



AUSTRALIAN SENATE

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Ms Sue Morton
Secretary
Finance and Public Administration
Legislation Committee
The Senate
Parliament House
CANBERRA ACT 2600



Dear Ms Morton

MEMBERS OF PARLIAMENT (LIFE GOLD PASS) BILL 2002

Thank you for your letter of 15 July 2002, in which the committee invites me to make a submission on the Members of Parliament (Life Gold Pass) Bill 2002.

I doubt that I can offer any observations which would not be apparent to the committee, but I hope that the following may be of some use.

I do not intend to make any comment about the level of entitlements set by the bill, but to refer to some issues which arise from the legislation.

While the bill would rationalise and limit entitlements in a particular field, that of post-retirement travel, it would add yet another statute to the various scattered sources which must be consulted in order to ascertain the entitlements of members of the Parliament. Those entitlements are now to be found in an inconvenient combination of Acts of Parliament, regulations and Remuneration Tribunal determinations, while some still rest on executive government discretion. The bill would also create yet another special (that is, perpetual and unlimited) appropriation out of which entitlements are funded. It would be highly desirable to undertake a greater consolidation of entitlements, so that they could be more easily located and seen. The current situation, apart from inconvenience, adds to the unfortunate perception that members enjoy an enormous range of entitlements of boundless munificence. The scattered authorities result in an actual lack of transparency and an impression of concealment.

If such a consolidation were undertaken, consideration could also be given to ending the involvement of the Remuneration Tribunal in the determination of members' entitlements. This bill would be a further whittling away of the Tribunal's dwindling jurisdiction, which now does not encompass the salaries of members. The establishment of the Tribunal was supposed to create a situation, and a perception, of determination of entitlements by independent arbitration. That goal has not been achieved, and perhaps the experiment should

now be wound up. Members' entitlements could be consolidated in a single Act of Parliament and set of regulations, reflecting the reality that the Parliament and its members are held responsible for the level of entitlements in any event.

In rationalising this limited area, the opportunity should be taken to abolish the unfortunate term "Life Gold Pass", which of itself creates an impression of unlimited entitlements of extraordinary opulence. All members now receive a badge of office (not gold) which they are entitled to keep when they leave office. The "Life Gold Pass" as a physical object and a memento is unnecessary, and as a "pass" is a fiction. The actual, limited entitlement should be renamed "post-retirement travel", the title of the bill amended accordingly, and the physical object renamed or abolished.

Consideration could also be given to limiting the post-retirement travel entitlement to travel for purposes arising from the former members' former offices. The general public have a firm adherence to the Cincinnatus principle, that political office-holders when they leave office revert to being private citizens with no special entitlements. There is a good case for former members travelling at public expense for public purposes, but this case is lost from sight because of the extension of the entitlement to purely private travel.

If the entitlement were limited as suggested, it could perhaps be expanded to a larger category of former members.

An example of the merit of this proposal is the involvement of former senators in the orientation seminars which are held for new senators. This involvement greatly adds to the value of the seminars. In practical terms, however, the Senate Department will be able to draw upon only those senators still entitled to severance travel or those with the so-called Life Gold Pass. Other former senators not in either of those categories should also be available for this purpose.

Limitation of the post-retirement travel entitlement could also be used to fund some entitlement for senators-elect. Currently they have no entitlement, and there is a strong case for allowing them some travel to prepare themselves for office before the beginning of their terms. This year the Senate Department experimented with a preliminary seminar for senators-elect, coinciding with their attendance at the opening of Parliament, while postponing the main seminar until their terms had begun. The suggested entitlement would allow greater flexibility for these preparations.

If the committee would like me to add anything about this bill, I would be very ready to do so.

Yours sincerely



(Harry Evans)