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REMUNERATION AND ALLOWANCES AMENDMENT BILL 1981

Date Introduced: 27 August 1981
House: Senate
Presented by: Hon. Senator P.E. Baume, Minister for Aboriginal Affairs

Short Digest of Bill

Purpose

To implement the recommendations of the Remuneration Tribunal about the salaries and allowances of the Commonwealth judiciary, and to modify Determinations Nos. 9 and 10 of the Remuneration Tribunal in respect of salaries payable to senators, members, and Parliamentary office holders. The Bill also increases the amount appropriated for ministerial allowances, to enable Ministers to receive half the increases recommended by the Tribunal.

Background

The Remuneration Tribunal in its 1981 review considered allowances and remuneration of Ministers, office holders of the Parliament and senators and members.

The Tribunal determined a basic salary for senators and members to be $36,000 per annum with effect from 1 July, 1981. It also came of the view that the present ministerial salaries are far too low.

The Tribunal recommended for Ministers, and determined for office holders, salaries which have regard to national wage decisions, work value increases, a factor for non-indexation of these salaries and the need for the establishment of reasonable relativities.

The Government, as explained in the second reading speech to this Bill, has made the decision that the salary rise recommended by the Remuneration Tribunal for all senators, members, parliamentary office holders and Ministers should not be taken at once, but spread over two years.

Provisions

The Bill is divided into five parts. Clause 2 in
Part I deems the Bill to commence on 1 July 1981. The Remuneration Tribunal specified Determinations No. 9 and 10 to have effect from 1 July 1981.

Part II is the Part which modifies the determinations of the Remuneration Tribunal in relation to members, office holders and senators of Parliament.

Clause 3 alters Determination 9 in the rate per annum allocated of additional salary in respect of the year ending 30 June 1982.

The amount determined for the year ending on 30 June 1982 has been amended in the case of each office. Column 3 of clause 3 sets out the rate per annum of additional salary in respect of any period after 30 June 1982. These figures are those initially determined by the remuneration Tribunal in determination 9. Rates per annum of special allowances stay unaltered.

For example the increase determined for the Leader of the Opposition in determination 9 is $20,700. This increase is now provided to be $17,216. The Chairman of the Committees in the Senate had $6,300, but now will have $5,780. Another decrease in the Bill (Column 2) is on the Leader of a minority non-Government party recognised in the Senate or House of Representatives. Here the fall is from $6,300 to $3,150. The Second non-Government Party Whip in the Senate shall also receive half the increases determined by the Tribunal for the year ending 30 June 1982.

Clause 4 of the Bill modifies Determination No. 10 of the Remuneration Tribunal by changing the rate per annum of basic salary from $36,000 to $33,013 in respect of the year ending on 30 June 1982. The $36,000 will be the basic salary in respect of any period after 30 June 1982.

Part III of the Bill amends the Ministers of State Act 1952, section 5. The Ministers of State Act determines the number of Ministers and makes provision for their salaries and allowances. By clause 6 of the Bill the amount payable out of the Consolidated Revenue Fund of the Commonwealth for the salaries of the Ministers of State will be an annual sum not exceeding $452,000. (See also section 66 of the Constitution).

Part V of the Bill refers to the Remuneration Tribunals Act 1973. Clause 14 purports to prevent either House of Parliament from passing a resolution disapproving any determination of the Remuneration Tribunal made on 18 June 1981 and any determination that has been modified in Part II of the Bill (i.e. Determinations 9 and 10).

For further information, if required, contact:

1 September 1981

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