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**SALARIES AND ALLOWANCES ACT 1975** 

# DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL

## WESTERN AUSTRALIA SALARIES AND ALLOWANCES ACT 1975

## DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL

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

23 August 2001

#### **PREAMBLE**

In 1999 this Tribunal conducted a major inquiry examining the work value of parliamentarians. This culminated in a determination issued in December 1999, which set the salary of a backbench Member at \$95,000 per annum. This placed Western Australian Members at a salary level higher than their interstate and Federal counterparts. The reasons were detailed in the 1999 determination.

That review also removed any entitlement, except superannuation, that Members entering Parliament after the determination would have upon leaving the Parliament. It also reduced to 4 years any residual entitlement that long serving Members would have otherwise been entitled to upon leaving. The Tribunal holds the view that Members should be remunerated for their efforts whilst in the parliament and having regard to the general profile of retiring members, can see no reason for continuing entitlements.

Since the issue of that determination twenty months ago, this Tribunal has not altered the salary of Members. In the interim, through the legislative tie that binds other States to the Federal parliamentary salary, the salaries of Members elsewhere in Australia have increased, the most recent occurring on 1 July 2001 when the Federal Remuneration Tribunal determined the salary for a "Principal Executive Office" (PEO) at \$95,600 per annum.

The remuneration of Federal parliamentarians is tied to that of a PEO. In a similar manner, the movement in salaries of members of parliament in Queensland, New South Wales, Victoria, South Australia, Northern Territory and Tasmania are tied to salary movements in the Federal Parliament. The Australian Capital Territory and Western Australian Members are the only parliamentarians whose salaries are determined independently.

Twenty months have passed since the last determination, which increased the salaries of Western Australian Members of Parliament. In that time, the Parliament has passed legislation which closed the contributory Parliamentary Superannuation scheme and the Tribunal has determined that the new superannuation scheme shall be in accordance with the Superannuation Guarantee Levy. In excess of 30 Members, or just over one-third of the Parliament, are now in the new superannuation arrangement.

The Federal Remuneration Tribunal, in its "Statement on 2001 Review of Remuneration and Allowances for Full-time Holders of Public Office", indicated that it would adopt the Wage Cost Index (WCI) as its principal indicator of wage movement.

Cognisant of the reasons for the establishment of the WCI by the Australian Bureau of Statistics, this Tribunal will include it as one of the factors to be considered for Groups within its jurisdiction.

As indicated earlier, the 1999 review either removed or significantly reduced the post-retirement benefits formerly granted to Members. This contrasts with the continuing post-retirement benefits enjoyed by former members of other State Parliaments and is significantly different to the substantial post parliamentary entitlements of former Members of the Federal Parliament.

The Tribunal would prefer consistency, within reason, in all matters relating to the remuneration of Parliamentarians in Australia. This Tribunal acknowledges that its determinations in relation to post-parliamentary service entitlements are inconsistent with those applying in other jurisdictions. This Tribunal has made its determinations in this regard as required under the Salaries and Allowances Act 1975 having regard to what it considers to be all relevant factors. Such independent reviews are not undertaken in all other jurisdictions.

The significance of the action taken by the State Parliament in 2000 in closing the contributory Parliamentary Scheme cannot be underrated. This action combined with the removal of post retirement benefits places an ongoing responsibility on the Tribunal to ensure that current remuneration is provided at the appropriate level.

Chief Executive remuneration was increased by 3.5 per cent in August 2000. In addition to this an incremental step was provided in January of this year that can result in increases of between 5 and 10 per cent depending on the level of classification of a position. Judicial remuneration was increased by 4.6 per cent in December 2000.

Information provided to the Tribunal varies as to the forecast movement in remuneration for 2001 but shows that Senior Executives moved an average of 4.6 per cent in 2000. The Wage Cost Index for the 12 months to 31 March 2001 shows a movement of 3.7 per cent. The movement for the 18-month period since our last adjustment has been 4.9 per cent. As previously indicated the December 1999 determination followed a major work value review and placed Members at an appropriate level. An increase in line with the Wage Cost Index movements will maintain that level.

The Tribunal has accepted the 4.9 per cent WCI movement, which would take the salary to \$99,655 determined to be \$100,000 per annum, with effect from 1 September 2001. Whilst this is, on the face of it, a rounding up the Tribunal also notes the WCI movement for the June Quarter is 0.6 per cent which would take the salary beyond the \$100,000 level.

Amendments to both the Salaries and Allowances Act 1975 and the Parliamentary Superannuation Act 1970 require the Tribunal to inquire into and issue determinations in respect to the superannuation of Members. An accompanying determination addresses a number of issues presented to the Tribunal.

The amendments to Section 5 (6) and 11 (2) of the Parliamentary Superannuation Act 1970 make it clear that the Parliament intended that Members should be able to access salary packaging arrangements or at least salary sacrifice superannuation contributions. The Tribunal has determined that Members can enter into salary packaging arrangements in a manner similar to the "Guidelines for Salary Packaging in the WA Public Sector", as available to employees in the Western Australian public sector.

#### **ELECTORATE ALLOWANCES**

Electorate allowances were adjusted in August 2000 and no general change occurs with this determination. However, the Tribunal has noted the percentage change that has occurred in a number of electorates since the last electoral redistribution in 1994. The increased number of constituents in electorates will not be resolved until the next State Election.

The number of constituents in the electoral district of Wanneroo has increased markedly. The enrolment as at 30 June 2001 was 39,383 compared to 19,153 as at 7 February 1994. This represents an increase of 105.62 per cent over the 1994 figure and 49.8 per cent above the current quotient figure of 26,289.

Pending an electoral redistribution, the Tribunal has determined that the electorate allowance for the Wanneroo District be supplemented by an additional allowance equal to 50 per cent of the normal electorate allowance, with effect from 1 July 2001.

#### AIR CHARTER AND HIRE

A number of changes have been made to this provision that will assist those Members in the largest electorates to improve their effectiveness in servicing their electorates. An adjustment of \$8,500 has been made to the Air Charter and Hire provided to the following electorates, bringing the allocation in line with that applying to Members representing the Mining and Pastoral Region.

Electorate Size

Eyre 587,796 Square kilometres
Ningaloo 437,927 Square kilometres
Pilbara 872,891 Square kilometres

A car hire only provision of \$6,000 per financial year has also been provided to the electoral districts of Albany, Geraldton and Kalgoorlie.

The determinations will now issue.

Signed at Perth 23 August 2001.

### Determination of the SALARIES AND ALLOWANCES TRIBUNAL

## PURSUANT TO SECTION 6 (1)(a)(ab) and (b) of the Salaries and Allowances Act 1975

#### 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 September 2001, 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 \$100,000 per annum.

Employee contributions to superannuation may be made on a salary sacrifice basis within the limits prescribed in the "Guidelines For Salary Packaging In The WA Public Sector". A copy of these guidelines can be found at <a href="http://www.doplar.wa.gov.au/public/circular/1198attach.html">http://www.doplar.wa.gov.au/public/circular/1198attach.html</a>

#### 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 electorate staff or a family member will use the vehicle. 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 Party or political purposes, an electorate allowance of \$21,000 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.

Electoral Region	Electoral District	Additional Allowance per annum \$
Metropolitan Regions		1,650
1	Roleystone, Swan Hills	1,650
	Wanneroo from 1 July 2001	10,500
South West Region		8,500
	Albany, Bunbury, Dawesville and Mitchell	400
	Vasse	2,100
	Collie & Murray-Wellington	3,800
	Stirling and Warren Blackwood	7,200
Agricultural Region		12,000
	Geraldton	400
	Avon and Wagin	7,200
	Greenough, Merredin, Moore and Roe	10,600
Mining and Pastoral Region		17,500
	Kalgoorlie	400
	Burrup, Eyre, Kimberley Ningaloo & Pilbara	16,500

#### 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 Parliamentary, Electorate and Private use 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 \$6,600 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, driver's airbag and tow-bar, 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 Goods and Services Tax, Fringe Benefits Tax and insurance shall be met by the Member.

Where a Member travels 40,000 kilometres or more per year and elects to retain 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 to them.

Members representing the Mining and Pastoral Region or any District contained therein can apply to the Tribunal for the issue of an appropriate diesel powered 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.

#### 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,
    - (iii) an official government, parliamentary or vice regal function

but such allowance shall be limited to kilometres travelled in excess of 100.

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

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 with effect from 1 July 2001—

Electorate Region	District	Per Financial Year
		\$
Mining and Pastoral Region		26,500
	Eyre, Ningaloo and Pilbara	26,500
	Burrup, Kimberley	18,000
Agricultural Region		18,000
	Greenough, Merredin, Moore and Roe	14,500
	Avon and Wagin	6,000
South West Region		14,500
-	Stirling & Warren Blackwood	6,000

- 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. Where through necessity a charter itinerary involves travel into the Northern Territory or South Australia, Tribunal approval is required prior to the payment being accepted as a debit to this provision.
- 5. Charges shall only be levied against this provision if the Member undertakes the travel claimed.
- 6. Claims for reimbursement or accounts received in respect of 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.

#### MOTOR VEHICLE HIRE

With effect from 1July 2001, Members representing the electoral districts of Albany, Geraldton and Kalgoorlie shall be entitled to draw upon the charter provision, to a maximum of \$6,000 per financial year for the purpose of hiring motor vehicles whilst in Perth or the electorate on parliamentary and/or electorate business.

- 1. This provision is available to the Member only, and cannot be used by other persons.
- This provision is made to ensure the Member has transport whilst the provided motor vehicle is in a different location i.e., the electorate or Perth. It cannot be used if the provided motor vehicle is being used for private purposes by a person other than the Member.
- 3. Claims for reimbursement or accounts received in respect of Motor vehicle hire using this provision must be submitted within 90 days from the date that the hire 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 financial year. 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. Where a Member exceeds the monetary limit, the costs shall be met from the electorate allowance provided to the Member.

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

## PART II—REMUNERATION OF MINISTERS OF THE CROWN, the PARLIAMENTARY SECRETARY OF THE CABINET and

#### OFFICERS OF THE PARLIAMENT

1. In addition to the remuneration payable to a Member under Part I of this Determination there is payable to the person for the time being holding the office specified in the table hereunder an additional salary calculated as a percentage of the Basic Salary, namely—

Office held	% of Basic Salary
Premier in conjunction with a ministerial office	132
Deputy Premier in conjunction with a ministerial office	97
Leader of the Government in the Legislative Council in conjunction with a ministerial office	90
Ministerial office	80
Leader of the Opposition in the Assembly	80
President of the Legislative Council	66
Speaker of the Legislative Assembly	66
Leader of the Opposition in the Legislative Council	45
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	45

Office held	% of Basic Salary
Parliamentary Secretary of the Cabinet	45
Chairman of Committees in either House	30
Government Whip in the Legislative Assembly	18
Opposition Whip in the Legislative Assembly	18
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;
  - 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 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 III- EXPENSE ALLOWANCE

In addition to the remuneration payable under Parts I and II of this determination there shall be payable to Parliamentary Secretaries appointed under Section 44A (1) of the Constitution Acts Amendment Act 1899, an expense of office allowance of \$1,822 per financial year

#### PART IV—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. Where the costs reasonably and properly incurred exceed the indicative rates and have been debited to an official Corporate Credit Card, the actual costs shall be met.

- 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.
- 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.
- 1.7 Members on Parliamentary or Political Party Business

In order to provide all Members with the ability to travel to a place within Western Australia for Parliamentary purposes or to attend a parliamentary party meeting, Members shall be entitled to claim reimbursement of accommodation expenditure to a maximum of 8 nights per financial year. The rates contained at the end of this Part should be deemed to be indicative of the maximum reimbursement that can be claimed.

This provision does not impact on or replace any allowance provided by the Treasurer determined under Section 11A of the Salaries and Allowances Act 1975.

#### 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—
  - Sittings of that Member's House of Parliament.
  - Meetings of Select Committees of which that Member is a member.
  - Attendance at official government, parliamentary or vice regal functions.
  - 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. Proof of expenditure must accompany each claim.
- 3.2 (i) The maximum number of nights claimable per financial year shall be—

Avon, Collie, Greenough, Merredin, Moore, Murray, Roe, Stirling, Vasse, Wagin, Warren Blackwood and Murray-Wellington	20 11.
Wagii, Wairen Biackwood and Marray Weinington	30 nights
Burrup, Eyre, Kimberley Ningaloo & Pilbara	40 nights
Regions—Mining and Pastoral, Agricultural and Southwest	50 nights

- (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 4 of this Part that expenditure was incurred.

#### Section 4—General Conditions Applying to This Part

- 4.1 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 residences, to the President of the Legislative Council or the Speaker of the Legislative Assembly as appropriate.
- 4.2 Claims made for reimbursement of the expenditure incurred must be accompanied by a certification that the expense was incurred on electorate or parliamentary business.
  - In the case of commercial accommodation a receipt must accompany claims or certification that commercial accommodation was utilised and that a receipt can be produced;

or

 In the case of 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.

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

- 4.3 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—
  - 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.

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.

- 4.4 Claims made under 5.3 in respect of the entitlement granted in Section 3 of this Part form part of the annual entitlement.
- 4.5 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 5—Travelling Allowance—Rates of Payment

#### COMMERCIAL ACCOMMODATION

	Premier	Ministers, Office Holders	Members
Perth	NIL	NIL	Rate A—\$160
WA North of the 26 <sup>th</sup> parallel	\$350	\$320	Rate B as per the rates in the Public Service Award 1992—Schedule I—for Towns North of the 26 <sup>th</sup> parallel
WA South of the 26 <sup>th</sup> parallel	\$300	\$210	Rate B—\$175
Sydney	\$425	\$350	\$275
Melbourne			
Brisbane	\$360	\$320	\$230
Adelaide			
Darwin	\$310	\$270	\$200
Hobart			
Canberra			
Other Areas	\$300	\$220	\$175

#### 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 6—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 V-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 VI-TELEPHONE RENTAL AND CALLS

#### Section 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, 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 Department of the Premier and Cabinet.
- (iv) Reimbursement for (ii) and (iii) above is restricted to one residence.

#### Section 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 five approved telephone lines in that Member's electorate office to be used for—

- · Telephones;
- Facsimile:
- Modem connection

#### Section 3—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—

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

#### Section 4—Telecard/Teleconferencing

- (i) 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 Member made the calls for electorate or parliamentary purposes. The use of the Telecard is for occasional purposes and not general daily use.
- (ii) 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.

#### Section 5—Satellite Telephone Trial

On a trial basis, a satellite telephone has been provided to one Legislative Assembly Member from each of the Labor, Liberal and National Parties who hold electorates in regional areas where the majority of the electorate is not within normal standard mobile telephone range. This benefit is also extended to the Member for Pilbara. The cost of the telephone, installation and line costs will be met from this determination. Call costs will remain the responsibility of the Members.

This trial will continue until otherwise determined.

#### Section 6—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.

#### Section 7—Definition

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

"Standard telephone" and "Approved telephone" refers to the telephones considered appropriate from time to time, by the Director General, Department of the Premier and Cabinet.

#### PART VII—PAYMENT OF REMUNERATION

- 1. The remuneration payable to a Member under Parts I, (Section 2), V and VI 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.
- 2. 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, V and VI 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 (Section 2) and V of this determination shall be paid by equal instalments on the last day of each month.

Signed at Perth 23 August 2001.

## Determination of the SALARIES AND ALLOWANCES TRIBUNAL

## PURSUANT TO SECTION 6 (1)(c) of the SALARIES AND ALLOWANCES ACT 1975

#### 23 August 2001

Section 6(1)(c) of the Salaries and Allowances Act 1975 places the Clerks and Deputy Clerks of both the Legislative Council and Legislative Assembly under the jurisdiction of the Tribunal.

In conducting its inquiries, the Tribunal is satisfied that an increase of 3.7 per cent should be granted to the holders of the positions with effect from 1 September 2001.

The Tribunal determines that 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, with effect from 1 September 2001.

Clerk of the Legislative Council \$114,624

Deputy Clerk of the Legislative Council \$87,306

Clerk of the Legislative Assembly \$114,624

Deputy Clerk of the Legislative Assembly \$87,306

Annual Leave Loading is included in the determined salaries.

The holders of these Offices shall be entitled to the supply of a fully maintained motor vehicle of a type or value specified from time to time by the Tribunal, for business and personal use within Western Australia.

Signed at Perth 23 August 2001.

## WESTERN AUSTRALIA SALARIES AND ALLOWANCES ACT 1975

#### DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL

Pursuant to Section 6B

23 August 2001

#### FORMER PREMIERS OF WESTERN AUSTRALIA

Section 6B of the Salaries and Allowances Act 1975 provides that the Tribunal shall, from time to time, as it sees fit, inquire into and determine the entitlements and benefits to be paid or provided to Former Premiers and others.

The role of the Tribunal in this area commenced in 1987 following amendments to the Act. Prior to this time, benefits for former Premiers, Ministers and Office Holders were determined by the Premier of the day. This situation still prevails in a number of other States and Territories.

Since 1996 the Tribunal has been scaling down the benefits available to Ministers, Office holders and Members as they leave the Parliament. In December 1999 the Tribunal determined that future Members entering the Parliament would not have any post parliamentary entitlement.

The benefits available to former premiers have not changed since a determination made in 1991.

Apart from the history presented to the Tribunal when first undertaking the responsibility for former Premiers' entitlements, the Tribunal's experiences centre around the resignation of four Premiers whose individual periods of service as a Premier range from less than 2 years to 8 years. Three have left the Parliament whilst in their forties whilst the fourth is in his fifties. This trend is not unusual. Of the 26 former Premiers' of Western Australia, 9 have left the office whilst in their 40's and 7 whilst in their 50's.

In giving this matter consideration the Tribunal finds that all Premiers have a residual workload when leaving the office. Numerous factors contribute to the extent of this workload including length of time in office, post parliamentary occupation and desire to remain in public arena.

The extent to which the State assists a former Premier should in the opinion of the Tribunal be restricted to the necessary protocols expected when a person of such high standing leaves office and the facilitation of attendance at official government functions

The 1991 determination provided the following entitlements to former Premiers.

#### 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 Chief Executive, Office of State Administration, 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 Chief Executive, Office of State Administration, 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.

The above determination was issued following an extensive inquiry by the Tribunal and but for a few minor changes is still appropriate today.

The Tribunal is of the view that, for Premiers who have served as a Premier for 4 years or more, the provision of an office in a Government owned or leased building could extend to a maximum of twelve months from the date of leaving the Parliament. Where practical the office should be located in Perth and not in the former Premier's electorate.

After 6 months, a staff member should only be available as and when required by the former Premier.

In 1991, motor vehicles provided to Parliamentary Office holders were purchased by the Government and not leased. To provide the facility for a former Premier to purchase the vehicle that he/she had been using was possible. At the current time, Parliamentary vehicles are leased and the Government has no say as to who the purchaser will be when the vehicle is no longer required. This item is redundant and has been removed.

The Tribunal provided a mechanism in 4.3 of the 1991 determination whereby a former Premier who receives an invitation to an official function outside of Australia could make application to the Tribunal for approval to incur the necessary cost for travel and accommodation. No approvals have been granted under this section.

Reference has been made over the years to the fact that an invitation to an official function within Australia is not covered. The Tribunal considered that travel interstate could be undertaken using the life gold rail pass held by each former Premier. Costs associated with the use of the gold pass have increased considerably over the years. In view of this it would be more cost efficient to the State to allow the use of air travel should the need ever arise.

Section 4.3 has been amended to cater for invitations received within Australia.

Other sections of the determination remain as previously determined.

Signed at Perth 23 August 2001.

## WESTERN AUSTRALIA SALARIES AND ALLOWANCES ACT 1975

#### DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL

Pursuant to Section 6(B)

23 August 2001

#### 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 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. This can be extended to twelve months where a former Premier has served not less than 4 years as Premier. Where practical this office to be located in the Perth Central Business District.

Equipment may be supplied in the same manner as applying to a Member of Parliament. One full time staff person will be provided for 6 months. Where a former Premier has an office entitlement for 12 months, secretarial assistance can be made available as and when required for the remaining 6 month period.

#### 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, Department of the Premier and Cabinet, shall be entitled to the use of a car and driver.
- 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 Department of the Premier and Cabinet, be entitled to a car and driver from the motor vehicle pool, or at Government cost, a private taxi, 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

- 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.

Signed at Perth 23 August 2001.

#### WESTERN AUSTRALIA

#### DETERMINATIONS OF THE SALARIES AND ALLOWANCES TRIBUNAL

PURSUANT TO PROVISIONS OF SECTION 6A OF THE SALARIES AND ALLOWANCES ACT 1975, AND THE PARLIAMENTARY SUPERANNUATION ACT 1970

#### 23 August 2001

Amendments to the Parliamentary Superannuation Act 1970 and the Salaries and Allowances Act 1975 resulting from the Parliamentary Superannuation Legislation Amendment Act 2000 requires the Tribunal to undertake inquiries and determine a range of matters relating to Parliamentary Superannuation.

The first matter dealt with by the Tribunal in December 2000 involved the determination of the level of State superannuation contributions for Members who entered the Parliament after the closing date of the Parliamentary Superannuation Scheme and transitional arrangements for those Members who elected to transfer to the new arrangements.

The Tribunal will issue a number of superannuation related determinations.

Advice has been received from the Government Employees Superannuation Board indicating that arrangements need to be made to enable members of the Parliamentary Superannuation Scheme to meet liabilities in respect to their superannuation contributions surcharge payment. This falls into two categories, Members who qualify for a pension and Members who do not qualify for a pension but receive a benefit of twice contributions plus interest under Section 14(3).

The first determination will enable those Members who left the Parliament this year and who had not qualified for a pension (Section 14(3) of the Parliamentary Superannuation Act 1970) to leave a portion of their contribution refund in the Scheme in order to meet their expected superannuation contributions surcharge liability under Section 15(7) of Superannuation Contributions Tax (Members of Constitutionally Protected Funds) Assessment and Collection Act 1997. The amount retained will purchase a notional deferred pension using surcharge commutation factors.

The notional deferred pension will be commuted to a lump sum when the Member produces to the Government Employees Superannuation Board a copy of the Superannuation Surcharge Final Liability Notice issued by the Australian Taxation Office. A cheque will then be made payable to the Deputy Commissioner of Taxation to ensure that the payment is used for surcharge purposes.

The balance of the notional deferred pension will be commuted using the same surcharge factors and then be refunded to the member at the same time. This payment will be an Eligible Termination Payment (ETP).

The second determination provides a mechanism for those members of the Parliamentary Superannuation Scheme who qualify for a pension under the Parliamentary Superannuation Act 1970 to commute part of their pension to meet any contribution surcharge imposed under Section 15 (7) of the Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997.

In considering the best method of providing a determination enabling the equitable means of reducing members pensions, the Tribunal has decided to use factors provided from time to time by the Actuary appointed by the Treasurer under Section 27 of the *Parliamentary Superannuation Act 1970*. The surcharge commutation factors will be reviewed by the Actuary from time to time.

The third matter also concerns the contributory scheme and deals with the newly inserted Section 5 (6) and Section 11 (1) and (2) of the Parliamentary Superannuation Act 1970. These Sections state—

- Sec 5 (6) If under section 11 contributions have been made to the scheme in respect of a member then for the purposes of this Act the member is deemed to have made the contributions to the scheme.
- Sec 11 (1) While a person is a member, contributions shall be made to the scheme in respect of the person of an amount calculated on such basis as is determined from time to time by the Tribunal.
- Sec 11 (2) If the contributions in respect of a member are not paid by the State as part of the member's remuneration they are to be deducted from the member's salary.

Clearly the intent of the Parliament in passing this legislation was to allow Members the ability to "salary sacrifice" their compulsory superannuation contributions in much the same way as is available to employees in normal occupations. To this extent, this Tribunal provides a limited form of salary packaging for those persons holding offices under Sections 6 (1) (c), (d) and (e) of the Salaries and Allowances Act 1975.

Given that intent there appears to be no reason why Members should not be able to enter into salary packaging arrangements along similar lines to that contained in the "Guidelines For Salary Packaging In The WA Public Sector", as amended 9 December 1998. A copy of these guidelines can be accessed at <a href="http://www.doplar.wa.gov.au/public/circular/1198attach.html">http://www.doplar.wa.gov.au/public/circular/1198attach.html</a>.

The determination enabling Members to take advantage of this provision has been inserted in the determination made under Section  $6\ (1)$  relating to Members of Parliament remuneration.

Signed at Perth 23 August 2001.

## WESTERN AUSTRALIA DETERMINATIONS OF THE SALARIES AND ALLOWANCES TRIBUNAL

#### PURSUANT TO PROVISIONS OF THE PARLIAMENTARY SUPERANNUATION ACT 1970

23 August 2001

Determination made under Section 28 (2) of the Parliamentary Superannuation Act 1970

Under Section 28(2) of the *Parliamentary Superannuation Act 1970* the Tribunal may inquire into and determine any matter in connection with contributions to and the benefits payable under the Scheme

The Tribunal determines that where a person who under Section 14 (3) ceases to be a member and is not entitled to be paid a pension, he or she can elect to retain an amount in the Scheme in order to meet their expected superannuation contributions surcharge liability under Section 15(7) of the Superannuation Contributions Tax (Members of Constitutionally Protected. Superannuation Funds) Assessment and Collection Act 1997. The amount retained will purchase a notional deferred pension.

The notional deferred pension will earn interest at 7 per cent per annum. This percentage will be adjusted from time to time, in accordance with quarterly movements in the Treasury 10 year bond rate as contained in the Reserve Bank of Australia- Interest Rates and Yields- Capital Market (F2) table.

The notional deferred pension will only be commuted to a lump sum using surcharge commutation factors when the member forwards a copy of the Superannuation Surcharge Final Liability Notice issued by the Australian Taxation Office. A cheque will be forwarded to the member made payable to the Deputy Commissioner of Taxation to ensure that the payment is used for surcharge purposes.

The balance of the notional deferred pension will be commuted using the same surcharge factors and then be refunded to the member at the same time. This payment will be an Eligible Termination Payment (ETP).

The Parliamentary Superannuation Board Actuary appointed by the Treasurer under Section 27 of the Parliamentary Superannuation Act 1970 determines the surcharge commutation factors used in the purchase and commutation of the notional deferred pension. The surcharge commutation factors will be reviewed by the Actuary from time to time.

#### Determination made under Section 28 (3) of the Parliamentary Superannuation Act 1970

Under Section 28 (3) (i) of the *Parliamentary Superannuation Act 1970* the Tribunal may inquire into and determine when and in what circumstances pensions may be wholly or partly commuted and how commutations are to be calculated.

The Tribunal determines that members who qualify for a pension can commute a portion of their pension for surcharge purposes to meet any superannuation contribution surcharge under Section 15 (7) of the *Superannuation Contributions Tax (Members of Constitutionally Protected Superannuation Funds) Assessment and Collection Act 1997.* The pension will be indexed and paid in accordance with Section 15B and 25 of the *Parliamentary Superannuation Act 1970.* 

The portion of the pension will only be commuted when the member forwards a copy of the Superannuation Surcharge Final Liability Notice issued by the Australian Taxation Office. A cheque will be made payable to the Deputy Commissioner of Taxation and forwarded to the member to ensure that the payment is used for surcharge purposes.

Where the Member had previously elected to take a maximum lump sum benefit, any residual pension will be commuted using the Scheme's commutation factors and then refunded to the Member at the same time as the surcharge payment cheque is forwarded to the member. This payment will be an Eligible Termination Payment (ETP).

The Parliamentary Superannuation Board Actuary appointed by the Treasurer under Section 27 of the Parliamentary Superannuation Act 1970 determines the surcharge commutation factors used in the commutation of the portion of the pension required for surcharge purposes. The surcharge commutation factors will be reviewed by the Actuary from time to time.

Signed at Perth 23 August 2001.

