



Andrew Barr MLA

Chief Minister

Treasurer

Minister for Social Inclusion and Equality

Minister for Tertiary Education

Minister for Tourism and Special Events

Minister for Trade, Industry and Investment

Member for Kurrajong

Ms Sandra Lambert AM
Chair
ACT Remuneration Tribunal
PO Box 964
CIVIC SQUARE ACT 2608
Email: remtrib@act.gov.au

Dear Ms Lambert

Sandra

I am writing to update you on the review of the *Members of the Legislative Assembly* Communications Allowance that was proposed in the ACT Government submission of 4 February 2019 to the 2019 Autumn Review.

As you may be aware, the ACT Legislative Assembly Select Committee Inquiry into the 2016 ACT Election and the Electoral Act recommended that the Government review and update all rules and regulations for the use of MLAs' office, staffing and communication allowance to ensure MLAs are able to adequately carry out their functions, including during an election period. The Select Committee noted concerns raised about the application of the reporting requirements of section 230 of the Electoral Act to a communication allowance provided to MLAs for communication with their constituents.

The Remuneration Tribunal introduced a communication allowance of \$15,000 per annum for each MLA in 2014. The purpose of the allowance was to enable MLAs to communicate with their constituents in a public capacity and to pay for equipment to support that process.

The communications allowance was initially identified separately to salary in determinations of the Tribunal, however, in Determination 7 of 2016, the Remuneration Tribunal abolished the allowance and rolled an equivalent amount into the base salary of MLAs.

The Government is of the view that there is still a need for a communications allowance and I understand that other MLAs share this view.

In the Government submission into the 2019 Autumn Review, the Government proposed a review of the Communications Allowance with a view to providing for this resource through a separately administered process and requested the Remuneration Tribunal's consideration of this proposal.

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After further consideration, the Government proposes establishing a communications allowance through an amendment to the *Legislative Assembly (Officer of the Legislative Assembly) Act 2012* which is expected to be introduced into the Legislative Assembly on 24 October 2019. I will provide you with the legislative amendment when it has been introduced.

The amendment to the *Legislative Assembly (Officer of the Legislative Assembly) Act 2012* will provide the legal basis for the payment of the allowance and will make clear that its purpose is to assist MLAs to communicate with their constituents. The Clerk will administer the allowance. It is proposed that the new arrangements commence from 1 January 2020.

Further detail as to the amount and scope of the allowance and processes associated with the administration of the allowance will be determined by a Continuing Resolution of the Legislative Assembly. The communications allowance will either be a set amount or a formula / calculation. A decision has not been taken on the quantum of the allowance.

The funds for the payment of the allowance would be administered by the Office of the Legislative Assembly via a budgetary appropriation.

Should the MLA communications allowance be established in legislation and the administration of the allowance is covered through a Continuing Resolution, I will be requesting the Remuneration Tribunal to reduce MLA's salaries by the same amount that is determined for the communications allowance from 1 January 2020. For example, if the communication allowance is \$15,000 per annum for each MLA, the Remuneration Tribunal will be requested to reduce MLA salaries by \$7,500 from 1 January 2020 and the remaining \$7,500 from 1 July 2020 (given that a proportion of the salary has already been paid to MLAs).

This approach will mean that the proposal to establish the communications allowance by an enactment is budget neutral and does not affect the Territory's fiscal position. To facilitate this, funds will need to be transferred from the ACT Executive to the Office of the Legislative Assembly.

I intend to consult with MLAs about this proposed approach and the substance of the Continuing Resolution. I propose to write to the Remuneration Tribunal again to provide advice on the outcome of the MLA consultation process, the passage of the legislative amendment and the formal request to reduce MLA's salaries accordingly.

I hope that this letter provides the Remuneration Tribunal with additional background on the developments in this area. I would be happy to provide further information to the Remuneration Tribunal should this be required.

Thank you to the Remuneration Tribunal for your consideration of this request.

Yours sincerely



Andrew Barr MLA
Chief Minister

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