



Remuneration Tribunal

Salaries Additional to the Basic Parliamentary Salary

REASONS FOR DETERMINATION

Legislative Framework

Section 7A of the *Remuneration Tribunal Act 1973* (the Act), which was inserted by the *Remuneration and Other Legislation Amendment Act 2011*, requires the Tribunal to ensure that reasons for each determination made under subsections 7(1), 7(1A) or 7(2) of the Act are published on the Tribunal's website and notified to the Minister. Section 7A also applies to determinations made under subsection 7(4) of the Act on a matter that is, or is considered by the Tribunal or the Minister to be, significantly related to a matter referred to in subsection 7(1) or 7(2).

Background

The Tribunal, in its first determinations and reports published in July 1974, included its determination of the additional salaries to be paid to members of the Parliament "*by reason of their holding particular offices or performing particular functions in or in relation to the Parliament or either House of Parliament*". The additional salaries were then specified as dollar amounts.

In December 1999, the Tribunal issued a report - '*Report on Senators and Members of Parliament, Ministers and Holders of Parliamentary Office - Salaries and Allowances for Expenses of Office*'. This report is available on the Tribunal's web site¹.

The Report proposed the introduction of a '*percentage-based approach*' to the expression of additional salaries in lieu of the dollar amount approach. The Tribunal's practice since has been to express additional salaries as percentages of base salary.

In our assessment the additional work-loads and accountabilities require extra allowances of at least the historical amounts.

Determination of Additional Salaries of Parliamentary Office Holders

Under subsection 7(1) of the Act, the Tribunal determines, annually, additional salaries for various parliamentary office holders (including the Leader of the Opposition; the Presiding Officers; leaders of minor parties; Party Whips; and the Chairs of parliamentary committees).

On this occasion, the Tribunal has continued its practice of specifying additional salaries as percentages of the base salary. The percentages

¹ <http://www.remtribunal.gov.au/determinationsReports/byyear/default.asp#1999> – 1999/01 Report

determined by the Tribunal this year are the same as those determined last year.

In other words, the Tribunal has not changed the additional salaries of any parliamentary office holder as a percentage of the base salary.

Report on the Additional Salaries of Ministers of State

Under subsection 6(1) of the Act, the Tribunal inquires into and reports on – but does not determine - whether any alterations are desirable in the salaries payable to Ministers of State.

The Tribunal has not changed the additional salary of any Minister of State as a percentage of the base salary.

Future Consideration

The Tribunal's decision, on this occasion, to maintain the pre-existing percentages of additional salary is not to be read as being a commitment to such arrangements in the longer term (either as to form of expression or amount).

The Tribunal will consider the form of expression and amounts of additional salaries as an adjunct to its deliberations on other aspects of the existing suite of parliamentary remuneration, allowances, and entitlements. It may be appropriate, for example, to return to the previous practice of expressing additional salaries as dollar amounts.

Determination & Report

The Tribunal's conclusions - namely the maintenance of the existing percentages of additional salary - are reflected in:

- *Determination 2011/22: Parliamentary Office Holders – Additional Salary*; and
- *Report Number 1 of 2011 – Report on Ministers of State - Salaries Additional to the Basic Parliamentary Salary*.

The Tribunal's determinations and reports are available on its website - <http://www.remtribunal.gov.au/> .