NEW SOUTH WALES

REPORT

AND

DETERMINATION

under the

PARLIAMENTARY REMUNERATION ACT 1989

30 May 1996



PARLIAMENTARY REMUNERATION TRIBUNAL

The Honourable the Chief Justice of New South Wales Chief Justice's Chambers Supreme Court of New South Wales SYDNEY NSW 2000

3 0 MAY 1996

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 Determination to be effective for the year commencing on 1 July 1996.

Yours faithfully

THE PARLIAMENTARY REMUNERATION TRIBUNAL

(THE HON. JUSTICE JEREMY BADGERY-PARKER)

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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, constituted the Parliamentary Remuneration Tribunal. The Act, inter alia, provides 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, <u>THE HONOURABLE JUSTICE JEREMY BADGERY-PARKER</u>, a Judge of the Supreme Court of New South Wales was, on 1 August 1995, 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. On 9 February 1996 the Tribunal sent letters to 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. 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 reports of the Australian Remuneration Tribunal and other State/Territory remuneration tribunals.
- 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 has reviewed the costs incurred by members in servicing their electorates and has increased rates of allowances accordingly.

SPECIAL EXPENSES OR "LIVING AWAY FROM HOME" ALLOWANCES

- 10. These allowances are provided to country members of both Houses towards the cost of overnight accommodation and incidental expenses whilst in Sydney on parliamentary business or in transit to and from Sydney.
- 11. The Tribunal's Report and Determination of 26 May 1993 determined that members can elect, each year, how they wish to be paid this allowance subject to certain conditions. The Tribunal's Determination of 31 May 1995, while retaining the overall allocation for Members for category 1 and 2 electorates and recognised office holders increased the number of overnight stays for other parliamentary business to 35 per annum. The overall allocation, together with the allocation to the office holders in Category 2 electorates allocated 50 nights for other parliamentary business, remained unchanged.

- 12. No submission advocated any change in the nature of the allowance or the circumstances in which which it should be paid. After the Tribunal had completed its review of submissions received and had arrived at the conclusions reflected in the determination herein, the Tribunal was made aware of the concern expressed in the Auditor-General's Annual Report for 1995(Volume 2, pp 21-26) as to the possibility that a member may in some circumstances receive the allowance whilst having access to living quarters attached or adjacent to their office. The Tribunal has decided not to delay the publication of its determination to conduct further enquiries into that issue, but will deal with it in connection with its next annual determination unless, in the meantime, it is directed by the Premier to make a special Determination under s.12 of the Act.
- 13. The Tribunal has increased the daily Special Expenses Allowance per overnight stay in Sydney and in transit to and from Sydney as well as the annual Special Expenses Allowance.

COMMITTEE ALLOWANCES

14. The allowance fixed for Chairpersons of Joint or Select Committees and for members of the Public Accounts Committee have been increased by approximately 5.7 per cent. In determining this rate of increase the Tribunal has maintained the nexus with increases in Members salaries.

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

15. These have been increased marginally to reflect the relevant changes in the costs covered by the allowances.

CHARTER TRAVEL

16. A survey conducted during the current review revealed that there had not been a significant increase in charter costs in the last twelve months. Advice received by the Tribunal indicates that the opening of country travel to competition continues to provide a better service for users. Having regard to these facts, the quantum of the charter allowance has not been increased at this time.

REIMBURSEMENT OF CERTAIN TRAVELLING EXPENSES

17. 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. Following its enquiries, the Tribunal has determined that the car allowance should not be increased at this time.

MATTERS CONSIDERED BY THE TRIBUNAL

- 18. Some of the submissions received from members relate to matters which have either been raised before or are new matters. The Tribunal has examined these and has provided a report hereunder.
- a) Provision of Government Owned Motor Vehicles for Members On 26 July 1990 the Tribunal made a Report and Determination on the provision of Government-owned motor vehicles to members of the Legislative Council and members of the Legislative Assembly for use in the servicing of their electorates and on other parliamentary business. Due to legislative impediments the Tribunal's Determination has hitherto not been adopted.

This matter continues to be raised by members and the Tribunal has, since its original Determination articulated its support for the introduction of this scheme.

The Tribunal again considers that this matter should be investigated with a view to members being provided with private plated motor vehicles under a scheme similar to that available to the Senior Executive Service and the Judiciary.

Should the Premier consider it appropriate to do so he would need to direct the Tribunal to undertake a new inquiry into this matter to ensure all recent developments are considered, given that nearly six years have elapsed since the initial report and Determination was prepared.

b) Other Matters

- (i) The Tribunal received submissions seeking a review of the current grouping of electorates. The last review of electorate groupings followed the 1991 redistribution of electorates. The Tribunal is advised that a redistribution of electorates will shortly be undertaken by the Electoral Commissioner and considers that it would be appropriate to review electorate groupings following that redistribution.
- (ii) Submissions were also received on various other matters that the Tribunal considered outside the scope of this review. Some of these matters include: improved accommodation; travel warrants; and an allowance for shadow ministers to employ research staff.
- (iii) Some members raised matters which are beyond the jurisdiction of the Tribunal. Some of these matters include: salary of office and expense allowance for certain office holders and Crown immunity for legal costs of members.

PARLIAMENTARY REMUNERATION ACT 1989

DETERMINATION 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 determination of the additional allowances which should be paid on and from 1 July, 1996 to members, including recognised office holders, in the Legislative Council and the Legislative Assembly of 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:

Electoral Districts	Yearly Rate of Allowance	
	\$	
Group 1	24,100	
Group 2	28,800	
Group 3	33,700	
Group 4	39,700	
Group 5	43,300	
Group 6	46,100	
Group 7	50,400	
Broken Hill	59,200	

The electoral districts included in each Group are as determined in the Tribunal's Special Determination of 29 May 1991, under section 12 of the Parliamentary Remuneration Act 1989, and are set out in Appendix A.

(2) The electoral allowance payable to each member of the Legislative Council shall be \$33,700 per annum.

SPECIAL EXPENSES OR "LIVING AWAY FROM HOME" ALLOWANCES

Special Expenses Allowances or "Living Away From Home" Allowances are provided to country members of both Houses towards the cost of overnight accommodation and incidental expenses whilst in Sydney on parliamentary business or in transit to and from Sydney.

The member may elect to be paid either a daily or annual Special Expenses Allowance on a financial year basis. This election is subject to the following conditions:

- election is made for a full financial year
- such election to be received by the Accounts Section prior to 1 July
- newly-elected members to make their election from the date of their Election until the end of the financial year
- re-elected members would not be eligible to change their election until the end of the current financial year

A Special Expenses Allowance or "Living Away From Home" Allowance shall be payable to country members for the cost of overnight accommodation whilst in Sydney on parliamentary business or while in transit to and from Sydney. The Allowance is payable when the stay is occasioned by:

- sittings of the House of Parliament or direct travel to and from such sittings;
 or
- meetings of parliamentary committees of which he or she is a member, or direct travel to or from such meetings; or
- other parliamentary business.

SPECIAL EXPENSES ALLOWANCE: DAILY ALLOWANCE

The daily Special Expenses Allowance or "Living Away From Home" Allowance per overnight stay is as follows:

	IN SYDNEY	IN TRANSIT TO & FROM SYDNEY \$
Ministers resident in Category 1 or 2.	145.00	112.00
The Leader of the Opposition in the Legislative Council, resident in Category 1 or 2.	145.00	112.00
The Leader of the Opposition in the Legislative Assembly, resident in Category 1 or 2.	145.00	112.00
Speaker of the Legislative Assembly, resident in Category 1 or 2.	145.00	112.00
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, resident in Category 1 or 2.	145.00	112.00
Chairman of Committees in the Legislative Assembly, resident in Category 1 or 2.	145.00	112.00
Members of the Legislative Council and members of the Legislative Assembly resident in Category 1 or 2.	145.00	112.00

The maximum number of overnight stays per annum is as follows:

	RESIDENCE	OVERNIGHT STAYS p.a.
Minister, Speaker, Leader of the Opposition (Assembly and Council), Leader of Third Party in Assembly.	Category 1 or 2	140
Chairman of Committees in the Legislative Assembly.	Category 1 or 2	120 (35)
Parliamentary Secretary	Category 1	90 (35)
,	Category 2	120 (50)
Other Assembly Members	Category 1	90 (35)
	Category 2	120 (35)
Other Council Members	Category 1	90 (35)
	Category 2	120 (35)

^{*} The figures in brackets indicate the maximum number of overnight stays that are available on parliamentary business other than sittings of the House or meetings of parliamentary committees. The figures in brackets are not additional to the overall maximum overnight stays allowed.

SPECIAL EXPENSES ALLOWANCE: ANNUAL ALLOWANCE

The annual Special Expenses Allowances or "Living Away From Home" Allowances per overnight stay are as follows:

(1) \$20 300 per annum to:

- Each Minister of the Crown who is a member of the Legislative Council and whose usual place of
 residence is situated in an electorate specified in Category 1 or Category 2. 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 situated in an electoral district specified in Category 1 or Category 2.
- The Leader of the Opposition in the Legislative Council whose usual place of residence is situated in an electoral district specified in Category 1 or Category 2.
- The Speaker of the Legislative Assembly, being the Member for an electoral district specified in Category 1 or Category 2.
- The Leader of the Opposition in the Legislative Assembly, being the Member for an electoral district in Category 1 or Category 2.
- 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 of the Legislative Assembly and of which no member is the holder of any office of profit pursuant to section 13B of the Constitution Act 1902, being the member for an electoral district specified in Category 1 or Category 2.
- (2) \$17 400 per annum to:
- The chairman of Committees in the Legislative Assembly, being the member for an electoral district specified in Category 1 or Category 2.
- Each member of the Legislative Council whose usual place of residence is situated in a district specified in Category 2 and to each member of the Legislative Assembly for an electoral district specified in Category 2.

(3) \$13 050 per annum to:

• Each member of the Legislative Council whose usual place of residence is situated in an electoral district specified in Category 1 and to each member of the Legislative Assembly for an electoral district specified in Category 1.

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

The electoral districts included in each category, are as determined in the Tribunal's Determination of 29 May 1991, under section 12 of the Parliamentary Remuneration Act 1989, and are set forth in Appendix B.

COMMITTEE ALLOWANCES

Members of the Legislative Council and the Legislative Assembly serving as Chairpersons of Joint Committees shall be paid the sum of \$108.00 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 Chairperson, shall each receive a committee allowance of \$2,442 per annum.

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

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

CLASSIFICATION	CAPITAL CITIES (incl. Canberra)	OTHER AREAS	WHERE NO OVERNIGHT STAY IS REQUIRED
Premier	\$323	\$182	\$81
Ministers	\$260	\$151	\$66
President of the Legislative Council and Speaker of the Legislative Assembly	\$260	\$151	\$66
Leader of the Opposition in the Legislative Council	\$260	\$151	\$66
Leader and Deputy-leader of the Opposition in the Legislative Assembly	\$260	\$151	\$66
Leader and Deputy Leader of a Recognised Political Party of which not less than ten members are Members of the Legislative Assembly	\$260	\$151	\$66
Chairman of Select, Joint Standing and Public Accounts Committees	\$260	\$151	\$66
Members of Select, Joint and Public Accounts Committees	\$195	\$125	\$48

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.

A Minister, whose spouse accompanies him or 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 or she is entitled as indicated 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 for the purpose of attending a sitting of the House of Parliament or any Joint, Select or Standing Committee or the Public Accounts Committee, of which she or he is a member, the member shall be entitled to be reimbursed the actual cost of the taxi fare incurred for the journey between Sydney Airport and the city. The member shall also be entitled to be reimbursed the actual cost of the taxi fare incurred for the return journey between the city and Sydney Airport from such a sitting.
 - (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 thirtyfive 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 the member is to commence a flight or train journey to Sydney for the purpose of attending a sitting of the Council or of a Select, Joint or Standing committee of which she or he is a member, and travels by private motor vehicle to such airport or railway station, the member shall be paid an amount equivalent to 49 cents per kilometre for the distance driven in excess of 25 kilometres on each single journey between the member's 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 her or him to reach the airport or railway station and return home therefrom.

Dated this 30th day of May 1996.

THE PARLIAMENTARY REMUNERATION TRIBUNAL

(THE HON JUSTICE BADGERY PARKER)

APPENDIX A

ELECTORAL DISTRICTS AS DETERMINED IN THE TRIBUNAL'S DETERMINATION OF 29 MAY, 1991 UNDER SECTION 12 OF THE PARLIAMENTARY REMUNERATION ACT 1989

Group 1

Ashfield Bligh Coogee Marrickville North Shore Port Jackson Vaucluse

Group 2

Auburn Bankstown **Baulkham Hills** Blacktown Cabramatta Campbelltown Canterbury Cronulla Davidson Drummoyne East Hills Eastwood Ermington **Fairfield** Georges River Gladesville Gordon Granville Heffron Hurstville Kogarah Ku-ring-gai

Lakemba Lane Cove Liverpool Manly Maroubra Miranda Moorebank Mount Druitt Northcott Parramatta Penrith **Pittwater** Riverstone Rockdale Smithfield St Marys Strathfield Sutherland The Hills Wakehurst Willoughby

Group 3

Badgerys Creek Blue Mountains

Bulli Camden Charlestown Gosford Illawarra Keira Kiama

Lake Macquarie

Londonderry Newcastle Peats Swansea The Entrance Wallsend Waratah Wollongong Wyong

Group 4

Ballina Cessnock Coffs Harbour Hawkesbury Lismore

Maitland

Murwillumbah Myall Lakes Port Macquarie Port Stephens South Coast

Southern Highlands

Group 5

Bathurst Bega Orange

Oxley Tamworth Wagga Wagga

Group 6

Albury Burrinjuck

Clarence

Dubbo Monaro

Northern Tablelands

Group 7

Barwon Lachlan Murray

Murrumbidgee Upper Hunter

Special Group

Broken Hill

APPENDIX B

ELECTORAL DISTRICTS INCLUDED IN EACH CATEGORY AS DETERMINED IN THE TRIBUNAL'S DETERMINATION OF 29 MAY 1991 UNDER SECTION 12 OF THE PARLIAMENTARY REMUNERATION ACT 1989.

Category 1

Badgerys Creek Londonderry
Blue Mountains Newcastle
Bulli Peats

Camden Southern Highlands

Charlestown Swansea
Gosford The Entrance
Hawkesbury Wallsend
Illawarra Waratah
Keira Wollongong
Kiama Wyong

Lake Macquarie

Category 2

Albury Monaro Ballina Murray

Barwon Murrumbidgee
Bathurst Murwillumbah
Bega Myall Lakes

Broken Hill Northern Tablelands

Burrinjuck Orange Cessnock Oxley

Clarence Port Macquarie
Coffs Harbour Port Stephens
Dubbo South Coast
Lachlan Tamworth
Lismore Upper Hunter
Maitland Wagga Wagga

