

8 February 2023

SUBMISSION TO THE VICTORIAN INDEPENDENT REMUNERATION TRIBUNAL – MEMBERS OF PARLIAMENT 2023 DETERMINATION

Dear Members of the Victorian Independent Remuneration Tribunal,

Thank you for your consideration of this submission to your inquiry.

We have recently conducted research into the challenges experienced by members of the Victorian parliament as they transition to life after parliament. The research was commissioned by the Parliament of Victoria in conjunction with the Victorian Parliamentary Former Members Association, and with support from the Commonwealth Parliaments Association (Victoria Branch).

Our research finds that while all MPs experience challenges transitioning to post-parliamentary life, the challenges are most acute for MPs who leave parliament unexpectedly and involuntarily and as such have not planned for life after parliament. We make 10 recommendations to the Parliament of Victoria to mitigate these challenges in our report *Transitioning to Life after Parliament* (2021) (see https://www.deakin.edu.au/humanities-social-sciences/research/the-parliamentary-careers-project).

The foundational concept of our research findings and recommendations is the notion that parliamentary careers are inherently transitory. Despite the fact that many MPs have worked their whole lives towards the goal of entering parliament, most parliamentary careers are short (in Victoria, two terms or eight years). It is important that MPs do not adopt a view that they have 'arrived' and are 'here to stay'.

One of the major problems in the transition to life after parliament is the difficulty many former MPs experience in establishing post-parliamentary careers. The popular notion that former MPs are parachuted into well-paid positions is not supported by the evidence from Australia or elsewhere. Indeed, most MPs have a contrary experience, in that potential employers are not willing to employ a former MP. As a result, many former MPs face significant financial difficulties in the months and years after they leave parliament.

We therefore recommend that the current separation payment of three months basic salary for former MPs who serve one term or less or six months basic salary for those who serve at least two terms be restructured from a 'time-served' to a 'needs basis'. Under this model

- Six months basic salary would be paid to all departing MPs, terminated when the former MP secures paid employment.
- If the former MP has not secured paid employment after six months, they may apply for a further six month's salary, on the proviso that they have been actively seeking work, or have medical, mental health or caring responsibilities that preclude them from obtaining employment.





• A further extension of six months (i.e. 18 months in total) would be made available in the circumstances listed above.

The full details of the proposed changes to the separation payment along with modelling of their likely costs under a range of scenarios are contained in the attached submission.

Please feel to contact us at any time to discuss any aspect of this submission. We are also happy to provide an oral submission if the Tribunal desires.

Yours sincerely,

Dr Amy Nethery, Dr Peter Ferguson, and Dr Zim Nwokora

Senior Lecturers in Politics and Policy Deakin University.