



PARLIAMENT of AUSTRALIA
HOUSE of REPRESENTATIVES

OFFICE OF THE CLERK OF THE HOUSE

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// April 2017

Senator J Paterson
Chair
Senate Finance and Public Administration Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Chair

**Parliamentary Business Resources Bill 2017 and the Parliamentary Business Resources
(Consequential and Transitional Provisions) Bill 2017**

Submission from the Department of the House of Representatives

Thank you for the invitation to provide a submission to your committee's review of the Parliamentary Business Resources Bill 2017 (the 'PBR Bill') and the Parliamentary Business Resources (Consequential and Transitional Provisions) Bill 2017. The Department of the House of Representatives (the 'department') provides several services to Members under the current remuneration and work expenses framework which will be covered by the proposed new framework to be established by the PBR Bill when enacted.

The references below to Members of the House of Representatives ('Members') apply also to Senators under the existing and proposed remuneration and work expenses frameworks. The Department of the Senate provides similar support for Senators as the Department of the House of Representatives does for Members. I make no comment in relation to Senate matters, merely note the arrangements in common with the House of Representatives.

Remuneration and Superannuation

The department pays to Members the:

- base salary which all Members receive;
- additional salaries of ministers of state (expressed as a percentage of base salary);
- additional salaries of parliamentary office holders (expressed as a percentage of base salary);
- electorate allowance which all Members receive, although of varying value;

- any payments made in lieu of use of a Commonwealth provided private plated vehicle for parliamentary, electorate or official business;
- superannuation entitlements, including any salary sacrifice arrangements; and
- severance allowance for former members.

The legislative authority for these payments is: the *Parliamentary Allowances Act 1952* and the *Remuneration Tribunal Act 1973* for the base salaries, parliamentary office holders' salaries, electorate allowances and private plated vehicle allowance; the *Ministers of State Act 1952* for salary payments to ministers of state and assistant ministers; and the *Parliamentary Contributory Superannuation Act 1948* and *Parliamentary Superannuation Act 2004* for superannuation contributions. The payment rates are set from time to time under determinations of the Remuneration Tribunal for members and parliamentary office holders and through its reports to the Remuneration Tribunal Minister for ministers of state and assistant ministers.

The department has formal third party relationships with the Department of Finance (Minister of State and Parliamentary Superannuation Acts) and the Australian Public Service Commission (Remuneration Tribunal Act) which authorise the department to draw down from the Official Public Account once a month to make these payments.

The remuneration arrangements proposed in the PBR Bill are consistent with those under the existing arrangements. The provisions of the PBR (Consequential and Transitional Provisions) Bill should ensure continuity of the remuneration arrangements. The department does not anticipate there will be a significant change to the way the department makes these payments to Members.

Work Expenses Framework

The department provides services and facilities to support Members in Canberra, including by providing stationery for use at Parliament House and newspapers at Parliament House for certain parliamentary office holders. The department too administers the COMCAR shuttle in sitting weeks. These services and facilities are provided through the department's annual appropriation.

The department also administers some of the entitlements currently provided to Members under the *Parliamentary Entitlements Act 1990* (the PE Act) and associated regulations – a postage allowance for use in Parliament House and the transfer of bulk papers from Parliament House to electorate offices. Under the postage allowance arrangements, Members may elect to draw \$450 per quarter for printing and communications from their office budget to redeem at the Parliament House Australia Post outlet.

The department has a formal third party relationship with the Department of Finance to draw down from the Official Public Account when needed to make these payments.

The PBR (Consequential and Transitional Provisions) Bill will, among other things, repeal the PE Act. Regulations made under the PBR Bill when enacted will determine whether the work expenses which Members can claim in future will be similar to the entitlements authorised currently under the PE Act. That may affect whether the department continues to administer postage allowance and bulk postage arrangements from Parliament House for Members. In any event, a new third party

agreement will need to be struck with the Department of Finance under the PBR Act to enable the department to continue to have drawdown rights to provide for existing or new work expenses.

Yours sincerely

David Elder

CLERK OF THE HOUSE