

## Determination 16/2017

## 27 November 2017

# Review of Allowances System 2017

Introduction

# Background

The Queensland Independent Remuneration Tribunal (the Tribunal) is an independent statutory authority established by the *Queensland Independent Remuneration Tribunal Act 2013* (the Act).

The Tribunal has the power to make determinations in accordance with section 27 of the Act which provides for ‘…the power to make determinations about remuneration in connection with Members and former Members of the [Queensland Legislative] Assembly’.

The definition of ‘remuneration’ under the Act includes the annual salary (s41), the additional salary (s42) and associated allowances (s54) payable to a member for performing roles as an office holder in addition to that of a Member.

##  History of Allowance Reviews

The current allowances system was established by the Tribunal in 2013 (Determination 1/2013) and took effect on 1 January 2014. Determination 1/2013 consolidated over 30 allowances into three general allowances covering expenses relating to electorates, information and communication, and travel.

In 2014, following the first six months of operation, the new allowances system was reviewed by the Tribunal. The review resulted in simplified reporting categories and greater flexibility relating to expenditure under the then Information and Communication Allowance and Electorate Allowance (Determination 6/2014).

The Tribunal’s second review of allowances, in 2015, resulted in the Information and Communication Allowance being merged with the Electorate Allowance (creating the Electorate and Communication Allowance). The review also resulted in an increase in the quantum of band 3 of the Motor Vehicle Allowance and General Travel Allocation (Determination 9/2015).

In December 2016, the Tribunal made minor amendments to the allowances system. These amendments are detailed in Determination 13/2016.

##  State Redistribution

On 26 May 2017, the Queensland Redistribution Commission published the final boundaries for the 93 electorates which took effect at the State general election, held on 25 November 2017.

The redistribution has resulted in the abolition of two existing electorates (Indooroopilly and Dalrymple) and the creation of six new electorates (Bonney, Bancroft, Macalister, Ninderry, Jordan and Hill).

In determining changes to electorate boundaries, the Queensland Redistribution Commission was required to meet a quota of 33,168 enrolled electors for each electorate, plus or minus 10 per cent (upper tolerance 36,485 and lower tolerance 29,851).

For electorates over 100,000 square kilometres an additional enrolment allowance based on two per cent of the total square area of the electorate was provided. Prior to the redistribution there were five electorates over 100,000 square kilometres(Cook, Mount Isa, Dalrymple, Gregory and Warrego). Following the redistribution there are four electorates over 100,000 square kilometres (Cook, Gregory, Traeger and Warrego).

The redistribution has had implications for the existing bands for the Electorate and Communication Allowance and the General Travel Entitlements.

##  2017 Review of Allowances

The Act requires the Tribunal to ensure that any allowances paid to Members reflect the amount of reasonable expenses incurred by a Member in servicing their electorate. The Tribunal has reviewed the quantum of allowances and allocations available to Members in the context of the increased number of electoral districts and the state redistribution.

To complete this review, the Tribunal consulted with a range of stakeholders including the Clerk of the Parliament, the Committee of the Legislative Assembly, the former Integrity Commissioner and the Crime and Corruption Commission. In parallel to this consultation, the Tribunal has considered contemporary issues concerning Members allowances within Australia and in other Commonwealth countries.

The Tribunal has also considered the Clerk of the Parliament’s 2016–17 Annual Reports on allowance and allocation acquittals by Members for the Electorate and Communication Allowance, the General Travel Allocation, Motor Vehicle Allowance and Air Travel Allocation (Air Warrants).

Analysis

# Electorate and Communication Allowance

The Electorate and Communication Allowance is provided to Members to cover a range of expenditure associated with providing constituent assistance and service for the electorate; obtaining and disseminating information relevant to fulfilling parliamentary responsibilities; and meeting incidental costs relating to the operation of a Member’s electorate office. The Tribunal maintains the view that the Electorate and Communication Allowance is fundamental to assist Members to discharge their electorate and constituency responsibilities.

##  **Acquittal and Quantum**

The Tribunal has reviewed the Electorate and Communication Allowance, and considered the quantum of the allowance relative to the expenditure acquitted by Members throughout the 2016–17 financial year. Acquittal relative to the limit of the Allowance for the 2016–17 financial year is presented below in Figure 2.1 and shows:

* 9 Members acquitted under 90 per cent of their allowance
* 48 Members acquitted between 91 per cent – 100 per cent of their allowance
* 27 Members acquitted between 101 per cent – 110 per cent of their allowance
* 5 Members acquitted over 111 per cent of their allowance.

**Figure 2.1 – 2016–17 Percentage of Electorate and Communication Allowance acquitted**

Members

In summary, 84 per cent of Members (75 Members) acquitted within plus or minus 10 per cent of their full allowance throughout the 2016–17 financial year. Of the Members who exceeded 111 per cent, the highest over-acquittal was 135 per cent.

This data indicates that the current quantum of the allowance is appropriate. To address the changes to electorate size and populations, the Tribunal has determined to establish an additional band across all allowances and allocations. The additional band for the Electorate and Communication Allowance is discussed below at section 2.2.

Consistent with other allowances payable to Members, up to 10 per cent of the total Electorate and Communication Allowance that is unexpended, is able to be carried over to the next allowance period. The total amount of carryover in any given year cannot exceed 10 per cent of the total Electorate and Communication Allowance payment for that year.

##  Bands

The distribution of electorates into bands for the purposes of the Electorate and Communication Allowance has been established using a combination of population and electorate size. As stated in Determination 1/2013, a greater population within an electorate is likely to impose more demands on a Member. Further, larger electorates are likely to contain decentralised communities resulting in diseconomies of scale. The Tribunal maintains the view that the Electorate and Communication Allowance must accommodate differences in both population and the size of an electorate and that a combination of population and electorate size is the most appropriate way to distribute electorates into bands for the Electorate and Communication Allowance.

The redistribution has resulted in a moderation of the number of voters in each electorate. Applying the current formula for the Electorate and Communication Allowance to the existing three bands results in all electorates falling within a narrow range below the current band 1.

The Tribunal has determined to utilise the existing formula of 60 cents per head of population plus 1.5 cents per square kilometre of electorate to rank all electorates, but change the allocation of electorates across four bands. A new band has been created between the existing bands two and three. Members whose electorates fall within the new band 3 will receive an annual allowance of $72,000. The quantum of the other existing bands has remained unchanged. The current and new bands are listed below in Figures 2.2, 2.3 and 2.4.

**Figure 2.2 – Current Electorate and Communication Allowance (see Determinations 1/2013 and 13/2016)**

|  |  |  |
| --- | --- | --- |
| Band | Number of electorates in Band | Quantum of Allowance (per annum) |
| Band 1 | 61 | $67,800 |
| Band 2 | 22 | $70,400 |
| Band 3 | 6 | $74,500 |

**Figure 2.3 – New Electorate and Communication Allowance Bands**

|  |  |  |
| --- | --- | --- |
| Band | Number of electorates in Band | Quantum of Allowance (per annum) |
| Band 1 | 45 | $67,800 |
| Band 2 | 15 | $70,400 |
| Band 3 | 31 | $72,000 |
| Band 4 | 2 | $74,500 |

**Figure 2.4 – New Electorate and Communication Allowance**

|  |
| --- |
| Band 1 – $67,800 per annum |
| Electorate  | Size of electorate (km²)  | ECQ enrolled population  |
| ALGESTER | 66 | 32,281 |
| BANCROFT | 74 | 32,116 |
| BONNEY | 29 | 31,459 |
| BROADWATER | 130 | 32,074 |
| BUDERIM | 67 | 33,009 |
| BUNDAMBA | 150 | 30,698 |
| BURNETT | 7,687 | 32,562 |
| CALOUNDRA | 227 | 31,624 |
| COOMERA | 340 | 30,722 |
| CURRUMBIN | 137 | 33,081 |
| GAVEN | 77 | 31,573 |
| GLADSTONE | 2,814 | 31,542 |
| GLASS HOUSE | 1,768 | 31,706 |
| HINCHINBROOK | 6,497 | 31,792 |
| INALA | 52 | 32,809 |
| IPSWICH | 86 | 30,336 |
| IPSWICH WEST | 365 | 32,139 |
| JORDAN | 314 | 30,774 |
| KAWANA | 47 | 32,890 |
| KURWONGBAH | 125 | 33,285 |
| LOCKYER | 2,568 | 31,885 |
| LOGAN | 356 | 29,974 |
| MANSFIELD | 70 | 32,490 |
| MAROOCHYDORE | 45 | 32,436 |
| McCONNEL | 13 | 31,443 |
| MERMAID BEACH | 23 | 33,074 |
| MILLER | 27 | 33,186 |
| MIRANI | 25,976 | 32,128 |
| MORAYFIELD | 69 | 32,543 |
| MULGRAVE | 819 | 32,323 |
| MUNDINGBURRA | 122 | 32,802 |
| MURRUMBA | 63 | 33,077 |
| NICKLIN | 686 | 31,265 |
| NINDERRY | 301 | 32,139 |
| OODGEROO | 308 | 31,022 |
| PUMICESTONE | 337 | 32,804 |
| REDLANDS | 121 | 32,624 |
| SOUTH BRISBANE | 12 | 30,582 |
| SOUTHPORT | 33 | 32,204 |
| STRETTON | 41 | 33,001 |
| SURFERS PARADISE | 24 | 32,392 |
| THEODORE | 106 | 31,114 |
| TOOHEY | 36 | 32,905 |
| WATERFORD | 56 | 31,838 |
| WHITSUNDAY | 4,898 | 31,435 |
| Band 2 – $70,400 per annum |
| BARRON RIVER | 568 | 33,523 |
| BUNDABERG | 108 | 33,923 |
| BURLEIGH | 30 | 33,512 |
| CHATSWORTH | 57 | 33,826 |
| FERNY GROVE | 49 | 34,228 |
| GREENSLOPES | 18 | 34,274 |
| KEPPEL | 3,763 | 34,345 |
| MACALISTER | 91 | 33,448 |
| MOGGILL | 307 | 34,467 |
| MOUNT OMMANEY | 31 | 34,285 |
| MUDGEERABA | 402 | 34,219 |
| NOOSA | 728 | 34,505 |
| SPRINGWOOD | 99 | 34,476 |
| THURINGOWA | 261 | 34,151 |
| TOWNSVILLE | 251 | 33,499 |
| Band 3 – $72,000 per annum |
| ASPLEY | 36 | 35,643 |
| BULIMBA | 29 | 35,944 |
| BURDEKIN | 78,681 | 33,796 |
| CAIRNS | 60 | 34,979 |
| CALLIDE | 74,199 | 32,803 |
| CAPALABA | 45 | 34,999 |
| CLAYFIELD | 71 | 35,616 |
| CONDAMINE | 6,563 | 34,755 |
| COOK | 196,836 | 31,455 |
| COOPER | 63 | 35,860 |
| EVERTON | 48 | 35,785 |
| GREGORY | 459,681 | 24,406 |
| GYMPIE | 4,628 | 34,983 |
| HERVEY BAY | 1,809 | 35,784 |
| HILL | 19,752 | 35,916 |
| LYTTON | 65 | 34,983 |
| MACKAY | 80 | 36,154 |
| MAIWAR | 38 | 35,925 |
| MARYBOROUGH | 4,705 | 34,975 |
| NANANGO | 18,122 | 35,282 |
| NUDGEE | 42 | 35,007 |
| PINE RIVERS | 539 | 35,530 |
| REDCLIFFE | 200 | 35,259 |
| ROCKHAMPTON | 174 | 35,137 |
| SANDGATE | 35 | 34,867 |
| SCENIC RIM | 4,809 | 34,555 |
| SOUTHERN DOWNS | 30,951 | 34,656 |
| STAFFORD | 21 | 35,920 |
| TOOWOOMBA NORTH | 111 | 35,508 |
| TOOWOOMBA SOUTH | 44 | 36,013 |
| WOODRIDGE | 39 | 35,052 |
| Band 4 – $74,500 per annum |
| TRAEGER | 428,911 | 26,006 |
| WARREGO | 337,812 | 29,204 |

##  Cleaning Allocation

Determination 13/2016 transferred the Electorate Office Cleaning allocation of $1,500 to the Electorate and Communication Allowance. However, the previous Electorate Office Cleaning allocation had been offered for each electorate office rather than each Member. To assist Members who represent an electoral district of 100,000 square kilometres or more, and who elect to have an additional electorate office, the Tribunal has determined to provide an additional $1,500 per annum to supplement the Electorate and Communication Allowance and assist with cleaning costs associated with maintaining an additional electorate office. The electorates which exceed 100,000 square kilometres, and are eligible to receive an additional $1,500 adjustment are:

* Cook
* Warrego
* Traeger
* Gregory.

##  Engagement of Family Members

At present Members may not engage their spouse in electorate staff positions. However, under the current Electorate and Communication Allowance, a Member may acquit costs to a spouse or family members so long as the family member provides a formal tax invoice as a contractor using an ABN.

The Tribunal considers this arrangement to be in conflict with the limitations imposed on the Electorate and Communication Allowance, specifically that the allowance may not be used to meet expenditure for private or commercial purposes. ‘Private purpose’ is defined to mean a purpose relating to personal use or enjoyment of an individual and ‘commercial purpose’ is defined to mean a purpose relating to the sourcing of financial benefit or reward (directly or indirectly) other than a benefit or reward provided to the Member. This means that a Member may be allowed to engage a spouse to assist with electorate office or other duties as a "contractor” (provided they have an ABN) but they cannot employ their spouse as an electorate officer.

The Tribunal considers there is public interest in knowing what benefits accrue to a Member and that these are dealt with transparently. Further, restrictions on employment of and benefits to family members is consistent with expectations and requirements for the Queensland public sector.

The former Integrity Commissioner and the Crime and Corruption Commission have also raised concerns about a Member’s ability to spend any public money without clear public visibility and accountability.

To resolve the inconsistency, the Tribunal has determined to expressly exclude the use of the Electorate and Communication Allowance to purchase goods or services where the Member, or a connected party, is the provider of the goods or services in question. The Tribunal defines connected party as the Member’s children, spouse, domestic partner, dependents, parent, grandparent, grandchild, sibling, uncle, aunt, nephew, niece or a body corporate, firm or trust with which the Member is connected.

##  Public Reporting

The Tribunal considers that public reporting of allowances is crucial to maintaining a high level of transparency and accountability. The Annual Reports on the Electorate and Communication Allowance show Members’ acquittal against each of the seven categories and overall acquittals against the allowance. In order to capture total expenditure, Members are encouraged to acquit all expenditure throughout the financial year, including expenditure which exceeds 100 per cent of their allowance. Where a Member’s expenditure exceeds the annual allowance, the amount of any excess is met personally by the Member. Acquitting all expenses assists the Parliament and the Tribunal to assess the adequacy of the allowance system.

As noted above, over-expenditure of the Electorate and Communication Allowance is at a personal cost to the Member. However, Members have raised concern about public perception that the expense is incurred by the Parliament and ultimately the tax-payer. The Tribunal therefore determines that the Clerk of the Parliament’s Annual Report to Parliament for the Electorate and Communication Allowance includes a section relating to personal contributions. An example of the new line item is included below in Figure 2.5.**Figure 2.5 – New Electorate and Communication Allowance reporting**

|  |  |
| --- | --- |
| **PART A: ACTUAL EXPENDITURE ACQUITTED FOR PERIOD BY CATEGORY** | **$** |
| Hosting Costs  | x |
| Minor Equipment  | x |
| Office Expenses  | x |
| Other  | x |
| Production, Publication and Distribution Services  | x |
| Support for Constituents and Organisations  | x |
| Telecommunication and Data Costs  | x |
| **Total expenditure acquitted** | xx |

|  |  |  |
| --- | --- | --- |
| **PART B: ALLOWANCE RECONCILIATION** | **Note** | **$** |
| **Allowance paid for the period** |
| Allowance as per Handbook |  | xx |
| Less amounts withheld due to underspend in previous period | 1 | (x) |
| Equals cash payment to Member in this period |  | xx |
| **Allowance to be acquitted for the period** |
| Cash payments for the period (as per above) |  | xx |
| Plus amount paid in previous period but not acquitted | 1 | x |
| Plus carryover from previous period | 2 | x |
| Equals total allowance to be acquitted in this period |  | xx |
| **Actual expenditure for the period** |
| Amount acquitted  |  | xx |
| Amount un-acquitted/(overspent) | 3 | x |
| Carry-over to next period | 2 | x |
| Reduction in future payments  | 1 | (x) |

|  |  |  |
| --- | --- | --- |
| **PART C: PERSONAL CONTRIBUTIONS**  | **Note** | **$** |
| **Allowance paid for the period** |
| Amount contributed personally by the Member  | 3 | xx |

*Notes*

1. *When a Member underspends in one period (beyond that allowable as a carry-over), future allowance payments are reduced by the underspent amount. The Member is then required to acquit the unspent allowance in the following reporting period.*
2. *Up to 10% of the total allowance amount that is unexpended for each reporting period (excluding any reductions or carry-overs from previous years) may be retained by the Member and acquitted in the following reporting period.*
3. *When a Member overspends the allowance, any over-expenditure is met personally by the Member.*

|  |
| --- |
| **PART D: CERTIFICATIONS** |
| **Certification by the Member** | **Certification by the Clerk** |
| I certify that -1. the above summary is a true and correct record of the expenditure acquitted by me against the Allowance; and
2. use of the Allowance has been in accordance with the requirements of the *Members’ Remuneration Handbook* and supplementary written advice provided by the Clerk.

**…………………………………………..****Member of the Legislative Assembly (signature)** | I certify that -1. the total allowance amounts to be acquitted in the above summary are correct and have been duly paid to the Member;
2. the total acquittal amounts correctly reflect the total individual acquittals submitted by the Member;
3. based on the information provided to me by the Member I am satisfied that the above summary represents allowable acquittals in accordance with the provisions of the *Members’ Remuneration Handbook;*
4. in accordance with the requirement of the *Members’ Remuneration Handbook* to conduct a rolling audit program, individual acquittals provided by the Member may be subject to a future detailed audit to test and verify compliance; and
5. while no such audit has been completed at this time for the 2017-18 acquittal period, should the results of the audit be material and require a variation to the above summary, a disclosure will be made in the future Report.

**…………………………………………..****Clerk of the Parliament** **(signature)** |

# General Travel Allocation

The General Travel Allocation covers a range of expenses incurred by Members when travelling for the primary purpose of Parliamentary Business.

##  Acquittals and Quantum

To assess the adequacy of the quantum of the allocation, the Tribunal has considered the 2016–17 Annual Report data relative to the limit of the allocation. Figure 3.1 shows acquittal relative to the limit of the allocation for the 2016–17 financial year and shows that:

* 74 Members acquitted under 90 per cent of their allocation
* 13 Members acquitted between 91 per cent – 100 per cent of their allocation
* 2 Members acquitted over 101 per cent of their allocation.

**Figure 3.1 – 2016–17 Percentage of General Travel Allocation acquittal**

Members

In summary, 83 per cent of Members (74 Members) claimed up to 90 per cent of their General Travel Allocation and 98 per cent of Members (87 Members) claimed up to 100 per cent of their General Travel Allocation. Two Members exceeded 101 per cent of their allocation, one acquitted 103 per cent and the other 113 per cent. Those Members were in bands 2 and 1 respectively.

Based on the available information, the Tribunal considers that the current quantum of the General Travel Allocation is adequate to meet the needs of Members.

##  Bands

The current General Travel Allocation bands are based on the size of each electorate. At the time the General Travel Allocation was set (Determination 1/2013), the size of electorates ranged from 17 square kilometres to 570,502 square kilometres. Following the redistribution, the variation in electorate size ranges from 12 square kilometres to 459,681 square kilometres.

To address the change in electorate size and geography, the Tribunal has determined to establish an additional band of electorates which sit below 100,000 square kilometres but still cover a large area and multiple population centres. The Tribunal has also adjusted the limits of the bands. The current band limits are listed below in figure 3.2.

**Figure 3.2 – Current General Travel Allocation Bands (see Determinations 1/2013 and 9/2015)**

|  |  |  |  |
| --- | --- | --- | --- |
| Band | Size of electorate (km²) | Number of electorates in Band | Quantum of Allocation (per annum) |
| Band 1 | 0 – 4,999 | 73 | $18,360 |
| Band 2 | 5,000 – 99,999 | 11 | $30,040 |
| Band 3 | 100,000 and over  | 5 | $77,720 |

The quantum of the General Travel Allocation will remain unchanged as, on the available information, it is sufficient for the majority of Members. The new bands are listed in Figures 3.3 and 3.4 below.

**Figure 3.3 – New General Travel Allocation Bands**

|  |  |  |  |
| --- | --- | --- | --- |
| Band | Size of electorate (km²) | Number of electorates in Band | Quantum of Allocation (per annum) |
| Band 1 | 0 – 4,499 | 76 | $18,360 |
| Band 2 | 4,500– 49,999 | 11 | $30,040 |
| Band 3 | 50,000 – 99,999 | 2 | $40,000 |
| Band 4 | 100,000 and over  | 4 | $77,720 |

**Figure 3.4 – New General Travel Allocation Bands**

|  |  |
| --- | --- |
| Electorate | Size of electorate (km²) |
| Band 1 – 0 km² – 4,499 km² – $18,360 per annum |
| ALGESTER | 66 |
| ASPLEY | 36 |
| BANCROFT | 74 |
| BARRON RIVER | 568 |
| BONNEY | 29 |
| BROADWATER | 130 |
| BUDERIM | 67 |
| BULIMBA | 29 |
| BUNDABERG | 108 |
| BUNDAMBA | 150 |
| BURLEIGH | 30 |
| CAIRNS | 60 |
| CALOUNDRA | 227 |
| CAPALABA | 45 |
| CHATSWORTH | 57 |
| CLAYFIELD | 71 |
| COOMERA | 340 |
| COOPER | 63 |
| CURRUMBIN | 137 |
| EVERTON | 48 |
| FERNY GROVE | 49 |
| GAVEN | 77 |
| GLADSTONE | 2,814 |
| GLASS HOUSE | 1,768 |
| GREENSLOPES | 18 |
| HERVEY BAY | 1,809 |
| INALA | 52 |
| IPSWICH | 86 |
| IPSWICH WEST | 365 |
| JORDAN | 314 |
| KAWANA | 47 |
| KEPPEL | 3,763 |
| KURWONGBAH | 125 |
| LOCKYER | 2,568 |
| LOGAN | 356 |
| LYTTON | 65 |
| MACALISTER | 91 |
| MACKAY | 80 |
| MAIWAR | 38 |
| MANSFIELD | 70 |
| MAROOCHYDORE | 45 |
| McCONNEL | 13 |
| MERMAID BEACH | 23 |
| MILLER | 27 |
| MOGGILL | 307 |
| MORAYFIELD | 69 |
| MOUNT OMMANEY | 31 |
| MUDGEERABA | 402 |
| MULGRAVE | 819 |
| MUNDINGBURRA | 122 |
| MURRUMBA | 63 |
| NICKLIN | 686 |
| NINDERRY | 301 |
| NOOSA | 728 |
| NUDGEE | 42 |
| OODGEROO | 308 |
| PINE RIVERS | 539 |
| PUMICESTONE | 337 |
| REDCLIFFE | 200 |
| REDLANDS | 121 |
| ROCKHAMPTON | 174 |
| SANDGATE | 35 |
| SOUTH BRISBANE | 12 |
| SOUTHPORT | 33 |
| SPRINGWOOD | 99 |
| STAFFORD | 21 |
| STRETTON | 41 |
| SURFERS PARADISE | 24 |
| THEODORE | 106 |
| THURINGOWA | 261 |
| TOOHEY | 36 |
| TOOWOOMBA NORTH | 111 |
| TOOWOOMBA SOUTH | 44 |
| TOWNSVILLE | 251 |
| WATERFORD | 56 |
| WOODRIDGE | 39 |
| Band 2 – 4,500 km² – 49,999 km² – $30,040 per annum |
| BURNETT | 7,687 |
| CONDAMINE | 6,563 |
| GYMPIE | 4,628 |
| HILL | 19,752 |
| HINCHINBROOK | 6,497 |
| MARYBOROUGH | 4,705 |
| MIRANI | 25,976 |
| NANANGO | 18,122 |
| SCENIC RIM | 4,809 |
| SOUTHERN DOWNS | 30,951 |
| WHITSUNDAY | 4,898 |
| Band 3 – 50,000 km² to 99,999 km² – $40,000 per annum  |
| BURDEKIN | 78,681 |
| CALLIDE | 74,199 |
| Band 4 – 100,000 km² and over – $77,720 per annum  |
| COOK | 196,836 |
| GREGORY | 459,681 |
| TRAEGER | 428,911 |
| WARREGO | 337,812 |

##  Hire Car and Taxi Usage

The Tribunal notes that short-term car hire under the General Travel Allocation is not to be used extensively as a substitute for, or in lieu of a Member’s vehicle funded from the Motor Vehicle Allowance. Annual acquittal data for 2016–17 indicates an increase in the use of hire cars and, to a lesser extent, taxis around or within a Member’s electorate, particularly for Members whose electorate falls within the current bands 2 and 3 of the Motor Vehicle Allowance. The use of two allowances for the same purpose suggests that the General Travel Allocation may not be used in the intended manner.

Throughout 2016–17, 36 Members utilised their General Travel Allocation for car hire usage. Of those 36 Members, the majority of Members (64 per cent) spent up to $500 on car hire, with the average expenditure of $318 per Member. Of the remaining 36 per cent of hire car users (13 Members), the average expenditure was $1,957 per Member. The 2016–17 hire car expenditure is presented in figure 3.5 below.

**Figure 3.5 – 2016–17 Car Hire Usage**

Members

Throughout 2016–17, 79 Members utilised taxis. Of those 79 Members, the average expenditure was $1,801. For the Members whose annual expenditure exceeded $1,000, the average expenditure was $3,078. Expenditure for the 79 Members who utilised taxis throughout 2016–17 is represented below at Figure 3.6.

**Figure 3.6 – 2016–17 Taxi Usage**

Members

In considering this issue, the Tribunal notes workplace health and safety risks associated with driving long distances to attend to Parliamentary Business, which may facilitate the use of a taxi or a hire car and driver. The Tribunal will continue to monitor car hire and taxi usage in 2017–18 and, in consultation with the Clerk of the Parliament, consider whether further guidance needs to be provided to Members.

##  Penalties

The Tribunal has considered developments interstate, nationally and internationally. A key issue facing most Australian jurisdictions is the apparent misuse of travel allowances. This has resulted in increased public interest in transparent reporting and the introduction of penalties for the misuse of allowances in several states.

In Queensland, Members are already required to satisfy the Clerk of the Parliament that travel is undertaken for the *primary purpose* of conducting Parliamentary Business. Members who fail to do so are liable to reimburse any costs incurred by the Parliament on behalf of the Member. As there are already arrangements in place to ensure travel allowances are used appropriately, the Tribunal does not consider penalties a necessary addition to the current framework.

# Motor Vehicle Allowance

The Motor Vehicle Allowance is provided to Members to cover expenses incurred in acquiring and maintaining their vehicle.

##  Acquittal and Quantum

The current quantum of the allowance is based on the allowance provided to a Senior Executive Service Level 2 Officer in the Queensland Public Service, and increases depending on the size of the Member’s electorate.

As the allowance provided to the Queensland Public Service has not changed, the Tribunal considers that the current quantum of the Motor Vehicle Allowance is adequate.

##  Bands

To address the change in electorate size and geography, the Tribunal has again determined to establish an additional band of electorates to capture electoral districts which sit just below 100,000 square kilometres. The current and proposed bands are listed below in figures 4.1, 4.2 and 4.3.

**Figure 4.1 – Current Motor Vehicle Allowance Bands**

|  |  |  |  |
| --- | --- | --- | --- |
| Band | Size of electorate (km²) | Number of electorates in Band | Quantum of allowance (per annum) |
| Band 1 | 0 – 1,000 | 66 | $25,500 |
| Band 2 | 1,001 – 10,000 | 13 | $32,000 |
| Band 3 | 10,001 and over | 10 | $42,000 |

**Figure 4.2 – New Motor Vehicle Allowance Bands**

|  |  |  |  |
| --- | --- | --- | --- |
| Band | Size of electorate (km²) | Number of electorates in Band | Quantum of allowance (per annum) |
| Band 1 | 0 – 1,000 | 71 | $25,500 |
| Band 2 | 1,001 – 10,000 | 12 | $32,000 |
| Band 3 | 10,001 – 99,999 | 6 | $37,000 |
| Band 4 | 100,000 and over | 4 | $42,000 |

**Figure 4.3 – New Motor Vehicle Allowance**

|  |  |
| --- | --- |
| Electorate  | Size of electorate (km²) |
| Band 1 - 0 km2 – 1,000 km2 – $25,500 per annum  |
| ALGESTER | 66 |
| ASPLEY | 36 |
| BANCROFT | 74 |
| BARRON RIVER | 568 |
| BONNEY | 29 |
| BROADWATER | 130 |
| BUDERIM | 67 |
| BULIMBA | 29 |
| BUNDABERG | 108 |
| BUNDAMBA | 150 |
| BURLEIGH | 30 |
| CAIRNS | 60 |
| CALOUNDRA | 227 |
| CAPALABA | 45 |
| CHATSWORTH | 57 |
| CLAYFIELD | 71 |
| COOMERA | 340 |
| COOPER | 63 |
| CURRUMBIN | 137 |
| EVERTON | 48 |
| FERNY GROVE | 49 |
| GAVEN | 77 |
| GREENSLOPES | 18 |
| INALA | 52 |
| IPSWICH | 86 |
| IPSWICH WEST | 365 |
| JORDAN | 314 |
| KAWANA | 47 |
| KURWONGBAH | 125 |
| LOGAN | 356 |
| LYTTON | 65 |
| MACALISTER | 91 |
| MACKAY | 80 |
| MAIWAR | 38 |
| MANSFIELD | 70 |
| MAROOCHYDORE | 45 |
| McCONNEL | 13 |
| MERMAID BEACH | 23 |
| MILLER | 27 |
| MOGGILL | 307 |
| MORAYFIELD | 69 |
| MOUNT OMMANEY | 31 |
| MUDGEERABA | 402 |
| MULGRAVE | 819 |
| MUNDINGBURRA | 122 |
| MURRUMBA | 63 |
| NICKLIN | 686 |
| NINDERRY | 301 |
| NOOSA | 728 |
| NUDGEE | 42 |
| OODGEROO | 308 |
| PINE RIVERS | 539 |
| PUMICESTONE | 337 |
| REDCLIFFE | 200 |
| REDLANDS | 121 |
| ROCKHAMPTON | 174 |
| SANDGATE | 35 |
| SOUTH BRISBANE | 12 |
| SOUTHPORT | 33 |
| SPRINGWOOD | 99 |
| STAFFORD | 21 |
| STRETTON | 41 |
| SURFERS PARADISE | 24 |
| THEODORE | 106 |
| THURINGOWA | 261 |
| TOOHEY | 36 |
| TOOWOOMBA NORTH | 111 |
| TOOWOOMBA SOUTH | 44 |
| TOWNSVILLE | 251 |
| WATERFORD | 56 |
| WOODRIDGE | 39 |
| Band 2 – 1,001 km2 – 10,000 km2 – $32,000 per annum  |
| BURNETT | 7,687 |
| CONDAMINE | 6,563 |
| GLADSTONE | 2,814 |
| GLASS HOUSE | 1,768 |
| GYMPIE | 4,628 |
| HERVEY BAY | 1,809 |
| HINCHINBROOK | 6,497 |
| KEPPEL | 3,763 |
| LOCKYER | 2,568 |
| MARYBOROUGH | 4,705 |
| SCENIC RIM | 4,809 |
| WHITSUNDAY | 4,898 |
| Band 3 – 10,001 km2 to 99,999 km2 – $37,000 per annum  |
| BURDEKIN | 78,681 |
| CALLIDE | 74,199 |
| HILL | 19,752 |
| MIRANI | 25,976 |
| NANANGO | 18,122 |
| SOUTHERN DOWNS | 30,951 |
| Band 4 – 100,000 km2 and over – $42,000 per annum  |
| COOK | 196,836 |
| GREGORY | 459,681 |
| TRAEGER | 428,911 |
| WARREGO | 337,812 |

# Air Warrant Allocation

Members representing certain regional electorates are provided with an allocation of air warrants to facilitate commercial air travel from their electorate to Brisbane and return. Members entitled to warrant travel are also entitled to alternative travel options where commercial air travel is not suitable or available.

##  Acquittal and Quantum

The 2016–17 Annual Report data provides that the total cost incurred from air warrants and alternative air travel was $393,561. Of the 24 Members entitled to air warrants, two accessed alternative travel at a total cost of $5,045.

The Tribunal maintains the view that Members representing regional and remote electorates should not be at a disadvantage to their more urban counterparts when travelling to and from Brisbane to conduct Parliamentary Business. The Tribunal is satisfied with the current allocation of air warrants and alternative travel available to Members.

Summary

The Tribunal has considered the allowances and allocations currently available to Members in the context of the recent redistribution and the Clerk of the Parliament’s Annual Reports on Members’ acquittals. The Tribunal considers the quantum of each allowance and allocation to be appropriate and has made the attached Determination.

The Tribunal has established a new band of electorates for the Electorate and Communication Allowance, General Travel Allocation and Motor Vehicle Allowance. These new bands aim to ensure that allowances reflect the amount of reasonable expenses incurred by Members in servicing their electorates under the redistributed boundaries.

As part of this review, the Tribunal has also considered additional issues regarding the imposition of penalties for the misuse of allowances; the use of mobile offices in lieu of second private electorate offices; expenditure on minor equipment; childcare provision for Members who are required to attend Parliament for extended periods during sitting weeks; and Members travelling with children while on extended periods of Parliamentary Business.

Throughout 2017–18, the Tribunal will continue to consider these issues, as well as monitor the use and acquittal of allowances and allocations to ensure they continue to be fit for purpose.

Determination

Any inconsistencies between earlier Tribunal Determinations and Determination 16/2017 are resolved in favour of Determination 16/2017. Matters in earlier Determinations not addressed in this Determination are confirmed by the Tribunal and not amended.

The Tribunal determines that, from 25 November 2017:

1. the Electorate and Communication Allowance be set at the following annual amounts:
	* Band 1 – $67,800
	* Band 2 – $70,400
	* Band 3 – $72,000
	* Band 4 – $74,500
2. Members of Parliament may not use the Electorate and Communication Allowance to purchase goods or services where the Member, or a connected party, is the provider of the goods or service. Connected party is defined as: the Member’s children, spouse, domestic partner, dependents, parent, grandparent, grandchild, sibling, uncle, aunt, nephew, niece or a body corporate, firm or trust with which the Member is connected.
3. Members who represent an electoral district of 100,000 square kilometres or more, and who are provided with an additional electorate office, will receive an additional $1,500 per annum to supplement the Electorate and Communication Allowance and replace the previous Cleaning Allocation.
4. the General Travel Allocation be set at the following annual amounts:
	* Band 1 – $18,360
	* Band 2 – $30,040
	* Band 3 – $40,000
	* Band 4 – $77,720
5. the Motor Vehicle Allowance be set at the following annual amounts:
	* Band 1 – $25,500
	* Band 2 – $32,000
	* Band 3 – $37,000
	* Band 4 – $42,000

Professor Anne Tiernan

Chairperson

Mr Walter Tutt

Member

Ms Karyn Walsh

Member

**Date of Determination: 27 November 2017**

**Effective Date: 25 November 2017**