

NEW SOUTH WALES

R E P O R T

and

D E T E R M I N A T I O N S

under the

PARLIAMENTARY REMUNERATION ACT, 1989

28 MAY, 1990



THE PARLIAMENTARY
REMUNERATION TRIBUNAL

28 May, 1990

The Honourable the Chief Justice
of New South Wales,
Chief Justice's Chambers,
Supreme Court of New South Wales,
SYDNEY. N.S.W. 2000.

My dear Chief Justice,

The Parliamentary Remuneration Tribunal has the honour to present to you, pursuant to Section 13(1) of the Parliamentary Remuneration Act, 1989, the Report of its Determinations to be effective for the year commencing on 1 July, 1990.

Yours faithfully,
THE PARLIAMENTARY REMUNERATION TRIBUNAL

A handwritten signature in cursive script that reads 'J. P. Slattery'.

(THE HON. ACTING JUSTICE J. P. SLATTERY)

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C O N T E N T S

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PARLIAMENTARY REMUNERATION ACT, 1989

REPORT PURSUANT TO SECTION 13(1) OF THE ACT

PRELIMINARY

1. The Parliamentary Remuneration Act, 1989 ("the Act"), which was assented to on 12 December, 1989, repealed the Parliamentary Remuneration Tribunal Act, 1975, and reconstituted a Parliamentary Remuneration Tribunal with new functions. The Act, inter alia, provided for the basic salaries of Members of Parliament to bear a fixed relationship to those of Members of the House of Representatives in the Commonwealth Parliament and for certain prescribed additional salaries and expense allowances to be at rates bearing a fixed percentage to the rate of basic salary. Pursuant to section 9(a) of the Act, the Parliamentary Remuneration Tribunal determines additional allowances to be payable to a member or recognised office holder and, pursuant to section 9(b) of the Act, makes recommendations to the Minister on matters referred to it by the Minister, relating to the provision of services, equipment or facilities to a member or recognised office holder.

2. Pursuant to Schedule 2 of the Parliamentary Remuneration Act, 1989, I, THE HONOURABLE JOHN PATRICK SLATTERY, being an Acting Judge of the Supreme Court of New South Wales was, on 22 December, 1989, appointed by the Chief Justice of the Supreme Court of New South Wales to be the Parliamentary Remuneration Tribunal.

3. The Parliamentary Remuneration Act, 1989, provides for the making by the Tribunal of an annual determination of the additional allowances payable to recognised office holders and Members of Parliament, to take effect from 1 July of each year.

4. Specifically, Section 11 of the Act provides -

"(1) An annual determination as regards additional allowances is to be made on or before 1 June in each year (or such later date as the Chief Justice directs under this section), with effect from 1 July in that year.

(2) The Chief Justice may, because of the illness of the person holding office as the Tribunal or for any other reason that seems proper to the Chief Justice, from time to time by order published in the Gazette, direct that a particular annual determination is to be made on or before a later specified date.

- (3) If an annual determination is not made by 1 July in a year, additional allowances continue to be payable at the rates at which they were payable before that date, until payment of additional allowances can be effected in accordance with the determination, but any necessary adjustments are to be made as a result of the making of the determination".

PROCEDURE

5. The Tribunal sent letters to all Members of the Legislative Council and of the Legislative Assembly inviting them to forward to it such written submissions as they might wish to make in relation to the additional allowances which should be paid to recognised office holders and Members and the rates of any such allowances. The letters also stated that the Tribunal was prepared to interview any Member who had made a written submission and wished to confer with it for the purpose of elucidating or elaborating such submission. They concluded with the statement that submissions and conferences would be treated confidentially and that any material used in the report and determination would not be identified with its author.

6. In response to the abovementioned letters, the Tribunal received written submissions from the Parties and Members of both Houses and has interviewed representatives of all Parties and Members who wished to amplify their written submissions. All submissions have been carefully considered by the Tribunal.

7. The Tribunal has made such other inquiries as it considered necessary. It has noted the Australian Remuneration Tribunal's 1989 Review and the recent reports of tribunals in other States.

8. The Tribunal has been informed of changes in the costs incurred by Members in the performance of their parliamentary duties since the last review.

ELECTORAL ALLOWANCES OF MEMBERS OF BOTH HOUSES

9. The Tribunal received a number of submissions on the grouping of electorates for electoral allowance purposes, including proposals for some amalgamations and reallocations of electorates from one group to another. The Tribunal has in the past reviewed the groups following redistributions of the boundaries of electoral districts and is not persuaded that it should at present depart from that procedure.

10. Notwithstanding the above, the Tribunal has recognised the substantially increasing costs incurred by Members in servicing their electorates. The significantly increased rates of allowance reflect, in particular, a large increase in that portion of the allowance relating to the maintenance and running costs of motor vehicles.

SPECIAL EXPENSES OR "LIVING AWAY FROM HOME" ALLOWANCES

11. These allowances are provided to country Members of both Houses towards the cost of overnight accommodation whilst in Sydney on parliamentary business or in transit to and from Sydney. They have been increased to reflect the changes in the level of expenses.
12. In its next inquiry into Special Expenses Allowances, the Tribunal would be pleased to receive submissions representative of a wide range of views on the merits or otherwise of departing from annual rates of Special Expenses Allowances in favour of daily rates. It appears to the Tribunal that the annual rates were originally introduced with a view to country-based Members either purchasing or renting permanent accommodation for their use whilst in Sydney. Such an approach assists in the responsible use of scarce funds and is administratively simpler than the payment of daily rates. With the increasing demands on country-based Members to be in attendance in Sydney, the desirability of their obtaining accommodation of a permanent nature seems to be growing.

The annual rates of allowance should be sufficient to permit the acquisition of rented accommodation but, if it is established that this is not so, further review of the allowances could be contemplated.

COMMITTEE ALLOWANCES

13. The allowances fixed for Chairmen of Joint or Select Committees and for members of the Public Accounts Committee have not been increased. The Tribunal would wish to review these allowances should there be any variation in Members' salaries.

14. It was submitted that the Tribunal should accord all Members of Joint or Select Committees an annual fee. The Tribunal, however, considers that committee work is part of the normal work of a Member of Parliament and that an annual meeting fee is not appropriate. In this regard, attention is invited to the Tribunal's conclusions concerning Committee allowances, which were set out in paragraphs 38 to 41 of its Report under section 5B of the Parliamentary Remuneration Tribunal Act, 1975, dated 31 May, 1985.

TRAVELLING ALLOWANCES FOR THE PREMIER, MINISTERS OF THE CROWN,
OTHER RECOGNISED OFFICE HOLDERS, COMMITTEE MEMBERS, SPOUSES OR
APPROVED RELATIVES

15. These have been increased to reflect the relevant change in the level of expenses covered by the allowances.

16. The Tribunal has considered a submission that it develop a new system of travelling allowances, based on the system applying to Members of the Australian Parliament, but has decided not to depart from the existing arrangements.
17. The Tribunal has reviewed the provisions relating to the reimbursement of expenses when a spouse accompanies a Minister to a State or other official function and modified the existing conditions.

CHARTER TRAVEL

18. A survey conducted during the current review revealed that charter costs continue to rise. The quantum of the charter allowance has been increased by 10 per cent, on the basis of a survey of actual charter costs.
19. The Tribunal has considered a submission that charter allowances be granted to Members of the Legislative Council, but does not propose to alter the existing arrangements at this time.

REIMBURSEMENT OF CERTAIN TRAVELLING EXPENSES

20. Provision is made for payment of a car allowance to those Members of the Legislative Council who reside in the country and at a considerable distance from the closest airport or railway station from which they can obtain transport to and from Sydney, thus requiring the use of their private motor vehicles between their homes and the airport or railway station. The Tribunal has increased the car allowance.

21. Submissions were received proposing that country Members of Joint or Select Committees, from the Legislative Assembly as well as from the Legislative Council, should be paid a car allowance. The Tribunal has, however, had regard to such car usage in the electoral allowances for Members of the Legislative Assembly and no change has, therefore, been made.

PARLIAMENTARY REMUNERATION ACT, 1989

DETERMINATIONS PURSUANT TO SECTION 11(1) OF THE ACT

For the reasons set forth in the above Report, the Parliamentary Remuneration Tribunal hereby makes the following determinations of the additional allowances which should be paid on and from 1 July, 1990, to Members, including recognised office holders, in the Legislative Council and the Legislative Assembly in New South Wales, in lieu of the amounts presently payable, for each of the purposes indicated below, and not in addition thereto:

ELECTORAL ALLOWANCES FOR MEMBERS OF BOTH HOUSES

- (1) The electoral allowances payable to Members of the Legislative Assembly whose electoral districts are specified hereunder shall be as follows:-

<u>Electoral Divisions</u>	<u>Yearly Rate of Allowance</u>
	\$
Group 1	20,549
Group 2	22,157
Group 3	25,790
Group 4	30,179
Group 5	35,522
Group 6	37,685
Group 7	41,275
Broken Hill	46,506

The electoral divisions included in each Group are as determined in the Tribunal's Determination of 24 April, 1987, under section 7 of the Parliamentary Remuneration Tribunal Act, 1975, and are set forth in Appendix A.

- (2) The electoral allowance payable to each Member of the Legislative Council shall be \$25,790 per annum.

REIMBURSEMENT OF EXPENSES FOR CHARTER TRANSPORT OF MEMBERS OF
THE LEGISLATIVE ASSEMBLY

For the purposes of this clause "charter transport" means charter transport used within and for the service of the Member's electorate and includes charter aircraft, drive yourself vehicles and any other mode of charter transport which may be deemed appropriate in the circumstances by the Speaker of the Legislative Assembly.

- (a) Each accounting year for the purposes of the reimbursement of expenses for charter transport shall commence on 1 July; and

- (b) (i) The Member for the Electoral Division of Broken Hill shall be reimbursed to a maximum amount of \$14,900 per annum for charter transport.

(ii) The Members for the Electoral Divisions of Barwon, Burrinjuck, Castlereagh, Lachlan, Murrumbidgee and Murray shall each be reimbursed to a maximum amount of \$8,070 per annum for charter transport.

(iii) The Members for the Electoral Divisions of Bega, Dubbo, Goulburn, Monaro, Northern Tablelands and Upper Hunter shall each be reimbursed to a maximum amount of \$4,965 per annum for charter transport.

While charter transport reimbursable under this determination is intended to be used within and for the service of the Member's electorate, where the source of available charter transport is outside the boundaries of the electorate, the reasonable additional expenses consequently incurred may be included in the reimbursement available under this determination.

SPECIAL EXPENSES ALLOWANCES

In addition to the amounts of remuneration hereinbefore referred to, there shall be payable, where they use overnight accommodation away from Parliament House, special expenses allowances at the rate of:

(1) \$16,020 per annum to:-

- (i) each Minister of the Crown who is a Member of the Legislative Council and whose usual place of residence is situated in an electoral division specified in Category 1 or Category 2;

- (ii) each Minister of the Crown who is a Member of the Legislative Assembly and is the Member for, or whose usual place of residence is in, an electoral division specified in Category 1 or Category 2;

- (iii) the Leader of the Opposition in the Legislative Council whose usual place of residence is situated in an electoral division specified in Category 1 or Category 2;

- (iv) the Speaker of the Legislative Assembly, being the Member for an electoral division specified in Category 1 or Category 2;

- (v) the Leader of the Opposition in the Legislative Assembly, being the Member for an electoral division specified in Category 1 or Category 2;

- (vi) the Leader in the Legislative Assembly (other than the Leader of the Opposition) of a recognised political party of which not less than ten members are Members of the Legislative Assembly and of which no member is the holder of any office of profit specified in the Second Schedule to the Constitution Act, 1902, being the Member for an electoral division specified in Category 1 or Category 2.
- (2) \$10,575 per annum to each Member of the Legislative Council whose usual place of residence is situated in an electoral division specified in Category 1 and to each Member of the Legislative Assembly for an electoral division specified in Category 1.
- (3) \$13,300 per annum to:-
- (i) the Chairman of Committees in the Legislative Assembly, being the Member for an electoral division specified in Category 1 or Category 2;
- (ii) each Member of the Legislative Council whose usual place of residence is situated in an electoral division specified in Category 2 and to each Member of the Legislative Assembly for an electoral division specified in Category 2.

The electoral divisions included in each category, are as determined in the Tribunal's Determination of 24 April, 1987, under section 7 of the Parliamentary Remuneration Tribunal Act 1975, and are set forth in Appendix B.

A Member is entitled to only one allowance under paragraphs (1) to (3).

COMMITTEE ALLOWANCES

Members of the Legislative Council and of the Legislative Assembly serving as Chairmen of Joint Committees and Select Committees shall be paid the sum of \$77.70 for each day upon which they attend a meeting or an official visit of inspection if that day is one upon which the Legislative Council (so far as a Member of the Council is concerned) or the Legislative Assembly (so far as a Member of the Assembly is concerned) is not sitting. Members of the Public Accounts Committee, other than the Chairman, shall each receive a committee allowance of \$1,773 per annum.

TRAVELLING ALLOWANCES FOR THE PREMIER, MINISTERS OF THE CROWN, OTHER RECOGNISED OFFICE HOLDERS AND COMMITTEE MEMBERS

- (a) When travelling on official business the following shall be the travelling allowances per day payable respectively to the undermentioned:-

	<u>Capital Cities (incl. Canberra)</u>	<u>Other Areas</u>	<u>Where no overnight stay is involved</u>
Premier	\$263.00	\$146.00	\$68.00
Ministers	\$212.00	\$122.00	\$56.00
President of the Legislative Council and Speaker of the Legislative Assembly))			
The Leader of the Opposition) in the Legislative Council))			
Leader and Deputy Leader of) the Opposition in the) Legislative Assembly)	\$212.00	\$122.00	\$56.00
Leader and Deputy Leader of) a Recognised Political) Party referred to in) paragraph (o) of Schedule) I to the Act))			
Chairmen of Select, Joint) and Public Accounts) Committees)			
Members of Select, Joint and Public Accounts Committees	\$159.00	\$101.00	\$40.00

(b) An absence from Sydney for a period in excess of six hours shall be the minimum requirement for the payment of travelling allowance where no overnight absence is involved. Where absence overnight is involved, the absence must extend six hours beyond the first period of twenty-four hours before a second day's allowance is payable.

- (c) On occasions when the rates of travelling allowance set out above prove to be insufficient, reimbursement of actual and reasonable expenses shall be allowed, subject to the production of receipts relating to accommodation and a statement from the Member concerned outlining other costs such as meals and incidental expenses.
- (d) A Minister, whose spouse accompanies him/her to a State or other official function and who consequently incurs expenses in respect of meals and accommodation for self and spouse exceeding the allowance to which he/she is entitled under paragraph (a) above, shall be entitled to be reimbursed such excess expenses. This provision applies to the "approved relative" of a Minister in a case where there is no spouse.

REIMBURSEMENT OF CERTAIN TRAVELLING EXPENSES

- (1) (a) When a Member of the Legislative Council or of the Legislative Assembly travels by taxi from Sydney Airport to the city or from the city to Sydney Airport for the purpose of attending a sitting of the House of Parliament or any Joint or Select Committee or the Public Accounts Committee, of which he/she is a Member, or at the conclusion of such a sitting, the Member shall be entitled to be reimbursed the actual cost of the taxi fare incurred for the journey between Sydney Airport and Parliament House.

(b) A Member of the Legislative Council or of the Legislative Assembly shall be entitled to be reimbursed the actual cost of the fare incurred on up to twenty five taxi journeys per annum when travelling in the course of other parliamentary business between Sydney Airport and the city.

- (2) Where the residence of a Member of the Legislative Council is more than 25 kilometres from the airport or the closest practicable railway station from which he is to commence his flight or train journey to Sydney for the purpose of attending a sitting of the Council or of a Select or Joint committee of which he is a Member, and he travels by his private motor vehicle to such airport or railway station, he shall be paid an amount equivalent to 40 cents per kilometre for the distance driven by him in excess of 25 kilometres on each single journey between his place of residence and such airport or railway station. A separate allowance, calculated on the same basis, shall be payable in respect of the return journey.

This allowance is also payable in respect of other journeys between the Member's residence and Sydney on parliamentary business, but excluding party business, provided that, in the case of air travel, the fare is payable by the Government under the air travel entitlement provisions for journeys between the Member's residence and Sydney.

These allowances are payable upon the following conditions:-

- (i) that the Member satisfies the President of the Legislative Council as to the existence of the circumstances mentioned above; and
- (ii) that the Member certifies to the President as to the distance driven by him to reach the airport or railway station and return home therefrom.

Dated this 28th day of May, 1990.

THE PARLIAMENTARY REMUNERATION TRIBUNAL

A handwritten signature in cursive script, reading "J.P. Slattery".

(The Hon. Acting Justice J.P. Slattery)

APPENDIX A

ELECTORAL DIVISIONS AS DETERMINED
IN THE TRIBUNAL'S DETERMINATION
OF 24 APRIL, 1987 UNDER
SECTION 7 OF THE PARLIAMENTARY
REMUNERATION TRIBUNAL ACT, 1975

Group 1

Ashfield
Balmain
Bligh
Coogee
Drummoyne
Lane Cove

Marrickville
McKell
Mosman
North Shore
Vaucluse
Waverley

Group 2

Auburn
Bankstown
Bass Hill
Blacktown
Cabramatta
Canterbury
Carlingford
Cronulla
Davidson
Earlwood
East Hills
Eastwood
Fairfield
Georges River
Gladesville
Gordon
Granville
Heffron
Hornsby
Hurstville

Kogarah
Ku-ring-gai
Lakemba
Liverpool
Manly
Maroubra
Middle Harbour
Miranda
Northcott
Parramatta
Rockdale
Ryde
Seven Hills
Smithfield
Strathfield
Sutherland
The Hills
Wakehurst
Wentworthville

Group 3

Camden
Campbelltown
Charlestown
Gosford
Heathcote
Illawarra
Keira
Kiama
Lake Macquarie
Londonderry
Macquarie Fields
Maitland
Minchinbury

Mulgoa
Newcastle
Peats
Penrith
Pittwater
Port Stephens
The Entrance
Riverstone
Swansea
Wallsend
Waratah
Wollongong
Wyong

APPENDIX A (Cont'd)

Group 4

Ballina
Blue Mountains
Burraborang
Cessnock
Coffs Harbour

Hawkesbury
Lismore
Murwillumbah
Port Macquarie
Southern Highlands

Group 5

Albury
Bathurst
Clarence
Manning
Myall Lakes

Orange
South Coast
Tamworth
Wagga Wagga

Group 6

Bega
Dubbo
Goulburn

Monaro
Northern Tablelands
Upper Hunter

Group 7

Barwon
Burrinjuck
Castlereagh

Lachlan
Murrumbidgee
Murray

APPENDIX B

ELECTORAL DIVISIONS INCLUDED IN EACH CATEGORY,
AS DETERMINED IN THE TRIBUNAL'S DETERMINATION
OF 24 APRIL, 1987,
UNDER SECTION 7 OF THE PARLIAMENTARY
REMUNERATION TRIBUNAL ACT, 1975

Category 1

Blue Mountains
Burraborang
Camden
Charlestown
Gosford
Hawkesbury
Illawarra
Keira
Kiama
Lake Macquarie
Londonderry
Mulgoa

Newcastle
Peats
Penrith
Port Stephens
Southern Highlands
Swansea
The Entrance
Wallsend
Waratah
Wollongong
Wyong

Category 2

Albury
Ballina
Barwon
Bathurst
Bega
Broken Hill
Burrinjuck
Castlereagh
Cessnock
Clarence
Coffs Harbour
Dubbo
Goulburn
Lachlan
Lismore

Maitland
Manning
Monaro
Murrumbidgee
Murray
Murwillumbah
Myall Lakes
Northern Tablelands
Orange
Port Macquarie
South Coast
Tamworth
Upper Hunter
Wagga Wagga

