Purpose

To amend the Ministers of State Act 1952 to increase the annual sum appropriated out of the Consolidated Revenue Fund in order to meet the payment of current salaries of Ministers of State.

Background

Section 66 of the Constitution provides that Parliament may provide for an annual sum to be paid out of the Consolidated Revenue Fund for the salaries of Ministers of State. This has been done by the Ministers of State Act 1952. The Act was last amended in 1978 to increase the annual sum appropriated to $325,000.

In 1978 the Remuneration Tribunal reported on desirable increases in the additional salary payable to ministers of State. The Government did not accept these increases and the rates remained at the 1976 levels, the Tribunal having recommended no increase in 1977.

In 1979 the Tribunal did not receive any representations from ministers seeking increases in additional ministerial salary. Consequently, it recommended rates which reflected only the application of the 4% December 1978 National Wage increase over the proposed 1978 rates.

Main Provisions

Clause 3 amends section 5 of the Act by substituting the sum of $350,000 for the current sum of $325,000 appropriated annually for the salaries of Ministers of State.

In calculating that sum, the Government did not accept the rates recommended in the Remuneration Tribunal's Report No. 1 of 1979, but limited increases over the actual 1978 rates (which were at 1976 levels) to those resulting
from the National Wage Decisions of December 1978 and June 1979 - 4% and 3.2% respectively. This resulted in rates lower than those recommended by the Tribunal.

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