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OUR REFERENCE NUMBER: A619001



14 July 2021

Mr M O'Callaghan
President
Remuneration Tribunal of South Australia
GPO Box 1045
ADELAIDE SA 5000

By email: remunerationtribunal@sa.gov.au

Dear President

Re Accommodation Reimbursement and Allowance for Country Members of the Parliament

I write to respectfully suggest a change of approach in the way in which entitlements to this Allowance are structured.

As the Tribunal Members will be aware, the Office for Public Integrity – which is responsible to me – has in recent times looked into and made assessments in relation to claims of current country Members of Parliament against this Allowance. In addition, I have overseen more than one investigation into such claims. For these reasons I have given some thought to the way in which entitlement to the Allowance is established.

The Current Scheme

As the Tribunal Members know, the current determination (No. 9 of 2020) contains several elements. I number, for convenience, those that are relevant here.

1. The Member's usual place of residence is greater than 75 kilometres by road from the General Post Office at Adelaide.
2. The Member incurred actual expenditure for overnight accommodation costs.
3. The Member had a requirement to stay in metropolitan Adelaide overnight to perform either parliamentary, electoral, or community duties (but not for the primary purpose of party political duties).

Reimbursement may be under either of two regimes called "Commercial Accommodation Expense Reimbursement" and "Second Residence Accommodation Allowance". The former currently allows reimbursement of up to \$234 per eligible night, predicated on provision of a receipt as evidence, plus a claim form. The latter is a fixed amount of \$185 per eligible night. Here, a signed declaration together with a Certificate of Title or rental agreement, plus a claim form is required.

A cap of 135 nights per year applies.

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I give a couple of examples of problems that I have observed. (Neither applies to any Member under investigation.)

First, despite the introduction of the requirement for “actual expenditure” in number 2 above, there appears to remain a degree of confusion as to what type of expenditure qualifies.

Second, despite the reference to Metropolitan Adelaide in number 3 above, at least one Member appeared to hold the view that the Allowance was available for nights spent anywhere other than at home in the country.

Further, the record keeping requirements of the Determination are quite demanding, especially for a less organised Member. At the other end of the process, significant burdens are placed on the Clerk of the House to ensure that claims are adequately supported, internally consistent, and generally meet the requirements of the Determination. Then, there is a requirement upon finance staff to process each claim, usually monthly.

A Proposal

I propose that the Tribunal gives consideration to a fixed yearly amount for all country Members to compensate for expense incurred in staying in metropolitan Adelaide when required for the purpose of fulfilling the duties specified in number 3 above. This would obviate the need for record keeping and assessment and for decisions about whether there was a need to stay in terms of the criteria. A statutory declaration about place of residence and distance from Adelaide would be enough to qualify for the allowance.

I question whether there is any valid reason to discriminate between Members who incur accommodation costs at hotels, as against those who choose to keep a second residence in Adelaide; but that is a matter for the Tribunal.

Data about the average number of nights claimed by backbenchers over the last five years (or the most common number of claims made) would be available to the Tribunal. It might be that 135 days is too generous. The number of days that Parliament sits per year could be relevant.

It might well be that the capped number of nights for a Minister would be greater than for a backbencher.

In my opinion a scheme such as this would eliminate uncertainty, save a good deal of time spent in record keeping and would add to the transparency of remuneration for Members of Parliament.

I acknowledge that I have not addressed the situation for Members living less than 75 kilometres by road from the General Post Office. However, a similar approach might be advantageous there, although nights claimed probably follow less of a pattern.

Finally, I make it clear that nothing I have said or suggested should be interpreted as bearing on the Members of Parliament subject to investigation by me as the Independent Commissioner Against Corruption.

Yours sincerely



The Hon. Ann Vanstone QC
INDEPENDENT COMMISSIONER AGAINST CORRUPTION

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