

**WESTERN AUSTRALIA**  
***SALARIES AND ALLOWANCES ACT 1975***  
**DETERMINATION OF THE**  
**SALARIES AND ALLOWANCES TRIBUNAL**  
**ON REMUNERATION OF MEMBERS OF PARLIAMENT**

**Pursuant to Section 6(1) (a), (ab) and (b)**

**August 2010**

**PREAMBLE**

The *Salaries and Allowances Act 1975* requires the Tribunal, at intervals of not more than twelve months, to enquire 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. The Tribunal issued its last such general determination on 14 August 2009. The Tribunal has now completed a further enquiry and in accordance with the statutory requirement must issue this determination on or before 14 August 2010.

**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 Saturday, 5 June 2010 with a closing date of Friday, 9 July 2010.

### ***Invitation to Members***

On Wednesday, 2 June 2010, the Tribunal wrote to all Members of Parliament inviting submissions to its enquiry with a closing date of Friday, 9 July 2010.

### ***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, Average Weekly Earnings, the Consumer Price Index 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 enquiry.

## **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 *Salaries and Allowances Act 1975*. 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***

Twelve written submissions were received - from the Government, the Parliamentary Superannuation Board, the Parliamentary Liberal Party of Western Australia, the Parliamentary Services Department, five individual Members of Parliament and two members of the general public.

An open Tribunal meeting with Members was held at Parliament House on 18 May 2010 at which time verbal submissions were taken.

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 Consumer Price Index (CPI) with the possibility of further productivity increases capped at projected growth in the Western Australian Wage Price Index (WPI). The Government’s submission also noted that while some risks to global economic recovery remained, the outlook for the Western Australian economy has improved since last year.

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

- the base salary of Members of Parliament should be increased by 3.5 per cent in line with the increase provided to senior public servants;
- the Tribunal' determinations should help to reduce salary extremes to address inequality in the community;
- the base electorate allowance is inadequate and should be determined on a per capita basis;
- there is a greater expectation for Members of Parliament to communicate with their electors and communication costs have increased;
- the accommodation allowance for country Members is inadequate and should revert to being an annual allowance;
- the standard of motor vehicles for Members of Parliament should be reviewed bearing in mind issues of comfort and safety;
- issues associated with the motor vehicle allowance for Members of Parliament who do not access a fully maintained government vehicle; and
- the extra expenses of shadow ministers should be recognised.

Related matters that were raised with the Tribunal were:

- redundancy benefits for Members who are not re-elected and who are ineligible to access their superannuation;
- benefits to assist Members to finalise their Parliamentary business when they cease to be Members; and
- superannuation contributions.

A submission from the Parliamentary Superannuation Board sought a review of the State contribution rate for Members of Parliament under 'Choice of Fund' superannuation arrangements. In particular, the Board sought the Tribunal's consideration of:

- maintaining the current differential between the superannuation guarantee contribution rate (9 per cent) and the existing contribution rate (12.5 per cent) for Members of Parliament should there be a rise in the superannuation guarantee rate;
- linking the payment of any additional employer contributions to the payment of a co-contribution by a Member; and
- introduction of more flexible remuneration arrangements in the light of changes to age-based concessional employer contribution caps.

While the Tribunal has taken into account all the submissions to this enquiry, it has decided to give further considerations to matters related to redundancy, finalisation benefits and superannuation in a separate enquiry.

### ***Remuneration in Australian Parliaments***

The salaries of Members of Parliament in States of the Commonwealth, other than in Western Australia, are set through a statutory link to the rate paid to a member of the Federal Parliament. This rate is established by reference to the salary determined by the Commonwealth Remuneration Tribunal (CRT) for a Principal Executive Office (PEO) in the Commonwealth Public Service. The Federal Parliament applies the rate determined for the PEO by regulation as the base salary for a Federal Member of Parliament. This arrangement has existed since 1999. However in 2008 a Federal Government amendment to the regulation discounted the salary of a Member of Parliament from 1 July 2008 by an

amount of \$5,470 below the PEO reference salary. This amendment had the effect of freezing the base rate salary of a Federal Member of Parliament at \$127,060 until 30 September 2009.

From 1 September 2008 to 1 October 2009 the base salary of Western Australian Members of Parliament was the highest of all the Australian states and territories. This was a result of the freeze in Commonwealth parliamentarians' salaries in 2008 and linkages in other jurisdictions to those salaries.

The CRT increased the PEO reference salary to \$136,510 from 1 October 2009. The application of the CRT determination under the amended Federal regulation resulted in the base salary of a Federal Member of Parliament being increased to \$131,040 (i.e. \$136,510 less \$5,470). The increase flowed to Members of Parliament in States (other than Western Australia) under statutory links in those States.

The current rates in 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 and South Australia.

**Table 1:**

**Base Remuneration, Relativities and Number of Electors per Lower House Member, Australian Parliaments, 1 July 2010**

<b>Jurisdiction</b>	<b>Base Remuneration at 1 July 2010 (\$)</b>	<b>Relation to Commonwealth Base Remuneration</b>
<b>Commonwealth</b>	<b>131,040</b>	
Western Australia	128,980	\$2,060 less than C'wlth (No Link)
New South Wales	130,540	\$500 less than C'wlth
Queensland	130,540	\$500 less than C'wlth
South Australia	129,040	\$2,000 less than C'wlth
Victoria	125,307	\$5,733 less than C'wlth but varied by 2.5 per cent increase from 1 July 2009 to 30 June 2010 (The 2.5 per cent increase has now lapsed)
Northern Territory	128,040	\$3,000 less than C'wlth
Australian Capital Territory	118,071	\$12,969 less than C'wlth (No Link)
Tasmania	111,633	85.19 per cent of C'wlth ( \$19,407 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.*

On 20 July 2010, the Commonwealth Remuneration Tribunal issued a statement advising that it had decided to defer any decision on an annual adjustment until after the Federal election to be held on 21 August 2010. This decision applies to all offices in the Commonwealth Tribunal's jurisdiction, including judicial and related offices. While the Commonwealth Tribunal does not have the jurisdiction to determine the basic salary of parliamentarians, the decision to defer the annual review also means that there will be no

change in the PEO reference salary structure until after the election and hence, no change in the salaries of parliamentary office holders and Ministers.

Through the statutory links by which the salaries of Members of Parliament in other states are established there will be no movement in those levels of remuneration until the rates for Commonwealth Members of Parliament are adjusted.

Under the *Salaries and Allowances Act 1975* the salaries of Members of Parliament in this state 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 Movements between Members of Parliament and other Office Holders 2002 to 2010***

In considering the remuneration of Members of Parliament, the Tribunal has taken into account 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. Table 2 below sets out the change in salary between a selection of these office holders over the period 2002 to 2010.

**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 – 2010**

Office Holder	2002 Salary (\$)	2010* Salary (\$)	Increase in Salary of Office Holder from 2002 to 2010	Increase in Salary of Office Holder relative to the increase in the salary of a MP from 2002 to 2010
Member of Parliament	103,300	128,980	24.86%	0.00%
Public Servant Class 1	99,186	141,184	42.34%	13.44%
Magistrate	163,216	268,853	64.72%	50.44%
Public School Principal Level 6 (top increment)	89,207	139,333	56.19%	21.67%
Senior Sergeant of Police (top increment)	65,874	98,599	49.68%	12.68%
Special Division Group 4 Max non tenured	224,261	351,151	56.58%	55.16%

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

\* Salary as at 1 July 2010

Notwithstanding the salary freeze imposed in 2009 on office holders whose remuneration is determined by the Tribunal, 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. This is more apparent when levels of remuneration of senior executive appointments to Government Trading Enterprises are taken into account. Executive salaries reflect market pressures, albeit that those coming within the Tribunal’s jurisdiction still

come within the lowest 25<sup>th</sup> percentile of rates surveyed.<sup>1</sup> There is no ‘market’ to which reference can be made to assess the salaries of Members of Parliament.

Table 2 shows that in Western Australia the salaries of Members of Parliament have not kept pace over the period 2002 to 2010 with those of Class 1 public servants, magistrates, public school principals or police sergeants. In fact, the base salary of a Member of Parliament has fallen behind that of a magistrate by 50.44% over the eight year period. Of all the office holders listed on Table 2 the Class 1 public servant received a salary that was the closest approximation of the base salary of a Member of Parliament in 2002. Whereas in 2002 a Class 1 public servant earned \$4,114 per annum less than a Member of Parliament on the base salary, by a Class 1 officer earned \$12,204 per annum more than a Member of Parliament as at 1 July 2010. This represents a 13.44 per cent loss in relativity by the Member of Parliament over the eight year period. Since 2008 a Class 1 Officer has received a wage increase of 16.5 per cent compared to a Member of Parliament who has received 4.2 per cent.

When comparing the salary of a Minister of the Crown with that of a departmental head, a similar loss of relativity can be demonstrated. Table 3 illustrates that, whereas a Minister earned 82.9 per cent of the salary of a Chief Executive Officer (CEO) of a major department in 2002, the Minister now earns only 68.4 per cent of the CEO’s salary. The increase in the salary of the CEO has outstripped that of the Minister by 56.58 per cent to 24.86 per cent over the period 2002 to 2010.

**Table 3:**

**Changes Between the Relativity of a Minister of the Crown and a Special Division Group 4 Maximum Non-Tenured Position 2002 - 2010**

Office Holder	Salary 2002 (\$)	Relativity	Salary 2010* (\$)	Relativity	Change in Relativity from 2002 to 2010	Percentage Increase since 2002
Special Division Gp 4 Max non tenured	224,261	100%	339,276	100%	-	56.58%
Minister	185,940	82.9%	232,164	68.4%	30.64%	24.86%

*Source: Salaries and Allowances Tribunal Determinations*

\* Salary as at 1 July 2010

However the position of Members of Parliament in Western Australia has been addressed to some extent by the Tribunal’s determination in 2007 of additional remuneration (7 per cent of base salary) for membership of a Standing Committee. Although most members serve on Standing Committees of the Parliament, there are some who do not. The additional payment applies to the base salary only for the duration of service on a Standing Committee.

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

Table 4 below compares the percentage increases in base remuneration awarded to Western Australian Members of Parliament over the past five years. The increases over this period

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<sup>1</sup> Mercer General Market Salaries Survey

have been consistently less than the Western Australian Wage Price Index (WPI). In three 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 4:**

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

Year	Consumer Price Index		Wage Price Index		Change in WA Members' Base Remuneration
	National	WA	National	WA	
2005	2.8%	4.0%	4.1%	4.2%	3.6%
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%#	

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

\* CPI from 1 July 2009 to 30 June 2010. # WPI from 1 April 2009 to 31 March 2010.

***Labour Market and Economic Data***

Table 5 sets out a selection of relevant economic indicators sourced from the Australian Bureau of Statistics (ABS) comparing current National and Western Australian data. Both annual average increases and two-year average increases have been presented in this table bearing in mind that Members of Parliament have not received a base salary increase since the Tribunal's determination of 2008.

The current enquiry is being undertaken following a period of significant economic turbulence, however key labour market indices such as Average Weekly Earnings and the WPI have continued to show strong growth in Western Australia over the past year.

**Table 5:****National and Western Australian Economy – Quarterly and Annual Average Increases – Selected Economic Indicators 2010.**

<b>Indicator</b>	<b>Annual Average % Increase</b>	<b>2 Year Average Increase</b>
Perth - Consumer Price Index – Year to June 2010 Qtr	3.5%	4.9%
National - Consumer Price Index – Year to June 2010 Qtr	3.1%	4.1%
WA - Wage Price Index – Year to Mar Qtr 2010	3.0%	8.4%
National - Wage Price Index – Year to Mar Qtr 2010	3.1%	7.2%
WA – Wage Price Index – Year to Mar Qtr 2010 – Private Sector	2.7%	8.0%
National – Wage Price Index – Year to Mar Qtr 2010 – Private Sector	2.6%	6.6%
WA – Wage Price Index – Year to Mar Qtr 2010 – Public Sector	4.3%	10.4%
National – Wage Price Index – Year to Mar Qtr 2010 – Public Sector	4.3%	8.7%
WA – Average Weekly Earnings – Year to Feb Qtr 2010	5.6%	10.7%
National - Average Weekly Earnings – Year to Feb Qtr 2010	5.7%	9.9%
WA – Average Weekly Earnings (Full-time Adult Ordinary Time Earnings) – Year to Feb 2010 Qtr	6.7%	13.0%
National - Average Weekly Earnings (Full-time Adult Ordinary Time Earnings) – Year to Feb 2010 Qtr	5.8%	11.5%
WA Total Employment Growth – Year to June 2010	4.8%	5.8%
National Total Employment Growth – Year to June 2010	3.3%	3.2%

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

From Table 5 it can be seen that the annual average growth in the public sector WPI for Western Australia at 4.3 per cent, is significantly higher than the growth in the Western Australian private sector WPI of 2.7 per cent or the combined sector WPI of 3.0 per cent for the same period. The higher public sector wages growth is also reflected over a two period where the average public sector WPI growth was 10.4 per cent.

In 2008 the Fair Pay Commission had left the minimum wage unchanged with the aim of protecting jobs and helping job seekers to be competitive in the labour market.<sup>2</sup> On 3 June 2010, the Minimum Wage Panel of Fair Work Australia announced their minimum wage-

<sup>2</sup> *Wage-Setting Decision and Reasons for Decision*, Australian Fair Pay Commission, July 2009. p.19

setting decision, increasing the minimum wage from \$543.78 per week to \$569.90 per week. This represented an increase of 4.8 per cent. In making the decision, Fair Work Australia noted that in the two years since the last increase in the minimum wage, there had been a significant decline in the real value of wages.<sup>3</sup>

Shortly after the Federal minimum wage decision, the Western Australian Industrial Relations Commission issued the 2010 State Wage Order on 11 June, setting the minimum wage at \$587.20 per week. This represented an increase of \$17.50 per week or approximately 3 per cent more than the minimum wage set in 2009. The Commission's adjustment was based on cost of living movement in Western Australia and was not more than inflation.<sup>4</sup>

The Western Australian Department of Treasury and Finance (DTF) has reported the following forecasts for major economic aggregates in the May 2010 State Budget papers.

**Table 6:**

**Western Australian Economy – Annual Average Growth – Selected Economic Indicators 2010**

<b>Economic Aggregates</b>	<b>2008/09 Actual</b>	<b>2009/10 Estimated Actual</b>	<b>2010/11 Budget Estimate</b>	<b>2011/12 Forward Estimate</b>
	%	%	%	%
<b>Real Gross State Product Growth</b>	0.7	3.75	4.5	4.75
<b>Real State Final Demand Growth</b>	4.4	3.5	6.0	5.75
<b>Employment Growth</b>	3.2	0.25 <sup>a</sup>	1.75	2.25
<b>Unemployment Rate</b>	3.7	5.25 <sup>b</sup>	5.0	4.75
<b>Wage Price Index Growth</b>	5.2	3.5 <sup>c</sup>	3.75	4.0
<b>Average Weekly Earnings Growth</b>	5.2	5.25 <sup>d</sup>	5.25	5.5
<b>Population Growth</b>	3.2	2.6 <sup>e</sup>	2.3	2.2

*Source: 2010-11 Budget Paper No. 3 – Economic and Fiscal Outlook, Department of Treasury and Finance. p.50*

The Chamber of Commerce and Industry Western Australia (CCI) has recently upgraded its growth projections for the state following a stronger than expected finish to the 2009/10 financial year. The CCI forecast stronger wages growth (4 per cent WPI in 2010/11) and lower unemployment (4 per cent in 2010/11) in Western Australia than the DTF forecast for the same period. The CCI stated, “wage pressures are expected to pick up over the longer term, as firms compete to attract and retain the workers they need.”<sup>5</sup>

<sup>3</sup> *Statement – Annual Wage Review 2009-10*, Fair Work Australia, 3 June 2010. p.2

<sup>4</sup> *2010 State Wage Order – Western Australian Industrial Relations Commission*, 11 June 2010, File No. Appl 2 of 2010.

<sup>5</sup> *Chamber of Commerce and Industry Western Australia – Outlook June Quarter 2010*

Essentially, these forecasts predict that the economy will be stronger, and continue to grow steadily over the next few years. Recent minimum wage decisions by industrial authorities at both the Commonwealth and State levels reflect this relatively optimistic outlook.

***Changes in Electoral Enrolments***

With the redistribution of electorate boundaries prior to the September 2008 State election, significant changes occurred to the number of electors per electorate. Table 7 shows the changes that have been recorded at the various closing dates for electoral enrolments since then.

**Table 7:**

**Change in Metropolitan and Country District Enrolments from 30 September 2007 to 15 August 2008, 17 April 2009 and 1 March 2010**

<b>AVERAGE LEGISLATIVE ASSEMBLY ENROLMENTS</b>				
<b>District</b>	<b>30 Sept 2007</b>	<b>15 Aug 2008</b>	<b>17 April 2009</b>	<b>1 March 2010</b>
Metropolitan	28,519	23,596 (-17.3%)	23,855 (-16.4%)	23,912 (-16.2%)
Country	14,551	19,962 (+37.2%)	19,980 (+37.3%)	22,158 (+52.3%)

*Source: WA Electoral Commission enrolment data, [www.waec.wa.gov.au](http://www.waec.wa.gov.au)*

As can be seen from Table 7, the number of electors per metropolitan Member increased slightly with the closing of the rolls in April 2009 (for the Daylight Saving Referendum) and increased again in March 2010, however the average number of electors represented by metropolitan Members of Parliament remains well below 2007 levels. Notwithstanding this significant decrease, there has been no decrease in the Base Electorate Allowance in subsequent determinations.

The average number of electors per country Member has increased significantly, but remains well below the number of electors per metropolitan Member. Additional Electorate Allowances remain in place to cater for the largest, most remote and least accessible country electorates and these were adjusted to take into account new electorates in September 2008.

## **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.

### ***Payment of Remuneration***

To provide clarity about the intent of paying Members of Parliament on a pro-rata basis, the Tribunal has included a statement regarding part-payment for annualised amounts being calculated on the basis of a proportion of a 365 day year.

### ***Base Remuneration of Members of Parliament***

After taking into account price and wage movements, public and private sector salary adjustments over the past two years and the fact that Members of Parliament have not had an increase in remuneration since August 2008, the Tribunal considers that an increase in the base rate of 4.3 per cent is warranted.

The percentage adjustment is in line with movement in the public sector WPI for the year to March 2010, but does not pick up the full increase in CPI (4.9 per cent) over the two year period since the base rate of remuneration of a Member of Parliament was adjusted in August 2008. In this respect the real value of the remuneration of a Member of Parliament has declined.

The Tribunal is mindful of this together with the deterioration in relativities experienced in the remuneration of Members of Parliament in comparison with other office holders within the Tribunal's jurisdiction. The Tribunal is concerned that if the present trend continues, the worth of a Member of Parliament in comparison with that of other public office holders and in the community generally will have declined to such an extent that the level of remuneration is a deterrent 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. In addition, some Members have expressed the view that the responsibilities of 'Shadow Ministers' should also be recognised in the Tribunal's remuneration framework.

With these issues in mind, the Tribunal has commenced a wider review of the remuneration of Members of Parliament which takes into account not only the base salary of Members, but also the additional payments determined for Ministers, Parliamentary Secretaries and office holders of the Parliament.

This review will apply the same broad principles of remuneration outlined earlier in this determination. In so doing, the Tribunal recognises that evaluating the work of Members of Parliament in their various roles is complex and it will be seeking further submissions and advice before finalising its deliberations.

At the same time, the review will also address the provision of redundancy and/or resettlement payments for Members of Parliament and matters raised in submissions on superannuation.

### *Electorate Allowances*

*Base Electorate Allowance* - In order to clarify the purpose of the Base Electorate Allowance and the basis on which the Tribunal has determined the allowance, a statement has been included in the determination setting out the types of expenses incurred by Members that the Tribunal has taken into account. These reflect the obligations of Members in representing their electorate and community expectations of support for such things as sporting clubs, school associations and a wide variety of community interest groups. Expenses mentioned in the determination at Part 3 Section 2 are not intended to limit the discretion of Members in expending their allowance.

The Tribunal has recognised that since the last determination, there has been an increase in expenses associated with a Member meeting their obligations to represent their electorate. 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 3.5 per cent.

Following a 5 cent increase in the standard letter postage rate in 2009, the Tribunal increased the Base Electorate Allowance by \$2,500. A further 5 cent increase in the standard letter postage rate took effect on 28 June 2010 and on a similar basis to that determined in 2009, the Tribunal has decided to increase the Base Electorate Allowance by an additional \$2,500.

While the Tribunal is mindful of submissions from Members regarding the 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 considers that increases in the Base Electorate Allowance over recent years has adequately provided for this aspect of their work. Furthermore, by including communication costs in the total Base Electorate Allowance, this provides Members with the discretion they need to determine their own priorities.

*Additional Electorate Allowance* - Two submissions raised issues regarding the application of the Additional Electorate Allowances provided under Part 3 Section 3 of the determination and whether these should be made available to more or less Members. In weighing up the merits of the submissions, 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 (e.g. a letter box drop for newsletters can be logistically difficult if not impossible). The Tribunal also noted that Members of Parliament in other Australian

jurisdictions were provided with Additional Electorate Allowances for remote and regional electorates. 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 3.5 per cent.

*Private Telecommunication Charges* – A submission was received by the Tribunal in relation to the deduction of \$3,600 from any office holder of the Parliament who has private telecommunications charges reimbursed from public funds other than funds determined by the Tribunal for the purpose. This part of the determination was intended to prevent ‘double dipping’ by Parliamentary office holders or Ministers who are provided with telecommunication expenses such as mobile phones. In reviewing this section of the determination the Tribunal has taken the view that telephones for office holders, whether they be mobile phones or land lines, are a ‘tool of trade’ and their use is an expense of office. Reasonable private use of telephones and computing equipment is a standard applied across the public sector and it should also apply to Parliamentary office holders. It is understood that the quantum of the cost of private telephone calls captured by this provision in the determination is relatively small, whereas the administrative overheads associated with this part of the determination are quite onerous. Accordingly, the Tribunal has decided to delete the existing Part 3 section 2.1.2 from the determination.

*Motor Vehicle* – The Tribunal has determined that the amount payable to a Member who foregoes the entitlement of a Government supplied vehicle will remain unchanged at \$22,500. In recent years this value has increased according to the annual cost of leasing a Ford G6 with the safety pack for a term of 24 months or 40,000 kilometres. However, State Fleet have advised that the most recent comparable lease costs for the Ford G6 have fallen marginally, hence the Tribunal has decided to leave the cash value of the motor vehicle entitlement unchanged in this determination.

Submissions to the Tribunal raised issues of driver safety and comfort and the inclusion of automatic transmission on the benchmark four wheel drive vehicles. In relation to the safety issue, the Tribunal noted that the nominated benchmark sedan vehicles both had 5 star ANCAP safety ratings. It was also noted that the Toyota Prado benchmark four wheel drive vehicle had a 4 star ANCAP safety rating while the Nissan Patrol benchmark four wheel drive vehicle had a 3 star ANCAP safety rating. The Tribunal decided that it would no longer nominate the Nissan Patrol as a benchmark vehicle in the determination. It was considered that the safety ratings for the other benchmark vehicles was evidence that Members could access vehicles with high safety specifications without incurring any additional costs. The Tribunal also decided that the inclusion of automatic transmission within the cost of the benchmark four wheel drive Toyota Prado would enhance safety for Members.

In terms of the comfort of Members driving long distances, the Tribunal considered that the benchmark vehicles were well appointed by community standards and that additional comfort might be considered a matter of personal preference.

During the year a question was raised about the inclusion of a Global Positioning System (GPS) navigator on the list of safety equipment mentioned in Part 3 section 4.6 of the determination. In considering this matter, the Tribunal noted that GPS navigators were not included in the Government Fleet list of safety features. It was also noted that Members representing the largest and most remote electorates had access to Additional Electorate

Allowances and Charter Transport Allowances that could be accessed should they wish to choose a model of vehicle that includes a GPS navigator. Alternatively, Members could choose to purchase a GPS unit for their vehicle from their Electorate Allowance.

Another issue raised during the year related to the costing of the 80,000 kilometre lease option under Part 3 section 4.7 of the determination. The Tribunal took into account that this part of the determination seemed to have been introduced at a time when it allowed Members of Parliament who travelled extensively by car to upgrade the specifications of their vehicles at no extra cost. This provided for greater safety and comfort. With the effluxion of time, motor vehicle specifications have improved to the point where the safety standards and comfort of the benchmark vehicles in the determination are now very high. The Tribunal has considered that there is no longer a need for the provisions of Part 3 section 4.7 of the existing determination and it has therefore been deleted. In fairness to those Members who have already taken out motor vehicle leases on the existing terms or have ordered new vehicles on these terms, it is intended that Members should revert to the standard leasing arrangements applying under this determination on the expiry of the lease on their current motor vehicle or any other vehicle that has already been ordered for them.

In the 2009 determination, the Tribunal indicated that in relation to motor vehicle entitlements, it would consider introduction of an Australian manufacture or assembly requirement together with consideration of CO<sub>2</sub> emission ratings. The Tribunal noted that since its last determination on Members of Parliament, the Australian manufactured Holden Berlina is now below the State Fleet CO<sub>2</sub> emission threshold of 215g/km. The Tribunal is continuing its work on the development of alternatives to the current model of describing motor vehicle entitlements.

### ***Travelling Allowances***

*Motor Vehicle Allowance* – The Tribunal reviewed 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. In considering this section of the determination, the Tribunal noted that while the motor vehicle entitlement had existed for more than 10 years, there had been only two claims against the entitlement in the last two years, one of which could have been claimed under the section of the determination relating to travel to regional Cabinet meetings. A further consideration for the Tribunal was that the cash value of the motor vehicle was based on a whole of life lease 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 has therefore decided to delete this provision in the determination.

*Charter Transport Allowance* – The Tribunal increased the Charter Transport Allowance by 10 per cent in 2008 and by a further 5 per cent in 2009. In the absence of conclusive evidence about changes in the cost of air charter travel, the Tribunal has taken into account that the transportation category of the CPI rose by 3.4 per cent in Perth and 3.2 per cent nationally for the year to June 2010. Accordingly, the Tribunal has decided that there will be an increase of approximately 3.4 per cent in the Charter Travel Allowance in this determination.

*Taxi Fare Allowance* – This allowance provides for Members of Parliament to claim reimbursement for taxi fares incurred on Parliamentary business when travelling from transport terminals to the Parliament or the Member's home. In considering this section of

the determination, the Tribunal noted that Members representing metropolitan electorates already have access to either a motor vehicle or cash in lieu of a motor vehicle to travel between the Parliament and home. It should therefore be unnecessary for them to claim additional taxi fares for travel to and from the Parliament and their homes. Accordingly, the Tribunal has decided to limit the taxi fare allowance to Members who do not represent a metropolitan electorate.

### ***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).

However, accommodation allowances for locations in Western Australia continued to be aligned to the Western Australian Public Service Award rates. The Tribunal has since reviewed this decision in the light of some anomalous changes to accommodation costs set out in the Public Service Award. In providing for accommodation allowances for the judiciary, the Tribunal has taken the view that the ATO reasonable benefit limits were more reliable and had wider application. Therefore, the Tribunal has decided to align the accommodation rates applicable to Members of Parliament with the ATO reasonable benefit limits in respect of locations in Western Australia and other Australian locations. For the purposes of calculating the appropriate rates, the Tribunal has decided that the salary of a Member of Parliament should be inclusive of any additional salary payable to office holders and their Base Electorate Allowance. This will simplify the administration of the determination and ensure that all Members are entitled to accommodation of a standard befitting their role and responsibilities.

*Expenses of Members on Parliamentary or Parliamentary Political Party Business* – The Tribunal has determined that accommodation reimbursement under Part 5 section 4.1 of the determination should also include meals and incidentals. This is consistent with the ATO rates of payment which are inclusive of meals and incidentals.

*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 from \$245 to \$255 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.

Some Members have submitted that 120 nights per financial year is not a sufficient allocation. In determining the number of nights’ accommodation able to be claimed under this part of the determination, the Tribunal has taken into account the number of parliamentary sitting days (approximately 65 days per year) and parliamentary committee sitting days (in the order of 25 additional days). The Tribunal considers the allocation of 120 nights to be adequate for this purpose, even taking into account additional electoral or vice-regal business that country Members might need to undertake in Perth. While accepting that some country Members may spend more time in Perth than the allocated 120 nights for either Parliamentary or personal reasons, the Tribunal has taken the view that with an allowance of approximately \$30,000 per year, Members are in a position to negotiate rates for the lease or purchase of suitable metropolitan accommodation within the budget set by the allowance.

*Members expenses within the electorate* – Consistent with accommodation allowances in other sections of this determination, the Tribunal has aligned expenses within the electorate to the ATO rates. The Tribunal also considered submissions regarding the application of this section of the determination to Members claiming accommodation and associated expenses in areas adjacent to their country electorates. In its deliberations, the Tribunal took into account that provision has been made in other parts of the determination for electorate business to be undertaken by country Members. For example, all Members receive a Base Electorate Allowance and most country Members receive an Additional Electorate Allowance to use as they see fit. All Members receive a motor vehicle entitlement which covers a significant proportion of travel costs. Most country Members can claim metropolitan expenses for up to 120 nights per year for electorate work undertaken in the metropolitan area, and where there is an overlap between parliamentary and electorate business, all Members can claim an additional 8 nights’ accommodation per financial year anywhere in the State under Part 5 Section 4 of the determination. The Tribunal also noted that Members can access their Imprest account for travel and accommodation expenses where no such entitlement has been determined by the Tribunal. In conclusion, the Tribunal affirmed its determination that the entitlements described in this section should principally be for expenses *within* the electorate as distinct from electorate business that might otherwise be undertaken outside the electorate. However, to provide some guidance in the matter, the Tribunal has included in this determination some factors which might be taken into consideration when determining what locations might be considered to be “adjacent” to an electorate.

#### ***Telephone and Postal Service Allowances***

*Parliament House* – A submission recommended that the Tribunal extend the scope of the allowance in Part 6 section 2 of the determination that allows for reimbursement of any charges made for telephone calls and teleconferencing. The proposal was to include provision of computing and data communication facilities. In considering this submission, the Tribunal took into account that Members are not charged for telephone calls, teleconferencing or other communication facilities. The Tribunal also noted that such facilities are already provided to Members of Parliament as ‘tools of trade’ and there was no compelling reason to include them in the determination at this stage.

*Postal Service Allowances for Certain Office Holders* – These allowances were adjusted in 2009 following a 5 cent increase in the standard letter postage rate. The allowances have been adjusted by approximately 10 per cent in this determination taking into account another 5 cent increase in the standard letter postage rate that took effect on 28 June 2010.

The determination will now issue.

Signed this 9<sup>th</sup> day of August 2010.

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) and (b) 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 2010, unless otherwise stated:

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<b>PART 2:</b>		<b>REMUNERATION</b>
	Section 1	Base remuneration of Members of Parliament #
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<b>PART 3:</b>		<b>ELECTORATE ALLOWANCES</b>
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<b>PART 4:</b>		<b>TRAVELLING ALLOWANCE</b>
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	Section 3	Expenses of Members on parliamentary committee business #
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	Section 5	Metropolitan expenses of Members representing Regions or Districts therein #
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<b>PART 6:</b>		<b>TELEPHONE AND POSTAL SERVICE ALLOWANCES</b>
	Section 1	Telephone Allowances for Electorate Offices *
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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, 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 \$134,526.

### **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.

<b>Office Held</b>	<b>Percent of Base Remuneration</b>	<b>Additional Remuneration</b>	<b>Total Remuneration</b>
Premier in conjunction with a ministerial office	132	\$177,575	\$312,101
Deputy Premier in conjunction with a ministerial office	97	\$130,490	\$265,016
Leader of the Government in the Legislative Council in conjunction with a ministerial office	90	\$121,074	\$255,600
Minister of the Crown	80	\$107,621	\$242,147
Leader of the Opposition in the Legislative Assembly	80	\$107,621	\$242,147
President of the Legislative Council	66	\$88,787	\$223,313
Speaker of the Legislative Assembly	66	\$88,787	\$223,313
Leader of the Opposition in the Legislative Council	45	\$60,537	\$195,063
Deputy Leader of the Opposition in the Legislative Assembly	45	\$60,537	\$195,063
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	\$60,537	\$195,063
Parliamentary Secretary of the Cabinet	45	\$60,537	\$195,063

<b>Office Held</b>	<b>Percent of Base Remuneration</b>	<b>Additional Remuneration</b>	<b>Total Remuneration</b>
Chairman of Committees in either House (Deputy Speaker)	30	\$40,358	\$174,884
Government Whip in the Legislative Assembly	18	\$24,215	\$158,741
Opposition Whip in the Legislative Assembly	18	\$24,215	\$158,741
Parliamentary Secretary	15	\$20,179	\$154,705
Government Whip in the Legislative Council	12	\$16,143	\$150,669
Opposition Whip in the Legislative Council	12	\$16,143	\$150,669
Chairman of a Standing Committee	10	\$13,453	\$147,979
Deputy Chairman of a Standing Committee	7.5	\$10,089	\$144,616
Member of a Standing Committee	7	\$9,417	\$143,943

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](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 \$57,544 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.

<b>ELECTORAL REGION</b>	<b>ELECTORAL DISTRICT</b>	<b>ADDITIONAL ALLOWANCE PER ANNUM</b>
Mining and Pastoral Region		\$20,950
	Eyre, Kalgoorlie, Kimberley, North West and Pilbara	\$19,700
Agricultural Region		\$14,000
	Central Wheatbelt, Moore and Wagin	\$12,150
South West Region		\$9,450
	Blackwood - Stirling	\$7,800

### **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 \$22,500 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 of a standard, the cost of which does not exceed the more expensive of a Ford G6 (including the "safety pack") or Commodore Berlina (6 cylinder), fitted with an automatic transmission, power steering, cruise control, air conditioning, anti-lock braking system, airbags,

electronic stability control and tow-bar, with all running and maintenance costs for up to three years or 80,000 kilometres met by the State.

- 4.5 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 that 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.
- 4.6 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.
- 4.7 Where a Member requires, for operational or personal reasons, a model of vehicle, the cost of which exceeds the benchmarks specified in paragraphs 4.4 and 4.5 of this Section, 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.
- 4.8 Where, through necessity, use of the vehicle involves travel into the Northern Territory or South Australia, Tribunal approval is required prior to such usage.
- 4.9 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.

<b>ELECTORAL REGION</b>	<b>ELECTORAL DISTRICT</b>	<b>CHARTER TRANSPORT ALLOWANCE (Per Financial Year)</b>
Mining and Pastoral Region		\$42,800
	Eyre, Kalgoorlie, Kimberley, North West and Pilbara	\$42,800
Agricultural Region		\$29,000
	Central Wheatbelt, Moore and Wagin	\$23,200
	Geraldton	\$9,900
South West Region		\$23,200
	Albany and Blackwood-Stirling	\$9,900

- 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 2010/11 rates can be found in Taxation Determination [TD 2010/19](#). 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. The rates contained in Section 7 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.

**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 \$255 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.

<b>OFFICE HOLDER</b>	<b>RATE PER ANNUM</b>
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 7 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*.

Signed this 9th day of August 2010

W S Coleman AM  
CHAIRMAN

C A Broadbent  
MEMBER

B J Moore  
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL