

COUNCILLOR ALLOWANCES

INFORMATION SHEET October 2009

This information sheet explains the process for setting of councillor allowances. Allowances for mayors, deputy mayors and councillors are adjusted annually by an inflationary factor. Information is provided on the allowances payable from 1 November 2009.

Legislative Basis

Section 340A(2A) of the *Local Government Act 1993* 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 2005* specifies the allowances payable to councillors and mayors and deputy mayors following the last quadrennial review in 2008. The base allowances payable from 1 November 2008 are set out in Schedule 4 of the Regulations.

Regulation 42(2) establishes an indexation process so that allowances are adjusted each year from 1 November by multiplying the allowances for the previous year by the inflationary factor for the current year. The inflationary factor is determined by dividing the Wages Price Index (WPI) figure for the June quarter of that year by the WPI figure for the June quarter of the previous year.

Indexation

The WPI figure is defined in the Regulations as being derived from the Labour Price Index, Australia: WPI All Groups [Sectors] Tasmania published by the Australian Statistician under the authority of the Commonwealth *Census and Statistics Act 1905*.

This information can be found on the Australian Bureau of Statistics website at www.abs.gov.au.

The ABS Labour Price Index, Australia (catalogue 6345.0) shows the relevant WPI for the 12 months ending June 2009 to be 4.3%.

The Regulations provide for the product of this equation to be rounded to the nearest whole dollar.

The accompanying table shows the allowances payable from 1 November 2009.

Payment

Regulation 42(3) requires the annual allowance to be paid in monthly or fortnightly instalments.

Section 340A(2A) of the *Local Government 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.

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 2009

Column 1 Council	Column 2 Allowance for Councillors	Column 3 Additional allowance for Deputy Mayors	Column 4 Additional allowance for Mayors
Hobart City	28451	18375	71127
Launceston City	28451	18375	71127
Clarence City	23033	16004	57580
Glenorchy City	23033	16004	57580
Kingborough	23033	16004	57580
Burnie City	17443	13633	43608
Central Coast	17443	13633	43608
Devonport City	17443	13633	43608
West Tamar	17443	13633	43608
Brighton	11855	11261	29636
Huon Valley	11855	11261	29636
Meander Valley	11855	11261	29636
Northern Midlands	11855	11261	29636
Sorell	11855	11261	29636
Waratah/Wynyard	11855	11261	29636
Break O'Day	9909	9483	24771
Circular Head	9909	9483	24771
Derwent Valley	9909	9483	24771
Dorset	9909	9483	24771
George Town	9909	9483	24771
Latrobe	9909	9483	24771
Glamorgan-Spring Bay	8344	8298	20860
Southern Midlands	8344	8298	20860
West Coast	8344	8298	20860
Central Highlands	7301	7706	18253
Flinders	7301	7706	18253
Kentish	7301	7706	18253
King Island	7301	7706	18253
Tasman	7301	7706	18253

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