

## Members' salary and allowances – Prior to July 2011

### **Payment of salary**

Section 48 of *The Constitution* provides for the payment of an 'allowance' each year from the day on which a member or member takes his/her seat.

Formerly the legislative basis for determining the amount paid to Members was the *Remuneration and Allowances Act 1990*. Members' salaries were linked to a reference salary (Reference Salary A) within the Remuneration Tribunal's Principal Executive Office Structure. The rates were reviewed and determined on an annual basis from 1 July each year and the determination was disallowable.

From 1 July 2008 the Remuneration and Allowances Amendment Regulations 2008 (No. 1) the amount determined at Reference Salary A was reduced by \$5,470.

*Remuneration Tribunal Determination 2011/11* - set the Reference Salary A and the salary payable to members with effect from 1 July 2011 at **\$140,910** (\$146,380 less \$5,470).

*Remuneration Tribunal Determination 2010/14* - set the Reference Salary A and the salary payable to members with effect from 1 August 2010 at **\$136,640** (\$142,110 less \$5,470).

*Remuneration Tribunal Determination 2009/16* - set the Reference Salary A and the salary payable to members with effect from 1 October 2009 at **\$131,040** (\$136,510 less \$5,470).

### **Parliamentary Office Holders – additional salary (e.g. whip, chair of committee)**

s7(1) of the *Remuneration Tribunal Act 1973* empowers the Tribunal to determine allowances for Members of Parliament by reason of their holding particular offices.

The Remuneration Tribunal sets out the additional salary that will apply to Parliamentary Office Holders. The additional salary is set as a percentage of base salary. Applicable determinations are:

*Remuneration Tribunal Determination 2011/22* effective 1 November 2011

*Remuneration Tribunal Determination 2010/16* effective 1 November 2010

*Remuneration Tribunal Determination 2009/20* effective 1 November 2009

See below for details of payments to the Deputy Speaker when deemed to be Speaker.

### **Ministers – additional salary**

s6 of the *Ministers of State Act 1952* provides for the payment of additional salary to Ministers of State.

s6(1) of the *Remuneration Tribunal Act 1973* empowers the Tribunal to report on the rates of additional salary payable to Ministers of State.

The Remuneration Tribunal makes reports that set out the additional salary that will apply to Ministers of State and Parliamentary Secretaries. The additional salary is set as a percentage of base salary. Applicable Reports are:

*Report 1 of 2010 Report on Ministers of State – Salaries Additional to the Basic Parliamentary Salary*

*Report 1 of 2009 Report on Ministers of State – Salaries Additional to the Basic Parliamentary Salary*

### **Electorate Allowance**

s7(1) of the Remuneration Tribunal Act 1973 empowers the Tribunal to determine allowances to Members of Parliament by reason of their membership of the Parliament.

The Remuneration Tribunal Determines the various electorate allowances for Members of Parliament.

The rate of electorate allowance for members is **\$32,000** – this rate has not changed since 1 May 2009 (the first increase since 1/1/2000). There is an additional amount of \$6,000 (\$38,000) for Members with electorates between 2,000 kms<sup>2</sup> and 4,999 kms<sup>2</sup>. There is also an additional amount of \$14,000 (\$46,000) for members with electorates 5,000 kms<sup>2</sup> or more.

The Remuneration Tribunal has also determined a provision for an additional electorate allowance of **\$19,500** where a member elects not to receive private-plated vehicle.

### **Resettlement Allowance**

s7(1) of the Remuneration Tribunal Act 1973 empowers the Tribunal to determine allowances to Members of Parliament by reason of their membership of the Parliament.

Part 8 of Remuneration Tribunal Determination 2006/18 (this was last amended by determination 2011/20 and provided for payment of a resettlement allowance. After the 2011 determination the allowance will be paid if the member:

(a) retires involuntarily from the Parliament - meaning retirement through:

- (i) electing not to stand for re-election following loss of party endorsement, for reasons other than misconduct, or
- (ii) defeat at an election,

(b) and, was:

- (i) first elected before 9/10/2004, and whose retiring allowance under the *Parliamentary Contributory Superannuation Act 1948* is not payable immediately because of the deferral provisions of that Act; or
- (ii) first elected on or after 9/10/2004, and declares in writing to the Clerk that it is his or her intention to seek employment on leaving the Parliament.

The resettlement allowance is equal to 12 weeks of base parliamentary salary. An additional payment of three months base salary will also be paid where the member has served more than one full term in the Parliament.

### **Superannuation – the 2004 Scheme**

Parliamentary Superannuation Act 2004 sets out the Parliamentary Superannuation Scheme for members of Parliament newly elected (or returning) on or after the October 2004 general election. Commonwealth contribution was originally set at 9% (s8(2)). This is a simple accumulation scheme.

Parliamentary Superannuation Amendment Act 2006 provided for an increase in Commonwealth contribution from 9% to 15.4% - effective from 24/10/06.

Schedule 3, Part 1 of the Remuneration and Allowances Act 1990 provides for those covered by the Parliamentary Superannuation Scheme (the 2004 Scheme) to salary sacrifice to up to 50% of total parliamentary salary into a nominated fund (only one other fund) which can be the nominated fund for the 15.4% paid under the Parliamentary Superannuation Scheme.

## **Superannuation – the 1948 Scheme – the ‘old scheme’**

Members elected prior to October 2004 are members of the Parliamentary Contributory Superannuation Scheme established by Parliamentary Contributory Superannuation Act 1948. This is a defined benefit scheme to which members are required to make personal contributions.

Personal contributions are based on the total of allowances (except electorate allowance) paid.

## **Speaker of the House**

The Parliamentary Presiding Officers Act 1965 operates to ensure that there is always a Speaker of the House.

The Parliamentary Allowances Act 1952 dictates what additional salary is payable and in what circumstances where a person is deemed to be the Speaker.

In the event that the Speaker resigns as Speaker, he/she is deemed, by virtue of s3 of the Act, to continue as Speaker for the purposes of exercising any powers or functions as the Speaker, until such time as a new Speaker is chosen

- salary of office as Speaker would continue to be paid.

If the Speaker's term expires, he/she is deemed, by virtue of s4 of the Act, to continue as Speaker for the purposes of exercising any powers or functions as the Speaker, until such time as a new Speaker is chosen

- during this period base salary is not paid (because he/she is not a member) but the salary of office is paid.

If the Speaker (or the person deemed to be Speaker under s3 or s4 of the Act) dies, is absent from the Commonwealth or incapable by reason of illness, the Deputy Speaker of the House is deemed, by virtue of s5(1) of the Act, to be the Speaker until such time as a new Speaker is chosen or absence or incapacity terminates

- the Deputy Speaker does not receive any additional salary of office as Speaker

Where there is no Deputy Speaker the person who was last Deputy Speaker is deemed (s5(2)) to continue to be Deputy Speaker, and therefore deemed to be the Speaker, until such time as a new deputy Speaker is chosen.

- in this scenario, this could be an existing member or a former member, and the Deputy Speaker would receive the salary of office as Speaker (s6(1)(b) of the Parliamentary Allowance Act – because he/she was not currently in receipt of an allowance as the Deputy Speaker)

## Members' salary and allowances - March 2012

### **Payment of salary**

Section 48 of *The Constitution* provides for the payment of an 'allowance' each year from the day on which a member or senator takes his/her seat.

s.7 (1) of *Remuneration Tribunal Act 1973* empowers the tribunal to determine the allowances (including allowances for the purposes of s.48 of *The Constitution*) to be paid to Members of Parliament, by reason of their membership of the Parliament or by reason of their holding particular offices, or performing particular functions in, or in relation to, the Parliament.

*Remuneration Tribunal Determination 2012/02* - sets the base salary payable to members with effect from 15 March 2012 at **\$185,000**.

This determination fixes the portion of base salary (\$38,620) that does not count as parliamentary allowance, or salary, for the purposes of the *Parliamentary Contributory Superannuation Act 1948* (the 'old scheme'). More detail is provided below.

### **Parliamentary Office Holders – additional salary (e.g. whip, chair of committee)**

s7(1) of the *Remuneration Tribunal Act 1973* empowers the Tribunal to determine allowances for Members of Parliament by reason of their holding particular offices.

*Remuneration Tribunal Determination 2012/03* – sets out the additional salary that will apply to Parliamentary Office Holders with effect from 15 March 2012. Additional salary is set as a percentage of base salary.

The Determination also sets out, for the first time, a rate of additional salary payable to Shadow Ministers. It also contains formula for determining the numbers of Shadow Ministers entitled to receive additional salary and at which rate – the 25% rate applying to Shadow Cabinet Ministers or the 20% rate applying to other Shadow Ministers.

The Determination fixes the portion of additional salary (20%) that does not count as parliamentary allowance, or salary, for the purposes of the *Parliamentary Contributory Superannuation Act 1948* (the 'old scheme'). More detail is provided below.

See below for details of payments to the Deputy Speaker when deemed to be Speaker.

### **Ministers – additional salary**

s6 of the *Ministers of State Act 1952* provides for the payment of additional salary to Ministers of State.

s6(1) of the *Remuneration Tribunal Act 1973* empowers the Tribunal to report on the rates of additional salary payable to Ministers of State.

Remuneration Tribunal Report Number 1 of 2011 – sets out the additional salary that will apply to Ministers of State and Parliamentary Secretaries. Additional salary is set as a percentage of base salary.

## **Electorate Allowance**

s7(1) of the Remuneration Tribunal Act 1973 empowers the Tribunal to determine allowances to Members of Parliament by reason of their membership of the Parliament.

Part 2 of Remuneration Tribunal Determination 2012/04 – sets out the various electorate allowances for Members of Parliament.

The rate of electorate allowance for members is **\$32,000** – this rate has not changed since 1 May 2009 (the first increase since 1/1/2000). There is an additional amount of \$6,000 (\$38,000) for Members with electorates between 2,000 kms<sup>2</sup> and 4,999 kms<sup>2</sup>. There is also an additional amount of \$14,000 (\$46,000) for members with electorates 5,000 kms<sup>2</sup> or more.

Part 6 of Remuneration Tribunal Determination 2012/04 also provides for an additional electorate allowance of **\$19,500** where a member elects not to receive private-plated vehicle.

## **Resettlement Allowance**

s7(1) of the Remuneration Tribunal Act 1973 empowers the Tribunal to determine allowances to Members of Parliament by reason of their membership of the Parliament.

Part 9 of Remuneration Tribunal Determination 2012/04 provides for payment of a resettlement allowance. The allowance will be paid if the member:

(a) retires involuntarily from the Parliament - meaning retirement through:

- (i) electing not to stand for re-election following loss of party endorsement, for reasons other than misconduct, or
- (ii) defeat at an election,

(b) and, was:

- (i) first elected before 9/10/2004, and whose retiring allowance under the *Parliamentary Contributory Superannuation Act 1948* is not payable immediately because of the deferral provisions of that Act; or
- (ii) first elected on or after 9/1/2004, and declares in writing to the Clerk that it is his or her intention to seek employment on leaving the Parliament.

The resettlement allowance is equal to 12 weeks of base parliamentary salary. An additional payment of three months base salary will also be paid where the member has served more than one full term in the Parliament.

## **Superannuation – the 2004 Scheme**

Parliamentary Superannuation Act 2004 sets out the Parliamentary Superannuation Scheme for members of Parliament newly elected (or returning) on or after the October 2004 general election. Commonwealth contribution was originally set at 9% (s8(2)). This is a simple accumulation scheme.

Parliamentary Superannuation Amendment Act 2006 provided for an increase in Commonwealth contribution from 9% to 15.4% - effective from 24/10/06.

Schedule 3, Part 1 of the Remuneration and Allowances Act 1990 provides for those covered by the Parliamentary Superannuation Scheme (the 2004 Scheme) to salary sacrifice to up to 50% of total parliamentary salary into a nominated fund (only one other fund) which can be the nominated fund for the 15.4% paid under the Parliamentary Superannuation Scheme.

## **Superannuation – the 1948 Scheme – the ‘old scheme’**

Members elected prior to October 2004 are members of the Parliamentary Contributory Superannuation Scheme established by Parliamentary Contributory Superannuation Act 1948. This is a defined benefit scheme to which members are required to make personal contributions.

Remuneration Tribunal Determinations 2012/02 and 2012/03 operate together to establish a salary for superannuation purposes for members of the 1948 scheme. The base salary for superannuation purposes is **\$146,380** (i.e. \$185,000 - \$38,620). Where additional salary is also paid, the salary for superannuation amount is 80% of the applicable annual amount for that office.

Personal contributions are based on the total superannuation salary.

## **Speaker of the House**

The Parliamentary Presiding Officers Act 1965 operates to ensure that there is always a Speaker of the House.

The Parliamentary Allowances Act 1952 dictates what additional salary is payable and in what circumstances where a person is deemed to be the Speaker.

In the event that the Speaker resigns as Speaker, he/she is deemed, by virtue of s3 of the Act, to continue as Speaker for the purposes of exercising any powers or functions as the Speaker, until such time as a new Speaker is chosen

- salary of office as Speaker would continue to be paid.

If the Speaker's term expires, he/she is deemed, by virtue of s4 of the Act, to continue as Speaker for the purposes of exercising any powers or functions as the Speaker, until such time as a new Speaker is chosen

- during this period base salary is not paid (because he/she is not a member) but the salary of office is paid.

If the Speaker (or the person deemed to be Speaker under s3 or s4 of the Act) dies, is absent from the Commonwealth or incapable by reason of illness, the Deputy Speaker of the House is deemed, by virtue of s5(1) of the Act, to be the Speaker until such time as a new Speaker is chosen or absence or incapacity terminates

- the Deputy Speaker does not receive any additional salary of office as Speaker

Where there is no Deputy Speaker the person who was last Deputy Speaker is deemed (s5(2)) to continue to be Deputy Speaker, and therefore deemed to be the Speaker, until such time as a new deputy Speaker is chosen.

- in this scenario, this could be an existing member or a former member, and the Deputy Speaker would receive the salary of office as Speaker (s6(1)(b) of the Parliamentary Allowance Act – because he/she was not currently in receipt of an allowance as the Deputy Speaker)

**House of Representatives— Members' salary and Allowance Rates**  
**rates listed were effective from 1 October 2009**

Member (base salary)		\$131,040
Electorate Allowance – (effective 1/5/2009)		\$32,000
Electorate Allowance – for an electorate between 2,000km <sup>2</sup> and 4,999km <sup>2</sup>		\$38,000
Electorate Allowance – for an electorate 5,000km <sup>2</sup> or more		\$46,000
Additional Electorate Allowance (effective 1/7/2006, and payable where the member elects not to receive a private plated vehicle)		\$19,500
<b>Ministers</b>	<b>% of base salary</b>	<b>Additional Salary</b>
Prime Minister	160%	\$209,670
Deputy Prime Minister	105%	\$137,600
Treasurer	87.5%	\$114,660
Leader of the House	75%	\$98,280
Minister in Cabinet	72.5%	\$95,010
Other Ministers	57.5%	\$75,350
Parliamentary Secretaries	25%	\$32,760
<b>Office Holders' Allowances</b>		
Leader of the Opposition	85%	\$111,390
Speaker of the House of Representatives	75%	\$98,280
Deputy Leader of the Opposition	57.5%	\$75,350
Leader of a recognised party of more than 10 members of Parliament, other than a party whose Leader is not the Prime Minister or the Leader of the Opposition	45%	\$58,970
Leader of a recognised party of at least 5, and no more than 10, members of Parliament	42.5%	\$55,700
Chief Government Whip in the House of Representatives	26%	\$34,080
Chief Opposition Whip in the House of Representatives	23%	\$30,140

Deputy Speaker in the House of Representatives	20%	\$26,210
Second Deputy Speaker in the House of Representatives	13%	\$17,040
Whip in the House of Representatives of a Government party with more than 10 Members in the House	13%	\$17,040
Whip in the House of Representatives of an Opposition party with more than 10 Members in the House	12%	\$15,730
Whip in the House of Representatives of a party with at least 5, and no more than 10, Members in the House	9%	\$11,800
Deputy Whip in the House of Representatives of a Government party with more than 10 Members in the House	3%	\$3,940
Deputy Whip in the House of Representatives of an Opposition party with more than 10 Members in the House	3%	\$3,940
Member of the Speaker's Panel in the House of Representatives	3%	\$3,940
<b>House Committee Offices</b>		
Chair of a Parliamentary Committee – Level 1	16%	\$20,970
Deputy Chair of a Parliamentary Committee – Level 1	8%	\$10,490
<i>Joint Statutory Committee of Public Accounts</i>		
<i>Joint Statutory Committee of Public Works</i>		
<i>Joint Standing Committee on Foreign Affairs, Defence and Trade</i>		
<i>Joint Standing Committee on Treaties</i>		
Chair of a Parliamentary Committee – Level 2	11%	\$14,420
Deputy Chair of a Parliamentary Committee – Level 2	5.5%	\$7,210
<i>Joint Standing Committee on ASIO, ASIS &amp; DSD</i>		
<i>Joint Standing Committee on Cyber-Safety (Select)</i>		
<i>Joint Standing Committee on Electoral Matters</i>		
<i>Joint Standing Committee on Migration</i>		
<i>Joint Standing Committee on National Capital &amp; External Territories</i>		
<i>Standing Committee on Aboriginal and Torres Strait Islander Affairs</i>		
<i>Standing Committee on Agriculture, Fisheries &amp; Forestry</i>		
<i>Standing Committee on Communications, Information Technology &amp; the Arts</i>		
<i>Standing Committee on Economics, Finance &amp; Public Administration</i>		
<i>Standing Committee on Education and Vocational Training</i>		
<i>Standing Committee on Employment, Workplace Relations &amp; Workforce Participation</i>		
<i>Standing Committee on Environment &amp; Heritage</i>		
<i>Standing Committee on Family &amp; Human Services</i>		
<i>Standing Committee on Health and Ageing</i>		



<i>Standing Committee on Industry &amp; Resources</i>		
<i>Standing Committee on Legal and Constitutional Affairs</i>		
<i>Standing Committee on Petitions</i>		
<i>Standing Committee on Primary Industries &amp; Resources</i>		
<i>Standing Committee on Privileges</i>		
<i>Standing Committee on Procedure</i>		
<i>Standing Committee on Science &amp; Innovation</i>		
<i>Standing Committee on Regional Services</i>		
Chair of a Parliamentary Committee – Level 3	3%	\$3,940
<i>Standing Committee on Members' Interests</i>		

**House of Representatives— Members' salary and Allowance Rates**  
rates listed were effective from 1 August 2010

Member (base salary)		\$136,640
Electorate Allowance – (effective 1/5/2009)		\$32,000
Electorate Allowance – for an electorate between 2,000km <sup>2</sup> and 4,999km <sup>2</sup>		\$38,000
Electorate Allowance – for an electorate 5,000km <sup>2</sup> or more		\$46,000
Additional Electorate Allowance (effective 1/7/2006, and payable where the member elects not to receive a private plated vehicle)		\$19,500
<b>Ministers</b>	<b>% of base salary</b>	<b>Additional Salary</b>
Prime Minister	160%	\$218,630
Deputy Prime Minister	105%	\$143,480
Treasurer	87.5%	\$119,560
Leader of the House	75%	\$102,480
Minister in Cabinet	72.5%	\$99,070
Other Ministers	57.5%	\$78,570
Parliamentary Secretaries	25%	\$34,160
<b>Office Holders' Allowances</b>		
Leader of the Opposition	85%	\$116,150
Speaker of the House of Representatives	75%	\$102,480
Deputy Leader of the Opposition	57.5%	\$78,570
Leader of a recognised party of more than 10 members of Parliament, other than a party whose Leader is not the Prime Minister or the Leader of the Opposition	45%	\$61,490
Leader of a recognised party of at least 5, and no more than 10, members of Parliament	42.5%	\$58,080
Chief Government Whip in the House of Representatives	26%	\$35,530
Chief Opposition Whip in the House of Representatives	23%	\$31,430
Deputy Speaker in the House of Representatives	20%	\$27,330

Second Deputy Speaker in the House of Representatives	13%	\$17,770
Whip in the House of Representatives of a Government party with more than 10 Members in the House	13%	\$17,770
Whip in the House of Representatives of an Opposition party with more than 10 Members in the House	12%	\$16,400
Whip in the House of Representatives of a party with at least 5, and no more than 10, Members in the House	9%	\$12,300
Deputy Whip in the House of Representatives of a Government party with more than 10 Members in the House	3%	\$4,100
Deputy Whip in the House of Representatives of an Opposition party with more than 10 Members in the House	3%	\$4,100
Member of the Speaker's Panel in the House of Representatives	3%	\$4,100
<b>House Committee Offices</b>		
Chair of a Parliamentary Committee – Level 1	16%	\$21,870
Deputy Chair of a Parliamentary Committee – Level 1	8%	\$10,940
<i>Joint Statutory Committee of Public Accounts</i>		
<i>Joint Statutory Committee of Public Works</i>		
<i>Joint Standing Committee on Foreign Affairs, Defence and Trade</i>		
<i>Joint Standing Committee on Treaties</i>		
Chair of a Parliamentary Committee – Level 2	11%	\$15,040
Deputy Chair of a Parliamentary Committee – Level 2	5.50%	\$7,520
<i>Joint Standing Committee on Cyber-Safety (Select)</i>		
<i>Joint Standing Committee on Electoral Matters</i>		
<i>Joint Standing Committee on Intelligence and Security</i>		
<i>Joint Standing Committee on Migration</i>		
<i>Joint Standing Committee on National Broadband Network</i>		
<i>Joint Standing Committee on National Capital &amp; External Territories</i>		
<i>Standing Committee on Aboriginal and Torres Strait Islander Affairs</i>		
<i>Standing Committee on Agriculture, Resources, Fisheries &amp; Forestry</i>		
<i>Standing Committee on Climate Change, Water, Environment &amp; the Arts</i>		
<i>Standing Committee on Communications</i>		
<i>Standing Committee on Economics</i>		
<i>Standing Committee on Education and Training</i>		
<i>Standing Committee on Family, Community, Housing &amp; Youth</i>		
<i>Standing Committee on Health and Ageing</i>		
<i>Standing Committee on Industry, Science and Innovation</i>		

<i>Standing Committee on Infrastructure, Transport, Regional Development &amp; Local Government</i>		
<i>Standing Committee on Legal and Constitutional Affairs</i>		
<i>Standing Committee on Petitions</i>		
<i>Standing Committee on Primary Industries &amp; Resources</i>		
<i>Standing Committee on Privileges</i>		
<i>Standing Committee on Procedure</i>		
Chair of a Parliamentary Committee – Level 3	3%	\$4,100

## Monies paid to Members of the House of Representatives since the last Federal Election (as at 28 July 2012)

<i>Date 1</i>	<i>Natural Account Description</i>	<i>Narr1</i>	<i>Narr2</i>	<i>Vendor Name</i>	<i>Inclusive Amount</i>
19/08/2010	Former Members' uplift expenses	One night accomodation in	Canberra	Lindsay MP, The Hon Peter	230.00
9/12/2010	Other Domestic Travel Expenses - non-Staff	Minibus hire - Cttee travel	Reimbursement	Buchholz MP, Scott	68.00
21/07/2011	Members Travel	Travel Allowance	22/07/11 - 29/07/2011 London/CPA Conf	Gambaro MP, Teresa	990.00
6/09/2011	Members Travel	42nd Presiding Officers & Clerks Conf	Reimbursement of Meals & Incidentals	SLIPPER MP, Mr Peter	404.30
1/03/2012	Clothing and uniforms	Uniform expense reimbursement		SLIPPER MP, Mr Peter	180.00