

# Councillor Allowances

**Information Sheet**  
**20 August 2019**

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 2019.

## 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 four consecutive weeks or more. This recommendation was subsequently implemented under the *Local Government (General) Amendment Regulations (No.3) 2018*, which commenced on 14 November 2018.

## 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](http://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 table on page 3 shows the allowances payable from 1 November 2019 (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 2019

<b>Council</b>	<b>Allowance for councillors</b>	<b>Additional allowance for deputy mayors</b>	<b>Additional allowance for mayors</b>
Hobart City	\$37,198	\$24,024	\$92,997
Launceston City	\$37,198	\$24,024	\$92,997
Clarence City	\$30,115	\$20,925	\$75,284
Glenorchy City	\$30,115	\$20,925	\$75,284
Kingborough	\$30,115	\$20,925	\$75,284
Burnie City	\$22,806	\$17,825	\$57,016
Central Coast	\$22,806	\$17,825	\$57,016
Devonport City	\$22,806	\$17,825	\$57,016
West Tamar	\$22,806	\$17,825	\$57,016
Brighton	\$15,500	\$14,723	\$38,748
Huon Valley	\$15,500	\$14,723	\$38,748
Meander Valley	\$15,500	\$14,723	\$38,748
Northern Midlands	\$15,500	\$14,723	\$38,748
Sorell	\$15,500	\$14,723	\$38,748
Waratah-Wynyard	\$15,500	\$14,723	\$38,748
Break O'Day	\$12,955	\$12,400	\$32,388
Circular Head	\$12,955	\$12,400	\$32,388
Derwent Valley	\$12,955	\$12,400	\$32,388
Dorset	\$12,955	\$12,400	\$32,388
George Town	\$12,955	\$12,400	\$32,388
Latrobe	\$12,955	\$12,400	\$32,388
Glamorgan-Spring Bay	\$10,910	\$10,850	\$27,273
Kentish	\$10,910	\$10,850	\$27,273
Southern Midlands	\$10,910	\$10,850	\$27,273
West Coast	\$10,910	\$10,850	\$27,273
Central Highlands	\$9,546	\$10,075	\$23,863
Flinders	\$9,546	\$10,075	\$23,863
King Island	\$9,546	\$10,075	\$23,863
Tasman	\$9,546	\$10,075	\$23,863

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