



Australian Capital Territory Remuneration Tribunal

## Members of the ACT Legislative Assembly

### Determination 7 of 2016

made under the

**Remuneration Tribunal Act 1995, section 9 (Inquiries about members of Legislative Assembly)**

## ACOMPANYING STATEMENT

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### Background

Under section 9 of the Remuneration Tribunal Act 1995 (the Act) the Remuneration Tribunal (Tribunal) is required to inquire into, and determine, the salary, allowances and other entitlements for:

- the Chief Minister;
- the Deputy Chief Minister;
- other Ministers; and
- Members of the Legislative Assembly (Members) other than Ministers.

Section 9 of the Act, read in conjunction with section 73 of the Australian Capital Territory (Self-Government) Act 1988 (Commonwealth), requires the Tribunal to determine the salary and allowances for the:

- Leader of the Opposition;
- Deputy Leader of the Opposition;
- Government Whip;
- Opposition Whip; and
- presiding member of a committee of the Legislative Assembly.

### 2016 review – Determination 1 of 2016

The Tribunal called for submissions in January 2016 to support its annual review of MLAs salary, allowances and other entitlements.

The Tribunal wrote to all MLAs seeking feedback on any unintended consequences or any difficulties experienced, such as with allowances and entitlements, since the implementation of the extensive 2014 review.

The Tribunal did not receive any formal submissions from MLAs highlighting unintended consequences coming out of the 2014 review, and the Tribunal's decisions are documented in Determination 1 of 2016.

### **Communications Allowance**

The Tribunal considered the Communication Allowance at its most recent review as unforeseen administrative issues have caused unintended consequences.

As stated in the Tribunal's *2014 Final Report on the Review of Entitlements for Members of the Australian Capital Territory Legislative Assembly*, it is the Tribunal's view that taxpayers would expect Members to spend this allowance each year throughout the life of the Assembly on communication with constituents and equipment to support that process<sup>1</sup>.

The Tribunal issued Determination 7 of 2015, which amended Clause 11 in relation to the Communication Allowance to clarify the intent of the allowance.

Given the unforeseen administrative issues that have caused unintended consequences, it is the Tribunal's determination that the Communications Allowance be abolished and the equivalent sum is to be formally rolled into MLAs' base salary. This determination is to take effect from 17 October 2016, being the day newly elected MLAs commenced duty.

This arrangement preserves the original intention of a Communications Allowance and adds a further element of transparency, as MLAs will now be required to acquit their usage of the sum with the Australian Taxation Office.

ACT Remuneration Tribunal  
November 2016

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<sup>1</sup> P.23, *ACT Remuneration Tribunal Final Report on the Review of Entitlements for Members of the Australian Capital Territory Legislative Assembly (April 2014)*



Australian Capital Territory Remuneration Tribunal

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#### **1 Commencement**

1.1 This instrument commences on 17 October 2016.

#### **2 Base salary**

2.1 The base salary for Members of the Legislative Assembly (**Member**) is \$157,228 per annum.

#### **3 Additional annual salary**

3.1 A person holding an office mentioned in Column 1 of Table 3.1 is entitled to the additional annual salary mentioned in Column 2 of Table 3.1.

**TABLE 3.1**

Column 1 <b>Office</b>	Column 2 <b>additional salary</b>	Column 3 <b>% base salary</b>
Chief Minister	\$172,951	110%
Deputy Chief Minister	\$125,782	80%
Minister	\$110,060	70%
Presiding Officer	\$86,475	55%
Leader of the Opposition	\$110,060	70%
Deputy Leader of the Opposition	\$23,584	15%
Deputy Presiding Officer	\$23,584	15%
Government Whip	\$15,723	10%

Column 1 <b>Office</b>	Column 2 <b>additional salary</b>	Column 3 <b>% base salary</b>
Opposition Whip	\$15,723	10%
Presiding Member of a committee that is concerned with public affairs rather than affairs of the Legislative Assembly	\$15,723	10%

#### **4 Salary Packaging**

- 4.1 A Member may elect to take their base salary and/or their additional annual salary as:
- a) salary; or
  - b) a combination of salary and other benefits (a **salary package**).
- 4.2 Salary packaging must be consistent with taxation laws and guidelines issued by the Australian Taxation Office.
- 4.3 Up to 100% of salary can be taken as benefits and related costs such as fringe benefits tax.
- 4.4 Salary packaging must be administered without additional cost to the ACT Government and any fringe benefits tax associated with the provision of a benefit must be included in the salary package.
- 4.5 The Chief Minister may provide guidelines about the administration of this entitlement for Executive members.
- 4.6 The Presiding Officer may provide guidelines about the administration of this entitlement for non-Executive Members.

#### **5 Resettlement Allowance**

- 5.1 All Members are entitled to payment of two weeks' salary for every year of service, capped at a maximum of twelve weeks' salary, if they lose office, retire or resign.
- 5.2 The rate of pay of resettlement allowance will be calculated at the base rate of a Member, viz., without any extra loadings for office holders.

#### **6 Travelling allowance—within Australia**

- 6.1 In this clause:

**Assembly business** means travel as part of service on an Assembly committee; travel as a representative of the Assembly branch of the Commonwealth Parliamentary Association or as an office holder of the Association; or travel as a representative of the Assembly as determined by the Speaker. It does not include travel for party political purposes.

**commercial accommodation** includes a hotel, motel or serviced apartment.

**office holder** means the Chief Minister, Deputy Chief Minister, Minister or Presiding Officer, except where that term is used in the definition of Assembly business to refer to travel as an office holder of the Commonwealth Parliamentary Association.

- 6.2 Travelling allowance covers the reasonable cost for travel outside of Canberra and is payable at the rates that correspond with the amounts set out in the relevant Australian Taxation Office Taxation Determination relating to reasonable travel and overtime meal allowance expense amounts for each income year, for:
- a) accommodation; and
  - b) meals; and
  - c) incidental expenses.
- 6.3 Travelling allowance is payable if a Member must stay overnight:
- a) on Assembly business; or
  - b) for an office holder — on official business as an office holder; or
  - c) for a Member other than an office holder — on official business on behalf of an office holder.
- 6.4 Travelling allowance is not payable for travel for party political purposes.
- 6.5 An office holder or a Member nominated by the Chief Minister to represent an office holder on official business is entitled to an additional travelling allowance to cover the actual costs of accommodation, meals and incidental expenses up to the value that the office holder would have received, if:
- a) it is appropriate and reasonable for the conduct of the official business for the person to stay in accommodation at the same location where a meeting is held, or nearby to where a meeting is held; or
  - b) it is appropriate and reasonable for the conduct of the official business for the person to stay in accommodation with other participants of a meeting; or
  - c) the person is required to stay in commercial accommodation nominated by the host jurisdiction or host organisation; or
  - d) there are exceptional circumstances.
- 6.6 If a Member travelling on Assembly or official business does not stay in commercial accommodation, the travelling allowance is a rate of one third of the total daily rate in the relevant Australian Taxation Office Taxation Determination, rounded upwards to the nearest dollar.

## **7 Travelling allowance—outside Australia**

- 7.1 A Member who travels overseas on office holder or Assembly business may:
- a) be reimbursed the actual, reasonable costs incurred for accommodation and travel expenses up to the amounts as set out in the relevant Australian Taxation Office Taxation Determination;
  - b) be provided with a per diem allowance for meals and incidentals as set out in the relevant Australian Taxation Office Taxation Determination; and

- c) be provided a cash advance for anticipated costs for accommodation and travel costs which must be acquitted within eight weeks of returning to Canberra.

## **8 Class of air travel**

- 8.1 Members are entitled to business class air travel when travelling on Assembly or official business.
- 8.2 Members are provided with one airline lounge membership of their choice.
- 8.3 The Chief Minister may provide guidelines about the administration of all travel entitlements for Executive Members contained in this Determination.
- 8.4 The Presiding Officer may provide guidelines about the administration of all travel entitlements for non-Executive Members contained in this Determination.

## **9 Incidental travel in conjunction with Official travel**

- 9.1 The Tribunal notes that there is a practice whereby Members travelling on official business have been permitted to include incidental travel in such trips at no additional cost to the Territory.
- 9.2 For the avoidance of doubt, the Tribunal determines that Members may combine incidental personal travel with official travel, provided there is no additional cost to the Territory. If the period of such incidental travel is greater than 40% of the period of official travel, a pro rata contribution must be made to the overall cost of the travel.
- 9.3 The Chief Minister may provide guidelines about the administration of this entitlement for Executive Members.
- 9.4 The Clerk may provide guidelines about the administration of this entitlement for non-Executive Members as per the *Financial Management Act 1996*.

## **10 Motor vehicle**

- 10.1 All Members are entitled to:
  - a) an allowance of \$25,500 per annum (a privately plated motor vehicle will no longer be offered as an option); and
  - b) an allowance of \$2,500 per annum for taxis/hire cars to travel to and from official functions where private transport may not be appropriate in the interests of workplace safety and/or security; and
  - c) a car parking space at or near the Legislative Assembly.
- 10.2 Where a Member already has a vehicle lease in place at the time of this Determination, the lease is able to continue but shall not be renewed.
- 10.3 The allowance at 10.1(a) is not payable to Members who have leased vehicles at the time of the determination, until any existing vehicle lease has expired and the vehicle is surrendered.
- 10.4 The Chief Minister may provide guidelines about the administration of this entitlement for Executive Members.

10.5 The Presiding Officer may provide guidelines about the administration of this entitlement for non-Executive Members.

**11 Revocation of previous determination**

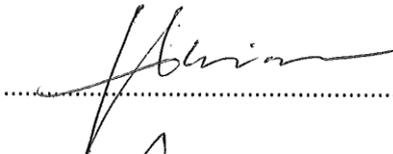
11.1 Determination 1 of 2016 is revoked.

Anne Cahill Lambert AM  
Chair



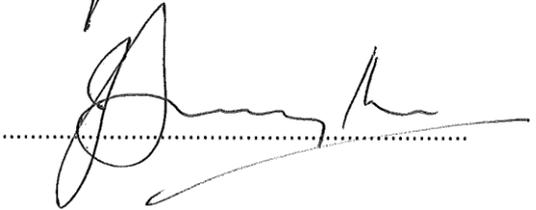
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Dr Colin Adrian  
Member



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James Smythe, PSM  
Member



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November 2016