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THE COSTS OF (INADEQUATE) COUNCILLOR REMUNERATION: IMPACTS ON WELL-BEING, DIVERSITY AND QUALITY OF REPRESENTATION

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EXECUTIVE SUMMARY

Improving the diversity of councillors has been a priority for the Office for Local Government leading up to the 2021 election: 'Stand for your Community—Diversity Counts' campaign. Preliminary research indicates that the rate of remuneration is a barrier for people from underrepresented groups becoming a councillor. The NSW Local Government Remuneration Tribunal determinations have, however, consistently recommended only incremental increases to fees paid to Mayors and Councillors. It is therefore an opportune time to investigate whether councillor remuneration is adequate, and how current rates affect representation.

We examined these questions from the perspective of sitting councillors (previous term 2016/7-2021). In October 2021, 389 councillors completed a survey on remuneration. They answered closed questions as to the (in)adequacy of councillor pay, number of hours worked, the impact of remuneration on their decision to contest the December 2021 elections, and their perception as to the impact of councillor pay on diversity. Open-ended questions enabled respondents to share their experiences as to how councillor pay impacted their work and well-being. This report outlines the key findings from this survey. While it ultimately supports a significant upward revision in councillor fees, its contribution lies in identifying the multifaceted impacts of current remuneration levels.

Key findings include:

- 80.92% of respondents felt the current rate of remuneration was too low. 23.12% described it as 'A little low', and 57.80% (215) as 'far too low and should be increased'. 17.47% indicated the current rate is about right, and 1.62% indicated it was too high;
- Dissatisfaction was expressed not only with the rate of pay, but also the different pay scales across Local Government Area categories. Variations in the number of hours devoted to council work are as great within categories of LGAs as they are across them;
- Remuneration is considered incommensurate with the hours dedicated to council work, the complexity of their role, the pressures and responsibilities of councillors;
- 23.59% of councillors surveyed and 44.73% of aspirants surveyed indicated that they were less likely to stand for (re)election due to low remuneration;
- 72.3% of councillors surveyed agreed or strongly agreed that councillor remuneration has an impact on the diversity of people who stand for council, with young people and women the two groups identified as being most disadvantaged.

We identify four categories of impacts of inadequate remuneration.

Councillor well-being: Many councillors make substantial sacrifices in order to perform their role. Financial sacrifices include lost income from employment and additional business expenses, missed promotion opportunities, and, until recently, lost superannuation. Councillors juggling full-time work and council duties are time poor, with many expressing stress and anxiety as a result. Time pressures are exacerbated for parents, particularly mothers, of dependent children.

Satisfaction in the role: The average councillor is not motivated by money, but to serve the community. Nonetheless, low remuneration is seen by many to be a reflection of the low regard

held for councillors, and an insult to the sacrifices they make. That is, for many, it is not the money which is important, but what it signifies about the lack of respect and recognition for the role.

Diversity: Councillors need to be financially secure with sufficient time to devote to council duties. For this reason, retirees are overrepresented on councils. Parents of dependent children (particularly mothers and single parents), people on low-incomes, renters and those with a mortgage, are less able to make the time and financial sacrifices required. Low remuneration is an important reason for the underrepresentation of young people, women, people from diverse cultural and ethnic backgrounds, and Aboriginal and Torres Strait Islander People.

Quality of representation: Inadequate remuneration indirectly impacts the quality of representation due to its effect on councillor diversity. Directly, councillors juggling council work with full-time employment and/or familial responsibilities, often cope by devoting less time to council duties than they feel is optimum, or even necessary. Low financial reward makes it difficult to recruit well-qualified people to stand for council.

We identify four areas for reform or action.

First, we argue for a significant **upward revision of councillor remuneration** to ensure that it meets the standards of fairness. Pay should have a closer relationship to the number of hours devoted to the role, including travel. We also recommend a review of the pay scales for different categories of LGAs to ensure that these adequately reflect the time devoted to the role, and cover any additional expenses.

Second, we suggest a **review of the taxation of councillor pay**. Treating councillor remuneration as tax-free income would ensure councillors working full-time do not lose most of it to tax. Expenses, including campaign expenses, could also, or as an alternative, be tax deductible. The potential of tax reform to shift the burden of increasing councillor remuneration from Councils to the Federal Government is worthy of exploration.

Third, consideration should be given to whether councils should **vote in public session** to accept revisions to their remuneration package. Councillors reported difficulty in voting for changes that they felt were required to make remuneration fairer due to public backlash. Superannuation was identified as one aspect of remuneration that should be mandatory.

Fourth, the media, higher levels of government, academics and advocacy organisations have a role to play in **increasing the appreciation of the service of councillors**. A major impediment to making remuneration fair and reflective of the role is negative public opinion and a lack of knowledge of what councillors do for the community.

The below report outlines the evidence for these claims. We provided an opportunity for councillors to share their opinions in an anonymous forum, and we are privileged to share them in this report. Councillors hold divergent views. In presenting some of the nuances of the issue, we hope to contribute towards debate and discussion on remuneration in local government.

INTRODUCTION

Councillor remuneration was a strong—and unexpected—theme in interviews with 24 NSW councillors about diversity in local government (January to June 2021). Low pay was considered by many to be a factor disincentivising key groups from contesting elections, or that simply made taking on the position of councillor impossible for some. It also became evident that ‘inadequate’ remuneration was impacting the lives of some councillors. The sample of this preliminary and exploratory research was small, limited to councillors in Greater Sydney, and contained divergent views as to whether councillor pay and entitlements was indeed ‘inadequate’ or that it impacted diversity. To gain a better understanding of how a larger cross-section of councillors viewed current remuneration rates, we invited all sitting NSW councillors as of October 2021 to participate in a short online Qualtrics survey. We received 389 responses out of a population size of 1114,¹ for a response rate of 34.9%. This report provides an early overview of the data and presents some key findings.

The minimum and maximum fees paid to councillors and mayors in NSW is determined by the Local Government Remuneration Tribunal, reviewed on a yearly basis (Section 241 Local Government Act 1993). The Tribunal also allocates councils into categories, with different rates of fees for each (Section 239 LG Act), last extensively reviewed in 2020 (LGRT 2021). The Annual Fees (effective 1 July 2021) are outlined in Table 1. The LGRT received submissions in the latest remuneration determination that sought to increase fees by 2.5 per cent or greater, for reasons including “significant workload, responsibilities, capabilities, duties and expanding nature of mayor and councillor roles” and in order to improve “the diversity of potential candidates” (LGRT 2021: 5). Submissions to the Victorian Independent Remuneration Tribunal’s (VIRT) ‘Determination of allowances for Mayors, Deputy Mayors and Councillors’ have raised similar issues. The LGNSW’s (2021: 3) most recent submission reiterate their “long-held view that the current arrangements for setting councillor and mayoral fees is inadequate” due to significant workload, and the responsibilities expanded under local government reform. Further, they argue that fees paid to mayors and councillors are low in comparison to other states in Australia (notably Queensland) and to chairpersons and directors in non-profit companies and government boards. Their calls for ‘fair pay’ are echoed in many of our respondents’ comments.

Given that the perspective that councillor pay is ‘unfair’ is already articulated in the public sphere including to policy makers, why this study? There are three main reasons. First, submissions are arguments in support of a position. Our interest (or starting point) is not to advocate one position over another, but to examine the impact of current rates of councillor remuneration in a number of areas. We aim to offer a disinterested analysis and capture a greater diversity of perspectives. Second, not all of the research that supports submissions is publicly available due to reasons of confidentiality. As a consequence, knowledge gaps remain in terms of the differential impact of ‘low’ pay on different types of councillors, and within different categories of councils. Finally, the

¹ The population size of this study is smaller than the overall number of councillors in NSW. At the time of the survey, we reached out only to sitting councillors. Councillors who had stepped down, or were in councils under-administration, were not invited to participate.

academic literature on councillor pay is patchy. Only a limited number of academic publications explore councillor fees specifically (Bonneau 2018; Bennto et al. 2021; Bhatti et al. 2017) and none that we could locate specific to the Australian context. Remuneration in local government is explored *in part* in several articles focused on larger topics (Carson et al. 2021, Gray 1991; Tan et al. 2016), which we draw upon below in support of key findings. Our research will be further developed in academic publications to fill this gap. While scholarly works are often seen as irrelevant to efforts to effect change, we see the two as complementary. The process of peer review ensures that research upholds the highest standards of integrity, thereby strengthening the evidence base in support of advocacy.

Category	Councillor Annual Fee	
	Minimum	Maximum
Metropolitan		
Principal CBD	28,190	41,340
Major CBD	18,800	34,820
Metropolitan Large	18,800	31,020
Metropolitan Medium	14,100	26,310
Metropolitan Small	9,370	20,690
Non-Metropolitan		
Major Regional City	18,800	32,680
Major Strategic Area	18,800	32,680
Regional Strategic Area	18,800	31,020
Regional Centre	14,100	24,810
Regional Rural	9,370	20,690
Rural	9,370	12,400

Table 1: Fees for General Purpose Councils effective 1 July 2021

There are several ways to assess the appropriateness of remuneration packages for councillors, including: comparing pay scales to other similar positions (Bonneau 2018); assessing the impact of pay scales on council performance (Benito et al. 2021); and factors influencing politician's attitudes to pay (Bhatti et al. 2017). We examine the issue from the perspective of councillors themselves, who have lived experience of performing the role of councillor under current conditions. We first present the methodology and main limitations of the study. Each of the remaining sections present evidence to support the main claims of this report, namely: a) on the whole, councillor remuneration is inadequate; b) councillor remuneration is not 'fair' recompense; c) poor remuneration has unacknowledged negative impacts for councillors; d) remuneration affects who can become a councillor and councillor diversity; e) low levels of remuneration impacts the quality of representation in local government. We then consider opposing views expressed by survey respondents, before turning our attention to reforms

deemed necessary by some respondents beyond simply raising pay scales. The final section outlines our recommendations.

METHODOLOGY

The findings presented below were generated from an online Qualtrics survey. We compiled an email list of all sitting councillors (as of 8 September 2021) from publicly available information on NSW Council websites. Omitting bounced emails and councils under administration, we sent out 1114 emails inviting participation, and received 389 completed surveys for a response rate of 34.9%. The percentage of women respondents (37.37%) is higher than the percentage of women councillors across NSW at the time (31.2%) (OLG 2017: 10). Our age categories were designed around childrearing responsibilities (Carson et al. 2021) but as a consequence, do not align with the Office of Local Government NSW Candidate and Councillor Diversity Report 2017 (from here, OLG Diversity Report). Compared to the age distribution in OLG (2017: 12), our spread across age categories is similar to the broader councillor body. Table 2 shows, a comparison of our sample against the broader population according to category of council. As you can see, there were small discrepancies between the sample and population, most notably the overrepresentation of respondents in medium metropolitan councils and an underrepresentation of respondents in large metropolitan councillors. There is also seemingly an overrepresentation of respondents indicating that they belonged to a major regional city/strategic area. This could be attributable to respondents selecting the incorrect council type, or a lack of clarity in the question.

Category	Sample		Population	
	No	%	No	%
Metropolitan Principle or Major CBD	6	1.6	24	1.9
Metropolitan - Large	53	14.21	163	7.47
Metropolitan - Medium	27	7.24	95	12.81
Metropolitan - Small	15	4.02	71	5.83
Major Regional City/Major Strategic Area	45	12.06	52	4.27
Regional Centre/Strategic Area	59	15.82	212	17.42
Regional Rural/Rural	166	44.50	600	49.30
Unsure/prefer not to say	2			

Table 2: Sample versus broader population by category of LGA

Diversity according to ethnicity and racial categorisation (recognised as a social not biological category that nonetheless has material effects) is particularly important to our research interests. In Australian politics, the European/non-European distinction has proven most useful in presenting the overrepresentation of 'white' Australians, and the underrepresentation of Asian-

Australians in particular (Kwok and Pietsch 2017).² We provided 11 categories to respondents based on the ABS ASCCEG classifications, with 'prefer not to say' and 'other-please specify' enabled. As correspondence with one respondent underlines, these categories are far from perfect, aiming to categorise what are often blurry and multiple identities related to ethnicity (see also Malha 2020).

A large majority of respondents identified as either Anglo-Celtic or Other European (86.29%). As we can see from Table 3, however, the number of people responding as either European (Anglo-Celtic and other European) or non-European is similar to the broader councillor population, including when broken down by gender.³

	Respondents		Population	
	Number	Percentage	Number	Percentage
Men -European ancestry	197	55.33%	813	63.81%
Women- European ancestry	124	34.83%	364	28.57%
Men -non-European ancestry	25	7.02%	68	5.33%
Women-non-European ancestry	10	2.80%	29	2.28%
Total	356		1274	

Table 3: Sample versus population in terms of ancestry

Although there are no significant discrepancies between our respondents and the broader population of councillors, the recruitment strategy may have skewed participation towards councillors most concerned with pay scales. We were careful to word the initial email invitation neutrally to avoid any preconceived notions as to whether councillor remuneration was considered too low, with the vast majority of answers collected after this initial call. An email reminder to complete the survey potentially brought in a bias when it stated "Our initial research findings indicate that the level of councillor remuneration does have an impact on the diversity of representation in local councils, but we would like to know the extent and nature of this impact through a survey with all NSW councillors". One email in response to the invitation suggests that people who disagreed with the link between remuneration and diversity chose not to respond. Our analysis of responses after the initial email invitation and the reminder suggest this wording had minimal impact. Nonetheless, the overall potential for recruitment bias should be factored into the reading of the below findings.

The survey had 12 questions, available in Appendix A. These included demographic questions (gender, age, ethnicity, type of council, income), multiple choice questions to gauge opinion on the appropriateness of councillor remuneration and its impact, and questions to ascertain the

² The term 'Cultural and Linguistic Diversity' (CALD) or 'Non-English Speaking Background' (NESB) is widely used to capture diversity in Australia. We do not use either, as these categories include people from non-English speaking European ancestry, such as speakers of Italian and Greek, who are socially categorised as 'white' in the Australian context, and fails to capture racialized minorities who speak English at home.

³ Data generated from manual classification. Report available on request

numbers of hours worked and whether this had changed on account of Covid-19. Quantitative data was analysed using Qualtrics software, using cross-tab to find simple correlations. Respondents had three opportunities to leave comments in response to questions, with between 160-190 comments left for each. Comments were analysed using Nvivo software. Each author coded independently before we compared our analysis. Through this process, we identified key themes in the qualitative data. We now present the key findings including significant statistical findings and strong themes in the qualitative data.

APPROPRIATENESS OF COUNCILLOR REMUNERATION

Key findings:

- The majority of respondents (80.92%) describe the current rate of remuneration as too low
- Women were more likely to describe remuneration as too low compared to men.
- There were significant differences across different types of LGAs, with regional centres and Principal CBDs most likely to view remuneration as far too low.
- There is dissatisfaction with the variations in rates across different LGA types

Councillors are not, generally speaking, motivated to stand for election for the pay. In qualitative comments, many respondents emphasized that they were driven by community service, for example: “I chose and continue to choose to stand as a councillor to be a voice for the community and not for the money”. Nonetheless, even as many respondents stressed that pay was *not* the motivation to become a councillor, many nonetheless felt that it should be increased: “As an elected official I do the role as I want to improve my local community. However the pay and other entitlements offered are very poor”. Few councillors are willing to step away from the role on account of low pay (see below), even if they do not agree with the current rate of pay: “I’m committed to community. I’m resigned to the fact it’s a love job”. That is, opinions that councillor pay should be increased does not necessarily mean that pay is a motivation to become a councillor.

“As a Councillor, you are trying to improve and progress your community and all services. This is your main motivation, remuneration is secondary, but at its current rate, does not reflect the sacrifices and efforts of the office of councillor”.

Overall, the appropriateness of councillor remuneration was overwhelmingly found to be inadequate. 80.92% of respondents felt the current rate was too low, with 23.12% (86) describing it as ‘A little low’, and 57.80% (215) as ‘far too low and should be increased’. Only 2 respondents (0.54%) indicated that the current rate is a little high, and 4 (1.08%) that is far too high and should be reduced. 65 (17.47%) indicated the current rate is about right. Figure 1 presents this data.

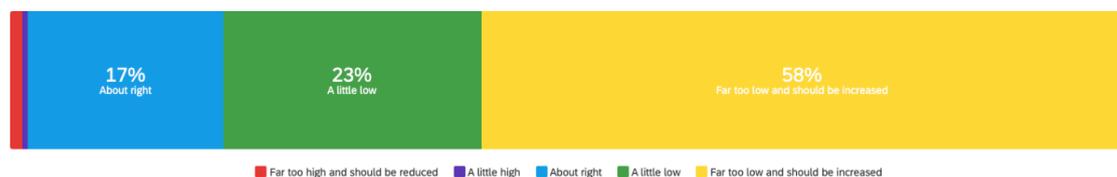


Figure 1: Opinion as to the appropriateness of current remuneration rates

Overall, women were slightly less likely to answer that the level of remuneration was 'about right' (14.4% compared to 17.5% for men), and more likely to feel more strongly as to the extent to which it should be increased, with 61.2% describing it as 'far too low' compared to 57.7% of men Table 4).

	Total	Man	Woman
Far too high and should be reduced	4.0	3.0	1.0
	1.1%	1.3%	0.7%
A little high	2.0	2.0	0.0
	0.5%	0.9%	0.0%
About right	65.0	45.0	20.0
	17.5%	19.4%	14.4%
A little low	86.0	53.0	33.0
	23.2%	22.8%	23.7%
Far too low and should be increased	214.0	129.0	85.0
	57.7%	55.6%	61.2%

Table 4: Opinions as to appropriateness of councillor remuneration by gender

Respondents who first became councillors between the ages of 46-55 were more likely to have stronger feelings as to the extent that remuneration needs to be increased, with 62.2% responding that it is 'far too low' compared to an average of 57.8%, 18.9% responding it is 'a little low' compared to 23.1%, and only 16.7% saying it was 'about right' compared to the average of 17.5%.

	Category of Council / Local Government Area							
	Total	Principal or Major CBD	Metro Large	Metro Medium	Metro Small	Major Regional City Strategic	Regional Centre/ Strategic Area	Regional Rural/ Rural
Far too high	4.0	0.0	0.0	0.0	1.0	0.0	1.0	2.0
	1.1%	0.0%	0.0%	0.0%	6.7%	0.0%	1.7%	1.2%
A little high	2.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
	0.5%	0.0%	0.0%	0.0%	0.0%	2.3%	0.0%	0.6%
About right	65.0	1.0	10.0	6.0	1.0	10.0	9.0	28.0
	17.5%	16.7%	18.9%	22.2%	6.7%	22.7%	15.3%	16.9%
A little low	86.0	0.0	12.0	8.0	6.0	8.0	7.0	45.0
	23.1%	0.0%	22.6%	29.6%	40.0%	18.2%	11.9%	27.1%
Far too low	215.0	5.0	31.0	13.0	7.0	25.0	42.0	90.0
	57.8%	83.3%	58.5%	48.1%	46.7%	56.8%	71.2%	54.2%

Table 5 Answers to: 'In your opinion, is the current rate of councillor remuneration' by LGA type

An unexpected finding was the strength of opinion around the different rates for councillors according to their category of LGA (see Table 5). The small number of respondents from Principal or Major CBD LGAs (namely City of Sydney and City of Parramatta) makes conclusions difficult, nonetheless, 5 out of 6 described current rates as far too low (83.3%) indicating the challenges of governing these complex LGAs. There are different, but arguably not less time-consuming challenges to being a councillor in a smaller metropolitan LGA:

Local Councillors are the closest to the community and the idea that larger population size should mean that the fees are higher is inaccurate. In so-called Small Metropolitan councils, Councillors actually have far more work...the larger the population the less accessible Councillors are so the community have less expectation of a personal response. Our community (Small Metropolitan Council) expect to receive an immediate response (24/7) and often expect us to personally meet them to resolve their issue....The fees should be the same for all Councils whatever the size.

When workloads are high for the level of recompense (see below) it is perhaps inevitable that lower paid councillors will feel hard done by. As one wrote: "If the remuneration was more equal amongst the different types of councils I would consider running again. I do not believe I do less work than the larger councils and my time is just as valuable".

An even stronger theme emerged in qualitative comments as to the different pay rates between metropolitan and regional/rural LGAs. As we can see in Table 5, 71.2% of respondents in Regional Centres/Strategic areas felt that the rate of pay was far too low, compared to an average of 57.8%. Comments identified key challenges that non-metropolitan, and particularly rural councillors faced, including large land areas that entailed considerable travelling time:

In rural Councils the remuneration does not cover the travelling expenses to visit all the villages in our shire. I'm always out of pocket. Land is a very large area, with low population.

Rural areas get significantly less than metropolitan areas because it is calculated on population but does not take into account the onerous travel time and distances required to properly represent Council.

Others noted that the workload was the same, if not greater for regional councils:

Regional Councillors do the same if not more work with the community and with Council, yet are paid the lowest remuneration.

No matter where you are the Mayor, it is a full time job. We participate in local and regional forums, workshops and attend events. Rural Councils deserve the same recognition as our larger regional council and city colleagues. We lead our communities through crisis after crisis and we don't even receive a living wage. It's disgraceful.

My biggest complaint is that rural & regional councillors are paid significantly less than regional centres & metropolitan councillors which I feel is discrimination. Rural & region councillors still have the same issues to face, maybe more, as metropolitan do not have water & sewerage to manage.

As these comments allude to, the differences of pay is for many an issue of fairness. One comment states: "Metropolitan Councillors would not stand for the pitiful enumeration country Councillors receive". These themes—travel, workload, remuneration that is commensurate with the work, fairness and recognition—were consistent in the qualitative comments.

Before we examine these themes in more depth, there is one further theme related to differences in pay scales: state comparisons. Queensland has a higher remuneration package for its councillors, equivalent in some LGAs to a full-time salary. This difference is not lost on NSW councillors, with some comments suggesting that there should be consistency across states. One respondent noted:

In my council we are paid around 12k whereas in say Longreach QLD, a normal councillor receives 44k with the mayor on 88k, whereas our mayor is on 24k. I believe this is a major variation and somehow the gap needs to be closed.

Although larger council sizes, achieved through amalgamations, have been shown to negatively impact gender equality in Queensland local government (Conroy 2011), there could be a case for reform that saw fewer councillors with higher rates of pay, as several respondents suggested. One simply notes: "It would be difficult to justify higher rates in the smaller rural councils unless they reduced numbers on councils and amalgamated some councils as per Queensland".

The majority of respondents think that councillor remuneration should be increased, and significantly. Differences across gender, age, and the type of council are found in the strength of this opinion, rather than in the direction of it. We have not considered differences across ethnicity, on account of the small number of respondents in each category except Anglo-Celtic and European. We now turn to some of the key themes as to why councillor pay should be increased, starting with the most commonly cited one: workload.

AN ISSUE OF FAIRNESS: PAY FOR HOURS WORKED

Key findings:

- Current remuneration levels are perceived as inadequately reflecting the extent and nature of council work.
- Variations in the number of hours devoted to council work are as great within categories of LGAs as they are across them
- Travel is an additional burden for regional and especially rural councillors
- Councillors in LGAs considered 'Covid areas of concern' had dramatic increases in workloads in 2021
- Current remuneration is considered 'unfair', 'insulting' and symptomatic of the lack of value the public and higher levels of government place on local government

The most frequent argument for increasing the current rate Councillor remuneration was that it did not reflect the workload. LGNSW has been making the same arguments in their regular submissions to the LGRT. Most recently, in 2021, they cite the 2018 Mastertek Pty Ltd independent review of councillor and mayor remuneration, with one of the key findings being: "the increasing complexity of the role had...a direct correlation to the time requirements of the role. Councillors spend an average of 45.6 hours per week fulfilling their duties as a councillor" (2021: 5). They further note that "the remuneration paid to councillors does not accommodate

for the cost of living in NSW” (2021: 5). According to the submission, requirements for professional training and mandatory induction programs introduced in 2018 have not been properly compensated for, while community expectations have increased as a result of events such as bushfires, and more recently, border closures and covid-related health orders. Councillors and mayors should be paid more, they argue, due to time and workload invested in the role.

We asked survey respondents to provide their own estimation as to the number of hours they spent on council work each week. Due to the ‘blurry boundaries’ between council work, personal life and paid employment/business, getting an accurate picture of actual hours work is difficult (Copus 2015). Even self-reporting tends to *under-estimate* the time devoted to council activities (Copus et al. 2017). As Figure 2 shows, very few of our respondents said they worked over 41 hours (29 respondents or 7.7%), in contrast to the “average of 45.6 hours per week” as reported in the Mastertek Pty Ltd review.⁴ More councillors devoted 20 hours a week or less on council work (53.35%) than 21 hours or more (46.11%). There was a slight gender difference, with more women working 21 hours or more (51.10%) than men (42.9%), however the differences within in each band is minimal.

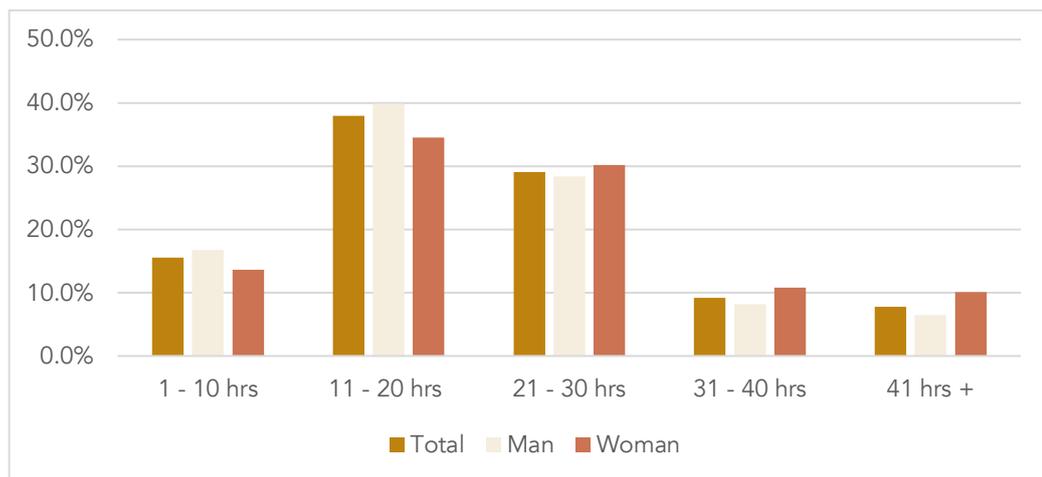


Figure 2: Number of hours devoted to councillor work each week by gender

There are fewer variations across LGA type than might be expected (see Figure 3 and Table 6). Two-thirds of councillors in Principle or Major CBD councils work 31 hours or more (a third 41 hours or more), although the small number of respondents requires caution in extrapolating this beyond survey respondents. Other LGA categories with more than 50% of respondents reporting working 21 hours or more are Metropolitan medium (51.8%) and Major Regional City / Major Strategic Area (62.2%). Over 50% of responses for all other LGA types indicated that they devoted 20 hours or less to councillor duties, including: large metropolitan (52.8%), small metropolitan (66.7%), Regional Centre / Strategic Area (54.3%) and Regional rural / Rural (59.1%). As Table 6 shows, the number of responses for each category is small, and again we suggest caution in interpreting these numbers. What they suggest is that principle and large

⁴ We requested a copy of the original review to try to understand these numbers, but unfortunately the report is held in confidence.

metropolitan areas are more likely to work in excess of 41 hours, but also noteworthy are the almost 12% of councillors in Regional Centres / Strategic Areas do likewise. Almost 50% of councillor respondents in Major Regional City LGAs work between 21-30 hours.

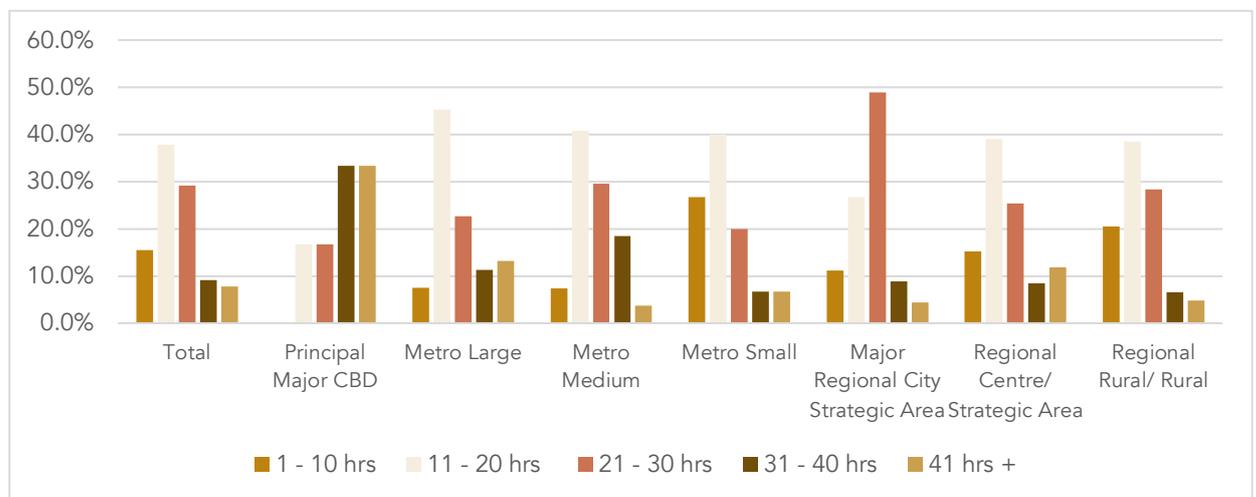


Figure 3: Number of hours devoted to council duties per week by LGA type

	Category of Council / Local Government Area							
	Total	Principal or Major CBD	Metro Large	Metro Medium	Metro Small	Major Regional City Strategic	Regional Centre/Strategic Area	Regional Rural/Rural
Far too high	4.0	0.0	0.0	0.0	1.0	0.0	1.0	2.0
	1.1%	0.0%	0.0%	0.0%	6.7%	0.0%	1.7%	1.2%
A little high	2.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
	0.5%	0.0%	0.0%	0.0%	0.0%	2.3%	0.0%	0.6%
About right	65.0	1.0	10.0	6.0	1.0	10.0	9.0	28.0
	17.5%	16.7%	18.9%	22.2%	6.7%	22.7%	15.3%	16.9%
A little low	86.0	0.0	12.0	8.0	6.0	8.0	7.0	45.0
	23.1%	0.0%	22.6%	29.6%	40.0%	18.2%	11.9%	27.1%
Far too low	215.0	5.0	31.0	13.0	7.0	25.0	42.0	90.0
	57.8%	83.3%	58.5%	48.1%	46.7%	56.8%	71.2%	54.2%

Table 5: Number of hours devoted to council work per week by LGA type

What is more significant than the differences across LGA categories are the lack of any clear trends, (e.g. larger councils and those paid higher rates do not, generally, seem to work notably more hours) and the diversity of hours worked by councillors within each category. According to Section 240 of the Local Government Act 1993, the categories are based on:

the size of areas; the physical terrain of areas; the population of areas and the distribution of the population; the nature and volume of business dealt with by each council; the nature and extent

of the development of areas; the diversity of communities served; the regional, national and international significance of the council; such matters as the Remuneration Tribunal considers relevant to the provision of efficient and effective local government; such other matters as may be prescribed by the regulations.

Differences across respondents within the same LGA category highlights two themes that we refer to below. First, not all councillors are able to invest the amount of time that they feel the role deserves. And second, while some councillors are highly motivated to go above and beyond the direct call of duty, others are less so.

While the size and terrain of a council area is factored into remuneration according to the Local Government Act, the maximum rate for rural councils of \$12,400 does not seem to properly compensate the additional travel burden rural and regional councillors experience. Responses described the “vast mileage travelled to see all our residents”, and the costs in terms of hours spent on the road: “Rural councillors travel great distances taking time out of each day that is not compensated for”. As this was an unexpected finding, we did not ask for the number of hours spent in travel as an additional question, although it appears from the comments that respondents did *not* include travel when calculating the number of hours spent each week on council duties, as one respondent wrote: “I find the hours of work for Council difficult to define due to not counting travel time. In my shire, I can drive 1.5 hours each way to a meeting or social events”. The LGRT acknowledged that submissions “from councils in regional and remote locations...raised the unique challenges...which included...travel required in sometimes very difficult circumstances” (LGRT 2020: 4), but these difficulties do not seem to have factored into its decision.

“Rural areas get significantly less than metropolitan areas because it is calculated on population but does not take into account the onerous travel time and distances required to properly represent Council”.

Councillors have had a visible and important role during the Covid pandemic, and related lockdowns/travel restrictions. We asked respondents whether their workload had increased or decreased as a result. Figure 4 shows that for the majority of councillors, there was no change, or their workload *decreased*. The greatest time saver was decreased necessity to travel, with Zoom meetings replacing face-to-face meetings. Respondents also reported fewer events, and less need to meet with constituents. For some councillors, however, workload increased significantly. Eight respondents (2.1%) reported working an additional 16 hours or more a week, and 20 working an addition 6-15 hours. Many of these councillors were in LGAs ‘of concern’, resulting in an explosion in the number of enquiries received by constituents, the need to support residents either directly or through advocating to the state government, liaising with local businesses, and managing social media. Councillors also reported playing an important role in communicating complex Public Health Orders to different culturally and linguistically diverse communities.

As a councillor in an LGA of Concern in NSW, much of this extra workload relates to additional need for advocacy to various bodies and engagement with multicultural and vulnerable groups within the community.

Covid-19 highlighted the role of local councillors as intermediaries between state and national level government, and local communities and was a reminder of the need for local representatives that reflect the broader populations they serve.

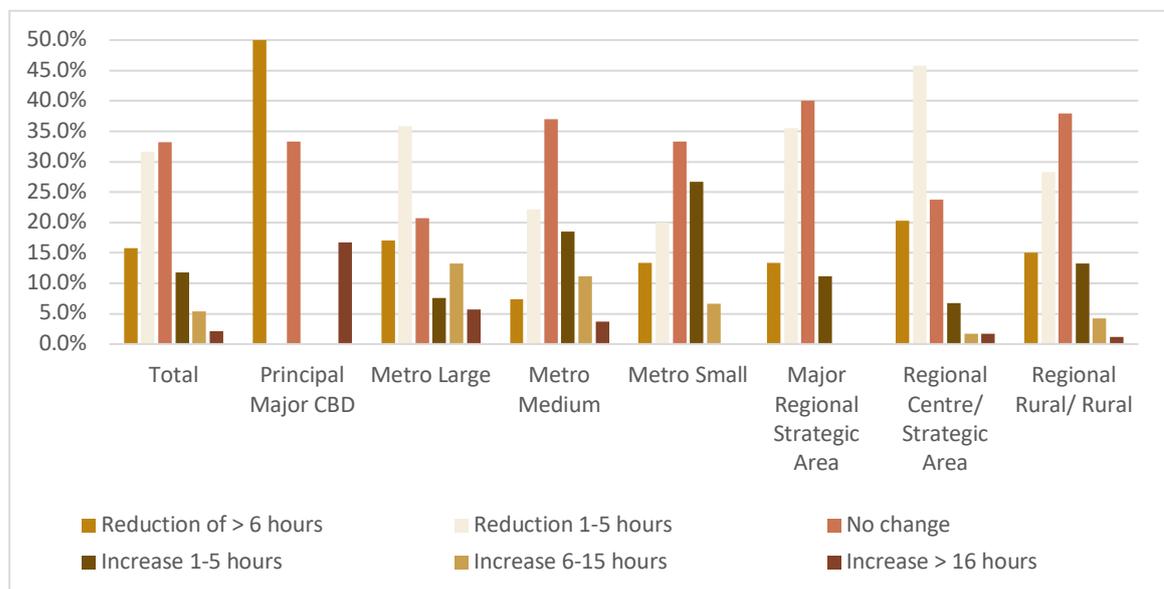


Figure 4: Change in hours devoted to council work due to Covid-19 by LGA type

The number of hours per week devoted to councillor duties reported in our study is lower than reported in the LGNSW submission, yet there remains a strong sense that compensation is inadequate for the workload. A sample of the comments include: "Councillors are very underpaid for their responsibility"; "It is a lot of work for little financial compensation"; "The remuneration is peanuts for the work involved"; "It does not reflect effort, for a role the community does not fully appreciate"; "Given the pressure on local government to deliver on a daily basis the remuneration does not fit the responsibility". It is not that pay in itself is too low, the main complaint is that it does not match the workload, the labour, and the responsibility. After a while, the incommensurate pay starts to wear councillors down: "Having been on council for 10+ years, at first I didn't mind the low pay but after putting in so many hours, it's just not worth it". Some councillors made calculations that underlined the poor hourly rate of pay: "I worked out my average time was being charged out at 50 cents/hr"; "my working hourly rate [when employed] was \$120.00; my rate as a councillor is \$1.20". The combination of low pay while undertaking a complex and stressful job, frustrates some: "I could put the same hours in as a checkout operator at Woolworths and be financially better off with far less stress and responsibility".

"A couple of years ago I made a diary entry each time I was contacted by a ratepayer/resident regarding Council. Over a 3-month period I calculated that I earned less than a kid flipping hamburgers at Maccas. While remuneration was NOT the reason I stood for Council...it showed to me the regard Councillors are held by state politicians and public servants who calculate the pay structure of Councillors".

As the above quote implies, the actual money is for some secondary to what poor pay reflects about the status of the role. For many, it was an issue of fairness. "The remuneration is insulting. The role is commensurate with being a Director of an ASX listed company". The rate of pay was described as "disgusting", "a disgrace", "insulting". One respondent reported "becoming resentful that I cannot earn more for the amount of work I do for council". Some respondents also made comparisons to council staff, "Senior Council executives earn 10 times what a Councillor does, yet constantly moan about how hard we make them work. Councillors are the equivalent of Board directors, yet are paid less than junior wages". Addressing low pay could address the inequity, and also "assist in redressing the power imbalance between staff (full time, \$100k+ salaries) and councillors (part-time community members who aren't career bureaucrats)". One respondent summed up this theme well: "Being a local councillor is a demanding role that consumes a great deal of time if it is being done well [and] should attract a fair and reasonable rate of remuneration".

Councillor remuneration does not provide a 'living wage'. One respondent wrote: "It is impossible to live on the allowance we get and it is unreasonable to expect so much work and long hours for such little pay". Councillors either need to be in a financial position in which they can support themselves, or else face the challenge of balancing full or part-time work, or a business.

"You cannot be a Councillor unless you are supported by other means for income - it is a full part time job at least 20 - 30 hours. It is difficult to hold down another full-time job and be on call for the community"

"It is extremely difficult to hold down a full-time job and perform the role of councillor adequately. a living wage would encourage a higher standard of councillor to treat the role seriously"

"Given the remuneration is not comparable to full-time work however the commitments are in excess of 0.5 FTE...it is difficult but not impossible for younger people with full time roles to manage both Council and non-Council obligations".

The solution for some respondents is to make the role of councillor a full-time position: an explicit proposition in 15 comments, including: "This should be a full-time job; at present those who are business operators or those who are fully employed are hesitant to commit to running"; "I treat my Councillor role as a full-time job. It should be remunerated as such, so long as Councillors understand it takes precedence over other paid work"; "the time, effort and focus expected by the community, really requires a full time, dedicated focus on the role"; "I could easily expand the role to full-time hours, if it paid a full-time wage. Full-time hours would enable far more advocacy and community engagement, such as individual meetings and "clinics"". Minimal pay for full-time or part-time work inevitably has costs as we see below.

The problem appears not to be the low pay, or the high workload, but the combination of the two. Our survey suggests that the vast majority of councillors are not 'in it for the money', and are driven by motivations to serve the community. However, when the workload is excessive without proper recompense, we have to ask if we are taking advantage of their community mindedness.

POOR REMUNERATION HAS NEGATIVE IMPACTS ON COUNCILLORS

Key findings:

- Councillors make significant financial sacrifices to income and superannuation
- There is some resentment of these sacrifices given pay is considered 'unfair'
- Being a councillor can have a negative impact on career progression in some sectors
- Balancing one's main source of income and council work can negatively impact on social and familial life and be a source of anxiety and mental health issues
- Calls for a 'living wage' to ease the tensions of balancing paid and council work

Low remuneration negatively impacts councillors' lives and well-being in numerous ways. The largest, and most commonly mentioned impact was on primary income. Time spent on council work is an opportunity cost that detracts from the ability to engage in other income generating activities, as these comments reflect: "I...had to give up my second casual job just so I could give more time in my elected position"; "My work as a councillor costs me money because I am not billing my professional work"; "I lose money and the pay does not come close to compensating for the expense to run my business in my absence"; "The salary I forfeit to be a Councillor is substantial." Some councillors went part-time or retired early. Councillors in rural and regional LGAs indicated an inability to run farming enterprises whilst simultaneously undertaking the role of councillor. For some, remuneration was not enough to cover the cost of a replacement worker, meaning many councillors were left to personally cover the costs and sacrifice their own profits to undertake their duties.

"To do the job properly including responding to community requests and invitations and fully informing myself on council's performance and statutory obligations has required to more than halve my business operations. I am in debt".

Becoming a councillor comes with career development opportunities, but for some respondents, council work had a *negative impact* on career progression. Particularly in industries that require significant time commitment, being a councillor frustrated ambitions for promotions. In other sectors, the experience and skills acquired in council were not widely recognised or valued

"The time I spend serving on council has resulted in me missing promotional opportunities at work and restricts me from seeking to change main jobs and work elsewhere - it makes me less employable in the eyes of businesses".

"For many younger or more diverse people thinking about representing their community, having a 4-year gap in their field of employment/profession could affect their future career progression".

These findings support those of Carson et al. (2021), who found that many women were deterred from standing in Victorian council elections as they were reluctant to give up gains in their career, especially if they had already had a career break due to maternity leave and caring responsibilities.

Whilst the survey showed no relationship between a councillor’s gender, age or ethnicity and the number of hours devoted to councillor tasks, it did reveal a statistical connection with the annual incomes of councillors. Respondents who earn lower incomes spend more time on council work, and those who earn more, spend less time on council work. There can be two interpretations. First, those who earn more also experience the highest opportunity cost in terms of lost earnings for each additional hour spent on council work. They are therefore more reluctant to expand council hours, resulting in a lower overall number of hours worked. Alternatively, some councillors are making significant sacrifices in terms of income in order to perform the role of councillor, resulting in the correlation between low pay and higher number of hours worked. As people’s circumstances vary greatly, both scenarios are likely true in different cases. The most important point is that there is a trade-off: by expecting councillors to work long hours without suitable recompense we are asking them to make financial sacrifices, unless they are retired.

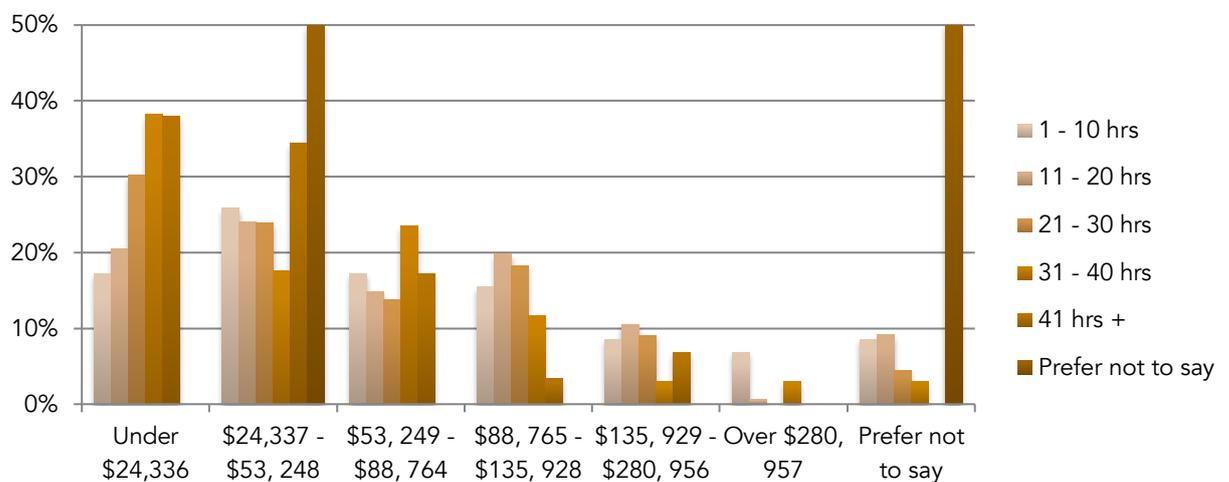


Figure 5: Number of hours worked by level of income

Financial stress was a consequence of councillor remuneration not being a ‘living wage’ for some respondents. As one said: “It is impossible to live on the allowance we get and it is unreasonable to expect so much work and long hours for such little pay”. Another respondent spoke about sacrifices the family makes due to the lack of income: “I do this job because I feel compelled to. I cut costs elsewhere, my family does without and I work part time to allow me to be a Councillor. I’d do it anyway but it is not without significant costs”. Sydney is one of the most expensive cities in the world to live putting additional pressures on councillors

“The many events and meetings required does affect a person’s ability to earn a liveable income. Sydney price of living is not cheap and councillor fees are paid below the wage of our cleaners yet we make multimillion dollar decisions. There is something inequitable in this alone due to the responsibilities and required skill sets”.

There were suggestions from some councillors that remuneration be set at a living wage, not only to help councillors cope financially, but to ensure that they have time to perform their role.

Alongside financial sacrifices, council work negatively impacts on families, relationships, social life and mental health of some councillors. One respondent wrote first of the “very large financial burden in terms of lost income” before describing: “There is certainly a potential large social

cost with personal relationships and much of this revolves around remuneration levels". The time pressures of having to work for income, alongside poorly remunerated council work, leaves little time for social life. Other respondents did not think remuneration was a major factor, yet nonetheless decided not to recontest as "I need to have some of my life back". Another spoke of the impact of being a known figure in the area on the important people in their life: "I am expected to communicate with constituents in any activity that I do. Shopping, exercising, walking the dog. You are available 24/7. This has a big impact on family and friends". While public exposure and constant availability are not directly a result of low pay, respondents may have mentioned these issues in our survey to highlight the lack of financial compensation for these sacrifices.

Most worryingly, some respondents spoke of the impact on their mental health. For some councillors, the stress was unrelated to remuneration, as this respondent wrote: "It's not the workload you need to be compensated for it's the anxiety that comes with the job!". For others, it was an additional burden on top of poor remuneration: "I work ridiculous hours and it costs me money to do what I do, as well as costing my mental health at times. I would strongly say to others thinking of running to think hard"; "over a financial year, I discovered [pay] simply added to my tax bill. In effect, I was working a lot more, enduring unbearable stress, and taking home the same". But for others, the need to balance business or employment with council work was a source of considerable stress in itself:

"In addition to my council work, which takes at least 20 hours a week for minimum wage, I have a demanding day job which I need to do to support myself. On council meeting days, if I am working in my day job, I will be working 16-hour days with not enough time to eat, let alone relax. Coupled with the bullies on Council, it is not worth standing again. It is much less stressful just to do my day job and get paid overtime if I want to".

"I rationalised that the \$18-20k that Council paid, allowed me to devote 1 Day equivalent to Council Duties through the week, with a supportive employer. However the stress of balancing time for meetings and paid employment, as well as the lack of effect on superannuation, it becomes harder to justify. If my partner didn't work to subsidise my Council work then I couldn't do it. I'm not standing for re-election for this reason".

Workloads are considerable when balancing council work with other life activities, be that employment, one's business, or family responsibilities. When all need to be juggled at the same time, stress, anxiety and mental health issues can arise. Coupled with this is the stress of being responsible for multi-million dollar entities, availability to constituents, and in some cases, public abuse, being a councillor can be a stressful position, without the commensurate remuneration.

Given the above costs and sacrifices of being a councillor, it is unsurprising that remuneration had an impact on decisions to stand for re-election. The timing of the survey in the months leading up to the 4th of December 2021 elections provided an opportunity to capture these decisions in real time. The survey shows that the level of remuneration affected 23.59% of councillors in their decision to stand for re-election (see Figure 6). Of these, all of them believed that the current level of remuneration is either 'a little low' (10.2%) or 'far too low and should be increased' (89.8%). At the same time, a greater percentage (74.53%) indicated that the current

remuneration level had 'no bearing' on their decision. The data yielded no significant correlation between a councillor's age, gender, ethnicity or annual income and their decision to recontest. While the majority decided to contest elections despite being dissatisfied with councillor pay, losing nearly a quarter of councillors due to this issue is a considerable loss of experience and talent. As Wilson (2021) remarks in relation to achieving gender equity in Victorian councils, *retention* of councillors is as important as *recruitment*.

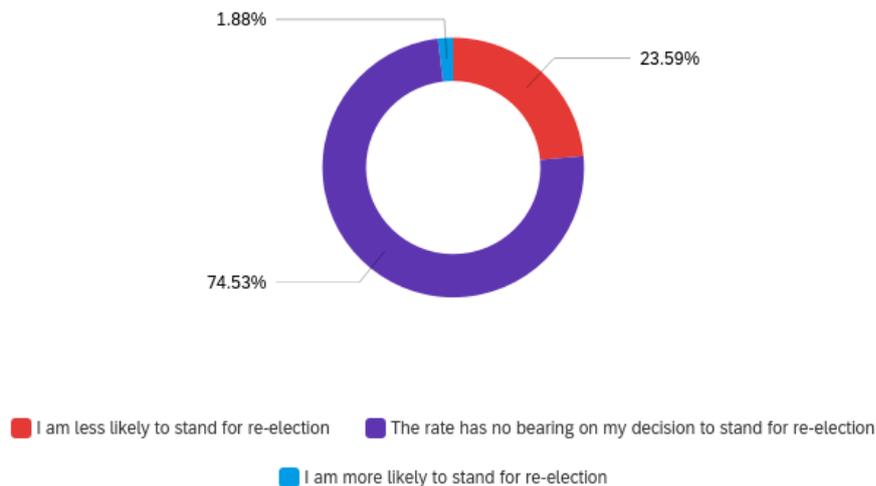


Figure 6: Answers to 'Has the level of remuneration affected your decision to stand for re-election in December?'

IMPACT ON DIVERSITY OF REPRESENTATION

Key findings:

- 44.73% of aspirants surveyed indicated that inadequate remuneration made them less likely to run for council.
- 72.3% of councillors surveyed agreed or strongly agreed that councillor remuneration has an impact on the diversity of people who stand for council.
- Younger age groups and women were the two groups most identified as being disadvantaged
- Current conditions for council work suit retirees and people with independent wealth, thereby contributing to the overrepresentation of these groups on council

A core contention by advocates seeking to increase councillor remuneration is that low pay limits who can become a councillor, and hence restricts the diversity of representation in local government. Sitting councillors have already decided that becoming a councillor is feasible given their life circumstances (at least at the time they decided to stand for election), and hence it is also important to examine how low pay shapes the decision making of aspirants: that is, people who have an interest in contesting an election but have not yet decided to become a candidate. The Office for Local Government has invested significantly in workshops and training programs to encourage and equip more aspirants to become candidates in the 2021 elections,

particularly women, and people of 'colour'. To assess whether low pay discouraged other aspirants from becoming candidates, we sent out surveys to two Facebook groups (one NSW based and one Victoria based) of women who had attended Women for Election Australia workshops. We first asked whether respondents knew the level of remuneration for their LGA, and after providing it, whether this level of remuneration had an impact on their decision to stand for election. Out of 38 responses to this question, 17 (44.73%) indicated that it made them less likely to run for council. This was a higher percentage than those who indicated that it had no impact (14 respondents, or 36.84%), or made them more likely to run for council (7, or 18.42%). While comments included, "It seems more generous than I would have expected", and "I do not need the money", most respondents considered the opportunity costs too great to consider standing for election. The full results of this survey will be reported separately.

RESPONSES TO ASPIRANTS ABOUT THE IMPACT OF COUNCILLOR REMUNERATION ON THEIR DECISION TO STAND FOR COUNCIL

"I currently work full time. I couldn't do that while being a Councillor so would need to move to part time. Remuneration would not cover my loss of income".

"I will need to find another job to actually have a living wage. If this paid full time, then I would do it in a heartbeat".

"It comes at a great opportunity cost because my salary as an employee is many times more than this. When weighing up pros and cons, this is a significant factor".

"I'm the biggest contributor to my household income. This comes nowhere near what I can otherwise earn and I'm not willing to do role on top of full-time work - there will be no time for my family".

"It has not impacted my decision to run but it is something I am worried about. If elected to council, I will have to quit my full-time job and I am concerned that I will be facing financial hardship. I have been trying to save as much money as possible in the lead up to the election".

"As the breadwinner of my family with 2 small children I would need to be remunerated appropriately to consider running for council as I will still have to pay for childcare, after school care etc."

Although all sitting councillors have decided to contest at least once, their understanding of the conditions of council work makes their perspectives on how remuneration impacts diversity valuable. In overall terms, 72.3% of respondents agreed (94 respondents, or 25.26%) or strongly agreed (175 respondents, or 47.04%) with the statement: "Councillor remuneration has an impact on the diversity of people who can become councillors/stand for election in councils". While a majority view, the 72.3% agreement is less than the 80.92% of respondents who felt the current rate of remuneration was too low (see above), indicating that for at least some respondents, the problems with remuneration do not extend to impacts on diversity. In response to the statement on diversity, 27.7% of respondents answered '*neither agree nor disagree*', (54, respondents, 14.52%) '*disagree*' 25 respondents, 6.72%) and '*strongly disagree*' (24 respondents, 6.45%). Women were more likely to agree or strongly agree (79%) compared to

men (68.2%). There were no significant differences across age groups and income, while the number of respondents of non-European ancestry is too small to draw any conclusions.

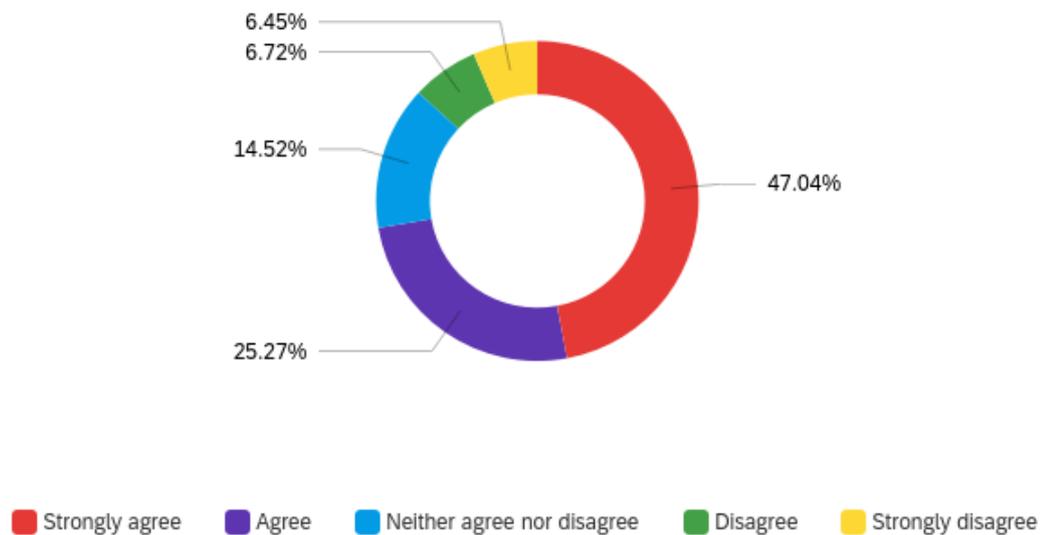


Figure 7: "Do you agree with the following statement: Councillor remuneration has an impact on the diversity of people who can become a councillor/stand for election"

We then asked respondents "Which groups are potentially less likely to become a councillor based on current councillor remuneration?". Respondents were able to indicate more than one group, and hence the percentage refers to the number of respondents who selected that group. As we can see in Table 6, respondents believed that youth were most impacted by low councillor remuneration (46.24%), followed by women (38.70%). As expected, almost 30% believed councillor pay has no impact on diversity, as per the responses to the previous question. It should be noted, as the respondents largely reflect the (limited) diversity on NSW councillors, they may not have lived experience of belonging to each of these groups.

Group	Count	Percentage
Women	114	38.70%
Ethnic Minorities	88	12.19%
People on Low Incomes	159	14.57%
Younger Age Groups	172	46.24%
It Makes No Difference	110	29.57%
Other	49	13.17%
Total	722	

Table 6: Which groups are potentially less likely to become a councillor based on current councillor remuneration rates?

The above-mentioned opportunity costs were thought to have an impact on young people's Ability to run. High-living expenses, needing to care for young children, and the potential

impacts on career progression were factors: "People who need a full-time salary (young people paying off a house, single parents, people on low incomes) are less able to take on the role of Councillor". There were also concerns as to the kind of young people who will be attracted to the role:

"I can afford to work for virtually no money but younger people building their careers, wealth and families won't participate without the activity contributing to their goals. This discourages independent candidates and encourages political party participants. This is not good because it means the candidate has her eye on what head office says to do rather than 100% representing their local community"

There were also issues of 'fairness': "Younger people can't afford to be a councillor; it shouldn't cost the individual money to represent their community". People on low incomes are also less able to afford to be a councillor, not only due to opportunity cost of working, but the expense of being a councillor. As one respondent wrote: "Most don't put themselves forward for public office for the income, however it costs to be a Councillor, attend functions, buy raffle tickets, support charities, and to dress suitably: so remuneration is important to get diversity of candidates". Rural councillors also noted that travel was a significant expense for people on low incomes.

Women were also viewed by 38.70% of respondents to be negatively impacted by low councillor remuneration. As women often take a career break when raising young children, they are impacted by further disruptions to careers and superannuation (see also Carson et al. 2021).

The remuneration is peanuts for the work involved. There is no superannuation paid. So many people cannot afford to miss out on those income-earning years in the workforce. Women particularly get much less super in their lifetimes, and a 4 year + commitment to no super just increases that gap.

We return to the issue of superannuation below. Barriers are also high for people of culturally and linguistically diverse backgrounds, as one respondent wrote:

There are different barriers facing women and people from ethnic backgrounds (meetings are at night because there is an assumption that everyone has a day job - this makes it very difficult for women with children). And people from ethnic minorities are much more likely to be in low paying jobs and unable to afford to be a councillor.

A couple of respondents indicated that they tried to encourage women, first generation Australian migrants, and First Nation Australians, but that "the level of commitment and the poor recompense" is a deterrent. As another said: "I speak to many people who would love to represent their community on council but just cannot afford to". Studies examining the connection between finances and diversity of representation find that the impacts are cumulative, with class, gender, ethnic minority status, and youth, intersecting to create substantial barriers (Murias et al 2021; Murray 2021; Piscopo et al. 2021). Although these studies focus on the costs of election campaigns, cumulative impacts are also relevant to considering the impact of low pay.

The closed multiple-choice question as to which groups were most impacted by inadequate remuneration did not allow respondents to identify further groups that we had not considered.

From the qualitative comments, however, we were able to identify three additional groups: people living with a disability, full-time workers/small-business owners, and high-income individuals. Given the importance of councils to ensure the accessibility of infrastructure and services, people living with a disability in particular have much to offer. Yet living with a disability also incurs additional expenses that current rates of remuneration may not meet (Evans and Reher 2020), as these comments indicate: “People with disabilities - it costs a fair bit to be an effective Councillor who attends meetings etc. and this is more expensive for mobility impaired and other individuals with disability”; My husband is legally blind and this brings an extra responsibility to me, however his disability should not be the reason people do not put up their hand to be a Councillor, but I am sure it does”.

We do not often consider full-time workers, high-income individuals, and people running a small business as disadvantaged, yet for many respondents, the current remuneration structure meant that these groups were also underrepresented on councils.

Professional persons are less inclined to present for Council elections, because (I think) they are aware of the level of expectation that the community expects from their representatives. To provide that level of time and focus would impact on their own business activities, which is not going to be offset by the current levels of remuneration.

I believe educated people on high incomes are deterred from becoming councillors. The amount and variability of hours required take people away from their primary role and the low remuneration does not attract the right type of person...I cannot convince two male businessmen (who would be fantastic) that is worth a pay cut from their career to undertake the role. While they would love to do it, the family simply can't afford it.

Here the concern is that people with the right kind of skills and experiences will be deterred from becoming a councillor, and hence reduce the quality of decision-making (returned to below).

The other side to a lack of diversity is the relative homogeneity of councillors. Many respondents described the role as ideally suited to someone who has retired, and/or was independently wealthy.

Councils have been and continue to be represented by independently wealthy people or retired older people who do not need to work to support themselves....

Typically most councillors in rural and regional areas are retired locals. They are the only people with the ability to commit so much time to what is effectively volunteering for the community.

It's primarily an issue of financial equity. You could pay nothing and the only people that could afford to use their time to do it would be the wealthy and the retired.

The ability of retired people to use their experience to provide service for the community is a positive thing, as one respondent stated. The problem is that low pay means that retired people are overrepresented, resulting in limited perspectives and experiences on council.

People who tend to fit these requirements—that is, retired with sufficient wealth—are more likely to fit the ‘male, pale and stale’ stereotype of Australian politics more generally.

Generally the current system has encouraged retired people, mainly male who are financially secure and have the time and are unencumbered in bringing up children or needing to earn an income

Councils have traditionally (and predominantly continue to do so) attract old, white males who are independently wealthy (retired or property investors). A proper salary that reflects the true extent of the role would attract a greater quality and diversity of people to the role.

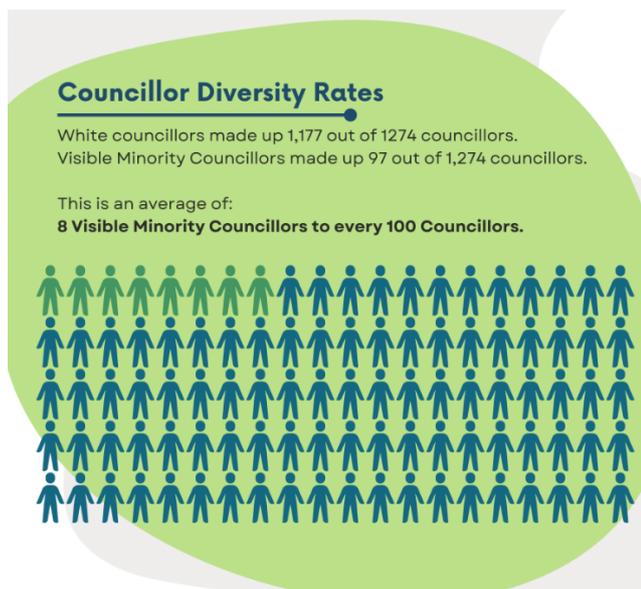
Pale, stale and male is the stereotype and it is correct. The condescension of older men towards me and my opinions would be very off putting to a younger person, especially a woman. They men see it as an opportunity to 'give back' to their community after retirement. But their ideas are old and out of touch.

For some respondents, low pay was therefore indirectly responsible for perpetuating an environment in which young women in particular (and we would add women of 'colour'), feel 'out of place' (Puwar 2004), and thereby the diversity of representation.

"Don't need a survey to discover remuneration reflects demographics in councils, it's pretty blatant that only a certain demographic can do the role"

We tend to agree with the above statement that the connection between low councillor remuneration and a lack of diversity on NSW councils is obvious. Yet despite the push to get more women, more people living with a disability, and more people from diverse cultural backgrounds to stand for election, questions around remuneration are avoided in government strategies to increase diversity of local government in NSW. Efforts to increase the diversity of local government cannot be based on encouragement of aspirants alone without attending to the impact of low councillor pay on who can feasibly become a councillor.

We believe these questions are urgent. Analysis⁵ conducted prior to the 2021 elections revealed that only 8% of councillors were racialised minorities. Only 2.28% were women of colour (6.06% in Greater Sydney). The percentage of women councillors has increased in the last election, from 31% to almost 40% (the analysis of the breakdown by ethnicity and cultural group is pending). Tackling councillor remuneration is important to make further progress in diversifying councils.



⁵ Report available on request

Key Findings:

- Inadequate remuneration indirectly reduces quality of representation by decreasing diversity
- Some councillors are unable to commit the time necessary to perform their role
- Councillors report uneven commitment to the role by their fellow councillors
- Low pay made it difficult to encourage quality candidates to stand for council

Inadequate councillor remuneration indirectly impacts the quality of representation by making it challenging for certain types of people to become councillors, as discussed above. A homogenous political class reduces the perspectives brought to bear on any issue, can result in various constituents needs and interests not being adequately considered, and reduces the legitimacy of democratic institutions (Hawkesworth 2012). As one respondent wrote, the need to hold down a job outside of council, means that it can only be a part-time role. They continue:

“Parliament used to be full of rich people because it was an unpaid position [and therefore] only the rich or self-employed could engage in it. It skewed what was considered important and what was legislated. Local government suffers from the same limitations”.

Having a council skewed towards those with independent financial means may mean that important local issues, or the needs and interests of different community groups, are overlooked or improperly understood.

“I would prefer to work full time as a councillor, but I am unable to live on the councillor’s wage, and must therefore have a second job. This means I cannot devote the hours needed to council. It also increases the risk of serious conflicts of interest. I have a colleague who is an active real estate agent while also currently serving as a councillor”.

The above quote highlights two additional ways that inadequate remuneration directly and negatively impacts the quality of representation: reducing the time to fulfil the role of councillor adequately or to the extent desired, and; attracting the wrong kinds of people to the role. Many councillors in the preliminary qualitative interviews lamented that they wished they could spend more time on council work, but were unable to due to the competing pressures of paid employment. These sentiments were also expressed in our survey results: “My priority interest is to serve the community. The level of councillor allowances only limits the amount of time I spent to serve the community. Ideally, I would like to be in a situation where I can serve my community full-time”; “I don’t have the hours required to properly devote to the role”; “I would like to do more as a Councillor but to do so is time consuming and difficult to juggle working full-time”; “Increased remuneration will allow me to contribute more to my constituency and the wider [LGA name] community”. For many respondents, if they were paid more, they would be able to devote themselves more fully to serving the community. At current rates of remuneration, some feel it is impossible to perform their role adequately.

Some respondents also saw the impact of inadequate remuneration on the diligence of fellow councillors. There is frustration that some councillors come to meetings without having done the preparatory work of reading business papers and do the bare minimum in terms of community engagement and serving on committees. At the same time, expectations that councillors devote the time required is difficult when most are juggling competing demands on their time:

The pay is so low for the level of responsibility and number of hours - the only way I can afford to do it is that I am lucky to have a well-paid part time job. If I had a full-time job, I wouldn't have enough time to do all the reading and work required to properly fulfil my responsibilities (lots of other councillors don't always read the papers for this reason), and if my job was less well paid, I just wouldn't be able to afford to be on council.

Others see remuneration as a way to lift expectations on councillors, so that they are all performing their role adequately, and pulling their weight:

Remuneration shouldn't be the driver in deciding to stand for local election. However, the role of a Councillor is demanding & requires significant community engagement...I have seen many Councillors who either attend only the bare minimum i.e. formal Council meetings (2 x p/month) & others attend all meetings, workshops & community events. Both approaches has remuneration paid at the same rate despite the effort. An increase in remuneration for those Councillors who do more would potentially encourage those Councillors who do less, by re-setting the framework and requirements i.e. bonus remuneration for those Councillors who attend all formal meetings, workshops & a minimum of 2 community events.

These two quotes point to the incentive structure of pay and performance, albeit highlighting different causation (does low pay cause under-commitment, or is under-commitment enabled by low pay). In either case, the incentive structure needs to change, but in ways that better match commitment, performance and reward. We return to what this might look like below.

"The remuneration is so low that many councillors do not put adequate time into informing themselves. They treat the role as honorary. There is a very low calibre of governance. Furthermore a councillor who informs herself, asks questions and puts up motions is resented for showing them up. It is my view that most councillors attend meetings having barely read the business paper".

The second way that respondents indicated inadequate pay reduced the quality of representation was by attracting poorly qualified, or wrongly incentivised candidates. As respondents succinctly put it: "The old adage you pay peanuts and get monkeys may have some bearing here"; "Low remuneration attracts low quality candidates"; "You get what you pay for and the competency of a lot of councillors is less than satisfactory". There was some frustration that the calibre of councillors was low, lacking the requisite skills to undertake the professional tasks demanded of modern councils. Current remuneration levels were seen by some as too low to attract people with those skills:

"This should be a full-time job and at present those who are business operators or those who are fully employed are hesitant to commit to running. Therefore, councils are missing out on potential quality candidates".

“Being a councillor requires significant reading and communication skills. These skills should be well remunerated to attract the highest quality people”.

“It's true that councillor remuneration seems low, but most councillors are grossly under-qualified....I would be ok with pay increasing, if the calibre of candidates would increase”.

There is a school of thought that elected representatives should represent the ‘best of us’, that is, be elites with higher qualifications and talents than the general masses (Pakulski and Tranter 2015). Demanding local representatives come into the role with the requisite skills can negatively impact diversity, but these skills can be attained through professional development. In either case, they should be properly remunerated.

Remuneration—whether it be too high, too low, or just right—impacts the quality of representation. It is part of the opportunity structures that determine who can become a councillor, provides the incentive structure that shapes people’s priorities in managing their time, sets expectations on what the task entails, and strengthens demands for greater professionalisation. It is our position, based on the preliminary interviews and survey that remuneration is too low, and that its inadequacy negatively impacts the quality of representation on NSW councils. Not all survey respondents agree with this assessment, and we next consider the arguments against raising the level of remuneration.

THE CASE AGAINST AN INCREASE

Key findings:

- 17.47% of respondents indicated that the current rate of remuneration was ‘about right’
- Councillors should not be motivated by pay; increasing pay sends the wrong signals and will attract the wrong kind of people
- There is no evidence that increasing pay will increase commitment of all councillors

In the above sections we have focused on the 80.92% of respondents who felt the current rate was too low. A sizeable minority did, however, indicate that the current rate of remuneration was ‘about right’ (17.47%), ‘a little high’ (0.54%) and ‘Far too high and should be reduced’ (1.08%). In this section we focus on the case against increasing councillor remuneration, based on alternative perspectives of what the role entails, and different interpretations as to the impact of pay on diversity and quality of councillors. It should also be reiterated that a survey on councillor remuneration based on self-selection may disproportionately attract responses from councillors unhappy with current pay rates. We also include the email response of one such councillor who found the premise of the survey wrong, and offered qualitative comments that provided a valuable alternative perspective.

A recurring theme in the data was the idea that councillors should not be motivated by remuneration but rather the needs of the communities they are elected to represent. In this sense, many councillors perceive the role of councillor as a volunteer position, whereby the role

is undertaken freely without expectation or regard to pay. Notably, the terms “giving back”, “improve”, “represent” and “serve” the community appeared multiple times as the ‘right’ motivations. Likewise, many councillors expressed the opinion that “if remuneration is a factor in people’s decision then they are standing for the wrong reason”. For some, a councillor’s concern for remuneration rendered them “not a true representative of the community” and “the wrong sort of people for the job”. There was also a fear that paying councillors more would result in more political careerists: “Local Government is about delivering grass roots community services, and not as a steppingstone for a political career”. As noted above, these sentiments were also expressed by many respondents who believed that remuneration should be increased, but underlined that pay was *not* the motivation to become a councillor.

“Councillors need to have had life experience. The role is not an ‘employment opportunity’ as such rather an additional aspect alongside a career with remuneration. Like to upset the party-political aspirants by calling the Councillor fee a ‘stipend!’ Party Politicians are the biggest advocates of increased remuneration because their aspirants are building a profile to climb up the political pole or simply there to do as they are told and make up the numbers. Representing the community, and particularly transparency in decision making and support, are not a priority for them....Increase remuneration and you attract more of these anti-democratic, power means everything Councillors. The trouble with the current era is it’s difficult to get the best people to stand for election and nigh on impossible to get the worst people to stand down! You don’t get more ethical councillors with more remuneration....”

For others, it was simply not something they considered before standing for election: “I didn’t become a Councillor for the money. I am there to serve the community”; “My decision to stand for Council...was not based on remuneration - it was based on my desire to represent, advocate and support my community”. Other respondents saw remuneration as a bonus: “The remuneration is an added benefit for the roll of a councillor”; “I take what is decided because to do otherwise is to be precious”; “I enjoy representing my community so the money is not of great importance”; “I regard this role as a service and not as an opportunity to earn extra income”. According to this perspective, the level of remuneration is not of concern; explanations as to why people do not step forward to become a councillor miss the mark if they focus on the issue of pay. Some councillors did not know they were paid before contesting, and money does not come up in discussions with potential candidates: “I was not aware there was councillor remuneration when I chose to run for council. It is possible that most potential future candidates also do not know. It is likely that the thing stopping most people from running for council is lack of interest or lack of time, not lack of money”; “No one I know has ever enquired as to remuneration should they become a Councillor”; “In talking to people about running for Council, I don’t recall the income be raised as an issue. The main deterrent is the constant abuse from news media and social media”.

Remuneration is also considered by some to be a poor explanation for the lack of diversity in terms of ethnicity, gender, income and so on. When asked whether they thought “Councillor remuneration has an impact on the diversity of people who can become councillors/stand for

election in councils”, 14.52% of respondents neither agreed nor disagreed, 6.72% disagreed and 6.45% strongly disagreed. Open-ended responses to the question as to how remuneration impacts diversity included comments that indicated money was not the issue, and pointed to other considerations such as the potential reputational risks, the timing and length of meetings, and social media abuse. As one respondent noted: “Remuneration isn’t a barrier in my view, it’s more complex than that”. We certainly agree with the complexity of the issue, and while we do find low remuneration is a barrier, it is certainly not the only one. A small number of respondents (2) indicated in their comments that we should not strive for diversity, but for people who can do the job. As one of them stated: “Diversity in this context is massively overrated”.

All Councillors will say they are not paid enough for what they do...but if you think that it is because of the low remuneration that does not put the right people on Council I believe you are wrong...if it is the remuneration that people are making their decision on if they would consider putting their hand up to become a councillor you are definitely attracting the wrong sort of people...a slippery slope to the bottom on local government that attracts people more prone to corruption as in State and Federal politics. Money before a sense of Duty.

A further argument against increasing remuneration can be interpreted as scepticism that higher pay would result in better performance or better-quality candidates. There was frustration that some councillors were not putting in the time required: an issue that will not be addressed by increasing their pay,

Remuneration should have nothing to do with being a councillor. Many councillors turn up to meetings without even reading their business papers. Councillors can be so casual and they are carried by the dedicated few. Councillors need to be held accountable for the work they do, rather than just being remunerated generally with very little application

No one monitors the role of a councillor - I am fairly confident some councillors do nothing per week and others spend hours.

Here we have a different perspective on fairness to that expressed above, in that diligent and committed councillors are uneasy with less-committed councillors being paid the same for their lack-lustre efforts. A blanket increase in remuneration fails to account for the fact that not all councillors contribute equally and pull their weight, and would fail to enhance the quality and performance of councillors overall.

“I am an enormously frustrated councillor and increasing remuneration or 'diversity', in my view, would do absolutely nothing to solve the real problems that face so many Councils today.”

Respondents against increasing remuneration therefore tend not to be critical of higher rates of pay, as much as they are of the opinion it will not make a difference, or that it is the wrong issue to be concerned about. While the overall conclusion reached in our study is that increasing pay is required for fairness, quality and diversity concerns, these counter-arguments are not without their merit. Indeed, remuneration is just one issue within a local government sector that has seen significant reform, not always for the better (Dollar et al. 2008; Sansom

2020). Pay is also just one of multiple factors affecting diversity and quality of representation. Nonetheless, we do believe change is required. In the next section we examine some of the suggested reforms put forward by respondents, before outlining our own recommendations.

REFORMS REQUIRED BEYOND AN INCREASE IN COUNCILLOR FEES

Key findings:

- Reforming taxation was seen as a means to make being a councillor more financially viable
- Superannuation is an important addition to councillor remuneration
- Councillors should not need to risk political backlash in order to receive superannuation or increases in remuneration

Respondents provided other suggestions that would make being a councillor more financially viable, even if rates could not be substantially increased. Two areas of reform noted frequently were tax and superannuation. Unless retired, most councillors earn a main income from employment or business, meaning that pay from their councillor position is taxed at the highest rate. Numerous respondents noted the difficulties that this posed for them: “My main issue is tax, because the councillor fee is not taxed it sits on top of my income and is taxed at the highest rate so I lose at least a third in tax”; “The biggest challenge in relation to remuneration relates to the fact that councillors are required to count it under secondary income if they have a primary source of income, without the option of PAYG taxation through the Council”. For some, they were left with a hefty tax bill, while for others, it left them with little to no compensation for the labour they put into council: “After tax. The pay does not make it worth it”.

I was self-employed and a low-income earner when I began my term. The remuneration was necessary to compensate for time away from my business; however, over a financial year, I discovered it simply added to my tax bill. In effect, I was working a lot more, enduring unbearable stress, and taking home the same.

Other respondents expressed frustration that even though their council income was taxed, they were unable to claim expenses against this income:

I will be spending about \$15,000 of my own money on my Council election campaign. The work as a Councillor is close to voluntary and it would be really helpful if the wider community and State Government understood and respected that....There are also significant taxation issues too. We can't claim deductions of election expenditure like State and Federal candidates.

There is no mention of taxation in either the LGRT determinations, nor the Local Government Act in relation to Council fees. There seems to be scope to make tax work in fairer ways for councillors.

A second complaint by the respondents of our survey is that if councillor fees are “considered income for tax purposes it should attract superannuation”. Financial sacrifices mentioned above have included for many a smaller superannuation balance: “I have lived on councillor allowance and casual income for 16 years, I have very little superannuation, the role has been a significant disadvantage to me and my family financially”; “I am also looking at my super and it is pretty

unremarkable". Many respondents called for superannuation to be included in councillor remuneration packages, and as being more important than pay rates: "Increase in superannuation is the secret". A lack of superannuation is also considered a gender equity issue due to the gap in superannuation women accumulate during their lifetime:

The remuneration is peanuts for the work involved. There is no superannuation paid. So many people cannot afford to miss out on those income earning years in the workforce. Women particularly get much less super in their lifetimes, and a 4 year + commitment to no super just increases that gap

The NSW government has seemingly listened to these concerns, and in March 2021 passed legislation to allow councils to make super payments to councillors from July 2022. The Minister for Local Government, Shelly Hancock MP, acknowledged remuneration was a "significant factor in encouraging more people to serve on their local council", and superannuation as "address[ing] a key financial concern for women".⁶

While a welcomed amendment to the Local Government Act, Section 254B 'Payment for superannuation contributions for councillors' does not ensure that all councillors will receive superannuation. According to the Act, "(4) A council is not permitted to make a superannuation contribution payment--(a) unless the council has previously passed a resolution at an open meeting to make superannuation contribution payments to its councillors". Several respondents indicated that forcing councillors to vote on increasing their overall remuneration package through the addition of superannuation in open session was politically not viable: "...councillors have to vote on any rise. No one wants to vote for their own raise when an election is coming".

Councillors are forced to vote themselves a pay increase that is mandated by the State, the press then give the front page to, "Councillors vote themselves a pay rise" followed by the hateful letters to the editor that always appear. Under the new legislation Councillors will also have to vote to have superannuation paid, this is mandatory in other sectors, why not elected local councillors?

While in theory councillors will all have access to superannuation, "it is not compulsory and has to come out of the council's already stretched budget", and for many, comes too late.

The struggle to receive the superannuation made possible by changes in the Local Government Act highlight the broader challenges to significantly increasing remuneration more generally. The first relates to public perceptions. As several respondents noted, the public often has an unrealistic idea about the role and working conditions of councillors. The idea that 'politicians', including local representatives, are unworthy of any pay, no matter how small, was circulated leading up to the recent December elections. For example, in a local magazine in Sydney's East, and a Facebook page in Sydney's North, the sentiments that "we pay them, so we need to ensure that we select people who will work for us" was articulated. These sentiments also informed many submissions to Victoria's recent 'Determination of allowances for Mayors, Deputy Mayors and Councillors', and included comments such as: "We deserve better and they don't deserve a red cent" (p.14), "the public is struggling and the fact that the public pay the allowances of Mayors and councillors should not be forgotten" (p. 29); "Councillor positions are

⁶ <https://www.governmentnews.com.au/nsw-councillors-now-eligible-for-super/>

voluntary and are not equated with full-time employment since they carry no risk and no responsibilities” (p. 65). There are many more such comments where the emphasis is on what the public is paying, rather than an informed account of what a councillor does. While there were as many submissions in support of increasing remuneration, the general point is that due to the sentiments circulating in the community, it cannot be left to councillors to make, or defend the case.

Increasing remuneration is not the only course of action that can address some of the concerns of our respondents. Further, as seen above, doing so may not have the desired impact without further reform. One respondent suggested paying councillors on an hourly basis, so that councillors who only turn up to the bare necessity of meetings are financially penalised. Any remuneration package should reward hard work, not simply by being in the position per se. The same respondent also noted the Key Performance Indicators could be one way to ensure that any increase in remuneration would be reflected in better quality representation. What seems incontrovertible is that change is required. We now consider some of the actions that we argue need to be taken, including, and in addition to, an increase in councillor remuneration.

KEY FINDINGS AND RECOMMENDATIONS

Our respondents have lived experience of being a councillor under the current remuneration schedule. We therefore take seriously the data that 80.92% of respondents felt the current rate is too low, with a majority 57.80% describing it as ‘far too low and should be increased’. We advocate for significant upward revision of councillor fees on the basis of the key findings of this report.

First, the current rate of remuneration does not reflect the time commitment required to perform the role of councillor adequately. While we found the number of hours worked by councillors to be variable, for many it was a full-time role, or consumed enough hours that made full-time employment difficult or impossible to maintain. Time-pressures mean that many councillors are unable to fulfil the role to the extent they felt necessary, and would increase the time invested in the role if financially viable to do so. Further, differences in remuneration levels for different categories of LGAs does not seem to adequately reflect differences in workload, particularly if travel time is included. There are limitations of surveys that rely on self-reporting of hours worked. *We recommend further research deploying time-use diaries (for example see Freeman 2020) to accurately map how many hours councillors work across different councils, and the time invested in different activities.*

Second, councillors must reconcile diverse expectations of their role. The role and responsibilities of councillors that shifted from managing the ‘day-to-day’ to strategic concerns since the 1980s, are being further clarified in ways that “reinforces the democratic prerogatives and obligations of elected officials” including facilitating communication between the local community and council (Samson 2000: 5). At the same time, a complex legislative environment, council amalgamations and the involvement of governing multi-million-dollar entities requires

councillors to be capable of and prepared to take consequential decisions. Members of the public expect availability and responsiveness to their concerns, large or small. With these competing expectations and the differences between councillors *de jure* roles and what they do on a day-to-day basis, it is unsurprising that councillors express a tension between being members of a governing body and being an elected representative (Tan et al 2016). *Remuneration has to be set at a level that recognises these competing demands, based on what a councillor must do to meet the expectations of different stakeholders, rather than on public appetite for increases in remuneration (see also Bonneau 2018).*

Third, inadequate remuneration negatively impacts many councillors financially, and for some, their well-being in a broader sense. The opportunity cost of time spent on council activities directly detracts from income earned through business or employment. As many councillors must maintain full- or part-time employment, these competing responsibilities leave them limited time to engage in social and familial activities, affecting their relationships and well-being. Some councillors report mental health issues as a consequence of these pressures. Councillors do report satisfaction with their role, and the majority of respondents were not deterred from standing for election again despite the sacrifices they make in their personal lives. Yet questions arise whether it is 'reasonable' to expect such sacrifices. Furthermore, almost a quarter of respondents (23.59%) indicated that they were less likely to stand for election due to inadequate remuneration. *More evidence is required to fully capture, and where necessary quantify, the positive and negative impacts of being a councillor to assess if current remuneration adequately off-sets sacrifices and are 'fair' by Australian standards. We recommend a review of the taxation of councillor fees as one means to increase the income of councillors, without impacting the budget of councils (reverse cost-shifting to the Federal government).*

Fourth, the lack of 'fairness' of councillor fees and the consequent perceived devaluing of the role of councillor is a source of frustration and dissatisfaction. The necessity to ensure that councillor remuneration is 'reasonable' and 'fair' is not only to satisfy workplace requirements, but to indicate the value that the community places on their elected representatives. Put differently, for many respondents, the 'problem' with poor pay was not necessarily the sacrifices they had to make, but that it was an insult to their time and effort. Satisfaction (and retention) may be increased through actions that recognise the value of councillors. *Discussion and debate around appropriate remuneration should consider the broader package of 'recognition' that councillors receive.*

Fifth, inadequate councillor remuneration negatively impacts the diversity of NSW councils. Retirees and people with sufficient wealth or other sources of familial income, and those who own their own home, are the best positioned to become a councillor within the current remuneration structure. Young people, women, first-generation migrants and single parents are less likely to have accumulated sufficient wealth or be able to forgo income to become a councillor, while people living with a disability have additional expenses. This finding is not new, but rather reflects a historical continuity from the past where the need to invest one's own time and resources ensured that only 'elites' could feasibly represent the community on council (Gray 1991). *In order to increase the diversity of NSW councils, remuneration must be adequate to*

ensure it is financially feasible for all members of society to become a councillor should they have the motivation and personal qualities for the role.

Sixth, inadequate remuneration impacts the quality of representation. Examining the adequacy of councillor fees from the perspectives of councillors reveals two strategies to cope with duties above what they are remunerated adequately for. The first is to make personal sacrifices, particularly financial ones. The second is to devote less time to council tasks. This latter strategy—for some a necessity, for others potentially a response to low pay—impacts the quality of representation. Councillors are less likely to attend to committee meetings, read business papers in full, respond to constituents and engage the community. There are also suggestions that having inadequate remuneration makes it difficult to recruit candidates with desirable skills and experience to stand for election, further impacting quality. *Further research is required to understand how remuneration shapes incentive structures and hence the quality of representation in the Australian context.*

Finally, the responsibility for achieving fair remuneration that enables people from a diversity of backgrounds to become a councillor should not lie with the councillors themselves. The necessity to vote on pay increments, and on the addition of superannuation, can put those councillors who require such changes at a disadvantage politically. In council meetings, councillors of independent means have been able to use councillor pay (and other allowances, notably childcare) for political point scoring. *There is a role for researchers and other organisations such as OLG and LGNSW to raise public awareness and change overall perceptions about councillors, the role they play in our communities, and hence their right to fair remuneration.*

WHAT'S NEXT

“I fill in these surveys regularly, but nothing changes regarding a liveable wage”.

We share the frustrations of one respondent quoted above. Despite the evidence put forward in previous submissions to the NSW LGRT in support of significant increases to remuneration for councillors, upward revisions have been incremental, and in our opinion insufficient to overcome the problems outlined above. To reiterate, the findings suggest that these negative impacts are in three areas: on the lives and well-being of councillors; on the diversity of representation, and; on the quality of representation. The evidence from this survey is intended to bolster advocacy efforts for a fairer remuneration structure, as well as provide an outlet for the voices of councillors to be heard on this issue.

The importance of the issue of councillor remuneration is evident in the fact that 389 councillors gave their precious time to respond to the survey, and out of these, 174 have requested a copy of the findings. It is incumbent upon us to now maximise the impact of this research, and advocate for change. The next step is to share this preliminary report with the survey respondents for further feedback and comments. A revised report will be shared with key

stakeholders, including LGNSW the Office for Local Government, and the NSW Local Government Remuneration Tribunal. The findings will also be shared with organisations that are working to increase diversity within politics at all levels, with tailored recommendations. Findings will also be communicated in academic publications and conferences, as well as non-academic research publications (such as *The Conversation*). The issue of remuneration is not particular to NSW, and discussions have already begun with stakeholders and academics in Victoria to work together to build an evidence base and advocate for change.

There are important limitations of this study and areas where further research is required. First, it is likely that councillors most exercised about the issue of councillor pay were more motivated to complete the survey than others who are satisfied with the current rate. Furthermore, among survey respondents there were diverse opinions as to the adequacy of councillor pay and its implications. Second, the survey depends on self-reporting nature of number of hours devoted to council tasks, the financial and other opportunity costs. Additional survey instruments, including time-use diaries, could capture a more accurate and objective account. Such data would help us better understand how pay matches workload, and importantly, identify whether the different pay scales across categories of LGAs are appropriate. Comparisons with Queensland councils, where rates of pay appropriate a salary or 'living wage', could help generate evidence as to the impact remuneration has on the quality of representation.

Questions around diversity are particularly important for this study. As our respondents generally reflect the characteristics of the broader population of councillors, the lack of diversity among councillors (especially in terms of age and ancestry) are also found in our study. We attempted to address this problem through a survey with aspirants, which included people who went on to become candidates, as well as those who decided that it was not feasible for them. The numbers in this survey were small, with women overrepresented. Further research is required to develop a holistic understanding as to the factors resulting in the underrepresentation of 'women of colour' in particular, and to assess what role inadequate remuneration—if any—has. This research is ongoing, and includes engaging with community workers and social activists to identify the opportunity structures they have to become involved in local/council politics.

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Appendix 1 Survey Questions

How do you identify your gender?

- Man
- Non-Binary
- Women
- Other - please specify [.....]
- Prefer not to say

What age did you become a councillor?

- Under 35 years old
- 36-45 years old
- 46-55 years old
- 56-65 years old
- 66-75 years old
- Over 75 years old
- Prefer not to say

What is your ancestry / ethnic background?

- Anglo-Celtic
- Other European
- Indigenous Australian or Torres Strait Islander
- Oceania/Pacifika
- East Asian
- South Asian
- Southeast Asian
- West Asian/ Middle-Eastern
- North American
- South & Central American /Caribbean
- African
- Other - please specify [.....]
- Prefer not to say

What type of council are you a councillor for?

- Metropolitan - Principal or Major CBD
- Metropolitan - Large
- Metropolitan - Medium

- Metropolitan - Small
- Non-Metropolitan - Major Regional City/Major Strategic Area
- Non-Metropolitan - Regional Centre/Strategic Area
- Non-Metropolitan - Regional Rural/Rural
- Unsure/don't know

On average, how many hours do you devote to council work per week?

- 1 - 10 hrs
- 11 - 20 hrs
- 21 - 30 hrs
- 31 - 40 hrs
- 41 hrs +
- Prefer not to say

Has the number of hours you have devoted to council work changed as a result of the recent COVID-19 outbreak?

- I have worked significantly fewer hours (a reduction of 6 hours/week or more)
- I have worked slightly fewer hours (a reduction of between 1-5 hours/week)
- No change to hours worked
- I have worked slightly more hours (an increase of between 1-5 hours/week)
- I have worked significantly more hours (an increase of between 6-15 hours/week)
- I have worked substantially more hours (an increase of 16 hours/week or more)

Please write any comments related to changes in your workload due to the recent Covid-outbreak if you wish (optional)

In your opinion, what statement best describes the purpose of remuneration for a councillor:

- Salary/ Income
- Covers cost relating to the role
- Token to recognise contribution as an elected representative
- Other – please specify: [.....]

What is your average annual income excluding any remuneration from councillor work?

- Under \$24,336
- \$24,337 - \$53, 248
- \$53, 249 - \$88, 764
- \$88, 765 - \$135, 928

- \$135, 929 - \$280, 956
- Over \$280, 957
- Prefer not to say

In your opinion, is the current rate of councillor remuneration:

- Far too high and should be reduced
- A little high
- About right
- A little low
- Far too low and should be increased

Has the level of remuneration affected your decision whether to stand for re-election in December?

- I am less likely to stand for re-election
- The rate has no bearing on my decision to stand for re-election
- I am more likely to stand for re-election

Please use this box to explain your response (optional)

Do you agree with the following statement: Councillor remuneration has an impact on the diversity of people who can become councillors/stand for election in councils

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Which groups are potentially less likely to become a councillor based on current councillor remuneration?

- Women
- Ethnic minorities
- People on low incomes
- Younger age groups
- It Makes No Difference
- Other

Please use the box below to make any additional comments that you have about councillor remuneration. Please indicate if you would like to speak further about this issue in a confidential interview.

[.....]

Thank you for completing the survey. If you would like a copy of the research findings please fill in your contact details.