



**LOCAL GOVERNMENT ELECTED MEMBERS' ASSOCIATION INC.
(LGEMA)**

Administration of the Age Pension: The Particular Circumstances of Persons Receiving the Age Pension and Other Commonwealth Pensions, Payments and Income-Support Arrangements While Holding Elected Local Government Office

PART ONE — INTRODUCTION

1. The Local Government Elected Members' Association Inc. (LGEMA) provides this policy position in connection with the Administration of the Age Pension and the administration of the Age Pension by the Department of Social Services (DSS) and Services Australia, including oversight, eligibility assessment, and arrangements to engage and communicate with applicants and recipients, as well as matters associated with Auditor-General Report No. 20 of 2025–26, *Administration of the Age Pension*.¹
2. LGEMA's central policy position is that the particular circumstances of persons who receive the Age Pension while holding elected local government office is unclear.
3. This is not merely a question of the amount of remuneration received by an Elected Member. It concerns the interaction between two distinct statutory systems:
 - (a) State and Territory legislation establishing the office of Elected Member, prescribing its functions and responsibilities, and regulating fees, allowances, expenses, superannuation, training and election-related matters; and
 - (b) Commonwealth social-security and taxation legislation determining the consequences of those matters for an individual recipient of the Age Pension or another Commonwealth pension, payment or income-support arrangement.
4. The absence of clear Commonwealth guidance concerning that interaction can create uncertainty for persons receiving Commonwealth pensions or income-support payments who wish to continue contributing to their communities through elected local government office.
5. There is a Commonwealth communication and administrative gap between DSS and Services Australia and local government Elected Members.

PART TWO — AN EVIDENTIARY GAP CONCERNING ELECTED LOCAL GOVERNMENT OFFICE

8. Publicly available evidence does not presently appear to contain a developed local government perspective on this particular interaction between elected office and the Age Pension.
9. The distinction is important because an Elected Member is not simply an employee who happens to work for a local government. The office is created by State or Territory legislation and carries statutory functions, responsibilities and obligations. The legal character of payments made in connection with that office can therefore differ from ordinary employment income, and can also differ between jurisdictions and between different categories of Elected Member.
10. The Australian Government's own administrative material recognises that the Work Bonus applies to eligible employment income, including wages, salary and other employment income. Services Australia's Age Pension information also expressly identifies director's fees and active self-employment income as examples of Work Bonus income.³ There is, however, no equally clear



published explanation addressing whether, and in what circumstances, fees or allowances received by a person holding elected local government office are Work Bonus eligible income.

11. The absence of clear authoritative guidance is disturbing and concerning.

PART THREE — LOCAL GOVERNMENT IS NOT A SINGLE NATIONAL LEGAL SYSTEM

13. The circumstances of Elected Members cannot safely be assessed by reference to one assumed national model of local government.
14. Local government is principally constituted under State and Territory legislation. New South Wales, Victoria, Queensland, South Australia, Tasmania, Western Australia and the Northern Territory each have their own local-government legislation, with materially different statutory structures concerning the role of councils, Elected Members, mayors, presidents, fees, allowances, expenses, superannuation and elections.
15. The Australian Capital Territory presents an additional and particularly important distinction. The ACT does not have a separate local-government system. The ACT Legislative Assembly and ACT Government combine territory and local-government functions.⁴
16. This is relevant because a Canberra based system naturally encounters the ACT model without encountering an equivalent statutory local-government system. The ACT provides no direct equivalent of the State and Northern Territory experience of a person who receives the Age Pension while holding elected local government office.
17. This could be one reason why the particular issue has not emerged clearly to Canberra based bodies.

PART FOUR — WESTERN AUSTRALIA: THE OFFICE OF ELECTED MEMBER

19. Western Australia provides a particularly useful case study because its statutory framework expressly distinguishes the governing role of Council from the executive role of the Chief Executive Officer (CEO).
20. The *Local Government Act 1995* (WA) (LG Act) s.2.7 provides that Council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions. Its governing role includes overseeing finances and resources, determining policies, strategic planning, determining services and facilities, selecting and reviewing the CEO, and providing strategic direction to the CEO. LG Act s.2.7(3) expressly requires Council to have regard to the principle that Council's governing role is separate from the CEO's executive role.⁵
21. The significance of that statutory distinction was expressly explained to Parliament during the passage of the *Local Government Amendment Bill 2024* (WA).
22. The Minister stated that the separation between the role of Council and the role of the CEO and administration was *critically important to the proper functioning of a local government*, and that the reforms were intended to clarify the roles of Council, the Mayor or President, Councillors and the CEO. The Minister also emphasised that Council remained responsible for the employment, oversight, supervision and disciplinary management of the CEO.⁶



23. The Minister further explained proposed LG Act s.5.41 as defining the CEO's role as leading the administration, being the principal adviser to Council, liaising with the Mayor or President and, importantly, speaking for the local government *if permitted*.⁷
24. The qualification *if permitted* is significant. LGEMA does not suggest that a CEO cannot communicate on behalf of a local government. A CEO can plainly have authority to do so in appropriate circumstances. The point is that administrative authority to communicate does not necessarily mean authority to determine the substantive policy position of the Council.
25. This distinction is particularly important when evidence is provided about Elected Members themselves.
26. A CEO can have a legitimate administrative or professional perspective concerning the cost of Elected Members, their remuneration, allowances, expenses, training or other matters. That perspective is not necessarily the position of the Elected Members, nor necessarily the position decided by Council.
27. This is not a theoretical distinction. The 2024 reforms were expressly directed to reinforcing the distinction between Council and CEO and to addressing circumstances in which the roles and responsibilities had become unclear. The Minister stated that a breakdown in the distinction between Council and CEO was an early indicator of dysfunction within a local government.⁸

PART FIVE — VERIFICATION OF THE SOURCE AND AUTHORITY OF LOCAL GOVERNMENT EVIDENCE

28. The governance distinction also has an important evidentiary consequence
29. Where evidence is represented as being the position of a local government, a body receiving a submission could and arguably should distinguish between:
 - (a) a submission made by the Council following a Council resolution;
 - (b) a submission authorised or endorsed by Council but prepared administratively by the CEO or employees;
 - (c) a submission prepared and submitted by the CEO without the substantive position having been considered by Council; and
 - (d) evidence expressly given by the CEO or administration in that capacity.
30. Those four categories are not necessarily interchangeable.
31. A CEO's response to a survey can be valuable evidence. It can establish what the employed CEO or administration employees considers to be the position. It does not necessarily establish what Council or its Elected Members consider to be the position.
32. LGEMA therefore suggests that, where practicable, a body calling for submissions could request the relevant Council agenda, Council report and minutes if a submission or survey response is relied on as representing the position of a local government.
33. The purpose would not be to impose an unnecessary procedural requirement on every submission. It would simply enable the body to establish the capacity in which the evidence was provided and the weight that can safely be given to it.
34. This point is particularly important in relation to the consultation undertaken by the WA Salaries and Allowances Tribunal (Tribunal).



35. The Tribunal's current *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026* records that it considered the outcomes of a Local Government Survey, submissions from local governments and individual Councillors, and liaison with the Department of Local Government, Industry Regulation and Safety, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA.⁹
36. LGEMA does not criticise the Tribunal for undertaking that consultation. Nor does LGEMA suggest, without examining individual submissions, that any submission was improperly made.
37. The issue is one of evidentiary weight. A response from a CEO cannot safely be treated as evidence of the views of Council or Elected Members or community it represents unless there is evidence that Council was informed of the matter and authorised or endorsed the substantive position.
38. Nor can a failure by a local government to respond to a survey safely be interpreted as demonstrating that the local government has no concern about the matter. A CEO might not have brought the survey to Council's attention, and many Councils might not respond to surveys, particularly where the CEO has not advised Council that a response is sought.
39. LGEMA therefore does not rely on the Tribunal's survey material as evidence establishing the prevalence of regional or isolation concerns among Elected Members.
40. Rather, LGEMA relies on the Tribunal's Determination for what it itself establishes: that the Tribunal recognises that geography, isolation, cost of living, climate, recruitment and retention and other regional factors can have significant practical and financial consequences in local government.
41. Direct evidence should be taken from Councils and Elected Members in regional, remote and isolated areas rather than relying solely on evidence transmitted through CEO or administrative structures; or SAT Determinations.

PART SIX — THE STATUTORY REMUNERATION FRAMEWORK IN WESTERN AUSTRALIA

42. The Western Australian statutory framework also demonstrates why a Commonwealth administrator cannot safely assume that all payments received by an Elected Member have the same legal or practical character.
43. The *Salaries and Allowances Act 1975* (WA) (SA Act) s.7A gives the Tribunal a broad jurisdiction to determine the remuneration, or minimum and maximum remuneration, to be paid or provided to local government CEOs.
44. By contrast, SA Act s.7B(2) requires the Tribunal to determine the amount, or minimum and maximum amounts, of:
 - (a) fees to be paid under the LG Act to Elected Members for attendance at meetings;
 - (b) expenses to be reimbursed under the LG Act to Elected Members; and
 - (c) allowances to be paid under the LG Act to Elected Members.¹⁰
45. The statutory wording is important. The CEO jurisdiction under SA Act s.7A concerns *remuneration* broadly. The Elected Member jurisdiction under SA Act s.7B is expressed by reference to fees, expenses and allowances paid or reimbursed *under the Local Government Act 1995*.



46. The 2026 Tribunal Determination itself recognises this distinction. It expressly identifies SA Act s.7A as the source of its CEO remuneration jurisdiction and SA Act s.7B as the source of its Elected Member fees, expenses and allowances jurisdiction. It further states that the Elected Member amounts are provided under Part 5 Division 8 of the LG Act.¹¹
47. Parliament has also separately provided a statutory basis for fees and expenses of independent committee members through SA Act s.7BAA and LG Act s.5.100.¹² This is another illustration that the statutory source of a payment matters.
48. The point is that Commonwealth social-security administration needs to understand the underlying State statutory character of Elected Member payments before determining its Commonwealth consequences.

PART SEVEN — CEO REGIONAL/ISOLATION ALLOWANCES AND THE ABSENCE OF AN EQUIVALENT GENERAL EVIDENCE BASE FOR ELECTED MEMBERS

49. The distinction becomes particularly significant in regional and remote Western Australia.
50. The Tribunal's 2026 Determination contains a Regional/Isolation Allowance for eligible CEOs. The Tribunal explains that the allowance recognises regional and isolation factors affecting the attraction and retention of CEOs. The factors include remoteness, cost of living, social disadvantage, dominant industry, attraction and retention and community expectations.¹³
51. The maximum Regional/Isolation Allowance for eligible local governments can be substantial. The 2026 Determination includes maximum amounts of \$90,000 for Christmas Island, \$80,000 for several remote local governments, \$70,000 for Ashburton and East Pilbara, and other substantial amounts for eligible local governments.¹⁴
52. It might be argued that the CEO Regional/Isolation Allowance is fundamentally different from any consideration of the circumstances of Elected Members because a CEO is employed to perform the executive functions of a particular local government and can be required to relocate to, or work in, a regional or isolated location. LGEMA accepts that there is a material distinction of that kind.
53. The distinction, however, does not mean that the regional and isolation circumstances of Elected Members can be disregarded. An Elected Member is not recruited as an employee to relocate to a remote local government. The Elected Member is elected to hold a statutory office representing the local government and its community. Moreover, the eligibility rules do not require every Elected Member to reside in the district. Under LG Act s.2.19, a person qualified for election must be an elector of the district, and LG Act s.4.30 permits a person who is resident outside the district to qualify as an elector through ownership or occupation of rateable property within the district, subject to the statutory enrolment requirements.¹⁵
54. Accordingly, an Elected Member can have the necessary electoral connection with a regional or remote local government without living permanently in that district. The proposition that an Elected Member necessarily *lives there* and therefore experiences the same economic circumstances as a resident employee of the local government is not necessarily correct.



55. There is also a more fundamental distinction. The CEO Regional/Isolation Allowance compensates for factors associated with the recruitment and retention of an employee to perform the executive role of a particular local government. An Elected Member's entitlement arises from holding elected statutory office and representing the community. The relevant question for Commonwealth pension administration is therefore not whether the Elected Member receives the same allowance as a CEO, but whether the Commonwealth has adequately identified the financial and practical consequences that regionality, remoteness, travel and the geographical extent of a local government can have for a person holding elected office.
56. The Tribunal's Determination itself does not establish an equivalent general Regional/Isolation Allowance for Elected Members. Rather, its Elected Member framework provides fees, annual allowances for Mayors, Presidents and Chairs, expense reimbursement and annual expense allowances. For Elected Members, geographical and isolation factors are taken into account in determining expenses, including varying travel requirements.¹⁶
57. LGEMA does not suggest that Elected Members are entitled to the CEO Regional/Isolation Allowance, or that employment and elected office are economically identical. The point is narrower and more relevant to this Inquiry: the Commonwealth should not assume that the absence of a CEO-style Regional/Isolation Allowance means that remoteness, geography and the financial burdens of regional elected office are irrelevant to an Elected Member's circumstances for Age Pension or other Commonwealth pension and income-support purposes.
58. This distinction is important for Age Pension administration because a Commonwealth decision-maker cannot simply treat a regional payment to a CEO as analogous to a payment to an Elected Member.
59. It is also relevant to any consideration of whether or not an Elected Member is *working*. The statutory office, the payment category, the purpose of the payment and the circumstances in which the Elected Member is required to incur expenditure all need to be identified before the Commonwealth consequence is determined.
60. If Commonwealth law is intended to treat different categories of Elected Member payment differently, DSS and Services Australia should explain that distinction in publicly accessible guidance.

PART EIGHT — DIFFERENT FORMS AND TIMING OF ELECTED MEMBER PAYMENTS

61. Western Australian Elected Members can receive different forms of payment, including:
- (a) fees for attendance at Council and prescribed meetings;
 - (b) an annual attendance fee in lieu of meeting fees;
 - (c) an annual allowance for a Mayor, President or Chair;
 - (d) an allowance for a Deputy Mayor, Deputy President or Deputy Chair;
 - (e) reimbursement of expenses;
 - (f) an annual allowance in lieu of reimbursement of particular expenses;



- (g) superannuation contributions; and
 - (h) payments or reimbursements associated with mandatory training and continuing professional development.
62. The LG Act s.5.99 permits a local government to pay an annual fee instead of meeting attendance fees. LG Act s.5.99A permits annual expense allowances instead of reimbursement for particular expenses.¹⁶
63. Significantly, LG Act s.5.99A(2) expressly contemplates that an annual expense allowance can be paid in advance where it is reasonably likely that the relevant expenses will be incurred during the relevant period, or otherwise paid after the expenses have been incurred.¹⁷
64. The Tribunal's 2026 Determination also provides that a person's entitlement to remuneration, an annual attendance fee or annual allowance is apportioned according to the portion of the year for which the person holds office.¹⁸
65. The Determination further provides that where a Deputy Mayor, Deputy President or Deputy Chair performs the functions of the Mayor, President or Chair for at least four continuous months, the person becomes entitled to the applicable Mayor, President or Chair allowance, with the Determination permitting retrospective application where an initially short period of acting becomes continuous for four months or more.¹⁹
66. These provisions demonstrate that payment timing can differ from the period in which the underlying duties were performed.
67. LGEMA therefore asks the Commonwealth to provide authoritative clarification as to whether or not Commonwealth income-support assessment depends on:
- (a) the date on which an entitlement arises;
 - (b) the date on which a payment is actually received;
 - (c) the period to which the payment relates;
 - (d) whether or not a payment is paid periodically or as a lump sum;
 - (e) whether or not an annual entitlement is paid quarterly, monthly or annually;
 - (f) whether or not a payment is retrospective;
 - (g) whether or not an expense allowance is paid in advance or after expenditure has been incurred; or
 - (h) the substantive legal character and purpose of the payment irrespective of its timing.
66. LGEMA does not suggest that any one of these factors necessarily determines the Commonwealth treatment. The purpose of raising them is to demonstrate the practical complex questions confronting Elected Members and the need for authoritative substantive guidance.

PART NINE — SUPERANNUATION AND THE DISTINCT STATUTORY STATUS OF ELECTED MEMBERS

67. Western Australian law has recently introduced a further distinction that is directly relevant to Commonwealth administration.
68. LG Act ss.5.99B–5.99E provide for superannuation contribution payments to Elected Members subject to the statutory framework.



69. LG Act s.5.99E expressly provides that the superannuation provisions do not make a Council member an employee of the local government and that a superannuation contribution payment paid under LG Act s.5.99B is not salary for the purposes of any written law.²⁰
70. A further issue concerns the interaction between the State statutory superannuation scheme and the Commonwealth superannuation regime. Under LG Act ss.5.99C–5.99D, a Council Member must provide the required fund nomination before a contribution can be paid, and the legislation appears to prevent a contribution that could not be paid at the relevant time from subsequently being paid retrospectively. The Commonwealth could also consider whether the position of Council Members aged 75 years or over has been sufficiently clarified. LG Act s.5.99B requires the State contribution to be calculated by reference to the amount that would have been required under the *Superannuation Guarantee (Administration) Act 1992* (Cth), while the State Act separately provides that the contribution is not salary and does not make the Council Member an employee. This raises a question as to whether Commonwealth age-related limitations or rules affect the State statutory contribution, or whether the State Act independently requires the contribution notwithstanding the Elected Member's age. LGEMA considers that authoritative Commonwealth guidance on these issues would reduce uncertainty for Elected Council Members and Local Governments and avoid the need for individual Local Governments to obtain specialist advice on the interaction between the Commonwealth and State regimes.
71. Commonwealth superannuation law can apply different concepts for its own purposes. The Australian Taxation Office has historically recognised that the Commonwealth superannuation legislation can deem members of certain eligible local governing bodies to be employees for Superannuation Guarantee purposes.²¹
72. This demonstrates why State statutory terminology cannot safely be assumed to answer the Commonwealth social-security question.
73. LGEMA therefore asks the Commonwealth to provide authoritative advice from DSS and Services Australia concerning the treatment, for Commonwealth pension and income-support purposes, of superannuation contributions made under the Western Australian local-government statutory framework.
74. In particular, the Commonwealth could advise whether or not such contributions:
- (a) constitute income of the Elected Member;
 - (b) constitute employment income for Work Bonus purposes;
 - (c) constitute neither income nor Work Bonus eligible income; or
 - (d) are treated differently depending on the circumstances of the particular Elected Member's office.

PART TEN — OTHER PENSIONS AND INCOME-SUPPORT PAYMENTS RECEIVED BY ELECTED MEMBERS

74. LGEMA also considers it important that the Commonwealth's consideration not be confined to persons receiving the Social Security Age Pension. An Elected Member can receive another Commonwealth pension or income-support payment, including a Department of Veterans' Affairs Service Pension, Income Support Supplement, Veteran Payment, Disability Support Pension or Carer Payment, or can receive a military invalidity pension, War Widow(er)'s Pension or Disability Compensation Payment. The Commonwealth treatment of those payments is not uniform. For



example, the Department of Veterans' Affairs distinguishes between means-tested payments and Disability Compensation Payment and War Widow(er)'s Pension, while Services Australia separately provides for Work Bonus to be available in specified circumstances to persons of Age Pension age receiving Age Pension, Carer Payment or Disability Support Pension.³⁵

75. The particular circumstances of an Elected Member receiving a military or disability-related pension can therefore differ materially from those of an Elected Member receiving the Age Pension. Services Australia also expressly recognises military invalidity pensions as a distinct category of income stream, and its current guidance explains that changes in taxation treatment arising from the *Douglas* decision do not alter the way those pensions are assessed for income-support purposes.³⁶ LGEMA therefore asks the Commonwealth to advise whether or not the Commonwealth's guidance adequately explains the treatment of fees, allowances, expenses, reimbursements, superannuation contributions and other benefits arising from elected local-government office for recipients of these other pensions and income-support payments.
76. In particular, the Commonwealth could provide clarification as to whether or not the Commonwealth treatment of remuneration or other benefits received from elected local-government office differs according to whether or not the Elected Member receives the Age Pension, a DVA Service Pension, a military invalidity pension, Disability Support Pension, Carer Payment, Income Support Supplement, War Widow(er)'s Pension, Disability Compensation Payment or another Commonwealth payment. LGEMA does not suggest that these payments should be treated identically. Rather, the existence of materially different pension and income-support regimes reinforces the need for clear, payment-specific guidance for persons who hold elected local government office.
77. The issue is particularly relevant because the Commonwealth already recognises that recipients of some of these payments can continue working while receiving their pension or payment. Services Australia states, for example, that a person receiving Disability Support Pension can work subject to the applicable rules, and that Work Bonus can apply to eligible recipients of Age Pension, Carer Payment and Disability Support Pension who are of Age Pension age.³⁷ The Commonwealth could therefore consider whether or not its recommendations concerning communication and engagement should extend beyond Age Pension recipients to other Commonwealth pension and income-support recipients who hold elected local-government office.

PART ELEVEN — TRAINING AND PROFESSIONAL DEVELOPMENT

78. Elected Members are subject to statutory training and continuing professional development requirements.
79. LG Act s.5.128 requires each local government to adopt a policy concerning continuing professional development of Council members. LG Act s.5.129 permits a local government, under an adopted policy, to pay or reimburse fees and other expenses associated with mandatory training and continuing professional development.²²
80. The Western Australian Government currently describes Council Member Essentials as mandatory training designed to provide Council members with the skills and knowledge necessary to perform their unique and challenging role.²³
81. The current statutory and administrative framework therefore recognises that training is an integral part of holding elected local-government office.



82. LGEMA asks whether or not fees paid directly by a Council to a training provider, reimbursement of compulsory training fees, travel and accommodation associated with compulsory training, or other professional-development expenditure connected with the office are treated as income or a benefit for Commonwealth pension and income-support purposes.
83. Again, LGEMA does not assume the answer. The concern is that an Elected Member should not be required to determine the Commonwealth social-security consequences of a State-mandated or State-recognised component of holding elected office by reference to general employment guidance.

PART TWELVE — LOCAL GOVERNMENT ELECTIONS AND ELECTION-RELATED EXPENDITURE

84. Western Australia presents an additional issue concerning election-related income and expenditure.
85. Local government elections in Western Australia do not operate under the *Electoral Act 1907* (WA), which governs State elections. Local government elections are conducted under the *Local Government Act 1995* (WA) and *Local Government (Elections) Regulations 1997* (WA).²⁴
86. The local-government electoral regime contains its own statutory provisions concerning candidates, electoral gifts, disclosure and election administration.
87. Under the current Western Australian framework, candidates must disclose relevant electoral gifts of \$300 or more, including monetary and non-monetary benefits, contributions to travel, in-kind services, discounts and certain promises.²⁵
88. The Australian Taxation Office separately recognises a deduction for expenditure incurred in contesting an election for membership of a local governing body, subject to a maximum deduction of \$1,000 per election.²⁶
89. These provisions demonstrate that local government election participation has its own legal and financial consequences, which do not necessarily correspond with State parliamentary elections or ordinary employment.
90. The issue is particularly important in Western Australia because of the State's geographical size, remoteness and the substantial variation in the size, population, resources and geographic circumstances of its local governments.
91. A person standing for election in a small, remote or geographically extensive local government can face a substantially different financial and logistical burden from a person standing for election in a large metropolitan local government.
92. LGEMA asks the Commonwealth for clarification as to how Commonwealth pension and income-support rules treat:
- (a) expenditure incurred in contesting a local-government election;
 - (b) electoral gifts or other benefits received in connection with candidature;
 - (c) reimbursement of election-related expenditure, where applicable;
 - (d) campaign-related contributions to travel or services; and
 - (e) any income or financial benefit associated with a person's candidature or election.



93. LGEMA does not suggest that electoral gifts are automatically Commonwealth pension or income-support income. The point is that the Commonwealth guidance should clearly explain the interaction between the local-government electoral regime and Commonwealth pension and income-support rules where a recipient is required to comply with those State statutory obligations.

PART THIRTEEN — GEOGRAPHY, REMOTENESS AND COMMONWEALTH PENSION AND INCOME-SUPPORT ADMINISTRATION

94. Geography is an important consideration in the administration of local government in Western Australia.
95. The Commonwealth taxation system itself recognises geographical remoteness through the zone tax offset arrangements. The Australian zone list identifies Zone A, Zone B and Special areas, including areas of Western Australia, and other remote and isolated locations.²⁷
96. The Western Australian Salaries and Allowances Tribunal similarly recognises the significance of remoteness, cost of living, accessibility and isolation in its local government CEO remuneration framework.²⁸
97. There is therefore a recognised policy basis for considering geography and remoteness in Commonwealth taxation and in State local-government remuneration.
98. LGEMA submits that the Commonwealth could provide clarity in the administration of the Age Pension and other relevant Commonwealth payments for a recipient who holds elected local-government office in a remote or isolated area.
99. The issue can arise not only from remuneration but also from travel, accommodation, communication, mandatory training, attendance at meetings and the practical requirements of representing a geographically extensive district.
100. In Western Australia, these circumstances can be materially different from those experienced by an Elected Member in a metropolitan local government.
101. The practical consequences are not confined to the individual Elected Member. Where the Commonwealth treatment of a local government payment is unclear, the local government itself can be required to obtain specialist taxation, social-security or legal advice to determine how a payment made under State local-government legislation is to be treated for Commonwealth purposes.
102. For a small, regional, remote or isolated local government, obtaining such specialist advice can represent a significant impost on public monies, being the municipal funds. Those funds are otherwise available for local roads, facilities, services, community programs and other local-government functions.
103. The resulting burden can therefore operate as a form of intergovernmental cost shifting. A Commonwealth administrative question concerning the treatment of Commonwealth income-support recipients can generate an expenditure burden for a local government and, ultimately, its ratepayers.
104. The problem is compounded where the local government is required to obtain external advice merely because authoritative Commonwealth guidance does not clearly address the circumstances of an Elected Member.



105. Nor does the expenditure of municipal funds on expert advice necessarily resolve the uncertainty. Advice obtained from a private adviser might be based on an interpretation of complex Commonwealth legislation and administrative rules, which is not subsequently accepted by Services Australia or another Commonwealth decision-maker.
106. LGEMA therefore considers that authoritative Commonwealth guidance is preferable to leaving individual Elected Members and local governments to obtain potentially costly and potentially inconsistent professional advice.
107. The Commonwealth should therefore consider whether or not the Commonwealth has adequate mechanisms to prevent uncertainty in Commonwealth pension administration from unnecessarily transferring administrative and financial costs to local governments.

PART FOURTEEN - PUBLIC ACCESSIBILITY OF COMMONWEALTH SOCIAL-SECURITY GUIDANCE

108. LGEMA acknowledges that the Department of Social Services and Services Australia already publish extensive public guidance through the *Social Security Guide* and related materials. The issue identified by LGEMA is narrower: the publicly accessible guidance does not appear to provide a clearly identifiable and readily understandable treatment of the particular circumstances of a person who holds statutory elected local-government office while receiving the Age Pension or another Commonwealth pension, payment or income-support arrangement.
109. This creates a practical difficulty because an Elected Member, Council or local-government employee can be required to determine the Commonwealth consequences of State-created fees, allowances, expense reimbursements, annual expense allowances and superannuation arrangements by applying general social-security guidance that is principally expressed in terms of employment, wages and other established categories of income.
110. In Western Australia, for example, WALGA provides subscribing Local Governments with a specialised Tax Service that expressly includes Elected Member taxation and superannuation and provides a Council Members' tax guide. Where a Local Government must pay a subscription service from the public municipal funds to obtain specialist professional advice about the Commonwealth tax treatment of employee or Elected Member payments and then obtain separate advice concerning their social-security treatment, the resulting expenditure can represent a form of intergovernmental cost shifting from the Commonwealth to local government, particularly for smaller, regional, remote and isolated Local Governments with limited administrative resources.
111. The ATO provides a comparatively readily identifiable body of public rulings, determinations and other interpretative material addressing recurring taxation questions, including questions concerning local-government councillors.
112. LGEMA does not suggest that the social-security system must replicate the ATO's taxation ruling system; rather, the existing *Social Security Guide* could authoritatively identify and explain the treatment of statutory elected local-government office as a distinct and recurring administrative issue.
113. This would assist Elected Members, Councils and Services Australia decision-makers alike and could reduce the need for individual Elected Members and Local Governments to obtain specialist



advice about matters for which authoritative Commonwealth guidance could be provided centrally.

PART FIFTEEN — WORK BONUS AND THE STATUS OF ELECTED MEMBERS

108. Services Australia's current guidance states that the Work Bonus reduces eligible employment income before the pension income test is applied. It provides for \$300 of Work Bonus credit each fortnight and a maximum accumulated balance of \$11,800.²⁹
109. Services Australia's public guidance identifies wages, salary and other employment income as Work Bonus eligible income and separately identifies director's fees and active self-employment income as examples of income to which the Work Bonus can apply.³⁰
110. LGEMA has not identified equally clear public guidance explaining the treatment of remuneration received by a person holding elected local government office.
111. This creates a significant practical issue. A person can hold elected office, receive a statutory meeting fee or annual allowance, perform substantial public duties and nevertheless not be an *employee* of the local government under State law.
112. Conversely, Commonwealth law can employ statutory deeming provisions for particular purposes. The Commonwealth therefore needs to state the relevant test rather than leaving Age Pension recipients to infer the answer from terminology used in State legislation.
113. The Commonwealth should specifically provide the answer to the following question:
When a person receiving the Age Pension holds elected local-government office, in what circumstances, if any, are fees, allowances, expenses, reimbursements or other benefits arising from that office treated as Work Bonus eligible income?
114. The answer should address ordinary Elected Members, Mayors and Presidents, Deputy Mayors and Deputy Presidents, and Chairs and Deputy Chairs of regional local-government councils separately where their statutory entitlements differ.

PART SIXTEEN — COMMUNICATION AND THE ROLE OF WALGA

115. The Commonwealth should examine not only formal Services Australia guidance but also information about the Age Pension and other relevant Commonwealth payments that is provided to Elected Members and local governments by sector organisations.
116. In Western Australia, WALGA is an important representative organisation within the local-government sector. LG Act s.8.3 establishes WALGA as a body corporate for the purposes specified by the Act.³¹ The Supreme Court of Western Australia has also recently considered WALGA's statutory position in *Local Government Elected Members' Association (WA) Inc v Western Australian Local Government Association* [2026] WASC 102.³²
117. LGEMA does not suggest, without examining the particular material, that advice provided by WALGA concerning the Age Pension, taxation or social-security law is inaccurate.
118. The issue for the Commonwealth is whether or not information provided by a representative local-government organisation is an appropriate source on which an Age Pension recipient or other



Commonwealth pension or income-support recipient can safely rely for advice concerning Commonwealth social-security law.

119. The Commonwealth could therefore examine:

- (a) what advice WALGA currently provides to Councils, CEOs and Elected Members concerning the Age Pension, Work Bonus, taxation or social-security consequences of holding elected office;
- (b) who prepared that advice;
- (c) the qualifications and expertise of those persons in Commonwealth social-security law;
- (d) what Commonwealth legislation, regulations, rulings, guidance or other authoritative material was relied upon;
- (e) whether or not the material has been reviewed by DSS, Services Australia or the Australian Taxation Office;
- (f) whether or not the material clearly distinguishes general information from individual financial or legal advice; and
- (g) whether or not recipients are directed to obtain authoritative advice from Services Australia or an appropriately qualified adviser where individual circumstances require it.

121. The question is not whether or not WALGA has a legitimate role in providing general sector information. It plainly does. The question is whether or not information about Commonwealth social-security entitlements is sufficiently authoritative and clearly sourced to prevent an Age Pension recipient or other Commonwealth payment recipient from making a consequential decision on the basis of advice that does not reflect the Commonwealth's actual assessment rules.

122. This is particularly important because the Commonwealth itself has identified payment accuracy as a significant administrative issue. The Australian National Audit Office's Auditor-General Report No. 20 of 2025–26 estimated Age Pension payment inaccuracy of \$5 billion between July 2021 and June 2024.³³ LGEMA does not suggest that this figure is attributable to Elected Members or local government payments. Rather, it demonstrates the importance of accurate classification, communication and administration of Age Pension entitlements.

PART SEVENTEEN — THE EVIDENTIARY STATUS OF REPRESENTATIVE ORGANISATIONS

123. LGEMA also asks the Commonwealth to distinguish carefully between evidence from representative organisations and evidence from the statutory entities or persons whom those organisations represent.

124. WALGA is authorised by the WA state government to represent local governments as corporate entities, without necessarily adopting the position of Councils or their communities. LGEMA's focus is on Elected Members and the governance consequences of holding elected office. The fact that an organisation represents one part of the local-government sector does not necessarily mean that its views are identical to those of every Council or every Elected Member.

125. Similarly, a submission made by a CEO is not necessarily equivalent to a submission made by Council.

126. This distinction is consistent with the 2024 Western Australian reforms, which deliberately reinforced the separation between Council's governing role and the CEO's executive role.³⁴



127. LGEMA respectfully suggests that the Commonwealth apply the same discipline to all evidence before it. Where an organisation or employee says that a position represents “local government”, the Commonwealth could ask:
- (a) whose position is being expressed;
 - (b) what authority the person or organisation has to express it;
 - (c) whether the relevant Council or Elected Members considered the issue;
 - (d) whether a Council resolution authorised or endorsed the position; and
 - (e) whether the evidence is representative of the relevant population or merely the views of respondents who chose to participate.
128. This is particularly important where surveys are relied upon. A survey of CEOs is evidence of the responses of participating employed CEOs. It is not necessarily evidence of the views of Councils or Elected Members, or the community they represent.
129. A non-response is similarly ambiguous. It can indicate no concern, lack of awareness of the survey, a decision not to respond, competing demands, or that the matter was never brought before Council.
130. LGEMA therefore submits that direct evidence from Elected Members and Councils would materially strengthen the Commonwealth’s understanding of this issue.

PART EIGHTEEN — THE BROADER POLICY ISSUE

131. The issue raised by this submission is ultimately one of participation, inclusion and good government.
132. Local government provides one of the principal avenues through which Australians participate directly in democratic public office at community level.
133. An Age Pension recipient, or a recipient of another Commonwealth pension or income-support payment, who wishes to serve as an Elected Member can be deterred if the Commonwealth consequences of holding office are uncertain.
134. The person can need to understand, before nominating and throughout the term of office:
- (a) whether or not fees are income;
 - (b) whether or not allowances are income;
 - (c) whether or not reimbursements are income;
 - (d) whether or not superannuation contributions affect the pension or other payment;
 - (e) whether or not the Work Bonus applies;
 - (f) whether or not payment timing affects assessment;
 - (g) whether or not election expenditure has any Commonwealth relevance;



- (h) whether or not compulsory training and professional development payments have consequences;
 - (i) whether or not legal costs associated with defending or protecting the statutory office have consequences; and
 - (j) whether or not regional and remote circumstances alter any of those outcomes.
135. These questions are sufficiently specialised that an individual recipient cannot reasonably be expected to derive a reliable answer by combining State local-government legislation with general Services Australia employment guidance.
136. The problem can also affect local governments directly. If the treatment of a particular payment is unclear, a Council can face a decision between paying for specialist advice, administering on the basis of an uncertain interpretation, or requiring an individual Elected Member to obtain advice personally.
137. None of those outcomes is satisfactory where the underlying uncertainty concerns the interaction between Commonwealth income-support law and a statutory office established by State legislation.
138. LGEMA submits that the Commonwealth could reduce this burden by providing clear, authoritative, payment-specific guidance which identifies the relevant Commonwealth treatment without requiring every local government to obtain specialist advice concerning the same fundamental question.
139. This is particularly important for smaller local governments, where professional advice concerning Commonwealth social-security law can represent a disproportionately large expenditure and where specialist advisers can be less readily accessible because of geographic isolation.
140. This is a matter of administrative clarity and intergovernmental responsibility rather than simply a question of individual entitlement.

PART NINETEEN — RECOMMENDATIONS

LGEMA respectfully recommends that the Commonwealth consider recommending that DSS and Services Australia:

- 1) Develop authoritative, publicly accessible guidance specifically addressing the circumstances of recipients of the Age Pension who hold elected local-government office.
- 2) Extend that guidance, where relevant, to persons holding elected local-government office who receive other Commonwealth pensions, payments or income-support arrangements, including DVA Service Pension, Income Support Supplement, Veteran Payment, Disability Support Pension, Carer Payment, military invalidity pensions, War Widow(er)'s Pension and Disability Compensation Payment.
- 3) Explain whether or not, and in what circumstances, fees, allowances, reimbursements, expense payments and other benefits received by Elected Members are treated as income for the relevant Commonwealth pension or income-support payment.
- 4) Provide specific guidance concerning whether or not Elected Member payments constitute Work Bonus eligible income and identify the relevant rules for each applicable Commonwealth payment.



- 5) Explain whether or not different categories of Elected Member — including ordinary Elected Members, Mayors, Presidents, Deputy Mayors, Deputy Presidents, Chairs and Deputy Chairs — are treated differently.
- 6) Explain whether or not Commonwealth assessment depends on the legal character of the payment, the purpose of the payment, the period to which it relates, the date on which entitlement arises, the date on which the payment is received, or another factor.
- 7) Address the treatment of annual payments made instead of meeting fees and annual expense allowances.
- 8) Address payments made in advance and payments made retrospectively.
- 9) Address the treatment of superannuation contributions made by a local government to an Elected Member.
- 10) Address payments and reimbursements for compulsory training and continuing professional development.
- 11) Address election-related expenditure and electoral gifts in the context of the relevant Commonwealth pension or income-support assessment rules.
- 12) Address the circumstances of Elected Members serving in remote, isolated and geographically extensive local governments.
- 13) Develop guidance suitable for Elected Members rather than relying principally on general employment guidance designed for employees.
- 14) Identify how legal costs incurred by an Elected Member in connection with the performance, defence or protection of the statutory office are treated for Commonwealth pension and income-support purposes, including costs incurred in responding to or defending a conduct complaint, disciplinary or standards proceeding, electoral challenge, or other proceeding arising from the exercise of the statutory functions of the office.
- 15) The guidance concerning legal costs could distinguish between costs paid personally by the Elected Member, costs reimbursed by the local government, and costs paid directly by the local government, and could identify whether or not any reimbursement or payment is treated as income or otherwise affects entitlement to the relevant Commonwealth pension or payment.
- 16) LGEMA further recommends that the Commonwealth consider recommending that DSS and Services Australia consult directly with State and Territory local-government representative bodies and, importantly, organisations representing Elected Members when developing such guidance.
- 17) LGEMA further recommends that the Commonwealth examine the extent to which uncertainty in Commonwealth pension and income-support administration requires local governments to obtain specialist taxation, social-security or legal advice concerning payments made under State and Territory local-government legislation.
- 18) LGEMA recommends that the Commonwealth considers the resulting financial burden on local governments and ratepayers, particularly where specialist advice is required simply to establish the Commonwealth treatment of a payment arising from elected statutory office.



- 19) LGEMA recommends that the Commonwealth considers whether or not appropriate Commonwealth guidance could reduce what is, in practical terms, a transfer of administrative cost from the Commonwealth to local governments.
- 20) LGEMA further recommends that the Commonwealth examines the accuracy, authority and sourcing of current sector guidance concerning the Commonwealth Age Pension and other relevant Commonwealth payments, including information provided by WALGA to Councils, CEOs and Elected Members.
- 21) LGEMA further recommends that, when considering evidence purportedly provided on behalf of a local government, the Commonwealth distinguishes between evidence authorised or endorsed by Council, and evidence provided solely by a CEO or administration or local government representative bodies. Where material is relied upon as establishing a Council position, the Commonwealth body could, where appropriate, request the relevant Council report and minutes recording the authorisation or endorsement of that position.
- 22) LGEMA further recommends that the Commonwealth considers obtaining direct evidence from Elected Members and Councils, particularly in regional, remote and isolated areas, rather than relying solely on surveys of CEOs or administrative responses.
- 23) LGEMA recommends that the Commonwealth considers whether or not the Commonwealth's broader communication strategy for the Age Pension and other relevant Commonwealth payments adequately recognises people who continue to participate in public life through elected statutory office after reaching Age Pension age or while receiving another Commonwealth pension or income-support payment.
- 24) The Commonwealth could recommend that the Department of Social Services and Services Australia review the *Social Security Guide* to identify whether it adequately addresses persons who hold elected local-government office while receiving a Commonwealth pension, payment or income-support benefit. Where the existing guidance does not provide sufficient clarity, the Department could publish a clearly identifiable section addressing the treatment of fees, allowances, expense reimbursements, annual expense allowances, superannuation and other benefits arising from elected local-government office, including the treatment applicable to different Commonwealth payments.
- 25) The Commonwealth could also consider whether DSS and Services Australia could adopt a more readily identifiable public guidance mechanism, comparable in accessibility and practical utility to the ATO's published taxation rulings and determinations, for recurring social-security questions arising from statutory elected office.

PART TWENTY — CONCLUSION

- 1) LGEMA's policy is not that Elected Members are necessarily employees, nor that every payment received by an Elected Member is necessarily income for Commonwealth pension or income-support purposes.
- 2) The submission is that the Commonwealth should provide an authoritative answer to those questions.



- 3) Elected local-government office is created by State and Territory law. The statutory framework differs materially between jurisdictions. Within Western Australia alone, the law distinguishes between Council, Elected Members and the CEO, and provides multiple categories of fees, allowances, expenses, reimbursements, superannuation and training-related payments.
- 4) The issue is not confined to the Age Pension. Elected Members can receive a range of Commonwealth pensions, payments and income-support arrangements, each with potentially different eligibility, income-test, reporting and Work Bonus rules. The existence of these different regimes reinforces rather than diminishes the need for clear, payment-specific guidance.
- 5) The current WA framework also demonstrates that regional and remote circumstances can materially affect the financial and practical demands of local-government office.
- 6) Where the Commonwealth treatment of payments arising from elected local-government office is unclear, the resulting burden can extend beyond the individual recipient. A local government can be required to obtain specialist advice at municipal expense, even though the underlying question concerns the administration of Commonwealth legislation.
- 7) For a small, regional, remote or isolated local government, that expenditure can represent a significant impost on funds otherwise available for local services, facilities and community needs. It can therefore operate as an intergovernmental cost-shifting issue, with the ultimate financial burden falling on local ratepayers.
- 8) The difficulty is particularly acute where specialist advice is expensive, geographically difficult to obtain, or capable of producing an interpretation which is not authoritative and might not be accepted by the relevant Commonwealth agency.
- 9) LGEMA therefore considers that authoritative Commonwealth guidance is preferable to requiring each Elected Member and each local government to solve the same complex legal and administrative problem independently.
- 10) The current public Age Pension guidance does not appear to provide a corresponding, clearly articulated framework for persons who hold elected local-government office, and the position concerning other Commonwealth pensions and income-support arrangements is similarly deserving of clarification.
- 11) That gap can matter because uncertainty about Commonwealth treatment can affect whether a person receiving a Commonwealth pension or income-support payment is willing or able to stand for elected local-government office and continue contributing to their community.
- 12) LGEMA respectfully asks the Commonwealth to investigate the issue as part of its consideration of administration, eligibility assessment and communication with Age Pension applicants and recipients, while recognising the broader implications for other Commonwealth pension and income-support recipients who hold elected local-government office.



- 13) Local government is the level of government with which many people first interact directly with democratic government in their communities. It is often through local government that people first engage with elected representatives, public decision-making, planning, roads, rates, local facilities and community services. Ensuring that recipients of Commonwealth pensions or income-support payments can participate in elected local-government office without unclear or unintended financial consequences can therefore contribute not only to individual fairness, but also to the strength, accessibility and diversity of democratic government at the local level.
- 14) LGEMA respectfully asks the Commonwealth to consider whether or not its recommendations can improve that position by ensuring that the Commonwealth's administration of pensions and income-support payments does not unintentionally create financial or administrative barriers to participation in elected local government.

Committee of Local Government Elected Members' Association Inc.

ENDNOTES

1. Joint Committee of Public Accounts and Audit, *Inquiry into the Administration of the Age Pension*, adopted 9 April 2026; Australian National Audit Office, *Administration of the Age Pension*, Auditor-General Report No. 20 of 2025–26 (27 January 2026).
2. Joint Committee of Public Accounts and Audit, *Inquiry into the Administration of the Age Pension*, 'Submissions'. The published list presently includes Services Australia, Department of Social Services, Economic Justice Australia, Older Women's Network NSW, National Aboriginal Community Controlled Health Organisation, Michael Sanderson, Uniting Communities, National Seniors Australia, Department of Veterans' Affairs and Monash Law Clinics.
3. Services Australia, *How a Work Bonus works* (14 February 2025); Services Australia, *Work Bonus if you work* (10 March 2026); Services Australia, *Information you need to know about your claim for Age Pension, Pension Bonus* (November 2025).
4. ACT Legislative Assembly, *Levels of government in the ACT* and *The ACT's place in Australia's levels of government*. The ACT Legislative Assembly combines territory and local-government functions and the ACT has no local councils.
5. *Local Government Act 1995* (WA) s.2.7. The current provision identifies Council as the governing body and expressly requires Council to recognise the separation between its governing role and the CEO's executive role.
6. *Local Government Amendment Bill 2024* (WA), Legislative Assembly, consideration in detail, 16 October 2024; Minister for Local Government, Parliamentary Debates, Legislative Assembly, 16 October 2024. The Minister stated that the separation between Council and CEO was "critically important to the proper functioning of a local government", that Council remained the governing body and employer of the CEO, and that the reforms reinforced the distinct roles and responsibilities of Council and CEO.
7. *Local Government Amendment Bill 2024* (WA), consideration in detail, proposed s.5.41 replacement. The Minister described the CEO's roles as leading the administration, advising Council, liaising with the Mayor or President and speaking for the local government "if permitted".
8. Ibid. The Minister stated that breakdowns in the distinction between Council and CEO were often an early indicator of dysfunction within a local government.
9. Salaries and Allowances Tribunal, *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026*, paras 8–11.
10. *Salaries and Allowances Act 1975* (WA) ss.7A, 7B(1)–(2). The Tribunal's current Determination reproduces and applies that statutory distinction.
11. Salaries and Allowances Tribunal, *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026* paras 1–3, 1.3(5)–(8).
12. *Local Government Act 1995* (WA) s.5.100; *Salaries and Allowances Act 1975* (WA) s.7BAA. The separate committee-member jurisdiction was inserted by the *Local Government Amendment Act 2023* (WA).



13. Salaries and Allowances Tribunal, *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026* pts 3.1–3.2.
14. Ibid, pt 3.3. The Determination includes, among others, maximum Regional/Isolation Allowance amounts of \$90,000 for Christmas Island, \$70,000 for Ashburton and other substantial regional and remote amounts.
15. *Local Government Act 1995* (WA) ss.2.19, 4.30–4.31. Section 2.19 establishes the qualification requirement that a person be an elector of the district, while s.4.30 provides for specified non-resident owners or occupiers of rateable property to qualify for enrolment in the district, subject to the statutory requirements. Section 4.31 defines occupation for the purposes of the relevant electoral provisions.
16. *Local Government Act 1995* (WA) ss.5.99, 5.99A.
17. *Local Government Act 1995* (WA) s.5.99A(2). The provision expressly distinguishes annual expense allowances paid in advance from those paid after expenses have been incurred.
18. Salaries and Allowances Tribunal, *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026* cl 1.5(2).
19. Ibid cl 7.3(1)–(2). The 2026 Determination fixes the Deputy allowance at 25 per cent and provides for the full applicable Mayor, President or Chair allowance where the Deputy performs those functions for at least four continuous months.
20. *Local Government Act 1995* (WA) s.5.99E(4)–(5). The provision states that the superannuation provisions do not make a Council member an employee of the local government and that a superannuation contribution payment is not salary for the purposes of any written law.
21. Australian Taxation Office, *SG Determination SGD 93/12 — Are allowances and sitting or meeting fees paid to local government councillors salary or wages for the purposes of the Superannuation Guarantee (Administration) Act 1992?* The ATO material illustrates that Commonwealth legislation can employ its own statutory concepts and deeming provisions for local-government representatives.
22. *Local Government Act 1995* (WA) ss.5.128–5.129. Section 5.129 permits a local government, under its adopted policy, to pay or reimburse fees and expenses associated with mandatory training and continuing professional development.
23. Government of Western Australia, Department of Local Government, Industry Regulation and Safety, *Council member training* (updated 6 August 2026). The Government describes Council Member Essentials as mandatory training for newly elected Council members and recognises the unique and challenging nature of the role.
24. Western Australian Electoral Commission and Western Australian electoral legislation distinguish State elections conducted under the *Electoral Act 1907* (WA) from local-government elections conducted under the *Local Government Act 1995* (WA) and *Local Government (Elections) Regulations 1997* (WA). The current *Local Government (Elections) Regulations 1997* are separately published under the LG Act.
25. *Local Government (Elections) Regulations 1997* (WA) pt 5A; Government of Western Australia, *Gifts and conflicts of interest* (updated 19 June 2026). The current guidance identifies the \$300 threshold and the breadth of the definition of electoral gift.
26. *Income Tax Assessment Act 1997* (Cth) s.25-65. The Australian Taxation Office confirms that expenditure incurred in contesting an election for membership of a local governing body is deductible up to \$1,000 per election.
27. Australian Taxation Office, *Australian zone list*. The Commonwealth zone system identifies Zone A, Zone B and Special areas for purposes of the zone tax offset.
28. Salaries and Allowances Tribunal, *Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2026* pt 3.2. The Tribunal expressly considers remoteness, cost of living, social disadvantage, dominant industry and attraction and retention in determining CEO Regional/Isolation Allowances.
29. Services Australia, *How a Work Bonus works* and *Work Bonus balance*. The current Work Bonus provides \$300 credit per fortnight and permits accumulation to a maximum balance of \$11,800.
30. Services Australia, *Information you need to know about your claim for Age Pension, Pension Bonus*. The published guidance identifies wages, director's fees and active self-employment income as Work Bonus examples.
31. *Local Government Act 1995* (WA) s.8.3.



32. *Local Government Elected Members Association (WA) Inc v Western Australian Local Government Association* [2026] WASC 102. The Supreme Court describes LGEMA as an association providing support to and seeking to represent individual Elected Members, and WALGA as an entity constituted as a body corporate under the LG Act. LGEMA also considers that the Committee could examine the guidance and advice provided to Elected Members by the equivalent local-government peak bodies in the other States and Territories, as well as by the Australian Local Government Association (ALGA), including whether or not those bodies provide specific advice concerning the interaction between elected local-government office, remuneration and Commonwealth pensions, payments and income-support arrangements; and the accuracy of that advice.
33. Australian National Audit Office, *Administration of the Age Pension*, Auditor-General Report No. 20 of 2025–26 (27 January 2026). The audit identified estimated Age Pension payment inaccuracy of \$5 billion between July 2021 and June 2024.
34. *Local Government Amendment Bill 2024 (WA)*, Parliamentary Debates, Legislative Assembly, 16 October 2024; *Local Government Act 1995 (WA)* s.2.7.
35. Department of Veterans' Affairs, *Income test for pensions and payments* (updated 15 June 2026); Services Australia, *Work Bonus if you work* (10 March 2026); Services Australia, information concerning Disability Support Pension and Carer Payment. The Department of Veterans' Affairs distinguishes means-tested payments, including Service Pension, Social Security Age Pension, Income Support Supplement and Veteran Payment, from Disability Compensation Payment and War Widow(er)'s Pension, which are subject to different treatment. Services Australia separately identifies circumstances in which Work Bonus is available to eligible recipients of Age Pension, Carer Payment and Disability Support Pension who are of Age Pension age.
36. Services Australia, *Military invalidity pension*; Services Australia, information concerning the assessment of military invalidity pensions and the effect of the *Douglas* decision. The guidance recognises military invalidity pensions as income streams for social-security purposes and distinguishes the taxation consequences arising from the *Douglas* decision from their assessment for income-support purposes.
37. Services Australia, *Working while you get Disability Support Pension*; Services Australia, *Work Bonus if you work*. The current guidance explains the applicable work rules for Disability Support Pension recipients and identifies circumstances in which Work Bonus can apply to Age Pension, Carer Payment and Disability Support Pension recipients of Age Pension age.