

WESTERN AUSTRALIA
SALARIES AND ALLOWANCES ACT 1975
DETERMINATION OF THE
SALARIES AND ALLOWANCES TRIBUNAL
ON REMUNERATION OF MEMBERS OF PARLIAMENT
Pursuant to Sections 6(1) (a), (ab), (b) and 6AA

August 2011

PREAMBLE

This determination of the Salaries and Allowances Tribunal reissues the general determination of 8 August 2011 to correct and clarify some minor issues.

The *Salaries and Allowances Act 1975* ('SAA Act') requires the Tribunal, at intervals of not more than twelve months, to inquire into and determine the remuneration to be paid or provided to Ministers of the Crown, the Parliamentary Secretary to the Cabinet, a Parliamentary Secretary appointed under Section 44A(1) of the *Constitution Acts Amendment Act 1899*, members of committees, and officers and Members of the Parliament.

As part of the current inquiry, the Tribunal has exercised its authority under Section 6AA of the SAA Act which provides for the Tribunal to inquire into and determine the entitlements and benefits to be paid to a Member of Parliament if the Member ceases to be a Member.

CURRENT ENQUIRY

In discharging its statutory requirements with respect to the remuneration of Members of Parliament, the Tribunal's approach has been to:

- advertise for public submissions;
- write to all Members of Parliament;
- consider relevant labour market and economic data;
- seek advice from its statutory advisor; and
- be available to Members of Parliament to explain the provisions of the current determination prior to submissions being prepared.

This process provides an opportunity for members of the public, the Government, Members of Parliament themselves or any other interested party to make a submission on the appropriate level of parliamentary remuneration. It also helps to inform the Tribunal of changes which might have taken place in the roles or responsibilities of Members of Parliament over the past year, matters relevant to Members in serving their electorates and other remuneration issues for Members.

Public Submissions

Public submissions were sought by advertisement in *The West Australian* on Friday, 10 June 2011 with a closing date of Friday, 8 July 2011.

Invitation to Members

On Thursday, 16 June 2011, the Tribunal wrote to all Members of Parliament inviting submissions to its inquiry with a closing date of Friday, 8 July 2011.

Labour Market and Economic Data

Relevant labour market and economic data were sought from a variety of sources. For example, the Tribunal sought current data on the Wage Price Index (WPI), Average Weekly Earnings, the Consumer Price Index (CPI) and Total Employment Growth. Economic forecasts at a national and state level were also considered. In addition, the Tribunal sought data on the level of remuneration of Members of Parliament in Western Australia compared to similar positions in other Australian jurisdictions and a range of public offices in the Western Australia community.

Statutory Advisor

The Tribunal sought advice from its statutory adviser, the Hon George Cash AM, to assist it with its inquiry.

CONSIDERATIONS

In exercising its statutory responsibilities, the Tribunal applies broad principles upon which levels of remuneration are determined for all categories of offices and positions coming within the scope of the SAA Act. These principles, particularised to Members of Parliament, have been applied by the Tribunal to make judgements with respect to the remuneration in this determination. These principles are:

- the value of a parliamentary position to the State under our democratic system of government;
- measures of the ‘work value’ of Members of Parliament and various offices held by Members in the Parliament; and
- the level of remuneration of Members within the context of the environment of wage and salary rates applying generally in the community.

The Tribunal is conscious of the position of Parliamentarians in our democratic system and that the remuneration of Members should not preclude people from all walks of life from aspiring to enter Parliament.

Submissions

A number of written and verbal submissions were received from Members of Parliament and the State Government. The Parliamentary Liberal Party availed itself of the invitation extended to all Parliamentary Parties to meet with the Tribunal.

This year’s submission from the State Government invited the Tribunal to take into account its Public Sector Wages Policy. This Policy provides for increases equivalent to projected growth in the Perth CPI with the possibility of further productivity increases capped at projected growth in the Western Australian WPI. The Government’s submission also noted that Western Australia’s economy is expanding at a stable pace, with conditions in the resources sector being particularly strong. While conditions are more subdued in other sectors of the economy – for example, household spending, the housing market, agriculture, and export focused industries – the overall outlook for growth is positive.

Matters relevant to the current inquiry that were raised in other submissions and at meetings with Members of Parliament included:

- the implementation of a per capita payment based on the number of constituents as the basis of determining the Base Electorate Allowance;
- issues associated with the cash in lieu value for the motor vehicle entitlement;
- the additional salary relativities of certain office holders of the Parliament;
- the travel and accommodation rates applicable for Members within their electorate;
- the accommodation allowance for country Members and whether it should be paid as a flat rate;
- issues associated with the motor vehicle mileage allowance for Members of Parliament who do not access a fully maintained government vehicle;
- superannuation contributions; and
- resettlement allowances for Members who are not re-elected. This issue was raised in three of the written and verbal submissions and was an issue that was brought to the Tribunal's attention on a number of other occasions.

The Tribunal has taken into account all the submissions to this inquiry in its deliberations. It has decided to give further considerations to the matter of superannuation in a separate inquiry.

Remuneration in Australian Parliaments

The current rates of parliamentary remuneration are set out in Table 1. This shows that the base salary of Western Australian Members of Parliament is now below that of parliamentarians in the Commonwealth, New South Wales, Queensland, Victoria, South Australia and the Northern Territory.

Table 1:

Base Remuneration, Relativities and Number of Electors per Lower House Member, Australian Parliaments, 1 July 2011

| Jurisdiction | Base Remuneration at 1 July 2011 (\$) | Relation to Commonwealth Base Remuneration |
|------------------------------|--|---|
| Commonwealth | 140,910 | |
| Western Australia | 134,526 | \$6,384 less than C'wlth (No Link) |
| New South Wales | 140,410 | \$500 less than C'wlth |
| Queensland | 140,410 | \$500 less than C'wlth |
| South Australia | 138,910 | \$2,000 less than C'wlth |
| Victoria | 135,177 | \$5,733 less than C'wlth |
| Northern Territory | 137,910 | \$3,000 less than C'wlth |
| Australian Capital Territory | 121,023 | \$19,887 less than C'wlth (No Link) |
| Tasmania | 113,866 | 85.19 per cent of C'wlth (\$27,044 less) |

Source: The data on the base remuneration of Members of Parliament have been taken from the websites of the respective Parliaments, Tribunals or agencies in each jurisdiction.

Under the SAA Act the salaries of Members of Parliament in Western Australia are determined by the Tribunal independent of any statutory link to the level of remuneration of

a Federal Member of Parliament or any indirect alignment with a reference salary determined by another statutory body which can be subject to regulatory amendment.

Salary of a Member of Parliament

The salary awarded to a Member is not intended to be an enticement for attracting someone looking for the highest salary possible, however it is intended to be a fair recompense for the considerable responsibilities and onerous duties required of a Member of Parliament: duties which include advocacy and representation on behalf of constituents, public policy development and analysis, calling government and its instrumentalities to account, law making and participating in both community and political activities. In undertaking these duties, Members make considerable sacrifices to be available to their constituents at all hours and to attend to Parliamentary duties in Perth and their electorates. This places a burden on a Member's family particularly when the electorate is outside the metropolitan area.

For many Members the commitment to public office carries with it an acceptance of a reduction in income. The level of remuneration should not be so low as to act as a deterrent to taking up public office. The salary should be commensurate with the value of the office to the State, the demands of effective representation and the skills expected of our law makers. It should be sufficient for a fair minded person to consider, given the requirements of a Member, that the level of remuneration is adequate and appropriate when viewed within the context of community wage and salary standards generally. This appreciation recognises that the Member does not have access to general terms and conditions of employment such as long service leave, annual leave, leave loading or redundancy pay. Although after hours availability is not unique to Parliamentary life, there is no additional recognition for being on-call. The expectation of availability and the convenience of communication technology has increased the demands on a Member's accessibility.

The Tribunal is mindful that the salary of a Member is quite separate from the costs of representing electorates that are properly the subject of allowances and reimbursements determined by the Tribunal.

Salary Movements between Members of Parliament and other Office Holders

In its 2010 determination on Members of Parliament, the Tribunal noted the changing relativities between Members' salaries and those of other public office holders under the Tribunal's jurisdiction as well as some other public sector appointees. The Tribunal concluded that in the period 2002 to 2010, salary adjustments over time have discounted the value of a Member of Parliament's position within the context of executive public sector salary rates generally.

Table 2 below updates the relativities established in 2010 with current remuneration data, as at 1 July 2011.

Table 2:

Change in the Base Salary of a Member of Parliament and Selected Public Office Holders and Private Sector Office Holders in Western Australia 2002 – 2011

| Office Holder | 2002 Salary (\$) | 2011* Salary (\$) | Increase in Salary of Office Holder from 2002 to 2011 | Increase in Salary of Office Holder relative to the increase in the salary of a MP from 2002 to 2011 |
|---|------------------|-------------------|---|--|
| Member of Parliament | 103,300 | 134,526 | 30.23% | 0.00% |
| Public Servant Class 1 (a starting point in the Senior Executive Service) | 99,186 | 146,478 | 47.68% | 12.87% |
| Magistrate | 163,216 | 288,335 | 76.66% | 56.33% |
| Public School Principal Level 6 (top increment) | 89,207 | 139,333 | 56.19% | 17.22% |
| Senior Sergeant of Police (top increment) | 65,874 | 98,599 | 49.68% | 9.52% |
| Special Division Group 4 Max non tenured | 224,261 | 363,792 | 62.22% | 53.33% |

Source: Salaries and Allowances Tribunal Determinations, Department of Commerce, Labour Relations Branch

** Salary as at 1 July 2011*

Despite the 4.3 per cent increase awarded to the base salary of Members in the 2010 determination, there still remains a large fall in the relativity of a Member's salary compared with the salaries of other public officers.

Having made this observation regarding changing salary relativities, the Tribunal is conscious that the responsibilities and duties of Members of Parliament are unique and no conclusions should be drawn regarding the responsibilities of Members relative to those of other public office holders outside the Parliament.

Additional Salary for Parliamentary Office Holders

During the inquiry the Tribunal received a number of submissions regarding the relativity of certain Parliamentary office holders. These submissions were not from the office holders themselves, but from Members who considered that the relativity had undervalued a particular role. The Tribunal heard that since the introduction of proportional representation in the Legislative Council the position of Leader of the Opposition in the Legislative Council has become a much more onerous position. Some of the increased responsibilities of the position arose from the changing composition of the Legislative Council due to proportional representation which has resulted in more minor parties being represented.

As a consequence, the Leader of the Opposition in the Legislative Council is involved in complex negotiations with other parties in relation to the passage of legislation.

The submissions presented to the Tribunal regarding the Leader of the Opposition in the Legislative Council suggested that this position was undervalued compared to the other positions in receipt of a 45 per cent additional salary component. This matter has been addressed in this determination.

The Tribunal proposes to continue to review salaries for other Parliamentary office holders in future determinations.

Changes in Base Remuneration of Western Australian Members of Parliament Compared with Key Economic Indices

Table 3 below compares the percentage increases in base remuneration awarded to Western Australian Members of Parliament over the past five years with key economic indices. The increases over this period have been consistently less than the Western Australian WPI. In two of the five years, remuneration increases have also been less than changes in the Perth CPI. This has been in an environment where wage growth in Western Australia continues to exceed growth in the rest of the nation.

Table 3:

Changes in Base Remuneration of Members of Parliament Compared with Key Economic Indices 2006 – 2011

| Year | Consumer Price Index | | Wage Price Index | | Change in WA Members' Base Remuneration |
|------|----------------------|-------|-------------------|-------------------|---|
| | National | WA | National | WA | |
| 2006 | 3.3% | 4.4% | 4.0% | 4.6% | 4.1% |
| 2007 | 3.0% | 3.0% | 4.2% | 5.9% | 4.5% |
| 2008 | 3.7% | 3.7% | 4.3% | 5.7% | 4.2% |
| 2009 | 2.5% | 2.2% | 4.1% | 5.4% | 0% |
| 2010 | 3.1% | 3.5% | 3.1% | 3.0% | 4.3% |
| 2011 | 3.6%* | 3.0%* | 3.9% [#] | 4.1% [#] | |

Source: CPI: ABS Cat. 6401.0; WPI ABS Cat. 6345.0

* CPI from 1 July 2010 to 30 June 2011. [#] WPI from 1 April 2010 to 31 March 2011.

Labour Market and Economic Data

Table 4 sets out a selection of relevant economic indicators sourced from the Australian Bureau of Statistics (ABS) comparing current National and Western Australian data. Both quarterly increases and annual average increases have been presented in this table.

Table 4:**National and Western Australian Economy – Quarterly and Annual Average Increases – Selected Economic Indicators 2011.**

| Indicator | Quarterly % Increase | Annual Average % Increase |
|---|-----------------------------|----------------------------------|
| Perth - Consumer Price Index – Year to June 2011 Qtr | 1.3% | 3.0% |
| National - Consumer Price Index – Year to June 2011 Qtr | 0.9% | 3.6% |
| WA - Wage Price Index – Year to Mar Qtr 2011 | 0.9% | 4.1% |
| National - Wage Price Index – Year to Mar Qtr 2011 | 0.9% | 3.9% |
| WA – Wage Price Index – Year to Mar Qtr 2011 – Private Sector | 1.0% | 4.3% |
| National – Wage Price Index – Year to Mar Qtr 2011 – Private Sector | 0.8% | 4.0% |
| WA – Wage Price Index – Year to Mar Qtr 2011 – Public Sector | 0.6% | 3.6% |
| National – Wage Price Index – Year to Mar Qtr 2011 – Public Sector | 0.8% | 3.6% |
| WA – Average Weekly Earnings – Year to Feb Qtr 2011 | 3.2% | 5.3% |
| National - Average Weekly Earnings – Year to Feb Qtr 2011 | 0.9% | 3.9% |
| WA – Average Weekly Earnings (Full-time Adult Ordinary Time Earnings) – Year to Feb 2011 Qtr | 3.2% | 7.7% |
| National - Average Weekly Earnings (Full-time Adult Ordinary Time Earnings) – Year to Feb 2011 Qtr | 1.0% | 3.8% |
| WA Total Employment Growth – Year to June 2011 | 1.1% | 1.4% |
| National Total Employment Growth – Year to June 2011 | 0.0% | 2.0% |

Source: CPI: ABS Cat. 6401.0; WPI ABS Cat. 6345.0; AWE ABS Cat. 6302.0; EG ABS Cat. 6202.0

From Table 4 it can be seen that the annual average growth in the public sector WPI for Western Australia at 3.6%, was significantly behind the growth in the Western Australian private and combined sector WPI of 4.3% and 4.1% respectively for the same period. The WA Average Weekly Earnings outstripped the WPI even further with an average yearly growth of 7.7%.

All economic indicators and commentary from peak economic bodies are now showing sustained growth, despite some concerns expressed over the ‘two speed nature’ of the Australian economy and the introduction of the Carbon Tax. Uncertainty in the global economy associated with the debt crisis in Greece and other European countries and

lingering concerns over the sluggish US economy have also resulted in a cautionary approach to economic forecasts.

The Western Australian Department of Treasury and Finance (DTF) has reported the following forecasts for major economic aggregates in the May 2011 State Budget papers.

Table 5:

Western Australian Economy – Annual Average Growth – Selected Economic Indicators 2011

| Economic Aggregates | 2009/10 Actual | 2010/11 Estimated Actual | 2011/12 Budget Estimate | 2012/13 Forward Estimate | 2013/14 Forward Estimate |
|----------------------|-------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| | % | % | % | % | |
| Gross State Product | 4.3 | 4.0 | 4.5 | 4.0 | 4.0 |
| Real State Income | 3.6 | 14.5 | 2.74 | 0.25 | 0.25 |
| Employment | 0.3 | 3.0 | 2.5 | 2.5 | 2.25 |
| Unemployment Rate | 5.0 | 4.5 | 4.5 | 4.25 | 4.25 |
| Wage Price Index | 3.3 | 4.0 | 4.25 | 4.5 | 4.5 |
| Consumer Price Index | 2.5 | 2.75 | 3.0 | 3.25 | 3.25 |
| Population | 2.4 | 2.3 | 2.2 | 2.1 | 2.1 |

Source: 2011-12 Budget Paper No. 3 – Economic and Fiscal Outlook, Department of Treasury and Finance. p.3

The Chamber of Commerce and Industry Western Australia (CCI) has recently stated “*The recovery in the WA economy is back on track, following a more challenging period towards the end of 2010. However, the patchiness that exists by industry remains a key feature of the economy, with many businesses still facing difficult conditions.*”¹ The CCI also noted the continued wage pressures in the Western Australian economy which were attributed to strong growth in the resources sector and the issues associated with the shortage of labour.

Essentially, these forecasts predict that the economy will be stronger, and continue to grow steadily over the next few years.

Changes in Electoral Enrolments

Table 6 shows that since the last electoral redistribution in 2007 the average number of electors in both metropolitan and country electoral districts has risen. As at 31 March 2011, there has been an increase in the average number of electors per metropolitan electoral district of 9.62% while country districts grew by 8.24%.

¹ *Chamber of Commerce and Industry Western Australia – Outlook June Quarter 2011 page 2.*

Table 6:

Change in Metropolitan and Country District Enrolments from 26 February 2007 to 31 March 2011

| AVERAGE LEGISLATIVE ASSEMBLY ENROLMENTS | | | |
|---|-------------|-------------|-------------|
| District | 26 Feb 2007 | 15 Aug 2008 | 31 Mar 2011 |
| Metropolitan | 22,275 | 23,596 | 24,418 |
| Country | 20,726 | 21,975 | 22,432 |

Source: WA Electoral Commission enrolment data, www.waec.wa.gov.au

The Western Australian Electoral Distribution Commissioners have released the proposed electoral boundary redistributions for comment. The final electoral boundaries are due to be published on Monday, 10 October 2011. The proposed redistribution would see an average district enrolment of 23,178 electors with an average for metropolitan districts of 24,240 and an average for country districts of 20,325. This will result in a slight reduction in the number of electors per lower house Member of Parliament when compared with the current number of electors per Member.

Additional Electorate Allowances remain in place to cater for the largest, most remote and least accessible country electorates and these were last adjusted to take into account new electorates in September 2008. Since then the average number of electors per country Member has increased by a relatively modest amount of approximately 2 per cent, and remains well below the number of electors per metropolitan Member. The Tribunal will monitor the final re-distribution of electorate boundaries and will adjust the electorate allowances if necessary.

Resettlement Entitlement

The SAA Act was amended in 2000 to enable the Tribunal to determine entitlements and benefits when a Member ceases to be a Member. This provision was enacted at the time when access to the Parliamentary Pension Scheme was closed. In addressing the amending legislation under Section 6AA of the SAA, Act the then Premier stated that the entitlement was for “*payments to assist former members in making the transition from holding public office to re-establishing a private career*”.

The provision of a resettlement entitlement has wide spread application within Parliaments under the Westminster system of government. The Commonwealth of Australia, Queensland and Northern Territory Parliaments all provide for 12 weeks’ base salary when a Member ceases to be a member. In the United Kingdom, New Zealand and Canada provisions for a Member for finalising their affairs and resettlement have been made in a range of allowances, tax free payments and travel entitlements.

As noted, the provision for a resettlement entitlement was enacted within the context of amending legislation which sought to align the superannuation of Members with general community standards. Also, as already noted, Members do not have an entitlement to conditions of employment which apply generally.

The departure from public life gives rise to unique circumstances, particularly when it is involuntary. For Members who have held office for a limited period, the dislocation can be severe. For many, unable to return to previous employment, they must re-establish themselves in the community and the workforce. Where the Member leaves the Parliament after a lengthy career in public life the transition to private life is not as dramatic.

The Tribunal considers that the provision of an allowance which assists in meeting the expenses associated with finalising matters as an elected representative and in re-establishing the Member in the community should address only those instances where the Member has not been able to establish a long term Parliamentary career. On this basis the availability of a Resettlement Entitlement would decrease with time spent in Parliament and cease when a Member has served more than three terms.

DETERMINATION

In making this determination and in its application of the principles stated in the preamble, the Tribunal has considered the written and verbal submissions it received; the level of remuneration of other senior officers for which it has responsibility; the state of the economy reflected in movements in a range of economic indicators for salaries and prices; and advice from its Statutory Advisor.

Base Remuneration of Members of Parliament

After taking into account price and wage movements and public and private sector salary adjustments in recent years, the Tribunal considers that an increase in the base salary of 4.3 per cent is warranted.

The percentage adjustment is in line with movement in the Western Australian private sector WPI for the year to March 2011. In this respect the real value of the remuneration of a Member of Parliament has been maintained.

The Tribunal is mindful of the deterioration in relativities experienced in the remuneration of Members of Parliament in comparison with other office holders within the Tribunal's jurisdiction as illustrated in its 2010 and 2011 Members of Parliament Determinations. The Tribunal is concerned that if the present trend continues, the base salary of a Member of Parliament will represent a barrier to people committed to public service from aspiring to enter Parliament.

Additional Remuneration of Ministers, Parliamentary Secretaries and Office Holders of the Parliament

In conducting the current inquiry into the remuneration of Members of Parliament, the Tribunal has recognised that almost 90 per cent of Members are eligible for a percentage of additional salary based on their various roles. These include such roles as Ministers of the Crown, Parliamentary Secretaries and members of Standing Committees. The Tribunal has noted the changing relativities between the salaries of Ministers of the Crown and their departmental heads. However, the Tribunal does not consider that the increases awarded to departmental heads over time should on their own, give rise to changes in the percentage of additional salary provided to Parliament office holders.

The Tribunal considered the submissions received regarding the additional salary component of the position of the Leader of the Opposition in the Legislative Council and has determined the additional salary component be increased to 55 percent.

Electorate Allowances

Base Electorate Allowance - The Tribunal has recognised that since the last determination, there has been an increase in expenses associated with Members meeting their obligations to represent their electorates. In determining an increase in the Base Electorate Allowance, the Tribunal has used the change in the Perth CPI as a reasonable indicator. Accordingly, the Tribunal has decided to increase the Base Electorate Allowance by the annual average Perth CPI of 3 per cent.

A submission from one Member raised the issue of the changes in the number of enrolled voters in districts and requested that the Base Electorate Allowance be adjusted to reflect the number of voters in each electorate as opposed to a standard rate.

The Base Electorate Allowance is a flat rate for all Members and does not account for the differences in size, remoteness or accessibility of electorates. It might be inferred that the quantum of the Base Electorate Allowance is intended to support Members to represent the needs of an average metropolitan electorate and to undertake parliamentary duties. The Western Australian Electoral Commission is required to review electorate boundaries before each state election so that, broadly, all Legislative Assembly electorates will have approximately the same number of electors, within margin of approximately 10 per cent. It will always be the case within a four year election cycle that some electorates will experience a high population growth, however all members are faced with the same broad issues of communicating and representing their electorate and a per capita electorate allowance could be seen to unfairly advantage those electorates experience high population growth which often coincides with improved economic conditions and disadvantages those electorates with low or declining growth which is often a symptom of low or declining economic growth. An argument could be presented that it is in fact the Member representing the low growth electorate that needs a higher electorate allowance.

As the most fair and equitable outcome, the Tribunal has decided to maintain the flat rate for the Base Electorate Allowance and not implement a per capita allowance.

The Tribunal took into account verbal submissions from Members regarding the increased cost of meeting community expectations for communication and access to information (whether that be by means of newsletter, mobile phone, website or some other means). The Tribunal concluded that in this information oriented age, Members face greater demands for information. It was considered to be a more difficult environment in which to satisfy demands for accessible and timely communications by electronic and other means. While it was difficult to quantify the cost of meeting these community expectations, the Tribunal considered that an additional \$1,500 was adequate to provide for such requirements as additional website maintenance and distribution costs.

Additional Electorate Allowance - The Tribunal has maintained that there is a compelling case for an Additional Electorate Allowance for regional Members of Parliament who travel widely within their electorates, travel frequently between the Parliament and their electorates, maintain regular communication with their electors and who are separated by distance from their families. The Tribunal contemplated such expenses as: additional meal and accommodation expenses incurred in transit while travelling to and from remote and regional locations; additional travel to meet family commitments; and additional communication costs associated with electors dispersed over a wide area (e.g. a letter box drop for newsletters can be logistically difficult if not impossible). The Tribunal concluded that there should be no change in those electorates eligible for the Additional Electorate Allowance, however in the absence of a better indicator related to regional expenses, the allowances payable should be increased by an amount approximating the Perth CPI of 3 per cent rounded up to the nearest \$50.

Motor Vehicle – In its November 2010 recommendation report on judicial remuneration, the Tribunal adopted a new approach to determining motor vehicle entitlements. Essentially the Tribunal replaced the nominated benchmark vehicles with a notional dollar value. The Tribunal has since adopted the use of a notional dollar value for other officers under its jurisdiction including members of the Special Division of the Public Service and Prescribed Office holders. Members of Parliament are the last class of officer under the Tribunal's jurisdiction that have a benchmark vehicle rather than a notional dollar value. Accordingly, the Tribunal has introduced a notional dollar value for Members of Parliament which is set at \$22,650. This amount is an approximation of the whole of life cost of the former

benchmark vehicles over two years and 40,000 kilometres. The determination contains the formula to be adopted in valuing the motor vehicle for the purposes of the notional dollar value.

The Tribunal has determined that the amount payable to a Member who foregoes the entitlement of a Government supplied vehicle will be \$22,650. This is the same as the notional dollar value of the motor vehicle entitlement.

A submission was received from a Member requesting the Tribunal review the cash in lieu value due to rising costs. It was argued that the cash value should 'reflect the true cost of leasing a vehicle and the running of this vehicle'. The Tribunal has already taken these factors into account when setting the cash in lieu value which was previously set against the whole of life cost of the benchmark vehicle and is now set at the notional dollar value. These costs include the lease, maintenance, fuel, insurance and other costs associated with the use of a motor vehicle. As such, the cash value determined by the Tribunal is considered to reflect the 'true cost' of leasing a vehicle.

Travelling Allowances

Motor Vehicle Allowance – In its 2010 determination, the Tribunal removed the motor vehicle allowance (a mileage allowance) applicable to Members of Parliament who drive their own vehicle and take cash in lieu of their entitlement to a fully maintained Government motor vehicle. The reasoning behind this decision was that the cash value of the motor vehicle was based on a whole of life cost for the vehicle which was inclusive of petrol, tyres and vehicle maintenance costs. It was therefore concluded that if a Member was already receiving a benefit which took into account petrol costs and motor vehicle wear and tear, it was not necessary to provide an additional allowance to claim such costs when the Member drove their own vehicle. The Tribunal received a submission from a Member requesting that the Tribunal reinstate this allowance. The reasoning behind the Tribunal's decision to remove this allowance remains valid in that a Member who receives the cash in lieu of a motor vehicle allowance has already been compensated for the use of a private vehicle for travel from a Member's residence to attend a sitting of Parliament or an official meeting and there is no need to further compensate Members.

Charter Transport Allowance – The Tribunal increased the Charter Transport Allowance by the CPI transport figure of 3.4 per cent in 2010. The Tribunal has again taken into account that the transportation category of the CPI rose by 2.8 per cent in Perth and 3.5 per cent nationally for the year to June 2011. Accordingly, the Tribunal has decided that there will be an increase of approximately 3.5 per cent in the Charter Travel Allowance in this determination rounded up to the nearest \$50.

Accommodation Allowances

Rates of Payment - In 2008, the Tribunal aligned accommodation allowances for interstate locations with "the reasonable amounts for accommodation and expenses" (the reasonable benefit limits) determined by the Australian Taxation Office (ATO). In 2010, the Tribunal also aligned the accommodation allowances for locations within Western Australia to the reasonable benefit limits set by the ATO.

A regional Member made a submission to the Tribunal's inquiry claiming that the hotel rates in certain regional locations have at times exceeded the rates prescribed by the ATO and requested a review be conducted on the rates. The Tribunal considered the submission and acknowledged that there may be occasions where, due to factors such as limited

accommodation or a particular event occurring, the reasonable benefit limits may not be sufficient for the accommodation cost of a regional Member. The Tribunal has previously considered this and concluded that it is one of the major factors in the Tribunal determining an Additional Electorate Allowances for regional Members under Part 3 Section 3 of this determination. In its 2010 Determination, the Tribunal noted in its preamble that “*the Tribunal considered that there was a compelling case for an Additional Electorate Allowance for regional Members of Parliament who travel widely within their electorates, travel frequently between the Parliament and their electorates, maintain regular communication with their electors and who are separated by distance from their families. The Tribunal contemplated such expenses as: additional meal and accommodation expenses incurred in transit while travelling to and from remote and regional locations; additional travel to meet family commitments; and additional communication costs associated with electors dispersed over a wide area*”.

The Tribunal has therefore determined that the reasonable benefit limits are an appropriate measure at which to set accommodation rates and has already provided regional Members with an additional allowance for the occasions where the rates may not be sufficient.

Metropolitan Expenses of Country Members – The Tribunal determined that the accommodation expenses for country Members of Parliament as set out in Part 5 Section 5 of the determination should be increased by 3 per cent from \$255 to \$263 per night. The increase is an approximation of the annual average Perth CPI. This is considered to be an appropriate measure given the nature of the household expenses that country Members incur while resident in Perth to attend to parliamentary, electoral or vice-regal matters.

One submission to the Tribunal’s inquiry suggested that this allowance ‘financially encourages Members to live away from their electorates’ and proposed that the allowance be paid as an annual sum irrespective of whether the Members stay 20 nights in Perth or 120. The argument presented was that the cost to a Member who maintains a residence in Perth is the same regardless of the number of nights a Member stays in Perth.

The Tribunal did not accept the proposition that the allowance was ‘encouraging Members to live away from their electorates’. The 120 days presently allowed is intended to cater for the number of sitting dates of the Parliament plus committee work and any other parliamentary or electorate work. The number of days a Member is required to be away from their electorate is entirely dependent on the nature of the work undertaken by a Member and the Office they may hold. This is illustrated by the wide variance in the number of nights claimed by Members which over the last financial year ranged from 58 nights to the full allocation of 120. The Tribunal accepts the proposition that there are some fixed costs associated with maintaining a residence in Perth regardless of the number of nights a Member stays at the residence. However that Tribunal considers this allowance is adequate to allow for Members to make arrangements suitable to their particular circumstances, whether this is through the maintenance of a residence in Perth or by utilizing commercial accommodation.

A lump sum payment could be seen as inequitable to other Members who are either based in the Metropolitan Region or are regional Members required to be in Perth for official business for the full allotment of 120 days. The Tribunal has therefore decided to retain the current methodology.

Members expenses within the electorate – As noted above, the Tribunal received a submission regarding the rates payable under this allowance for regional Members. The Tribunal reaffirmed the ATO reasonable benefits rate as the appropriate accommodation allowance and noted that the Additional Electorate Allowance awarded to regional

Members is provided to cover additional accommodation and travel costs incurred by regional Members representing large electorates.

Telephone and Postal Service Allowances

Postal Service Allowances for Certain Office Holders – These allowances were adjusted in 2009 and 2010 as a result of an increase in the standard letter postage rate. As there has been no increase in the postage rate in 2011, these allowances have remained the same.

Resettlement Entitlement

The Tribunal has introduced a Resettlement Entitlement following an extensive consultation and research process. This entitlement will allow Members who have served for up to three terms in the Western Australian Parliament in their transition to private life when they cease to be Members. This entitlement is intended to provide for financial counselling, retirement counselling, re-employment counselling, out-placement services, educational or training costs and any other cost a Member deems necessary.

The Tribunal has determined that 12 weeks' base salary shall be payable to Members who have served for two terms or less in the Western Australian Parliament upon their ceasing to be a Member and Members who have served three terms in the Western Australian Parliament shall be entitled to 8 weeks' base salary.

A Member who ceases to be a Member as a result of a criminal conviction will not be eligible to receive the Resettlement Entitlement.

The determination will now issue.

Signed this 10th day of August 2011.

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL

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

Salaries and Allowances Act 1975

Pursuant to the provisions of the *Salaries and Allowances Act 1975*, the Salaries and Allowances Tribunal (“the 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*, members of committees, officers and Members of the Parliament, as hereunder follows with effect from 1 September 2011, unless otherwise stated:

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[Entitlement administered by: # Parliamentary Departments, Parliament House

* State Administration, Department of the Premier and Cabinet]

PART 1: PAYMENT OF REMUNERATION

SECTION 1: GENERAL

1.1 The remuneration payable to a Member under this determination shall be calculated and appropriately adjusted on and from the day following the day on which the Member is elected as a Member and, except as provided by paragraph 1.2 of this Section and Part 8, shall cease to be payable at the end of the day that the person ceases to be a Member.

1.2 Where a Member of the Legislative Assembly ceases to be a Member by reason of the dissolution of that House or the expiry by the effluxion of time, the Member is, notwithstanding that Member's cessation of membership, entitled to continue to receive the remuneration provided in this determination up to and including the date of the election following the dissolution or expiry of that House.

1.3 Where the Legislative Assembly is dissolved or expires by the effluxion of time, a person who is the Parliamentary Secretary of the Cabinet or immediately before the dissolution or expiry by the effluxion of time was the Chairman of Committees in the House (Deputy Speaker) or is the holder of the office of:

1.3.1 Leader of the Opposition in that House;

1.3.2 Leader of a recognised non-Government party (as defined in Section 2 of Part 2 of this determination);

1.3.3 Deputy Leader of the Opposition in that House;

1.3.4 Government Whip in that House; or

1.3.5 Opposition Whip in that House;

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

1.3.6 that person ceases to be a Member by reason of an event other than the dissolution or expiry by the effluxion of time of the Legislative Assembly; or

1.3.7 another person is elected or appointed to the office held by that person;

whichever event shall first occur.

1.4 Remuneration payable under Parts 2, 3 and 6 (Section 4) of this determination shall be paid by equal instalments either monthly or twice monthly and becomes thereupon the property of the Member. Remuneration relating to part of a pay period should be calculated as 1/365 of the annual amount specified in this determination multiplied by the relevant number of days.

- 1.5 In this determination where reference is made in the text to "...a year..." or "...per annum..." this should be taken to mean a financial year. Where benefits or entitlements are provided with specific reference in the text to "...a financial year..." these cease on and from 30 June each year and no carryover of any unexpended portion is permitted. Accordingly, the advance purchasing of relevant benefits such as those relating to travel in one financial year to be utilised in another financial year is not permitted.

PART 2: REMUNERATION

SECTION 1: BASE REMUNERATION OF MEMBERS OF PARLIAMENT

- 1.1 There is payable to each Member of Parliament an annual base remuneration of \$140,311.

SECTION 2: ADDITIONAL REMUNERATION OF MINISTERS OF THE CROWN, PARLIAMENTARY SECRETARIES AND OFFICE HOLDERS OF THE PARLIAMENT

- 2.1 In addition to the base remuneration payable to a Member under Section 1 of this Part of this Determination there is payable to the person for the time holding the office specified in the table hereunder additional remuneration per annum calculated as a percentage of the base remuneration.

| Office Held | Percent of Base Remuneration | Additional Remuneration | Total Remuneration |
|--|-------------------------------------|--------------------------------|---------------------------|
| Premier in conjunction with a ministerial office | 132 | \$185,211 | \$325,522 |
| Deputy Premier in conjunction with a ministerial office | 97 | \$136,102 | \$276,413 |
| Leader of the Government in the Legislative Council in conjunction with a ministerial office | 90 | \$126,280 | \$266,591 |
| Minister of the Crown | 80 | \$112,249 | \$252,560 |
| Leader of the Opposition in the Legislative Assembly | 80 | \$112,249 | \$252,560 |
| President of the Legislative Council | 66 | \$92,605 | \$232,916 |
| Speaker of the Legislative Assembly | 66 | \$92,605 | \$232,916 |
| Leader of the Opposition in the Legislative Council | 55 | \$77,171 | \$217,482 |
| Deputy Leader of the Opposition in the Legislative Assembly | 45 | \$63,140 | \$203,451 |
| The person who not being a Minister of the Crown is the leader in the Parliament of a party of at least five Members of Parliament other than a party whose Leader is the Premier or the Leader of the Opposition (referred to in this determination as the “Leader of a recognised non-Government party”) | 45 | \$63,140 | \$203,451 |
| Parliamentary Secretary of the Cabinet | 45 | \$63,140 | \$203,451 |

| Office Held | Percent of Base Remuneration | Additional Remuneration | Total Remuneration |
|---|-------------------------------------|--------------------------------|---------------------------|
| Chairman of Committees in either House (Deputy Speaker) | 30 | \$42,093 | \$182,404 |
| Government Whip in the Legislative Assembly | 18 | \$25,256 | \$165,567 |
| Opposition Whip in the Legislative Assembly | 18 | \$25,256 | \$165,567 |
| Parliamentary Secretary | 15 | \$21,047 | \$161,358 |
| Government Whip in the Legislative Council | 12 | \$16,837 | \$157,148 |
| Opposition Whip in the Legislative Council | 12 | \$16,837 | \$157,148 |
| Chairman of a Standing Committee | 10 | \$14,031 | \$154,342 |
| Deputy Chairman of a Standing Committee | 7.5 | \$10,523 | \$150,834 |
| Member of a Standing Committee | 7 | \$9,822 | \$150,133 |

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

SECTION 3: SALARY PACKAGING

- 3.1 Salary packaging contributions may be made within the limits prescribed in the “Guidelines for Salary Packaging in the WA Public Sector 2007 - Amended”. A copy of these guidelines can be found at:
http://www.commerce.wa.gov.au/LabourRelations/PDF/Circulars/7_07.pdf. Contributions to the Parliamentary Superannuation Scheme may be salary sacrificed up to the maximum amount allowed under the Scheme.

PART 3: ELECTORATE ALLOWANCES

SECTION 1: GENERAL

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

SECTION 2: BASE ELECTORATE ALLOWANCE

- 2.1 In addition to the basic remuneration payable under Part 2 of this determination, there is payable to a Member an Electorate Allowance of \$60,770 per annum:
 - 2.1.1 less any expenditure incurred at the request of the Member in seeking a variation to the standard applied to a motor vehicle in Section 4 of this Part.
- 2.2 The obligations taken into account by the Tribunal in determining the Base Electorate Allowance include, but are not limited to:
 - 2.2.1 Communication (e.g. mobile phone calls, SMS and other electorate related telephone calls made outside of the electorate office, newsletters, web publications);
 - 2.2.2 Awards and support for community groups or individuals;
 - 2.2.3 Hospitality and entertainment;
 - 2.2.4 Advertising (not electioneering); and
 - 2.2.5 Stationery and printing.
- 2.3 To assist a Member who has not previously represented an electoral District or Region to establish their electorate office, there is payable to a Member up to 3 months' worth of their Base Electorate Allowance in advance on application to the authority administering this entitlement.

SECTION 3: ADDITIONAL ELECTORATE ALLOWANCE

- 3.1 In recognition of the increased expenditure incurred by Members representing the largest, most remote or least easily accessible electorates, the following amounts shall be paid in addition to the Base Electorate Allowance provided under Section 2 of this Part.

| ELECTORAL REGION | ELECTORAL DISTRICT | ADDITIONAL ALLOWANCE PER ANNUM |
|----------------------------|---|---------------------------------------|
| Mining and Pastoral Region | | \$21,600 |
| | Eyre, Kalgoorlie, Kimberley, North West and Pilbara | \$20,300 |
| Agricultural Region | | \$14,450 |
| | Central Wheatbelt, Moore and Wagin | \$12,550 |
| South West Region | | \$9,750 |
| | Blackwood - Stirling | \$8,050 |

SECTION 4: MOTOR VEHICLE

- 4.1 Every Member of Parliament, with the exception of those Members who, as a result of an office held, are provided with a Government owned motor vehicle under arrangements not covered by this determination, shall be entitled to the supply of a Government owned private plated motor vehicle for parliamentary, electorate and private use within Western Australia.
- 4.2 A Member, representing the South West, Agricultural or Mining and Pastoral Region or any District contained therein, who is provided with a Government owned motor vehicle as a result of an office held, may make application to the Tribunal for the issue of an electorate motor vehicle. The application should detail the reasons why a second vehicle is required and provide certification that the principal use of the vehicle will be for electorate purposes.
- 4.3 Any Member who foregoes the entitlement in paragraph 4.1 or 4.2 of this Section and has no other Government supplied motor vehicle shall be paid an amount of \$22,650 per annum, payable monthly or twice monthly with the Base Electorate Allowance provided in Section 2 of this Part. The Tribunal determines that this option is not to be used as a means of changing or returning motor vehicles at times other than the expiration of a normal lease. Where any Member becomes entitled to access a Government supplied motor vehicle under an arrangement not covered by this determination and is thereby provided with such a motor vehicle, then any entitlement under this Section shall cease immediately upon provision of the motor vehicle.
- 4.4 Motor vehicles issued to Members through this provision shall be to the notional lease value of \$22,650 per annum.

- 4.5 The notional lease value must include the lease cost, Fringe Benefits Tax (FBT) and all other operating costs based on the relevant figure of nominated kilometres to be travelled annually. The formula to be adopted in valuing the motor vehicle is:

$L + R + aD + \text{FBT} + I + \text{LCT}$, where

| | | |
|-----|---|-----------------------------|
| L | = | Lease payments |
| R | = | Registration costs |
| a | = | Running cost per kilometre |
| D | = | nominated annual kilometres |
| FBT | = | Fringe Benefits Tax |
| I | = | Insurance |
| LCT | = | Luxury car tax |

- 4.6 FBT is costed at applicable Australian Taxation Office rates. For the year ending 31 March 2011, FBT is costed at purchase price (including GST) x Statutory fraction x Gross up (2.0647) x FBT rate (0.465).
- 4.7 Members representing the South West, Agricultural and Mining and Pastoral Regions or any District contained therein can apply to the Tribunal for the issue of a four wheel drive vehicle in lieu of the entitlement mentioned in paragraph 4.4 of this Section, provided that the vehicle will be used predominantly in the Region or District to which the Member has been elected. Four wheel drive vehicles shall be of a standard, the cost of which does not exceed the Toyota Prado GXL Automatic 3.0 litre Turbo Diesel.
- 4.8 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, radiator insect screens, window tinting and driving lights or any other equipment which will contribute to the Member's safety fitted to the supplied vehicle at no additional cost to them.
- 4.9 Where a Member requires, for operational or personal reasons, a model of vehicle, the notional lease cost of which exceeds the notional lease value specified in paragraph 4.4 or the notional lease value of the benchmark vehicle specified in paragraph 4.7 of this Section as the case may be, all additional costs (including Goods and Services Tax, Fringe Benefits Tax and insurance), shall, subject to there being sufficient funds, be met from the Member's Base Electorate Allowance under Section 2 of this Part or the Charter Transport Allowance under Section 2 of Part 4. In that event, the relevant allowance shall immediately be reduced proportionately.
- 4.10 The method of determining whether an additional contribution must be made by the Member, shall be based on the notional lease cost to Government of the vehicle sought (using the formula detailed at 4.5 above), compared with the relevant notional lease value determined in this section. The cost at the time of entering into the lease is applicable.
- 4.11 Where, through necessity, use of the vehicle involves travel into the Northern Territory or South Australia, Tribunal approval is required prior to such usage.
- 4.12 An individual accessing a vehicle under this Part shall take due care of the condition and security of the vehicle. The agency administering motor vehicle entitlements

under this Part shall ensure that members receiving those entitlements are aware of their obligations with respect to routine and periodic maintenance of motor vehicles consistent with the “WA Government Fleet Policy and Guidelines”.

PART 4: TRAVELLING ALLOWANCE

SECTION 1: CHARTER TRANSPORT ALLOWANCE

- 1.1 "Charter transport" includes charter aircraft, drive yourself vehicles, hire of driver, hire of taxis, and such other modes of transport as may be approved as appropriate in the circumstances by the Tribunal. In the case of taxi hire whilst in Perth or the electorate on parliamentary and/or electorate business, this provision is made available to ensure the Member has transport whilst the motor vehicle provided under Section 4 of Part 3 is in a different location i.e., the electorate or Perth.
- 1.2 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) and to undertake parliamentary duties, but such cost shall not exceed the amounts specified hereunder for each financial year, less any expenditure incurred at the request of the Member in seeking a variation to the standard applied in Section 4 of Part 3.

| ELECTORAL REGION | ELECTORAL DISTRICT | CHARTER TRANSPORT ALLOWANCE (Per Financial Year) |
|----------------------------|---|---|
| Mining and Pastoral Region | | \$44,300 |
| | Eyre, Kalgoorlie, Kimberley, North West and Pilbara | \$44,300 |
| Agricultural Region | | \$30,050 |
| | Central Wheatbelt, Moore and Wagin | \$24,050 |
| | Geraldton | \$10,250 |
| South West Region | | \$24,050 |
| | Albany and Blackwood-Stirling | \$10,250 |

- 1.3 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.
- 1.4 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.
- 1.5 Charges shall only be levied against this Section if the Member undertakes the travel claimed.

- 1.6 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 the case of demonstrated exceptional circumstances, the administering authority for such claims may approve an extension of time to submit a claim. Any application made to the administering authority seeking an extension of time to submit a claim under this Part, should be in writing and explain the exceptional circumstances leading to the need for extra time to submit a claim. Exceptional circumstances for which an extension will be approved, will only be where the Member has demonstrated that the delay has been as a result of the receipt of invoices being delayed for reasons outside the Member's control (e.g. invoices having been misdirected in the mail), or in circumstances where ill health or bereavement have prevented a claim being made on time. Where delays in submitting a claim have been due to administrative oversight or negligence, the Tribunal does not regard these as circumstances appropriate to grant 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 2: TAXI FARE ALLOWANCE

- 2.1 A Member, not being a metropolitan 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 or from Parliament House or 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 5: ACCOMMODATION ALLOWANCES

SECTION 1: GENERAL

- 1.1 For the purposes of this Part the allowances are only claimable where overnight accommodation is involved on official Government, parliamentary and/or electorate business.
- 1.2 Claims made must be accompanied by certification that the expense was incurred in accordance with the relevant section of this Part and this shall be sufficient evidence to establish a valid claim. The member must retain sufficient evidence to support the facts of the certification should an audit of payments be conducted.
- 1.3 In the case of commercial accommodation, a tax invoice must accompany claims.
- 1.4 “Commercial accommodation” means accommodation in a commercial establishment such as a hotel, motel or serviced apartment.
- 1.5 Where a section in this Part refers to an accommodation allowance, the relevant total daily allowance is determined to be the relevant Australian Taxation Office reasonable benefit limit applicable at the date of travel. The Australian Taxation Office reasonable benefit limit 2011/12 rates can be found in Taxation Determination [TD 2011/17](#). For the purpose of calculating the appropriate salary limits in the Taxation Determination, the salary of a Member of Parliament shall be comprised of the base remuneration and any additional remuneration set out in Part 2 Sections 1 and 2 of this determination together with the base electorate allowance set out in Part 3 Section 2 of this determination. Where travel involves part of a day, the allowance payable will be calculated in accordance with the following formulae:

- 1.5.1 If departure from any place of residence is.

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

- 1.5.2 If arrival back at any place of residence is:

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

- 1.6 Claims made in respect of non-commercial accommodation shall be paid at 40 per cent of the applicable daily rate or pro-rata daily rate specified in paragraphs 1.5, 1.5.1 and 1.5.2 in this Part.

- 1.7 Claims made under paragraph 1.5 of this Section in respect of the entitlement granted in Section 6 of this Part form part of the annual entitlement.
- 1.8 A claim for Accommodation Allowances under this Part must be submitted within 90 days from the date the travel is completed. In the case of demonstrated exceptional circumstances, the administering authority may approve an extension of time to submit a claim. Any application made to the administering authority seeking an extension of time to submit a claim under this Part, should be in writing and explain the exceptional circumstances leading to the need for extra time to submit a claim. Exceptional circumstances for which an extension will be approved, will only be where the Member has demonstrated that the delay has been as a result of the claim submission being delayed for reasons outside the Member's control (e.g. the claim submission having been misdirected in the mail), or in circumstances where ill health or bereavement has prevented a claim being made on time. Where delays in submitting a claim have been due to administrative oversight or negligence, the Tribunal does not regard these as circumstances appropriate to grant an extension of time to submit a claim. Where a claim is made after 90 days and no extension has been granted, payment against the claim will not be made.
- 1.9 For the purposes of guidance in the use of entitlements under this Part, the Tribunal would envisage the maintenance of a residence to involve an arrangement under which a legal right to ongoing occupancy by the Member exists, founded on ownership of the relevant property by that Member (or his or her partner) or a formal tenant's rental or leasing agreement entered into by that Member. Entitlements for maintenance of residences under this Part shall be paid upon appropriate documentary evidence being provided to demonstrate maintenance of a residence and certifying the number of nights for which the residence was maintained.
- 1.10 The reimbursement provided by this Part of the determination shall be reduced to the extent that the expenses of Members are entitled to be reimbursed or paid from any other source, including any provision or arrangement of the Parliament or Executive Government.

SECTION 2: EXPENSES OF OFFICE HOLDERS ON OFFICIAL GOVERNMENT BUSINESS

- 2.1 The actual costs of accommodation incurred by the holders of offices mentioned in this Section should be debited to the Corporate Credit Card provided to the particular office holder. The rates contained in paragraph 1.5 of this Part are deemed to be indicative of the reasonable accommodation 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.
- 2.2 The Accommodation Allowances payable under this section apply to a Member of Parliament holding an office mentioned in this section when travelling within Australia on official duty as the holder of that position, for expenses actually incurred on overnight accommodation at a place situated outside a radius of 50 kilometres of the Perth GPO.
- 2.3 The following office holders are entitled to claim an allowance under this section:

- 2.3.1 the Premier;
 - 2.3.2 a Minister of the Crown;
 - 2.3.3 the Parliamentary Secretary of the Cabinet and Parliamentary Secretaries appointed under Section 44A(1) of the *Constitution Acts Amendment Act 1899*;
 - 2.3.4 the Deputy Premier; and
 - 2.3.5 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 (as defined in Section 2 of Part 2).
- 2.4 A Member is entitled to claim an allowance under this section who, for the time being, is appointed to act in lieu of the permanent occupant in any of the positions referred to in paragraph 2.3 of this Section. For the time he or she is acting in that position, the Member's Accommodation Allowance shall be the same rate, and on the same basis, prescribed for the permanent office holder
- 2.5 A Member is entitled to claim an allowance under this section when deputising for the Premier, the Leader of the Opposition in the Legislative Assembly, or the Leader of a recognised non-Government party (as defined in Section 2 of Part 2) who at the written request of the relevant office holder, deputises for the Premier or the Leader at a function, and who actually incurs expense on overnight accommodation, at a place situated outside a radius of 50 kilometres from any place of residence of that Member. For the time he or she is deputising in that position, the Member's Accommodation Allowance shall be the same rate, and on the same basis, prescribed for the permanent office holder.

SECTION 3: EXPENSES OF MEMBERS ON PARLIAMENTARY COMMITTEE BUSINESS

- 3.1 The indicative Accommodation Allowance for a Member in securing overnight accommodation when travelling on duty within Australia as an official representative of a parliamentary committee or delegation including a member of a Committee of a House or a Joint Committee of both Houses, shall be the same, and on the same basis, as the rate set for a Minister of the Crown under Section 1.5. Where the costs reasonably and properly incurred exceed the rates contained in Section 1.5, the actual costs shall be met.

SECTION 4: EXPENSES OF MEMBERS ON PARLIAMENTARY OR PARLIAMENTARY POLITICAL PARTY BUSINESS

- 4.1 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 (inclusive of meals and incidentals) expenditure to a maximum of 8 nights per financial year. The rates contained in paragraph 1.5 of this Part should be deemed to be indicative of the maximum reasonable costs that can be claimed. Where the costs reasonably and properly incurred exceed the indicative rates, the actual costs shall be met.

4.2 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*.

4.3 For the purposes of guidance in the use of this entitlement it is pointed out that:

4.3.1 If the purpose of the travel were that of promoting lay party political business (for example, campaigning or fundraising activity or pursuing the development of local branches of the party) its use would not generally be considered appropriate. It is recognised however that separation of roles is not always clear-cut, as lay party political business may often involve policy formulation activity, which then translates into or informs the Member's stance on matters raised in Parliament.

4.3.2 Ultimately therefore, the matter of claiming the entitlement (where a meeting of parliamentary party colleagues is not involved) is one for judgement by the Member, who should be satisfied and able to demonstrate that the activity has direct relevance to the performance of his or her functions in the Parliament.

4.4 A claim shall not be made under this Section for a purpose covered by Section 5 of this Part.

SECTION 5: METROPOLITAN EXPENSES OF MEMBERS REPRESENTING REGIONS OR DISTRICTS THEREIN

5.1 In consideration of metropolitan accommodation and related expenses associated with:

5.1.1 sittings of that Member's House of Parliament;

5.1.2 meetings of parliamentary committees of which that Member is a member;

5.1.3 attendance at official Government, parliamentary or Vice Regal functions; and

5.1.4 any other official duties pertaining to parliamentary or electorate matters.

there shall be payable to a Member who maintains a place of residence in or adjacent to and represents the Mining and Pastoral, Agricultural or South West Region, or any District contained within those Regions, an amount of \$263 per night for up to 120 nights per financial year.

5.2 If at any time or times during a year a place of residence in or adjacent to the relevant aforementioned Region or District is not maintained then no entitlement applies under this Section during that time or times.

5.3 Where a Member referred to in paragraph 5.1 of this Section also maintains for the purpose of the Member's parliamentary role a place of residence in the Metropolitan Regions, the allowance shall be paid on the same basis as though that Member

resided solely in or adjacent to the District or Region to which he or she has been elected. In this circumstance the allowance is granted to cover costs associated with maintaining residences in both areas.

- 5.4 Where a Member referred to in paragraph 5.1 of this Section above has a residence or residences solely in the Metropolitan Regions that Member shall not be entitled to receive the Accommodation Allowance contained in this Section.

SECTION 6: MEMBERS' EXPENSES WITHIN THE ELECTORATE

- 6.1 In addition to that applying in Section 5 of this Part, Members representing the District or Regions listed in paragraph 6.3 of this Section may, claim accommodation and associated expenses in accordance with paragraph 1.5 of this Part for each overnight stay at a place in or adjacent to their electorate, but not within a radius of 50 kilometres of any residence of the Member.
- 6.2 For the purpose of guidance in administering this entitlement, a location may or may not be considered adjacent to an electorate depending on a range of factors including the proximity of suitable accommodation, the distance to be travelled to a Member's residence and the distance to be travelled to reach a commercial transport departure point where a Member is utilising commercial transport in the course of their parliamentary or electorate duties.
- 6.3 The maximum number of nights claimable per financial year shall be:

| | |
|--|------------|
| Blackwood-Stirling, Central Wheatbelt, Collie-Preston, Moore, Murray-Wellington, Wagin and Vasse | 60 nights |
| Eyre, Kalgoorlie, Kimberley, North West and Pilbara | 80 nights |
| Regions - Mining and Pastoral, Agricultural and South West | 100 nights |

PART 6: TELEPHONE AND POSTAL SERVICE ALLOWANCES

SECTION 1: TELEPHONE ALLOWANCES FOR ELECTORATE OFFICES

- 1.1 Every Member of Parliament provided with an electorate office shall receive as an allowance, payment of the rental and all charges for calls incurred by that Member in respect of up to five approved telephone lines in that Member's electorate office.
- 1.2 The use of electorate office telephones by persons other than Members of Parliament and staff, unless for parliamentary and electorate purposes, is not supported by this determination.
- 1.3 In this Section, "calls" include all charges (other than international calls) as usually included on normal accounts rendered to subscribers.

SECTION 2: PARLIAMENT HOUSE

- 2.1 In so far as a Member of Parliament pays or is charged for any telephone calls and/or the use of tele or video conferencing facilities made by the Member from Parliament House, that Member shall receive, as an allowance or emolument, payment of all such charges.

SECTION 3: TELECONFERENCING

- 3.1 Where a Member uses audio or video conferencing and seeks to obtain reimbursement, the Member is to certify the topic of the conference and its relevance to the role of the Member as a Member of the Western Australian Parliament.

SECTION 4: POSTAL SERVICE ALLOWANCES FOR CERTAIN OFFICE HOLDERS

- 4.1 The holders of the following offices, in addition to the allowance granted as a Member, shall receive an annual allowance, payable monthly, in consideration of the need to purchase postal services for the office held. The allowance is not to be used for electorate, party or personal business.

| OFFICE HOLDER | RATE PER ANNUM |
|---|-----------------------|
| Leader of the Opposition in the Legislative Assembly | \$12,100 |
| Leader of the Opposition in the Legislative Council | \$9,100 |
| Leader of a recognised non-Government party (as defined in Section 2 of Part 2) | \$9,100 |
| Deputy Leader of the Opposition in the Legislative Assembly | \$6,050 |

- 4.2 The Tribunal in determining the relevant amounts has not taken into account the cost of activities such as campaigning, electioneering or political party promotion.

- 4.3 The allowances provided to office holders 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 is to operate from the date on which such increased postal rates commence.

PART 7: REGIONAL SITTINGS OF THE PARLIAMENT

SECTION 1: GENERAL

- 1.1 Claims for reimbursement under this Part shall be subject generally to the conditions set out in Section 1 of Part 5.
- 1.2 For the purposes of this Part the rates contained in Section 1.5 of Part 5 should be deemed to be indicative of the reasonable accommodation costs that can be claimed. Where the costs reasonably and properly exceed the indicative rates, the actual costs shall be met.

SECTION 2: SITTINGS OF THE PARLIAMENT OTHER THAN IN PERTH

- 2.1 Subject to paragraph 2.2 of this Section, where a sitting of either House of the Parliament is held at a location other than Parliament House in Perth, Members are entitled to reimbursement of all costs or expenses incurred for the purposes of:
 - 2.1.1 Travel to and from the location of the sitting. Use of charter aircraft (other than through the Government's air charter arrangements) is not permitted unless the location of the sitting is not serviced by regular air services.
 - 2.1.2 Travel, accommodation and meals at the location of the sitting for the following periods:
 - a) the duration of the sitting;
 - b) up to two nights prior to the commencement of the sitting; and
 - c) up to two nights after the sitting ceases.
- 2.2 The reimbursement provided by this determination shall be reduced to the extent that the expenses of Members are entitled to be reimbursed or paid from any other source, including any provision or arrangement of the Parliament or Executive Government, or any determination dealing with fares made by the Treasurer under Section 11A of the *Salaries and Allowances Act 1975*.

PART 8: RESETTLEMENT ENTITLEMENT

SECTION 1: GENERAL

- 1.1 A Member of Parliament is entitled to receive a Resettlement Entitlement as a lump sum payment under the provision of Sections 1.3 or 1.4 of this Part when a Member ceases to be a Member.
- 1.2 This allowance is to facilitate a Member's transition from public office to private life. This allowance will assist the Member to access resettlement advice and services including, financial counselling, re-employment counselling, out-placement services, educational or training costs and any other cost a Member deems necessary.
- 1.3 Where the Member ceases to be a Member of the Parliament after serving two terms or less of either House of the Parliament, from the date the Member took office, the Member shall be entitled to receive the Resettlement Entitlement calculated at the rate equivalent to 12 weeks of base salary applicable under Part 2 Section 1 of this determination as at the time of ceasing to be a Member.
- 1.4 Where the Member ceases to be a Member of the Parliament after serving more than two terms but not more than three terms of either House of the Parliament, from the date the Member took office, the Member shall be entitled to receive the Resettlement Entitlement calculated at the rate equivalent to 8 weeks of base salary applicable under Part 2 Section 1 of this determination as at the time of ceasing to be a Member.
- 1.5 Notwithstanding the provisions of Section 1.3 and 1.4 of this part, a Member shall not be eligible to receive more than one Resettlement Entitlement.
- 1.6 A person who is disqualified for membership of the Legislature under Section 32(1)(b) of the *Constitution Acts Amendment Act 1899* shall be disqualified from receiving any Resettlement Entitlement under this Part.

Signed this 10th day of August 2011

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL