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## WESTERN AUSTRALIA

## **SALARIES AND ALLOWANCES ACT 1975**

# DETERMINATIONS OF THE SALARIES AND ALLOWANCES TRIBUNAL

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## **REASONS FOR DETERMINATIONS**

#### INTRODUCTION

Under the Salaries and Allowances Act 1975 this Tribunal is required to make determinations regarding the remuneration to be paid or provided to, *inter alia*, members of the Parliament of Western Australia. The Act provides the Tribunal with complete discretion as to how remuneration is determined and it has become the practice of the Tribunal to publish reasons with its periodic determinations.

In determinations made in 1993 and 1996 the Tribunal made reference to the generosity of the Parliamentary Superannuation Scheme and recommended to the Government that, the whole question of parliamentary superannuation, be comprehensively reviewed by competent personnel. The subsequent review has resulted in a decision by the Parliament to close the Parliamentary Superannuation Scheme.

In the "Report on Parliamentary and Judicial Superannuation Arrangements in Western Australia" presented to the Premier in February 1998, the following specific recommendations affecting the Tribunal were:

- "11. The Salaries and Allowances Tribunal determine a remuneration package comprising salary and superannuation components for Members of the proposed new superannuation arrangements.
- *12. The Salaries and Allowances Tribunal undertake a work-load and work-value study of the functions and responsibilities performed by Members of Parliament.*
- *13. The Government make available to the Salaries and Allowances Tribunal such resources as are necessary to carry out the work-load and work-value study recommended by the Committee.*
- *14. The Salaries and Allowances Tribunal have regard for the annual cost of salary and superannuation currently incurred for a typical Member.*
- 15. The Salaries and Allowances Tribunal recognise the principles reflected in Recommendation 5.6 of the National Commission of Audit's June 1996 report to the Commonwealth Government, which states—

'The Government should initiate further work to examine the replacement of its current defined benefit superannuation schemes with accumulation schemes. The objective of this change is to increase remuneration flexibility rather than to reduce the total value of overall remuneration packages.'

21. Members of the proposed new superannuation scheme who involuntarily cease their parliamentary service become entitled to a termination payment determined by the Salaries and Allowances Tribunal."

As part of its duties under the Act the Tribunal decided to address the tasks inherent in the above recommendations.

The history of parliamentary salary setting, some of which is contained later, shows comparisons with other occupations are not valid. Whilst the Tribunal has access to and draws upon external expertise in making determinations it was decided the Tribunal should itself undertake the review to gain the maximum direct appreciation of the duties, work volumes and work values of members.

At the outset, the Tribunal records its appreciation to Members for their full and frank cooperation with the interview and information gathering efforts undertaken as part of our review.

Advertisements advising of the review were placed in "The West Australian" on 21 and 27 January 1999. By the closing date no submissions had been received.

In addition, letters were sent to the Leaders of the political parties and the Independents advising of the review and calling for the names of Members who wished to assist in the review by being interviewed in respect to their roles as a Member.

In conducting the review, thirty-three Members of Parliament have been interviewed. The Tribunal has examined the history of both the remuneration and superannuation arrangements for Members in Western Australia, and has read and considered a number of reports relating to the areas prepared for and in respect of interstate and overseas jurisdictions.

A detailed history of the remuneration of Western Australian Parliamentarians has been prepared using excerpts from the Parliamentary Debates, or Hansard, as it is more commonly known. It is necessary to include a brief background on parliamentary salaries.

A Table showing movements in Parliamentary Salaries is attached at Appendix A.

PARLIAMENTARY SALARIES IN WESTERN AUSTRALIA

The Salaries and Allowances Act provides the Tribunal with a wide scope in conducting its inquiries into the remuneration of those groups within its purview. The Act states, in Section 10(1) "In the performance of the functions of the Tribunal:

(a) the Tribunal may inform itself in such manner as it thinks fit;

- (b) the Tribunal may receive written or oral statements;
- (c) the Tribunal is not required to conduct any proceeding in a formal manner; and
- (d) the Tribunal is not bound by the rules of evidence."

History shows the salary of Members has been linked or compared to many other positions both within the State and interstate since remuneration was first provided.

In 1900, when the Payment of Members Bill was debated in the Western Australian Parliament, reference was made to the "honorariums" provided in other parliamentary jurisdictions. The quantum sought was the mean of the Australian States.

The first payment made to Members was \$400 per annum, and was referred to as an allowance. The amount was provided primarily to cover the expenses incurred by Members in the servicing of their electorates.

During a debate in the Legislative Council, an amendment was suggested whereby the level of the honorarium would be reduced by \$2 per day for each day in excess of ten the member was absent from the House. This was subsequently withdrawn.

In 1911 the Payment of Members Act was introduced. This Act repealed the former Payment of Members Act, and provided for increases in the allowances (salary) provided to members and certain office holders. Amendments to this Act occurred on an irregular basis.

In 1925 during the debate on an amending Bill, two statements were made that warrant mention in this review. They reveal, in many respects, not much changes in the life of a Parliamentarian.

Mr Sydney Stubbs, MLA for Wagin (Country Party), in his speech immediately after presenting a motion indicating the Parliamentary allowance made to members was inadequate and should be immediately increased, stated:

".... I am justified in stressing the difference between Parliamentarians and other sections of the community. The people of this State subscribe liberally to charitable and other objects. After a business career of over 30 years in this State I maintain that the business people of Western Australia give more liberally to charitable institutions than do other sections of the community. They give freely and spontaneously. The difference between Parliamentarians and merchants or business men is this: Every business man provides for expenses incurred during the year. His donations to charitable and other causes are added to the cost of the wares he sells, just as are his insurance and advertising costs, but if anyone says that a member of Parliament can pass on his donations to any other section of the community, I should like to know how it may be done. I am not aware of any way in which such calls on a member's pocket can be passed on. That is why I say Parliamentarians are differently situated from merchants and business people. ....

Mr Thomas Davy MLA West Perth, in the debate on the motion spoke of the difficulty in determining the job of a member of Parliament. He stated:

"....It is difficult to determine just what is the job of a member of Parliament. It differs enormously with the constituencies represented.....

....Also it differs immensely with the temperament and mental capacity of each member. The job can be almost anything a member likes to make it, or likes to allow his constituents to make it for him. There are constituencies that expect their member to be a kind of retail buyer, guide, philosoper (sic), and friend, cheap lawyer, employment broker, and to render almost every other conceivable service that can be extracted by one human being from another. Whether or not it is the job of a member to submit to that, must be for each member to determine for himself. Again, a member who represents a constituency such as that of Kimberley has an entirely different job from a member like me, representing West Perth. I am unable to see how we can put the job of the member for Kimberley and my job in the same category."

In 1947 the Party Leaders agreed a tribunal should be established to consider the matter of parliamentary salaries. It was considered undesirable the old method of haphazard selection of a figure should be continued. The Chief Justice, President of the Arbitration Court and the Public Service Commissioner were appointed to undertake the inquiry. The terms of reference given to the tribunal were:

- (a) To consider the relationship of fixed salaries with the salaries of officers and offices that are subject to review from time to time and to recommend what, if any, adjustment should be made to fixed salaries in order to restore them to a reasonably comparable basis.
- (b) To consider and recommend the method that should be followed or the means that should be adopted, in order that reasonable consistency between fixed salaries and salaries that are subject to periodical review may be maintained in the future.
- (c) To consider the desirability of introducing some form of adjustment of Parliamentary allowances:
  - *(i)* In order to provide for the varying conditions (area, isolation and number of constituents) of member's constituencies; and
  - *(ii) (Inter alia) whether special allowances are desirable to meet varying conditions in Parliamentary constituencies or other special districts or localities.*
- (d) The consideration of ways and means of providing pensions for members of the State Parliament as now provided in some other State Parliaments."

All of the recommendations, except one, were accepted by the Government and embodied in an amending Bill brought before the Parliament. The rejected recommendation sought to provide a different level of salary between the members of the Assembly and the Council. The Committee recommended a rate of \$2,000 for the Assembly members and \$1,800 for the Council. The rate adopted was \$1,920 for all Members.

The Committee found, as some statutory salaries had not moved for nearly 50 years, it was not possible to restore former margins. The Committee did recommend new salaries for the Auditor General and the Public Service Commissioner. As a matter of comparison, the recommended salary for the Auditor General was \$2,400, and for the Public Service Commissioner, \$2,900. Further in the report, the salary of the Clerk of the Parliament was quoted as being \$1,824 per annum.

The Committee referred to the role of a Member:

"8. The question of Parliamentary allowances is one difficult of estimation. It has been found impossible to adjust these on a comparable commercial basis. Consideration has been given to existing salaries, those payable elsewhere, time occupied and work done in carrying out Parliamentary duties, comparative remuneration of Parliamentary officials, inquiries elsewhere and the salaries paid to senior Public Servants with responsible duties although not actually in charge of departments.

9. Further factors taken into consideration have been the change in the character of Parliamentary representation, and payments, it being now a whole time job for which remuneration must be paid rather than a part time one in respect of which reimbursement of expenses is required, the increase in number of electors, the increase of State activities touching the citizen more closely and the greater consequential call on a member's time by the citizen. Another important factor is improvement in communications, particularly the use of the motor car in lieu of the railway and horse, which has not only made the Parliamentary pass practically valueless but has led constituents of a member to expect personal attention in remote localities without much regard to questions of time, expense and convenience involved. These added services demand some measure of consideration.

10. We have been supplied with items in detail of the total expenditure of several representative members and are satisfied that they have inescapable commitments beyond those of the average citizen, and that their present remuneration has become insufficient to enable them to maintain a reasonable status in the community. We instance as these, travelling expense, living away from home, electioneering, etc. Other items such as postage and telephones, clerical and office expenses, added entertainment, and similar expenditure might be added.

We are of the opinion that non-metropolitan members are more disadvantageously placed in respect of the totality of these matters than those representing metropolitan constituencies and should therefore receive some special allowance beyond the latter.

We are also of the opinion that members of the Council are at some advantage as compared with those of the Assembly having regard to the more limited hours of attendance in Parliament and greater length of tenure."

In addition to the salary of \$1,920 per annum the Bill provided for an allowance to those Members elected to an electoral Province or District where "any part of the boundaries of either of which is outside the area of an imaginary circle having a radius of fifty miles from Parliament House at Perth in the State". The amount of the allowance was \$100.

1950 saw an increase in the allowance (salary) to \$2,000 per annum. In addition, the amendment also allowed all members, irrespective of office, to receive the \$100 allowance where any part of their electorate fell outside the radius of 50 miles from Parliament House.

A statement made by the Hon James Hislop MLC, Metropolitan Province, a medical practitioner, is worth restating here:

"...The salaries being paid generally in Parliament today do not attract the successful business man. A member is either a man who has made a success of his business and is no longer reliant on putting all his efforts into that business, or he is a man who has a private income; or, on the other hand, he is the type of man to whom a parliamentary salary is an increase on what he has previously been earning. There is a big class in between to which this occupation does not appeal. I feel certain that we could attract the brains of the nation, and a good deal of wisdom to Governments, if some alteration were made in the whole process of recompensing members of Parliament. If a successful business man were to forsake his business and take on the office of Premier for three years, and possibly six years, he would have a very difficult task to rehabilitate himself in civilian life. ....".

In 1953 the Members of Parliament Reimbursement of Expenses Act was introduced. This Act provided for a sum of money which could be claimed by Members for expenses necessarily incurred in the electorate. The Bill did not allow Ministers to claim due to the facilities available to them.

For Metropolitan Members the amount was \$400, whilst for the North Province the amount was \$800 per annum. The introduction of this legislation caused some concern as the Taxation Office apparently allowed a deduction from the salary to cover expenses without substantiation.

An amendment to the Members of Parliament Reimbursement of Expenses Act was introduced in 1959. During the debate, a reference was made to the movement in salaries of Under Secretaries compared to a Member. In 1955 the salary of an Under Secretary was \$4,780, whereas the salary of a Member was \$4,200. At the time of the amendment in 1959 the salary of the Under Secretary had risen to \$6,660 and Members had gone to \$4,360.

The Amendment Bill removed the exclusion of Ministers from receiving the allowance relating to the reimbursement of expenses.

In November 1962 two Bills were introduced into the Parliament affecting Members. The first resulted in the reimbursement of allowances increasing to \$1,200 for metropolitan Members and \$1,900 for the North Province. The second Bill, the Parliamentary Allowances Act Amendment Bill, increased the basic allowance (salary) to \$4,760 from 1 January 1963.

During the Second Reading debate in the Legislative Council the Hon A F Griffith MLC Suburban Province and Minister for Mines made reference to a Queensland Committee which had referred to the comparison of Members salaries with those of the Public Service. He stated, in part:

"The Government finds itself in agreement with the opinion expressed by the Queensland committee and accordingly does not agree that members' allowances in Western Australia should be tied with the Public Service or that increases granted to public servants should automatically apply to members of parliament.

The public service as an occupation is no more comparable with that of a member of parliament, than say a teacher, or a university professor, or a judge; and in this respect it is important to note that the salaries for each of these occupations are determined quite separately from each other and are certainly not tied to any public service."

These sentiments were also referred to in the debate made by Mr Frank Wise, MLC, North Province and Leader of the Opposition in the Legislative Council who also stated:

".....I draw attention to the fact that Parliament consists of members drawn from all walks of life. I have always held the opinion that Parliament, particularly in a State such as Western Australia, is composed of men representing a line through the community of this State; they are representative citizens. There are many members who have not had the opportunity to acquire high academic qualifications, but who are men of undoubted ability. In some cases able laymen have been chosen overwhelmingly by the electors in preference to professional men, the majority of those who vote for the candidate being the determining element.

We have members skilled in their professional spheres who have earned more, and who could still earn more, than they have as members of Parliament. I repeat that the electors and electorates, as a rule, return people typical of the citizen of the electorate, according to the number of votes cast. There are many successful people in this community, in this city, and in this State; successful in business spheres, who cannot afford to be members of parliament, not from the point of view of emoluments received, but from a very important unfortunate feature attaching to, and associated with, men in public life.

One great deterrent is the odium and criticism which is sometimes popularly encouraged and levelled at men in public life. This deterrent keeps many good people away from Parliament. Even if there were no payments made at all to members of Parliament there would still be criticism of them by some people, simply because of their aversion to authority of any kind, and their innate desire to pull down the individual placed in authority.

It is the desire of those people to have a Legislature which is composed only of men who can afford to become members of Parliament because of their wealth? I can think of the great objection which can be raised at the class distinction produced under a Legislature set up in that manner. It would not be tolerated in this Parliament, which is an offshoot of the centre of the British way of life – the House of Commons, and the Mother of Parliaments."

In September 1965 a committee comprising the Chief Justice, Sir Albert Wolff , Mr R F Rushton and Mr Groom was appointed by the Government.

Once again, the subject of criticism of the parliamentarian was raised. The Committee stated-

"The greater detail in this report is in a measure due to the public antagonism shown whenever there is a suggestion that allowances of and other payments to parliamentarians are to be reviewed. Human nature is such that that one man tends to be critical of what the other receives in public office. Yet the most justifiable complaint in relation to increase in parliamentary allowances is perhaps best brought home by the well known legal maxim that "no man should be a judge in his own cause", and that parliament in legislating to fix the allowances of members is offending against that principle. But the fact that parliament has the power and is the only body to exercise it may well engender a reluctance to take effective steps to rectify injustices or anomalies. .....".

The Committee also made reference to the role of a member, and it is included here for reference purposes:

"...In Western Australia as in the other states, adult franchise has sent a wide variety of men from all walks of life into parliament and the members and the state have benefited from this mingling of personalities. Many members have little private means and if they are to be relieved of financial anxiety and to be able to mix with the general body of members they must be granted allowances sufficient to keep themselves and their wives and families in reasonable comfort. They must also receive a reasonable reimbursement of their constituency expenses. That involves putting a member on a basis that he shall not be forced into a position of shabby gentility when compared with his more fortunate parliamentary colleagues; on the other hand, there is no warrant for paying a member on any luxurious standard.

The office of a member of parliament cannot be compared with any other vocation. The ranks of parliament are open to the general body of adult citizens male and female. Generally a member who comes to parliament needs no special qualification. Those who do come have as a rule some special knowledge of district affairs and of some political and social questions, and some experience in debate, but however desirable a liberal education may be many men unfortunately do not possess it. Experience has shown that men who have been intellectually endowed, but lacked opportunities in early life, have by reading widely and industriously been able to use their native ability with impartiality and wisdom in the councils of state. Many of these men would have been lost to the service of parliament if no provision had been made for some kind of payment and a reimbursement of expenses.

A member must attend the sittings the House, get a working knowledge of the rules of debate and procedure, gain familiarity with the format and content of bills, be able to grip the minutiae of those

which may concern the interests he represents, and if he is more zealous take an intelligent part in debate on any legislation which comes before the house. He is called upon to initiate general questions on motions, undertake service on committees, understand and follow his party's rules and answer the call of the party Whip. But a member, outside and inside the house, has another role to fill and that is to answer the many calls on his time by constituents desiring to make demands on the executive, or to get some real or fancied grievance put to rights. He must take an interest in the local activities of his constituency. His utterances inside and out of parliament are closely considered by the local government authorities in his district – more particularly if he is a country member. He must be prepared to attend and speak at social and other functions and to contribute to their activities. But every member to a greater or less extent acts as general factotum for many of his electors, trying to help in their private affairs, the ramifications of which can be very vexing. All this private work is voluntary in the sense that no member is obliged to do it, but refusal or neglect may show speedy adverse results at the next election.

All members stress the fact that parliamentary service entails a risk of being left high and dry and amongst the unemployed and in some financial straits if after some years of parliamentary service a member is defeated at the polls. This unhappy event may come about through a multitude of causes, such as change of electoral boundaries; or voting the party line on a piece of legislation unpopular in his electorate; or making the wrong decision on some contentious issue. If a member has had a profession or craft it may be difficult and in many cases practically impossible to swing back into full action after having been away from it for some time, or carried on, as one must do, at a slower pace. To some extent in this State the matter has been dealt with by a parliamentary pensions scheme but the service of a member may not have been long enough to entitle him to anything more than a refund of his contributions with interest. ......".

The matter of the relativity or comparison with other occupations was considered by the Committee with the following result:

This brings to mind a policy which parliamentarians here and elsewhere have sought to lay down in connection with the formulation of their allowances. They have desired that their allowance rates should be fixed by reference to the salary of some office in the State Public Service, for example an Under Secretary of a major government department. The specific reason for this need not be examined at this moment. The general object however is important. If the point were conceded parliamentary allowances would follow the ebb and flow of the tide of Under Secretarial salaries. Such a principle has been rejected by other advisory committees ...... It was in vogue in Queensland in 1953 and the years following but it was abandoned in 1957.

The general answer to such a claim is that there is no comparison between an Under Secretary's duties and the singular duties of a member of parliament. An Under Secretary should have an intense knowledge of the statutes and regulations administered by the department as well as a knowledge the staff, the departmental policy and administration. He is responsible for the planning, development and supervision of the whole of its activities. He examines and makes proposals for improvements in policy and administration. He draws up the departmental estimates for the Treasury and generally advises the Minister of the Department on administrative matters. If the Under Secretary's advice is wrong it can spell trouble for the Minister. An Under Secretary may not undertake any employment outside his office without the consent of the Governor in Council but a member of parliament is not so restricted.

The House has had many representatives of the professions—lawyers, medical practitioners, engineers and accountants as well as business executives, farmers, pastoralists and others, who do not have to give up their vocations; and in contrast, salary and wages men who have had to relinquish their jobs on entering parliament. Some of those able to carry on their outside vocations may be able to carry them on as satisfactorily as before but in the majority of cases that is doubtful, and we would generally consider that the spreading of effort would result in a loss of income in the outside vocation....."

The Committee examined electorate allowances and superannuation in addition to salary. These will be referred to in their respective sections.

The main findings of the Committee were summarised as:

- *"(1) That the basic allowance paid to members has tended to lag in comparison with salaries and wages paid in industry generally since the second world war.*
- *(2)* That it is wrong in principle to tie the allowances paid for the office of a member to any office in the Public Service. There is no comparison.
- (3) That in determining the basic allowance for members a sum be fixed at a rate which will allow the member and his family to live in reasonable comfort and be able to move in his position without embarrassment.
- (4) That basic wage adjustments are unsuited to this class of remuneration and should be abolished. That the system of fixing members' allowances ever since the start in 1900 has been haphazard. In particular the basic wage adjustments probably reacted adversely to members.

That there should be a statutory system of review at least every three years when the whole allowance should be considered in the light of the then cost of living.

- (5) That ministerial salaries call for revision and should be increased.
- (6) That adjustments and increases be made in the scale of reimbursements.
- (7) That such increases and adjustments as we have recommended be dated back to the 1<sup>st</sup> July, 1965.
- (8) That a system of parliamentary superannuation is good in principle but the state legislation badly needs overhaul as the actuarial basis of the fund is unsound.

As the result of the Committee's report, the salary of a Member was increased to \$6,500 per annum 1967 saw the introduction of legislation into the parliament to create a tribunal to determine the remuneration of Ministers, office holders and Members of Parliament.

The first formally appointed tribunal, known as the Parliamentary Salaries Tribunal required certain qualifications of the persons to be appointed. One had to be a judge of the Supreme Court, one a person who is practising the profession of accountancy and who was a member of the Institute of Chartered Accountants. The judge was required to be the Chairman.

Determinations of the Tribunal had to be made at intervals of not more than three years.

The Act contained an increase in salaries and allowances prior to the first determination.

The Parliamentary Allowances Act 1911-1965 and the Members of Parliament, Reimbursement of Expenses Act 1953-1965 were repealed.

The first report of the Parliamentary Salaries Tribunal was issued on 6 September 1968. The Tribunal comprised the Honourable Sir Lawrence Jackson, Mr J M Groom and Mr R F Rushton.

In respect to the position of Members the Tribunal stated:

".... The position is one to which all should be able to aspire without fear of pecuniary loss or personal sacrifice ..... Parliament should not be a preserve of the rich man, but should be so endowed that even the poorest subject gaining the confidence of the electors should be able to serve therein": Report of the Tasmanian Tribunal, 1967, p.5. It is important that Parliamentary salaries should attract men of character and ability to offer themselves as candidates, while also providing sufficient income to off-set the insecurity which is inseparable from the tenure of many electorates. It is the responsibility of the community to elect able and energetic men to Parliament, and in our view their salary should be assessed on the basis that this goal has been attained. In other words, the salary should befit, not the admire the skill of a tradesman in all walks of life and are willing to pay for it; the same principle should be applied to members of Parliament. If we only pay a second-class salary, we may be sure we shall, in general, only get second-class men".

Determinations of the Parliamentary Salaries Tribunal were made in 1971, 1973 and 1974.

Once again, although previous reports had indicated comparisons with other positions were not relevant, the 1971 report provided a comprehensive listing of Ministerial portfolios and the salaries attaching and the salaries of the Chief Executives under the control of the Ministers. This was repeated in 1974 with the percentage increases listed.

Statements made in the determinations relevant to this review included-

1971

Excerpt from the "General Principles involved in the Fixing of Parliamentary Remuneration"

"What is there said as to ordinary members is true at least equally of Ministers and Officers of Parliament. To both ordinary members as well as Ministers and officers one may apply the observation of the Martin Committee in Victoria in 1959 that the basic salary must be determined as fair compensation for a normal working week. To this we would add the view that as between Ministers and Officers of Parliament on the one hand, and ordinary members on the other, it is legitimate to apply the principle that the former class carry varying additional responsibilities of a managerial character which in private industry would as a matter of course be regarded as carrying the right to substantial margins in the way of salary and allowances. Furthermore it is in general true to say that the community is entitled to expect in the way of service from its Members of Parliament that for which it is prepared to pay. It is quite true that the community in quite a number of instances gets in fact more than it deserves, in that many members give Parliamentary service from a sense of public duty and dedication to the public interest, notwithstanding that in other occupations they might obtain very much more substantial rewards. Nevertheless, the obligations imposed on ordinary citizens by the demands of home and family, and especially the burden of educating children, restrict the number of persons prepared to contemplate Parliamentary service and this restriction is bound to operate more extensively according to the salary of an ordinary Member of Parliament drops in the scale as compared with the rewards of those occupations from which the Parliament may expect its recruits. On the other hand there is a practical and commonsense limit to the amount which the community can reasonably expect to have to pay, and there are in addition other factors which limit the capacity or the willingness of individuals to enter Parliament, whatever the rewards offered."

The matter of relativity with a position in the Public Service was again examined.

In the section of the report headed "Basic Salary of Members" the following comment was made.

"14. In re-approaching the question of the appropriate basic salary for a member of Parliament in 1971, we have had to consider whether we should seek at least to re-equate him with those wage and salary earners who were in a comparable position in 1968, or whether we should seek to upgrade him in a greater or less degree as compared with those groups. The Deputy Premier, in a thoughtful and interesting submission to us based on some 28 years' experience of Parliament, urged (as did also one of the submissions from a member of the Public) that there should be a radical upgrading of the ordinary member in relation to the rest of the community, having regard to the position of community leadership which a member occupies, his association with other leading citizens and administrators, the importance of a proper appearance and lack of financial worry, and above all the desirability of attracting men of the highest quality. The argument was strongly presented to us that a salary should be fixed such that men in the higher income groups in the State, with technical, managerial or professional qualifications, would not have to face such a sacrifice and such disadvantage to their families as would be at present involved by entering Parliament. It was suggested that the position of an Under Secretary, who currently receives over \$15,000 annual salary.

might be taken as comparable with that of an ordinary member. We have given careful consideration to these views but on the whole we are not prepared to accept the reasoning that it is necessary or proper to advance the salary of an ordinary member to so high a figure. We think that it is preferable, when considering the question of inducement, to look at the position, not of an Under Secretary who has reached the highest ranks of the Public Service, but of a public servant, a business executive, a union official, or a wage earner, who is of an age around 30 or 40 years and who is the type of man who might well consider Parliamentary service. It is true that some members remain a long time as private members without attaining the higher rewards of Ministerial or Parliamentary office but a logical way to improve their position would be to provide a basic salary increasing with the years of Parliamentary service, as indeed one of our correspondents has advocated. This, however, is contrary to the present provisions of section 15 of the Act. We could see no objection in principle to such an incremental provision if section 15 were amended, and we note in passing that an increase of benefits proportionate to length of Parliamentary service is provided for in the Parliamentary Superannuation Act.

19. In our opinion it is not desirable to tie Parliamentary salaries to those of any Division of the Public Service or indeed to any defined sector of the community, but rather to preserve the Tribunal's freedom to look at the remuneration of any or all sections of the community when conducting its periodical reviews. It may indeed at some time become the duty of Parliament to take legislative action with regard to the control of the rate of increase in the salaries of the Public Service or any other sector of the community. We are in a sense advisors in this field of the public of Western Australia in its character of employer of the Parliamentarians who will have an important part in the next three years in carrying on the administration of this State and of its public undertakings. It is essential to keep the remuneration offered competitive in relations to the sections of the community from which members have come and may normally be expected to be drawn. The middle and more junior ranks of the Public Service, school teachers, union officials bank officials, farmers, and municipal officers are but some of the classes at which we have looked. We bear in mind also that in most of these occupations there is an element of permanence and security which a Parliamentarian does not have, and that there are also what may be called fringe benefits in the way of provision of residences and transport and the like, which are in some cases more valuable than anything available to a Member of Parliament. In some of the other States there are special sessional allowances, additional to the ordinary salary, payable on attendance at Parliament; and there are also special fees for attendance at standing committees and other bodies. We prefer that the basic salary should constitute remuneration for all Parliamentary duties apart from the special responsibilities attached to a Ministerial or Parliamentary office.

20. It is also important to ensure that an ordinary member can maintain his home and family without the risk of genuine financial embarrassment or possible susceptibility to outside pressure groups which have operated to the disadvantage of the public in some other countries. Australia has been singularly fortunate in the preservation of a purity of public life, and the maintenance of adequate Parliamentary remuneration is important in this respect."

1974 saw reference once again to the salaries of staff employed in the Parliament:

".....We pause, however, to remark that one argument put on behalf of the Parliamentary Labour Party did not commend itself to us. Mr. McGinty invited us to look at the salaries paid to officials engaged in and about the business of Parliament, and particularly the Clerk of the Assembly, the Assistant Clerk, the Chief and Deputy Chief of the Hansard staff, and the Hansard Reporters in general. This we considered legitimate for general purposes of comparison, but found ourselves unable to agree that any principle of comparative wage justice required us to assume that an ordinary member of Parliament would suffer from feelings of resentment if he found any one or more of these officials in receipt of a salary in excess of his own basic remuneration. In every case it must be a question of how the basic salary of a member of Parliament is to be related to those occupations which require special skills, whether professional or otherwise."

In order to facilitate the review of remuneration for a number of positions, a new Bill was introduced in 1975. The Premier, Sir Charles Court made the following comment in the Second Reading Speech:

This measure seeks to establish a tribunal with jurisdiction to inquire into and determine—and I emphasise, "and determine"—the salaries and certain allowances payable to Ministers of the Crown, the Parliamentary Secretary of the Cabinet, officers and members of Parliament, stipendiary magistrates, special division officers of the Public Service and certain holders of full time statutory offices.

The tribunal is also to inquire into and report to Parliament, through the Minister, on the salary and allowances which in the tribunal's view ought to be paid to judges of the Supreme and District Courts.

I will explain this point as I proceed, but I would emphasise that in one case it will be "determination" but in the latter case it is to be on the recommendations by the tribunal.

As a consequential measure the Bill also provides for the repeal of the Parliamentary Salaries and Allowances Act, 1967.

The means by which the salaries and allowances payable to the holders of such offices are presently reviewed and determined are:

Ministers and officers and members of parliament: determined by the Parliamentary Salaries Tribunal at three-yearly intervals under the provisions of the Parliamentary Salaries and Allowances Act.

Magistrates: Determined usually by agreement under the provisions of the Public Service Arbitration Act after negotiations between the Public Service Board and the Civil Service Association. If agreement is not reached the Public Service Arbitrator may hear a claim and issue an award. Special division officers of the Public Service: Determined by the Public Service Board. Officers have a right of appeal against the board's determinations under the provisions of the Public Service Appeal Board Act.

Statutory officers and other senior officers in Instrumentalities: Determined by the Governor after review by an informal statutory Salaries Review Committee that was set up in 1971.

Judges: Fixed from time to time by amendment of the Judges' Salaries and Pensions Act.

The ministerial, parliamentary, judicial and other positions which I have referred to, comprise the most important offices remunerated by the Crown and, in the Government's opinion it is unsatisfactory that there should be such a marked divergence in the methods by which the remuneration for these offices is fixed.

Not only are there major differences in the constitution and jurisdiction of the present salary-fixing authorities but, more importantly, there are substantial differences in the frequency of reviews and the operative dates of salary adjustments.

The establishment of a single tribunal to inquire into and determine. or report upon, appropriate salaries and certain allowances payable to each group, is proposed as the most effective means of achieving the degree of coordination desired. In this respect, it is to be noted that the Commonwealth Government has recently established a Remuneration Tribunal to review the salaries of members of the Federal Parliament, judges, first division officers in the Commonwealth Public Service and statutory office holders.

It is proposed that the tribunal shall make, at the one time, determinations in respect of the holders of these various offices and submit a report in respect of judges, at intervals of not more than one year, so as to avoid the time lags that have characterised the past."

The first Salaries and Allowances Tribunal comprised, Mr (later Sir Kenneth) K J Townsing, former Under Treasurer, Mr P R Adams and Mr F J Cross.

Determinations were required to be issued *"at intervals of not more than twelve months"*, and during the ensuing years, particularly due to the quarterly adjustments to the Basic wage, determinations were made every three months.

The first determination of the Salaries and Allowances Tribunal referred to the salaries of the members of other Australian parliaments.

16. While we have not neglected to examine the salaries paid to Members of Parliament in other States, we do not consider that relativity in remuneration with similar groups outside the State, is a relevant factor at this time."

In the October 1976 determination the Tribunal found it could not completely ignore the anomalies created by the widening gap between the basic salaries of Members in Western Australia and the other States.

The question of a formal link between the Federal Parliamentary the Western Australian basic salary was raised in July 1981. The Victorian Government established a legislative link in 1973 which still exists today. The salary of a Victorian Member of Parliament is \$500 less than a Federal Member. This link proved attractive to other jurisdictions in the late 1980's and further reference is made to this later.

The Tribunal made the following statement in respect of this link and made a suggestion re future salary movements:

"Both the Parliamentary Liberal Party and the Parliamentary Labor Party have suggested that the practice in Victoria of fixing the basic salary of a member in that State at the rate from time to time payable to members of the House of representatives less \$500, could be applied in Western Australia.

Although we believe there is merit in linking the W.A. basic salary to the Federal rate, the method used in Victoria is not favoured. In this respect it is to be noted from the following table that there has been a progressive narrowing of the percentage gap between the salary of a Federal member and the salary of a Victorian member since 1973:

Federal	Victorian	Victorian salary
Basic salary	Basic salary	as a % of the
Sp.a.	Sp.a.	Federal salary
14500 (1.4.73)	14000 (23.12.73)	96.55%
20000 (1.3.75)	19500 (30.3.75)	97.50%
21250 (1.6.76)	20750 (1.6.76)	97.64%
24369 (1.6.77)	23869 (1.6.77)	97.94%
25692 (1.7.78)	25192 (1.7.78)	<i>98.05%</i>
27575 (1.7.79)	27075 (1.7.79)	<i>98.18%</i>
28816 (1.7.80)	28316 (1.7.80)	<i>98.26%</i>
30026 (1.8.80)	29526 (1.8.80)	<i>98.33%</i>

We consider that a basic salary equal to 90% of the basic salary of a Federal member as at 1 August 1980 increased in line with the national wage case decisions handed down on 9 January 1981 and 8 May 1981, would be appropriate for a member of the W.A. Parliament on and from 1 October 1981. The resultant basic salary for a W.A. Member of \$29032 is \$1055 p.a. higher than the current salary of \$27977 and represents an increase of 3.77%"

Due to the timing of increases, the 90 per cent linkage was not achieved on a consistent basis. The Tribunal again referred to the proposal in October 1982. The economic circumstances applying at the time again prevented the link from being achieved.

The introduction of the Salaries and Wages Freeze Act in 1982, followed by the Temporary Reduction of Remuneration (Senior Public Officers) Act prevented the establishment of the link to the Federal salary until 1 January 1984.

In October 1984, the Tribunal moved above the 90 per cent linkage due to the findings of the Federal Remuneration Tribunal. The relevant passages from the determination are:

- "2. The Commonwealth Remuneration Tribunal in its 1984 Review of remuneration of Members of the Federal Parliament, Judiciary, Commonwealth Permanent Heads and the Public Office Holders concluded:
  - (a) that, in order to establish the appropriate base, a general increase in remuneration should be given;
  - (b) that increase should be in the order of at least 11.7 per cent; and
  - (c) that such increases should be brought into effect in two stages.
- 3. The Remuneration Tribunal determined however, that there should be no increase to the relevant salaries of Ministers, Senators and Members, due to requests from representatives of the various Parties and by individual senators and Members. As a rider to this Determination the Remuneration Tribunal stated "It will be appropriate to consider the restoration of the proper level of remuneration when circumstances permit".
- 4. We do not wish to depart from our previously declared policy of maintaining the basic salary of a W.A. Member of Parliament at 90 per cent of the basic salary of a Federal Member, but in view of the developments in the Federal sphere referred to in Paragraph 3, we have determined that on this occasion it is appropriate that our Determination should involve a departure from our previously declared policy. However we should make it clear that in future Determinations the percentage relativity will probably be restored when circumstances permit."

The 90 per cent link was again referred to in 1985, however, the lack of movement in the Federal salary meant the link was not established.

In 1986, the relativity was again seen as being appropriate but, "*This Tribunal again considers, as it has done in every Determination since 1981 that the 90 per cent relativity with a Federal Member basic salary is appropriate. However, the decision of the Federal Government is frustrating to our attempt to restore the relativity.*"

In 1988 the Remuneration Tribunal in Canberra engaged private remuneration consultants to examine the work value of members of the Federal Parliament. Using the experiences gained from the Federal review, the Western Australian Tribunal arranged a review of Members in this State, with three key areas of concern to be addressed:

- That the levels of reward are fair and equitable within the Western Australian Parliament
- That the levels of reward are fair and equitable in the context of valid comparators in the wider Australian community.
- That external pay linkages/relativities are soundly based.

The full findings of the consultants was published in the 1989 determination, and this has been reproduced in the "History of the Remuneration of Western Australian Parliamentarians" compiled for this review.

Of interest at this time is the reference made to "Remuneration Management". The consultants stated:

"Generally, there are four key determinants of the remuneration paid to an individual:

the work value of the position;

the market rate of pay for a position of similar work value:

the performance of the individual; and

the employing organisation's capacity to pay, its strategic circumstances, and its dependence on its human resources.

In the case of Members of Parliament, it would, in our view, be inappropriate to have any element of reward linked to the performance or productivity of a Member. We note, however, that in the wider community, commitment to working excessive hours is often rewarded through the payment of bonuses or overtime.

In considering the other key determinants, there are three important issues to be addressed by the Tribunal:

- (i) the importance of the nexus framework.
- (ii) the applicability of "general community" pay standards on a work value-based comparison.
- (iii) the establishment of remuneration policy relating to matters such as:

the significance of appointments to these positions;

the extent to which pay is a factor in attracting appointees; and

the relevance and import of community and government concerns regarding the extent of remuneration movement.

## **Applicable Pay Standards**

With the measure of work value established the Tribunal is in a position to draw valid remuneration comparisons against relevant marketplaces.

Establishing relevant marketplaces and deriving applicable pay standards is not an easy task because of the character of the Parliamentarians role and the absence of an identifiable supply and demand market.

In our view judgements here will rest on "felt fair' comparisons of equity rather than, for example, hard data assessment of the ease of attracting and retaining Parliamentarians.

In this regard we take the view that reference to general community pay standards for jobs of similar work value is a valid and desirable process. It is our view that Parliamentarians should be rewarded for the complexities and demands of their work, and that the level of reward applied should be equitable against general community standards.

We believe that it should be acknowledged that the level of reward applying to Parliamentarians and Office Holders should be sufficient to attract and retain talented Members. The level of reward should also be sufficient to ensure that effective and competent Parliamentarians and Office Holders do not choose to quit Parliament because levels of remuneration provided are significantly below general community standards for jobs of similar work value.

An alternative approach for the Tribunal would be to use the work value measurements to provide a nexus with current State Public Service salary levels. We note, however, that in our view current Public Service salary levels for senior executives are not equitable when measured against community standards."

As a result of the review the salary of a Western Australian parliamentarian was increased over a period of 12 months by 22 per cent. The increases did not place the Members at the median level of persons employed in the private sector with similar levels of responsibility. As with most other public sector salaries, a discounted rate was applied recognising "public office".

The role of members and the salary paid was again mentioned in the June 1993 determination, at a time when the results of a Royal Commission into the Commercial Activities of Government had been released. The Tribunal made the following comments:

"In its determination of 28 June, 1990 the Tribunal traversed in detail the duties and responsibilities of a member of parliament and quoted extensively from the findings of a consultancy firm engaged to undertake a work value review of all positions. Increases were phased in over a twelve month period but these were substantially less than those recommended by the consultants, the Tribunal following the lead of the Federal Government in its exercise of wage restraint with respect to Federal M.P's.

Since then Federal Parliamentarians have received a 2 percent rise from 17 December, 1992, an additional 1.4 percent from 11 March 1993 and will receive a further 1.5 percent from 10 March 1994. Like adjustments have been effected in New South Wales, Queensland, South Australia and the Northern Territory but have been deferred until 1 January 1994 in Victoria.

The Tribunal received submissions on behalf of Parliamentary Members of the Liberal, National and Labor Parties seeking substantial increases in salary. Individual members, including two independents, also drew attention to what they regarded as inadequate salaries for the duties they performed. We were invited to directly compare the duties and responsibilities of Members of Parliament with a variety of persons in the public and private sectors and to upgrade their status as a result

The difficulty of comparing unlike positions has been discussed ad nauseam in industrial circles and, whilst broad conclusions can be drawn, we are inclined to the view expressed by Sir Albert Wolff and others in 1965 that "the office of a Member of Parliament cannot be compared with any other vocation".

Submissions from members of the public differed from those of Members of Parliament. None supported salary increases and two were strongly in favour of substantial reductions. Scandalous, incompetence, double-dealing and blatant deceit were just some of the words used to express feelings about our elected representatives.

Be all that as it may, we have no doubt that the salary of a Member of Parliament is unattractive to many persons in the community whose personal and other qualifications would enhance the standing of Parliament if they were elected. This is particularly so in the case of the family man or woman who has already established a career for him/herself in the public or private sectors and who is saddled with a home mortgage and other commitments. The importance of the Parliament can be seen from the comments of the Commissioners in the Royal Commission Into Commercial Activities of Government and other matters when they said, inter alia—

"Above all else, if there is to be government for the people, there must be public trust and confidence in the processes and practices of Parliament and in the role it performs in advancing and safeguarding the interests of the public. If the Parliament is to be the public's guardian against government abuses, it must be so constituted that the public will place its trust in it"

It would seem to us that the best laid plans will be to no avail unless persons of the highest integrity and ability constitute the Parliament

Work value exercises conducted by consultants for this and other tribunals have assessed the salary worth of the politician much higher than tribunals have been prepared to award. With the community generally being subjected to wage restraint this is understandable. However, in the work value considerations of a Member of Parliament no account has been taken of personal dislocation to family and working life although consultants have pointed out that the dislocation is at a level uncommon in the wider community.

The concept of a payment of a dislocation allowance was accepted in principle by the Commonwealth Remuneration Tribunal in 1990. However, the Federal Government's insistence on wage restraint and its rejection and/or modifications of Commonwealth Remuneration Tribunal determinations in that year caused a delay in further consideration of the concept We note that in its submission to the Commonwealth Remuneration Tribunal last year the Federal Government stated that it would be an appropriate time for the Remuneration Tribunal to determine the dislocation allowance when performance pay becomes available for the Senior Executive Service of the Public Service. This has now occurred.

This Tribunal also accepts in principle the concept that dislocation should be a consideration in the assessment of the overall remuneration of a Member of Parliament. This may assist in alleviating the problems discussed earlier. However, consistent with its approach to wage restraint it will await a determination of the Federal Tribunal before giving further consideration to the introduction of this innovation."

In 1995, the Tribunal highlighted the fact that, apart from the ACT Parliament, Western Australian parliamentarians were the only ones whose salary was determined independently. All other parliaments were linked in one way or another to a level within the Senior Executive Service of the Australian Public Service. The Tribunal stated:

"The Federal Remuneration and Allowances Act 1990, as amended, fixes the basic salary of a Federal member of the House of Representatives (MHR) at the minimum salary of a Senior Executive, Band 2 in the Australian Public Service so there is an automatic variation in the salary of an MHR whenever there is a salary change at that level in the Australian Public Service. This is not subject to review by any external body.

With the exception of Western Australia, the basic salary of a Member of Parliament in all Australian States is tied by legislation to the salary of an MHR. Thus salary increases occur automatically and noiselessly.

The advantages of such a system for governments and politicians generally are obvious, given the usual public reaction to increases in parliamentary salaries but whether this convenience is fair during a period of wage restraint, with its consequential demands on Crown employees to increase productivity and/or trade conditions for salary increases, is questionable.

If the sentiments expressed by the 65 members of the public who responded to the Tribunal's invitation to make written submissions and those of the principal public sector union are indicative of public opinion then there is a strong community feeling that the same industrial principles should apply to all persons whose remuneration comes from the public purse. Although the sample is inadequate for firm conclusions to be drawn our own inquiry tends to support that view.

The notion of equality in treatment appears simple in theory but its implementation is extremely difficult. Although not required to do so by the Salaries and Allowances Act, this Tribunal has always paid regard to the spirit and intent of the Wage Fixing Principles when making its determinations.

However, the role of a parliamentarian is unique and it is not possible to apply the Wage Principles in a strict literal sense. Members of Parliament are not employees. They are not covered by awards or agreements which specify such matters as wages, standard hours, annual leave, sick leave, overtime, shift work and a miscellany of other allowances and conditions. They are elected to their positions, not appointed and continuity of employment is in the hands of electors. There is no right of appeal. Neither they nor the Tribunal have any bargaining powers. The Wage Principles were not framed with this type of occupation in mind.

Be that as it may, it is consistent with the industrial principle of "a fair go all round" for the Tribunal to recognise the problems which confront workers in the public sector when they seek pay rises and to weigh those difficulties in the balances when endeavouring to assess what is fair and reasonable remuneration for politicians in the present industrial climate.

The Federal MHR has received substantial salary improvement because a position in the Australian Public Service of comparable salary has received increases as a result of enterprise bargaining. In reality the Commonwealth Government has indirectly negotiated increases for MHR'S and members of Parliament in all Australian States, except Western Australia, without the trade offs or increases in productivity which must be presumed to have occurred in the Australian Public Service.

If the salary of a member of parliament in Western Australia had been tied to a comparable State Public Service rate it is unlikely that his/her salary would have increased more than \$16 per week since November 1991 for at the present time that is all that most public servants have received.

For all that, salaries cannot be set in a vacuum and because parliamentarians are regarded as sui generis, tribunals and/or committees of enquiry throughout Australia have not hesitated to call in aid rates paid to politicians in other States and in the Federal Parliament when considering the salary question.

We are quite satisfied that the difference in work value of members in all Australian Parliaments is marginal and that, all things being equal, the basic salaries of members should be similar. So there is a real problem because failure to increase parliamentary salaries in this State will leave WA members of Parliament well behind their counterparts elsewhere in the Nation, yet we have some doubt that all things are equal.

The Tribunal has two main concerns. First, with few exceptions, the type of increases in the Australian Public Service which supposedly justified similar increases in the salary of an MHR have not occurred in this State. However, the Western Australian Public Sector (Civil Service Association) Enterprise Bargaining Framework Agreement 1995 dated 14 August 1995 provides for negotiations in public sector agencies with minimum assured increases. The first increase of 4 per cent will operate from I January 1996 if an agreement is reached and lodged in the Western Australian Industrial Relations Commission by 31 March 1996. A second increase of 2 per cent will operate from 1 July 1996 or six months after the operative date of the first increase, whichever is the later. A third increase of one per cent will take effect from 1 January 1997 or 12 months after the first increase, whichever is the later. So the situation should change in the near future.

Secondly, when other State Parliaments first chose to tie members' salaries to the basic rate for an MHR that rate was fixed by an independent tribunal. Now it is not. In June 1994 the Commonwealth Remuneration Tribunal stated that, in the then circumstances, it believed the general linkage with

the Australian Public Service should be maintained and if it were setting salary levels it would do so at the base of SES Band 2 However, to our knowledge, it has tendered no further advice as to whether the relationship is still reasonable.

In all the circumstances the Tribunal will defer increases in parliamentary salaries until it has examined the extent of salary increases in other areas of public employment between now and March 1996. During this time the Tribunal will inquire further into the integrity of the Federal relationship, which at this stage we are not prepared to embrace."

1996 saw the Tribunal still troubled by the public sector salary movements in Western Australia. The determination contained the following paragraphs:

In November 1995, and to a lesser extent since, the predominant public response to the Tribunal's review has been a demand that politicians should be treated no differently from teachers, nurses, police and public servants in the fixation of salaries. The Tribunal has been urged to disregard salaries paid elsewhere because comparative wage justice is no longer a ground for wage increases, and to consider increases if and only if increases in productivity can be shown and the savings quantified and/or conditions of employment are "traded" for money.

Circumstances have changed considerably since last year. The industrial disputes concerning teachers, nurses and police have now been settled and the administrative arm of government appears to be the remaining area where disputation still exists. Apart from two \$8 "safety net" increases this group has not had a salary increase since November 1991 and to gain increases through workplace or enterprise bargaining agreements the Government has required proof of increased productivity and/ or the trading of industrial conditions or employment.

A study of agreements which have been negotiated in approximately half of the Public Service reveals no clear pattern for salary increases. They differ from agency to agency and vary considerably. The results appear to depend almost entirely on the ability of the agency to fund most of the increases from within its budget and pay no regard to work value or, safety net increases aside, to the long period that has elapsed since the last review. This group, with notable exceptions, appears to have been treated differently from teachers, nurses, police and Australian Public Servants, all of whom received substantial increases without major trade-offs.

If the administrative arm of government were the yardstick for politicians' salaries in this State, as is the position with Federal politicians, then the case for a salary increase for WA politicians would not be strong.

However, it is not the function of this Tribunal to concern itself with the merits of salary fixation in the public sector. The parties have recourse to arbitration if they cannot settle their differences amicably. We mention these facts because we consider that those members of the public who made submissions on the matter of "evenhandedness" should be aware that the Tribunal is fully cognisant of the industrial scenes here and elsewhere and that their submissions have been given weight in its overall consideration of politicians' salaries and benefits both during and post service.

The Tribunal recognised the problems associated with delays in the passing of salary increases when, in the same determination it stated:

"History shows that any increase in parliamentary salaries attracts adverse public comment and whenever parliaments have prevented or delayed recommended increases for short term political reasons the task of remedying obvious anomalies later is made extremely difficult because the size of the necessary increase acts as a magnet for public outcry.

Notwithstanding the submissions which we have discussed above the Tribunal has decided that it would be unjust for the basic salary of a Western Australian Member of Parliament to lag behind that paid to counterparts in all other Australian States any longer and we propose that the salary be increased by 7.5% from 1 June 1996 and by a further 2% from 1 November 1996.

However, we make it very clear that this decision is not based solely on a comparison of rates paid to politicians elsewhere. The proposed salary has been tested and found to be below that which private consultants consider would be its work value in the private sector of employment."

The 1998 determination of the Tribunal saw the Western Australian parliamentary basic salary move above the salaries paid in any other Parliament in Australia. The primary cause of this was due to the legislative link tying the Federal members and those in other Parliaments, except the Australian Capital Territory Parliament, to the salary of a Band 2 public servant in the Australian Public Service. The Tribunal, conscious of previous references to the salaries applying in other jurisdictions made the following comment:

"No movement has occurred in the salary of a Member of the Western Australian Parliament since November 1996 when an increase of two per cent was granted. In the 1997 Review undertaken by the Tribunal, Members of Parliament were the only group within our jurisdiction not to be granted an increase.

In undertaking this review, the Tribunal has had regard to the level of remuneration previously determined, and increases generally received by others in the work force. Information has been obtained from private remuneration consultants as to the trend in the workforce for positions of similar work value. The indicative Market Remuneration Levels for positions in the private sector has risen almost four per cent since July 1997, when last examined.

The "Economic Submission to the State Wage Case Hearing" prepared by the Department of the Treasury refers to wages in Western Australia by indicating:

Wage pressures are expected to increase in 1998-99 reflecting the sustained strength in labour market conditions. Average Weekly total earnings (AWE) are forecast to grow by 3.25%, slightly stronger than the estimated growth of 2.75% in 1997."

Included in that submission were figures presented by the Department of Productivity and Labour Relations showing that within Western Australian Industrial Agreements the Average Annual Percentage Increase for 1997 was 4.9%. In addition, Section 41 Industrial Agreements registered in the period 1 July 1997 to 31March 1998 for the Western Australian Public Sector provided an Average Annual Wage Increase per agreement of 4.16%. A further break down of these figures shows that the Average Annual Wage Increase per employee amounted to 3~15%.

Determinations issued over the past few years have dealt with numerous issues confronting the Tribunal in arriving at appropriate levels of remuneration particularly for Members of Parliament. Award movements providing a general increase are a thing of the past. Workplace and Enterprise Bargaining Agreements are now the norm. Submissions received this year once again included reference to the need for Parliamentarians to abide by the same salary and wage rules that they impose upon others. In this respect it is appropriate to restate previous comment of this Tribunal:

".... the role of a parliamentarian is unique and it is not possible to apply the Wage Principles in a strict literal sense. Members of Parliament are not employees. They are not covered by awards or agreements which specify such matters as wages, standard hours, annual leave, sick leave, overtime, shift work and a miscellany of other allowances and conditions. They are elected to their positions, not appointed and continuity of employment is in the hands of the electors. There is no right of appeal. Neither they nor the Tribunal have any bargaining powers."

*In 1996 when this Tribunal determined that the basic salary of a Member should be increased to \$81,042 per annum with effect from 1 November 1996, the salary of parliamentarians elsewhere was:* 

FEDERAL	NSW	VIC	QLD	SA
\$81,856	\$81,356	\$81,356	\$81,356	\$79,856

The salaries in most other jurisdictions are tied by legislation to that applying in the

Federal Parliament. From the table it can be seen that New South Wales, Victoria and Queensland remunerate at \$500 per annum less than the Federal MP's, whilst South

#### Australian Members receive \$2,000 less.

The salary provided to Members of the Federal Parliament is also tied by legislation. The Remuneration and Allowances Act 1990 provides that "The Members of Parliament annual salary is equal to the minimum SES Band 2 annual salary". This effectively means that Federal MP's receive the same as that payable to the holders of offices in the Senior Executive Service of the Australian Public Service having a classification of Band 2 minimum.

This has provided some benefit to Members in other places as increases in Public Sector Awards do not generate much, if any, publicity. Movements in remuneration have occurred with little or none of the attendant publicity, which tends to attach itself to increases in parliamentary remuneration.

With the change in the industrial arena whereby the Federal Government is moving to Workplace Agreements for employees, there has been no movement in the Australian Public Service Award since 1996. Until a new mechanism is provided parliamentary remuneration in other places will not move.

This has placed the Tribunal in the position of considering whether a case exists for movement in the basic salary of Western Australian Members of Parliament that will effectively place them above their counterparts elsewhere.

The Act does not require the Tribunal to have regard for the salary of Members of Parliament elsewhere. Naturally, over the years, the salary of a Federal Member has been seen as the ceiling. This premise still holds true, provided that the level of remuneration is assessed on a fair and equitable basis.

This Tribunal has recognised that a link, particularly to a level within the public service, may at times be convenient but is not necessarily appropriate. The salary level applying to a grade within the public sector may be comparable at one given point in time, however, the reasons for change after the time of fixation may vary considerably. This is more evident now that increases are being granted in the general workplace based on productivity and a trade off in conditions.

In conducting this year's review, the Tribunal has given serious consideration to this particular issue and can see no merit in restraining Western Australian Members simply due to salary fixation in the Federal sphere."

The Tribunal determined a two per cent increase taking the salary just over \$800 above the salary of the Federal parliamentarian.

Given the details of the salary movements as mentioned here, it can be seen that Western Australian parliamentary salaries have been set and/or compared with the following in the last 100 years:

- Parliamentary salaries elsewhere in Australia
- Public Service positions including Under Secretaries
- · Non Parliamentary positions within the parliament
- Movements in the State Basic Wage
- Private sector remuneration levels
- Work value worth

Tribunals, Committees and Parliaments have increased salaries over the years based on at least one of the above comparators. Arguments have been presented to support each case at the time. Whereas one review may have supported a percentage link with the Federal Parliament another has moved away from this concept. Movements occurring in the general workforce through compliance with Industrial rules or guidelines have been passed to Parliamentarians without compliance.

Before progressing further, it is relevant to give consideration to the practice that has become popular and widely accepted in the other jurisdictions, namely the link to another salary or position. Reference has been made to this factor from time to time since the late 1980's although the practice had its genesis in the early 1970's

Victoria forged a link in 1975 by legislating for the basic salary of a Victorian Member to be at the rate applying from time to time payable to members of the House of Representatives less \$500. According to information contained in the July 1981 determination of this Tribunal, the \$500 represented 97.5 per cent of the Federal salary. Subsequent movements over the years have increased this to over 99 per cent.

In the late 1980's other jurisdictions followed the Victorian example:

New South Wales—The Parliamentary Remuneration Act 1989, No. 160, Assented to on 12 December 1989 provided that:

"The basic salary is, for the purposes of this Act, the amount of the actual allowance by way of salary payable under the law of the Commonwealth to a Member of the House of Representatives who is not entitled to any additional salary, less \$500."

Queensland—The Parliamentary Members' Salaries Act No. 32 of 1988 provided the same link as NSW.

South Australia—The Parliamentary Remuneration Act 1990, No. 14 of 1990, Assented to on 12 April 1990 provided:

"basic salary" means annual salary at a rate equal to \$1,000 less than the rate from time to time of Commonwealth basic salary." This was amended in April 1995 to \$2,000 less than the Commonwealth basic salary.

Northern Territory—The Remuneration Tribunal Act provides:

"Notwithstanding this or any other Act, a member of the Legislative Assembly shall be paid a basic salary at an annual rate equal to the annual allowance by way of salary from time to time payable under the law of the Commonwealth to a Member of the House of Representatives who is not entitled to any additional salary, less \$3,000."

Tasmania—The Parliamentary Salaries and Allowances Act 1973, as amended by the Parliamentary Salaries and Allowances Amendment Act 1996 places the responsibility for determining the salary of a Tasmanian Member with the Full Bench of the Industrial Commission.

The "Report of the Full Bench of the Tasmanian Industrial Commission Established to Determine the Basic Salary and Additional Salaries Payable to Members of the Tasmanian Parliament" dated 14 May 1997 determined a basic salary for Members at 85.19 per cent of the Commonwealth basic salary.

Australian Capital Territory—the Remuneration Tribunal Act No. 55 of 1995 provides the Tribunal with the autonomy to determine the salary of Members of the Australian Capital Territory Parliament without a link to any other Parliament.

Commonwealth—the Remuneration and Allowances Act No. 71 of 1990 provided, in Schedule 3, Clauses 7 and 8, that

- (7) From 1 July 1991, the Members of Parliament annual salary is equal to the SES and 1 annual salary.
- (8) In this clause;

"SES Band 1 annual salary" means the maximum annual rate of salary (not including amounts in the nature of performance pay) payable to the holders of offices in the Senior Executive Service of the Australian Public Service having a classification of Band 1."

As a result of the Industrial Relations Legislation amendment Act (No. 2) Act 1994, subclauses (2) to (8) of Schedule 3 were deleted and new subclauses (2) and (3) were substituted. The Act now states,

"(2) The members of Parliament annual salary is equal to the minimum SES Band 2 annual salary.(3) In this clause:

Minimum SES Band 2 annual salary means the minimum annual rate of salary payable to the holders of offices in the Senior Executive Service of the Australian Public Service having a classification of Band 2."

The decision by the States was made, in the main, when the salary of the Federal parliamentarian was determined by an independent tribunal and not linked to the Australian Public Service.

The move by the Federal Government to legislate to provide a link came at a time when large increases were proposed by the Remuneration Tribunal for MP's and judges. The Remuneration Tribunal strongly opposed the link, without success. The Tribunal stated, in the May 1990 determination:

"100. Government's submission suggests that a proper procedure is to link Members' salary to Band 1 of the Senior Executive Service (SES). If this be desired, the Tribunal does not reject it in principle. But, to make clear what is being done and why, two things be said—

provision for future increases in Member's salary cannot be achieved, and achieved with propriety, by a "simple" linkage to SES levels: to do that would be to attract criticism—and legitimate criticism—every time the salary was adjusted; and

the law and proper practice require that a linkage to an SES level have the proper qualifications. 101. A "simple" linkage is not appropriate. A "simple" linkage would be of the form:

"The salary of a Member shall be the same as the salary of an officer at the maximum of the SES Band 1 and...shall be increased by the same increase as that given to an office at the maximum of SES Band 1". That form of linkage would not be appropriate, for several reasons:

it would be wrong in principle;

it would attract, and properly attract, the kind of public controversy which a linkage procedure seeks to avoid:

it would be unfair to Members:

it would be unfair to the SES officers concerned;

it would not work in practice.

102. A simple linkage is wrong in principle. The salary of Members, like the salary of other employees whose wages are fixed by tribunals, should be fixed according to the proper assessment of what Members have to do. To fix a Member's salary, or to award an increase of it, because the work assessment of someone else has warranted an increase in salary for that person, would be wrong. And so would a rise in Members' salary.

103. At present, any rise for an SES officer would ordinarily be justified for one of two reasons:

#### because of National Wage increases; and

because a change in the duties of the office and the assessment of its work value make it appropriate. It is the latter kind of rise which is in question: National Wage increases are readily passed on.

But to pass increases of the latter kind in SES salaries on to Members would be wrong in principle. 104. A "simple" linkage would attract criticism: criticism of a rise given for the wrong reason would properly be raised. And (for the reasons to which reference is to be made), this criticism would not be met by referring to the relationship, in the past, between the salary of Members and of SES officers at this level.

105. A "simple" linkage would be unfair to Members: it would result in their receiving less—

and perhaps increasingly less, than they should receive There are two reasons for this:

First, on the present work assessment of Members and the SES at Band 1, Members should receive more than such officers. In 1975, the Tribunal assessed the work <u>then</u> carried out by Members. The assessment placed their salary at a level which happened to be between Level 1 and Level 2 on the Second Division of the APS (now the SES). But the nature of the work of Members, and their workload, has increased since 1975.

And it is likely to increase. This became evident in the 1987-1988 work assessment of Members: they were put significantly above Level 1/Level 2 in the APS. Members were then assessed at \$67,000. Level 1 and Level 2 officers were then \$52,720 and \$57,775. Members' salary and the increase of them should not be reduced because of the position of SES officers.

106. A "simple" linkage would be unfair to the SES officers. Experience has shown that when the salaries of Members of a legislative body are linked to those of civil servants the result is apt to be not to lift the Members' salary but to keep down the civil servants'. The Government, in its negotiations with the relevant officers and their unions would, in the case of a "simple" linkage, necessarily have in contemplation an increase for those officers which would result in an increase in parliamentary salary and would, of course, be seen publicly to do so. Similar results have been produced by linkage in, amongst other places, the United States of America. The Tribunal, in its consideration of the position of Members, previously discussed this question with officers of the relevant body in the United States. Their conclusion was that in that country "simple" linkage failed. Changes since made in the USA arrangements have confirmed this. The Tribunal would not think it proper or fair to establish "simple" linkage without, at least, affording the opportunity to such officers to consider the position.

107. A "simple" linkage would not work in practice. There are a number of difficulties. First, the law requires or contemplates that there should be in each increase of the relevant kind, a consideration of the matter by the Tribunal. Second, that form of linkage misunderstands the method of fixing salaries within the SES. The structural efficiency arrangements now contemplate that each SES officer may receive, not simply a sum at the top or the bottom of Band 1, but a sum which may be within the Band, depending upon the Secretary's assessment—and the amount of a salary may vary over time. A 'simple" linkage to one office would not be appropriate. A linkage at the top of the band would not be appropriate: salary at the top of the band would relate neither to the Member's work assessment nor to the position of any particular office. Third, that form of linkage does not take account of the fact, referred to in Government submissions, that it is envisaged that, after July 1990, the remuneration of SES officers in Band 1 will or may be increased by incentive or performance payments by reference to their individual efficiency."

Despite these strong protestations, the link became law, and to this date, the salaries of the other parliamentarians in Australia (except WA and the ACT) are tied to a public service position.

It is perhaps relevant to consider the statements of the Committee formed in Victoria, prior to the 1975 legislative change that resulted in the first link to the Federal salary. This Committee comprised Sir George Paton, Sir Henry Bland and Professor Donald Cochrane. The Committee said:

"Much has been written on the duties and responsibilities of Members and the bearing of this on the determination of their emoluments. We see no need to add to this save to observe that there is universal agreement on two points. First, that for the determination of emoluments, the parliamentarian must be regarded as sui generis and second, that the proper discharge of the duties and responsibilities of parliamentarians is extremely demanding in time and effort... Relativity with like or similar occupations is the stuff of normal wage fixation. Because of the sui generis characteristics of parliamentarians, if there are any relativities, they are to be found with members of other Parliaments..."

The link to a position in the Australian Public Service has reinforced the view of this Tribunal that the only fair way of determining the remuneration for Western Australian parliamentarians must be by a combination of work value worth and the general principles applying in the local field. Parliamentary salaries elsewhere in Australia will play a minor role at this time.

It is of interest to note the Federal and Western Australian parliamentarians are, to the knowledge of this Tribunal, the only ones in Australia to have been subjected to a work value review in the same manner as applying to the majority of the workforce. Inquiries elsewhere has shown that reviews have been undertaken in some other democratically elected Parliaments.

#### England

In 1996, the Review Body on Top Salaries conducted a review of Parliamentary pay and allowances on behalf of the Prime Minister.

The Committee used remuneration consultants to carry out a "detailed comparability exercise which reviewed the MP's job description and matched it to the consultants remuneration database." The resultant recommendation called for a significant increase in salary.

Parity with the Civil Service salary has been a feature of the parliamentary salary. In 1987, it was agreed MP's should be paid at a rate of 89 per cent of the maximum point on the salary scale of civil servants on Grade 6 (excluding performance-related pay). Although this link has been ended by changes in the Civil Service pay system, pay increases for MP's have generally been in line with this level.

#### New Zealand

In the determination issued by the Higher Salaries Commission in November 1998, the Commission members indicated they had commissioned independent management consultants to re-evaluate the roles of parliamentarians in the Mixed Member Proportional (MMP) environment and to rate them against comparable positions in the public and private sectors.

Consultants engaged by the Higher Salaries Commission found the salary of an ordinary Member of Parliament was 77% of the salary payable in the public sector and 63% of that payable in the private sector for positions requiring similar skills and experience.

#### Canada

Remuneration Consultants have been used to value the total compensation package of Members in the Canadian Parliament. Methodology included comparisons with the public and private sectors, Provincial comparisons as well as an international survey.

1999 REVIEW OF THE TRIBUNAL

As indicated at the commencement of this report, the Tribunal advertised for submissions and contacted the Leaders of the Parties and the Independents seeking the names of those Members who would be prepared to assist the Tribunal in its inquiries. As the result thirty-three Members have been interviewed.

The Tribunal adopted a practice, where possible, to meet with Members in their electorate offices. This involved numerous meetings in various parts of the metropolitan area and country areas. The purpose of meeting in the electorate office was two-fold. First it placed the Member in more congenial surroundings than meetings in Parliament House, where cramped conditions and House proceedings may have disrupted our process. Second, it enabled the Tribunal to see and experience first hand some of the conditions under which Members operate.

The Tribunal visited a number of regional towns both by air and by motor vehicle. Towns visited during the review included Newman, Port Hedland, Esperance, Albany, Northam, Narrogin, Margaret River, Bunbury, Busselton and Balingup.

In conducting the review, a standard format was adopted for all Members interviewed. Emphasis was placed upon the role of the Member from the point of view of each Member. Given the different roles and responsibilities of Members in the Parliament, the electorate, community obligations and party matters, the Tribunal gauged the level of responsibility in each area and the priority given to each by the Member.

The duties of Members fall into three broad categories:

- The Parliament:
- The Electorate; and
- The Party

Some Members placed a different order of importance to the categories listed above. Generally, however, the primary responsibility of a Member was given as the role within the Parliament.

## THE PARLIAMENT

The nature of this role differed according to the status of the Member within the Parliament, and within his or her Party if a member of a Party. Whilst Ministers had the carriage of legislation within the Parliament, the role of individual Members in the Parliament but outside of the respective Houses was greater than initially envisaged.

The Party room committees to which Ministers were required to present proposed legislation for the consideration of the backbench Members prior to introduction in the Parliament gave the Government Members greater input than realised. In a similar fashion, the scrutiny of proposed legislation in the Opposition ranks prior to the debate in the House placed a high degree of responsibility on the Members holding "shadow" responsibilities.

The complex nature of matters brought before the Parliament places Members in the invidious position of voting for matters having regard for the Party policy or the wishes of the majority of the electorate they represent, and, on occasions, against a view the Member may personally hold. Recent experience has shown "conscience" votes do not simplify the process, particularly when contentious legislation is proposed.

Most Members are involved in other formal committee work within the Parliament, whether it be as a member of a Standing or Select Committee. These Committees can be very time consuming and require Members to undertake much work when the Parliament is not sitting. It can also keep Members away from their electorate offices. Committee membership does not provide any additional financial reward above the basic salary. Members of minor parties and Independents bear a heavy legislative review burden.

#### THE ELECTORATE

There was unity of opinion amongst the thirty-three Members interviewed in this area – the electorate work was increasing markedly in volume each year.

This role can be divided into a number of categories. Three main aspects seemed common with the majority of Members:

Problem solving Representation

**District** enhancement

Greater public awareness of the accessibility and purpose of the local Member has resulted in the Member becoming the one stop shop for an increasing number of constituents in respect of public organisations, whether they are Federal, State or Local Government in nature. Nearly all of the Members interviewed gave instances of recent problems they had resolved on behalf of constituents. It is fair to say a number of the problems arose through inexperience on the part of constituents in dealing with Government Agencies.

The importance of the role of the Member in this area cannot be overstated. The Member can become the catalyst for change in policy within Government Agencies. He/she has the capacity to alert the respective Department or Minister of problems, either personally or in the Parliament.

Members' participation within the electorate keeps them abreast of issues within the electorate and to assist where necessary, or relay information relating to matters that may affect local constituents.

The Tribunal found Members invariably became personally involved in issues where active participation beyond the cursory speech was required.

A number of Members cited their involvement with local Councils to better the District they represented. In a number of cases Members were involved with Local Government Authorities in attempting to bring industry into towns to boost employment and trade. A Member clearly is the conduit to Government for the majority of constituents and all Members regard these representative duties as of utmost importance.

#### PARTY MATTERS

Although the Salaries and Allowances Act does not recognise political parties as such it recognises Party business is an essential part of the life of most Members. Party obligations and work must be undertaken by Members in addition to the other demands upon their time.

## OTHER FACTORS

Other work value reviews have commented on a number of the following aspects of Members' lives that do not directly impact on the work value of the position in a pure sense.

#### TIME COMMITMENT

The Tribunal found, of the thirty three Members interviewed, the time spent as a Member of Parliament ranged between sixty and eighty hours per week, the average being about 70. Weekend and evening commitments as well as the demands placed upon Members in their own homes via the telephone were far greater than we would have expected.

#### TRAVEL

Metropolitan electorates are small in size, whereas the majority of country electorates are large in area with constituents spread throughout them. Not all Members have air services available to them in order to attend Parliament or traverse between points within the electorate or the electorate and Perth.

Since 1989, the Tribunal has provided motor vehicles to Members as part of their electorate expenses. Information made available to the Tribunal shows some Members travel extraordinarily long distances each year in undertaking their roles as Members. One Member interviewed was able to show the Tribunal he had reduced his annual travel by motor vehicle from 90,000 to 70,000 kilometres. Even at 70,000 kilometres per annum, it would take almost 80 days driving eight hours per day at the maximum permissible speed limit to cover this distance.

Indeed the Tribunal members in conducting the review travelled six hours in one electorate from South to North with a Member, and that was one of the shorter journeys undertaken by the Member. In another electorate, four hours after leaving the Member's electorate office by car, travelling at the maximum permissible speed, we were still in the Member's electorate.

## TENURE

Some Members raised the issue of tenure and its uncertainty, particularly in marginal seats. It was the view of the Tribunal that the matter of tenure was not relevant to the consideration of this particular review.

#### FINDINGS

The Tribunal set out to establish the work value/work volume of the Members of the Western Australian Parliament. This has been attempted on a number of other occasions in the past.

The interview programme conducted with Members provided some interesting and surprising results. For example, Members generally did not have a detailed knowledge of their current remuneration.

Most considered the current remuneration to be appropriate. None thought current remuneration was excessive and those who considered the current salary to be too low generally did not have a view as to what it should be. Relativities with many occupations were suggested, but none impressed as being valid.

It is appropriate to restate the Tribunal's view that Members generally work very hard and, work very long hours. Whilst this determination sets a higher salary level, a downward adjustment was incorporated to reflect time and efforts directed at some Party and electioneering activities generally. The Tribunal recognises these activities are a necessary part of the life of a Member but believes related remuneration from the State is not appropriate. The Tribunal recognises there are not clear cut boundaries between those activities which should be subject to remuneration, and those that should not be. These same issues arise in the determination of electorate allowances.

The Tribunal believes it had a good understanding of the level of responsibility required of Members. Previous reviews here, interstate and overseas have confirmed the commonality of the role.

The most significant factor in the life of a Member is probably the commitment of time necessary to undertake all of the tasks required within the Parliament, the Electorate, the Parties and for the individual constituents. A number of Members jokingly indicated they were working for a few dollars per hour.

Even though other Parliaments in Australia have tied their salaries to either the Federal Parliament or the Australian Public Service, this Tribunal has no such links.

Formal work value assessments, as used by both the private and public sectors, to determine an appropriate level of remuneration, have been undertaken for members of the Western Australian Parliament and the Tribunal is cognisant of the median level of remuneration that would be paid for positions of equal responsibility in the private sector, to the extent such comparisons are even possible.

From time to time, there are calls for Members of Parliament to abide by the same conditions as those applying to the remainder of the workforce. However admirable this may be, in most cases it is not achievable. The Tribunal has referred *ad nauseam* to the "employment" of Members of Parliament and the uniqueness of their position.

In conducting this review, the Tribunal has continued to focus on basic salary of Members as distinct from a remuneration package comprising salary and superannuation. In this way the Tribunal is able to continue to monitor and determine remuneration based on work value and in doing so is maintaining a consistent approach adopted by this and previous Governments in their handling of superannuation for public sector employees.

Serious consideration has been given to the impact this work value/volume assessment will have on the superannuation of current Members of Parliament if a salary increase is granted. However, the function of this Tribunal is to determine the remuneration to be paid or provided to Members. Parliamentary Superannuation provisions are covered in the Parliamentary Superannuation Act and the superannuation entitlements of Members has not formed part of the consideration of this Tribunal in making this determination.

The Tribunal has from time to time referred to the nature of the superannuation scheme provided to Members. In recent years all sectors of the community, except Members of Parliament, have been subjected to an avalanche of legislative changes to superannuation and the benefit which superannuation can provide. The Tribunal has, since 1993, suggested in determinations the Parliamentary Superannuation Scheme be brought more into line with the superannuation arrangements applicable to the majority of the community. The Government has now introduced amending legislation into the Parliament in respect of the Parliamentary Superannuation Scheme.

With the distorting effect of the old superannuation arrangements being removed for the future, the Tribunal has considered, in addition to any work value adjustment, whether any other adjustments need consideration. The objective of the Tribunal is to determine a salary which remunerates Members for work performed while in office and without any distortion for consequential issues. This issue is complex, however, as a first measure the Tribunal has decided to remove part of a remaining entitlement some Members have to travel benefits upon retirement.

In 1996, the Tribunal removed the lifelong entitlement certain Members had to rail and other travel. It replaced the benefit with a reduced benefit that provided entitlements for either an eight or fouryear period depending on when the particular Member became qualified to receive the entitlement.

In determining the increase as provided in this determination, the Tribunal has removed the four-year entitlement and reduced the eight-year entitlement to four years.

Given this determination will place the basic salary of Members of the Western Australian Parliament at a level above the Members of other Parliaments in Australia, including the Federal Parliament, it is appropriate to provide more detail as to the loss of post retirement entitlements.

The Tribunal has valued the average cost per annum of the post retirement entitlements for Western Australian Parliamentarians at 0,000 per former Member. This has regard for the cost of travel on rail, air and other travel.

The value of post retirement benefits in the Federal sphere is much greater having regard for the extent of their benefit. A Federal Senator or Member upon retirement, who has completed the qualifying periods, is entitled to travel First Class at Government expense for non-commercial purposes within Australia, but excluding the external Territories, up to a maximum of 25 return trips per annum, on scheduled commercial/commuter air services, mainline rail services and other government services, or by motor coach or other vehicles operating as regular carriers.

Whilst the salary component proposed by this Tribunal is higher than applying to Members in other Parliaments, with the removal of Post-retirement entitlements, as contained in this determination, the overall package will be less.

Also following this transitionary period the remuneration of Members in Western Australia will be much more transparent than applying in the other States and the Federal Parliament.

The new salary of a Member of the Western Australian Parliament has been determined following a lengthy process undertaken by the Tribunal, and is linked internally with other positions under the jurisdiction of the Tribunal. A market assessment survey commissioned by the Tribunal was also important to its deliberation, as was the information provided by the Tribunal's Chief Executive.

RESETTLEMENT OR REDUNDANCY ALLOWANCE

The Parliamentary and Judicial Superannuation Review Committee recommended in it's report that "Members of the proposed new superannuation scheme who involuntarily cease their parliamentary service become entitled to a termination payment determined by the Salaries and Allowances Tribunal."

This type of allowance is not common in Australia. Inquiries show it is paid to members upon leaving the English Parliament and a number of the Canadian Parliaments.

In this State it has been the view the Parliamentary Superannuation Scheme has been adequate for this purpose. With the closure of the Parliamentary Superannuation Scheme to new Members, future Members who retire from the Parliament under the age of 55 years will not be as well served as have been their predecessors.

In the Second Reading Speech on the Parliamentary Superannuation Legislation Amendment Bill 1999 read in the Legislative Assembly by the Premier on 18 November 1999, it is noted the Bill provides the capacity for the Tribunal to introduce preservation standards in the existing scheme and to determine redundancy benefits for members when they cease to hold office. In view of this, the Tribunal proposes to leave this matter at this time and deliberate on it once the Bill is proclaimed.

#### ELECTORATE EXPENDITURE

The recommendations of the Parliamentary and Judicial Superannuation Review Committee wanted the Tribunal to determine a remuneration package having regard for salary and superannuation. The Salaries and Allowances Act, in the definition of remuneration includes salary, allowances, fees, emoluments and benefits (whether in money or not) and provides the Tribunal with the authority to determine payments to Members that do not form salary but are provided to Members without audit.

This review has included reference to those payments and entitlements determined by the Tribunal in the annual determinations. The Table hereunder shows the value of these benefits to each electorate.

Cash components			Non cash components						
ELECTORATE	Electorate Allowance (Note 1)	Postage	Accomm. (Note 2)	TOTAL	Printing & Stationery	Air Charter	Accom. in Electorate (Note 3)	Mobile Phone Reimburs.	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Metropolitan Districts	19512	6000		25512	4500			1200	31212
(x31 Members) Outer Metropolitan (x 3 Members)		6000		27068	4500			1200	32768
Country Districts Albany	19892	6000	12800	38692	4500			1800	44992
Avon	26266	6000	12800	45066	4500	5400	8100	1800	64866
Bunbury	19892	6000	12800	38692	4500	5400	0100	1800	44992
Burrup	34835	6000	12800	53635	4500	16200	16000	1800	92135
Collie	23079	6000	12800	41879	4500	10200	8100	1800	56279
Dawesville	19892	6000	12800	38692	4500		8100	1800	53092
Eyre	34835	6000	12800	53635	4500	16200	16000	1800	92133
Geraldton	19892	6000	12800	38692	4500			1800	44992
Greenough	29456	6000	12800	48256	4500	13000	8100	1800	75656
Kalgoorlie	19892	6000	12800	38692	4500			1800	44992
Kimberlev	34835	6000	12800	53635	4500	16200	16000	1800	9213
Manduraĥ	19512	6000	12800	38312	4500			1800	44612
Merredin	29456	6000	12800	48256	4500	13000	8100	1800	75656
Mitchell	19892	6000	12800	38692	4500			1800	44992
Moore	29456	6000	12800	48256	4500	13000	8100	1800	75656
Murray-Well	23079	6000	12800	41879	4500		8100	1800	56279
Ningaloo	34835	6000	12800	53635	4500			1800	59935
Pilbara	34835	6000	12800	53635	4500	16200	16000	1800	92135
Roe	29456	6000	12800	48256	4500	13000	8100	1800	75656
Stirling	26266	6000	12800	45066	4500	5400	8100	1800	64866
Vasse	21485	6000	12800	40285	4500		8100	1800	54683
Wagin	26266	6000	12800	45066	4500	5400	8100	1800	64866
Warren-Black	26266	6000	12800	45066	4500	5400	8100	1800	64866
Regions									
Metro	21068	6000		27068	4500			1200	32768
South West	27532	6000	12800	46332	4500	13000	8100	1800	73732
Agricultural	30721	6000	12800	49521	4500	16200	8100	1800	80121
Mining & Pastoral	36099	6000	12800	54899	4500	24200	18000	1800	103399

Note 1 Where an office holder is provided with an official vehicle in lieu of an electorate vehicle the electorate allowance is increased by \$6,300 per annum.

Note 2 This allowance is based on 80 nights @ \$160 per night. Payable only if the Member has a residence in the electorate.

Note 3 Accommodation within the electorate requires the lodgement of a claim certifying that expenditure has been incurred.

In addition, the Tribunal provides a motor vehicle of the Commodore Acclaim or Ford Futura class to Members as part of the electorate provisions. The full cost of the vehicle, servicing and fuel is met as part of the determination.

The cost of the rental and calls for Telephones in the electorate office (excluding international calls) is also met. The rental and eighty five per cent of call costs from the residence are met in respect to a telephone, facsimile and internet connection.

Under the provisions of the Salaries and Allowances Act 1975, but not within the jurisdiction of the Tribunal, Members are provided with an imprest account enabling travel and accommodation costs to be met should a Member decide to further his or her knowledge by travelling overseas or interstate. The imprest amount is around \$17,000 per four year term.

Country Members who have a commercial air service operating within their electorate or between their electorate and Perth are entitled to unrestricted air travel within their electorate or between their electorate and Perth.

Electorate offices are provided for all Members with entitlement to one full time staff member and a part time research officer for two days per week. Many Members claimed they needed additional assistance but this is not within the jurisdiction of the Tribunal. Equipment in each office is provided by the Ministry of Premier and Cabinet and is consistent in standard throughout the offices. Laptop computers have been provided to Members by the Parliament in addition to the computing equipment provided by the Ministry.

In this review the Tribunal has attempted to establish a simpler process for providing for the electorate expenditure of Members. The Tribunal regularly receives requests for additional allowances or provisions without any detail of how the existing allowances have been used. This provides the Tribunal with difficulty in determining whether these requests are warranted.

As can be seen in the table of electorate allowances, certain sums have been determined for specific purposes. Postage is \$6,000 per annum, whilst the provision for printing and stationery is \$4,500. The manner in which these funds are spent rests solely with the Members. Whilst it may suit one Member to use more postage, another may see the need to advertise or spend an allowance in a different manner to that determined.

Members interviewed were questioned as to the merits of providing each electorate with an annual expenditure budget, in much the same manner, as applying to the rest of Government. This would enable Members total flexibility in prioritising the manner in which they allocate their budget. The suggestion met with mixed response, as was expected. Whilst Members of Parliament have been receiving cash allowances for which they are not accountable for a number of years, other parliaments and remuneration tribunals have not changed the system.

The requirement of accountability for public monies has quite rightly increased significantly over the years through legislation and policies introduced by the Members in the Parliament and they should, in turn, be accountable similarly. Taxation changes have also eroded the value of the allowance, and Members are finding they may be required to pay income tax on monies legitimately spent in servicing the electorate but in a manner non-deductible for income tax purposes. In addition, the provision of increased facilities and benefits for Members, more often from sources external to the jurisdiction of tribunals has caused tribunals to question the nature of the expenditure of Members, but the manner in which allowances are provided has not changed.

Recently the New South Wales Remuneration Tribunal undertook a major review that examined similar concerns. Unfortunately their legislation did not enable the provision of a "catch all" budget. Following advice from the Secretary to the NSW Treasury, the determination resulting from the review did not proceed. That Tribunal, however, set itself some guiding principles worth repeating here:

"The Tribunal has set for itself guiding principles that might fairly be thought to have simple, practical relevance to the exercise in hand. They are:

- 1. civility: i.e., a proper acknowledgment of, and a proper respect for, the constitutional standing of the Parliament itself, and of any Member of the Parliament; and a preparedness to start from the proposition that the average Member does his or her best to abide by rules clearly established. This Tribunal is not unaware of the corrosive cynicism that currently attends any discussion of Parliamentary remuneration; but considers that such cynicism, if taken far enough, is so subversive constitutionally as to endanger, rather than to promote, good government. The Tribunal thinks that it would be quite wrong for it to treat duly elected Members of Parliament as comprehensively dishonest and dishonourable.
- 2. clarity: i.e., an imperative need to move away completely from the confusion and complexity of the past; and attempt to fashion, and then to state: first, clear basic concepts; secondly, clear practical principles drawn from those concepts; and third, clear practical rules and conditions. The Tribunal has done its best at every stage of the formulation of this Determination to produce a simple source document beyond which no Member need go for authoritative guidance as to his or her statutory entitlements.
- 3. accountability: i.e., accountability in two, but related senses:
  - first, in the sense of some appropriate formal vouching for claims made for payment out to a Member of public monies; and
  - secondly, in the sense that what is claimed from, and what is actually paid from, public funds should always be capable of appropriate public scrutiny
- *4. flexibility: i.e., the need to recognise that the particular needs of each individual electorate are not always best met by a rigid "one-size-fits-all" approach.*
- 5. responsibility: i.e., the proposition,—which can be understood as complementing the other principles set out above,—that all non-salary additional entitlements which are established by this Determination—involve the expenditure of public monies. All such expenditure must be

## incurred responsibly as well as claimed accountably."

The New South Wales Tribunal has highlighted issues that confront tribunals on a more frequent basis nowadays. Addressing the issue of Members' expenditure is not simple. Members are not employees, they are elected to represent the constituents of an electorate and undertake this task in whatever manner they see fit. Our interviews and discussions with Members on the electorate expenditure was, in most cases, open and frank, and we were given access to records showing expenditure.

Clearly there is a need for some change in this area, the question is, how to effect this change without reducing the Member's capacity to service the electorate.

The view of the Tribunal, as presently constituted, is that Members should be provided with adequate resources to conduct their electorate affairs properly. As stated earlier, the Tribunal constantly receives representations from Members wanting more specific resources. Over the years the requests have included mobile phones, satellite phones, computers and video conferencing facilities. On most occasions the requests are in respect of technology products as they become available and are generally regarded by the Tribunal as appropriate in carrying out the duties expected of a Member.

However, as mentioned earlier, the Tribunal is becoming concerned at the continued requests for "add ons" (no matter how well justified) when knowledge of the disposition of the existing cash allowances is at best incomplete.

So far as the Tribunal is concerned, Members can spend their electorate allowances as they see fit. There is no constraint imposed by the Tribunal and if a Member deems it appropriate to acquire the latest technological aid then he/she is free to do so. Where requests are made for specific additional allowances the Tribunal considers it appropriate to educate itself as to the overall expenditures before committing the State's resources to extras.

Rather than segregating the allowances into different components the Tribunal is considering moving to a global allocation. In doing so, Members will be free to conduct their electorate business as they see fit. However, before any further specific additions are approved the Tribunal will need to be satisfied the overall allocation is inadequate. In making this statement the Tribunal is not seeking to direct Members as to how the allowance is spent and it has no wish to pass any judgement on the appropriateness of any expenditures.

As indicated earlier, Members receive a number of cash and non cash entitlements, mainly from the Tribunal determination, but also from the Ministry of Premier and Cabinet and authorised by the Treasurer under the Salaries and Allowances Act. The fact more than one agency provides entitlements tends to complicate the issue.

It was proposed this report would contain recommendations in respect to electorate allowances. However, given the varied sources from where benefits and provision of equipment originate, it is proposed to conduct a separate review seeking the cooperation of the Ministry of Premier and Cabinet and the Presiding Officers of the Parliament. This proposed review should result in a determination that will publish prior to the next State Election.

#### ACKNOWLEDGEMENT

At the conclusion of this major review, the Tribunal would like to acknowledge the tremendous assistance of the Chief Executive, Mr Brian Moore. Mr Moore's corporate knowledge and experience, acquired over 15 years in the above capacity, coupled with his unflagging industry, have been invaluable in assembling much of the material on which we have based our deliberations.

In conjunction with this review a history of the remuneration of Western Australian Parliamentarians has also been compiled by Mr Moore, a copy of which will be available for perusal in the Parliamentary Library.

The determinations will now issue.

Dated at Perth this 15<sup>th</sup> day of December 1999.

D. G. BLIGHT AO, Chairman.

R. H. C. TURNER AM, Member.

J. A. S. MEWS, Member, Salaries And Allowances Tribunal.

## DETERMINATIONS

## of the

SALARIES AND ALLOWANCES TRIBUNAL

## PURSUANT TO SECTION 6

## FIRST SCHEDULE

Pursuant to the provisions of the Salaries and Allowances Act 1975 (as amended), the Salaries and Allowances Tribunal determines the remuneration to be paid to Ministers of the Crown, the Parliamentary Secretary of Cabinet, a Parliamentary Secretary appointed under Section 44A (1) of the Constitution Acts Amendment Act 1899, Officers and Members of the Parliament, as hereunder with effect from 1 January 2000, unless otherwise stated.

#### PART I-REMUNERATION OF MEMBERS GENERALLY

#### Section 1—Basic Salary

There is payable to each Member an annual salary calculated at the rate of \$95,000 per annum.

## Section 2—Electorate Allowances

The Salaries and Allowances Act provides the Tribunal with the authority to determine allowances for Member's of Parliament. The Act does not provide for the use of these allowances by persons other than Members.

The motor vehicle provided to Members as the result of this determination 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 the vehicle will be used by electorate staff or a family member. No provision exists for other persons to use the government owned motor vehicle unless for emergency purposes.

The telephone facilities are provided to both the electorate office and residence. It is accepted that use of these telephones by electorate staff and family members will occur. The use of the office telephones by persons other than staff unless for Parliamentary and electorate purposes is not supported by this determination.

In this determination where reference is made to a year or per annum, the intention is a financial year. Benefits provided on a financial year basis cease on 30 June each year, and no carryover of any unexpended portion is permitted. The advance purchasing of travel or other benefits in one financial year to be utilised in another financial year is not permitted.

### Section 2(1)

In addition to the basic salary there is payable to a Member, in respect of the expenses of discharging that Member's duties, but not for purposes, an electorate allowance of \$19,512 per annum, less any expenditure incurred at the request of the Member in seeking a variation to the standard applied in Section 2(3).

## Section 2(2)

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.

Electorate District or Region	Additional Allowance per annum \$
<i>Metropolitan Regions</i> Districts:- Roleystone, Swan Hills and	
Wanneroo	
South West Region Districts:-	
Albany, Bunbury, Dawesville and Mitchell	380
Vasse	
Collie & Murray-Wellington	
Stirling and Warren Blackwood	6,754
Agricultural Region	11,209
Geraldton	380
Avon and Wagin	6 754
Greenough, Merredin, Moore	
and Roe	
Mining and Pastoral Region	16,587
Kalgoorlie Burrup, Eyre, Kimberley	
Ningaloo & Pilbara	15,323

#### Section 2(3)

Every Member of Parliament, with the exception of those Members who, as a result of the Office held, are provided with a vehicle, shall be entitled to the supply of a private plated motor vehicle for use on Parliamentary, Electorate and Private business within Western Australia.

Members who do not access a vehicle under this entitlement or who are not entitled to do so shall receive an amount of \$6,300 per annum in lieu thereof.

A Member who is supplied with a Government owned vehicle as a result of an Office held may make application to the Tribunal for the issue of an electorate vehicle. The application should detail the reasons why a second vehicle is required, and certification that the principal use of the vehicle will be for electorate purposes.

Motor vehicles issued to Members through this provision will be of the Ford Falcon GLi or Futura, Commodore Executive or Acclaim (6 cylinder) class, fitted with an automatic transmission, power steering, cruise control, air conditioning, ABS and driver's airbag, with all running and maintenance costs for up to three years or eighty thousand kilometres met by the State.

Where a Member requires, for operational or personal reasons, a model of vehicle exceeding the standard, all additional costs, including Sales Tax, Fringe Benefits Tax and insurance shall be met by the Member.

Where a Member representing a Country Region or any District contained therein travels 40,000 kilometres or more per year, and retains the provided vehicle for 80,000 kilometres, the cost of the vehicle shall be determined by comparing the cost to Government of two standard vehicles over 40,000 kilometres against the Member's vehicle over 80,000 kilometres. Any additional cost in providing the vehicle to the Member shall be deducted from the electorate allowance.

Members representing the South West, Agricultural or Mining and Pastoral Regions, and any District contained therein are entitled to have "Roo" Bars and/or electronic animal deterrent devices and driving lights fitted to the supplied vehicle at no additional cost.

Members representing the Mining and Pastoral Region or any District contained therein, can apply for the issue of an appropriate four wheel drive vehicle in lieu of that mentioned above, provided that the vehicle will be used predominantly in the Region or District to which the Member has been elected. Members seeking such a vehicle must contact the office of the Tribunal prior to making their application.

#### Section 3—Motor Vehicle Allowance

1. Where a Member elects not to seek the issue of a government supplied motor vehicle, pursuant to Section 2 (3), and uses a privately owned vehicle to travel between the Member's residence and Perth, or to a place for the purpose of (b) hereunder, the Member shall be paid a motor vehicle allowance at current Public Service rates for the shortest practicable route provided such travel:

- (a) is not less than 100 kilometres return, and
- (b) is for the purpose of attending: -
  - (i) a sitting of Parliament or a meeting of that Member's parliamentary political party, or
  - (ii) a meeting of a parliamentary select committee of which that Member is a Member, or
  - (iii) an official government, parliamentary or vice regal function
- but such allowance shall be limited to kilometres travelled in excess of 100.

2. Where in the opinion of the Salaries and Allowances Tribunal as the case may require, a scheduled commercial air service could have been used for the travel referred to in paragraph 1, the motor vehicle allowance payable under this section shall not exceed the value of the commercial air fare.

Where a Member elects not to seek the issue of a government supplied motor vehicle, pursuant to Section 2 (3), and uses a privately owned vehicle to travel between the Member's residence and the nearest airport, in order to travel to and from Perth by aircraft for the purposes listed in subparagraph (b) of paragraph 1, the Member shall be paid an allowance under this section for the motor vehicle travel in excess of 100 kilometres return.

#### Section 4—Air Charter and Hire

1. Members representing the under mentioned electorates shall, except where scheduled airlines are operating at reasonably convenient times, be entitled at Government cost to use charter transport within or for the service of their electorates (within Western Australia), but such cost shall not exceed the amounts specified hereunder:

	Per Financial Year \$
Group 1	
Electorate Region	
Mining and Pastoral	24,200
Electorate Districts	
Burrup, Eyre, Kimberley	
Ningaloo and Pilbara	
Group 2 Electorate Region Agriculture	

	Per
	Financial
	Year
	Ş
Electorate Districts	
Greenough, Merredin, Moore and Roe	
Greenough, Merredin, Moore and Roe Avon and Wagin	5,400
Group 3	
Electorate Region	
South West	
Electorate Districts	
Stirling & Warren Blackwood	
171	

2. Where a Member uses air charter facilities to travel between two or more towns serviced by commercial air services (regular public transport), and there is no direct service between those towns, the total cost of the charter shall be met from consolidated revenue. However, the provision available to the Member shall only be debited with the difference between the cost of a business class fare (or where a business class is not available, then the full economy fare) on a commercial flight and that charged by the air charter company.

3. "Charter transport" includes charter aircraft, drive yourself vehicles, taxis and such other modes of transport as may be approved as appropriate in the circumstances by the Salaries and Allowances Tribunal.

4. Charges shall only be levied against this provision if the Member undertakes the travel claimed.

5. Claims for reimbursement or accounts received in respect to travel undertaken using this provision must be submitted within 90 days from the date that the travel is undertaken. 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 5—Printing and Stationery Provision**

Every Member of Parliament shall be entitled to obtain printing and stationery requirements, including letterheads and envelopes to a maximum cost of \$4,500 per annum. Members will be expected to claim reimbursement of costs upon production of receipts or an account in the name of the Member presented to the Parliament for payment.

A Member shall not identify any political party affiliation on any printing or stationery purchased under this provision. Similarly, the provision cannot be used for campaign, electioneering or Party promotional purposes.

## PART II-REMUNERATION OF MINISTERS OF THE CROWN

1. (a) In addition to the remuneration payable by virtue of Part 1 of this Determination, there is payable:

- (i) to a person for the time being holding the office of Premier in conjunction with a ministerial office, 132 percent of the basic salary as determined in Part 1, Section 1 of this determination.
- (ii) to a person for the time being holding the office of Deputy Premier in conjunction with a ministerial office, 97 percent of the basic salary as determined in Part 1, Section 1 of this determination.
- (iii) to the person for the time being holding the office of Leader of the Government in the Legislative Council in conjunction with a ministerial office, 90 percent of the basic salary as determined in Part 1, Section 1 of this determination.
- (iv) to each person, not being a person referred to in sub-paragraph (a), (b) or (c) of this paragraph, for the time being holding a ministerial office, eighty (80) percent of the basic salary as determined in Part 1, Section 1 of this determination.

2. If a person holds more ministerial offices than one, that person shall be paid a salary under this Part in respect of one only of those offices.

## PART III—REMUNERATION OF OFFICERS OF PARLIAMENT and the PART IAMENTARY SECRETARY OF THE CARINET

PARLIAMENTARY SECRETARY OF THE CABINET

1. In addition to the remuneration payable to a Member by virtue of Part I of this Determination there is payable to the person for the time being holding the office specified in the table hereunder a salary of the amount and at the rate specified, namely:

	Percentage of Basic Salary %
Leader of the Opposition in the Assembly President of the Legislative Council	
Speaker of the Legislative Council	
Leader of the Opposition in the Legislative Council	45

	Percentage of Basic Salary %
Deputy Leader of the Opposition in the Legislative Assembly	45
The person who not being a Minister of the Crown Is the leader of a party in the Legislative Assembly Of at least five Members other than a party whose Leader is the Premier or the Leader of the Opposition	
Parliamentary Secretary of the Cabinet	45
Chairman of Committees in either House	30
Government Whip in the Legislative Assembly	
Opposition Whip in the Legislative Assembly	
Government Whip in the Legislative Council	12
Opposition Whip in the Legislative Council	12

2. If a person holds more than one office, that person shall be paid a salary under this Part in respect of one only of those offices.

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 or is the holder of the office of:

- (a) Leader of the Opposition in that House;
- (b) Leader of a recognised non-Government Party of at least five Members in the Legislative Assembly;
- (c) Deputy Leader of the Opposition in that House;
- (d) Government Whip in that House; or
- (e) Opposition Whip in that House

is entitled to receive the salary payable to that office holder by virtue of paragraph 1 of this Part and the allowance, if any, payable to the office holder under Part IV of this Determination until:

- (i) 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
- (ii) another person is elected or appointed to the office held by that person whichever event shall first occur.

#### PART IV-EXPENSE ALLOWANCE

In addition to the remuneration payable under Parts I, II and III of this determination there shall be payable to the holders for the time being of the following offices the following allowances, namely -

	Office Allowance
	Anowance
	per annum
	\$
Parliamentary Secretaries	1,822

## PART V—TRAVELLING AND ACCOMMODATION ALLOWANCES Section 1

### Office Holders on Official business

The actual costs of accommodation and other associated travelling expenses 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 this Part are deemed to be indicative of the reasonable travelling costs.

- 1.1 The indicative daily travelling rate provided to the Premier, a Minister of the Crown, the Parliamentary Secretary of the Cabinet and Parliamentary Secretaries appointed under Section 44A(1) of the Constitution Acts Amendment Act 1899, when travelling within Australia on official duty as the holder of that position, who actually incurs expense on overnight accommodation at a place situated outside a radius of 50 kilometres of the Perth GPO, is contained in Section 6 of this Part.
- 1.2 The Deputy Premier when travelling within Australia on duty representing the Premier shall be entitled to the same indicative allowances, and on the same basis, as the Premier.
- 1.3 Opposition and Third Party Leaders: The indicative travelling allowance provided to the Leader of the Opposition in the Legislative Council, the Leader of the Opposition in the Legislative Assembly and the Leader of a Recognised Non-Government Party, when travelling within Australia on duty as such Leader, shall be the same, and on the same basis, as a Minister and so also shall the Deputy Leader of the Opposition in the Legislative Assembly when travelling within Australia on duty whether for and in the place of the Leader or as such Deputy Leader only.

- 1.4 Temporary Appointments: The indicative travelling allowance for a Member who, for the time being, is appointed to act in lieu of the permanent occupant in any of the positions referred to in paragraphs 1.1, 1.2 or 1.3, shall, for the time he or she is acting in that position, be the same, and on the same basis, as payable to the permanent occupants.
- 1.5 Members: The indicative travelling allowance for a Member (not being the holder of an office referred to in paragraphs 1.1, 1.2, or 1.3) in securing overnight accommodation when travelling on duty within Australia, as an official representative of the Government or Parliamentary committee or delegation including a Member of a Select Committee of a House or a Joint Select Committee of Houses shall be the same, and on the same basis, as the rate set for a Minister.
- 1.6 Members Deputising:
  - (i) On behalf of the Premier: The indicative travelling allowance for a Member who, at the written request of the Premier, deputises for the Premier at a function, and who actually incurs expense on overnight accommodation at a place situated outside a radius of 50 kilometres from that Member's principal place of residence or second residence, is the same rate, and on the same basis, prescribed for a Minister.
  - (ii) On behalf of the Leader of the Opposition in the Legislative Assembly, or the Leader of a recognised non government party (as defined in Part III paragraph 1): for a Member who, at the written request of the above mentioned Leaders, deputises for the Leader at a function, and who actually incurs expense on overnight accommodation, at a place situated outside a radius of 50 kilometres from that Member's principal place of residence or second residence is the same rate, and on the same basis, prescribed for a Minister.

## Section 2

- 2.1 There shall be payable to a Member who represents the Mining and Pastoral, Agricultural or South West Regions or any District contained within those Regions an amount per financial year based on 80 nights at Rate A for accommodation and associated expenditure incurred for the following purposes:
  - 1. Sittings of that Member's House of Parliament.
  - 2. Meetings of Select Committees of which that Member is a member.
  - 3. Attendance at official government, parliamentary or vice regal functions.
  - 4. Any other official duties pertaining to parliamentary or electorate matters.
- 2.2 Where by virtue of a Member's parliamentary role, a Member, representing an electorate mentioned in (2.1) above, maintains a second residence in the Perth Metropolitan area, the allowance shall be paid on the same basis as though that Member resided in the District or Region to which he or she has been elected. This allowance is granted to cover costs associated with the second residence.
- 2.3 Where a Member representing an electorate mentioned in 2.1 above, has a sole residence in the Metropolitan Regions, that Member shall not be entitled to receive the accommodation allowance contained in this Section.

## Section 3-Travelling within the Member's Electorate

In addition to that applying in Section 2 of this Part:

- 3.1 Members representing the District or Regions listed in 3.2 may, claim travelling allowances in accordance with either the Commercial or Non-Commercial levels contained in Rate B for each overnight stay at a place in or adjacent to their electorate, but not within a radius of 50 kilometres of the Member's principal place of residence or other residences.
- - (ii) Where a Member exceeds the number of nights specified in 3.2 (i), a further entitlement equivalent to the original may be claimed, subject to the following additional criteria:
    - (a) The principal place of residence of the Member must be in or adjacent to the electorate to which the Member has been elected, provided that the residence is not located in the Metropolitan Regions; and
    - (b) Where overnight accommodation is claimed, the Member must produce evidence in accordance with Section 5 of this Part that expenditure was incurred. Where a part day is claimed, the Member must certify that the meals claimed were purchased.

### **Section 4—Parliamentary Party Meetings**

A Member attending a meeting of his or her parliamentary party other than in Perth but within Western Australia shall be entitled to claim the Accommodation allowance up to a maximum of 8 nights per financial year, at the appropriate rate contained at the end of this Part.

Members of Parliament who are not members of a parliamentary political party or those whose parliamentary party membership is less than five Members shall also be entitled to claim the accommodation allowance up to a maximum of 8 nights per financial year for travel to places other than in Perth but within Western Australia on business relating to their parliamentary duties.

## Section 5-General Conditions Applying to This Part

5.1 For the purpose of this Part, a Member must nominate his or her principal place of residence, and where applicable the address of any other residence, to the President of the Legislative Council or the Speaker of the Legislative Assembly as appropriate.

5.2 Claims made for reimbursement of the expenditure incurred must be accompanied by a certification that the expense was incurred on electorate or parliamentary business; and in the case of:

OMMERCIAL ACCOMMODATION

Claims must be accompanied by either a receipt or certification that commercial accommodation was utilised and that a receipt can be produced;

OR

(ii) NON COMMERCIAL ACCOMMODATION

Claims must be accompanied by a certification that overnight accommodation was utilised in the course of attending to electorate and/or parliamentary business.

(iii) **DEFINITION** 

For the purposes of this Part, "Commercial accommodation" means accommodation in a commercial establishment such as a hotel, motel or serviced apartment.

5.3 Where a Member or office holder claiming under sections 1 and 3 of this Part secures overnight accommodation, either travelling from or to his or her principal place 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.

- (i) If departure from principal 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.
- (ii) If arrival back at principal 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.

5.4 Partial payment of the appropriate daily travelling allowance calculated at the rate of ten per cent for breakfast, fifteen per cent for lunch and twenty five per cent for dinner may be claimed in the following circumstances:

- (i) Where a Member or Office Holder travels in accordance with the provisions of Sections 1 and 3 of this Part, and the travel does not occasion an overnight stay, that Member or Office Holder may claim the partial allowance provided that certification is made that each meal was actually purchased.
- (ii) Where a Member or Office Holder travels in accordance with the provisions of Sections 1 and 3 of this Part, and utilises accommodation for a period that does not include an overnight stay, an amount of fifty per cent of the appropriate daily rate may be claimed in addition to the partial allowance.

5.5 Claims made under 5.3 and 5.4 in respect of the entitlement granted in Section 3 of this Part form part of the annual entitlement.

5.6 A claim for travelling 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.

#### Section 6—Travelling Allowance—Rates of Payment COMMERCIAL ACCOMMODATION

COMMERCIALA	CCOMMODATIO	IN			
OFFICE	PERTH	WA North of the 26 <sup>th</sup> parallel	WA South of the 26 <sup>th</sup> parallel	CAPITAL CITY (other than Perth)	OTHER AREAS
PREMIER	—	\$300	_	\$425	\$300
MINISTER'S etc.	_	\$270	_	\$320	\$195
MEMBERS	Rate A \$160	Rate B as per the rates in the Public Service Award 1992 –Schedule I –for Towns North of the 26 <sup>th</sup> parallel	Rate B \$135	_	_

## NON COMMERCIAL ACCOMMODATION

Claims made in respect of non-commercial accommodation shall be paid at forty per cent of the applicable commercial rate contained in the above table.

#### Section 7—Taxi Fares

A Member shall be entitled to claim reimbursement of taxi fares necessarily incurred when travelling to or from any airport, or helipad in the Metropolitan area or the Perth Rail Terminal to Parliament House, or to the Member's residence in the Metropolitan area for the purpose of attending a sitting of Parliament, attending party meetings or meetings of parliamentary committees.

#### PART VI - POSTAGE ALLOWANCES

There shall be payable to every Member of Parliament, for parliamentary or electorate business, but not for party or personal business, a postage and lettergram allowance at the rate of \$6,000 per annum. This allowance shall be paid monthly.

## OFFICE HOLDERS

The holders of the following offices, in addition to the allowance granted as a Member, shall receive an annual allowance, payable monthly, for the purchase of postal and Lettergram facilities for the Office held. The allowance is not to be used for Electorate, party or personal business.

	Rate Per Annum
	\$
Leader of the Opposition in the Legislative Assembly	9,000
Leader of the Opposition in the Legislative Council	6,750
Leader of a recognised Non Government Party	6,750
Deputy Leader of the Opposition in the Legislative Assembly	4,500

The allowances provided in this Part shall be adjusted proportionately in accordance with any percentage variation in the basic minimum first class letter rate as fixed by Australia Post; the said increase to operate from the date on which such increased postal rates commence.

#### PART VII-TELEPHONE RENTAL AND CALLS

1. Private Residence: Every Member of Parliament (other than Ministers, the President of the Legislative Council, the Speaker of the Legislative Assembly, the Leader of the Opposition in the Legislative Assembly and the Chairman of Committees, and any others whose private telephone rentals and calls are paid in full from public funds) shall receive, as an allowance or emolument, payment to that Member by way of reimbursement, of the rental and 85 per centum of all charges for calls incurred by that Member in respect of:

- (i) 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.
- (ii) one additional telephone line for the use of a facsimile machine; and
- (iii) 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 Office of State Administration.
- (iv) Reimbursement for (ii) and (iii) above is restricted to one residence.

2. Electorate Offices, Telephones: Every Member of Parliament provided with an electorate office shall receive, as an allowance or emolument, payment to that Member by way of reimbursement, of the rental and all charges for calls incurred by that Member in respect of two approved telephones in that Member's electorate office.

3. Electorate Offices, Facsimile Machines: Where a Facsimile machine is installed in a Member's electorate office, either utilising the second telephone line in (2) above, or as a third telephone line, the Member shall receive as an allowance or emolument, payment to that Member by way of reimbursement, of the rental and all charges for calls incurred by the Member in respect of that facsimile machine.

4. Electorate Offices, Computer Communications: Where a Member has a connection for computer communication access, as approved by the Office of State Administration, the Member shall receive as an allowance or emolument, payment to that Member by way of reimbursement, of the rental and all charges for calls incurred by the Member in respect of that connection.

5. Mobile Telephones: Where a Member of Parliament has a mobile telephone for parliamentary and electorate use, the Member shall be entitled to receive, as an allowance or emolument, reimbursement of the access and call costs incurred in accordance with the following.

- (a) Members representing the Mining & Pastoral, Agricultural and South West Regions or any District contained therein, reimbursement to a maximum of \$1800 per annum.
- (b) Members representing the Metropolitan Regions or any District contained therein, reimbursement to a maximum of \$1200 per annum.

6. Telecard/Teleconferencing facilities:

(a) Where a Member uses a Telecard and seeks to obtain reimbursement through either the electorate office or residential telephone accounts, the Member is to certify that the calls were made by the Member for electorate or parliamentary purposes. The use of the Telecard is for occasional purposes and not general daily use.

(b) The use of Teleconferencing facilities should be kept to a minimum and on an annual basis should not cause an increase in previously established telephone costs. Members claiming for teleconferencing costs must certify the topic of the conference and its relevance to the role of the Member as a Western Australian Member.

7. Reimbursement of Telephone Charges: In so far as a Member of Parliament pays or is charged with any telephone calls made by the Member from Parliament House, that Member shall receive, as an allowance or emolument, payment by way of reimbursement of all such charges.

8. Definition: In this Part, "calls" include all charges (other than international telegrams and calls) as usually included on Telecom Australia accounts rendered to subscribers.

"Standard telephone" and "Approved telephone" refers to the telephones considered appropriate from time to time, by the Chief Executive, Office of State Administration.

## PART VIII—PAYMENT OF REMUNERATION

1. The remuneration payable to a Member under Parts I, (Section 2), VI and VII of this Determination shall be calculated from the day on which the Member is elected as a Member, and except as provided by paragraph 3 of this Part, cease to be payable as from the day on which the person ceases to be a Member.

Where a Member of the Legislative Assembly ceases to be a Member thereof by reason of the dissolution of that House or the expiry thereof by effluxion of time, the Member is notwithstanding that Member's cessation of membership, entitled to continue to receive the remuneration provided in Parts I, VI and VII of this Determination until the day fixed for the taking of the poll next following the dissolution or expiry of that House.

3. Remuneration payable under Parts I (Sections 1 & 2), II, III, IV, V (Section 2) and VI of this Determination shall be paid by equal instalments on the last day of each month. Dated at Perth this  $15^{th}$  day of December 1999.

D. G. BLIGHT AO, Chairman.

R. H. C. TURNER AM, Member.

J. A. S. MEWS, Member, Salaries And Allowances Tribunal.

## SECOND SCHEDULE

Pursuant to the provisions of the Salaries and Allowances Act 1975 (as amended) the Salaries and Allowances Tribunal determines the remuneration to be paid to the Officers of the Public Service holding offices included in the Special Division of the Public Service and the persons holding Prescribed Offices, shall be in accordance with the following.

Offices, shall be in	accordance with the	e tottownig.		
		PART 1		
	GROUP	MINIMUM	MAXIMUM	
	GROUP 1	\$99,051	\$105,121	
	GROUP 2	\$111,452	\$117,581	
	GROUP 3	\$127,054	\$139,185	
	GROUP 4	\$154,261	\$169,598	
Aboriginal Affairs I Chief Executive Off Plus a Personal Me 31 March 2000 to M	ficer rit Allowance to Gro	oup 3 Maximum to	Group 2	Minimum
Alcohol and Drug A Director	uthority		Group 1	Maximum
Agriculture Wester Director General	n Australia		Group 3	Maximum
Auditor General Plus a Personal Me 31 May 2000 to Mr		oup 4 Maximum to	Group 4	Minimum
Central Drug Coord Director	lination Office		Group 1	Maximum
Coastal Shipping C General Manager	ommission		Group 2	Minimum
Commerce and Tra Chief Executive Off			Group 3	Maximum
Conservation and L Executive Director	and Management		Group 3	Maximum
Contract and Mana Executive Director	gement Services – I	Department of	Group 3	Minimum

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Culture and the Arts – Ministry for Director General	Group 2	Maximum
Curriculum Council of Western Australia Chief Executive Officer	Group 2	Minimum
Plus a Temporary Special Allowance to Group 2 Maximum from 21 July 1999 to 30 June 2000		
Disability Services Commission Chief Executive Officer	Group 3	Minimum
East Perth Redevelopment Authority Chief Executive Officer With effect from 1 December 1999	Group 1	Minimum
Education Department of Western Australia Chief Executive Officer	Group 4	Maximum
Education Services – Department of Chief Executive Officer	Group 2	Minimum
Electoral Commission – Western Australian Electoral Commissioner	Group 1	Maximum
Deputy Electoral Commissioner	Note (I)	\$69,023
Energy – Office of Coordinator	Group 2	Maximum
Environmental Protection – Department of Chief Executive Officer	Group 1	Maximum
Equal Opportunity Commissioner	Group 1	Maximum
Plus a Personal Merit Allowance to Group 2 Minimum to 31 May 2000 to Ms J. Williams	Group I	Waxiiiuiii
Fair Trading – Ministry of Executive Director	Group 1	Maximum
Family and Children's Services – Department of	Group 3	Maximum
Director General Plus a Personal Merit Allowance to Group 4 Minimum to 31 December 2000 to Mr Fisher.		
Fire and Emergency Services – Department of Chief Executive Officer	Group 2	Minimum
Fisheries Department Director	Group 2	Minimum
Fremantle Port Authority	Group 3	Minimum
General Manager Plus a Personal Merit Allowance to Group 3 Maximum to 31 March 2000 to Ms K. Sanderson		
Government Employees Superannuation Board Executive Director	Group 2	Maximum
Government Railways Commission – Western Australian Commissioner	Group 3	Maximum
Health Department of Western Australia Commissioner	Group 4	Maximum
Health Review – Office of Director	Group 1	Maximum
Housing – Ministry of Executive Director	Group 3	Maximum
Industrial Relations Commission – Western Australian – Department of the Registrar	Group 1	Minimum
Information Commissioner – Office of	Group 1	Maximum
Commissioner Plus a Personal Merit Allowance to Group 2 Minimum to 31 May 2000 to Ms B. Keighley-Gerardy	•	
Justice – Ministry of	Group 3	Maximum
Director General Crown Solicitor Parliamentary Counsel		\$187,545 \$187,545
Queen's Counsel		\$178,168
Crown Counsel		\$168,791
Principal Crown Prosecutor Deputy Crown Solicitor		\$168,791 \$159,413
Deputy Parliamentary Counsel		\$159,413
Assistant Principal Crown Prosecutor	a -	\$140,659
Land Administration – Department of Chief Executive	Group 2	Maximum
Chief Executive Plus a Personal Merit Allowance to Group 3 Minimum to 31 December 2000 to Mr A. Skinner		
Land Authority – Western Australian	Group 1	Maximum
Chief Executive Officer		

Library Board of Western Australia State Librarian	Group 1	Maximum
Local Government – Department of Executive Director	Group 2	Minimum
Plus a Personal Merit Allowance to Group 2 Maximum from 1 January 2000 for twelve months to Mr J. Lynch		
Lotteries Commission Chief Executive Officer	Group 1	Maximum
Main Roads Department Commissioner	Group 3	Maximum
Mental Health Review Board President	Group 1	Maximum
Metropolitan (Perth) Passenger Transport Trust Chief Executive	Group 1	Maximum
Minerals and Energy – Department of Director General	Group 3	Maximum
Museum – Western Australian Director	Group 1	Minimum
Parliamentary Commissioner for Administrative Investigations		
Commissioner Plus a Personal Merit Allowance to Group 3 Maximum to 30 November 2000 to Mr M. Allen	Group 3	Minimum
Deputy Commissioner	Group 1	Minimum
Planning – Ministry for Chief Executive	Group 3	Minimum
Police Service – Western Australian Commissioner	Group 4	Minimum
Plus a retention allowance of 15% of determined salary to	-	
Mr Matthews. Deputy Commissioner Operations/State Commander Plus an allowance to Group 2 Maximum to 30 June 2000	Group 2	Minimum
Deputy Commissioner Administration	Group 2	Minimum
Assistant Commissioners (6)	Group 1	Minimum
Premier and Cabinet – Ministry of Director General	Group 4	Maximum
Deputy Director General	Group 3	Minimum
Productivity and Labour Relations – Department of Executive Director	Group 2	Minimum
Public Sector Standards Commissioner – Office of Commissioner	Group 4	Minimum
Racing Gaming and Liquor Executive Director	Group 2	Minimum
Plus a Personal Merit Allowance to Group 2 Maximum to 31 May 2000 to Mr B. Sargeant.		
Mr Sargeant is also to receive an allowance equivalent to 5 per cent of the substantive salary for the position whilst a member of the Christmas Island Casino Surveillance Authority		
Resources Development – Department of Chief Executive Officer	Group 4	Minimum
Revenue Department – State Commissioner	Group 2	Minimum
Plus a Personal Merit Allowance to Group 2 Maximum to 31 December 2000 to Mr A. Bryant.		
Rottnest Island Authority Chief Executive Officer	Group 1	Minimum
Small Business Development Authority Managing Director With effect from 1 December 1999	Group 1	Minimum
Sport and Recreation – Ministry of Executive Director	Group 1	Maximum
Plus a Temporary Special Allowance to Group 2 Minimum State Supply Commission	Group 1	Maximum
Chief Executive Officer	-	
Totalisator Agency Board General Manager Plus a Porsonal Marit Allowance to Crown 2 Minimum to	Group 1	Maximum
Plus a Personal Merit Allowance to Group 2 Minimum to 31 March 2000 to Mr R. Bennett.		

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Training and Employment – Western Australian Department of Chief Executive Officer Plus a Personal Merit Allowance to Group 4 Minimum to 31 December 2000 to Mr I. Hill.	Group 3	Maximum
Transport – Department of Director General	Group 3	Maximum
Treasury Department Under Treasurer	Group 4	Maximum
Valuer General	Group 1	Minimum
Water Regulation – Office of Chief Executive Officer	Group 1	Maximum
Waters and Rivers Commission Chief Executive Officer	Group 2	Minimum
Workers' Compensation and Rehabilitation Commission Executive Director	Group 1	Maximum
Workplace Agreements Commission Commissioner	Group 1	Maximum
Worksafe Western Australia	Group 2	Maximum
Zoological Gardens Board Director Plus an allowance to Group 1 Maximum, whilst the position is ocupied by Mr B. Easton.	Group 1	Minimum

## PART 2

Supreme Court:	
Principal Registrar	\$161,101
Registrar	\$142,534
District Court:	
Principal Registrar	\$150,036
Registrar	\$140,659
Deputy Registrar	\$126,593

## PART 3

**Director of Public Prosecutions:** 

Salary payable from time to time of a Puisne Judge of the Supreme Court of Western Australia. Dated at Perth this  $15^{th}$  day of December 1999.

D. G. BLIGHT AO, Chairman.

R. H. C. TURNER AM, Member.

J. A. S. MEWS, Member, Salaries And Allowances Tribunal.

## **DETERMINATION—THIRD SCHEDULE**

Pursuant to the provisions of the Salaries and Allowances Act 1975 (as amended) the Salaries and Allowances Tribunal determines the remuneration to be paid to the holders of offices included in Section 6(1)(c) of the Act, shall be in accordance with the following.

Clerk of the Legislative Council	\$106,050
Deputy Clerk of the Legislative Council	\$80,598
Clerk of the Legislative Assembly	\$106,050
Deputy Clerk of the Legislative Assembly	\$80,598
Dated at Perth this 15 <sup>th</sup> day of December 1999.	

D. G. BLIGHT AO, Chairman.

R. H. C. TURNER AM, Member.

J. A. S. MEWS, Member, Salaries And Allowances Tribunal.

The holders of Offices contained in the Second and Third Schedule shall be entitled to the supply of a fully maintained motor vehicle of a type specified from time to time by the Tribunal, for business and personal use within Western Australia.

## **DETERMINATION—FOURTH SCHEDULE**

## SALARY PACKAGING

A person holding an office contained in the Second Schedule, Parts 1 and 2 and the Third Schedule of this determination wishing to exercise salary packaging options may, in accordance with the "Guidelines for Salary Packaging in the WA Public Sector", access those benefits contained in Group 1 of the guidelines.

In addition to the salaries determined for persons holding offices included in the Second & Third Schedule of this determination, the following amounts represent the cost to government of the motor vehicles approved by the Tribunal for the respective classification levels:

Below Special 1	\$15,500
Special 1 to Special 3	\$18,000
Special 4 to Special 8	\$21,500

For the purposes of determining the Total Employment Cost (TEC) of a position the above amounts should be included with the determined salary.

Where an office holder wishes to obtain a motor vehicle that varies from the standard mentioned above, the motor vehicle costs must include the lease cost, plus Sales Tax plus Fringe Benefits Tax and all other operating costs based on a figure of 20,000 kilometres travelled annually.

The formula to be adopted in valuing the motor vehicle shall be:

## L + S + R + aD + FBT

Where L	= Lease payment	s
S	= Sales Ta	х
R	= Registration cost	S
а	= Running cost per kilometr	e
D	=	
FBT	= Fringe Benefits Ta	х

FBT is costed at purchase price (inc. Sales Tax) x Statutory fraction x Gross up (1.942) x FBT rate (0.485)

In most instances, the Fleet Manager will provide a total costing for each vehicle.

The vehicle will be available for business use whilst the officer is on duty.

Where an officer chooses not to be provided with a motor vehicle, under no circumstances will the officer be provided with a Government vehicle or cab charge for home to office travel or any other private use.

Fringe Benefits Tax Exempt Agencies

Where an organisation is exempt from FBT in accordance with Commonwealth Government legislation, a notional amount equal to the standard FBT must be levied to the cost of the benefit. OTHER BENEFITS

Salary packaging in respect to superannuation and Novated Leases can be effected in accordance with the "Guidelines for Salary Packaging in the WA Public Sector" document.

Dated at Perth this  $15^{\text{TH}}$  day of December 1999.

D. G. BLIGHT AO, Chairman.

R. H. C. TURNER AM, Member.

J. A. S. MEWS, Member, Salaries And Allowances Tribunal.

## DETERMINATION of the SALARIES AND ALLOWANCES TRIBUNAL

#### **PURSUANT TO SECTION 6B**

## ENTITLEMENTS OF FORMER PREMIERS

MINISTERS AND MEMBERS OF PARLIAMENT

Except as provided hereunder no entitlements shall apply to any Member who is elected to the 35th or succeeding Parliaments

## PART 1-FORMER PREMIERS OF WESTERN AUSTRALIA

The benefits and entitlements granted by virtue of this determination apply to former Premiers who have served not less than one year as Premier.

## Section 1—Office Accommodation & Secretarial Support

Former Premiers who have held the office of Premier shall, after leaving the Parliament, be entitled to the use of an office located within Western Australia in a Government owned or leased building for a period of up to six months.

Equipment and staff may be supplied in the same manner as applying to a Member of Parliament.

## Section 2—Postage Allowance

For a period of six months after leaving the Parliament, a former Premier shall be entitled to receive postage stamps to a maximum value of half the annual amount granted to a serving Member of Parliament.

#### Section 3—Motor Vehicle

1. For a period of six months after leaving the Parliament, and whilst domiciled in the State of Western Australia, a former Premier, upon request to the Director General, Ministry of the Premier & Cabinet, shall be entitled to the use of a car and chauffeur.

2. A former Premier shall, after leaving the Parliament, have the option of purchasing the official vehicle which he /she was accustomed to using immediately prior to vacating the office. This option to be exercised within three months of vacating the office.

3. Where a former Premier, who is domiciled in Western Australia, is required or is invited to attend an official function or on special occasions, a former Premier shall upon request to the Director General, Ministry of the Premier & Cabinet, be entitled to a car and chauffeur from the motor vehicle pool for the purpose of attending the official function or special occasion as the case may be. This entitlement shall continue during the lifetime of the former Premier.

4. Where a former Premier, who is not domiciled in Western Australia, is required or is invited to attend an official function or on special occasions within Australia, a former Premier shall be entitled to the use of a Private Taxi for the purpose of attending the official function or special occasion. The cost to the State, which will occur through reimbursement to the former Premier, on production of receipts, shall not exceed one thousand dollars per financial year. This entitlement shall continue for the same period of time as the former Premier held the office of Premier.

5. The availability of motor vehicle servicing and ancillary benefits for vehicles owned by former Premiers, as made available through the Department of the Premier prior to 1987 shall remain for those former Premiers who are receiving the benefit and shall, upon the death of the former Premier, pass to the surviving spouse.

## Section 4—Travel

1. A former Premier shall be entitled to a Life Gold Rail Pass, and the spouse shall likewise be entitled to a Gold Pass but limited to the period of the former Premier's lifetime.

2. For a period of 12 months after leaving the Parliament, a former Premier who is required to attend a function resulting from activities directly arising from that role as Premier, shall be entitled to claim the travelling and accommodation costs necessarily incurred.

3. At the expiration of the period referred to in 4.2 above, where, as the result of activities directly arising from that role as Premier, a former Premier is invited to an official function to be held at a place outside of Australia, application may be made to the Tribunal detailing the nature of the invitation, the duration, and anticipated cost of travel.

The Tribunal shall consider and decide whether the application should be approved.

4. A former Premier shall be entitled to the benefits as made available to former Ministers of the Crown who have held office for not less than three years, as prescribed in Part 2A, 2.2(b) and 2.3.

## Section 5—Telephones

1. For twelve months after leaving the Parliament, a former Premier;

- (a) who is domiciled in Western Australia shall be entitled to reimbursement of or to have paid the rental and all calls on one nominated private telephone at a private residence nominated by the former Premier.
- (b) who is domiciled outside of Western Australia but within Australia shall be entitled to reimbursement of the rental and all calls, on one nominated private telephone at a private residence nominated by the former Premier, to a total value of one thousand five hundred dollars (\$1500) for the twelve month period.

2. For the purposes of Section 5.1 "Calls" excludes international calls, international telegrams and Telecard charges.

3. Where, in 5.1, a former Premier changes his or her place of domicile resulting in a change in benefit from 5 (1)(a) to 5 (1)(b) or vice versa, the total amount reimbursable under 5 (1)(b) shall be calculated on a pro rata basis for the period.

- 4. (a) Former Premiers who retired prior to 20 November 1987 shall be entitled to retain the benefit applying at the time of their retirement.
  - (b) Former Premiers who retired after the 20 November 1987, and prior to the 1 March 1991, shall be entitled to retain the benefits granted by virtue of the Tribunals determinations dated the 20 November 1987 and 28 June 1990.

## PART 2—FORMER MINISTERS OF THE CROWN, FORMER MEMBERS OF THE LEGISLATIVE ASSEMBLY AND LEGISLATIVE COUNCIL

## 2A The benefits and entitlements hereunder shall apply to persons who retired from the Parliament prior to or at the cessation of the 34<sup>th</sup> Parliament.

- 1. Former Members who have a Minimum of Twelve Years Service in Aggregate
  - 1.1 Former Members of the Western Australian Parliament who have not less than 12 years nor more than 20 years service in aggregate shall be entitled to a Pass enabling free rail travel on Western Australian Railways.

- **1.2** The Pass is not transferable and can only be used by the person in whose favour the pass is issued.
- 1.3 The Pass entitles the holder to free sleeping berths, when available, but does not cover the cost of any meals.
- 1.4 A former Member may be accompanied, subject to the same conditions as applying to the holder of the pass, by his or her spouse, de facto or dependent children on one return rail journey per annum within the State.
- 1.5 Should the holder of a Pass be re-elected to Parliament, the Pass must be returned to the Secretary of the Western Australian Government Railways Commission immediately upon taking up office. The Pass will be re-issued upon the Members termination of service.
- 1.6 Application may be made, to the Ministry of the Premier & Cabinet, by former Members domiciled in Western Australia for the issue of Travel Warrants enabling the former Member, and whilst accompanying the former Member, the spouse, to undertake:
  - (a) one return interstate rail trip per financial year. These warrants shall cover the cost of the rail trip, and shall not extend to cover the cost of meals and refreshments; or
  - (b) one return air trip within Australia with maximum cost equivalent to the full economy return air fare from Perth to Sydney.

1.7 Interstate Warrants are not cumulative or transferable.

2. Former Ministers, Office Holders and Members who have held the offices listed for the specified time, or those satisfying the following criteria.

**Cabinet Ministers:** 

3 years

President of the Legislative Council and

Speaker of the Legislative Assembly:

3 years

Former Member who has served in more than on of the above positions:

Aggregate of 3 years

Leader of the Opposition in the Legislative Assembly:

6 years

Member who has served as a Cabinet Minister and as the Leader of the Opposition in the Legislative Assembly:

Aggregate of 3 years (Note half the period of service as Leader of the Opposition is added to the period of service as a Cabinet Minister)

Former Members who have a service of not less than 20 years.

Former Members who have held offices included in sections 4(2), 6(1)(a) and 6(1)(ab) of the Salaries and Allowances Act for periods which, when combined with the period performing their normal Parliamentary function totals a period of service of not less than 20 years.

## TRAVEL

2.1 Former Members satisfying the criteria under Part 2A, section 2 may make application for the issue of a Parliamentary Design Railway of Australia Gold Pass. The Pass entitles holders to unlimited travel and ancillary services, except meals, on all railways of Australia.

- 2.2 Former Members utilising this benefit may be accompanied by their spouse on:
  - (a) one return interstate rail journey per financial year; or
  - (b) one return air trip within Australia with maximum cost equivalent to the full economy return air fare from Perth to Sydney.
  - (c) The entitlement granted under (b) is not to be used in conjunction with any entitlement under 2.3.

2.3 Former Members satisfying the criteria under Part 2A, section 2 and who are domiciled within Australia shall be entitled to draw upon the Office of State Administration, for the purpose of obtaining travel within Australia on scheduled commercial/commuter air services, rail services, or by motor coach or other vehicles operating as regular carriers, an amount not exceeding two thousand two hundred and fifty dollars (\$2250) per annum.

## 2B The benefits and entitlements hereunder shall apply to Members of the 35<sup>th</sup> Parliament who had met the qualifying criteria as at the cessation of the 34<sup>th</sup> Parliament.

1. Former Members who have a Minimum of Twelve Years Service in Aggregate

- 1.1 Former Members of the Western Australian Parliament who have not less than 12 years nor more than 20 years service in aggregate shall be entitled to a Pass enabling free rail travel on Western Australian Railways for a period of four years after retirement.
- **1.2** The Pass is not transferable and can only be used by the person in whose favour the pass is issued.
- 1.3 The Pass entitles the holder to free sleeping berths, when available, but does not cover the cost of any meals.
- 1.4 A former Member may be accompanied, subject to the same conditions as applying to the holder of the pass, by his or her spouse, de facto or dependent children on one return rail journey per annum within the State.

- 1.5 Should the holder of a Pass be re-elected to Parliament, the Pass must be returned to the Secretary of the Western Australian Government Railways Commission immediately upon taking up office. The Pass will be re-issued upon the Members termination of service.
- 1.6 Application may be made, to the Ministry of the Premier & Cabinet, by former Members domiciled in Western Australia, for the issue of Travel Warrants enabling the former Member, and whilst accompanying the former Member, the spouse, for a period of four years after retirement, to undertake:
  - (a) one return interstate rail trip per financial year. These warrants shall cover the cost of the rail trip, and shall not extend to cover the cost of meals and refreshments; or
  - (b) one return air trip within Australia with maximum cost equivalent to the full economy return air fare from Perth to Sydney.
- 1.7 Interstate Warrants are not cumulative or transferable.

2. Former Ministers, Office Holders and Members who have held the offices listed for the specified time, or those satisfying the following criteria.

Cabinet Ministers:

3 years

President of the Legislative Council and Speaker of the Legislative Assembly: 3 years

Former Member who has served in more than one of the above mentioned positions: Aggregate of 3 years

Leader of the Opposition in the Legislative Assembly:

### 6 years

Member who has served as a Cabinet Minister and as the Leader of the Opposition in the Legislative Assembly:

Aggregate of 3 years (Note half the period of service as Leader of the Opposition is added to the period of service as a Cabinet Minister)

Former Members who have a service of not less than 20 years.

Former Members who have held offices included in sections 4(2), 6(1)(a) and 6(1)(ab) of the Salaries and Allowances Act for periods which, when combined with the period performing their normal Parliamentary function totals a period of service of not less than 20 years.

### TRAVEL

2.1 Former Members satisfying the criteria under Part 2B, section 2 may make application for the issue of a Parliamentary Design Railway of Australia Gold Pass for a period of four years after retirement. The Pass entitles holders to unlimited travel and ancillary services, except meals, on all railways of Australia.

2.2 Former Members utilising this benefit may be accompanied by their spouse on:

- (a) one return interstate rail journey per financial year; or
- (b) one return air trip within Australia with maximum cost equivalent to the full economy return air fare from Perth to Sydney.

(c) the entitlement granted under (b) is not to be used in conjunction with any entitlement under 2.3 2.3 Former Members satisfying the criteria under Part 2B, section 2 and who are domiciled within Australia shall be entitled to draw upon the Ministry of the Premier & Cabinet, for the purpose of obtaining travel within Australia on scheduled commercial/commuter air services, rail services, or by motor coach or other vehicles operating as regular carriers, an amount not exceeding two thousand two hundred and fifty dollars (\$2250) per annum for a period of four years after retirement.

## 3. GENERAL- APPLYING TO ALL PARTS

- 3.1 Where, in the opinion of the Tribunal, a former Member has provided information that warrants special consideration, the Tribunal may, at its discretion provide a benefit or benefits in accordance with that applying in this determination.
- 3.2 For the purposes of this Determination, the following general conditions apply:

All travel taken under the entitlements granted in this Determination shall be for non commercial purposes only.

Reference to the term "de facto" is made in the context of the definition applying in the Parliamentary Superannuation Act.

Dependent children are deemed to be full time students under the age of 18 years at the time of travel.

The travel allowance determined in 2A and 2B paragraph 2.3, may be used for the purpose of obtaining travel for spouses, de facto's and Members' dependent children only when accompanying the former Member.

The allowance cannot be converted as a cash benefit.

The allowance is to lapse at the end of each financial year.

Dated at Perth this 15th day of December 1999.

## APPENDIX A REMUNERATION OF MEMBERS OF THE WESTERN AUSTRALIAN PARLIAMENT

DEC 1900	JAN 1911	DEC 1919	DEC 1925	OCT 1930	JUL 1931	JUN 1944
				10% Decrease	20% dec. 1925 Fig.	\$150 incr.
\$400	\$600	\$800	\$1,200	\$1,080	\$960	\$1,110
OCT 1947	SEP 1950	DEC 1955	JAN 1963	JUL 1965	SEP-68	SEP-71
\$1,920	\$2,000	\$4,200	\$4,760	\$6,500	\$7,500	\$10,000
NOV-72	JUN-73	JUN-74	8-AUG-75	19-SEP-75	1-MAR-76	1-JUN-76
\$10,000	\$10,436	\$14,000	\$16,170	\$16,736	\$17,807	\$18,005
1-SEP-76	1-NOV-76	1-DEC-76	1-APR-77	1-JUN-77	1-SEP-77	1-JAN-78
\$18,275	\$19,189	\$19,611	\$19,908	\$20,106	\$20,508	\$20,816
1-APR-78	1-JUL-78	1-JAN-79	1-JUL-79	1-JAN-80	18-JUL-80	1-APR-81
\$20,949	\$21,221	\$23,173	\$23,915	\$24,991	\$26,041	\$27,005
8-MAY-81	1-OCT-81	1-JAN-82	1-OCT-82	7-OCT-83	1-JAN-84	Temporary Reduction
\$27,977	\$29,032	\$31,935	\$34,170	\$35,639	\$36,140	\$31,014
1-MAY-84	Temporary Reduction	1-OCT-84	19-APR-85	15-NOV-85	1-JUL-86	1-APR-87
\$37,622	\$34,205	\$39,766	\$40,780	\$42,350	\$43,324	\$43,846
1-JUL-87	1-MAR-88	1-JUL-88	1-OCT-88	1-APR-89	1-OCT-89	1-JUL-90
\$46,477	\$46,790	\$48,662	\$50,122	\$50,644	\$52,163	\$57,489
1 JAN 91	1 JUL 91	1-DEC-91	1-JUL-93	1-JAN-94	16-DEC-94	1-JUN-96
\$60,938	\$64,150	\$65,754	\$68,121	\$69,143	\$73,910	\$79,453
1-NOV-96	1-JUL -98	1-Jul-99				
\$81,042	\$82,663	\$85,970				

