

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Australian Electoral Commission

Budget Estimates Hearings 2003-04 – 28 & 29 May 2003

Question: F66

Outcome 4, Output Corporate Inputs

Topic: Senior Executive Remuneration and Associated Entitlements

Hansard page: N/A

Written Question on Notice: 28 May 2003

Senator Carr asked:

- (1) Have any agencies within your portfolio introduced arrangements whereby SES or other staff who are entitled to a motor vehicle as part of their remuneration are able to cash the vehicle out and have the cashed out amount count as salary for superannuation purposes?
- (2) If so:
 - (a) When were these arrangements introduced and do they still apply?
 - (b) In what agencies do they apply?
 - (c) What was the policy justification for the arrangement in each agency?
 - (d) Were any actuarial calculations made of the long-term costs of these arrangements? If so, what were the details of these estimates? If no calculations were made why was this not done?

Answer

1. The Australian Electoral Commission does not have SES staff as defined under the *Public Service Act 1999*. However, the Australian Electoral Commission employs senior executives appointed under section 35(1) (b) of the *Commonwealth Electoral Act 1918*. The Australian Electoral Commission also employs Principal Executive Officers (PEOs) and the Electoral Commissioner who is a full-time Public Office holder. PEOs and the Electoral Commissioner have their entitlements determined by the Remuneration Tribunal. All Australian Electoral Commission senior executives are entitled to a motor vehicle as part of their remuneration package. They are able to cash out the motor vehicle component of their package, but cannot have the amount count as salary for superannuation purposes.

The PEO positions are mandatory under the *Commonwealth Electoral Act 1918* and include the Deputy Electoral Commissioner and the Australian Electoral Officers for New South Wales, Victoria Queensland, Western Australia, South Australia, Tasmania and the Northern Territory.

The position of Electoral Commissioner is also a mandatory position under the *Commonwealth Electoral Act 1918*.

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2. (a) For senior executives appointed under section 35(1)(b) of the Commonwealth Electoral Act these arrangements were introduced in 1999 through Australian Workplace Agreements (AWAs) and these arrangements still apply.

For PEOs these arrangements were introduced when these staff translated from full-time Public Office holders to the PEO structure on 5 April 2001. Subsequently these staff were placed on Total Remuneration Packages determined by the Remuneration Tribunal. These packages include the provisions for cashing out vehicles.

The Electoral Commissioner as a full-time Public Office holder moved to a Total Remuneration Package on 13 December 2002 as determined by the Remuneration Tribunal, this package includes the provision for cashing out a vehicle.

2. (b) The Australian Electoral Commission.

2. (c) The entitlements for PEOs are established by the Remuneration Tribunal. The arrangements for senior executives appointed under section 35 (1) (b) are contained within their AWAs and broadly reflect the arrangements that were in place for APS SES staff.

2. (d) No. As part of the remuneration packages, the value of the car is costed at the total cost to the Commonwealth, inclusive of FBT. The cash out value of the vehicle reflects this same cost. Actuarial calculations may have been done by the Remuneration Tribunal. The AEC did not see this as a requirement at the time.