

**PROPOSED DETERMINATION OF ALLOWANCES FOR MAYORS, DEPUTY MAYORS AND COUNCILLORS  
SUBMISSION FROM DANIEL KADE**

**Allowances**

Having Councillors that are skilled and diverse is important to achieving good community outcomes. The current allowances offered to Councillors creates a barrier to attracting skilled and diverse candidates to this vital community role, as becoming a Councillor means that one would most likely be financially disadvantaged, as those skills attract a much higher price in the labour market.

Ideally Councillors would give their attention to the role full time so that they can consider all of the information and make the best decisions possible. If Councillors must split their time with a second job to receive a livable income then this may affect the quality of decision making at Council and have long term consequences for the community.

The allowance for Councillors should be at a level that allows them to undertake the role full time and does not financially disadvantage somebody if they choose to undertake the role. The exact level of compensation should be discussed further to determine what it should be. Example amounts include:

- An amount equal to the full time minimum salary
- An amount equal to the full time average salary
- An amount equal to the full time salary at the level of skill required for the role

Having an allowance that fairly compensates Councillors for their time and effort not only removes barriers for attracting suitable candidates to stand for Council but also may reduce corruption. If Councillors are not being paid adequately by the rate payer then there may be a higher risk that they will seek income by unlawful means, e.g. making favourable decisions to developers for payment.

Superannuation is a form of income and this also should be considered as part of the allowance, if it is paid as superannuation or a loading to the allowance can be discussed further.

## **Financial Impacts**

In the short term increasing the allowance for Councillors will increase Council expenses. However if the result is that it attracts more skilled Councillors that make better decisions then over the long term it could decrease expenses.

## **Role of Councillors**

The role of Councillors is similar to a Board of Directors, it is to represent the interests of the owners (the community) and to ensure that the corporate systems and framework allow the organisation to achieve corporate objectives (deliver the legislated services).