



REMUNERATION TRIBUNAL

SEPTEMBER 2000

STATEMENT – PARLIAMENTARY REMUNERATION – REVIEW OF ELECTORATE ALLOWANCE AND CHARTER TRANSPORT REIMBURSEMENT ARRANGEMENTS

The Remuneration Tribunal has concluded its reviews of Electorate Allowance and Charter Transport Reimbursement arrangements. Its decisions are given effect by Determination Number 2000/11, which amends the Tribunal's principal determinations covering Members of Parliament (MPs) entitlements:

- 1998/08, which provides for Travel Allowances (TA); and
- 1998/26, which provides for allowances for expenses of office other than TA.

Consolidated versions of these determinations will be available shortly on the Remuneration Tribunal's website – <http://www.dofa.gov.au/remtribunal>.

Focus of the Reviews

The Tribunal announced its reviews of the Electorate Allowance and Charter Transport Reimbursement arrangements in its 1999 Report on parliamentary remuneration.

The Tribunal's announcement followed consideration of submissions made to its 1999 review of parliamentary remuneration which sought increases to the level of Electorate Allowance paid to Members representing the electorates largest in area, and a range of issues relating to the Charter Transport Reimbursement arrangements, including:

- a further increase to the existing entitlement for electorates of 100,000 or more square kilometres in size;
- a new entitlement for electorates of less than 10,000 square kilometres in size in certain circumstances; and
- an extension of the rules governing the use of the Charter Transport entitlement to cover car with driver services in home capital or regional cities.

In its 1999 Report, the Tribunal noted that Electorate Allowance had last been fundamentally reviewed in 1988. In undertaking its review, the Tribunal sought to update its understanding of how parliamentarians service their electorates, the services expected by constituents of their elected representatives and expenditure patterns.

In February 2000, the Tribunal wrote to all Senators and Members inviting them to make submission to its reviews. A small number of submissions were received and the Tribunal appreciates the information and ideas provided in these submissions. The Tribunal also had face to face discussions with individual senators and members, the Special Minister of state and representatives of the Federal Parliamentary Labor Party.

Review Outcomes

As a result of its findings, the Tribunal has made the following adjustments to allowances for expenses of office for electorates of 50,000 or more square kilometres in size.

- ◆ Charter Transport reimbursement – the limit for House of Representatives electorates of 300,000 or more square kilometres has been increased from \$54,250 to \$72,250 a year, with effect from 1 July 2000. In addition, the carryover period for all categories of Charter Allowance have been extended from three to 12 months.
- ◆ Information Delivery Services (IDS) – this entitlement has been renamed Communications Allowance to better reflect its purpose, and its provisions have been amended to make clear that Senators and Members may use this Allowance to meet the costs of establishing and maintaining websites. In addition, a new category of Communications Allowance of \$28,000 a year has been introduced for electorates of 50,000 or more square kilometres with effect from 1 July 2000.
- ◆ Aggregating of entitlements – this initiative enables portability between the Charter Transport entitlement and Communications Allowance for electorates of 300,000 or more square kilometres. The arrangement will be introduced for trial period from 1 October 2000, and evaluated as part of the Tribunal's 2001 review of parliamentary remuneration.
- ◆ Travel within the electorate - the cap for overnight stays for travel by the Member for Kalgoorlie within the Electorate of Kalgoorlie has been increased from 66 to 75 overnight stays, with effect from 1 July 2000.
- ◆ Private plated vehicle - members representing electorates of 300,000 or more square kilometres may request a four-wheel drive vehicle under the standard private plated vehicle entitlement. Any difference in the lease cost between an Australian made, private plated vehicle and a four wheel drive vehicle will be met by the Commonwealth.

The Tribunal has also clarified provisions relating to car transport for dependent children and designated persons under the family travel entitlement.

Determination 2000/11 does not adjust the Electorate Allowance and the Tribunal is not disposed to increase the size of this Allowance in the near to medium future. The Tribunal notes that, consistent with the purpose of the Allowance, many Senators and Members utilise their Electorate Allowance entitlement to fund unofficial offices or to support organisations within the electorate or to top up staff relief and staff travel budgets.

Consistent with undertakings provided to individual Senators and Members during the course of its reviews, the Tribunal has referred to the Special Minister of State matters raised by submissions that are outside of its jurisdiction, including relief staff and staff travel budgets and electorate office facilities and the number of offices provided in the larger electorates.

Future Directions

The Tribunal's 2000 review of parliamentary expenses of office allowances will focus on continuing to increase flexibility within the existing entitlements framework and examine the full range of overseas travel entitlements.