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SALARIES AND ALLOWANCES ACT 1975

DETERMINATION OF THE SALARIES AND ALLOWANCES **TRIBUNAL**

SALARIES AND ALLOWANCES ACT 1975

DETERMINATIONS OF THE SALARIES AND ALLOWANCES TRIBUNAL

Pursuant to Section 6(1) (a) (ab) & (b) and Section 6AA

19 August 2004

PREAMBLE

REMUNERATION OF MEMBERS OF PARLIAMENT

The Salaries and Allowances Act 1975 requires the Tribunal, at intervals of not more than twelve months, to inquire into and determine the remuneration to be paid or provided to Ministers of the Crown, the Parliamentary Secretary to the Cabinet, a Parliamentary Secretary appointed under section 44A(1) of the Constitution Acts Amendment Act 1899, and officers and Members of the Parliament. The Tribunal issued its last such determination on 20 August 2003.

The Tribunal has now completed a further review. The related inquiry was formally initiated in May 2004 when the Tribunal placed an advertisement in the "The West Australian" calling for submissions from interested individuals and organizations. This resulted in receipt of six written submissions, five of which were from Members of Parliament themselves. One was from the Premier on behalf of Government.

The Tribunal has carefully considered the views put forward and made those adjustments in this determination it considers necessary and appropriate at this time.

BASIC SALARY

The Tribunal specifically invited and received a submission from Government. In light of its subsequent reporting in the media and the associated comment generated, the Tribunal considers it useful to reiterate here the relevant full text of that 15 June 2004 submission—

"The Government supports the majority view of the Tribunal, stated in its 2003 determination, that the relativity between the basic salary of State and Federal Members requires adjustment. It is the strongly held position of the Labor Government that the basic salary of Western Australian Members of Parliament should be equal to the basic salary of Federal Members of Parliament, less an amount prescribed by regulation.

Most other Australian jurisdictions currently have legislative provisions linking the salaries of Members of Parliament to those applying in the Federal Parliament, less an amount in recognition of the differing parliamentary responsibilities. This Government considers a similar link between the salaries of Western Australian Members of Parliament and Federal parliamentary salaries will provide more consistency across jurisdictions in the adjustment to Members' salaries.

I am informed that the most recent determination of the Commonwealth Remuneration Tribunal, to come into effect on 1 July 2004, has resulted in the current salary of Western Australian Members of Parliament being slightly less than the salary that Federal Parliamentarians will receive. As it is the intention of the Government to set the basic salary of State Members at a prescribed amount less than their Federal counterparts, we are of the strong view that no increase should be granted to Members in the Tribunal's August 2004 determination.

Once salaries of State members are tied by legislation to Federal parliamentary salaries, a Salaries and Allowances Tribunal determination will not be required in relation to basic salary. However, it is the Government's intention that the Tribunal continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterm 3s.5(warm)-wa(respective continue to make determinations in respect oterminations in respective continue to make determinations in respective continue to make determination to the respective continue to make determination to the respective continue to the respe

Superannuation Arrangements in Western Australia", which was a precursor to the changes occurring in 2000 to parliamentary superannuation. Relevant sections of that Report indicated— $\,$

"...The Committee noted that when the Members of Parliament Fund Act was passed in 1941 its principal purpose was to provide a measure of financial assistance to Members of Parliament who ceased for other than voluntary reasons. Parliamentary superannuation schemes established subsequently retained this concept and included provisions allowing exiting Members access to their accrued entitlements...

...The Committee is aware that senior public sector employees whose remuneration is set by the Tribunal are entitled to an annual loading of 20 per cent where their employment contracts effectively mean they have non-secure tenure of Office.

The Committee considers that Members of Parliament are in a siiders o ing 7apr(u)\$\mathbb{A}(\mathbb{G}\) iate lum9(th)\mathbb{A}(\mathbb{G}\) sum9(th)t wy(pr(um9(th)-5\mathbb{G})7.2 when)\$\mathbb{T}4.54\mathbb{G}\) 0 T\$\mathbb{T}3.0015\) 4039.1088 T4.7(rp-

this determination until the day fixed for the taking of the poll next following the dissolution or expiry of that House.

- 1.3 Where the Legislative Assembly is dissolved or expires by effluxion of time, a person who is the Parliamentary Secretary of the Cabinet or immediately before the dissolution or expiry by effluxion of time was the Chairman of Committees in the House (Deputy Speaker) or is the holder of the office of—
 - 1.3.1 Leader of the Opposition in that House;
 - 1.3.2 Leader of a recognised non-Government Party (as defined in Section 2 of Part 2 of this determination);
 - 1.3.3 Deputy Leader of the Opposition in that House;
 - 1.3.4 Government Whip in that House; or
 - 1.3.5 Opposition Whip in that House

is entitled to receive the salary payable to that office holder by virtue of Section 2 of Part 2 of this determination until—

- 1.3.6 that person ceases to be a Member by reason of an event other than the dissolution or expiry by effluxion of time of the Legislative Assembly, or
- 1.3.7 another person is elected or appointed to the office held by that person,

whichever event shall first occur.

- 1.4 Remuneration payable under Parts 2, 4, 6 (Section 5) and 7 of this determination shall be paid by equal instalments on the last day of each month and becomes thereupon the property of the Member.
- 1.5 In this determination where reference is made in the text to "...a year..." or "...per annum...", this should be taken to mean a financial year. Where benefits or entitlements are provided with specific reference in the text to "...a financial year...", these cease on 30 June each year and no carryover of any unexpended portion is permitted. Accordingly, the advance purchasing of relevant benefits such as those relating to travel in one financial year to be utilised in another financial year is not permitted.
- 1.6 Where a variation is applicable due to the electoral redistribution, the relevant adjustment to have effect immediately after the next State General Election is shown *in italics*.

PART 2—SALARY

Section 1—Basic Salary of Members of Parliament

Office held	% of basic salary	Add. salary	Total salary
Opposition Whip in the Legislative Assembly	18	\$ 19,767	\$129,583
Government Whip in the Legislative Council	12	\$ 13,178	\$122,994
Opposition Whip in the Legislative Council	12	\$ 13,178	\$122,994

2.2 If a person holds more than one office, that person shall be paid an additional salary under this Section in respect of only one of those offices.

Section 3—Salary Packaging

3.1 Contributions to superannuation may be made on a salary sacrifice basis within the limits prescribed in the "Guidelines For Salary Packaging In The WA Public Sector". A copy of these guidelines can be found at http://www.doplar.wa.gov.au/public/circular/1198attach.html. Contributions to the Parliamentary Superannuation Scheme may be salary sacrificed up to the maximum amount allowed under the Scheme.

PART 3—EXPENSE ALLOWANCE PAYABLE TO PARLIAMENTARY SECRETARY

Section 1—Expense of Office Allowance

- 1.1 In addition to the salary payable under Part 2 of this determination there shall be payable to a Parliamentary Secretary appointed under Section 44A (1) of the Constitution Acts Amendment Act 1899 an expense of office allowance of \$1,822 per financial year.
- 1.2 Claims for reimbursement of expenditure incurred must be accompanied by certification that the expense was incurred in connection with the office of Parliamentary Secretary.

PART 4—ELECTORATE ALLOWANCES

Section 1—General

- 1.1 In consideration of the obligations of a Member effectively to service the needs of an electorate and to undertake parliamentary duties the amounts specified in this Part are provided in the form of an electorate allowance, to be utilized as the Member sees fit.
- 1.2 The Tribunal in determining the relevant amounts has not taken into account the cost of activities, such as campaigning, electioneering or political party promotion.
- 1.3 The motor vehicle provided to Members under Section 4 of this Part forms part of the electorate allowance and not part of a salary package. The Tribunal has determined that the motor vehicle can be used for private purposes and from time to time it is expected that electorate staff or a family member will use the vehicle. Use of the Government owned motor vehicle by other persons, unless for emergency purposes, is not supported.

Section 2—Basic Electorate Allowance

2.1 In addition to the salary payable under Part 2 of this determination there is payable to a Member an electorate allowance of \$35,300 per annum, less any expenditure incurred at the request of the Member in seeking a variation to the standard applied in Section 4 of this Part.

Section 3—Additional Electorate Allowance

3.1 In recognition of the increased expenditure incurred by Members servicing large and/or non-Metropolitan electorates, the following amounts shall be paid in addition to the basic electorate allowance provided under Section 2 of this Part.

ELECTORAL REGION	ELECTORAL DISTRICT	ADDITIONAL ALLOWANCE PER ANNUM
Metropolitan Regions		\$ 2,350
	Roleystone, Serpentine-Jarrahdale and Swan Hills	\$ 2,350
	Wanneroo	\$11,650 <i>NIL</i>
South West Region		\$10,150
	Mandurah	\$ 650
	Albany, Bunbury, Dawesville, <i>Leschenault</i> and Mitchell	\$ 1,700
	Murray and Vasse	\$ 3,450
	Capel, Collie, Collie-Wellington and Murray- Wellington	
	Stirling and Warren Blackwood	\$ 8,800
Agricultural Region		\$13,850
	Geraldton	\$ 1,700
Avon and Wagin		\$ 8,800
	\$12,350	

ELECTORAL REGION

ELECTORAL DISTRICT

- 1.5 Where a Member claiming under Section 6 of this Part secures overnight accommodation, either travelling from or to any of his or her places of residence for the purposes outlined in each Section, travels for part of a day, reimbursement will be made in accordance with the following formulae—
 - 1.5.1 if departure from any place of residence is—

before 8.00am	- 100 per cent of the daily rate.
8.00am or later but prior to 1.00pm	- 90 per cent of the daily rate.
1.00pm or later but prior to 6.00pm	- 75 per cent of the daily rate.
6.00pm or later	- 50 per cent of the daily rate.

1.5.2 if arrival back at any place of residence is—

8.00am or later but prior to 1.00pm	- 10 per cent of the daily rate.
1.00pm or later but prior to 6.00pm	- 25 per cent of the daily rate.
6.00pm or later but prior to 11.00pm	- 50 per cent of the daily rate.
11.00pm or later	- 100 per cent of the daily rate.

1.6 Claims made under paragraph 1.5 of this Section in respect of the entitlement granted in Section 6 of this Part form part of the annual entitlement.

A claim for accommodation allowances under this Part must be submitted within 90 days from the date the travel is completed. In exceptional circumstances the Tribunal may approve an extension of time to submit a claim. Where a claim is made after 90 days and no extension has been granted payment against the claim will not be made.

1.7 For the purposes of guidance in the use of entitlements under this Part, it is pointed out the Tribunal would envisage the maintenance of a residence to involve an arrangement, under which a legal right to ongoing occupancy by the Member exists, founded on ownership of the relevant property by that Member (or his or her spouse or de facto partner) or a formal tenant's rental or leasing agreement entered into by that Member.

Section 2—Expenses of Office Holders on Official Business

2.1 The actual costs of accommodation incurred by the holders of offices mentioned in this Section should be debited to the Corporate Credit Card provided to the particular office holder. The rates contained in Section 7 of this Part are deemed to be indicative of the reasonable travelling costs. Where the costs reasonably and properly incurred exceed the indicative rates and have been debited to an official Corporate Credit Card, the actual costs shall be met.

Section 3—Expenses of Members on Parliamentary Committee Business

Section 7—Accommodation Allowance—Rates of Payment

7.1 Commercial accommodation—

	PREMIER	MINISTERS, OFFICE HOLDERS	MEMBERS
Perth	NIL	NIL	Rate A—\$175
WA North of the 26th parallel	\$355	\$340	Rate B as per the rates in the Public Service Award 1992—Schedule I—for Towns North of the 26th parallel
WA South of the 26th parallel	\$300	\$210	Rate B—\$175
Sydney	\$425	\$350	\$285

Melbourne

shall receive payment by way of reimbursement of the rental and 85 per cent of all charges for calls incurred by that Member in respect of—

- 2.1.1 One standard telephone in that Member's private residence or, where that Member reasonably maintains more than one residence by reasons of membership of Parliament, in each such residence. The rental charges levied for additional telephone sockets shall be included in the reimbursement of rental.
- 2.1.2 One additional telephone line for the use of a facsimile machine; and
- 2.1.3 One additional telephone line for the purposes of computing equipment. Charges for access to computer communications will only be reimbursed where the connection has been made in accordance with contracts provided through the Department of the Premier and Cabinet.
- 2.2 Reimbursement for additional telephone lines provided under paragraphs 2.1.2 and 2.1.3 is restricted to one residence.
- 2.3 Claims for reimbursement must be submitted within 90 days from the date that an account is received. In exceptional circumstances the Tribunal may approve an extension of time to submit a claim. Where a claim is made after 90 days and no extension has been granted, payment against the claim will not be made.

Section 3—Electorate Offices

- 3.1 Every Member of Parliament provided with an electorate office shall receive as an allowance payment of the rental and all charges for calls incurred by that Member in respect of five approved telephone lines in that Member's electorate office to be used for—
 - 3.1.1 Telephones
 - 3.1.2 Facsimile
 - 3.1.3 Modem connection

Section 4—Pcv

DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL Pursuant to Section 6AA of the Salaries and Allowances Act 1975

Pursuant to Section 6AA(1) of the *Salaries and Allowances Act 1975*, the Salaries and Allowances Tribunal determines that no redundancy entitlements and eN61.773e

