

Legislative Council—No 53

As received from the House of Assembly and read a first time, 9 September 2015

South Australia

**Parliamentary Remuneration (Determination of
Remuneration) Amendment Bill 2015**

A BILL FOR

An Act to amend the *Parliamentary Remuneration Act 1990*.

Contents

Part 1—Preliminary

- 1 Short title
- 2 Commencement
- 3 Amendment provisions

Part 2—Amendment of *Parliamentary Remuneration Act 1990*

- 4 Amendment of section 3—Interpretation
- 5 Insertion of sections 3A and 3B
 - 3A Determinations etc of Remuneration Tribunal
 - 3B Abolition of certain allowances etc
- 6 Substitution of section 4
 - 4 Remuneration
 - 4AA Common allowance
 - 4AB Basic salary
 - 4AC Additional salary
- 7 Substitution of Schedule
 - Schedule—Offices attracting additional salary

Schedule 1—Transitional provision

- 1 Remuneration under *Parliamentary Remuneration Act 1990* to continue until determination of Remuneration Tribunal
 - 2 Certain annual travel allowance claims not payable
-

The Parliament of South Australia enacts as follows:

Part 1—Preliminary

1—Short title

- 5 This Act may be cited as the *Parliamentary Remuneration (Determination of Remuneration) Amendment Act 2015*.

2—Commencement

This Act will come into operation on a day to be fixed by proclamation.

3—Amendment provisions

- 10 In this Act, a provision under a heading referring to the amendment of a specified Act amends the Act so specified.

Part 2—Amendment of *Parliamentary Remuneration Act 1990*

4—Amendment of section 3—Interpretation

- 15 (1) Section 3, definitions of *basic salary* and *benefits*—delete the definitions and substitute:
 - additional salary*—see section 4AC(1);

basic salary—see section 4AB;

common allowance—see section 4AA;

(2) Section 3—after the definition of *non-participating member* insert:

remuneration means—

- (a) salary; and
- (b) allowances; and
- (c) expenses (including travel expenses); and
- (d) fees; and
- (e) any other benefit (whether of a pecuniary nature or otherwise);

5—Insertion of sections 3A and 3B

After section 3 insert:

3A—Determinations etc of Remuneration Tribunal

- (1) In relation to an enquiry, determination or other function under this Act, the Remuneration Tribunal must endeavour to maximise the transparency of parliamentary remuneration.
- (2) Jurisdiction is, by force of this section, conferred on the Remuneration Tribunal to make a determination or perform any other functions required by this Act.
- (3) The Remuneration Tribunal may make different provision according to the member, the electorate, the House of Parliament or the circumstances to which the determination is to apply.
- (4) The Remuneration Tribunal may, subject to section 4A(3), vary an amount payable according to any other factor that the Remuneration Tribunal considers relevant.
- (5) A date fixed by the Remuneration Tribunal as the date on which a determination comes into operation may be earlier than the date of the determination (but not earlier than the date of commencement of this section).
- (6) The regulations may make further provision in relation to a determination of the Remuneration Tribunal for the purposes of this Act.

3B—Abolition of certain allowances etc

- (1) Subject to this section, any of the following remuneration that was payable to members and former members of Parliament immediately before the commencement of this section is no longer payable:
 - (a) annual travel allowance;
 - (b) the metrocard special pass;
 - (c) remuneration consisting of subsidised or free interstate rail travel;

- (d) payment for service by members on parliamentary committees (other than presiding members);
- (e) expense allowances for Ministers of the Crown determined by the Remuneration Tribunal;
- 5 (f) expense allowances for the following officers of the Parliament determined by the Remuneration Tribunal:
 - (i) Speaker;
 - (ii) Chairman of Committees;
 - (iii) Leader of the Opposition in the House of Assembly;
 - 10 (iv) Deputy Leader of the Opposition in the House of Assembly;
 - (v) President;
 - (vi) Leader of the Opposition in the Legislative Council.

15 (2) Subsection (1) does not apply in relation to the remuneration referred to in paragraphs (a) to (d) (inclusive) until the Remuneration Tribunal has made the first determinations under section 4AA(1)(b) and (2) following the commencement of that section.

20 (3) Remuneration of a kind referred to in subsection (1) will continue to be payable to persons who are, on the commencement of this section, former members of Parliament to whom the remuneration is payable.

(4) Nothing in this section limits the operation of section 6A.

6—Substitution of section 4

Section 4—delete the section and substitute:

4—Remuneration

- 25 (1) The remuneration of a member of Parliament consists of—
- (a) the basic salary; and
 - (b) such additional salary as may be payable to the member; and
 - (c) such electorate allowances and other remuneration as may be determined from time to time by the Remuneration Tribunal or is otherwise payable in accordance with this Act.
- 30 (2) The Remuneration Tribunal must, in determining electorate allowances and other remuneration for members of Parliament—
- (a) have regard not only to their parliamentary duties but also to—
 - 35 (i) their duty to be actively involved in community affairs; and
 - (ii) their duty to represent and assist their constituents in dealings with governmental and other public agencies and authorities; and

- (b) must not reduce an amount payable merely because there has been a change in basic salary.

4AA—Common allowance

- 5 (1) The Remuneration Tribunal must, as soon as is reasonably practicable after the commencement of this section—
- 10 (a) ascertain the full value of the following components of remuneration payable to members of Parliament immediately before the commencement of this section (being remuneration that is, on the commencement of section 3B, no longer payable):
- 15 (i) annual travel allowance;
 - (ii) metrocard special pass;
 - (iii) remuneration consisting of subsidised or free interstate rail travel; and
- 15 (b) determine an amount of remuneration that reasonably compensates members of Parliament for the abolition of each of those components.
- 20 (2) The Remuneration Tribunal must, as soon as is reasonably practicable after the commencement of this section, determine the amount of remuneration payable to all members of Parliament for their service as ordinary members on parliamentary committees, comprising—
- 25 (a) an amount equal to the quotient of the total amount of additional salary paid to ordinary members of all parliamentary committees for the financial year immediately preceding the commencement of this section, divided by the number of members of both Houses of Parliament; and
- 30 (b) if the Remuneration Tribunal considers that the amount calculated under paragraph (a) does not adequately remunerate members for their service as ordinary members on parliamentary committees—an additional amount determined by the Remuneration Tribunal.
- 35 (3) The Remuneration Tribunal must, at least once in each 12 month period, review the remuneration referred to in subsection (1)(b) and subsection (2) and may, if it considers it appropriate to do so, determine to increase an amount of remuneration payable by a specified amount.
- 40 (4) The aggregated amount (up to a maximum of \$42 000) of the remuneration referred to in subsection (1)(b) and subsection (2) as varied from time to time will be taken to be the **common allowance** payable to all members of Parliament.
- (5) In this section—
- ordinary member**, of a parliamentary committee, means a member who is not a presiding member.

4AB—Basic salary

The *basic salary* payable to a member of Parliament is salary at a rate equal to the rate from time to time of the Commonwealth basic salary less \$42 000 plus the common allowance for the relevant year.

4AC—Additional salary

- (1) If a member of Parliament holds an office specified in the Schedule, *additional salary* is payable to the member at a rate equal to the percentage of the basic salary (calculated to the nearest dollar) specified in the Schedule in relation to that office.
- (2) The Remuneration Tribunal may determine that a member holding an office other than those specified in the Schedule should be paid additional salary.
- (3) If the Remuneration Tribunal makes a determination under subsection (2), the Remuneration Tribunal must determine the rate of additional salary (whether calculated as a percentage of the basic salary or otherwise) that will be paid to a member holding the office as additional salary.
- (4) A person who holds more than 1 office as a Minister of the Crown may only be paid additional salary and other remuneration in respect of 1 of those offices.
- (5) A person who holds more than 1 office specified in the Schedule may only be paid additional salary and other remuneration in respect of 1 of those offices.
- (6) The number of shadow Ministers paid additional salary at any time is not to exceed the number of Ministers of the Crown holding office at that time (and, if there are more shadow Ministers than Ministers of the Crown, then the Leader of the Opposition in the House of Assembly is to nominate which of the shadow Ministers are to be paid additional salary).

7—Substitution of Schedule

Schedule—delete the Schedule and substitute:

Schedule—Offices attracting additional salary

Office	Percentage of basic salary
Premier	100
Deputy Premier	85
Leader of the Opposition in the House of Assembly	75
Deputy Leader of the Opposition in the House of Assembly	60
Leader of the Government in the Legislative Council	85
Leader of the Opposition in the Legislative Council	60
Deputy Leader of the Opposition in the Legislative Council	10

Office	Percentage of basic salary
Speaker of the House of Assembly	75
President of the Legislative Council	75
Government Whip in the House of Assembly	18
Opposition Whip in the House of Assembly	18
Government Whip in the Legislative Council	10
Opposition Whip in the Legislative Council	10
Minister of the Crown (if a member of Executive Council)	75
Minister of the Crown (if not a member of Executive Council)	41
Shadow Minister	25
Parliamentary Secretary	20
Chairman of Committees in the House of Assembly	37.5
Presiding Member of the Aboriginal Lands Parliamentary Standing Committee	14
Presiding Member of the Economic and Finance Committee	17
Presiding Member of the Environment, Resources and Development Committee	17
Presiding Member of the Legislative Review Committee	14
Presiding Member of the Public Works Committee	14
Presiding Member of the Social Development Committee	14
Presiding Member of the Statutory Authorities Review Committee	14
Presiding Member of the Natural Resources Committee (unless a Minister)	14

Schedule 1—Transitional provision

1—Remuneration under *Parliamentary Remuneration Act 1990* to continue until determination of Remuneration Tribunal

5 On the commencement of this clause, the remuneration of a member of Parliament will, subject to clause 2, continue to be determined in accordance with the *Parliamentary Remuneration Act 1990* as if this Act had not been enacted until any required determinations of the Remuneration Tribunal have come into operation.

Note—

10 This includes, to avoid doubt, the remuneration abolished under section 3B of the *Parliamentary Remuneration Act 1990* (as enacted by this Act).

2—Certain annual travel allowance claims not payable

- (1) This clause applies to an amount of annual travel allowance claimed by a member of Parliament in circumstances where the claim—
- 15 (a) is made on or after 1 September 2015; and
- (b) relates to travel undertaken, or to be undertaken, on or after 1 September 2015; and

- (c) requires an amount of the member's annual travel allowance for a following year or years to be brought forward.
- 5 (2) However, this clause does not apply to an amount of annual travel allowance referred to in subclause (1) if payment of the amount of travel allowance so claimed was authorised prior to 1 September 2015 by—
- (a) if the member is a member of the House of Assembly—the Speaker of the House of Assembly; or
- (b) if the member is a member of the Legislative Council—the President of the Legislative Council.
- 10 (3) Despite a provision of the *Parliamentary Remuneration Act 1990*, an amount of annual travel allowance to which this clause applies—
- (a) if the amount has not been paid to the member of Parliament—will be taken not to be payable to the member; or
- 15 (b) if the amount has been paid to the member of Parliament—must be repaid by the member in accordance with a scheme determined by—
- (i) if the member is a member of the House of Assembly—the Speaker of the House of Assembly; or
- (ii) if the member is a member of the Legislative Council—the President of the Legislative Council.