



# **The Gravy Train**

## **Why we should abolish the Life Gold Pass for retiring Federal Politicians**

**Submission to:  
The Senate Finance and Public Administration Legislation Committee  
By Senator Len Harris, One Nation Senator for Queensland**

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## **SUMMARY & CONCLUSIONS**

One Nation supports the Members of Parliament (Life Gold Pass Bill) 2002 but believes that the Bill does not go far enough in curtailing former MP's retirement benefits, which last year amounted to more than \$2 million.<sup>1</sup> Feedback from One Nation's constituents indicates that there is strong animosity and hostility towards Life Gold Passes. Having examined documentation from the Remuneration Tribunal, constituents believe that former parliamentarians already receive extremely generous entitlement benefits and superannuation. There is no need for taxpayers to fund jet setting political retirees. To this end, One Nation recommends:

- The immediate abolition of the Life Gold Pass for all members of parliament, including former Prime Ministers. There is no valid reason for taxpayers to fund the travel costs of Members of Parliament and their spouses after their service to the Australian public has ceased.

Parliamentarians who do not qualify for a Life Gold Pass to travel domestically at taxpayer expense are eligible for Severance Travel for non-commercial purposes. The taxpayer funds between 12-25 return trips per annum for up to five years, depending upon length of service. On the matter of Severance Travel, One Nation recommends:

- Severance Travel for former members of parliament should be abolished immediately.

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<sup>1</sup> ANAO Report into Parliamentarian's Entitlements 1999-2000.



## **FEEDBACK FROM CONSTITUENTS**

The spiraling costs of former MP's travel must be curtailed. Mr. Ian Sinclair, a National Party veteran, took almost \$40,000 worth of airline flights in the last half of last year using his Life Gold Pass. Other big Gold Card spenders included Labor's Barry Jones (\$25,000); former ALP minister Graham Richardson (\$11,900) and Coalition ex-defence minister John Moore (\$11,819). Recently retired defence minister Peter Reith has wasted no time using the first-class travel card for \$682 in flights and \$123 in chauffeured cars.

In every critical area of public administration, from health to education and social welfare, the government has slashed budgets and savaged public services. The sale of public assets and outsourcing of government programs has jeopardised the nation's long term revenue raising capabilities. These cut backs dramatically affect the people that politicians represent. It is hypocritical to trim the so-called fat from public programs, while allowing Life Gold passes continue. The Life Gold Pass is a shameless abuse of the public purse.

### **Open government and the Gold Pass**

Constituents are outraged that expenditures by Life Gold Pass Holders have only recently been made public. The data is now available on a six monthly basis as a separate statement tabled in conjunction with the standard statement of parliamentarians' expenditures.

While there is animosity over this lack of accountability, constituents have also expressed concern over fact that the value of retirement travel benefits does not form part of the recipient's assessable income for taxation purposes. In addition, recent reports on expenditure by Life Gold Pass holders indicate that only six out of 160 members receiving the benefits of the Pass used their frequent flyer points. Frequent flyer points accrued, as a result of travel on the Life Gold Pass should be used to minimise costs to the taxpayer.

Retirement travel entitlements were accessed in 1999-2000 by at least 149 retired Parliamentarians, and by the spouses of at least 84 retired Parliamentarians at an average cost of \$13 242. In many respects, the travel entitlements of retired Parliamentarians and their spouses are greater than those of sitting Parliamentarians and their spouses are. An example is provided by the Auditor General's report into Parliamentarians Travel Entitlements 1999-2000. According to the report, one Life Gold Pass holder (excluding spouse) took more than 100 return trips at Commonwealth expense in 1999-2000 at an aggregate cost of \$95 654. In comparison, sitting Parliamentarians may only travel when on parliamentary business, electorate business, official business or (in defined circumstances) party business.

### **Bipartisan Support**

It is with disappointment that One Nation notes bipartisan support for the Life Gold Pass. The ALP combined with the Liberal-National Coalition to block a Democrats motion, which would have limited the use of the Pass. This bipartisanship is a contributing factor to the widespread disenchantment among constituents who feel that politicians should have no entitlement to the perks of office after service to the people has ceased.

### **Comcars**

The Life Gold Pass entitles former federal politicians who have served either 20 years in parliament or six years as a minister to use a chauffeur-driven Commonwealth car to travel to and from an airport or train station when not travelling on business.

One Nation supports the Members of Parliament (Life Gold Pass) Bill 2002, which abolishes the Comcar entitlement for former members of parliament. Last year this perk cost taxpayers \$200,000.

### **Former Prime Ministers Travel**

The Life Gold Pass Bill 2002 will limit all former Prime Ministers travel to 40 publicly funded domestic trips a year. One Nation is opposed to providing former Prime Ministers with any taxpayer-subsidised transport. Although former PM's may be invited to attend civic and community events, there is no reason that their travel to these functions should be sponsored by taxpayers.

### **Spouses Entitlements**

Spouses of retired Parliamentarians issued with a Life Gold Pass prior to 1976 are provided with unrestricted access to travel at Commonwealth expense. The spouse of one pre-1976 Life Gold Pass holder took more than 70 return trips at Commonwealth expense in 1999-2000 at a cost of \$50 944. Spouses of Parliamentarians issued with a Life Gold Pass after 1976 are provided with up to 25 return trips per year at Commonwealth expense. In comparison, spouses of Senators and Members are provided with a maximum of nine return trips to Canberra each year, three interstate trips and trips to attend official functions to which they have been invited.

One Nation welcomes the capping of spouses travel entitlements via the Life Gold Pass Bill (2002) but reiterates that the Life Gold Pass should be abolished for all former MPs, Prime Ministers and their spouses.

### **Criminal Offences**

One Nation welcomes the measure to automatically forfeit the Life Gold Passes of former politicians who are convicted of criminal offences.

### **Travel Rorters**

As long as the Life Gold Pass continues, One Nation takes the view that travel rorters should have their Gold Passes forfeited.



## **CONCLUSION**

While it may be true that MPs devote their working live to serving the people, this does not necessarily entitle them to extra perks upon their retirement. The people of Australia employ the members of parliament. The continuation of benefits after employment has ceased is certainly not consistent with community standards.

The Life Gold Pass is a totally unnecessary benefit that bears no relationship to any sort of contribution to Australian political life. One Nation submits to that the Life Gold Pass should be abolished immediately.