

Councillor Allowances

Information Sheet
17 October 2018

This information sheet explains the process for adjusting allowances for councillors, mayors and deputy mayors annually by an inflationary factor. This information has been updated for the allowances payable from 1 November 2018.

Legislative basis

Section 340A of the *Local Government Act 1993* (the Act) entitles councillors to allowances as prescribed in regulations. Mayors and deputy mayors are entitled to allowances in addition to those payable to them as councillors.

Regulation 42(2) of the *Local Government (General) Regulations 2015* (the Regulations) specifies the allowances payable to councillors, mayors, and deputy mayors. The allowances payable from 1 November 2014 are set out in Schedule 4 of the Regulations.

2018 review of Councillor Allowances

The Tasmanian Industrial Commission (TIC) completed a review into councillor allowances in April 2018. The TIC concluded that the current level of councillor allowances is financially sustainable and acceptable, and did not propose any changes to the allowances at this time.

The TIC did recommend, however, that the deputy mayor be paid the mayoral allowance where the deputy is required to act in the role of mayor for more than four consecutive weeks. The Government will implement this recommendation by the end of 2018 by amending the Regulations accordingly.

Indexation

Regulation 42(2) establishes an indexation process so that allowances are adjusted from 1 November each year by multiplying the allowances for the previous year by the inflationary factor for the current year.

The inflationary factor is calculated using the ABS's Wage Price Index (WPI) for Tasmania. The Department of Treasury and Finance references this data in its WPI information sheet each quarter which can be found on Treasury's website:

www.treasury.tas.gov.au/economy/economic-data/economic-data-releases-for-tasmania.

The formula for arriving at the inflationary factor is:

$$\frac{\text{Tasmanian June quarter WPI (current year)}}{\text{Tasmanian June quarter WPI (previous year)}}$$

The inflationary factor applying to allowances from 1 November 2018 is 2.4%.

The table on page 3 shows the allowances payable from 1 November 2018 (noting these are rounded to the nearest whole dollar, consistent with the Regulations).

Payment

Regulation 42(3) requires the annual allowance to be paid in monthly or fortnightly instalments. Section 340A(2A) of the Act requires that allowances be paid in arrears.

Foregoing Allowance

Section 340A(3) of the Act enables a councillor, mayor or deputy mayor to decide not to receive part or all of an allowance. Where this prerogative is exercised, the General Manager is to be notified in writing. As the allowances are annual allowances payable monthly or fortnightly in arrears, any such notification is not revokable retrospectively.

Councillor Expenses

Regulation 43 enables councillors to be reimbursed for reasonable expenses in relation to telephone and internet usage, travelling, stationary and office supplies, and 'the care of any person who is dependent on the councillor and who requires the care while the councillor is carrying out his or her duties or functions as a councillor', in accordance with the council's policy under Schedule 5 of the Act.

Reporting

Section 72(1)(cb) of the Act requires each council to include in its annual report a statement of the total allowances and expenses paid to the mayor, deputy mayor and councillors.

Indexed allowances payable to elected members from 1 November 2018

Council	Allowance for councillors	Additional allowance for deputy mayors	Additional allowance for mayors
Hobart City	\$36,326	\$23,460	\$90,816
Launceston City	\$36,326	\$23,460	\$90,816
Clarence City	\$29,409	\$20,434	\$73,518
Glenorchy City	\$29,409	\$20,434	\$73,518
Kingborough	\$29,409	\$20,434	\$73,518
Burnie City	\$22,271	\$17,407	\$55,679
Central Coast	\$22,271	\$17,407	\$55,679
Devonport City	\$22,271	\$17,407	\$55,679
West Tamar	\$22,271	\$17,407	\$55,679
Brighton	\$15,137	\$14,378	\$37,839
Huon Valley	\$15,137	\$14,378	\$37,839
Meander Valley	\$15,137	\$14,378	\$37,839
Northern Midlands	\$15,137	\$14,378	\$37,839
Sorell	\$15,137	\$14,378	\$37,839
Waratah-Wynyard	\$15,137	\$14,378	\$37,839
Break O'Day	\$12,651	\$12,109	\$31,628
Circular Head	\$12,651	\$12,109	\$31,628
Derwent Valley	\$12,651	\$12,109	\$31,628
Dorset	\$12,651	\$12,109	\$31,628
George Town	\$12,651	\$12,109	\$31,628
Latrobe	\$12,651	\$12,109	\$31,628
Glamorgan-Spring Bay	\$10,654	\$10,596	\$26,634
Kentish	\$10,654	\$10,596	\$26,634
Southern Midlands	\$10,654	\$10,596	\$26,634
West Coast	\$10,654	\$10,596	\$26,634
Central Highlands	\$9,322	\$9,839	\$23,304
Flinders	\$9,322	\$9,839	\$23,304
King Island	\$9,322	\$9,839	\$23,304
Tasman	\$9,322	\$9,839	\$23,304

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