

## Australian Capital Territory Remuneration Tribunal

# Members of the ACT Legislative Assembly

# **Determination 1 of 2019**

made under the

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

## **ACCOMPANYING STATEMENT**

### **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, including the Presiding Officer (known as the Speaker).

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.

The Tribunal's last review into salary, allowances and other entitlements for Members of the Legislative Assembly was in March 2018. Following the review, the Tribunal issued Determination 2 of 2018 in May 2018.

#### Considerations

In November 2018, the Tribunal called for submissions to support its annual Autumn review of remuneration, allowances and other entitlements. The Tribunal held its meeting on 4-5 February 2019. This determination sets out the Tribunal's decisions following the 2019 Autumn review.

The Tribunal noted the Government Submission provided by the Chief Minister and a comprehensive briefing from Treasury officials on the prevailing economic circumstances for 2019.

In deciding the remuneration, allowances and other entitlements for Members of the Legislative Assembly, the Tribunal also considered a submission from a member of the public, the Government Submission and their discussion with the Chief Minister.

The Government Submission requested the Tribunal to consider again the communication allowance that was abolished and rolled into remuneration in 2016. The Tribunal commenced consideration of this matter.

The Government Submission also requested the Tribunal to consider the motor vehicle allowance that was introduced in 2014 which has not been adjusted since 2015. The submission also raised that committee workload is increasing for all non-executive Members and requested the Tribunal to consider reviewing how to remunerate this work compared to arrangements in other parliaments.

#### Decision

The Tribunal decided to increase Members' base remuneration by 2.5% from 1 July 2019.

The Tribunal decided that it would review the rate of the motor vehicle and taxi allowance at the Autumn Review in 2020.

The Tribunal decided not to remunerate non-executive Members for the committee workload as it is the Tribunal's view that this is considered part of the role of an elected Member of the Legislative Assembly.

March 2019



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#### 1 Commencement

1.1 This instrument commences on 1 July 2019.

## 2 Base salary

2.1 The base remuneration for Members of the Legislative Assembly (*Member*) is \$168,492 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 remuneration annually mentioned in Column 2 of Table 3.1.

**TABLE 3.1** 

Column 1  Office	column 2  additional remuneration above the rate set out in clause 2.1	% base remuneration	Column 4  Total remuneration
Chief Minister	\$185,341	110%	\$353,833
Deputy Chief Minister	\$134,793	80%	\$303,285
Minister	\$117,944	70%	\$286,436
Presiding Officer	\$92,670	55%	\$261,162
Leader of the Opposition	\$117,944	70%	\$286,436

Column 1 Office	column 2 additional remuneration above the rate set out in clause 2.1	Column 3 % base remuneration	Column 4  Total remuneration
Deputy Leader of the Opposition	\$33,698	20%	\$202,190
Deputy Presiding Officer	\$25,274	15%	\$193,766
Government Whip	\$16,849	10%	\$185,341
Opposition Whip	\$16,849	10%	\$185,341
Presiding Member of a committee that is concerned with public affairs rather than affairs of the Legislative Assembly	\$16,849	10%	\$185,341

### 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 retire, resign or stand for re-election and are unsuccessful.

- 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.
- 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
  - 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 2 of 2018 is revoked.

Dr Colin Adrian Chair

Ms Sandra Lambert AM Member

Dr James Popple Member

March 2019