



Statement and Determination 3 of 2011

Members of the ACT Legislative Assembly

Background

Section 9 of the *Remuneration Tribunal Act 1995* (the Act) requires the Remuneration Tribunal (the Tribunal) to inquire into, and determine, the remuneration and allowances to be paid, and entitlements to be granted to:

- the Chief Minister,
- the Deputy Chief Minister,
- other Ministers, and
- Members of the Legislative Assembly (MLAs), other than Ministers because of their membership of the Legislative Assembly, or because of their holding particular offices, or performing particular functions, in relation to the Legislative Assembly.

Subsection 9(3) of the Act, read in conjunction with subsection 73(1)(g) of the *Australian Capital Territory (Self-Government) Act 1988* (Commonwealth), declares:

- the Leader of the Opposition in the Legislative Assembly,
- the Deputy Leader of the Opposition in the Legislative Assembly,
- the Government Whip in the Legislative Assembly,
- the Opposition Whip in the Legislative Assembly, and
- the presiding member of a committee of the Legislative Assembly,

to be offices to which section 73 of the *Australian Capital Territory (Self-Government) Act 1988* (Commonwealth) applies. Section 73 requires the Tribunal to determine the remuneration and allowances of these offices.

The Tribunal's last annual review of remuneration, allowances and other entitlements for Members of the Legislative Assembly was in December 2010 and resulted in Determination 15 of 2010, issued in December 2010.

This latest inquiry, which sought submissions from interested parties, was notified in the press on 12 February 2011 and MLAs were invited to make submissions.

Tribunal Consideration

Remuneration

The Tribunal noted in relation to the level of remuneration for MLAs that its previous decisions had regard to the function and importance of the office, and to appropriate relativity with the remuneration payable to parliamentarians in other jurisdictions.

The Tribunal considered submissions, prevailing economic factors and comparative data on remuneration paid to parliamentarians in other jurisdictions. While this material was useful, the Tribunal was concerned that, due largely to the timing of its deliberations, it did not have access to further important comparative material from other jurisdictions and from within the ACT. This situation applied not only to MLAs but also to other groups of public officials whose remuneration is being considered at this time. As a result, the Tribunal decided to grant a common increase to all the groups being reviewed, including MLAs and to conduct a review for these groups later in the year when further comparative material may be available.

The Tribunal increased MLA base salary by 2.5% to \$121,023 from 1 July 2011. Additional salary paid to holders of prescribed offices will remain at the proportion of base salary previously determined by the Tribunal.

The new salaries are prescribed in the Determination.

Travel Allowance – within Australia

The Tribunal decided to increase travel allowances within Australia by 2.5% rounded up to the nearest \$5.

Amendments to the travel allowance clauses were made to ensure that for the avoidance of doubt where an MLA is representing an office holder that travel allowance remains payable as if the MLA was on Assembly business. Where a Member other than the Chief Minister, Deputy Chief Minister, Minister or Presiding Officer travels outside Canberra, but within Australia, on official business on behalf of an office holder, the allowance shall be payable as if the person was on Assembly business.

Travel Allowance – outside Australia for non-executive members

The Tribunal decided to amend the arrangements for overseas travel entitlement for non-executive members to streamline the administrative arrangements associated with travel. The new arrangements will entitle non-executive members to the applicable meals and incidentals rates determined by the Australian Taxation Office.

Motor vehicle

Until now, the motor vehicle entitlement had been prescribed in a way that did not reflect current procurement terminology. Additionally, recent changes to the motor vehicle entitlement for chief executives and executives altered the alignment that once existed between the entitlement for chief executives in the public service and MLAs. This alignment has now been restored.

ACT Remuneration Tribunal
June 2011



ACT
Government

**AUSTRALIAN CAPITAL TERRITORY
REMUNERATION TRIBUNAL**

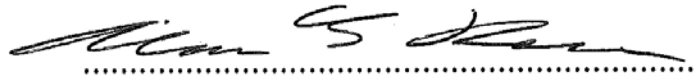
Determination 3 of 2011

Members of the ACT Legislative Assembly

Pursuant to Section 9 of the *Remuneration Tribunal Act 1995* the Remuneration Tribunal has inquired into the remuneration and allowances to be paid, and other entitlements to be granted, to Members of the Legislative Assembly.

This Determination shall take effect on and from 1 July 2011.

Alan Kerr AM
Chair



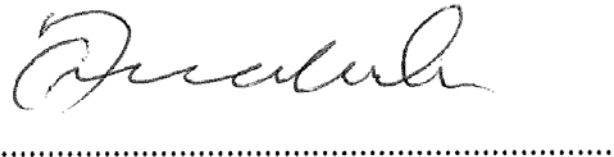
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Anne Cahill Lambert AM
Member



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Greg Friedewald
Member



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Dated: June 2011



Determination 3 of 2011

Members of the ACT Legislative Assembly

The Tribunal determines as follows:

Part A - Members of the Legislative Assembly

1. Base Rate of Salary

- 1.1 The base rate of salary for all Members of the Legislative Assembly shall be \$121,023 per annum.

Part B - Chief Minister, Deputy Chief Minister, Ministers, and the Presiding Officer

1. Additional Salary

- 1.1 Whether or not any amount is payable under clause 1 of Part A of this Determination, a person holding an office specified in Column 1 of Table Part B shall be entitled to the rate specified in Column 2 of Table Part B until such time the person ceases to hold the office:

TABLE PART B

Column 1 Office	Column 2 Rate per annum of Additional Salary	Column 3 Percentage of Base Salary
Chief Minister	\$133,125	110%
Deputy Chief Minister	\$96,818	80%
Minister	\$84,716	70%
Presiding Officer	\$66,563	55%

Part C – Other Prescribed Offices

1. Additional Salary

1.1 A Member of the Legislative Assembly holding an office specified in Column 1 of Table Part C shall be entitled to the rate of additional salary specified in Column 2 of Table Part C while that person is a Member and holds that office:

TABLE PART C

Column 1 Office	Column 2 Rate per annum of Additional Salary	Column 3 Percentage of Base Salary
Leader of the Opposition	\$84,716	70%
Deputy Leader of the Opposition	\$54,460	45%
Deputy Presiding Officer	\$18,153	15%
Government Whip	\$12,102	10%
Opposition Whip	\$12,102	10%
Presiding Member of a committee, which is concerned with public affairs rather than the domestic affairs of the Legislative Assembly	\$12,102	10%

Part D - Other Entitlements

1. Travelling Allowance - within Australia

- 1.1 A person holding an office specified in Column 1 of Table Part D shall be entitled to the rate of travelling allowance specified in Column 2 of Table Part D while that person is a Member and holds that office.
- 1.2 The travelling allowance shall be payable where the person incurs costs staying in commercial accommodation and covers the reasonable cost of accommodation, meals and incidental expenses. The allowance shall be payable for each overnight stay in commercial accommodation when the person travels outside Canberra, but within Australia, on Assembly business or, in the case of the Chief Minister, Deputy Chief Minister, Minister or Presiding Officer, on Assembly or official business as an office holder. Where a Member other than the Chief Minister, Deputy Chief Minister, Minister or Presiding Officer travels outside Canberra, but within Australia, on official business on behalf of an office holder, the allowance shall be payable as if the person was on Assembly business.
- 1.3 This allowance remains payable to the Chief Minister, Deputy Chief Minister, a Minister, or a Member nominated by the Chief Minister, where they seek reimbursement for excess costs incurred in accordance with sub-clause 1.4
- 1.4 Where the Chief Minister, Deputy Chief Minister, the Presiding Officer, a Minister, or a Member is travelling within Australia on official business as an officer holder, or on behalf of an office holder representing the Government; and
 - is required, in exceptional circumstances, to stay in commercial accommodation nominated by the host jurisdiction or host organisation for reasons of security or for similar reasons (for example, an Asia-Pacific Economic Cooperation (APEC) meeting); or
 - it is appropriate and reasonable for the conduct of official business for the office holder or representative of the office holder to stay in accommodation at the same location where a meeting is held, or nearby to where a meeting is held, and exceptional circumstances do not enable this within the prescribed allowances in Table Part D,

then the person may be reimbursed the actual reasonable costs incurred for accommodation, meals and incidental expenses in excess of the allowances prescribed in Column 2 in Table Part D.

- 1.5 Where the person travelling on Assembly or official business does not stay in commercial accommodation the rate of travelling allowance shall be \$145 per overnight absence from Canberra.
- 1.6 For the purposes of travelling allowance “commercial accommodation” means accommodation in a commercial establishment such as a hotel, motel or serviced apartment or similar accommodation where a commercial charge is applicable.

TABLE PART D

Column 1 Office	Column 2 Rate of Travelling Allowance per overnight stay
Chief Minister	Sydney and Melbourne - \$455
Deputy Chief Minister	Other capital city - \$370
Minister	Other than a capital city - \$245
Presiding Officer	
Leader of the Opposition	
Other Members	Sydney and Melbourne - \$350
	Other capital city - \$290
	Other than a capital city - \$220

2. Travelling Allowance – Outside Australia

Executive members

- 2.1 Where an Executive Member travels overseas on official or Assembly business he or she may be reimbursed the actual, reasonable costs incurred for accommodation, meals, travel and transfer expenses.
- 2.2 The Executive Member may be provided with a cash advance against anticipated costs for accommodation, meals, travel and transfer costs and shall acquit the advance by production of evidence of expenditure within eight weeks of the member's return to Canberra.

Non-executive members

- 2.3 Where a non-Executive Member travels overseas on official or Assembly business:
- he or she may be reimbursed the actual, reasonable costs incurred for accommodation and transfer expenses; and
 - is entitled to be paid a travelling allowance to cover meal and incidental daily travel expenses based on the reasonable amounts, according to salary levels and destinations, specified in Taxation Determination 2010/19 – 'Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2010-11 income year', and any relevant determination that supersedes Taxation Determination 2010/19. The Determination is issued by the Australian Taxation Office (current taxation determinations can be viewed under the law, rulings and policy directory at <http://ato.gov.au>).

3. Accompanied Travel Entitlement – Executive Members

- 3.1 An Executive Member of the Legislative Assembly is entitled to financial assistance up to a maximum of \$20,000 over the four-year term of the Assembly for a person nominated by the Executive Member to accompany him or her while travelling outside Canberra on official or Assembly business.
- 3.2 The entitlement is available where the Executive Member's nominee travels in the company of the Executive Member for all or part of that travel.
- 3.3 This entitlement is not cumulative and is to be paid on a pro-rata basis where an Executive Member only serves for part of the term.
- 3.4 The entitlement is available for use on more than one occasion during the term of an Assembly subject to the maximum prescribed in sub-clause 3.1.
- 3.5 An Executive Member shall not be entitled to receive a per diem travelling allowance in respect of travel by the nominee.
- 3.6 Financial assistance may be by way of reimbursement where the Executive Member has met the costs associated with that travel or, provision of a cash advance that the Executive Member shall acquit with evidence of expenditure.
- 3.7 Where the Chief Minister approves travel at Executive expense for a nominee of an Executive Member, this does not diminish the Accompanied Travel Entitlement. The entitlement continues to be available to the Executive Member who may nominate an additional person to accompany him or her.

4. Travel for Studies and Investigations Entitlement/Accompanied Travel – Non-Executive Members

- 4.1 A non-Executive Member of the Legislative Assembly is entitled to financial assistance up to a maximum of \$24,000 over the four-year term of an Assembly for the following purposes:
 - (a) travel by the non-Executive Member for the purpose of undertaking studies or investigations of matters relating to his or her duties and responsibilities as a Member, or to attend conferences or training courses, provided the travel allowance component of any financial assistance provided is in accordance with clause 1 and clause 2 and Table Part D of this Determination; and
 - (b) travel by a person nominated by the non-Executive Member to accompany him or her while travelling outside Canberra on official or Assembly business, provided:
 - (i) the non-Executive Member's nominee travels in the company of the non-Executive Member for all or part of the travel;
 - (ii) a non-Executive Member shall not be entitled to receive a per diem travelling allowance in respect of any travel by the nominee; and

- (iii) where the Presiding Office approves travel at non-Executive expense for a nominee of a non-Executive Member, this does not diminish the entitlement under this part. The entitlement continues to be available to the non-Executive Member who may nominate an additional person to accompany him or her.

- 4.2 This entitlement is not cumulative and is to be paid on a pro-rata basis where a non-Executive Member only serves part of the term.
- 4.3 The entitlement is available for use on more than one occasion during the term of an Assembly subject to the maximum prescribed in sub-clause 4.1.
- 4.4 Financial assistance may be by way of either reimbursement where the non-Executive Member has met the costs associated with that travel, or provision of a cash advance that the non-Executive Member shall acquit with evidence of expenditure.

5. Class of Air Travel

- 5.1 Members shall be entitled to business class air travel when travelling on Assembly or official business.
- 5.2 In the case of Executive Members, the Chief Minister, and in the case of non-Executive Members, the Presiding Officer, may provide guidelines in relation to the operation and administration of this entitlement.

6. Motor Vehicle

Entitlement to the use of a Vehicle

- 6.1 A Member of the Legislative Assembly shall, at his or her request, be entitled to the use of a fully maintained private-plated passenger motor vehicle chosen by the Member from within the Territory's leasing arrangements ("vehicle") in accordance with the following conditions.

Value Ceiling

- 6.2 A Member is not entitled to choose a vehicle where the maximum vehicle value, determined by the Territory's fleet provider based on the manufacturer's recommended retail price, exceeds \$46,000 (**excluding** GST) at the time an order is placed for that vehicle by the Territory's fleet provider.

Vehicle Options and Modifications

- 6.3 If a Member has a disability that affects his or her ability to drive a vehicle, the Member shall be entitled to have such modifications or options to the vehicle as a relevant medical practitioner certifies in writing as being reasonably necessary to enable the Member to drive the vehicle.
- 6.4 A Member shall be entitled to choose optional items of equipment, provided that the total cost of the vehicle and the optional items of equipment do not exceed the value ceiling specified in this Determination.

General

- 6.5 A vehicle is provided for use on Assembly and official business and for private purposes. A Member must not, however, use the vehicle for personal gain, or the personal gain of any other person. A Member must not permit another person to use the vehicle for the Member's personal gain or the personal gain of another person.
- 6.6 When a vehicle is being used for private purposes, it must only be driven by the Member to whom it is allocated, or by a person nominated in writing by that Member to the relevant Corporate area.
- 6.7 In the case of Executive Members, the Chief Minister, and in the case of non-Executive Members, the Presiding Officer, may provide additional guidelines in relation to the operation and administration of this entitlement.

Allowance in lieu of motor vehicle

- 6.8 Where a Member elects, either initially or at the end of an existing lease, to take an allowance instead of a vehicle, that Member is entitled to receive a supplementary general allowance of \$17,500 per annum.

7. Salary Packaging

- 7.1 Subject to the following conditions, a Member of the Legislative Assembly may elect to take salary shown in this Determination as salary or take a combination of salary and other benefits best suited to his or her personal needs and preferences.
- 7.2 The salary packaging scheme is to be consistent with taxation laws and guidelines applicable to salary packaging schemes, as issued by the Australian Taxation Office.
- 7.3 Up to 100% of the total salary shown in this Determination may to be taken as benefits and related costs such as fringe benefits tax.
- 7.4 The scheme shall be operated and administered so that there will be no additional cost to the ACT Government. In particular, any fringe benefits tax associated with the provision of a benefit is to be included in the salary package.
- 7.5 In the case of Executive Members, the Chief Minister, and in the case of non-Executive Members, the Presiding Officer, may provide guidelines in relation to the operation and administration of this entitlement.

8. Mobile Telephone/Personal Digital Assistant Allowance – Non-Executive Members

- 8.1 Non-Executive Members of the Legislative Assembly are entitled to a mobile telephone/personal digital assistant allowance of \$4,000 per annum.
- 8.2 The allowance is to cover costs associated with the purchase of a mobile telephone and/or personal digital assistant, hands free connections in a motor vehicle, call costs and other related costs.

8.3 The allowance is to be paid fortnightly.

9. Revocation of Previous Determination

9.1 Determination 15 of 2010 dated 1 December 2010 is revoked.

10. Date of Effect

10.1 This Determination takes effect on and from 1 July 2011 except Part D clause 1.2 which takes effect from 1 November 2008.
