Hallett, Brien (SEN)

From:

Hallett, Brien (SEN)

Sent: To: Friday, 13 July 2012 8:43 AM 'simon.frew@pirateparty.org.au'

Subject:

Fol request

Attachments:

SENATORS - Entitlements - Senators' salary and allowances - legislative basis for

payments - July 2012.docx; 2012-July intranet version.xlsx

Dear Mr Frew

I refer to your email request of 12 June 2012 in which you request all documents detailing the expenses claims of sitting members of the Senate.

As you may be aware, most expense claims (for example related to travel) are administered by the Department of Finance and Deregulation.

The Department of the Senate administers senators' base salary under section 48 of the Constitution and in accordance with section 7 of the *Remuneration Tribunal Act 1973* and the Remuneration Tribunal Determination 2012/02.

In addition, parliamentary office-holders such as whips, committee chairs and shadow ministers are paid an additional salary under Remuneration Tribunal Determination 2012/03. Positions such as committee appointments are subject to regular change.

Since 2012, the Senate Department has administered the payment of additional salary for Ministers of State under the *Ministers of State Act 1952* and in accordance with the Remuneration Tribunal report number 1 of 2011.

In accordance with Part 2 of the Remuneration Tribunal Determination 2012/04, the department also administers the electorate allowance payable to senators in their capacity as members of parliament.

And under Part 6 of the Remuneration Tribunal Determination 2012/04, the department also provides for an additional electorate allowance where a senator elects not to receive a private-plated vehicle.

In some instances, the department also administers a resettlement allowance under Part 9 of the Remuneration Tribunal Determination 2012/04.

The department also administers senators' membership of the two parliamentary superannuation schemes as appropriate, namely the *Superannuation Act 2004* (as amended) and the *Parliamentary Contributory Superannuation Act 1948*. Alternatively, Senators can elect another superannuation scheme as long as it is not self-managed.

Under an agreement with the Department of Finance and Deregulation (Finance), Senators are able to access part of their communication allowance (which is administered by Finance) at the Parliament House Post Office each six months with the value currently \$1,800 per financial year.

Finally, the department administers various entitlements to senators occupying the positions of President of the Senate and Deputy President of the Senate under the *Parliamentary Officers Act* 1965 and the *Parliamentary Allowances Act* 1952.

There are regular changes to certain parliamentary offices held by senators (eg as chairs of committees) and these are recorded in the *Journals of the Senate* which can be accessed at http://www.aph.gov.au/Parliamentary Business/Chamber documents/Senate chamber documents/Journals of the Senate

The department is not able to release any further details regarding claims paid to or on behalf of senators since as to do so would be a breach of confidence under section 45 of the FOI Act as each senator was advised when he or she commenced his or her term that information related to payment of allowances would be treated in confidence.

Yours sincerely,

BH

Brien Hallett

Usher of the Black Rod

T: (02) 6277 3398 M: 0409 158 942

We're on twitter ...



From: Simon Frew [mailto:simon.frew@pirateparty.org.au]

Sent: Tuesday, 12 June 2012 10:40 AM

To: Clerks Office (SEN) **Subject:** FoI request

Dear Sir/Madam,

Please forward this to the relevant Officer.

I hereby request under the Freedom of Information Act (1982) copies of the following documents, not already made public, available as the date of this letter:

a) all documents detailing the expenses claims of sitting members of the Senate.

I also make the application that all costs for the processing of this request be waived on the grounds that the release of this information is in the public interest. Senators rely on the public purse to cover their expenses, therefore the public have an interest in seeing that the money is used sensibly and without waste.

All documents attained under this request will be made available to the general public by being placed on the website www.pirateparty.org.au and be made available to journalists.

Regards

Simon Frew Deputy President Pirate Party Australia

Senators' salary and allowances administered by the Department of the Senate Human Resource Management section

Updated – July 2012

Payment of salary

<u>Section 48 of *The Constitution*</u> 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, as amended by Remuneration Tribunal Determination 2012/15 - sets the base salary payable to senators with effect from 1 July 2012 at \$190,550.

This determination fixes the portion of base salary (\$39,770) that does <u>not</u> 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)

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

<u>Remuneration Tribunal Determination 2012/03</u> – sets out the additional salary that will apply to Parliamentary Office Holders with effect from 15 March 2012. Additional salary is set as a % 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 Minsters 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 <u>Parliamentary Contributory Superannuation Act 1948</u> (the 'old scheme'). More detail is provided below.

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

Ministers - additional salary

<u>s6 of the Ministers of State Act 1952</u> provides for the payment of additional salary to Ministers of State.

<u>s6(1) of the Remuneration Tribunal Act 1973</u> 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 % of base salary.

Electorate Allowance

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

<u>Part 2 of Remuneration Tribunal Determination 2012/04</u> – sets out the various electorate allowances for Members of Parliament. The rate of electorate allowance for senators is \$32,000 – this rate has not changed since 1 May 2009 (the first increase since 1/1/2000).

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

Resettlement Allowance

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

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

- (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 senator is:

- (a) a senator for a state who has served more than three full years in the Parliament, or
- (b) a senator for a territory who has served more than one full term in the Parliament.

Superannuation – the 2004 Scheme

<u>Parliamentary Superannuation Act 2004</u> sets out the Parliamentary Superannuation Scheme (administered by the Department of the Senate) 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.

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

<u>Schedule 3, Part 1 of the Remuneration and Allowances Act 1990</u> 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'

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

<u>Remuneration Tribunal Determinations 2012/02 and 2012/03</u> operate together to establish a salary for superannuation purposes for members of the 1948 scheme. The base salary for superannuation purposes is \$150,780 (i.e. \$195,550 - \$39,770). 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.

President of the Senate

The <u>Parliamentary Presiding Officers Act 1965</u> operates to ensure that there is always a President of the Senate.

The <u>Parliamentary Allowances Act 1952</u> dictates what additional salary is payable and in what circumstances where a person is deemed to be the President.

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

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

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

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

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

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

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

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

SALARY AND ALLOWANCE RATES FOR OFFICE HOLDERS (SENATE) (Unless recorded otherwise, rates listed were effective from 1 July 2012)

Senator (base salary)		\$190,550 pa	\$15,879.17 pm					
Electorate Allowance (effective 1/5/2009)		\$32,000 pa	\$2,666.67 pm					
Additional Electorate Allowance (effective 1/7/06, and payable where the senator elects not to receive a private-plated vehicle)		\$19,500 pa	\$1,625.00 pm					
Salary for superannuation purposes - for the '1948' Scheme senators only. ADD 80% of any Ministerial or OHA to get relevant super salary for the senator		\$146,380 pa	\$12,198.33 pm					
Office Holders Allowances (payable in addition to base salary)								
President of the Senate	% of base salar 75%	y \$142,920 pa	\$11,910.00 pm					
Deputy President & Chairman of Committees in the Senate	20%	\$38,110 pa	\$3,175.83 pm					
Chief Government Whip in the Senate	20%	\$38,110 pa	\$3,175.83 pm					
Government Deputy Whip in the Senate	5%	\$9,530 pa	\$794.17 pm					
Leader of the Opposition in the Senate	57.5%	\$109,570 pa	\$9,130.83 pm					
Deputy Leader of the Opposition in the Senate	20%	\$38,110 pa	\$3,175.83 pm					
Chief Opposition Whip in the Senate	18%	\$34,300 pa	\$2,858.33 pm					
Opposition Deputy Whip in the Senate	5%	\$9,530 pa	\$794.17 pm					
Head of a recognised party, not being a party whose Leader is the Prime Minister or the Leader of the Opposition, with at least five members in each house, sitting in the house other than that in which the Leader of the party sits	11%	\$20,970 pa	\$1,747.50 pm					
Leader of a recognised party of at least 5, and no more than 10, members of Parliament	42.5%	\$80,990 pa	\$6,749.17 pm					
Whip in the Senate of a recognised party of at least 5, and no more than 10, senators	9%	\$17,150 pa	\$1,429.17 pm					
Temporary Chairman of Committees in the Senate (Deputy Chairman of Committees)	3%	\$5,720 pa	\$476.67 pm					
Ministers								
Leader of the Government in the Senate	87.5%	\$166,740 pa	\$13,895.00 pm					
Minister (in Cabinet)	72.5%	\$138,150 pa	\$11,512.50 pm					
Other Ministers	<i>57.5%</i>	\$109,570 pa	\$9,130.83 pm					
Minister in Cabinet who is also Manager of Government Business in the Senate	75.0%	\$142,920 pa	\$11,910.00 pm					
Other Minister who is also Manager of Government Business in the Senate	67.5%	\$128,630 pa	\$10,719.17 pm					

Parliamentary Secretary who is also Manager of Government Business in the Senate		35%	\$66,700 pa	\$5,558.33 pm		
Parliamentary Secretary	Parliamentary Secretary		\$47,640 pa	\$3,970.00 pm		
Shadow Ministers						
Shadow Cabinet Minister		25%	\$47,640 pa	\$3,970.00 pm		
Shadow Minister outside Shadow Cabinet		20%	\$38,110 pa	\$3,175.83 pm		
Committees						
Standing Committees						
Privileges	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747.50 pm \$874.17 pm		
Senators' Interests	Chair	3%	\$5,720 pa	\$476.67 pm		
Legislative Scrutiny Standing Committees						
Regulations and Ordinances	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747.50 pm \$874.17 pm		
Scrutiny of Bills	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747.50 pm \$874.17 pm		
Legislative and General Purpose Standing Committees						
Community Affairs	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Economics	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Education, Employment and Workplace Relations	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Environment and Communications	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Finance and Public Administration	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Foreign Affairs, Defence and Trade	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Legal and Constitutional Affairs	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Rural Affairs and Transport	Chair	11%	\$20,970 pa	\$1,747.50 pm		
Select Committees						
Australia's Food Processing Sector	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747.50 pm \$874.17 pm		
Gambling Reform	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747.50 pm \$874.17 pm		
Joint Statutory Committees						
Australian Commission for Law Enforcement Integrity	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1,747. 50 pm \$874.17 pm		
Corporations and Financial Services	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,4 9 0 pa	\$1,747.50 pm \$874.17 pm		
Law Enforcement	Chair Dep Chair	11% 5.5%	\$20,970 pa \$10,490 pa	\$1, 747.50 pm \$874. 17 pm		

Human Rights	Chair	16.0%	\$30,490 pa	\$2,540.83 pm
	Dep Chair	8.0%	\$15,250 pa	\$1,270.83 pm
Joint Standing Committees				
Foreign Affairs, Defence and Trade	Chair	16%	\$30,490 pa	\$2,540.83 pm
	Dep Chair	8%	\$15,250 pa	\$1,270.83 pm
National Capital and External Territories	Chair	11%	\$20,970 pa	\$1,747.50 pm
	Dep Chair	5.5%	\$10,490 pa	\$874.17 pm
Publications *	Chair	11%	\$20,970 pa	\$1,747.50 pm
	Dep Chair	5.5%	\$10,490 pa	\$874.17 pm
Treaties	Chair	16%	\$30,490 pa	\$2,540.83 pm
	Dep Chair	8%	\$15,250 pa	\$1,270.83 pm

^{*} allowance only payable when the Senate Publications Standing Committee sits as a joint committee with the HoR Publications Committee while conducting an inquiry