



Mr Warren McCann
Chair
Victorian Independent Remuneration Tribunal
Suite 1, Ground Floor, 1 Treasury Place
Melbourne, VIC 3000

6 December 2019

Dear Mr McCann

Discussion Paper on the Members of Parliament (Victoria) Guidelines No. 01/2019

Thank you for the opportunity to provide a submission on the Tribunal's Discussion Paper on the Members of Parliament (Victoria) Guidelines No. 01/2019. This letter outlines our views on the matters on which the Tribunal has indicated it seeks further information.

Officer holders (page 3)

This change is a policy decision for the Tribunal, but we believe there are good reasons to include shadow ministers and parliamentary secretaries as office holders for the purposes of claiming work-related parliamentary allowances. As previously advised, shadow ministers and parliamentary secretaries are required to travel for a range of official duties and, unlike ministers, have no other avenue for claiming these costs.

Travel allowance rate (page 4)

We support this change, as it would clarify the applicable rates and remove any potential for doubt.

Travel allowance qualifying distances (page 5)

This change is a policy decision for the Tribunal, but we support the qualifying distance for the travel allowance being made uniform at 28 km for both parliamentary business and electorate business.

In the discussion paper, the Tribunal notes an alternative method of claiming travel for electorate business under 80 km from a member's home base is to claim those costs against the electorate allowance. Section 17(3)(e) *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* states that the purpose of the electorate allowance is for "costs associated with Members providing services to their constituents". Travel by members for activities such as training or conferences may not fall within this definition, and we believe these costs are more appropriately met through the travel allowance.

Commercial transport allowance (page 6)

The Tribunal notes members who reside more than 240 km from Melbourne can claim the cost of return flights to Melbourne through the Department of Premier and Cabinet (DPC). DPC is a government department, and we believe the expenses of members to attend Parliament should remain separate from government and included in the allowances system. We believe it would be more appropriate to increase the amount eligible members can claim against the commercial transport allowance for parliamentary business, rather than require members to claim expenses through a separate government process, which could potentially be changed by an incumbent government. This would also ensure all claims are publicly reported, helping to meet the aim of the legislation to provide greater independence and transparency of allowances.

International travel allowance (page 7)

As outlined in our previous letter, we support the international travel allowance being expanded to include travel for electorate business, noting members are subject to a \$10,000 limit each year. The Tribunal's alternative that members could claim international travel for electorate business against the electorate allowance may require members to choose between priorities in their electorate and participating in international travel for activities such as parliamentary association forums and investigating policy issues.

We have considered the Tribunal's proposal of an additional safeguard that if air travel costs for electorate business are claimed using the international travel allowance, electorate and/or parliamentary business must occupy at least 80 percent of the days that the MP is travelling. Given all claims for allowances are subject to the dominant purpose test under section 9B of the *Parliamentary Salaries, Allowances and Superannuation Act 1968*, and allowable claims for accommodation expenses are specified in Guideline 8.2, we do not believe the additional safeguard is necessary. It may also be difficult for members to meet the 80 percent requirement if they need travel days due to flight connections.

International travel report (page 8)

We agree there needs to be clarity regarding when the member needs to submit their international travel report. A member should be able to pre-pay and claim some of their costs in advance, so they can book early and obtain best value for money. If a member can only claim once a travel report is submitted, they may be out-of-pocket for an extended period. However, we believe that this is best clarified through a change to the *Parliamentary Salaries, Allowances and Superannuation Regulations 2019*, not changes to the Guidelines.

We thank you for the opportunity to provide this submission. We would be happy to meet with you and the Tribunal members to discuss these matters further.



Anne Sargent
Acting Clerk of the Legislative Council



Bridget Noonan
Clerk of the Legislative Assembly