
<td>2.15%</td>
</tr>
<tr>
<td>2007</td>
<td>$108,211</td>
<td>6%</td>
</tr>
<tr>
<td>Year</td>
<td>Base Salary</td>
<td>Adjustment</td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>------------</td>
</tr>
<tr>
<td>2008</td>
<td>$112,648</td>
<td>4.1%</td>
</tr>
<tr>
<td>2009</td>
<td>$114,354</td>
<td>1.5%</td>
</tr>
<tr>
<td>2010</td>
<td>$118,071</td>
<td>3.25%</td>
</tr>
<tr>
<td>2011</td>
<td>$121,023</td>
<td>2.5%</td>
</tr>
<tr>
<td>2012</td>
<td>$125,259</td>
<td>3.5%</td>
</tr>
<tr>
<td>2013</td>
<td>$125,259</td>
<td>0%</td>
</tr>
<tr>
<td>2014</td>
<td>$132,775</td>
<td>6%</td>
</tr>
</tbody>
</table>

The Tribunal decided not to implement an increase of 12% in one stage to enable some offsets to be achieved. It is seriously considering an increase of around 6% in 2015 and has forecast this change to enable the budget process to adequately accommodate this likely change.
6. LOADING FOR MEMBERS

The Tribunal considered loadings for all Members and compared practices across other States and Territories.

Loadings for Members will not vary other than for the Deputy Leader of the Opposition. The Tribunal’s Issues Paper flagged the seemingly high loading paid to the Deputy Leader of the Opposition (p. 22), and received no submissions suggesting that it should be maintained at the current level or increased.

Accordingly, it has determined that the Deputy Leader of the Opposition’s loading will be reduced from 45% to 15% of base salary, with provision being made for this change to be implemented either at the commencement of the 9th Assembly or if there is a change in the holder of this office, whichever occurs first. The Tribunal is mindful that it would be unfair to decrease the specific officeholder’s loading immediately.

The following table details the loadings for officeholders:

Table 4: Loading for Members

<table>
<thead>
<tr>
<th>Office</th>
<th>ADDITIONAL SALARY</th>
<th>% BASE SALARY</th>
<th>TOTAL SALARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Minister</td>
<td>$146,053</td>
<td>110%</td>
<td>$278,828</td>
</tr>
<tr>
<td>Deputy Chief Minister</td>
<td>$106,220</td>
<td>80%</td>
<td>$238,995</td>
</tr>
<tr>
<td>Minister</td>
<td>$92,943</td>
<td>70%</td>
<td>$225,718</td>
</tr>
<tr>
<td>Presiding Officer</td>
<td>$73,026</td>
<td>55%</td>
<td>$205,801</td>
</tr>
<tr>
<td>Leader of the Opposition</td>
<td>$92,943</td>
<td>70%</td>
<td>$225,718</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition*</td>
<td>$19,916</td>
<td>15%</td>
<td>$152,691</td>
</tr>
<tr>
<td>Deputy Presiding Officer</td>
<td>$19,916</td>
<td>15%</td>
<td>$152,691</td>
</tr>
<tr>
<td>Government Whip</td>
<td>$13,278</td>
<td>10%</td>
<td>$146,053</td>
</tr>
<tr>
<td>Office</td>
<td>ADDITIONAL SALARY</td>
<td>% BASE SALARY</td>
<td>TOTAL SALARY</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------------------</td>
<td>---------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Opposition Whip</td>
<td>$13,278</td>
<td>10%</td>
<td>$146,053</td>
</tr>
<tr>
<td>Presiding Member of a committee concerned with public affairs rather</td>
<td>$13,278</td>
<td>10%</td>
<td>$146,053</td>
</tr>
<tr>
<td>than affairs of the Legislative Assembly</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*not for implementation until the commencement of the 9th Legislative Assembly or a change in the current incumbent.

Members will continue to be able to access salary packaging without additional cost to the ACT Government. The Chief Minister determines guidelines for the administration of salary packaging for the Executive while the Presiding Officer determines these matters for non-Executive Members.
7. RESETTLEMENT ALLOWANCE

The Tribunal is aware that some Members who have lost their seat have faced significant financial hardship. While it can be argued that Members should not assume they would be re-elected, it can also be argued that it is much harder for this group of people to find immediate employment. This is because many employers do not want to be associated with those who have overt political affiliations. Additionally, the largest employers in the ACT are the Commonwealth and ACT public services and clearly it is potentially difficult for former Members to be employed in these services.

Other than the ACT, only two other jurisdictions do not provide for a resettlement allowance, viz., New South Wales and Tasmania. This is currently under review in Tasmania.

The Tribunal has decided that all Members will have access to a resettlement allowance. The amount will be two weeks’ of the base salary for every year of service, capped at twelve weeks’ base salary.

The purpose of the allowance is to enable Members to move from public to private life and to access financial and other counselling services.

The Tribunal considered whether the allowance would be payable only for those who seek re-election and who are defeated; however, it was persuaded that this would instil some perverse incentives that are peculiar to the Hare-Clarke electoral system. Additionally, the Tribunal is mindful that sometimes Members will become burnt out and should not be penalised for making appropriate decisions about resignation based on lack of a resettlement allowance.

It is noted that Executive Members and the Speaker continue to receive Executive loadings (but not base salary if not re-elected) until after the election or appointment of a new Cabinet following an election. This is because they are
expected to perform these roles until a new government is sworn in. Accordingly, resettlement allowances for this group of people will also be payable at the base salary.

It is noted that in the Commonwealth and ACT Public Services, those leaving office will be paid their annual leave credits plus their long service leave credits upon their termination of office. If they are being retrenched, they will receive a package that they are able to negotiate. No such arrangements exist for Members given that no annual or long service leave accrues.
8. TRAVELLING ALLOWANCE

The Tribunal has streamlined travelling allowance payable to Members. It is based on the Australian Taxation Office (ATO) reasonable allowance rates and ensures that, for domestic and international travel, Members are not out of pocket.

Exceptions to the ATO arrangements will apply when a Member is required to stay in accommodation with other participants of a meeting. In this event, Members will be reimbursed the actual cost of the accommodation. Typically, ministerial council meetings require that ACT representatives stay at accommodation nominated by the host jurisdiction or host organisation.

Where non-office holder Members are representing an office holder, they will be paid travelling allowance as per the Executive Member’s entitlement.

The Tribunal has tightened up the definition of official travel to mean travel on Executive or Assembly business. It has specifically excluded party political business from official business. The Tribunal is not imposing a ban on party political travel. Rather, there are other avenues to seek funding for such travel, including party funds.

The previous accompanied travel entitlement for Executive Members (up to $20,000 over the four-year term of the Assembly) has been abolished. The intent of this travel was to provide support and company for Executive Members. However, given that the requirement for Executive Members to be absent from their home base is minimal, the Tribunal identified this allowance as unnecessary for a jurisdiction the size of the Australian Capital Territory. Executive Members do not endure long absences from their families in the same way that Federal and other State/Territory members experience.
The Tribunal noted that there were only a limited number of Executive Members who availed themselves of the opportunity to have their spouses or partners accompany them for travel within or outside Australia.

The accompanied travel entitlement for Executive Members that has been included in previous determinations (most recently Determination 1/2013) addressed travel for partners and not staff of members. The new arrangements do not interfere with the ability of an Executive Member to be accompanied with relevant staff who assist in fulfilling their ministerial duties.

The class of air travel available to Members remains as business class when travelling on Assembly or official business. The Tribunal notes that the Chief Minister provides guidelines about the administration of this entitlement to Executive Members, while the Speaker acts similarly for non-Executive Members.
9. STUDY AND ACCOMPANIED TRAVEL FOR NON-EXECUTIVE MEMBERS

The Tribunal has abolished the study and accompanied travel entitlement for non-Executive Members. This is a potential saving of up to $24,000 per Member over a four-year term of an Assembly.

The abolition of this entitlement does not mean that non-Executive Members will be prevented from travelling to fulfil Assembly duties. The Office of the Legislative Assembly retains a travel budget for Members whose committee work may require them to travel. Particular arrangements are already in place for meetings of the Commonwealth Parliamentary Association and other inter-parliamentary events.

While it may be considered unfair to Members who have not used their entitlement, the Tribunal has decided to implement this aspect of the Determination immediately and without exception (Determination 1/2014 commenced on 3 April 2014). It notes that one Member has exhausted the entitlement for the life of the current Assembly, and notes it is reported two others are expending a large amount of the entitlement in April 2014. Travel that was approved at the time Determination 1/2014 was published may proceed, but there is no entitlement for any new requests.

In considering this entitlement, the Tribunal noted that it is rare to find a profession with such a generous study and accompanied travel entitlement, which is essentially self directed by each Member, with the approval of the Speaker. It is up to individual Members to identify the topic of interest, which may or may not be of use to the ACT taxpayer.

The history of this entitlement was that an amount of $20,000 was set aside for spousal travel (as it was called) with the remaining $4,000 being for other study travel for non-Executive Members. The large amount for spousal travel was presumably to accommodate the inherited concept (as a Federal hangover) that Members were away from their homes frequently and their spouses ought to be
able to accompany them on interstate and overseas travel. Presumably, the official
and overseas travel was originally funded by the Office of the Legislative Assembly.

The Tribunal notes it is reported that a staff member is using the accompanied travel
entitlement for a Member in 2014, which was not the intent of this clause and is
another reason for abolishing it. Staff members of non-Executive Members have
also used some of the domestic accompanied travel entitlement over the current
and previous Assembly, which again is not the intent of the entitlement.
10. MOTOR VEHICLE

All Members are currently entitled to a privately plated fully maintained motor vehicle chosen by the Member through the ACT Government’s leasing arrangements or to an allowance of $17,500 per annum in lieu of a vehicle. The Tribunal has received numerous submissions over the years that highlight the significant difference between the actual cost of a motor vehicle supplied by the ACT versus the cash payment.

The Tribunal is advised that the cost of supplying the fully maintained vehicle is actually nearer $29,000 per annum. The transaction costs are also significant.

Accordingly, the Tribunal has decided that each Member will be provided with an annual allowance of $21,500 in lieu of a privately plated motor vehicle. Members can, of course, avail themselves of salary sacrifice arrangements in purchasing and maintaining a vehicle.

The Tribunal has also introduced an amount of $2,500 per annum for all Members as an allowance for taxis/hire cars to enable members to travel to and from official functions where private transport may not be appropriate in the interests of workplace safety and/or security. Party political functions are excluded from official functions.

The amount for taxis/hire cars is to all Members. The Tribunal notes that Executive Members also receive a similar amount for their ministerial duties. It does not envisage that any change will be made to this arrangement, given that the Tribunal’s determination on this entitlement is to enable Members to fulfil their duties as elected members in addition to their ministerial load.
11. COMMUNICATION ALLOWANCE

Determination 1/2013 enables the payment of an allowance of $4,000 per annum for non-Executive Members to purchase a mobile telephone, personal digital assistant and/or hands free connection in a motor vehicle and meet call costs and other related costs. For 2014/15, this allowance is to be rolled into a communication allowance.

Non-Executive Members also have access to a Discretionary Office Allowance administered by the Office of the Legislative Assembly. This allowance is not available for election campaigning, party political activities or private purposes. Members are able to transfer any unspent balances to another Members or roll over 25% of any unspent allowances to the following year. For non-Executive Members, the allowance is $9,800, the Speaker receives $10,200 and the Leader of the Opposition receives $13,900. It is a puzzle to the Tribunal that this entitlement is not available to Executive Members who also have a responsibility to represent constituents in their electorates.

The history of different rates for the Leader of the Opposition and the Speaker relate to staffing profiles and increased phone costs.

There have been formal and legal challenges to the administration of the discretionary office allowance over the last two Assemblies; and innumerable difficulties are routinely identified. This is because it is difficult to differentiate between party political and campaigning, especially during election years.

While Executive Members do not have access to the discretionary office allowance or to the mobile phone/PDA allowance, centrally funded laptops and mobiles are provided for them in recognition that secure equipment is important for fulfilling ministerial duties. They also receive an annual postal allowance of $1080.
Subject to the abolition of the discretionary office allowance and the Executive postal allowance, the Tribunal will introduce a Communication Allowance totalling $15,000 per annum to each Member. This amount will be included in Members’ fortnightly salary. Items that can be purchased through the allowance include:

- Mobile telephone.
- Computer tablet.
- Laptop computer.
- Printing of non-political material.
- Postage for non-political material.
- Information technology services of a non-political nature, for example, website development, maintenance, surveys.

The provision of such an allowance does not exclude central funding provided for office costs, for example, desks and other furniture, letterhead, basic printing and copying, computers for Members and staff, etc.

It is the Tribunal’s view that taxpayers would expect Members to spend this allowance each year throughout the life of the Assembly on communication with constituents and equipment to support that process. It is untenable that such amounts can or should be pooled or transferred to other Members, or rolled over for use at the end of the Assembly’s life.

Other parliaments pay such allowances through payroll.

The view was put to the Tribunal that an amount of between $10,000 and $15,000 will not be enough for each Member to be in touch with their constituents. It is the Tribunal’s view that technology is increasingly moving away from individually addressed postage to other more innovative ways of communication. Furthermore the Tribunal believes that an amount of $15,000 will allow each Member to consider the most effective manner, style and content of communication with the electorate.
The Tribunal believes that the amount allocated is certainly enough for Members to respond to individual requests from constituents. The adequacy of this amount will continue to be monitored by the Tribunal.

While it was canvassed in the Tribunal’s Issues Paper, the Tribunal has decided not to grant higher communications allowances for office bearers, such as the Chief Minister, the Leader of the Opposition or the Speaker. This is because the allowance is meant to be used in a Member’s role as representing constituents and not as an office bearer.
12. ITEMS OUTSIDE OF THE TRIBUNAL’S ROLE

Superannuation

As noted in the Tribunal’s Issues Paper, it has no role in determining superannuation for Members. This issue is determined under the Legislative Assembly (Members’ Superannuation) Act 1991.

It is often suggested that Members receive overly generous superannuation and payout provisions upon leaving the Assembly. For a majority of Members, superannuation arrangements are similar to arrangements for the ACTPS.

Six Member’s who were elected prior to 2008 contribute to the defined benefits scheme while the remaining eleven Members, and any new Members in future, contribute to the choice of funds scheme. Usual arrangements apply for accessing superannuation funds by Members upon retirement, including that access is not permitted before the attainment of the age of 55 years as a general rule.

The Tribunal reiterates its comments from the Issues Paper, viz., that the Commonwealth has decided to include superannuation in the Commonwealth Remuneration Tribunal’s deliberations and it may be appropriate at some point for the ACT Government to consider this option.

Speakers’ panel

The Tribunal was advised that the Speakers’ panel is not recognised in the loadings for Members, yet panel members are expected to take a significant leadership role.

If the panel is formally referred to the Tribunal, it will be considered in future reviews.
Honorifics

Some ex-Members of the Assembly commented to the Tribunal that it was an anomaly that the Assembly is the only parliament in Australia where Ministers do not receive the honorific of “The Honourable”.

The ability to use an honorific such as “The Honourable” is an inexpensive way of recognising the value of the work of Ministers and would cost nothing to implement. However, this is outside the authority of the Tribunal.

Cross Bench

The *Remuneration Tribunal Act 1995*, section 9, itemises the offices for which the Tribunal is required to conduct inquiries. There is no capacity within the Act to inquire into remuneration for cross bench office holders or minority party office holders, other than the Opposition.
13. ACKNOWLEDGEMENTS

The Tribunal appreciates the time given by interested individuals by way of submissions, commentary and interviews.

The Tribunal is especially appreciative of the contribution of officers of the Office of the Legislative Assembly, the Chief Minister and Treasury Directorate and the Tribunal’s secretariat.