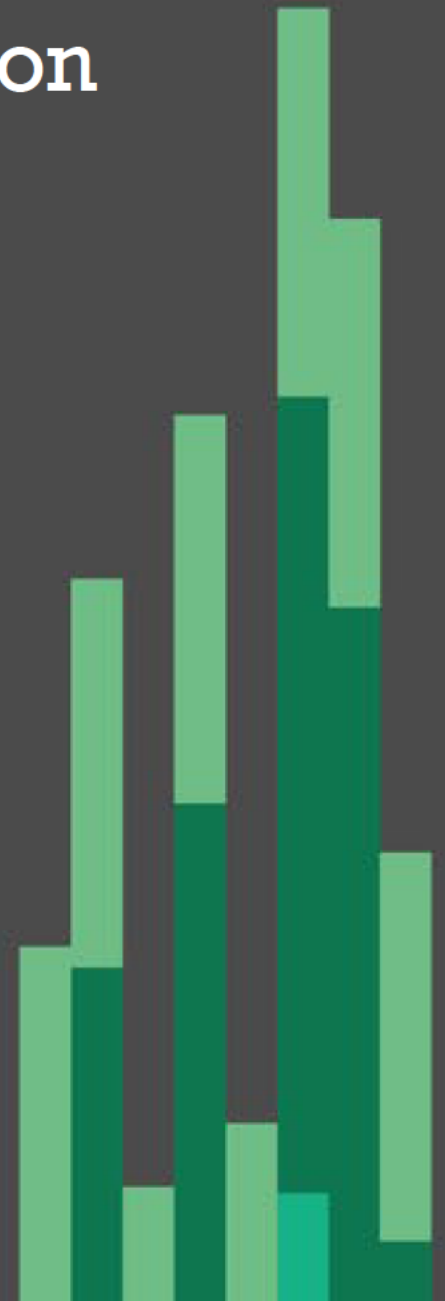
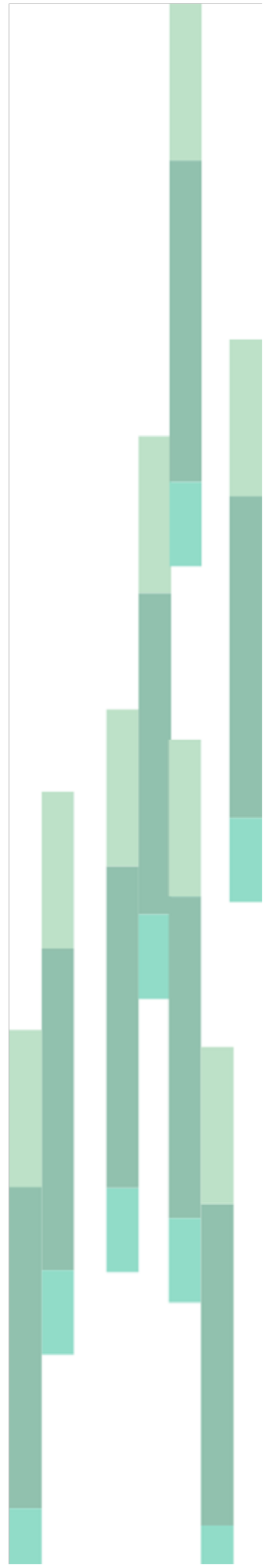

Victorian
Independent
Remuneration
Tribunal

Members of Parliament
(Victoria) Determination
No. 01/2023



ISBN 978-1-925789-93-5



Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)

Part 3—Determination in relation to Members.

Members of Parliament (Victoria) Determination No. 01/2023



Table of contents

Part 1 – Legal matters and definitions

1. Title
2. Effective date
3. Definitions
4. Coverage and application

Part 2 – Basic salary and additional salaries

5. Basic salary
6. Additional salary for a specified parliamentary office holder

Part 3 – Work-related parliamentary allowances

7. Expense allowance
8. Electorate allowance
9. Parliamentary accommodation sitting allowance
10. Motor vehicle allowance
11. Travel allowance
12. Commercial transport allowance
13. International travel allowance

Part 4 – Electorate Office and Communications Budget

14. Electorate Office and Communications Budget

Schedule A — Additional salary and expense allowance rates

Schedule B — Electorates of Victoria

Statement of Reasons

Part 1 – Legal matters and definitions

1. Title: This Determination is the Members of Parliament (Victoria) Determination No. 01/2023 and is made under Part 3 of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic) by the Victorian Independent Remuneration Tribunal.

2. Effective date: This Determination takes effect on 1 July 2023.

3. Definitions

3.1 Terms not defined in this Determination have the same meaning as in the VIRTIPS Act, unless the contrary intention appears.

3.2 In this Determination, unless the contrary intention appears:

electoral district means electoral district of the Legislative Assembly of Victoria;

electoral region means electoral region of the Legislative Council of Victoria;

electorate means:

(a) in the case of a Member of the Legislative Assembly, an electoral district

(b) in the case of a Member of the Legislative Council, an electoral region;

Member means Member of the Parliament;

Parliament means the Parliament of Victoria;

PSAS Act means *Parliamentary Salaries, Allowances and Superannuation Act 1968* (Vic);

travel allowance rate means the amount determined to be payable for an overnight stay in commercial accommodation in the relevant location as determined from time to time by the tribunal established under the *Remuneration Tribunal Act 1973* (Cth):

(a) if the Member is the Premier, Deputy Premier, other Minister of the Crown, Presiding Officer or the Leader of the Opposition, to an office holder of the Commonwealth; and

(b) for all other Members, to a Member of the Parliament of the Commonwealth;

Tribunal means the Victorian Independent Remuneration Tribunal;

Tribunal Guidelines means the guidelines for or with respect to the use of work-related parliamentary allowances and the Electorate Office and Communications Budget made by the Tribunal and in effect at the time;

VIRTIPS Act means the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic);

work-related parliamentary allowances has the meaning provided in section 3 of the VIRTIPS Act.

4. Coverage and application

4.1 This Determination sets the value of salaries and allowances for Members. This Determination should be read together with the Tribunal Guidelines.

Part 2 – Basic salary and additional salaries

5. Basic salary

5.1 The basic salary per annum for a Member is \$198,839.

6. Additional salary for a specified parliamentary office holder

6.1 The additional salary per annum for a specified parliamentary office holder listed in column 1 of the table in Schedule A is the value listed in column 2 of the table in Schedule A.

Part 3 – Work-related parliamentary allowances

7. Expense allowance

7.1 The expense allowance per annum for a specified parliamentary office holder listed in column 1 of the table in Schedule A is the value listed in column 3 of the table in Schedule A.

7.2 The expense allowance for a Member, who is not a specified parliamentary office holder listed in column 1 of the table in Schedule A, is \$0.

8. Electorate allowance

8.1 The electorate allowance per annum for a Member is:

- (a) if the electorate that the Member represents is listed in table 1 of Schedule B, \$45,022;
- (b) if the electorate that the Member represents is listed in table 2 of Schedule B, \$48,883; or
- (c) if the electorate that the Member represents is listed in table 3, 4 or 5 of Schedule B, \$53,933.

9. Parliamentary accommodation sitting allowance

9.1 The parliamentary accommodation sitting allowance per annum for an eligible Member is:

- (a) if the Member is the Premier, \$53,217;
- (b) if the Member is the Deputy Premier, \$46,565;
- (c) if the Member is any other Minister of the Crown, the President, the Speaker, the Deputy President, the Deputy Speaker, the Cabinet Secretary, the Leader of the Opposition, the Deputy Leader of the Opposition, the Leader of the Opposition in the Legislative Council, the Deputy Leader of the Opposition in the Legislative Council, the Leader of the Third Party or the Deputy Leader of the Third Party, \$39,910; or
- (d) if the Member is none of the above, \$26,609.

Note: the Tribunal Guidelines specify eligibility criteria for claiming the parliamentary accommodation sitting allowance.

10. Motor vehicle allowance

10.1 The motor vehicle allowance per annum for a Member who does not elect to be provided with a motor vehicle under section 6(6) of the PSAS Act is:

- (a) if the Member's electorate is listed in table 1 or 2 of Schedule B, \$23,225; or
- (b) if the Member's electorate is listed in table 3, 4 or 5 of Schedule B, \$34,994.

11. Travel allowance

11.1 The travel allowance per night for a Member is the travel allowance rate, save that a Member is only entitled to be paid that part of the travel allowance which is equal to their claimable costs under the applicable rules in the Tribunal Guidelines.

Note: the Tribunal Guidelines specify eligibility criteria for claiming the travel allowance.

12. Commercial transport allowance

12.1 The commercial transport allowance per financial year for a Member is the following, save that a Member is only entitled to be paid that part of the commercial transport allowance which is equal to their claimable costs under the applicable rules in the Tribunal Guidelines:

- (a) if the electorate that the Member represents is listed in table 1, 2 or 3 of Schedule B, \$5,195;
- (b) if the electorate that the Member represents is listed in table 4 of Schedule B, \$11,399; or
- (c) if the electorate that the Member represents is listed in table 5 of Schedule B, \$17,898.

Note: the Tribunal Guidelines specify eligibility criteria for claiming the commercial transport allowance.

13. International travel allowance

13.1 The international travel allowance per financial year for a Member is \$10,765, save that a Member is only entitled to be paid that part of the international travel allowance which is equal to their claimable costs under the applicable rules in the Tribunal Guidelines.

Note: the Tribunal Guidelines specify eligibility criteria for claiming the international travel allowance.

Part 4 – Electorate Office and Communications Budget

14. Electorate Office and Communications Budget

14.1 Subject to clauses 14.2 and 14.3, the Electorate Office and Communications Budget per financial year for a Member is, rounded to the nearest dollar:

- (a) if the Member is a Member of the Legislative Assembly, the sum of:
- i. the total number of voters enrolled in Victoria (as last published by the Victorian Electoral Commission as at the last day of February of the previous financial year), divided by 88, multiplied by \$1.03, and
 - ii. the total number of voters enrolled in the electoral district that the Member represents (as last published by the Victorian Electoral Commission as at the last day of February of the previous financial year) multiplied by \$1.36; or
- (b) if the Member is a Member of the Legislative Council, the total number of voters enrolled in Victoria (as last published by the Victorian Electoral Commission as at the last day of February of the previous financial year), divided by 88, multiplied by \$2.39.

14.2 For a financial year in which a general election for the Parliament is held, the Electorate Office and Communications Budget is:

- (a) for the period from 1 July to 30 November of the financial year, 5/12ths of the amount calculated in accordance with:
- i. clause 14.1(a) if the Member is a Member of the Legislative Assembly, and
 - ii. clause 14.1(b) if the Member is a Member of the Legislative Council;
- (b) for the period from 1 December to 30 June of the financial year, 7/12ths of:
- i. if the Member is a Member of the Legislative Assembly, the sum of:
 - the amount calculated in accordance with clause 14.1(a)i., and
 - the total number of voters enrolled in the electoral district that the Member represents (according to the electoral roll prepared by the Victorian Electoral Commission, pursuant to section 29 of the *Electoral Act 2002* (Vic), in relation to the general election) multiplied by \$1.36; or

- ii. if the Member is a Member of the Legislative Council, the amount calculated in accordance with clause 14.1(b).

14.3 For a financial year in which a Member first joins the Parliament other than as a result of a general election, the Electorate Office and Communications Budget for that Member is to be calculated using the following formula:

$$D \times \frac{E}{F}$$

where—

- (a) D is the amount calculated in accordance with clause 14.1(a) if the Member is a Member of the Legislative Assembly, or the amount calculated in accordance with clause 14.1(b) if the Member is a Member of Legislative Council;
- (b) E is the number of days remaining in the financial year from the day the Member first joined the Parliament; and
- (c) F is the total number of days in the financial year.

Note: the Tribunal Guidelines specify eligibility criteria for claiming the Electorate Office and Communications Budget.



Warren McCann

Chair

Victorian Independent
Remuneration Tribunal



The Honourable
Jennifer Acton

Member

Victorian Independent
Remuneration Tribunal



Laurinda Gardner

Member

Victorian Independent
Remuneration Tribunal

Date: 20/06/2023

Schedule A — Additional salary and expense allowance rates

Column 1 Specified parliamentary office holder	Column 2 Additional salary from 1 July 2023 (\$ per annum)	Column 3 Expense allowance from 1 July 2023 (\$ per annum)
Premier	221,871	60,480
Deputy Premier	187,644	23,125
Any other responsible Minister of the Crown	167,132	17,789
Leader of the Opposition	167,132	17,789
President	145,990	7,116
Speaker	145,990	7,116
Deputy President	56,094	3,558
Deputy Speaker	56,094	3,558
Deputy Leader of the Opposition in the Assembly	79,954	3,558
Leader of the Opposition in the Council	79,954	3,558
Leader of the Third Party (unless they are also the Leader or Deputy Leader of the Opposition or a Minister of the Crown)	79,954	3,558
Cabinet Secretary	79,954	3,558
Parliamentary Secretary to the Premier	56,094	3,558
A Shadow Minister	17,375	12,452
Government Whip in the Assembly	35,790	0
Deputy Government Whip in the Assembly	19,883	0
Deputy Leader of the Opposition in the Council	35,790	0
A Parliamentary Secretary (other than the Parliamentary Secretary to the Premier)	46,152	3,558
Deputy Leader of the Third Party (unless they are also the Leader or Deputy Leader of the Opposition or a Minister of the Crown)	35,790	0
Government Whip in the Council	21,872	0
Opposition Whip in the Assembly	21,872	0
Opposition Whip in the Council	21,872	0
Whip of the Third Party in the Assembly	21,872	0
Whip of the Third Party in the Council	21,872	0

Column 1 Specified parliamentary office holder	Column 2 Additional salary from 1 July 2023 (\$ per annum)	Column 3 Expense allowance from 1 July 2023 (\$ per annum)
Secretary of the Party forming the Government	7,954	0
Secretary of the Opposition Party	7,954	0
Secretary of the Third Party	7,954	0
Chairperson of the Public Accounts and Estimates Committee	39,768	0
Chairperson of the Scrutiny of Acts and Regulations Committee	29,826	0
Chairperson of the Integrity and Oversight Committee	29,826	0
Chairperson of a standing committee appointed under standing order of the Assembly or the Council	19,883	0
Chairperson of a Joint Investigatory Committee within the meaning of the <i>Parliamentary Committees Act 2003</i> (Vic) which is not otherwise provided for in this table	19,883	0
Chairperson of joint select committee when resolution establishing committee so provides that chairperson is entitled	9,942	0
Deputy Chairperson of the Public Accounts and Estimates Committee	7,954	0
Deputy Chairperson of the Scrutiny of Acts and Regulations Committee	7,954	0
Deputy Chairperson of the Integrity and Oversight Committee	7,954	0

Schedule B — Electorates of Victoria

Table 1 — electorates of less than 500 square kilometres

Electoral districts for the Legislative Assembly	
Albert Park	Malvern
Ashwood	Melbourne
Bayswater	Melton
Bellarine	Mill Park
Bentleigh	Monbulk
Berwick	Mordialloc
Box Hill	Mornington
Brighton	Mulgrave
Broadmeadows	Narre Warren North
Brunswick	Narre Warren South
Bulleen	Nepean
Bundoora	Niddrie
Carrum	Northcote
Caulfield	Oakleigh
Clarinda	Pakenham
Cranbourne	Pascoe Vale
Croydon	Point Cook
Dandenong	Prahran
Eltham	Preston
Essendon	Richmond
Evelyn	Ringwood
Footscray	Rowville
Frankston	Sandringham
Geelong	South Barwon
Glen Waverley	St Albans
Greenvale	Sunbury
Hastings	Sydenham
Hawthorn	Tarneit
Ivanhoe	Thomastown
Kalkallo	Warrandyte
Kew	Wendouree
Kororoit	Werribee
Laverton	Williamstown
Electoral regions for the Legislative Council	
Southern Metropolitan	

Table 2 — electorates of 500 square kilometres or more but less than 5,000 square kilometres

Electoral districts for the Legislative Assembly	
Bass	Macedon
Bendigo East	Morwell
Bendigo West	Narracan
Eureka	Shepparton
Lara	Yan Yean
Electoral regions for the Legislative Council	
North-Eastern Metropolitan	South-Eastern Metropolitan
Northern Metropolitan	Western Metropolitan

Table 3 — electorates of 5,000 square kilometres or more but less than 10,000 square kilometres

Electoral districts for the Legislative Assembly	
Benambra	Polwarth
Gippsland South	South-West Coast
Electoral regions for the Legislative Council	
N/A	

Table 4 — electorates of 10,000 square kilometres or more but less than 20,000 square kilometres

Electoral districts for the Legislative Assembly	
Eildon	Ovens Valley
Euroa	Ripon
Murray Plains	
Electoral regions for the Legislative Council	
N/A	

Table 5 — electorates of 20,000 square kilometres or more

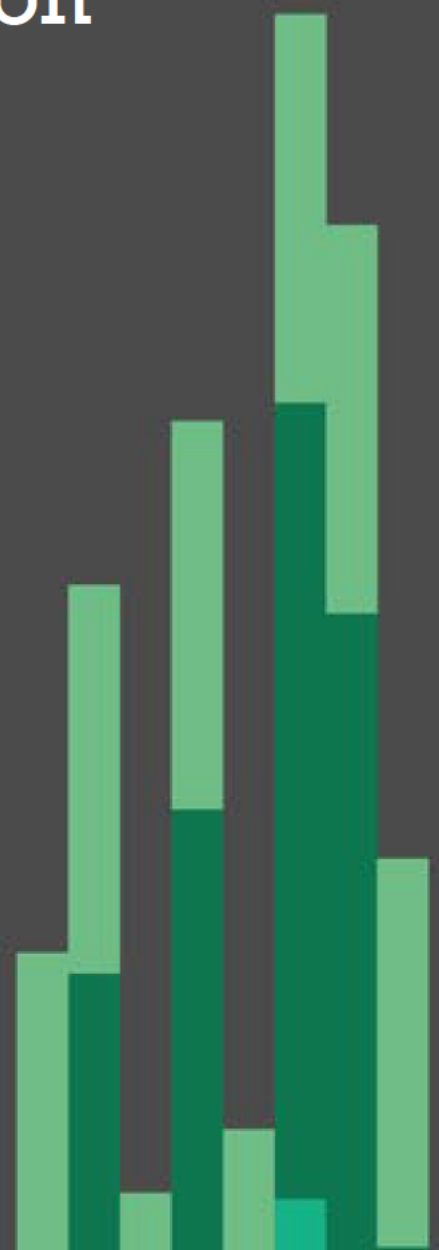
Electoral districts for the Legislative Assembly	
Gippsland East	Mildura
Lowan	
Electoral regions for the Legislative Council	
Eastern Victoria	Western Victoria
Northern Victoria	

This page intentionally left blank.

Victorian
Independent
Remuneration
Tribunal

Members of Parliament (Victoria) Determination No. 01/2023

Statement of Reasons



Contents



List of figures, tables and boxes	17
Abbreviations and glossary.....	19
Executive summary	23
1 Introduction	27
1.1 Scope of this Determination	28
1.2 Consultation	29
1.3 Members of Parliament Guidelines.....	30
1.4 Structure of this Statement of Reasons.....	30
2 Roles and responsibilities of MPs.....	32
2.1 Overview of the work of a Victorian MP	32
2.2 Additional responsibilities of office holders	36
2.3 Accountability and integrity.....	44
2.4 Changes since the 2019 Determination	45
2.5 Summary	48
3 Existing arrangements	49
3.1 Current values of salaries and allowances	49
3.2 Superannuation.....	59
3.3 Other entitlements	59
3.4 Summary	62
4 MP Guidelines	63
4.1 Parliamentary accommodation sitting allowance	63
4.2 Travel allowance	64
4.3 Commercial transport allowance	64
4.4 International travel allowance.....	65
4.5 Electorate Office and Communications Budget.....	65

5	Other guidelines and rulings	67
5.1	Compliance Officer appeals	67
5.2	ATO rulings	68
6	Jurisdictional comparisons.....	70
6.1	Basic salary	71
6.2	Additional salaries and expense allowances	73
6.3	Electorate allowance.....	77
6.4	EO&C Budget.....	78
6.5	Motor vehicle allowance.....	79
6.6	Travel and transport-related allowances	80
6.7	Summary	85
7	Economic factors	86
7.1	Changes in values since 2019	86
7.2	Current and projected economic conditions and trends.....	89
7.3	Financial position and fiscal strategy of the State of Victoria.....	95
7.4	Wages Policy	96
7.5	Summary	97
8	Tribunal’s considerations.....	99
8.1	Legislative requirements.....	99
8.2	The value of the basic salary.....	100
8.3	Additional salaries and expenses for specified parliamentary office holders	104
8.4	The electorate allowance and the EO&C Budget.....	106
8.5	Travel and transport-related allowances	108
8.6	Support on leaving the Parliament.....	110
8.7	Conclusion.....	110
9	2023 MP Guidelines.....	112
9.1	Summary of key changes made	112
9.2	Other matters raised.....	114
9.3	Summary	116

Appendix A Recent changes to MP salaries and allowances.....	117
A.1 Previous Determinations	117
A.2 Previous MP Guidelines	118
Appendix B Consultation.....	121

List of figures, tables and boxes

Figure 2.1: Categories of responsibilities and duties of MPs	33
Table 2.1: Examples of key MP activities - 59 th Parliament of Victoria	34
Box 2.1: Quotes from former MPs discussing the demands of the role	36
Table 2.2: Portfolios with over one billion dollars in output funding, 2022-23 ..	40
Table 3.1: Value of additional salaries, as of 1 July 2022	50
Box 3.1: PSAS Act — Statement of Principles	51
Table 3.2: Value of the expense allowance, as of 1 July 2022	52
Table 3.3: Value of the electorate allowance, as of 1 July 2022	52
Table 3.4: Value of the PASA, as of 1 July 2022	53
Table 3.5: Standard travel allowance rate, as of June 2023	54
Table 3.6: Value of the motor vehicle allowance, as of 1 July 2022	55
Table 3.7: Maximum value of the commercial transport allowance, as of 1 July 2022.....	56
Box 3.2: Formulas for determining EO&C Budget in a non-election year.....	57
Figure 3.1: Average proportion of EO&C Budget expenditure by category, 2021-22.....	58
Box 3.3: Superannuation contributions for MPs in the accumulation scheme... 59	
Box 4.1: Guidelines — accommodation expenses that may be claimed.....	65
Table 6.1: Basic salary, jurisdiction comparison, June 2023	71
Table 6.2: Population and number of MPs, jurisdiction comparison, September 2022	72
Table 6.3: Projected sitting days for 2023, jurisdiction comparison, June 2023 .	72
Table 6.4: Total salary of specified parliamentary office holders, jurisdiction comparison, June 2023.....	75
Table 6.5: Electorate allowance values (range), jurisdiction comparison, June 2023.....	77
Table 6.6: Electorate office and communications allowance values, jurisdiction comparison, June 2023.....	78
Table 6.7: Motor vehicle allowance values, jurisdiction comparison, June 2023	80
Table 6.8: Parliamentary sitting allowances – fixed nightly rates and maximum annual values, jurisdiction comparison, June 2023.....	83

Table 6.9: International travel allowance, jurisdiction comparison, June 2023..	85
Table 7.1: Adjustments to MP salaries and allowances since 2019 Determination	86
Figure 7.1: Victorian MP basic salary and selected price and wage indicators (Victoria), September 2019 – March 2023, nominal change	87
Figure 7.2: Electorate allowance and EO&C Budget and selected measures of inflation, September 2019 – March 2023, nominal change.....	88
Table 7.2: RBA forecasts for the Australian economy, May 2023 ^(a)	91
Table 7.3: Commonwealth Budget 2023-24 forecasts for the Australian economy	92
Table 7.4: Victorian Budget 2023/24 forecasts for the Victorian economy.....	94
Box 7.1: Victorian Public Sector Wages Policy — summary.....	97
Table 8.1: Historical movements in wages	102
Table 8.2: Forecast movements in wages.....	103
Table 8.3: Historical movements in prices	103
Table 8.4: Forecast movements in prices	103
Box 8.1: Formula to calculate the value of the EO&C Budget in a non-election year for this Determination	107
Box A.1: Key changes to the Guidelines made in 2019	119
Box A.2: Key changes to the Guidelines made in 2021	120

Abbreviations and glossary



Term or abbreviation	Definition
2019 Determination	<i>Members of Parliament (Victoria) Determination No. 01/2019</i>
2022 MP Guidelines	<i>Members of Parliament (Victoria) Guidelines No. 01/2022</i>
2023 MP Guidelines	<i>Members of Parliament (Victoria) Guidelines No. 01/2023</i>
AAWI	Average Annualised Wage Increase
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
Additional salary	Salary payable to MPs who are 'specified parliamentary office holders' as defined in s. 3 of the VIRTIPS Act.
AO	Administrative Office
ATO	Australian Taxation Office
ATO Ruling No. 1992/15	Income tax and fringe benefits tax: the difference between an allowance and a reimbursement
ATO Ruling No. 1999/10	Income tax and fringe benefits tax: Members of Parliament – allowances, reimbursements, donations and gifts, benefits, deductions and recoupments
ATO Taxation Determination 2022/10	Income tax: reasonable travel and overtime meal allowances for the 2022-23 income year
Australian trimmed mean inflation rate	The RBA's preferred measure of national underlying inflation
AWOTE	Full-time adult average weekly ordinary time earnings
Basic salary	Salary payable to an MP of the Parliament of Victoria
Basic salary portion	The basic salary portion set under s. 17(5) of the VIRTIPS Act
Commercial transport allowance	An allowance paid on a reimbursement basis for the costs of transport undertaken by an MP within Australia to perform their public duties.
Compliance Officer	Independent Officers, attached to the Victorian Independent Remuneration Tribunal, who hear and determine appeals from MPs in relation to the use of allowances and the separation payment.
Council members	Mayors, Deputy Mayors and Councillors in local government
CPI	Consumer Price Index
Cth	Commonwealth Government of Australia

Term or abbreviation	Definition
DPC	Department of Premier and Cabinet (Vic)
DPS	Department of Parliamentary Services (Vic)
DTF	Department of Treasury and Finance (Vic)
Electorate allowance	An allowance for the purpose of meeting costs associated with MPs providing services to their constituents.
EO&C Budget	Electorate Office and Communications Budget, provided on a reimbursement basis to MPs to cover the costs of operating and maintaining an MP's electorate office and communicating with their electorate.
Expense allowance	An allowance paid to certain specified office holders to cover expenses particular to that office.
FTE	Full-time equivalent
FWC	Fair Work Commission
GDP	Gross Domestic Product
GSP	Gross State Product
IBAC	Independent Broad-based Anti-corruption Commission
International travel allowance	An allowance paid on a reimbursement basis to cover the cost of international travel undertaken by an MP to perform their public duties.
Melbourne centre	The intersection of Elizabeth Street and Bourke Street in Melbourne, which is used to determine eligibility for the PASA.
Melbourne CPI	All Groups Consumer Price Index for Melbourne
Metropolitan area	The area lying within a radius of 28km from the Melbourne centre, which is used to determine eligibility for the PASA.
Ministerial Code of Conduct	Code of Conduct for Ministers and Parliamentary Secretaries
Motor vehicle allowance	An allowance available to MPs to cover transport costs associated with carrying out their public duties. The allowance is available to MPs who elect not to receive a motor vehicle for their use while serving as an MP.
MP	Member of the Parliament of Victoria (unless stated otherwise)
MP Code of Conduct	A code of conduct made under the <i>Members of Parliament (Standards) Act 1978</i> (Vic)
n.d.	not dated
NMW	National Minimum Wage
NSW	New South Wales
NT	Northern Territory
p.a.	per annum
PAEC	Public Accounts and Estimates Committee of the Parliament of Victoria

Term or abbreviation	Definition
PASA	Parliamentary accommodation sitting allowance, an allowance available to certain MPs in regional electorates who choose to maintain a second residence in metropolitan Melbourne.
PAYG-W	Pay As You Go withholding
PSAS Act	<i>Parliamentary Salaries, Allowances and Superannuation Act 1968</i> (Vic)
Qld	Queensland
RBA	Reserve Bank of Australia
Relevant Officer	Under the PSAS Act the 'relevant Officer' is the Secretary of DPS in relation to the EO&C Budget and the Clerk of the relevant house of the Parliament in relation to work-related parliamentary allowances.
SA	South Australia
Separation payment	A payment made to an MP of the Parliament of Victoria on leaving the Parliament, who meets eligibility criteria specified in the PSAS Act.
SG rate	Superannuation Guarantee rate set under Commonwealth law
Specified parliamentary offices	Refers to 'specified parliamentary office' as defined in s. 3 of the VIRTIPS Act: <ul style="list-style-type: none"> • Premier and Deputy Premier and Ministers • Leaders and Deputy Leaders of the Opposition • Leaders and Deputy Leaders of the Third Party • Presiding and Deputy Presiding Officers • Cabinet Secretary • Parliamentary Secretaries • Shadow Ministers • Whips • Chairpersons and Deputy Chairpersons of parliamentary committees • Secretaries of the Party forming Government, Opposition and the Third Party.
Tas	Tasmania
Travel allowance	An allowance paid on a reimbursement basis to cover the commercial costs of accommodation, meals and incidentals for overnight stays.
Tribunal	Victorian Independent Remuneration Tribunal
VEC	Victorian Electoral Commission
Vic	Victoria
Victorian Budget	2023/24 State Budget
VIRTIPS Act	<i>Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019</i> (Vic)
VPFMA	Victorian Parliamentary Former Members Association

Term or abbreviation	Definition
WA	Western Australia
Wages Policy	Victorian Public Sector Wages Policy
WPI	Wage Price Index

Executive summary

The Victorian Independent Remuneration Tribunal has comprehensively reviewed the salaries and work-related parliamentary allowances for Members of the Parliament of Victoria (MPs), and made a Determination setting the value of salaries and allowances from 1 July 2023.

The Tribunal has also reviewed and updated the guidelines that set rules and eligibility criteria for the use of certain work-related parliamentary allowances and the Electorate Office and Communications Budget (EO&C Budget).

In making the Determination, the Tribunal published a notice of intention and called for submissions in late 2022. To support those wanting to make a submission, the Tribunal published a consultation paper. The Tribunal considered all of the submissions and expresses its appreciation to all those who made submissions or otherwise participated in the process and assisted the Tribunal to perform its functions.

The Tribunal has set the values of salaries and allowances from 1 July 2023

The Tribunal strives to achieve fair and reasonable recompense for MPs in performing their public duties. Having regard to that foundation principle and legislative factors, the Tribunal has set the value of the basic salary for an MP at \$198,839 per annum. This represents an annual increase of 3.5 per cent. In making its Determination, the Tribunal gave particular weight to current Wages Policy, the Victorian Government's financial and fiscal objectives and prevailing economic conditions and trends.

The Tribunal has also determined the values of additional salaries and expense allowances for specified parliamentary office holders. Additional salaries range from \$7,954 to \$221,871 per annum. The value of the expense allowance for 15 specified parliamentary offices ranges from \$3,558 to \$60,480 per annum. These decisions also represent a 3.5 per cent annual increase to current values.

The Tribunal has continued its practice of varying the value of the electorate allowance, motor vehicle allowance and the commercial transport allowance

based on the geographic size of an MP's electorate. This recognises the additional costs incurred by MPs serving larger electorates.

The value of the electorate allowance has been set at between \$45,022 and \$53,933 per annum. This represents a 6.8 per cent annual increase in allowance values, reflecting movements in the costs to an MP of providing services to their electorate.

The value of the motor vehicle allowance — available to MPs who elect not to be provided with a fully maintained motor vehicle — has been set at between \$23,225 and \$34,994 per annum. The value of the commercial transport allowance — available on a reimbursement basis — has been set at between \$5,195 and \$17,898 per annum. These represent a 3.9 per cent annual increase in allowance values, reflecting movements in transport costs in Victoria.

The Tribunal has set the value of the international travel allowance — available on a reimbursement basis — at \$10,765 per annum for all MPs. This represents an annual increase of 6.8 per cent.

The Tribunal has reset the formula for the EO&C Budget. The effective rate per voter has been increased by 6.8 per cent, reflecting movements in the Melbourne Consumer Price Index.

The Tribunal has continued to link the value of the travel allowance — available on a reimbursement basis for the costs of domestic accommodation, meals and incidentals — to rates set by the Commonwealth Remuneration Tribunal.

The Tribunal has left unchanged the value of the parliamentary accommodation sitting allowance, which is available to certain MPs in regional electorates.

The Tribunal considered legislative factors and requirements

The Tribunal is required by legislation to consider several factors in making a Determination:

- the Victorian Government's Wages Policy
- the financial position and fiscal strategy of the State of Victoria
- current and projected economic conditions and trends
- submissions received in relation to the proposed Determination.

The Tribunal's Determination also takes account of other legislative requirements, including:

- comprehensively reviewing the existing remuneration arrangements for MPs, including salaries, allowances, superannuation and pension arrangements and other funding provided to MPs
- not setting the basic salary at a rate that is higher than the basic salary for Commonwealth MPs
- taking into account the salary and allowances for, and the roles and responsibilities of, the Members of the Parliaments of the Commonwealth, other States and the Territories
- ensuring that MPs are in an overall position no less favourable than before the making of the Determination.

The Tribunal has made new MP Guidelines

The Tribunal has the power to make guidelines setting rules and eligibility criteria for the use of certain work-related parliamentary allowances and the EO&C Budget.

As part of making this Determination, the Tribunal undertook a review of the Guidelines and, as a result, made the *Members of Parliament (Victoria) Guidelines No. 01/2023*. These aim to better support MPs to carry out their public duties, consistent with legislative principles and overarching obligations. The new Guidelines are effective from 1 July 2023.

The key changes are:

- providing MPs with greater flexibility in using the EO&C Budget to communicate with their electorate, including allowing an MP to communicate with their constituents on any matter that they reasonably believe is of importance or interest to them, subject to the legislative framework and prohibitions on party political activity
- enabling joint communication between two or more MPs from any geographical location or House of Parliament
- clarifying that an MP may make a claim for an overnight stay for the night immediately preceding and following their parliamentary business, committee business or electorate business
- clarifying that an MP must not make a claim under the EO&C Budget for costs incurred or activity undertaken to communicate with their electorate

between the issuing of writs for a general election or by-election and the declaration of the poll for the electorate

- clarifying the arrangements for an MP to carry over unspent funds from the EO&C Budget remaining from a pre-election period, including where an MP is elected to a different electorate.

The Tribunal encourages further consideration of support for MPs on leaving the Parliament

MPs are provided with several forms of support to assist them when they leave the Parliament including a separation payment providing certain conditions are met. A number of submissions argued that the current level of support is inadequate. The Tribunal does not have the power to make changes to the structure of the separation payment. However, it found such arguments to be compelling and encourages the Victorian Government to further consider the adequacy of current arrangements.

1 Introduction



The Victorian Independent Remuneration Tribunal provides transparent, accountable and evidence-based decision-making in relation to the remuneration of Members of the Parliament of Victoria (MPs), public sector executives and elected local government officials.

The Tribunal is established under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic) (VIRTIPS Act). The VIRTIPS Act requires the Tribunal to inquire into and make Determinations in relation to:

- salaries and allowances for MPs
- remuneration bands for executives employed in public service bodies
- remuneration bands for executives employed in prescribed public entities
- allowances provided to Mayors, Deputy Mayors and Councillors.

In performing its functions and exercising its powers, the Tribunal must act independently and impartially and is not subject to the control or direction of any person, including the Minister.¹

The Tribunal made its first Determination of MP salaries and allowances in 2019 — the *Members of Parliament (Victoria) Determination No. 01/2019* (2019 Determination). In 2020, 2021 and 2022, the Tribunal made Determinations providing for an annual adjustment to the values of the salaries and allowances set in the 2019 Determination.

The Tribunal is required to make a new Determination setting the values of salaries and allowances for MPs within six months after the first sitting day of each subsequent Parliament.² The 60th Parliament of Victoria held its first sitting on 20 December 2022. Thus, this Determination was required to be made no later than 20 June 2023 and the Tribunal has decided that it will take effect on 1 July 2023.

¹ VIRTIPS Act, s. 5.

² VIRTIPS Act, s. 17(7).

The Tribunal is required to provide a Statement of Reasons supporting the Determination.

1.1 Scope of this Determination

Section 17 of the VIRTIPS Act requires the Tribunal to make a Determination setting the values of the:

- basic salary
- additional salaries for specified parliamentary office holders
- expense allowance
- electorate allowance
- parliamentary accommodation sitting allowance (PASA)
- travel allowance
- motor vehicle allowance
- commercial transport allowance
- international travel allowance
- Electorate Office and Communications Budget (EO&C Budget).

The Tribunal aims to ensure fair and reasonable recompense for MPs, helping to attract and retain talented MPs that effectively represent the interests of the community. The Tribunal does not assess the performance of any individual MP or group of MPs when making its Determinations.

In making its Determinations, the Tribunal is required to consider:³

- any statement or policy issued by the Government of Victoria which is in force with respect to its wages policy (or equivalent) and the remuneration and allowances of any specified occupational group
- the financial position and fiscal strategy of the State of Victoria
- current and projected economic conditions and trends
- submissions received in relation to the proposed Determination.

The VIRTIPS Act also requires the Tribunal to do the following in making this Determination:⁴

- comprehensively review the existing salaries, additional salaries, work-related parliamentary allowances and other funding and superannuation and pension arrangements provided to MPs

³ VIRTIPS Act, s. 24(2).

⁴ VIRTIPS Act, s. 17.

- not set the basic salary at a rate that is higher than the basic salary for Members of the Parliament of the Commonwealth
- take into account the salary and allowances for, and the roles and responsibilities of, Members of the Parliaments of the Commonwealth, other States and the Territories
- take into account existing guidelines and rulings governing the use of work-related parliamentary allowances and the EO&C Budget, including any relevant rulings by the Australian Taxation Office (ATO)
- ensure that individual MPs are in an overall position that is no less favourable than the arrangements that are in place before the making of the Determination, taking into account the basic salary, additional salary, the EO&C Budget, work-related parliamentary allowances and superannuation and pension arrangements
- in setting the value of the electorate allowance, take into account that the purpose of the electorate allowance is for costs associated with MPs providing services to their constituents.

Arrangements for superannuation, pensions and separation payments are governed by the *Parliamentary Salaries, Allowances and Superannuation Act 1968* (PSAS Act). While the Tribunal has considered these matters in making this Determination, the Tribunal does not have the power to amend these components of the MP remuneration framework.

As required by the VIRTIPS Act (s. 17(5)(b)), the 2019 Determination set the value of the ‘basic salary portion’ for the financial year ending 30 June 2020. The ‘basic salary portion’ is the basic salary for the purpose of Part 3 of the PSAS Act, which relates to defined benefit schemes for MPs. From 1 July 2020 the value of the ‘basic salary portion’ is indexed in accordance with a formula set in legislation.⁵ The Tribunal cannot change or reset the value of the ‘basic salary portion’ in its Determinations.

1.2 Consultation

Pursuant to section 24(1) of the VIRTIPS Act, and before making this Determination, the Tribunal:

- published notice of its intention to make a Determination, including details about the proposed Determination, on its website on 16 December 2022

⁵ PSAS Act, s. 10.

- gave any affected person or a class of affected persons a reasonable opportunity to make a submission in relation to the proposed Determination.

To support those wanting to make a submission, the Tribunal also published a Consultation Paper alongside the notice of intention.

The Tribunal considered all of the submissions received in making this Determination and expresses its appreciation to all those who made submissions or otherwise participated in the process and assisted the Tribunal to perform its functions.

1.3 Members of Parliament Guidelines

In addition to being required to make Determinations in relation to the salaries and allowances of MPs, the Tribunal is responsible for setting guidelines for, or with respect to, the use of the:

- PASA
- travel allowance
- commercial transport allowance
- international travel allowance
- EO&C Budget.

The Guidelines in effect prior to the making of this Determination were the *Members of Parliament (Victoria) Guidelines No. 01/2022* (2022 MP Guidelines).

As part of making this Determination, the Tribunal undertook a review of the 2022 MP Guidelines and, as a result, made the *Members of Parliament (Victoria) Guidelines No. 01/2023* (2023 MP Guidelines).

This Statement of Reasons, therefore, also summarises the findings of the Tribunal's review of the Guidelines and explains the changes made to them by the Tribunal.

1.4 Structure of this Statement of Reasons

Chapter 2 of this Statement of Reasons provides an overview of the role and responsibilities of MPs, including for specified parliamentary office holders in

Victoria. An overview of the existing remuneration and entitlements framework that applied prior to the making of this Determination is provided in Chapter 3.

Chapter 4 summarises the 2022 MP Guidelines, while Chapter 5 sets out existing guidelines and rulings governing the use of work-related parliamentary allowances and the EO&C Budget.

In Chapter 6, comparisons are made between the value of salaries and work-related parliamentary allowances across Australian jurisdictions.

Chapter 7 details relevant macroeconomic and financial considerations considered by the Tribunal. The Tribunal's overall considerations and conclusions on the value of salaries and allowances are set out in Chapter 8. Chapter 9 discusses the Tribunal's considerations when making the 2023 MP Guidelines and summarises the key changes made to the previous Guidelines.

2 Roles and responsibilities of MPs



In making this Determination the Tribunal has considered the roles and responsibilities of MPs.

This chapter begins with a summary of the Tribunal's 2019 Determination, which set out in some detail the roles and duties of an MP, and then discusses how these have changed over the past four years.

2.1 Overview of the work of a Victorian MP

As part of its 2019 Determination the Tribunal found that in many ways, the role of an MP is unique:

The job of an MP is unlike almost any other job, in either the private or public sector ... There are no education standards, or required qualifications, and most Victorians can stand for election. There is no formal application process, no 'key selection criteria' to address, and no specific position description to consult that outlines the extent of the role and responsibilities.

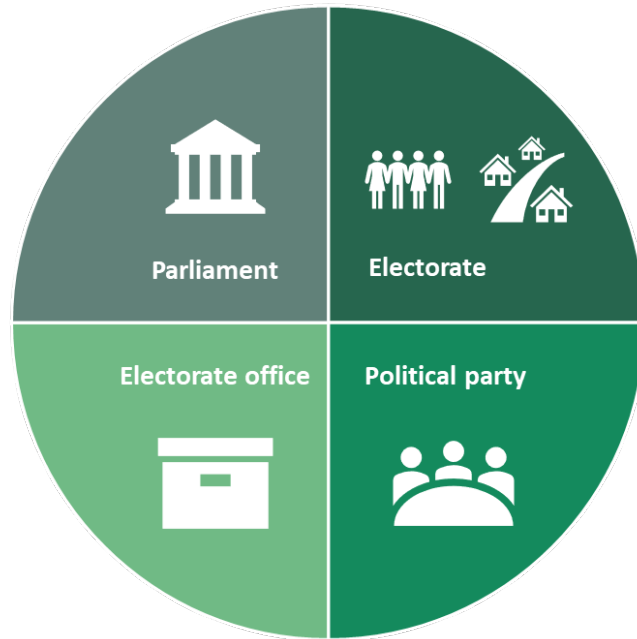
Yet, once elected, an MP must satisfy high levels of parliamentary and public accountability and is subject to continuous scrutiny.⁶

The Tribunal also noted that the roles of MPs have been broadly categorised as responsibilities and duties in relation to the:

- Parliament
- MP's electorate
- management of their electorate office
- MP's political party (if any).

⁶ Victorian Independent Remuneration Tribunal (2019a), p. 39.

Figure 2.1: Categories of responsibilities and duties of MPs



Work in the Parliament

An MP's parliamentary duties involve attending the Parliament on sitting days, where they debate and vote on legislation, and participate in question time.⁷ MPs may also participate in parliamentary committees, which hold inquiries into particular issues and seek input from the wider community.

MPs carry out a significant amount of preparation for their parliamentary duties, including:

- undertaking research
- reading and writing documents
- preparing questions or speeches
- meeting and consulting with relevant groups and organisations
- liaising with other MPs.

During the term of the last Parliament (59th term, December 2018 – November 2022), the Legislative Assembly sat for 170 days (average of 42.5 days per year) and the Legislative Council sat for 178 days (average of 44.5 days per year). On average, each sitting of the Legislative Assembly lasted for 7 hours and 45 minutes and each sitting of the Legislative Council lasted for 8 hours and

⁷ In the Parliament of Victoria, question time consists of questions without notice, Ministers' statements and constituency questions. Parliament of Victoria (n.d.d).

35 minutes.⁸ Table 2.1 summarises key activities undertaken by the Parliament during its 59th term.

Table 2.1: Examples of key MP activities - 59th Parliament of Victoria

Activity	Legislative Assembly	Legislative Council
Bills passed	204	198
Questions on notice asked	4,947 ^(a)	5,153
Petitions presented	227	268
Documents tabled	9,445	6,264
Committee inquiries ^(b)	67 (across both Houses)	

Notes: (a) Includes questions asked in writing and excludes adjournment matters and constituency questions.

(b) Includes inquiries by Legislative Assembly, Legislative Council and joint committees.

Sources: Parliament of Victoria (n.d.b); Parliament of Victoria (n.d.f); Parliament of Victoria (n.d.g).

Work in the electorate

MPs represent the views and interests of their constituents and others both in the Parliament and to numerous other persons and bodies, such as Victorian Government Ministers and Departments. MPs are also a conduit for keeping the community informed about Parliament’s work.

To facilitate this, MPs typically attend numerous meetings and events with individuals, businesses, schools, charities, clubs and other bodies. MPs also sponsor petitions to the Parliament from any Victorian resident who wishes to raise an issue or request an action from Parliament.⁹

Management of the electorate office

MPs maintain and manage an electorate office, which is staffed by electorate officers. Each MP is provided with the services of two and half full-time equivalent (FTE) electorate officers, and may employ additional electorate officers using their EO&C Budget. Based on available data, the Tribunal estimates that over 90 per cent of MPs used their EO&C Budget for employee expenses in 2021-22.¹⁰

Constituents and others may contact the electorate office to discuss issues, ask questions or seek assistance. MPs are responsible for assigning duties and responsibilities to their electorate officers,¹¹ such as:

- responding to constituent enquires

⁸ Parliament of Victoria (n.d.f); Parliament of Victoria (n.d.g).

⁹ Parliament of Victoria (n.d.i).

¹⁰ Tribunal analysis using data provided to the Tribunal by the Department of Parliamentary Services (DPS) in 2023.

¹¹ *Parliamentary Administration Act 2005* (Vic), s. 30(4).

- managing the MP’s diary
- maintaining relationships with community groups
- working on policy matters.

Party political work

The majority of MPs are members of a political party and are expected by their party to engage in various party political activities, for example:

- attending branch meetings and participating in party-specific committees and meetings
- fundraising events
- campaign events, such as door knocking or street stalls.

MPs are provided with work-related parliamentary allowances and the EO&C Budget, as well as other funding, resources and facilities, to support the performance of their public duties.¹²

Where MPs undertake activities that are outside the scope of their public duties, other sources of funding may be available to support this, such as public funding administered by the Victorian Electoral Commission (VEC), which is provided to eligible political parties and independent candidates to cover some of the cost of running a State election campaign.¹³

Time commitment

The Tribunal’s 2019 Determination found that MPs spend more than 12 hours a day working during a parliamentary sitting week. Some MPs also reported that they were never ‘off-duty’, with members of the public wishing to speak to them throughout the day in order to seek assistance on a matter or express a point of view.¹⁴ Submissions to this Determination indicated that the workload of MPs has increased since 2019, for example, as a result of increased community expectations of MPs and their staff.¹⁵

In 2021 researchers at Deakin University published a report, *Transitioning to life after Parliament*, which included reflections of former Victorian MPs on their

¹² *Members of Parliament (Standards) Act 1978* (Vic), s. 2; PSAS Act, s. 4A.

¹³ *Electoral Act 2002* (Vic), Part 12.

¹⁴ Victorian Independent Remuneration Tribunal (2019a), pp. 42 and 46.

¹⁵ The Hon. Peter Walsh MP oral submission, p. 3; Samantha Ratnam MLC, Leader of the Victorian Greens, submission, p. 2. Parliament of Victoria – Speaker of the Legislative Assembly and President of the Legislative Council, pp. 1-2.

parliamentary careers. The report stated that former Victorian MPs reported positively on their parliamentary career:

Nearly all respondents felt that their parliamentary career was worthwhile, rewarding and, in most cases, that serving in the parliament was the pinnacle of their professional life.¹⁶

However, the report also found that an MP's job is characterised by 'hard work and extremely long hours' (Box 2.1).

Box 2.1: Quotes from former MPs discussing the demands of the role

One MP recalled how they:

'worked in some way or another most days from eight until 10. So, what's that about 14 hours? You might go to a function, going to a meeting, you were in between meetings and there's social media, you've got the internet and emails that just added – you're doing that all the time basically. Then weekends again there'd be...two to three functions a day, you rarely had a day off...If you went down to the supermarket or whatever...people would [speak] to you and you were always on duty.'

An MP commented that:

'the reality of being a member of parliament is, you're on call 24/7 and you live and breathe it. If you're doing your job properly, you live and breathe it; you don't have time really for a proper life outside of politics because of the demands that are placed upon you. Because it's not just the work that you're doing in the parliament itself, so the legislative work, the committee work...But then you've got all your constituency work as well, which is basically trying to help people with their various problems.'

Another MP recalled:

'walking out of my office at five o'clock in the afternoon knowing I had eight hours to do before I got to bed. Driving to some place, doing something and being there. A meeting or an argument or something. Then driving home. Look, the hours are enormous and it's seven days a week. Yes, 60 hours I used to laugh, because every now and again I would tot them up and find that my 40 hours a week would be up on Wednesday morning.'

Source: Nethery et al (2021), pp. 17-18.

2.2 Additional responsibilities of office holders

In addition to the roles and duties performed by an MP, many members of the Victorian Parliament assume additional responsibilities from their appointment to specific offices.

¹⁶ Nethery et al (2021), p. 17.

The VIRTIPS Act lists the offices for which the Tribunal may set an additional salary for an MP who holds the office. As a group, MPs who hold these offices are defined as ‘specified parliamentary office holders’.¹⁷ The Tribunal examined the role of each of these offices in its 2019 Determination.¹⁸

Broadly speaking, specified parliamentary office holders can be grouped into one of three categories:

- offices that form part of or support the executive branch of government, including Ministers and Parliamentary Secretaries
- senior leadership positions in non-government parties
- other offices, which support the operation of the Parliament and the political parties represented in it.

The Victorian Parliament consists of 128 MPs. As at June 2023, around 80 MPs held a specified parliamentary office that receives an additional salary.¹⁹

Some MPs may hold positions that are not included in the definition of ‘specified parliamentary office’ in the VIRTIPS Act. Examples include shadow parliamentary secretaries and minor party spokespersons. As the Tribunal is unable to set additional remuneration for those positions, it has not considered their roles and responsibilities in this Determination.

Offices that form or support Executive Government

The Premier, as Head of Government, and other Ministers are a part of the Executive Government.²⁰

Premier and Deputy Premier

The Premier is the leader of the party or coalition that has the support of the majority of MPs in the Legislative Assembly. By convention, the office is held by a member of the Legislative Assembly.²¹

Other roles undertaken by the Premier include:

- setting the Government’s vision for Victoria, addressing the key issues facing it and providing a pathway for the state’s continued prosperity²²

¹⁷ VIRTIPS Act, s. 3.

¹⁸ Victorian Independent Remuneration Tribunal (2019a), pp. 74 – 95.

¹⁹ Email correspondence to the Tribunal from the Clerks of the Parliament of Victoria, June 2023.

²⁰ Governor of Victoria (2022).

²¹ Parliament of Victoria (n.d.a).

²² State Government of Victoria (2021).

- tendering advice to the Governor on the exercise of the Governor’s powers,²³ including the appointment and removal of Ministers²⁴
- allocating responsibilities among Ministers, directing government policy and acting as the Government’s representative at meetings, functions and official ceremonies²⁵
- providing leadership, guidance and solace to the community during periods of crisis (such as natural disasters) or public tragedy.²⁶

The Cabinet, which comprises all Ministers and the Cabinet Secretary, is chaired by the Premier. While the Cabinet does not formally have legal powers, it is the principal decision-making body in the Victorian Government. Cabinet and its sub-committees consider significant matters of state, including major policy issues, budget allocations, legislation, matters likely to impact relations with local, other state and Commonwealth governments, and significant appointments.²⁷

The Premier is the main channel of communication between the Victorian Government and other governments, including those of other states and territories, the Commonwealth and foreign nations.²⁸ The Premier is the public representative of the Government for the community, as well as for national and international leaders.

The Premier employs the Heads of government departments and Administrative Offices (AOs)²⁹ and has the power to restructure the public sector by moving staff between government agencies.³⁰ The Victorian public sector consists of approximately 10 per cent of the state’s labour force³¹ and is budgeted to have around \$112 billion in operating expenses in 2023-24.³²

The Deputy Premier supports the Premier in fulfilling their responsibilities and undertakes the role of Acting Premier in the Premier’s absence.

²³ Where the Governor is required to act in Council, advice is instead provided by the Executive Council. *Constitution Act 1975* (Vic), s. 87E.

²⁴ *Constitution Act 1975* (Vic), s. 50.

²⁵ Parliament of Victoria (n.d.h).

²⁶ For example, during the COVID-19 pandemic the Premier of Victoria presented daily at media conferences for 120 consecutive days, and chaired the Crisis Council of Cabinet. ABC News (2020); State Government of Victoria (2020).

²⁷ Department of Premier and Cabinet (Vic) (2023), pp. 6-13.

²⁸ State Government of Victoria (2021).

²⁹ *Public Administration Act 2004* (Vic), s. 12.

³⁰ *Public Administration Act 2004* (Vic), s. 30.

³¹ Victorian Public Sector Commission (2023a).

³² Department of Treasury and Finance (2023), *Budget Paper No. 5 – Statement of Finances*, p. 67.

Other Ministers

Under Victoria's Constitution, the Government may appoint up to 22 Ministers, who are generally required to be sitting MPs.³³ Each Minister is responsible for one or more policy areas, known as portfolios.³⁴

Ministers may be responsible under legislation for exercising powers and making (or recommending) appointments related to their portfolio.³⁵ Their decisions can directly affect the lives of all Victorians. For example, the Minister for Planning has the power to:³⁶

- authorise planning scheme amendments
- issue directions to planning authorities
- assume responsibility for certain planning permit applications.

As another example, the COVID-19 pandemic also highlighted the significant responsibilities and powers vested in certain Ministers. In particular, when a pandemic declaration is in force, the Minister for Health has the power to issue orders that they believe are reasonably necessary to protect public health, including orders that:³⁷

- restrict the movement of persons
- prohibit or regulate public or private gatherings
- prohibit or regulate activities and businesses.

Ministers are accountable to Parliament for the actions and outcomes of the departments, AOs and public entities in their portfolios. As of 1 January 2023, there were ten Victorian government departments³⁸ and each department supports several Ministers with their portfolio responsibilities.

The Public Accounts and Estimates Committee of the Parliament of Victoria (PAEC) publishes an overview of the outputs and funding administered by each portfolio (excluding capital expenditure, which is reported by department rather

³³ Victoria's Constitution prohibits a Minister from holding that office for more than three months unless they are an MP. *Constitution Act 1975 (Vic)*, s. 51.

³⁴ Parliament of Victoria (n.d.a).

³⁵ The Victorian Government General Order sets out which Minister or Ministers are responsible for each Act. State Government of Victoria (2023a).

³⁶ Department of Transport and Planning (Vic) (2023).

³⁷ *Public Health and Wellbeing Act 2008 (Vic)*, s. 165A1.

³⁸ Victorian Public Sector Commission (2023b).

than by portfolio).³⁹ In 2022-23, there were thirteen portfolios with responsibility for over a billion dollars of output funding (Table 2.2). For example, the:

- Minister for Health was responsible for almost \$20 billion of funding across 14 outputs
- Minister for Education was responsible for almost \$13 billion of funding across five outputs.

Table 2.2: Portfolios with over one billion dollars in output funding, 2022-23

Portfolio	No. outputs	Output funding (\$, million)
Ambulance Services	2	1,380
Attorney-General	7	1,100
Child Protection and Family Services	1	1,800
Corrections	2	1,791
Disability, Ageing and Carers	5	1,300
Education	5	13,000
Emergency Services	1	1,700
Health	14	19,900
Higher Education and Training and Skills	1	2,500
Mental Health	2	2,755
Public Transport	5	4,100
Energy, Environment and Climate Change	8	1,900
Roads and Road Safety	4	2,550

Source: Public Accounts and Estimates Committee of the Parliament of Victoria (2022).

Under Victoria's *Resource Management Framework*, Ministers are responsible for:⁴⁰

- ensuring their respective portfolios contribute to the achievement of Government objectives and priorities by approving portfolio-specific content in the departmental performance statements in the budget papers
- reporting performance against these statements in departmental reports.

Each year, Ministers appear before PAEC to answer questions about the proposed expenditure by departments for the next financial year.⁴¹ Ministers must also ensure that their departments and portfolio entities prepare reports of operations and audited financial statements for tabling in Parliament.⁴²

³⁹ Public Accounts and Estimates Committee (Vic) (2022).

⁴⁰ Department of Treasury and Finance (Vic) (2022), p. 13

⁴¹ Parliament of Victoria (n.d.e).

⁴² *Financial Management Act 1994* (Vic), ss. 45 and 46.

The Secretary of each department is responsible to their department's Minister or Ministers for the general conduct and the effective and efficient management of the functions and activities of the department and AOs established in relation to it.⁴³

Ministers are also members of the Executive Council, which advises the Governor on important actions, including:⁴⁴

- the making of regulations
- appointing and removing statutory officers
- appointing judges
- determining the appropriate use of Crown land
- issuing proclamations.

Offices that support the Executive

The work of the Executive Government and its Ministers is supported by the Cabinet Secretary and Parliamentary Secretaries.

The Cabinet Secretary works with the Premier, Ministers and their offices to oversee and administer Cabinet. Their responsibilities include:

- coordinating the agenda of the Cabinet and its sub-committees
- implementing, and ensuring compliance with, agreed Cabinet protocols
- assisting in settling the record of Cabinet decisions
- assisting in the management and coordination of the legislation program.

Parliamentary Secretaries are MPs appointed by the Premier to support Ministers with their portfolio responsibilities.⁴⁵

Senior leadership positions in non-government parties

MPs who belong to the non-government party or coalition of parties with the most members in the Legislative Assembly form the Opposition.

The Leader of the Opposition directs the opposition's policies and strategies, and presents themselves as an alternative Premier.⁴⁶ Generally, the Leader and Deputy Leader of the Opposition also hold the office of Shadow Minister, with responsibility for one or more shadow portfolios.

⁴³ *Public Administration Act 2004* (Vic), s. 13.

⁴⁴ Governor of Victoria (2022).

⁴⁵ Parliament of Victoria (n.d.a).

⁴⁶ Parliament of Victoria (n.d.a).

A Shadow Minister is an Opposition MP who is responsible for at least one shadow portfolio. Shadow Ministers are responsible for scrutinising government policies and, where considered appropriate, presenting arguments against them. In addition, they develop alternative ideas and policies for their portfolio areas to present to the people in preparation for government should their party win office at the next election.⁴⁷

The Leader of the Opposition and Shadow Ministers are members of the Shadow Cabinet, where matters of policy are decided, the Government's proposed legislation is considered and the Opposition's responses to Government proposals and actions are decided.

MPs may belong to a political party other than the party forming the Government and the Opposition. These political parties are sometimes referred to as minor parties. In Victoria, if a minor party has at least 11 sitting MPs, it is recognised under the PSAS Act as a third party, which entitles some of its members to additional remuneration.⁴⁸

The Leader of a Third Party (or, when they are unavailable, their deputy) is responsible for leading their party in parliamentary and policy debates and being their party's principal spokesperson in the media. A third party also has an important role in holding the Government accountable.⁴⁹

Offices that support the operation of the Parliament and political parties

The PSAS Act recognises various offices held by MPs with responsibilities related to the operation of the Parliament and the administration of political parties with MPs in the Parliament, including:

- Presiding Officers and Deputy Presiding Officers
- Party whips and deputy whips
- Chairpersons of parliamentary committees
- Secretaries of the party forming the government, opposition and third party.

The Presiding Officers (Speaker of the Assembly and President of the Council) and their deputies are elected by the other members of their House of Parliament. Presiding Officers preside over meetings of their House of Parliament and enforce

⁴⁷ Parliament of Victoria (n.d.a).

⁴⁸ PSAS Act, s. 3.

⁴⁹ Parliament of Victoria (2019b).

its rules. The Speaker and President have joint responsibility for the Department of Parliamentary Services (DPS) and are individually responsible for the administration of the Department of the Legislative Assembly and Department of the Legislative Council.⁵⁰

Presiding Officers are also responsible for employing, on behalf of the Crown, electorate officers who are nominated by individual MPs and support those MPs with their electorate duties.⁵¹ However, in July 2022, the Victorian Government committed to implementing a recommendation made by the Independent Broad-based Anti-corruption Commission (IBAC) and the Victorian Ombudsman to transfer responsibility for employing electorate office staff to the Secretary of DPS.⁵²

Whips are MPs who are chosen by their party to maintain party discipline and ensure members are ready to speak in debates and vote on matters in Parliament.⁵³

Committee Chairpersons are elected by the members of each parliamentary committee and preside over committee meetings. The Chairperson of a committee is responsible for preparing draft reports for consideration by the committee and presenting the committee's reports to the Parliament.⁵⁴

Since 2007, a higher additional salary has been provided to the Chairpersons of particular joint investigatory committees and an additional salary has been provided to their Deputy Chairpersons.⁵⁵ Currently these are the:

- PAEC
- Scrutiny of Acts and Regulations Committee
- Integrity and Oversight Committee.

This recognises that these committees are expected to have a greater workload than other joint investigatory committees.⁵⁶

Party Secretaries act as a link between MPs and their party's broader membership base, overseeing the flow of information between these groups. They also liaise with the Departments of the Legislative Assembly and Legislative Council on

⁵⁰ *Parliamentary Administration Act 2005* (Vic), Part 3.

⁵¹ *Parliamentary Administration Act 2005* (Vic), s. 30(1).

⁵² State Government of Victoria (2022).

⁵³ Parliament of Victoria (n.d.a).

⁵⁴ Legislative Assembly of Victoria (2021); Legislative Council of Victoria (2022).

⁵⁵ *Parliamentary Legislation Amendment Act 2007* (Vic).

⁵⁶ Victoria, *Parliamentary Debates*, Legislative Assembly, 15 February 2007, p. 395 (Steve Bracks, Premier).

matters such as the appointment of specified parliamentary office holders (e.g. Shadow Ministers or Parliamentary Secretaries).⁵⁷

2.3 Accountability and integrity

In performing their role, MPs are subject to a range of accountability and integrity mechanisms.

MPs are required to observe a Code of Conduct (MP Code of Conduct) when carrying out their public duties, which includes requirements to:⁵⁸

- make the performance of their public duties their prime responsibility
- exercise reasonable care and diligence in performing their public duties
- submit themselves to the lawful scrutiny appropriate to their office
- treat all persons with respect and have due regard for their opinions, beliefs, rights and responsibilities
- avoid an actual or perceived conflict of interest, including by accepting a gift or other benefit that would create an actual or perceived conflict of interest
- not receive a payment or reward for, or as a result of, their position
- not use their influence to improperly further their private interests or the private interests of particular persons
- respect the confidentiality of information they receive in the course of their public duties
- not take improper advantage of any office held as an MP after they cease to be an MP.

MPs are also required to submit returns to the Clerk of the Parliaments⁵⁹ which provide information about their assets, sources of income, any gifts received and other interests. The Clerk of the Parliaments maintains this information in a Register of Interests for MPs.⁶⁰

If an MP considers that there has been a contravention of the MP Code of Conduct or the Register of Interest requirements by another MP, they may refer the alleged contravention to the relevant Presiding Officer, who must determine whether to refer the allegation to their House's Privileges Committee. The

⁵⁷ Email correspondence to the Tribunal from DPS, August 2019.

⁵⁸ *Members of Parliament (Standards) Act 1978* (Vic), Part 3.

⁵⁹ Under s. 5 of the *Parliamentary Administration Act 2005* (Vic), the Governor in Council (on the recommendation of the Presiding Officers) may appoint the Clerk of either the Legislative Assembly or the Council as the Clerk of the Parliaments. At the time of this Determination, that office is held by the Clerk of the Legislative Assembly. Parliament of Victoria (n.d.c).

⁶⁰ *Members of Parliament (Standards) Act 1978* (Vic), Part 4.

Privileges Committee investigates allegations and, if it determines that a wilful contravention has occurred, the Committee reports the contravention to the House of Parliament which decides what action to take.⁶¹ Penalties that may be imposed by the House include:⁶²

- requiring the MP to apologise to the House
- a fine (not exceeding 100 penalty units)
- suspending the MP from the Parliament for a period of time or declaring their seat vacant.⁶³

The Victorian Government has also issued a *Code of Conduct for Ministers and Parliamentary Secretaries* (Ministerial Code of Conduct).⁶⁴ The code requires Ministers and Parliamentary Secretaries to carry out their roles fairly and with integrity, and to accept accountability for the exercise of the powers and functions of their office. The Ministerial Code of Conduct also explains that the resources, facilities and staff provided to support these offices should be used with proper regard to the principles of efficient and effective government administration and should not be wasted or used extravagantly. The Ministerial Code of Conduct addresses how Ministers and Parliamentary Secretaries are expected to carry out their work in the community, manage dealings with professional lobbyists and receive representations from other persons.

MPs are also subject to oversight by independent integrity agencies, including the Victorian Ombudsman and IBAC.

2.4 Changes since the 2019 Determination

The Tribunal invited stakeholders to comment on substantive changes that have occurred with respect to MPs, including how they carry out their role, since the 2019 Determination. Stakeholders commented on the increased:

- community expectations of MPs, linked to the use of multiple social media platforms by constituents and the impacts of the COVID-19 pandemic
- workloads of MPs due to population growth.

⁶¹ Parliament of Victoria (2019a).

⁶² *Members of Parliament (Standards) Act 1978* (Vic), s. 31(2).

⁶³ Requires a motion passed by three quarters of the whole number of MPs in the House. *Members of Parliament (Standards) Act 1978* (Vic), s. 31(3) and (4).

⁶⁴ State Government of Victoria (2018).

The Tribunal notes that the increased workload of Commonwealth MPs has recently been recognised by the Commonwealth Government, which announced as part of its 2023-24 budget that it will provide additional frontline electorate staff resources effective from 1 July 2023.⁶⁵

Increased community expectations

The Tribunal received several submissions indicating that the workload of MPs has changed in response to increased community expectations. This partly reflects the increased use of electronic communications, in particular social media platforms, by community members. For example, greater use of electronic communications by the community has required MPs and their staff to:

- maintain a profile on a variety of digital platforms, to keep abreast of public debate and allow constituents to contact them using their preferred method
- moderate public discussions on their social media pages or channels
- respond to a greater amount of correspondence, due to the greater ease with which MPs may be contacted
- respond to queries within short timeframes.

In presenting a contrary view, one submitter stated that they had:

*... not observed any positive difference in the role of an MP since the Tribunal's 2019 Determination.*⁶⁶

The impact of social media on the work of an MP was discussed in several submissions. For example, Samantha Ratnam MLC, on behalf of the Australian Greens Victoria, stated:

*Communications is becoming a more intense job in the digital age including needing to monitor and respond to several social media platforms, manage posts and responses, especially now we are often held accountable for ensuring comments on our social media by other people are not defamatory or abusive.*⁶⁷

⁶⁵ Department of Finance (Cth) (2023).

⁶⁶ Written submission, de-identified, p. 2.

⁶⁷ Samantha Ratnam MLC submission, p. 2.

The Hon. Peter Walsh MP submitted that MPs are experiencing a significant increase in communications from constituents via text message, email and social media platforms in addition to more traditional channels (e.g. phone calls).⁶⁸

Social media has also increased the public profile of MPs, including outside of their electorates, as discussions and statements on social media can be instantly disseminated and scrutinised.⁶⁹

The Victorian Parliamentary Former Members Association (VPFMA) submitted that the increase in community expectations and the public profile of MPs has led to a need for additional security measures for MPs.⁷⁰

Impacts of the COVID-19 pandemic

The Tribunal heard that the COVID-19 pandemic resulted in a substantial increase in the number of queries to MPs' electorate offices, which has only slightly abated since then.

The Hon. Peter Walsh MP also noted that MPs played an important role in helping their communities understand restrictions put in place to combat the pandemic, and in supporting affected individuals and businesses.

Further, constituents sought assistance from MPs that would ordinarily be provided by support or advisory services that were unavailable or difficult to access during the COVID-19 pandemic.

The remote and hybrid working arrangements which have continued post the COVID-19 pandemic have posed challenges for MPs, for example, by making it harder to establish effective working relationships with stakeholders to enable MPs to perform their public duties.⁷¹

Population growth

Reports published by the Electoral Boundaries Commission show that an average of 48,625 voters were enrolled in each electoral district in September 2020, compared to 41,473 enrolled voters in November 2013.⁷² This increase of approximately 17 per cent has had a consequential effect on the workload of

⁶⁸ The Hon. Peter Walsh MP oral submission, p. 2.

⁶⁹ Victorian Parliamentary Former Members Association Inc. oral submission, p. 2.

⁷⁰ Victorian Parliamentary Former Members Association Inc. oral submission, p. 2.

⁷¹ The Hon. Peter Walsh MP oral submission, p. 3.

⁷² Electoral Boundaries Commission (2013); Electoral Boundaries Commission (2021).

MPs. For some MPs, where the population in their electorates has grown faster than the state-wide average, the effect on their workload has been even more significant.

While regular electorate boundary redistributions seek to offset different rates of population growth to ensure approximate equivalence between voters in each electorate, these only occur on an eight-year cycle.⁷³ Population growth in an electorate can change substantially within this time period.

For example, the latest data published by the Australian Bureau of Statistics (ABS) shows that the population in the Bass District increased by almost 20 per cent or 19,146 residents between 30 June 2019 and 30 June 2021.⁷⁴ As a result, prior to the 2022 electorate boundary redistribution, the Bass District had almost 41 per cent more voters (68,545) than the district average (48,625).⁷⁵

In addition to population growth, new constituents may be added to an MP's electorate following a redistribution of electoral boundaries. The Tribunal was informed that this can create challenges and periods of increased workload for MPs, as they are required to communicate with new constituents to introduce themselves, the work they undertake and the matters with which they can assist. Following a redistribution, there may also be changes in the demographic and geographic characteristics of an MP's electorate that affect how they are expected to best communicate with constituents.

2.5 Summary

The Tribunal has examined the various roles and responsibilities of an MP. Community expectations of MPs have changed since the 2019 Determination, partly due to the increased use of electronic communication such as social media. As a result, the workload of MPs has risen. Many of the changes to the work of MPs from the COVID-19 pandemic remain, including those associated with remote and hybrid working arrangements.

⁷³ The Electoral Boundaries Commission is required to periodically conduct redivisions of Victoria's electoral boundaries. Redivisions must occur at least every eight years, although they may occur more frequently. *Electoral Boundaries Commission Act 1982* (Vic).

⁷⁴ ABS (2022d).

⁷⁵ Electoral Boundaries Commission (2021).

3 Existing arrangements



In making this Determination the Tribunal has comprehensively reviewed the existing salaries, additional salaries, work-related parliamentary allowances and other funding and superannuation and pension arrangements provided to MPs.

This chapter provides an overview of the salaries, allowances and other funding and superannuation and pension arrangements provided to MPs prior to the making of this Determination.

3.1 Current values of salaries and allowances

Salaries

All MPs are provided with a basic salary of \$192,115 per annum as recompense for fulfilling their responsibilities and performing their duties.⁷⁶

As discussed in the previous chapter, in addition to the roles and duties performed by an MP, many members of the Victorian Parliament assume additional responsibilities by holding a specified parliamentary office or offices.

Such office holders are provided with an additional salary, the value of which varies depending on the office held.

An MP who concurrently holds more than one specified parliamentary office is entitled to receive only one additional salary, being the highest additional salary to which the MP is entitled.⁷⁷

Table 3.1 sets out the office holders and the current values of their additional salaries.

⁷⁶ Victorian Independent Remuneration Tribunal (2022b), p.4.

⁷⁷ PSAS Act, s. 6(3).

Table 3.1: Value of additional salaries, as of 1 July 2022

Specified parliamentary office holder	Value (\$ p.a.)
Premier	214,368
Deputy Premier	181,299
Any other Minister; Leader of the Opposition	161,480
President; Speaker	141,053
Deputy Leader of the Opposition in the Assembly; Leader of the Opposition in the Council; Leader of the Third Party; Cabinet Secretary	77,250
Deputy President; Deputy Speaker; Parliamentary Secretary to the Premier	54,197
A Parliamentary Secretary (other than the Parliamentary Secretary to the Premier)	44,591
Chairperson of the Public Accounts and Estimates Committee	38,423
Government Whip in the Assembly; Deputy Leader of the Opposition in the Council; Deputy Leader of the Third Party	34,580
Government Whip in the Council; Opposition Whip in the Assembly; Opposition Whip in the Council; Whip of the Third Party in the Assembly; Whip of the Third Party in the Council	21,132
Deputy Government Whip in the Assembly; Chairperson of a standing committee appointed under standing order of the Assembly or the Council; Chairperson of a Joint Investigatory Committee within the meaning of the <i>Parliamentary Committees Act 2003</i> (Vic) which is not otherwise provided for in this table	19,211
Shadow Minister	16,787
Chairperson of joint select committee when resolution establishing committee so provides that chairperson is entitled	9,606
Secretary of the Party forming the Government; Secretary of the Opposition Party; Secretary of the Third Party; Deputy Chairperson of the Public Accounts and Estimates Committee; Deputy Chairperson of the Scrutiny of Acts and Regulations Committee; Deputy Chairperson of the Integrity and Oversight Committee	7,685

Source: Victorian Independent Remuneration Tribunal (2022b), pp. 11-12.

Allowances and the EO&C Budget

MPs are eligible to receive a range of work-related parliamentary allowances and an EO&C Budget to support them in the exercise of their public duties, defined as including:⁷⁸

- committee business
- electorate business
- Ministerial business
- parliamentary business.

⁷⁸ *Members of Parliament (Standards) Act 1978* (Vic), s. 2; PSAS Act, s. 4A.

Some of these allowances (travel allowance, commercial transport allowance and international travel allowance) and expenditure from the EO&C Budget are claimed on a reimbursement basis up to a maximum amount. The expense allowance, electorate allowance, motor vehicle allowance and PASA are paid to eligible MPs as fixed amounts, regardless of the actual expenditure incurred.

Criteria set by the Tribunal for the use of particular allowances and the EO&C Budget are summarised in Chapter 4.

The PSAS Act includes a Statement of Principles governing the use of public resources by MPs, including their work-related parliamentary allowances and EO&C Budget (Box 3.1).

Box 3.1: PSAS Act — Statement of Principles

Fair and reasonable recompense for public duties

- A Member should receive fair and reasonable recompense for performing their public duties.
- Public resources are provided to a Member to support them in performing their public duties.

Good faith and integrity

- A Member must act ethically, reasonably and in good faith when using, and accounting for the use of, public resources in relation to the performance of their public duties.

Personal responsibility and accountability

- A Member must be responsible and accountable for their use of public resources.
- A Member must be prepared for their claims to be made publicly available.
- A Member must be able to publicly justify their use of public resources.

Source: PSAS Act, Part 2, Div. 1.

Expense allowance

Certain office holders receive an expense allowance in addition to their additional salary to cover expenses particular to that office.⁷⁹

Table 3.2 sets out the current expense allowance values for eligible office holders.

⁷⁹ Victorian Independent Remuneration Tribunal (2019a), p. 70.

Table 3.2: Value of the expense allowance, as of 1 July 2022

Specified parliamentary office holder	Value (\$ p.a.)
Premier	58,435
Deputy Premier	22,343
Any other Minister; Leader of the Opposition	17,187
Shadow Minister	12,031
President; Speaker	6,875
Deputy President; Deputy Speaker; Deputy Leader of the Opposition in the Assembly; Leader of the Opposition in the Council; Leader of the Third Party; Cabinet Secretary; Parliamentary Secretary	3,438

Source: Victorian Independent Remuneration Tribunal (2022b), pp. 11-12.

The expense allowance is paid fortnightly, treated as income by the ATO and is subject to the Pay As You Go withholding (PAYG-W) system.

Under current parliamentary practice,⁸⁰ only one expense allowance is paid to an MP. If an MP holds multiple specified parliamentary offices, they receive the highest expense allowance associated with the offices that they hold, consistent with the principle in section 6(3) of the PSAS Act for additional salaries.

Electorate allowance

All MPs are paid an electorate allowance, which covers the costs associated with providing services to constituents.⁸¹ The value of the allowance varies depending on the geographical size of an MP's electorate. Table 3.3 sets out the current values.

Table 3.3: Value of the electorate allowance, as of 1 July 2022

Size of electorate (km ²)	Value (\$ p.a.)
< 500	42,155
500 – 4,999	45,771
≥ 5,000	50,499

Source: Victorian Independent Remuneration Tribunal (2022b), p. 6.

The electorate allowance is paid fortnightly. While tax is not withheld from the allowance through the PAYG-W system, MPs must account for the use of the allowance in their personal income tax returns and pay tax on any amount not spent on a deductible expense. The ATO's *Taxation Ruling 1999/10* applies to the deductibility of expenses commonly claimed by MPs.

⁸⁰ Parliament of Victoria – Clerk of the Legislative Assembly and Clerk of the Legislative Council submission, p. 1.

⁸¹ VIRTIPS Act, s. 17(3)(e).

Parliamentary accommodation sitting allowance

The PASA is available to certain MPs in regional electorates who choose to maintain a second residence in metropolitan Melbourne to help them carry out their public duties while in Melbourne.⁸²

The value of this allowance varies depending on the specified parliamentary office held by an MP (if any). Table 3.4 sets out the current value of this allowance.

Table 3.4: Value of the PASA, as of 1 July 2022

Parliamentary office held by MP (if any)	Value of the PASA (if eligible) (\$ p.a.)
Premier	53,217
Deputy Premier	46,565
Minister; Presiding Officer or Deputy Presiding Officer; Cabinet Secretary; Leader or Deputy Leader of the Opposition or of the Third Party; Leader or Deputy Leader of the Opposition in the Legislative Council	39,910
Other MP	26,609

Source: Victorian Independent Remuneration Tribunal (2022b), pp. 6-7.

MPs who claim the PASA are prohibited from claiming the travel allowance for stays within the 'metropolitan area'.⁸³

The PASA is available to 42 MPs representing regional electorates, provided they satisfied the applicable eligibility criteria.⁸⁴ As at May 2023, 23 MPs claimed the PASA, representing approximately 55 per cent of MPs representing regional electorates. In comparison, 30 MPs claimed the PASA in May 2022, representing approximately 70 per cent of MPs representing regional electorates.⁸⁵

Travel allowance

The travel allowance is available to all MPs to cover the commercial costs of accommodation, meals and incidentals on occasions when they are required to stay overnight within Australia and away from their primary residence to perform their public duties.⁸⁶ The allowance is provided on a reimbursement basis — MPs

⁸² Victorian Independent Remuneration Tribunal (2022c), p. 23.

⁸³ Victorian Independent Remuneration Tribunal (2022c), p. 25.

⁸⁴ The PASA was available to MPs representing electorates listed in Schedule 1 of the *Members of Parliament Victoria Guidelines No. 01/2022*, provided other eligibility criteria were satisfied.

⁸⁵ Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

⁸⁶ Victorian Independent Remuneration Tribunal (2022c), p. 24.

who meet the travel allowance eligibility criteria may claim up to the travel allowance rate for each overnight stay.

The travel allowance rate is equal to the rate set by the Commonwealth Remuneration Tribunal for Members of the Parliament of Australia. This rate varies depending on the location of the stay. These rates were last adjusted in August 2022.⁸⁷

Table 3.5 sets out the travel allowance rate that currently applies for stays in Victoria by MPs. A higher travel allowance rate applies to the Premier, Deputy Premier, Ministers, Presiding Officers and Leader of the Opposition. These office holders may claim up to \$464 per overnight stay in Melbourne, and up to \$394 for stays in other Victorian localities.⁸⁸

Table 3.5: Standard travel allowance rate, as of June 2023

Location of overnight stay	Travel allowance rate (\$ per night)
Ararat; Bairnsdale; Echuca; Hamilton; Mildura; Portland; Sale; Seymour; Warrnambool; Wodonga	311
Ballarat	333
Benalla	317
Bendigo	314
Bright	341
Castlemaine	320
Colac	312
Geelong	323
Horsham; Swan Hill	328
Melbourne	402
Shepparton	324
Wangaratta	332
Wonthaggi	334
Other locations	296

Note: Allowance can be claimed on a reimbursement basis only.

Source: Remuneration Tribunal (Cth) (2023a), pp. 11-14.

Between 1 July 2022 and 10 May 2023, 57 individual MPs claimed an average of \$4,093 in travel allowance. In 2021-22, 42 individual MPs claimed an average of \$5,554 in travel allowance.⁸⁹

⁸⁷ Remuneration Tribunal (Cth) (2022b), p. 1.

⁸⁸ Remuneration Tribunal (Cth) (2023a), pp. 11-14.

⁸⁹ Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

Motor vehicle allowance

The PSAS Act entitles MPs to request that a motor vehicle be provided for their use while they serve as an MP.⁹⁰

Since 2013, MPs who choose not to request a motor vehicle instead receive a motor vehicle allowance to cover transportation costs associated with carrying out their public duties.⁹¹ For example, an MP may use the allowance to cover the cost of travel by taxi or similar services. The value of the motor vehicle allowance provided to an MP varies depending on the geographical size of their electorate (Table 3.6).

Table 3.6: Value of the motor vehicle allowance, as of 1 July 2022

Size of electorate (km ²)	Value (\$ p.a.)
< 5,000	22,353
≥ 5,000	33,680

Source: Victorian Independent Remuneration Tribunal (2022b), p. 7.

As at May 2023, 34 MPs (27 per cent of all MPs) claimed the motor vehicle allowance, of which:

- 28 MPs representing electorates less than 5,000km² in size claimed the allowance (28 per cent of MPs in this category)
- 6 MPs representing an electorate 5,000km² or more in size claimed it (22 per cent of MPs in this category).⁹²

Commercial transport allowance

The commercial transport allowance covers the cost of transport undertaken by an MP within Australia to perform their public duties.⁹³ This allowance is available to all MPs on a reimbursement basis.

The maximum annual amount that an MP can claim depends on the geographical size of their electorate (Table 3.7).

⁹⁰ PSAS Act, s. 6(6).

⁹¹ Victorian Independent Remuneration Tribunal (2019a), p. 138; PSAS Act, s. 6(1)(c).

⁹² Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

⁹³ Victorian Independent Remuneration Tribunal (2022c), p. 26.

Table 3.7: Maximum value of the commercial transport allowance, as of 1 July 2022

Size of electorate (km ²)	Value (\$ p.a.)
< 10,000	5,000
10,000 – 19,999	10,971
≥ 20,000	17,226

Note: Allowance can be claimed on a reimbursement basis only.

Source: Victorian Independent Remuneration Tribunal (2022b), p. 7.

Between 1 July 2022 and 10 May 2023, 12 individual MPs claimed an average of \$912 in commercial transport allowance. In 2021-22, eight individual MPs claimed an average of \$723 in commercial transport allowance.⁹⁴

International travel allowance

The international travel allowance covers the cost of international travel undertaken by an MP to perform their public duties and is available to all MPs on a reimbursement basis.

The maximum amount that each MP may claim is currently \$10,080 per annum.⁹⁵

Between 1 July 2022 and 10 May 2023, 16 individual MPs claimed the international travel allowance, with an average claim of \$5,170. In 2021-22, six individual MPs claimed the international travel allowance, with an average claim of \$7,087.⁹⁶

Electorate Office and Communications Budget

The EO&C Budget covers the cost of:⁹⁷

- operating and maintaining an MP's electorate office
- an MP communicating with their electorate in relation to the performance of their public duties.

The EO&C Budget is provided to all MPs on a reimbursement basis.

The value of the EO&C Budget is based on the total number of voters enrolled in Victoria and, for members of the Legislative Assembly, the total number in the electoral district they represent.⁹⁸

⁹⁴ Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

⁹⁵ Victorian Independent Remuneration Tribunal (2022b), p. 8.

⁹⁶ Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

⁹⁷ PSAS Act, s. 7F(2).

⁹⁸ Victorian Independent Remuneration Tribunal (2022b), p. 8.

Box 3.2 sets out the current formulas used to determine the value of an MP's EO&C Budget allocation in a non-election year. Special rules apply for calculating the value of the EO&C Budget for a financial year in which a general election is held, or where an MP enters the Parliament other than as a result of a general election (e.g. a by-election).⁹⁹

Box 3.2: Formulas for determining EO&C Budget in a non-election year

Member of the Legislative Assembly:

$$\text{EO\&C Budget} = \left(\frac{N_V}{88} \times \$0.92 \times I \right) + (N_{ED} \times \$1.22 \times I)$$

Member of the Legislative Council:

$$\text{EO\&C Budget} = \frac{N_V}{88} \times \$2.14 \times I$$

where:

N_V : total number of voters enrolled in Victoria^(a)

N_{ED} : total number of voters enrolled in the electoral district that the MP represents^(a)

I : indexation factor^(b)

Notes: (a) As published by the VEC as at the last day of February in the previous financial year. (b) Equal to 1.008 for the 2021-22 financial year and 1.044 for the 2022-23 financial year.

Source: Victorian Independent Remuneration Tribunal (2022b), p. 8.

For the 2021-22 financial year, each member of the Legislative Assembly had a total EO&C Budget allocation of between \$93,458 and \$130,759 (average of \$105,373), while each member of the Legislative Council had a total allocation of \$105,373.¹⁰⁰

In 2021-22:

- Members of the Legislative Assembly spent on average approximately 97 per cent of their budget allocation for the financial year, with 43 MPs (approximately half) exceeding their allocation
- Members of the Legislative Council spent on average approximately 79 per cent of their budget allocation for the financial year, with 11 MPs (approximately a quarter) exceeding their allocation.¹⁰¹

⁹⁹ Victorian Independent Remuneration Tribunal (2022b), pp. 9-10.

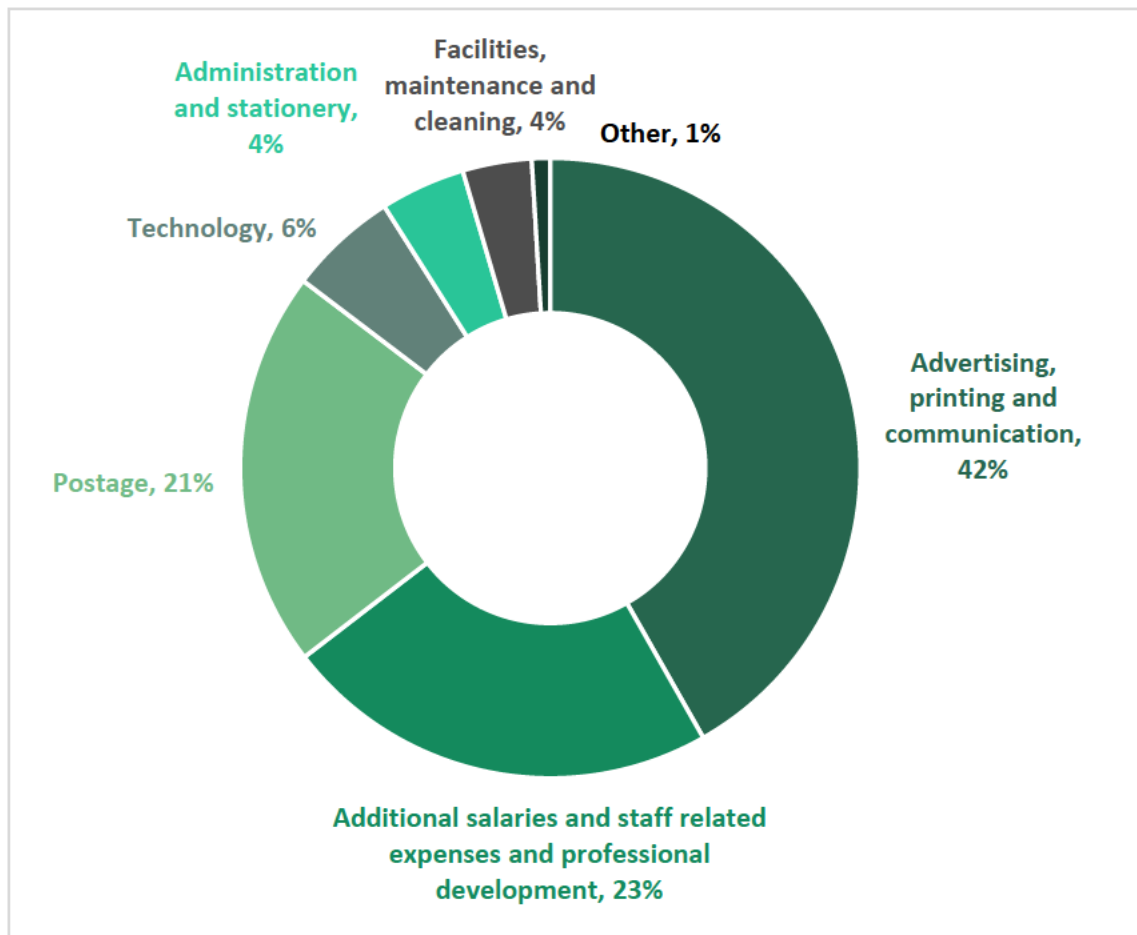
¹⁰⁰ Tribunal calculations using VEC enrolment data as at the end of February 2021.

¹⁰¹ An MP may have more EO&C Budget funds available to spend in a financial year than their allocation for that financial year if they carried over funds from the previous financial year.

The Tribunal’s analysis of average expenses claimed by MPs from the EO&C Budget in 2021-22 (Figure 3.1) found that approximately:

- 63 per cent of expenditure was used to meet the cost of advertising, printing, communication and postage expenses
- 23 per cent of expenditure was used to meet the cost of employing additional electorate officers, staff-related matters and professional development
- 14 per cent of expenditure was spent on the electorate office, including the cost of facilities, maintenance, cleaning, administration, stationery and technology.

Figure 3.1: Average proportion of EO&C Budget expenditure by category, 2021-22



Source: Tribunal analysis using data provided by DPS in 2023. For analysis purposes, date of claim was based on date that claim was paid.

3.2 Superannuation

Superannuation entitlements for MPs vary depending on the scheme that applies to each individual. The majority of sitting MPs are members of an accumulation scheme.

MPs in the accumulation scheme are paid superannuation contributions by the State of Victoria into an accumulation fund of their choice. Contributions that MPs are entitled to are calculated in accordance with the formula set out in Box 3.3.

Box 3.3: Superannuation contributions for MPs in the accumulation scheme

Superannuation contributions paid by the State to the MP's fund
= $MP\ salary \times (SG\ rate + 6\%)$

where:

MP salary: the sum of the MP's basic salary and their additional salary, if any

SG rate: is the Superannuation Guarantee rate set under Commonwealth law, and which is currently equal to 10.5 per cent (11 per cent from 1 July 2023).

Source: PSAS Act, s. 31.

Some sitting MPs are members of a defined benefit scheme, known as the 'New Benefits Scheme'. This scheme was closed to new members on 10 November 2004.

Further information on the superannuation arrangements of MPs is provided in the Tribunal's *2020 Review and report on the superannuation arrangements for Members of the Parliament of Victoria*.¹⁰²

3.3 Other entitlements

Other benefits, entitlements or types of support received by MPs include:

- offices and electorate office staff
- free public transport in Victoria for all MPs, and air travel to and from the Parliament for some regional MPs
- public funding, administrative expenditure funding and policy development funding administered by the VEC
- support when leaving the Parliament, including a separation payment.

¹⁰² Victorian Independent Remuneration Tribunal (2020b).

Offices and electorate office staff

All MPs are provided with an electorate office in their region or district. The Parliament of Victoria pays for renting the office, and all rates, taxes and establishment costs. A standard set of furniture and office equipment is included.

In 2021 the Tribunal clarified that it is intended that the maintenance of any standard electorate office equipment will be paid for by the Parliament, rather than out of the EO&C Budget. The EO&C Budget is only used for the maintenance of additional equipment not included in the standard office fit out.¹⁰³

Each MP is entitled to 2.5 FTE electorate office staff positions. Electorate officers are nominated by the MP and are employed by the Parliament on the MP's behalf. The Guidelines state that an MP may use their EO&C Budget to employ additional electorate officers.

Each MP is also provided with an office in Parliament House.

Transport within Victoria

Public Transport Victoria provides all MPs with free public transport in Victoria.

For a small number of MPs who reside further than 240km from Melbourne, the Victorian Department of Premier and Cabinet (DPC) provides the following free air travel between the MP's nearest home airport and Melbourne:

- one return journey per week, when Parliament is in session
- one return journey per week to attend parliamentary committee meetings, when Parliament is in recess
- two return journeys per month to attend official parliamentary business, when Parliament is in recess.

During the term of the 59th Parliament of Victoria, this air travel entitlement was used by one MP. The total cost of flights paid over that four-year period was approximately \$28,000.¹⁰⁴

Funding administered by the Victorian Electoral Commission

The VEC administers three forms of funding provided to MPs, political parties or candidates, depending on their circumstances:

¹⁰³ Victorian Independent Remuneration Tribunal (2021b), p. 6.

¹⁰⁴ Email correspondence to the Tribunal from DPC, January 2023.

- public funding
- administrative expenditure funding
- policy development funding.

Public funding is provided to eligible political parties and independent candidates, to cover some of the costs of running a State election campaign. That funding is provided for candidates who are elected to the Parliament or who receive at least four per cent of the primary vote at an election.¹⁰⁵ Generally, the public funding provided to political parties and candidates is proportionate to the number of primary votes received. Any public funding that is not spent on political or electoral expenditure must be returned or is withheld from future payments.

Administrative expenditure funding is provided to political parties that have elected MPs and is available to cover the cost of the party's administrative expenses. The amount of funding provided is proportionate to the number of elected MPs that the party has (although only the first 45 MPs are counted). If a political party's actual administrative expenditure is lower than the funding it received, the VEC may request the remainder is repaid or withhold the overpaid amount from future payments.¹⁰⁶

Policy development funding is provided to political parties that did not claim public funding and were not eligible for administrative expenditure funding. It is provided to cover the cost of state policy development, and the amount provided is equal to the political party's actual expenditure, up to a cap. A political party must be registered for an entire calendar year to be eligible to receive this funding.¹⁰⁷

Support with leaving the Parliament

MPs are provided with several forms of support to assist them when they leave the Parliament.

An MP (or their beneficiary) may be eligible to receive a payment when they end their parliamentary service, known as the separation payment. It is provided to an MP (or their beneficiary) when an MP:¹⁰⁸

- dies while in office

¹⁰⁵ Victorian Electoral Commission (n.d.c).

¹⁰⁶ Victorian Electoral Commission (n.d.a).

¹⁰⁷ Victorian Electoral Commission (n.d.b).

¹⁰⁸ PSAS Act, s.7E.

- does not seek re-election, or
- otherwise ceases to be an MP, provided the MP does not lose the seat as a result of corrupt conduct or as the result of a ‘significant and wilful breach’ of the MP Code of Conduct.

An MP is not eligible for the separation payment if they are a member of a defined benefit superannuation scheme.

Eligible MPs receive the separation payment as a lump sum, which varies according to the time served in the Parliament:¹⁰⁹

- three months basic salary, if they served one term or less
- six months basic salary, if they served at least two terms
- a pro-rata sum between three and six months basic salary, if they served between one and two terms.

The Tribunal does not have the power to make changes to the structure of the separation payment as that is set in section 7E of the PSAS Act.

A small number of training programs are also offered to sitting and former MPs by the Parliament of Victoria, including the company directors course offered by the Australian Institute of Company Directors. Sitting MPs and former MPs may also access the Employee Assistance Program, which provides mental health support.¹¹⁰

3.4 Summary

There are several salaries and work-related parliamentary allowances that are common to all MPs in Victoria. These are the basic salary, an electorate allowance and provision of an EO&C Budget. All MPs also have the option of receiving a motor vehicle allowance in lieu of a motor vehicle.

An additional salary is paid to MPs who hold a specified parliamentary office. Some specified parliamentary office holders are also paid an expense allowance. A range of other travel and work-related parliamentary allowances may also be claimed by eligible MPs. The Tribunal has also set out other MP entitlements that are not within its power to set in a Determination, including superannuation and the separation payment.

¹⁰⁹ PSAS Act, s. 7E (3).

¹¹⁰ Nethery et al (2021), p. 33.

4 MP Guidelines



The Tribunal's Guidelines set rules and eligibility criteria for the use of the EO&C Budget and, as permitted by legislation, the following allowances provided to MPs:¹¹¹

- PASA
- travel allowance
- commercial transport allowance
- international travel allowance.

This chapter summarises the rules and criteria set in the Guidelines that were in effect prior to the making of this Determination, the *Members of Parliament (Victoria) Guidelines No. 01/2022*.

4.1 Parliamentary accommodation sitting allowance

To be eligible for the PASA an MP must:¹¹²

- maintain a dwelling¹¹³ (i.e. their second, parliamentary residence) that is located within 28km of the intersection of Elizabeth Street and Bourke Street — in the Guidelines, that intersection is referred to as the 'Melbourne centre', and the area within a 28km radius of the 'Melbourne centre' is referred to as the 'metropolitan area'
- have a primary residence that is located outside a radius of 80km from the 'Melbourne centre' (or satisfy the Clerk of their Chamber of Parliament that the shortest practicable route by road from their primary residence to the 'Melbourne centre' exceeds 80km)
- represent an electorate listed in Schedule 1 of the Guidelines.

¹¹¹ The Tribunal is not permitted to make guidelines for or with respect to the use of electorate allowances, expense allowances and the motor vehicle allowance, including terms or conditions relating to the use of these allowances. VIRTIPS Act, s. 36(2).

¹¹² Victorian Independent Remuneration Tribunal (2022c), p. 23.

¹¹³ To claim the PASA, an MP must wholly maintain the dwelling for a period not less than the aggregate number of sitting days of their House of Parliament in a calendar year.

4.2 Travel allowance

The Guidelines state that MPs may claim the travel allowance for travel costs actually incurred to perform their public duties within Australia. Claimable travel costs include the cost of staying in commercial accommodation (hotels, motels, clubs, serviced properties or any other commercial property offering accommodation services to the public), as well as meals and incidental expenses.¹¹⁴

Generally, MPs may only claim the travel allowance if the location of the overnight stay is a certain distance from their primary residence (at least 28km or 80km, depending on the reason for the MP's travel). However, the Guidelines also permit MPs to stay overnight in the metropolitan area where there is a break of less than 10 hours between parliamentary sittings.¹¹⁵

4.3 Commercial transport allowance

The Guidelines state that MPs may claim the commercial transport allowance for transport costs actually incurred to perform their public duties within Australia.¹¹⁶ Claimable transport costs include:¹¹⁷

- costs required for a person to travel by commercial transport — defined as ‘transit with an operator that, for remuneration, provides scheduled or non-scheduled transport services to the public for the carriage of passengers’
- parking fees at a Victorian airport.

The Guidelines prohibit MPs from claiming the commercial transport allowance for transport services provided by family members, public sector employees, electorate officers, ministerial officers or parliamentary advisers.¹¹⁸

Subject to limited exceptions, this allowance cannot be used for travel by motor vehicle in Victoria. MPs are expected to use their motor vehicle, motor vehicle allowance or access to free public transport to meet their transport costs in Victoria. The Guidelines do, however, enable certain MPs, depending on the

¹¹⁴ Victorian Independent Remuneration Tribunal (2022c), pp. 4-5.

¹¹⁵ Victorian Independent Remuneration Tribunal (2022c), pp. 24-25.

¹¹⁶ Victorian Independent Remuneration Tribunal (2022c), p. 26.

¹¹⁷ Victorian Independent Remuneration Tribunal (2022c), pp. 4-5.

¹¹⁸ Victorian Independent Remuneration Tribunal (2022c), p. 4.

location of their primary residence, to claim the commercial transport allowance for travel to the Parliament of Victoria.¹¹⁹

4.4 International travel allowance

The Guidelines state that an MP may claim this allowance for the cost of transport, accommodation, meals and incidentals incurred when they are required to travel outside of Australia to perform their public duties.¹²⁰ Rules are specified about what types of accommodation expenses may be claimed (Box 4.1).¹²¹

Box 4.1: Guidelines — accommodation expenses that may be claimed

Time

- days on which business is conducted and when single night accommodation is necessary due to flight connections
- one day prior to the business day
- one day after the business day in those instances where departure on the last business day is not practical
- for days when travel occurs between places of business
- weekends where business occurs on the Friday and Monday either side of that weekend

Location

- for the city or town where business is conducted, or for other locations when single night accommodation is necessary due to flight connections

Price

- accommodation expenses claimed must not exceed the prices for a four star hotel as prescribed by the ECA International Accommodation Report for the relevant city

Source: Victorian Independent Remuneration Tribunal (2022c), pp. 27-28.

4.5 Electorate Office and Communications Budget

Consistent with the requirements of the PSAS Act, the Guidelines set out the operating and maintenance costs that can be claimed against the EO&C Budget on a reimbursement basis. They also set the requirements for:¹²²

- authorship of communication materials
- joint communication by MPs
- distribution of communications materials within and outside of an electorate

¹¹⁹ Victorian Independent Remuneration Tribunal (2022c), p. 26.

¹²⁰ Victorian Independent Remuneration Tribunal (2022c), p. 27.

¹²¹ Victorian Independent Remuneration Tribunal (2022c), p. 27.

¹²² Victorian Independent Remuneration Tribunal (2022c), pp. 11-21.

- use of the electorate office to support community groups
- the types of costs that may be automatically deducted from the EO&C Budget by DPS.

The Guidelines prohibit MPs from using the EO&C Budget to fund party political activity. MPs are also prohibited from using the EO&C Budget for the dominant purpose of providing a personal benefit to, or pursuing a commercial purpose of, the MP or any other person or body.¹²³

An MP may carry over up to 50 per cent of their EO&C Budget allocation for a financial year (excluding any carry over from the previous financial year) to the next year, subject to the availability of funds and the approval of the Treasurer.¹²⁴

¹²³ Victorian Independent Remuneration Tribunal (2022c), pp. 12-14.

¹²⁴ Victorian Independent Remuneration Tribunal (2022c), p. 12.

5 Other guidelines and rulings



In making this Determination, the VIRTIPS Act (s. 17(3)(c)) requires the Tribunal to consider existing guidelines and rulings governing the use of allowances and the EO&C Budget, including any relevant rulings by the ATO.

The Compliance Officer is responsible for hearing and determining appeals on:¹²⁵

- an MP's claim from the EO&C Budget, PASA, travel allowance, commercial transport allowance or international travel allowance, following the claim being rejected by the 'relevant Officer'
- a former MP's eligibility for the separation payment.

Since the Tribunal made the 2019 Determination and the 2019 MP Guidelines, the Compliance Officer has heard three appeals about claims by MPs from the EO&C Budget. The Compliance Officer has published a ruling, and their reasons for decision, for each appeal.¹²⁶

The Tribunal also identified and considered three ATO rulings relevant to MP salaries and allowances.

5.1 Compliance Officer appeals

Under the monitoring, compliance and enforcement scheme for MP work-related parliamentary allowances, claims made by MPs are initially assessed by the relevant Officer.¹²⁷ The relevant Officer is responsible for determining whether the claim is consistent with applicable rules, including those set in the MP Guidelines.

If an MP disagrees with the relevant Officer's determination of their claim, they may appeal to the Compliance Officer.

¹²⁵ VIRTIPS Act, s. 28.

¹²⁶ Compliance Officer (2022).

¹²⁷ The 'relevant Officer' is the Secretary of DPS in relation to the EO&C Budget, and the Clerk of the relevant House of the Parliament in relation to work-related parliamentary allowances. PSAS Act, s. 3 and Part 3, Division 4.

The three appeals heard by the Compliance Officer are as follows:

Appeal 2020/01

The appeal concerned a claim under the EO&C Budget that was rejected for improper use of a political party name and official parliamentary office title in communication materials. The Compliance Officer dismissed the appeal from the MP.

Appeal 2021/01

Appeal 2021/01 concerned a claim under the EO&C Budget for a marquee, calico bags, smart wallets and t-shirts.

The claims were rejected by the Secretary of DPS on the basis that a logo and wording proposed to be included on the items did not comply with the prohibitions 'on party political activity'. The appeal was upheld by the Compliance Officer with respect to the marquee, calico bags and smart wallets. The appeal was rejected by the Compliance Officer with respect to the t-shirts, as the claim did not comply with the relevant authorship requirements.

Appeal 2022/01

This appeal concerned a claim under the EO&C Budget for a mobile phone car mount, which was rejected by the Secretary of DPS on the basis that this was not a claimable item. The Compliance Officer upheld the appeal, finding that it was reasonable that the purchase of a mobile phone car mount is within the scope of the relevant provisions.

5.2 ATO rulings

The Tribunal has identified three ATO rulings relevant to MP salaries and allowances:

- Taxation Ruling 1992/15 Income tax and fringe benefits tax: the difference between an allowance and a reimbursement¹²⁸
- Taxation Ruling 1999/10 Income tax and fringe benefits tax: Members of Parliament – allowances, reimbursements, donations and gifts, benefits, deductions and recoupments¹²⁹

¹²⁸ ATO (1992).

¹²⁹ ATO (1999).

- Taxation Determination 2022/10 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022–23 income year?¹³⁰

Taxation Ruling 1992/15

This ruling explains the difference between an allowance and a reimbursement, particularly for income tax and fringe benefits tax purposes:

- a payment is generally treated as an allowance when a person is paid a definite pre-determined amount to cover an estimated expense, and the amount is paid regardless of whether the recipient incurs the expected expense
- a payment is generally treated as a reimbursement when the recipient is compensated exactly (meaning precisely, as opposed to approximately) for an expense already incurred, although not necessarily disbursed — the compensation provided may cover the whole of expense or part of it.

The Tribunal notes that some components of the remuneration framework are defined and prescribed in the VIRTIPS Act (and regulations) as ‘allowances’ yet have the characteristics of reimbursement payments. This applies to the travel allowance, international travel allowance and commercial transport allowance. The EO&C Budget also operates on a reimbursement basis.

Taxation Ruling 1999/10

This ruling is about the tax treatment of allowances, reimbursements, donations and gifts provided to MPs, including:

- deductibility of losses or outgoings commonly claimed by MPs
- recoupment of deductible expenses.

The ruling explains how general income and fringe benefits tax requirements apply to the circumstances of MPs. For example, MPs may deduct expenditure such as stationery and computers and software used for work-related purposes.

Taxation Determination 2022/10

This ruling provides travel and overtime meal allowance expense amounts that are considered reasonable for the 2022-23 income year for claim substantiation purposes. These amounts differ according to the location of the stay (where accommodation is claimed) and the annual salary of the individual.

¹³⁰ ATO (2022).

6 Jurisdictional comparisons



The VIRTIPS Act (s. 17(3)(b)) requires the Tribunal to take into account the roles and responsibilities of, and the salary and allowances for, Members of the Parliaments of the Commonwealth and other States and the Territories when making this Determination.

In doing so, it needs to be borne in mind that there are a number of differences between parliaments and approaches to setting remuneration across jurisdictions, including those in respect of:

- parliamentary powers or responsibilities — for example, the work of the Commonwealth Parliament includes national matters, such as foreign affairs and trade, defence and migration, while Australian Capital Territory MPs directly work on municipal matters that are the responsibility of local governments in other jurisdictions
- parliamentary structures — in particular, the Parliaments of Queensland, the Australian Capital Territory and the Northern Territory are unicameral, while other Australian parliaments have a bicameral structure
- remuneration structures — for example, the higher basic salary provided in South Australia, compared to other states and territories, compensates Members of the South Australian Parliament for the removal of allowances and benefits they previously received.¹³¹

The time at which each jurisdiction reviews and adjusts the values of MP salaries and allowances varies. Differences in values between jurisdictions will vary over time, depending on when each jurisdiction made its last adjustment and the effective date of changes made. However, the New South Wales Government has announced that it will legislate to freeze MP remuneration until at least 1 July

¹³¹ Remuneration Tribunal of South Australia (2022d), p. 2.

2025,¹³² while the Commonwealth Remuneration Tribunal has deferred any adjustment in remuneration for MPs.¹³³

6.1 Basic salary

Each Australian jurisdiction provides the Members of its Parliament with a basic, or base, salary.

Table 6.1 shows that Victoria’s basic salary is third highest, behind the Commonwealth and South Australia.

Table 6.1: Basic salary, jurisdiction comparison, June 2023

Jurisdiction	Value (\$ p.a.)
Commonwealth	217,060
South Australia	208,089
Victoria	192,115
Australian Capital Territory	177,100
New South Wales	172,576
Queensland	170,105
Northern Territory	162,696
Western Australia	161,868
Tasmania	140,185

Sources: *Assembly Members’ Remuneration Determination (Basic Salary) Act 2022* (NT); Australian Capital Territory Remuneration Tribunal (2022), p. 4; Legislative Assembly of Queensland (2023), p. 7; Parliamentary Remuneration Tribunal (NSW) (2022), p. 45; Remuneration Tribunal (Cth) (2023a), p. 2; Remuneration Tribunal of South Australia (2022a), p. 2; Salaries and Allowances Tribunal (WA) (2022), p. 5; Tasmanian Industrial Commission (2020), p. 5; Victorian Independent Remuneration Tribunal (2022b), p. 4.

While the roles, responsibilities and duties of MPs are broadly comparable across jurisdictions, workloads may differ. As noted in Chapter 2, the role of an MP can be categorised in relation to the:

- Parliament
- MP’s electorate
- management of the MP’s electorate office
- MP’s political party.

While there are no discrete measures of an MP’s workload, partial indicators can be given by the population in each electorate (which is a proxy for an MP’s role

¹³² State Government of New South Wales (2023).

¹³³ Remuneration Tribunal (Cth) (2023b).

in representing their electorate) and the number of parliamentary sitting days (as a proxy for the legislative and scrutiny role of MPs in Parliament).

Table 6.2 compares each jurisdiction's population per MP, defined as population divided by the total number of MPs.

Table 6.2: Population and number of MPs, jurisdiction comparison, September 2022

	Vic	Cth	NSW	Qld	WA	SA	Tas	ACT	NT
Population ('000)	6,656	26,125 ^(a)	8,194	5,355	2,805	1,829	572	459	251
Assembly Members	88	151	93	93	59	47	25	25	25
Council Members	40	76	42	N/A	36	22	15	N/A	N/A
Total MPs	128	227	135	93	95	69	40	25	25
Population per MP ('000)	52	115	61	58	30	27	14	18	10

Note: (a) The Cth population comprises the population of all state and territory jurisdictions.
Source: ABS (2022c); Tribunal analysis.

Table 6.3 compares the projected number of parliamentary sitting days for the Houses of Parliament in 2023.

Table 6.3: Projected sitting days for 2023, jurisdiction comparison, June 2023

	Vic	Cth	NSW	Qld	WA	SA	Tas	ACT	NT
Legislative Assembly ^(a)	48	69	42 ^(b)	36	57	49–52	47 ^(b)	38	31
Legislative Council ^(a)	48	66	42 ^(b)	N/A	57	49–52	44 ^(c)	N/A	N/A

Notes: (a) The terms Legislative Assembly and Legislative Council, which are respectively the Lower House and Upper House of the Parliament in Victoria are used to denote the upper and lower houses of the parliaments in other jurisdictions in Australia however described. (b) Excludes Budget Estimates inquiries or hearings undertaken by parliamentary committees. (c) Excludes 'quorum call' sittings, as they are generally shorter in time than an ordinary sitting of the Parliament.

Sources: Department of Prime Minister and Cabinet (2022), p. 1; Legislative Assembly for the Australian Capital Territory (2022), p. 1; Legislative Assembly of the Northern Territory (2022), p. 1; Parliament of New South Wales (2023); Parliament of Tasmania (2022), p. 1; Parliament of Victoria (2023), p. 1; Parliament of Western Australia 2022; Parliament South Australia (n.d.); Queensland Parliament (n.d.).

Victorian MPs represent a broadly similar population to MPs in New South Wales and Queensland, which is substantially higher than MPs in other states and territories. Victorian MPs also attend parliament for a similar number of sitting days per year to MPs in New South Wales, South Australia and Tasmania.

6.2 Additional salaries and expense allowances

Each Australian jurisdiction provides additional salaries to parliamentary office holders. New South Wales, Victoria and Tasmania also provide an expense allowance to particular office holders. In Victoria, the expense allowance is treated similarly to salary as it is paid fortnightly, treated as income by the ATO and is subject to the PAYG-W system. In each jurisdiction, the value of the additional salary and expense allowance (if applicable) varies depending on the office held.

Comparison of offices entitled to an additional salary

The list of parliamentary offices that are entitled to receive an additional salary varies across jurisdictions.

Some offices are entitled to an additional salary in every jurisdiction. Each jurisdiction provides an additional salary to the:

- Premier and Deputy Premier (or equivalent) and Ministers
- Leader of the Opposition
- Presiding Officers and Deputy Presiding Officers
- Government and Opposition Whip in the Assembly.

The list of other offices entitled to an additional salary in Victoria differs from that in other jurisdictions in several ways.

Some offices entitled to an additional salary in Victoria are similarly recognised in only one other jurisdiction, including the:

- Parliamentary Secretary to the Premier (New South Wales)
- Cabinet Secretary (Western Australia)
- Deputy Leader of the Third Party (New South Wales)
- Whip of the Third Party in the Council (Commonwealth).

Further, Victoria is the only jurisdiction to provide an additional salary to the Secretary of the Party forming the Government, Secretary of the Opposition Party and Secretary of the Third Party.

While many jurisdictions set a specific additional salary for the Leader of the Government in the Legislative Council, Victoria does not.

Comparison of offices entitled to an expense allowance

Most Australian jurisdictions no longer provide specified parliamentary office holders with an expense allowance. The exceptions are New South Wales, Victoria and Tasmania:

- New South Wales provides an expense allowance to all specified parliamentary office holders.
- Victoria provides an expense allowance to certain specified parliamentary office holders only.
- Tasmania provides an expense allowance to the Premier, President and Speaker.

Comparison of office holder remuneration

The remuneration of office holders can be compared on the basis of a 'total salary', comprising basic salary, additional salary and the expense allowance (if any). Table 6.4 compares the total salary of each specified parliamentary office across jurisdictions.

The Commonwealth generally pays office holders a higher total salary than all other jurisdictions. Victoria has the highest paid Premier, Deputy Premier, Ministers and Cabinet Secretary of all states and territories.

Parliamentary Secretaries in Queensland and South Australia receive a higher total salary than in Victoria. Victoria and New South Wales set the additional salary and expense allowance of the Parliamentary Secretary to the Premier separately to that of other Parliamentary Secretaries.

Of the states and territories, Victoria has the highest paid Opposition Leader. However, South Australia pays higher remuneration to other opposition leadership positions (Deputy Opposition Leader in the Assembly, Opposition Leader and Deputy Opposition Leader in the Council, and Shadow Ministers).

Table 6.4: Total salary of specified parliamentary office holders, jurisdiction comparison, June 2023

Specified parliamentary office holder	Vic (\$ p.a.)	Cth (\$ p.a.)	NSW (\$ p.a.)	Qld ^(a) (\$ p.a.)	WA (\$ p.a.)	SA (\$ p.a.)	Tas (\$ p.a.)	ACT ^(a) (\$ p.a.)	NT ^(a) (\$ p.a.)
Government leadership positions									
Prime Minister / Premier / Chief Minister	464,918	564,356	416,440	427,561	366,490	416,178	318,219	371,910	325,392
Deputy Prime Minister / Deputy Premier/ Deputy Chief Minister	395,757	444,973	350,329	376,070	312,235	384,965	255,136	318,780	292,853
Any other responsible Minister	370,782	341,870 / 374,429 ^(b)	315,814 / 333,072 ^(c)	350,324	285,881	293,405 / 364,156 ^(d)	238,314	301,070	268,448
Cabinet Secretary	272,803	N/A	N/A	N/A	231,626	N/A	182,240	N/A	N/A
Parliamentary Secretary to the Premier	249,750	N/A	258,864	N/A	N/A	N/A	N/A	N/A	N/A
Other Parliamentary Secretary	240,144	271,325	207,091	260,215 ^(e)	185,122	249,707	N/A	N/A	N/A
Opposition leadership positions									
Leader of the Opposition, Assembly	370,782	401,561	315,814	350,324	285,881	364,156	238,314	301,070	268,448
Deputy Leader of the Opposition, Assembly	272,803	341,870	231,252	273,087	231,626	332,942	189,250	212,520	211,505
Leader of the Opposition, Council	272,803	341,870	231,252	N/A	247,128	332,942	N/A	N/A	N/A
Deputy Leader of the Opposition, Council	226,695	260,472	201,914 / 215,720 ^(f)	N/A	N/A	228,898	N/A	N/A	N/A
Shadow Minister	220,933	271,325	N/A	N/A	N/A	260,111	N/A	N/A	N/A
Third party leadership positions									
Leader of the Third Party	272,803	309,311 / 314,737 ^(g)	231,252	234,469	231,626	N/A	189,250	N/A	N/A
Deputy Leader of the Third Party	226,695	N/A	207,091	N/A	N/A	N/A	N/A	N/A	N/A
Presiding Officers and Deputies									
Presiding Officer	340,043	379,855	315,814	324,579	264,179	364,156	197,661	274,505	268,448
Deputy Presiding Officer	249,750	260,472	258,864	260,215	208,373	286,122	168,222	203,665	195,235

Specified parliamentary office holder	Vic (\$ p.a.)	Cth (\$ p.a.)	NSW (\$ p.a.)	Qld ^(a) (\$ p.a.)	WA (\$ p.a.)	SA (\$ p.a.)	Tas (\$ p.a.)	ACT ^(a) (\$ p.a.)	NT ^(a) (\$ p.a.)
Whips									
Government Whip, Assembly	226,695	273,496	207,091	208,723 / 260,215 ^(h)	189,772	245,545	148,596	194,810	187,100
Deputy Government Whip, Assembly	211,326	N/A	203,640	202,287	N/A	N/A	N/A	N/A	N/A
Government Whip, Council	213,247	260,472	207,091	N/A	185,122	228,898	N/A	N/A	N/A
Opposition Whip, Assembly	213,247	266,984	207,091	208,723	189,772	245,545	148,596	194,810	187,100
Opposition Whip, Council	213,247	256,131	207,091	N/A	180,471	228,898	N/A	N/A	N/A
Whip of the Third Party, Assembly	213,247	236,595 / 245,278 ^(g)	203,640	N/A	175,820	N/A	N/A	194,810	N/A
Whip of the Third Party, Council	213,247	236,595 / 243,107 ^(g)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Committee Chairpersons and other									
Chairpersons of particular committees	201,721 - 230,538	223,572 - 251,790	194,148	234,469	177,370	237,221 / 243,464	N/A	194,810	195,235
Deputy chairpersons of particular committees	199,800	234,245 / 228,998	N/A	N/A ⁽ⁱ⁾	173,495	N/A	N/A	N/A	N/A ⁽ⁱ⁾
Party Secretary of the Government, Opposition and Third Party	199,800	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes: (a) Queensland, the Australian Capital Territory and the Northern Territory do not have a Legislative Council. (b) Higher rate applies to Cabinet Ministers and lower rate applies to other Ministers. The Treasurer receives total remuneration of \$406,988 p.a. (c) Higher rate applies to Senior Ministers and lower rate applies to other Ministers. (d) Higher rate applies to Ministers that are members of the Executive Council and lower rate applies to other Ministers. (e) Referred to as Assistant Ministers. (f) Higher rate applies if they are also the leader of a party. (g) Higher rate if the Third Party has more than 10 members. (h) Higher rate applies to the Chief Government Whip, and lower rate applies to the Senior Whip. (i) An additional salary is not set for deputy chairpersons of committees, but is provided for all committee members.

Sources: Australian Capital Territory Remuneration Tribunal (2022), pp. 4-5; Legislative Assembly of Queensland (2023), p. 8; *Parliamentary Remuneration Act 1989* No. 160 (NSW), schedule 1; *Parliamentary Remuneration Act 1990* (SA), schedule; Remuneration Tribunal (Cth) (2023a), pp. 9-10; Remuneration Tribunal (Cth) (2022a); Remuneration Tribunal (NT) (2022), p. 17; Salaries and Allowances Tribunal (WA) (2022), p. 6; Tasmanian Industrial Commission (2020), p. 9; Victorian Independent Remuneration Tribunal (2022b), pp. 11-12.

6.3 Electorate allowance

Most jurisdictions provide an electorate allowance to MPs to cover the costs of providing services to their constituents. A higher allowance is generally paid to MPs representing larger geographic areas.

Table 6.5 compares minimum and maximum allowance rates for electorate allowances payable to MPs across Australia. Overall, the value of the electorate allowance paid to Victorian MPs is broadly comparable to the Commonwealth, South Australia and Tasmania, but below New South Wales and the Northern Territory.

Table 6.5: Electorate allowance values (range), jurisdiction comparison, June 2023

	Vic (\$ p.a.)	Cth (\$ p.a.)	NSW (\$ p.a.)	SA (\$ p.a.)	Tas (\$ p.a.)	NT (\$ p.a.)
Electorate	42,155 –	32,000 –	70,335 –	17,815 –	32,394 –	62,036 –
Allowance	50,499	46,000	183,255 ^(a)	54,416	53,992	121,036

Note: (a) A further allowance of \$2,100 is payable to each independent MP and a further allowance of \$4,205 is payable to Recognised Office Holders (excluding independent MPs).

Sources: Parliamentary Remuneration Tribunal (NSW) (2022), pp. 51-72; Remuneration Tribunal (Cth) (2023a), p. 3; Remuneration Tribunal (NT) (2022), p. 18; Remuneration Tribunal of South Australia (2022b), p. 2; Tasmanian Industrial Commission (2020), p. 12; Victorian Independent Remuneration Tribunal (2022b), p. 6.

Comparisons of the electorate allowances between jurisdictions should be treated with caution as the purpose and design of electorate allowances varies across jurisdictions.

There can also be considerable overlap between the permitted use of the electorate allowance and the EO&C Budget (or equivalent). In New South Wales for example, the electorate allowance includes an ‘additional allowance’ component which is provided to cover expenses associated with maintaining the MP’s electorate office, such as printing and office supplies (whereas in Victoria these expenses are met from the EO&C Budget).¹³⁴ The New South Wales Parliamentary Remuneration Tribunal has also noted that, if a New South Wales MP’s ‘communications allowance’ is exhausted, they may use their electorate allowance to meet further communications costs.¹³⁵

¹³⁴ Parliamentary Remuneration Tribunal (NSW) (2022), p. 50.

¹³⁵ Parliamentary Remuneration Tribunal (NSW) (2022), p. 66.

6.4 EO&C Budget

The Commonwealth, New South Wales, Queensland, Western Australia and South Australia provide MPs with an allowance similar to Victoria’s EO&C Budget.¹³⁶ This is generally provided as a single allowance for MPs to both maintain an electorate office beyond any standard fit out for an electorate office in each jurisdiction and to communicate with constituents.

The value of the allowance corresponding to the Victorian EO&C Budget varies across jurisdictions, including by:

- area and population of electorate (all states and territories)
- Houses of Parliament (Commonwealth, Victoria, New South Wales)
- certain office holders (New South Wales and South Australia).

For example, in New South Wales, MPs are provided with a ‘communications allowance’ and their electorate allowance is used to maintain their electorate office.¹³⁷ A base annual allocation for the communications allowance is provided to members of the Legislative Assembly (\$19,485) and Legislative Council (\$4,965) and an additional allocation is also provided to members of the Legislative Assembly, which is based on the population of an MPs electorate.¹³⁸

Table 6.6 shows that the value of the EO&C Budget in Victoria is broadly consistent with other jurisdictions, given variations in population size.

Table 6.6: Electorate office and communications allowance values, jurisdiction comparison, June 2023

Jurisdiction	Allowance name	Value (\$ p.a.)
Victoria	EO&C Budget	Legislative Assembly: 93,458 – 130,759 ^(a) Legislative Council: 105,373 ^(a)
Commonwealth	Office Expenses Budget	House of Representatives: 150,319 ^(b) Senate: 120,314
New South Wales	Communications Allowance	Legislative Assembly: 107,918 – 115,495 Legislative Council: 4,965

¹³⁶ The Australian Capital Territory provides an Office Support Allocation to MPs for purchases of stationery and certain office supplies, which was set at between \$3,500 and \$4,500 per annum in 2020-21 and indexed annually (Legislative Assembly for the Australian Capital Territory (2020), p. 118). Tasmanian MPs receive a Resource Allowance of \$10,000 per annum for ‘research and support, or equipment relevant to assist Members in the performance of their duties’ including for printing (Department of Premier and Cabinet (Tas) (2021), p. 16). The Northern Territory does not have an equivalent allowance.

¹³⁷ Parliamentary Remuneration Tribunal (NSW) (2022), pp. 19-60.

¹³⁸ The Parliamentary Remuneration Tribunal (NSW) has noted that the difference in values for members of the Legislative Assembly and Legislative Council is related to ‘fundamental and well recognised differences in their respective electoral responsibilities’. Parliamentary Remuneration Tribunal (NSW) (2021), p. 9.

Jurisdiction	Allowance name	Value (\$ p.a.)
Queensland	Electorate and Communications Allowance	89,200 – 95,200 ^(c)
Western Australia	Members Allowance	78,000 – 103,350
South Australia	Global Allowance	67,894 – 82,153

Notes: (a) Data for 2021-22 financial year. (b) Plus an additional \$1,121 for each voter in the electorate for a member of the House of Representatives. (c) MPs representing an electoral district of 100,000km² or more who are provided with an additional electoral office receive an additional \$1,500 per annum for office cleaning costs.

Sources: Department of Finance (Cth) (2022); Department of Treasury and Finance (SA) (2022), p. 10; Legislative Assembly of Queensland (2023), p. 13; Parliamentary Remuneration Tribunal (NSW) (2022), pp. 63-65; Salaries and Allowances Tribunal (WA) (2022), pp. 8-9; Tribunal calculations using VEC enrolment data as at the end of February 2021.

6.5 Motor vehicle allowance

MPs in most Australian Parliaments are entitled to receive a form of motor vehicle allowance. Some jurisdictions — the Commonwealth, Victoria, Tasmania and the Northern Territory — enable MPs to choose between receiving an allowance or being directly provided with a motor vehicle. In other jurisdictions — Queensland, Western Australia and the Australian Capital Territory — MPs receive a motor vehicle allowance only.

Where MPs are provided with a motor vehicle allowance, it can be used to subsidise the operation and maintenance of a private vehicle, and (excluding Queensland) fund the cost of car hire, taxis and other similar services. Queensland MPs are able to use their motor vehicle allowance to subsidise the purchase of a private vehicle.¹³⁹

The allowance may be set as a flat rate (the Commonwealth, Tasmania and the Australian Capital Territory), or as a tiered rate (Victoria, Queensland, Western Australia and Northern Territory). There are two tiers to the allowance in Victoria and three tiers in other jurisdictions, with the value varying based on the size of the electorate.

New South Wales and South Australia do not have a specific motor vehicle allowance or provide a vehicle for MPs to use. New South Wales MPs can use their general travel allocation to pay for travel by private vehicles and hire cars.¹⁴⁰ South Australian MPs are able to lease a vehicle through the MP Remuneration Vehicle Scheme administered by the South Australian Government Financing

¹³⁹ Legislative Assembly of Queensland (2023), p. 19.

¹⁴⁰ Parliamentary Remuneration Tribunal (NSW) (2022), p. 69.

Authority.¹⁴¹ Historically, a large component of the electorate allowance of South Australian MPs was spent on covering the cost of running a motor vehicle in the servicing of electorates.¹⁴²

Table 6.7 shows the value of the motor vehicle allowance provided to MPs in Victorian and other jurisdictions.

The Tribunal has identified that the motor vehicle allowance available to Victorian MPs is lower than those set in most jurisdictions:¹⁴³

- Victorian MPs who represent electorates of less than 5,000km² have a lower motor vehicle allowance than MPs from comparable electorates in other states and territories
- the motor vehicle allowance provided to Victorian MPs representing the State’s largest electorates is equivalent to that for ‘middle tier’ electorates in Queensland, Western Australia and the Northern Territory.

Table 6.7: Motor vehicle allowance values, jurisdiction comparison, June 2023

	Vic (\$ p.a.)	Cth ^(a) (\$ p.a.)	Qld (\$ p.a.)	WA (\$ p.a.)	Tas (\$ p.a.)	ACT (\$ p.a.)	NT (\$ p.a.)
Motor vehicle allowance	22,353 – 33,680	19,500	27,778 – 45,715	25,000 – 42,000	16,196	25,500 ^(b)	25,000 – 40,000

Notes: (a) Commonwealth MPs also have access to COMCAR, which is a driver transport service that is made available when a member cannot reasonably use their private plated vehicle, and is paid out of their unscheduled commercial transport. (b) An allowance of \$3,000 per year is also provided for taxis/hire cars for travel to and from official functions where private transport may not be appropriate in the interests of workplace safety and/or security.

Sources: Australian Capital Territory Remuneration Tribunal (2022), p. 8; Legislative Assembly of Queensland (2023), p. 19; Remuneration Tribunal (Cth) (2023a), p. 4; Remuneration Tribunal (NT) (2022), p. 8; Salaries and Allowances Tribunal (WA) (2022), p. 10; Tasmanian Industrial Commission (2020), p. 11; Victorian Independent Remuneration Tribunal (2022b), p. 7.

6.6 Travel and transport-related allowances

Each jurisdiction has its own unique system of travel and transport allowances payable to MPs when undertaking their public duties. To enable some comparisons to be made, the Tribunal has considered travel-related allowances across four categories:

¹⁴¹ Email correspondence to the Tribunal from the Remuneration Tribunal of South Australia, May 2023.

¹⁴² Email correspondence to the Tribunal from the Remuneration Tribunal of South Australia, May 2023; Remuneration Tribunal of South Australia (2022e), p. 2.

¹⁴³ Australian Capital Territory Remuneration Tribunal (2022), p. 8; Legislative Assembly of Queensland (2023), p. 19; Remuneration Tribunal (Cth) (2023a), p. 4; Remuneration Tribunal (NT) (2022), p. 8; Salaries and Allowances Tribunal (WA) (2022), p. 10; Tasmanian Industrial Commission (2020), p. 11; Victorian Independent Remuneration Tribunal (2022b), p. 7.

- domestic travel allowances — for the costs of accommodation, meals and incidentals for domestic overnight trips
- parliamentary accommodation sitting allowances — for the costs of maintaining a metropolitan second residence for regional MPs
- domestic transport allowances — for domestic commercial transport costs
- international travel allowances — for the travel and transport costs of international travel.

Travel allowances

Most jurisdictions in Australia provide a travel allowance to MPs, which covers the costs of accommodation, meals and incidentals for overnight trips away from home. The value of travel allowances varies across each jurisdiction based on factors including destination, the type of accommodation used and the specified office held by an MP.

South Australian MPs previously received an annual travel allowance, but this has been superseded by a ‘common allowance’, which includes a specific element to compensate for the removal of the previous travel allowance and free or subsidised rail travel.¹⁴⁴

Victorian MPs can only be reimbursed for commercial accommodation (such as hotels).¹⁴⁵ However, most other jurisdictions allow MPs to claim for non-commercial accommodation (such as a family members’ home), but at a lower rate. For example, Queensland MPs are provided with one third of the standard rate for non-commercial accommodation.¹⁴⁶

Most jurisdictions adopt or adapt the relevant nightly rates set by the current ATO determination for travel expenses, which means that the value of MP travel allowances is broadly consistent.¹⁴⁷ The current values for reasonable travel expenses set by the ATO for the middle salary band range from \$296 to \$614 per night for accommodation, meals and incidental costs depending on the destination of travel.¹⁴⁸

¹⁴⁴ Remuneration Tribunal of South Australia (2022d), p. 2.

¹⁴⁵ Victorian Independent Remuneration Tribunal (2022c), p. 19.

¹⁴⁶ Legislative Assembly of Queensland (2023), p. 31.

¹⁴⁷ Australian Capital Territory Remuneration Tribunal (2022), p. 6; Legislative Assembly of Queensland (2023), p. 27; Parliamentary Remuneration Tribunal (NSW) (2022), p. 37; Remuneration Tribunal (Cth) (2023a), pp. 7-14; Remuneration Tribunal (NT) (2022), p. 19; Salaries and Allowances Tribunal (WA) (2022), p. 20; Tasmanian Industrial Commission (2022), p.88; Victorian Independent Remuneration Tribunal (2022b), p. 7.

¹⁴⁸ The current reasonable daily amount for domestic travel expenses for employees with an annual salary of \$133,451 to \$237,510 per annum, which is consistent with the basic salary for MPs in all Australian jurisdictions in table 6.1. ATO (2022).

There are, however, some variations across jurisdictions. For example, the travel allowance rate for Western Australian MPs is based on the highest salary band in the current ATO Determination.

Victoria and the Commonwealth also adjust their standard nightly rates based on the specific office held by an MP. In Victoria there is a higher nightly rate for the Premier, Deputy Premier, Ministers and other specified office holders.

Parliamentary accommodation sitting allowances

Victoria, New South Wales, Queensland, Western Australia, South Australia and the Northern Territory have a designated PASA-type allowance for members from regional electorates. These jurisdictions — except Queensland and South Australia — also set the allowance at higher rates for certain office holders.

Victoria is unique in providing the PASA as an annual fixed amount — rather than a nightly rate — for MPs. MPs in New South Wales who receive the ‘Sydney Allowance’ can choose between a nightly rate or an annual cap.¹⁴⁹ This annual cap differs from Victoria’s allowance, as unused funding must be returned, whereas Victorian MPs retain the entire allocation.

The Commonwealth does not have a separate PASA-type allowance for MPs, but has established specific rules under its travel allowance for MPs staying in Canberra for parliamentary purposes. MPs are able to claim a standard rate while staying in non-commercial accommodation in Canberra, but can only claim a lower rate for stays in non-commercial accommodation in other locations.¹⁵⁰

Most jurisdictions with a nightly rate have a cap on the number of nights MPs are able to claim, which ranges from 40 to 180 nights, although the Commonwealth, Queensland and the Northern Territory do not set a cap.

Table 6.8 shows that the annual value of the PASA in Victoria is broadly comparable to annual values in New South Wales and Western Australia. The value of the South Australian allowance is also comparable to that paid to a Victorian MP who does not hold a specified office.

¹⁴⁹ Parliamentary Remuneration Tribunal (NSW) (2022), p. 54.

¹⁵⁰ Remuneration Tribunal (Cth) (2023a), pp. 7-8.

Table 6.8: Parliamentary sitting allowances – fixed nightly rates and maximum annual values, jurisdiction comparison, June 2023

Jurisdiction	Value (\$ per night)	Value ^(a) (\$ p.a.)
Victoria	N/A	26,609 – 53,217 ^(b)
Commonwealth ^(c)	299 & 598 ^(d)	N/A
New South Wales ^(e)	332	34,860 – 59,760
Queensland	139 ^(f) – 416	N/A
Western Australia ^(g)	273	24,570 – 40,950
South Australia ^(h)	194	26,190
Northern Territory	400	N/A

Notes: (a) Calculated by multiplying the nightly rate by the number of claimable nights up to the cap where applicable. (b) Current annual value. (c) Part of the travel allowance. (d) \$598 is paid to the Prime Minister or Acting Prime Minister, and \$299 is paid to all other MPs. (e) Annual cap of between 105 and 180 claimable nights, increasing with distance of travel and office held by MP. (f) Rate for non-commercial accommodation. (g) Annual cap of between 90 and 150 claimable nights, with a larger cap for specific office holders. (h) Annual cap of 135 claimable nights. Sources: Legislative Assembly of Queensland (2023), p. 31; Parliamentary Remuneration Tribunal (NSW) (2022), pp. 53-54; Remuneration Tribunal (Cth) (2023a), pp. 7-11; Remuneration Tribunal (NT) (2022), p. 6-7; Remuneration Tribunal of South Australia (2022c), p. 3; Salaries and Allowances Tribunal (WA) (2022), pp. 14-16; Victorian Independent Remuneration Tribunal (2022b), pp. 6-7.

Domestic transport allowances

MPs in all Australian Parliaments receive an allowance that covers their transport costs for travel within Australia. Victoria and the Commonwealth are the only jurisdictions to provide a standalone allowance:

- Victoria has a commercial transport allowance of between \$5,000 and \$17,226 a year for MPs, depending on the size of the MP's electorate, which is provided on a reimbursement basis¹⁵¹
- the Commonwealth has an 'unscheduled commercial transport allowance'¹⁵² against which hire cars or chartered transport costs may be reimbursed, which ranges from \$10,420 to \$120,000 based on electorate size and House of Parliament.¹⁵³

New South Wales, Queensland, Tasmania and the Northern Territory provide a general travel allocation that is available for domestic transport, as well as other travel related costs (accommodation, meals and incidentals). However, MPs have some flexibility over how much of the allocation can be used to fund transport costs:

¹⁵¹ Victorian Independent Remuneration Tribunal (2022b), p. 7.

¹⁵² Unscheduled commercial transport includes transport operated on a commercial basis that does not operate over a fixed route and on a regular timetable (or regularly on demand). Examples include hired cars and chartered transport. *Parliamentary Business Resources Regulations 2017* (Cth), s. 4.

¹⁵³ *Parliamentary Business Resource Regulations 2017* (Cth), s. 14.

- New South Wales provides an allowance of between \$6,620 and \$105,380, that varies based on electorate size and offices held¹⁵⁴
- Queensland provides an allowance of between \$18,360 and \$79,700 that varies based on electorate size¹⁵⁵
- Tasmania and the Northern Territory do not set a maximum value.

Western Australia, South Australia and the Australian Capital Territory provide funding for transport costs through other allowances. For example, Western Australia provides ‘electorate travel’ and ‘air charter transport’ allowances that are available for eligible regional MPs to travel between Perth and within their electoral district or region.¹⁵⁶

International travel allowances

International travel allowances cover travel costs incurred by MPs when undertaking international travel as part of their duties.

In Victoria, the Commonwealth and the Australian Capital Territory, a distinct international travel allowance is provided to MPs. For Queensland, the Northern Territory and Tasmania, international travel is funded out of a general travel allocation. In Western Australia, a ‘parliamentary travel and study allowance’ for MPs extends to the cost of international travel.

There is no international travel allowance provided in New South Wales or South Australia.

Allowance structures also vary between jurisdictions (Table 6.9), including:

- an annual cap on the value of international travel (Victoria)
- a combination of nightly rates and an annual cap (the Commonwealth and Queensland).
- a combination of nightly rates and a cap on the number of trips per parliamentary term (Western Australia)
- separate arrangements for accommodation expenses and the ATO daily rates for meals and incidental costs.

¹⁵⁴ Parliamentary Remuneration Tribunal (NSW) (2022), p. 68.

¹⁵⁵ Legislative Assembly of Queensland (2023), p. 22.

¹⁵⁶ Salaries and Allowances Tribunal (WA) (2022), pp. 10-20.

Table 6.9: International travel allowance, jurisdiction comparison, June 2023

Jurisdiction	Separate Allowance	Value (\$ per night)	Value (\$ p.a.)
Victoria	Yes	N/A ^(a)	10,080
Commonwealth	Yes	63 ^(b)	N/A ^(c)
Queensland	No	111 – 333	18,360 – 79,700
Western Australia	No	210 – 800	27,000 ^(d)
Tasmania ^(e)	No	100 – 345 ^(f)	N/A
Australian Capital Territory ^(g)	Yes	100 – 345 ^(f)	N/A
Northern Territory ^(h)	No	100 – 345 ^(f)	N/A

Notes: (a) Cap on accommodation expenses, valued at the price of a four-star hotel as prescribed by the ECA international Accommodation Report for the relevant city. (b) Commonwealth MPs are able to claim expenses for approved international travel, including scheduled commercial transport, accommodation and meals, but a nightly rate is only prescribed for incidental costs. (c) Approved travel is subject to an annual budget for each presiding officer (\$250,000), for opposition travel (four first class around the world airfares) and for minority party travel (the value of one first class around the world airfare) and is overseen by the Independent Parliamentary Expenses Authority (Cth). (d) There is a cap per parliamentary term instead of an annual cap. (e) Overseas travel is reimbursed based on actual expenses or consistent with the Tasmanian State Service Award (which includes an Overseas Travel Allowance for meals and incidental costs based on relevant ATO rates). (f) ATO daily rates for meals and incidental costs for employees with salaries between \$133,451 and \$237,520. The ATO does not set overseas accommodation rates and 'Any expenditure on accommodation overseas must be fully substantiated'. (g) MPs are able to be reimbursed 'actual, reasonable' costs for accommodation and travel and are provided with a per diem allowance for meals and incidental costs based on relevant ATO rates. (h) Meals and incidental costs based on relevant ATO rates with accommodation paid for by the Northern Territory Government.

Sources: ATO (2022); Australian Capital Territory Remuneration Tribunal (2022), p. 7; Independent Parliamentary Expenses Authority (Cth) (n.d.a); Legislative Assembly of Queensland (2023), pp. 22-28; *Parliamentary Business Resource Regulations 2017* (Cth), ss. 34-61; *Parliamentary Salaries, Superannuation and Allowances Act 2012* (Tas), schedule 6; Remuneration Tribunal (NT) (2022), p. 20; Salaries and Allowances Tribunal (WA) (2022), pp. 19-20; Tasmanian Industrial Commission (2022), p.88-91; Victorian Independent Remuneration Tribunal (2022b), p. 8.

6.7 Summary

The Tribunal has examined the salaries and allowances payable to MPs across Australian jurisdictions. There is a significant variation in remuneration frameworks and allowance structures and their values across jurisdictions, particularly in travel and transport-related allowances. Taking these differences into account, salaries in Victoria are broadly comparable to those in other jurisdictions, although towards the higher end of the spectrum.

7 Economic factors

This chapter discusses the economic and financial factors considered by the Tribunal in making this Determination.

The chapter begins by comparing movements in economy-wide wages and prices with adjustments made to MP salaries and allowances since the 2019 Determination. It then considers matters which the Tribunal is required to take into account under section 24(2) of the VIRTIPS Act:

- current and projected economic conditions and trends
- the financial position and fiscal strategy of the State of Victoria
- any statement or policy issued by the Government of Victoria which is in force with regard to its wages policy (or equivalent) and the remuneration and allowances of any specified occupational group.

7.1 Changes in values since 2019

Table 7.1 summarises the Tribunal’s annual adjustments made to the values of MP salaries and allowances, including the cumulative adjustment to 1 July 2022.

Table 7.1: Adjustments to MP salaries and allowances since 2019 Determination

Component	Annual adjustment (%)			Cumulative adjustment to 1 July 2022 (%)
	2020	2021	2022	
Basic salary	-	2.5	2.75	5.3
Additional salaries	-(a)	2.5	2.75	5.3
Expense allowances	-	2.5	2.75	5.3
Electorate allowance	-	0.8	3.6	4.4
EO&C Budget (dollar rates)	-	0.8	3.6	4.4
Motor vehicle allowance	-	-	11.8 – 12.3	11.8 – 12.3
Commercial transport allowance	-	-	-	-
International travel allowance	-	0.8	-	0.8
PASA	-	-	-	-

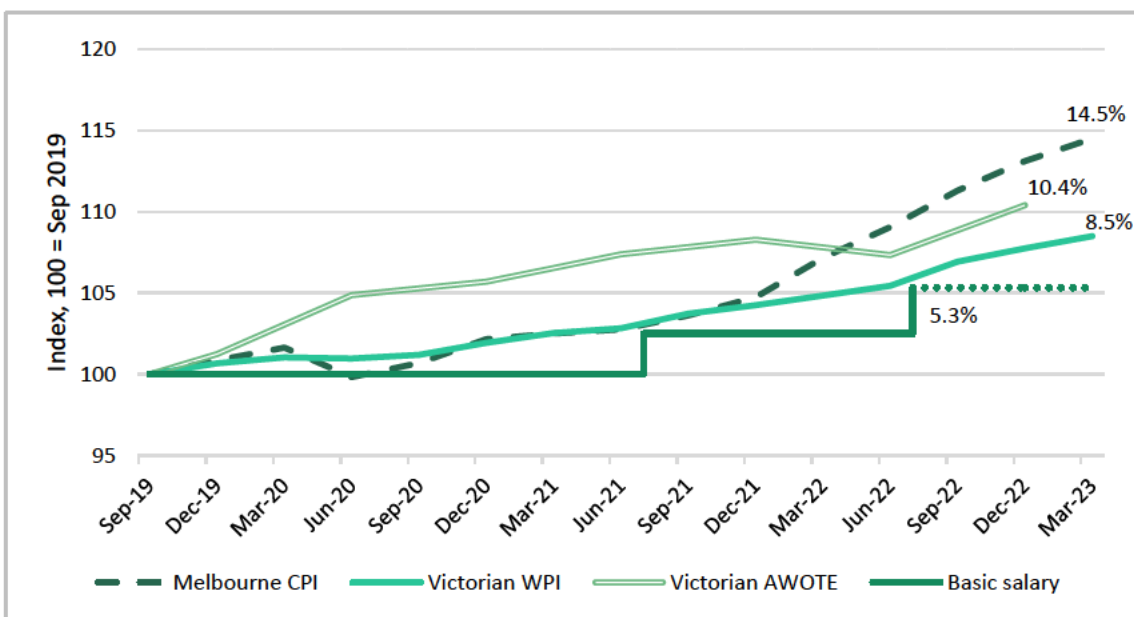
Note: (a) The 2019 Determination provided for phased increases to some additional salaries. As a result, the additional salaries for some offices increased on 1 July 2020.

Sources: Victorian Independent Remuneration Tribunal (2020a); (2021a); (2022a).

Changes in salaries

Since the 2019 Determination, the values of the basic salary, additional salaries and expense allowances have been increased by 5.3 per cent. Figure 7.1 shows that growth in the basic salary has been similar to growth in the Victorian Wage Price Index (WPI) up to July 2022. However, growth in the basic salary has been lower than both growth in the Melbourne Consumer Price Index (CPI) and full-time Victorian adult average weekly ordinary time earnings (AWOTE).

Figure 7.1: Victorian MP basic salary and selected price and wage indicators (Victoria), September 2019 – March 2023, nominal change



Note: As AWOTE estimates are published twice yearly, in May and November, the starting value for the 'Victorian AWOTE' series (September 2019) was extrapolated from the values for May and November 2019. As such, the nominal change in this series is an estimate only.

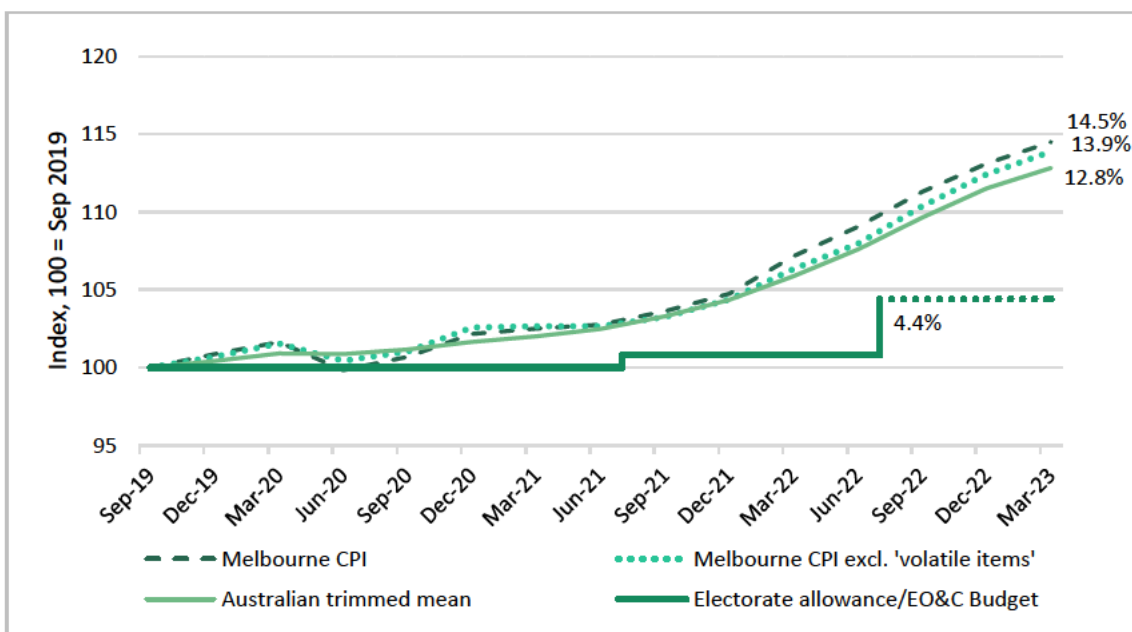
Sources: ABS (2022b); (2023b); (2023d); Victorian Independent Remuneration Tribunal (2020a); (2021a); (2022a).

Changes in allowances and the EO&C Budget

Figure 7.2 shows that the values of the electorate allowance and EO&C Budget (dollar rates) have both been increased by a total of 4.4 per cent, below the rate of growth of headline and underlying measures of inflation in the Australian and Victorian economies.¹⁵⁷

¹⁵⁷ Measures of underlying inflation exclude items that have particularly large price changes (either frequently or in a given period), which can often be due to temporary factors unrelated to broad conditions in the economy. RBA (n.d.).

Figure 7.2: Electorate allowance and EO&C Budget and selected measures of inflation, September 2019 – March 2023, nominal change



Note: The nominal change in the EO&C Budget refers to the cumulative indexation applied to the dollar rates in the EO&C Budget formula. This is because the value of the EO&C Budget for an MP is based on the number of enrolled voters in their electorate and/or Victoria.

Source: ABS (2023b); Victorian Independent Remuneration Tribunal (2020a); (2021a); (2022a).

The Tribunal has adjusted the value of the motor vehicle allowance on one occasion since 2019 — by between 11.8 and 12.3 per cent from 1 July 2022.¹⁵⁸ This adjustment was consistent with the annual change in the ‘Transport’ Group of the Melbourne CPI to the March quarter 2022, less \$300.¹⁵⁹ As a result, growth in the motor vehicle allowance has broadly kept up with growth in inflation.

In terms of other allowances, the Tribunal has made only one adjustment to the value of the international travel allowance (a 0.8 per cent adjustment from 1 July 2021, consistent with the annual change in the ‘International holiday travel and accommodation’ sub-group of the Melbourne CPI).¹⁶⁰ The value of the travel allowance has been linked to values for such an allowance set by the Commonwealth Remuneration Tribunal. Finally, the Tribunal has made no adjustments to the values of the commercial transport allowance and the PASA.

¹⁵⁸ Victorian Independent Remuneration Tribunal (2022a).

¹⁵⁹ The \$300 discount reflected the estimated saving for a one-car household as a result of the Commonwealth Government’s decision to temporarily reduce the fuel excise.

¹⁶⁰ Victorian Independent Remuneration Tribunal (2021a).

7.2 Current and projected economic conditions and trends

The Tribunal’s analysis of current and projected economic conditions and trends has been informed by the latest data and forecasts from the ABS and the Reserve Bank of Australia (RBA), the Victorian and Commonwealth budgets, the Fair Work Commission’s (FWC) *Annual Wage Review 2022-23* and other relevant information.

International economic conditions

According to the RBA’s latest *Statement on Monetary Policy* (May 2023), inflation has passed its peak in many advanced economies but remains high globally. Central banks are forecasting inflation to fall further over 2023, although the RBA noted that it is expected to take a couple of years for inflation to return to target in most advanced economies. The RBA also observed that unemployment rates remain near historical lows in many economies, while global growth has slowed and is forecast to remain below average over the next couple of years.¹⁶¹

Australian economic conditions

ABS data show that Australia’s real Gross Domestic Product (GDP) rose 0.2 per cent in the March quarter 2023 and 2.3 per cent through the year. This was the weakest quarterly growth since the September quarter 2021, when the economy contracted due to the impact of COVID-19 lockdowns. Household consumption also recorded its weakest quarterly rise (0.2 per cent) since the September quarter 2021, with discretionary spending falling by 1 per cent due to cost-of-living pressures.¹⁶²

The RBA noted that inflation appears to have passed its peak but remains very high.¹⁶³ Year-ended headline inflation and trimmed mean inflation (the RBA’s preferred measure of underlying inflation) declined to 7 per cent and 6.6 per cent respectively in the March quarter 2023. The decline was driven by slowing goods inflation, but was partly offset by an increase in services inflation, which reached its highest level (6.1 per cent) since 2001.¹⁶⁴

¹⁶¹ RBA (2023c), pp. 5-6.

¹⁶² ABS (2023a).

¹⁶³ RBA (2023c), p. 1.

¹⁶⁴ ABS (2023b).

In response to inflationary pressures, the RBA Board has increased its cash rate target 12 times since May 2022, from 0.10 per cent to 4.10 per cent as at June 2023. RBA Governor Philip Lowe stated that the Board's decision to increase the cash rate target by a further 25 basis points at its meeting in June 2023 was to 'provide greater confidence that inflation will return to target within a reasonable timeframe'. In this regard, Governor Lowe noted that upside risks to the inflation outlook have increased, and flagged that 'some further tightening of monetary policy may be required'.¹⁶⁵

The RBA noted that conditions in the national labour market remain tight, with the national unemployment rate remaining around its 50-year low of 3.5 per cent.¹⁶⁶ The tightness in the labour market has contributed to a pick-up in wages growth. Annual growth in the seasonally adjusted WPI increased to 3.7 per cent in March 2023, the highest growth rate in over a decade.¹⁶⁷ According to ABS analysis, for those jobs that recorded an hourly wage rise in the March quarter 2023:¹⁶⁸

- the average increase was 4.3 per cent in the private sector and 3 per cent in the public sector, compared to 3.4 per cent and 2.1 per cent a year earlier
- around half received an increase greater than 3 per cent, compared to around one-in-five a year earlier
- around 35 per cent received an increase greater than 4 per cent, compared to around 13 per cent a year earlier.

The FWC issued its *Annual Wage Review Decision 2022-23* on 2 June 2023. The decision, which comes into effect on 1 July 2023, increased modern award minimum wages by 5.75 per cent and the National Minimum Wage (NMW) by a total of 8.6 per cent.¹⁶⁹ The increase to the NMW comprised two components:¹⁷⁰

- a 2.7 per cent increase resulting from aligning the NMW with the lowest classification rate applicable to ongoing employees in most modern awards
- a further 5.75 per cent increase.

¹⁶⁵ RBA (2023b).

¹⁶⁶ RBA (2023c), p. 21.

¹⁶⁷ ABS (2023d).

¹⁶⁸ ABS (2023d).

¹⁶⁹ FWC (2023), pp. 69-72.

¹⁷⁰ FWC (2023), pp. 69-70.

In determining the amount of the increase to modern award minimum wages, the FWC stated that it:

*... placed significant weight on the impact of the current rate of inflation on the ability of modern award-reliant employees to meet their basic financial needs. Inflation is reducing the real value of these employees' incomes and causing households financial stress.*¹⁷¹

The FWC expects that the increase to modern award minimum wages 'will not cause or contribute to any wage-price spiral', and that the increase to the NMW (which applies to fewer than one per cent of employees) 'will not have any discernible macro-economic effects'.¹⁷²

The RBA's forecasts for the Australian economy are reproduced in Table 7.2. In summary:

- real GDP growth is expected to slow to around 1.25 per cent over 2023, as rising interest rates and cost-of-living pressures weigh on growth¹⁷³
- inflation is forecast to decline gradually, with trimmed mean inflation expected to be around the top of the 2-3 per cent target range by mid-2025¹⁷⁴
- the national unemployment rate is forecast to steadily increase over the coming years as economic growth slows, but is expected to remain below pre-pandemic levels¹⁷⁵
- WPI growth is expected to peak at around 4 per cent in the second half of 2023, before gradually declining to 3.75 per cent in mid-2025.¹⁷⁶

Table 7.2: RBA forecasts for the Australian economy, May 2023^(a)

Indicator	June 2023	Dec 2023	June 2024	Dec 2024	June 2025
Real GDP ^(b)	1.7	1.2	1.4	1.7	2.1
Unemployment rate ^(c)	3.6	4.0	4.2	4.4	4.5
CPI ^(b)	6.3	4.5	3.6	3.2	3.0
Australian trimmed mean ^(b)	6.0	4.0	3.3	3.1	2.9
WPI growth ^(b)	3.8	4.0	3.9	3.8	3.7

Notes: (a) Forecasts are rounded to the first decimal point. (b) Year-ended growth. (c) Average rate in the quarter. Source: RBA (2023a).

¹⁷¹ FWC (2023), p. 7.

¹⁷² FWC (2023), pp. 70, 72.

¹⁷³ RBA (2023c), p. 72.

¹⁷⁴ RBA (2023c), p. 71.

¹⁷⁵ RBA (2023c), pp. 74-75.

¹⁷⁶ RBA (2023c), p. 75.

The *Commonwealth Budget 2023-24*, released in May 2023, also included Treasury forecasts for the Australian economy (Table 7.3). These were broadly consistent with the RBA’s forecasts, although the Tribunal noted the following differences:¹⁷⁷

- Treasury forecast inflation to decline faster, with year-ended CPI growth expected to be around 2.75 per cent in June 2025 (compared to the RBA’s forecast of 3 per cent)
- Treasury forecast a sharper decline in wages growth, with WPI growth expected to be 3.25 per cent in June 2025 (compared to the RBA’s forecast of 3.75 per cent).

Table 7.3: Commonwealth Budget 2023-24 forecasts for the Australian economy

Indicator	2022-23	2023-24	2024-25
Real GDP ^(a)	3.25	1.50	2.25
Unemployment rate ^(b)	3.50	4.25	4.50
CPI ^(c)	6.00	3.25	2.75
WPI growth ^(c)	3.75	4.00	3.25

Notes: (a) Percentage change in year-average terms compared with the previous year. (b) Seasonally adjusted rate for the June quarter. (c) Year-ended growth to the June quarter.

Source: Commonwealth of Australia (2023), *Budget Paper No. 1: Budget Strategy and Outlook*, p. 58.

Victorian economic conditions

ABS data show that Victoria’s real Gross State Product (GSP) rose 5.6 per cent in 2021-22 — the highest growth rate of any state or territory.¹⁷⁸ Victoria also recorded the highest growth in seasonally adjusted State Final Demand¹⁷⁹ in 2022 (6 per cent), and the second highest growth in the March quarter 2023 (0.7 per cent).¹⁸⁰

The latest ABS labour statistics show that conditions in the Victorian labour market have started to ease, but remain tight by historical standards. Victoria’s seasonally adjusted unemployment rate increased to 3.9 per cent in April 2023, while the seasonally adjusted participation rate decreased to 67.3 per cent after reaching an all-time high of 67.7 per cent in March 2023.¹⁸¹

Regarding movements in prices, the Melbourne CPI rose 1.2 per cent in the March quarter 2023. This was the smallest increase since the December quarter 2021,

¹⁷⁷ Commonwealth of Australia (2023), *Budget Paper No. 1: Budget Strategy and Outlook*, p. 58.

¹⁷⁸ ABS (2022a).

¹⁷⁹ State Final Demand is a broad measure of the demand for goods and services in the Victorian economy. It is distinct from GSP as it does not measure output or production.

¹⁸⁰ ABS (2023a).

¹⁸¹ ABS (2023c).

with growth slowing in each of the last two quarters. In year-ended terms, Melbourne CPI growth moderated from 8 per cent in the December quarter 2022 to 6.8 per cent in the March quarter 2023. Despite the decline, 6.8 per cent is the third-highest annual growth recorded in any quarter since 1991. A measure of underlying inflation, the Melbourne CPI excluding 'volatile items', increased by 7.1 per cent over the same period.¹⁸²

Each of the 11 Melbourne CPI groups recorded an annual increase, led by 'Housing' (9.6 per cent) and 'Food and non-alcoholic beverages' (7.9 per cent). Of relevance to this Determination, the 'Transport' Group rose by 3.9 per cent. Quarterly and annual inflation outcomes were slightly softer in Melbourne than Australia as a whole and all state capitals besides Perth.¹⁸³

Wage growth has picked up in recent quarters, with annual growth in the Victorian WPI increasing to 3.5 per cent in the March quarter 2023. This was the fastest growth since 2012, and was driven primarily by a 3.7 per cent increase in private sector wages. Meanwhile, public sector wages grew by a more subdued 3 per cent, consistent with the recent trend of slower growth relative to the private sector. The private sector has now recorded higher year-ended wage growth than the public sector in each of the last eight quarters.¹⁸⁴

The Tribunal also noted the following with regard to wage movements:

- Victorian AWOTE increased by 2.0 per cent (in seasonally adjusted terms) through the year to November 2022¹⁸⁵
- the average annualised wage increase (AAWI) for Victorian enterprise agreements current at 31 December 2022 was 2.5 per cent, and 2.4 per cent for agreements approved in the December quarter 2022¹⁸⁶
- the SEEK Advertised Salary Index rose 4.2 per cent through the year to April 2023.¹⁸⁷

The *Victorian Budget 2023/24* (Victorian Budget), released in May 2023, stated that 'the economic outlook [for Victoria] remains positive', while forecasting

¹⁸² ABS (2023b).

¹⁸³ ABS (2023b).

¹⁸⁴ ABS (2023d).

¹⁸⁵ ABS (2022b).

¹⁸⁶ Department of Employment and Workplace Relations (Cth) (2023), pp. 29, 31.

¹⁸⁷ SEEK (2023). The SEEK Advertised Salary Index measures the change in advertised salaries over time for jobs posted on SEEK, while removing much of the effect of compositional change.

subdued growth in 2023-24 as high interest rates and inflation weigh on economic activity.¹⁸⁸

The Victorian Budget forecasts for the Victorian economy are reproduced in Table 7.4. In summary:¹⁸⁹

- real GSP growth is expected to be 2.75 per cent in 2022-23, before moderating to 1.50 per cent in 2023-24 as rising interest rates and high inflation affect household spending
- the unemployment rate is projected to rise gradually to average 4.75 per cent in 2025-26 and 2026-27
- growth in the Melbourne CPI is expected to average 7 per cent in 2022-23, before declining to the middle of the RBA’s target range in 2025-26
- growth in the Victorian WPI is expected to average 3.5 per cent from 2022-23 through to 2024-25, before moderating to 3.25 per cent in years thereafter.

Table 7.4: Victorian Budget 2023/24 forecasts for the Victorian economy

Indicator	2022-23 (forecast)	2023-24 (forecast)	2024-25 (forecast)	2025-26 (projection)	2026-27 (projection)
Real GSP ^(a)	2.75	1.50	2.50	2.75	2.75
Unemployment rate ^(b)	3.75	4.25	4.50	4.75	4.75
Melbourne CPI ^(a)	7.00	4.25	2.75	2.50	2.50
Victorian WPI ^(a)	3.50	3.50	3.50	3.25	3.25

Notes: (a) Percentage change in year-average terms compared with the previous year. (b) Year average.
Source: DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 22.

The Victorian Budget noted that risks to Victoria’s economic outlook remain higher than normal. In terms of upside risks, the tight labour market could lead to higher than expected growth in household consumption. On the other hand, a downside risk is that persistent high inflation could become self-sustaining if inflation expectations become de-anchored and firms and employees ‘build these higher expectations into their wage bargaining and price-setting behaviour’. This could in turn lead the RBA to raise interest rates further or leave them higher for longer, which would weigh on economic activity. Globally, there is a risk that further escalation in the conflict between Russia and Ukraine could ‘further destabilise energy prices and elevate geopolitical tensions’.¹⁹⁰

¹⁸⁸ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 21.

¹⁸⁹ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 22.

¹⁹⁰ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 39.

7.3 Financial position and fiscal strategy of the State of Victoria

The Tribunal's analysis of the financial position and fiscal strategy of the State of Victoria has been informed by the Victorian Budget, including the latest quarterly financial statement.

According to the Victorian Budget, the general government sector recorded an operating deficit of \$2.9 billion for the nine months to 31 March 2023. Total revenue increased by \$2.1 billion compared to the corresponding period in the previous financial year. This was driven by a 9 per cent increase in taxation revenue, and partially offset by a decrease in grants revenue. Total expenses decreased by \$4.4 billion compared to the corresponding period in the previous financial year due to the winding down of business support measures introduced in response to COVID-19.¹⁹¹

The Victorian Budget reiterated the Victorian Government's four-step fiscal strategy, first outlined in the *Victorian Budget 2020/21* in response to the COVID-19 pandemic:¹⁹²

- Step 1 — creating jobs, reducing unemployment and restoring economic growth
- Step 2 — returning to an operating cash surplus
- Step 3 — returning to operating surpluses
- Step 4 — stabilising debt levels.

To support its fiscal strategy, the Victorian Government announced a COVID-19 Debt Repayment Plan to help pay down debt incurred as a result of the response to the COVID-19 pandemic, estimated at \$31.5 billion. The plan includes a range of revenue and savings measures over 10 years.¹⁹³

One of these is the introduction of a temporary COVID-19 Debt Levy, which will levy additional payroll tax on businesses with national payrolls above \$10 million per year, decrease the tax-free threshold for general land taxes and adjust fixed charges and land tax rates. These measures are expected to raise \$8.6 billion over four years, with the levy expected to end on 30 June 2033.¹⁹⁴

¹⁹¹ DTF (2023), *Budget Paper No. 5: Statement of Finances*, pp. 221-222.

¹⁹² DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 3.

¹⁹³ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 7.

¹⁹⁴ DTF (2023), *Budget Paper No. 3: Service Delivery*, p. 6.

The Victorian Government also announced a range of savings and efficiency initiatives to be implemented across the public sector, including reductions in the number of Victorian Public Service staff across corporate and back office functions. Further savings will be achieved via reductions in labour hire and consultancy expenditure and efficiencies across public non-financial corporations and public financial corporations. In total, these measures are expected to save \$2.1 billion over four years.¹⁹⁵

An operating deficit for the general government sector of \$10.3 billion is forecast for 2022-23, with smaller deficits forecast for the following years before an expected return to an operating surplus in 2025-26. Meanwhile, an operating cash flow surplus of \$2.9 billion is forecast for 2022-23.¹⁹⁶ Net debt for the general government sector was approximately \$108 billion at 31 March 2023,¹⁹⁷ and is forecast to increase to around \$171 billion (24.5 per cent of GSP) by June 2027.¹⁹⁸

7.4 Wages Policy

In April 2023, the Treasurer of Victoria announced the introduction of a new *Victorian Public Sector Wages Policy* (Wages Policy), with immediate effect.¹⁹⁹

Box 7.1 summarises the key features of the new Wages Policy, which applies to enterprise agreements negotiated by public sector employers. In particular, the new Wages Policy provides that:²⁰⁰

- increases in wages and conditions will be funded at a rate of growth of 3 per cent per annum over the life of the agreement, compared to an annual cap of 1.5 per cent under the previous policy
- in addition to annual wage increases, an annual lump sum cash payment will be available, equivalent to 0.5 per cent of overall agreement costs.

¹⁹⁵ DTF (2023), *Budget Paper No. 3: Service Delivery*, p. 6.

¹⁹⁶ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 53.

¹⁹⁷ DTF (2023), *Budget Paper No. 5: Statement of Finances*, pp. 223.

¹⁹⁸ DTF (2023), *Budget Paper No. 2: Strategy and Outlook*, p. 53.

¹⁹⁹ State Government of Victoria (2023b).

²⁰⁰ Industrial Relations Victoria (2023), p. 3.

Box 7.1: Victorian Public Sector Wages Policy — summary

The Victorian Public Sector Wages Policy has three pillars:

Pillar 1: Wages

- Increases in wages and conditions will be funded at a rate of growth of 3.0 per cent per annum over the life of the agreement. In practice, this means that employee wages and conditions will be allowed to grow at this rate.
- In addition to annual wage increases, a separate lump sum, cash payment will be available equivalent to an additional 0.5 per cent of overall agreement costs which for the purposes of this policy means a per annum amount calculated on wages and wage-related conditions.

Pillar 2: Best Practice Employment Commitment

- Public sector agencies may make a Best Practice Employment Commitment which outlines measures to operationalise elements of the Government’s Public Sector Priorities^(a) that reflect good practice within Government and can be implemented operationally or without significant costs.

Pillar 3: Additional strategic changes

- Additional changes to allowances and other conditions (not general wages) will only be allowed if Government agrees that the changes will address key operational or strategic priorities for the agency, and/or one or more of the Public Sector Priorities and provided the associated costs are funded through appropriate cash offsets or a government approved funding strategy.

A ‘Secondary Pathway’ is also available for public sector agencies whose current enterprise agreement reaches its nominal expiry date before 1 January 2024, which permits agreements to be made on the following terms:

- wage and allowance increase funded at a rate of growth of 3.50 per cent per year, pro-rated
- a nominal expiry date of between 12 to 18 months from the nominal expiry date of the current agreement
- all other terms and conditions as contained in the current agreement except where a change is required under the Public Sector Industrial Relations Policies, to further mutually agreed whole of-Government initiatives, to resolve legal issues, or minor changes to improve the clarity of the agreement.

Note: (a) The Public Sector Priorities are: the delivery of exceptional services and value for Victorians; a professional and responsive public sector; government as a fair and best practice employer.

Source: Industrial Relations Victoria (2023), pp. 3-4.

7.5 Summary

Adjustments to Victorian MPs’ salaries and allowances since 2019 have generally not kept up with inflation, except for adjustments to the motor vehicle allowance. Growth in MP salaries has been closer to economy-wide movements in wages.

The RBA has noted that inflation appears to have peaked, but remains high in historical terms. Recent growth in both the Australian and Victorian economies

has been solid, although growth is expected to moderate in the near-term due to the impact of higher interest rates and continued cost-of-living pressures. The labour market remains tight but is expected to ease as economic activity slows. Wage growth in Australia, which has picked up considerably in recent quarters, is expected to peak in the second half of 2023.

The Victorian Budget, released in May 2023, reiterated the Victorian Government's four-step fiscal strategy outlined in response to the COVID-19 pandemic. It forecast a return to an operating cash flow surplus in 2022-23, followed by an expected return to operating surplus in 2025-26. To support its fiscal strategy, the Victorian Government announced the introduction of a temporary COVID-19 Debt Levy on large business and landowners, as well as savings and efficiency measures across the public sector. These measures are expected to generate additional revenue and savings totalling \$10.7 billion over four years.

8 Tribunal's considerations



The Tribunal now turns to a discussion of the matters it considered in determining the value of the:

- basic salary for MPs
- additional salaries and expense allowances for specified parliamentary office holders
- electorate allowance
- EO&C Budget
- motor vehicle allowance
- travel allowance
- commercial transport allowance
- international travel allowance
- PASA.

Changes to the guidelines for the use of parliamentary allowances are discussed in Chapter 9.

8.1 Legislative requirements

As discussed in Chapter 1, in making a determination the Tribunal must consider the following legislative requirements:

- any statement of policy issued by the Government of Victoria which is in force with respect to its wages policy
- the financial position and fiscal strategy of the State of Victoria
- current and projected economic conditions and trends
- submissions received in relation to the proposed determination.

Under its Act, the Tribunal must also:

- comprehensively review the existing salaries, additional salaries, work-related parliamentary allowances and other funding and superannuation and pension arrangements provided to MPs
- not set the basic salary at a rate that is higher than the basic salary of Members of the Parliament of the Commonwealth
- take into account the salary and allowances for, and the roles and responsibilities of, Members of the Parliaments of the Commonwealth and other States and Territories
- take into account existing guidelines and rulings governing the use of work-related parliamentary allowances and the Budget, including any relevant rulings by the ATO
- ensure that individual members are in an overall position that is no less favourable than the arrangements that are in place before the making of the determination taking into account the basic salary, additional salary, the EO&C Budget, work-related parliamentary allowances and superannuation and pension arrangements
- in setting the value of the electorate allowance, take into account that the purpose of the electorate allowance is for costs associated with Members providing services to their constituents.

In performing its functions and in the exercise of its powers, the Tribunal must act independently and impartially and is not subject to the control or direction of any person, including the Minister.

8.2 The value of the basic salary

Roles and responsibilities of MPs

As part of its Determination, the Tribunal considered the role and responsibilities of MPs (see Chapter 2 for full details) and, in particular, whether there has been any change in their work value or workload since the Tribunal's first Comprehensive Determination in 2019.

The Tribunal found that the community's expectations regarding MPs being accessible and responsive has changed since 2019 partly due to the increased use of electronic communications such as social media. Many of the changes to the work of MPs from the COVID-19 pandemic remain, including those associated

with hybrid working arrangements. Population growth in electorates has also placed increased pressure on MPs and their staff requiring MPs to determine how to use the limited resources available to them to meet competing priorities and changing expectations while ensuring their staff are adequately supported.

The Tribunal considers that these changes have largely impacted the workload of MPs. The role and responsibilities of MPs are essentially unchanged. An increase in workload is generally more appropriately dealt with through an increase in the standard resources provided to MPs rather than through an adjustment to remuneration.

Decisions about the number of electorate office staff are not within the Tribunal's jurisdiction. However, the Tribunal notes that each MP is centrally provided with the services of two and a half FTE electorate officers and over 90 per cent of MPs spend funds from their EO&C Budget on employee expenses in the most recent year for which data is available.

The Tribunal further notes that as part of its 2023-24 budget, the Commonwealth Government announced that it will provide additional frontline electorate staff resources for each Commonwealth parliamentarian effective from 1 July 2023.

Jurisdictional comparisons

The Tribunal examined the roles and responsibilities of, and salaries and allowances payable to, MPs across Australian jurisdictions (refer to Chapter 6 for full details).

While the roles and responsibilities of MPs are broadly comparable between parliaments, there are a number of differences. For example, parliamentary powers and responsibilities vary across jurisdictions, and some parliaments have a unicameral structure.

There is significant variation in remuneration frameworks and allowance structures and their values across jurisdictions, particularly in travel and transport-related allowances. Taking these differences into account, salaries in Victoria are broadly comparable to those in other jurisdictions, although towards the higher end of the spectrum.

The Tribunal compared remuneration frameworks and allowance structures as they were at June 2023. Other jurisdictions are expected to complete their own

reviews of MP remuneration over the course of this year, which may lead to increases to the salaries and allowances provided to their MPs. However, the New South Wales Government has announced that it will legislate to freeze MP remuneration until at least 1 July 2025.²⁰¹

Current and projected economic conditions and trends

A full analysis of economic conditions and trends is set out in Chapter 7. In summary, the RBA in its latest *Statement on Monetary Policy* (May 2023) found that inflation appears to have peaked, although it remains high and broad based. Goods price inflation is expected to decline further over 2023, while services inflation is expected to remain high. WPI growth is forecast to peak at around 4 per cent in the second half of 2023, before moderating to around 3.75 per cent in mid-2025. The *Commonwealth Budget 2023-24* forecasts were broadly consistent with those of the RBA, although inflation and wages growth are expected to decline more quickly.

According to Victorian Budget forecasts, inflation in Victoria is expected to average 4.25 per cent in 2023-24 and 2.75 per cent in 2024-25. Meanwhile, growth in the Victorian WPI is expected to average 3.5 per cent in both 2023-24 and 2024-25.

Historical and forecast movements in wages and prices

The relevant economic indicators taken into account by the Tribunal as part of its considerations are set out in the following table:

Table 8.1: Historical movements in wages

Indicator	Description	Value (%)
Australian WPI	Annual growth to March quarter 2023	3.7
Victorian WPI	Annual growth to March quarter 2023	3.5
Victorian WPI – private sector	Annual growth to March quarter 2023	3.7
Victorian WPI – public sector	Annual growth to March quarter 2023	3.0
Victorian AWOTE	Annual growth to November 2022	2.0
Victorian AAWI	AAWI for Victorian agreements current on 31 December 2022	2.5

²⁰¹ State Government of New South Wales (2023).

Table 8.2: Forecast movements in wages

Indicator	Source	Description	Value (%)
Australian WPI	RBA	Annual growth to June quarter 2024	3.9 ^(a)
Australian WPI	Commonwealth Budget	Annual growth to June quarter 2024	4.00
Victorian WPI	Victorian Budget	Year-average growth in 2023-24	3.50

Note: (a) Rounded to the first decimal point.

Table 8.3: Historical movements in prices

Indicator	Description	Value (%)
Australian CPI	Annual growth to March quarter 2023	7.0
Trimmed mean	Annual growth to March quarter 2023	6.6
Melbourne CPI	Annual growth to March quarter 2023	6.8
Melbourne CPI excluding 'volatile items'	Annual growth to March quarter 2023	7.1

Table 8.4: Forecast movements in prices

Indicator	Source	Description	Value (%)
Australian CPI	RBA	Annual growth to June quarter 2024	3.6 ^(a)
Australian CPI	Commonwealth Budget	Annual growth to June quarter 2024	3.25
Trimmed mean	RBA	Annual growth to June quarter 2024	3.25
Melbourne CPI	Victorian Budget	Year-average growth in 2023-24	4.25

Note: (a) Rounded to the first decimal point.

Financial position and fiscal strategy of the State of Victoria

For the nine months to 31 March 2023, the general government sector recorded an operating deficit of \$2.9 billion. Total revenue increased by \$2.1 billion while total expenses decreased by \$4.4 billion. Net debt was around \$108 billion as at 31 March 2023 and is forecast to increase to around \$171 billion by 30 June 2027.

The government's fiscal strategy set out in the 2023-24 Budget reiterated a four step process: creating jobs, reducing unemployment and restoring economic growth; returning to an operating cash surplus; returning to operating surpluses; and stabilising debt levels.

Wages Policy

In April 2023, the Treasurer of Victoria announced a new Wages Policy which applies to enterprise agreements negotiated by public sector employers. In summary, the policy provides that increases in wages and conditions will be funded at a rate of growth of 3 per cent over the life of the agreement compared to a cap of 1.5 per cent under the previous policy. In addition to annual wages increases, an annual lump sum cash payment will be available equivalent to 0.5 per cent of overall agreement costs.

Annual Wage Review 2022-23 Decision

The Fair Work Commission's *Annual Wage Review 2022-23 Decision* increased the National Minimum Wage by 8.6 per cent and modern award minimum wages by 5.75 per cent with effect from 1 July 2023.

Conclusion

As discussed earlier, the Tribunal strives to achieve fair and reasonable recompense for MPs in performing their public duties. Having regard to that foundation principle, submissions received, jurisdictional comparisons, current and projected economic conditions and trends including movements in wages and prices, the financial position and fiscal strategy of the State and its Wages Policy, the Tribunal has determined to set the MP basic salary at \$198,839 per annum, representing an increase of 3.5 per cent.

The Tribunal is of the view that an increase of 3.5 per cent strikes the right balance between the various, sometimes conflicting, factors the Tribunal is required to take into account in making its decision. Having said that, particular weight was given to the current Wages Policy, the government's financial and fiscal objectives and prevailing economic conditions and trends.

The basic salary is only one of the monetary entitlements of an MP. The Tribunal's Determination also sets the value of those other entitlements, as explained later in this Statement of Reasons.

8.3 Additional salaries and expenses for specified parliamentary office holders

Each Australian jurisdiction provides additional salaries to parliamentary office holders. New South Wales, Victoria and Tasmania also provide an expense allowance to particular office holders.

Additional salaries

Apart from jurisdictional comparisons, the same factors considered for the basic salary also apply to additional salaries for specified parliamentary office holders. In relation to jurisdictional comparisons, arrangements and values vary across

jurisdictions making comparisons difficult. While Victoria has the highest paid Premier, Deputy Premier, Ministers and Cabinet Secretary of all States and Territories, Victoria's position for other parliamentary office holders salaries and allowances is mixed.

In this light, the Tribunal has determined to set additional salaries for specified parliamentary offices ranging from \$7,954 to \$221,871 per annum (Schedule A of this Determination). This represents an increase of 3.5 per cent for additional salaries for specified parliamentary office holders consistent with the increase in the basic salary for MPs.

Expense allowances

The Tribunal has also determined to set expense allowances for 15 specified parliamentary offices ranging from \$3,558 to \$60,480 per annum (Schedule A of this Determination), an increase of 3.5 per cent.

In doing so, the same factors as for basic salary have been considered, bearing in mind the expense allowance is treated similarly to salary as it is paid fortnightly, regarded as income by the ATO and is subject to the PAYG-W system.

Other considerations

Prior to the Tribunal's 2019 determination, all MPs were paid an expense allowance in addition to the basic salary. As part of its 2019 determination, the Tribunal decided to roll the minimum expense allowance into the basic salary on the grounds, as discussed above, that it was salary by any other name.

Similar considerations were given, as part of this Determination, to rolling the remaining expense allowance for specified parliamentary office holders into their additional salary. However, it is not as straight forward as was rolling the minimum expense allowance into the basic salary for an MP. For example, some MPs hold more than one specified parliamentary office with an associated expense allowance. As pointed out to the Tribunal by the Clerks of the Parliament, it has been the practice in the past, where this has occurred, to pay only one expense allowance, being the highest expense allowance for which an MP is eligible.

A difficulty arises because the highest expense allowance does not necessarily align with the highest parliamentary office held by an MP. Any decision to roll in

the expense allowance could lead to distortions in relativities and/or invoke the no less favourable provisions of the VIRTIPS Act. Another consideration is that, because the expense allowance is not treated as salary for superannuation purposes, rolling it into additional salary would result in significant windfall superannuation gains.

As part of its 2019 Determination, the Tribunal broke the nexus, which had existed up until that time, between the basic salary for MPs and the additional salary for specified parliamentary office holders. This was because the roles and responsibilities of parliamentary office holders — particularly those requiring executive functions — are fundamentally different to that of an MP suggesting that the determination of additional salary as some multiple of the basic salary was less than optimal.

The Tribunal has comprehensively reviewed the role and responsibilities of certain parliamentary office holders. The Tribunal intends to undertake a further analysis of additional salaries (including relativities) for parliamentary office holders to inform its next Comprehensive Determination for MPs. Consideration of the appropriate treatment of the expense allowance will be considered as part of this analysis.

8.4 The electorate allowance and the EO&C Budget

The electorate allowance is paid to all MPs for the costs associated with MPs ‘providing services to their constituents’. The value of the electorate allowance paid varies by the size of the MP’s electorate, reflecting the higher costs of providing services in larger electorates.

An EO&C Budget is provided to each MP to:

- fund the operating costs and maintenance of the electorate office
- communicate with their electorate in relation to the performance of their public duties.

The Tribunal’s most recent analysis of average expenses claimed by MPs from the EO&C Budget found that approximately:

- 63 per cent of the Budget was used to meet the costs of acquiring goods and services such as advertising, printing and communications and postage

- 23 per cent was used to meet the costs of employing additional electorate officers, staff related expenses and professional development.

The purpose of the electorate allowance and the EO&C Budget and the type of expenses claimed are instructive as to which indices are most relevant to the adjustment considerations.

The factors the Tribunal is required to take into account in making its Determination, as discussed earlier in this chapter and outlined in previous chapters, on balance warrant an increase in the electorate allowance and the EO&C Budget.

There are contemporary data on the number of voters enrolled available, enabling the formula for calculating the value of the EO&C Budget to be reset so as to avoid having to rely on an indexation factor at this stage.

Accordingly, the Tribunal has determined to reset the formula for determining the value of the EO&C Budget in a non-election year²⁰², as set out in Box 8.1.

Box 8.1: Formula to calculate the value of the EO&C Budget in a non-election year for this Determination

Member of the Legislative Assembly:

$$\text{EO\&C Budget} = \left(\frac{N_V}{88} \times \$1.03\right) + (N_{ED} \times \$1.36)$$

Member of the Legislative Council:

$$\text{EO\&C Budget} = \frac{N_V}{88} \times \$2.39$$

where:

N_V : total number of voters enrolled in Victoria^(a)

N_{ED} : total number of voters enrolled in the electoral district that the MP represents^(a)

Note: (a) As published by the VEC as at the last day of February in the previous financial year.

The reset formula results in the value of the EO&C Budget increasing in line with the movement in the Melbourne CPI over the year to March 2023 (6.8 per cent). In doing so it has departed from the index used for the most recent annual adjustment (the Melbourne CPI excluding ‘volatile items’). The reason for reverting to the Melbourne CPI is that the price volatility that existed 12 months ago — e.g. fuel — no longer exists to the same degree.

²⁰² In an election year, the EO&C Budget for the period from 1 July to 30 November of the relevant financial year is 5/12ths of the amount calculated under the formula in Box 8.1 and for the period from 1 December to 30 June of the relevant financial year is 7/12ths of the amount calculated under the formula in Box 8.1

In making its Determination, the Tribunal decided not to adjust the relativities in the formula between Members of the Legislative Assembly and Members of the Legislative Council at this stage. However, it intends to undertake a detailed review of the formula for the EO&C Budget in the future, including the rationale for the existing formula and cost drivers.

The value of the electorate allowance has been set at between \$45,022 and \$53,933 per annum. This also represents a 6.8 per cent annual increase in allowance values, reflecting movements in the costs of an MP providing services to their constituents.

8.5 Travel and transport-related allowances

The travel and transport-related components of the salaries and allowances framework — motor vehicle allowance, travel allowance, commercial transport allowance, international travel allowance and PASA — are intended to cover work-related travel and transport costs incurred by MPs as part of carrying out their public duties.

The motor vehicle allowance and the PASA are both paid as fixed amounts, provided an MP meets the eligibility criteria applying to each. The international travel allowance, commercial transport allowance and travel allowance are paid as a reimbursement of actual expenditure incurred for certain eligible expenditures.

Again, the factors the Tribunal is required to take into account in making its Determination, as discussed earlier in this chapter and outlined in previous chapters, on balance warrant an increase in travel and transport-related allowances, except in relation to the PASA.

The motor vehicle allowance is provided to those MPs who elect not to be provided with a fully maintained motor vehicle. Where possible and appropriate, MPs are expected to use the motor vehicle allowance (or access to free public transport) to cover their transport costs in Victoria incurred as part of carrying out their public duties. Available CPI data suggests that over the 12 months to March 2023, transport costs, including the cost of purchasing, maintaining and operating a motor vehicle in Victoria, have increased by 3.9 per cent.

In the circumstances, the Tribunal has determined to set the value of the motor vehicle allowance at \$23,225 per annum for MPs with an electorate up to 5,000km² in size, and \$34,994 per annum for MPs with an electorate 5,000km² or greater. This increase is consistent with the annual percentage change in the 'Transport' sub-group of the Melbourne CPI to March 2023 (3.9 per cent).

In the MP Comprehensive Determination made in 2019, the Tribunal set the maximum travel allowance payable per overnight stay in commercial accommodation in a particular location as equal to the travelling allowance rate as set (from time to time) by the Commonwealth Remuneration Tribunal. These rates were last adjusted in August 2022. That nexus will be maintained including any resultant adjustments to the travel allowance.

The Tribunal has determined to set the commercial transport allowance between \$5,195 and \$17,898 per annum, representing an increase of 3.9 per cent consistent with the Melbourne CPI Transport sub-group (year ending March quarter 2023). In doing so, the Tribunal notes that data provided by DPS show that relatively few MPs claim the commercial travel allowance — so far, only 12 MPs have received it in 2022-23 while the average annual amount claimed over the two years ending June 2022 (the latest data available) was \$1,067 (acknowledging that COVID-19 was a factor in play here).

The international travel allowance covers the cost of international travel undertaken by an MP in performing their public duties. It is available to all MPs on a reimbursement basis. The maximum amount that an MP may claim is currently \$10,080 per annum.

Since the Tribunal last considered the value of the International Travel Allowance in June 2022, the cost of international travel has increased significantly due to high demand and capacity constraints. However, the latest CPI data show that international travel costs fell in the March quarter 2023 and may have peaked.

Notwithstanding the decline in the March quarter, it is notable that the relevant index for this allowance — the Melbourne CPI 'International Holiday Travel and Accommodation' sub-group — for the year ending March 2023 reveals an increase of 39.6%. Given the remaining volatility in international travel costs, the Tribunal is of the view that it would be inappropriate to "lock in" an adjustment of this magnitude. It has therefore determined to set the value of the international travel allowance at \$10,765 per financial year, consistent with the

increase in the Melbourne CPI (6.8 per cent) but will closely monitor future experience and make any further changes that may be necessary in the next annual adjustment Determination.

Finally, in its consultation paper released prior to the making of this Determination, the Tribunal raised the question of whether the PASA was required in the future given the revised arrangements made to the travel allowance. Having considered submissions made to the Tribunal and in particular the need to avoid discouraging people from regional areas with family responsibilities from standing for Parliament, the Tribunal has decided to retain the PASA in its current form.

The Tribunal also considered the appropriate values for the PASA, including benchmarking against the travel allowance. The Tribunal's view is that the PASA currently provides value for money and, consistent with the approach it has taken in previous years, determined to make no changes to the current values which range from \$26,609 to \$53,217 per annum.

8.6 Support on leaving the Parliament

MPs are provided with several forms of support to assist them when they leave the Parliament including a separation payment providing certain specified conditions are met. A number of submissions were made arguing that the current level of support is inadequate. The Tribunal does not have the power to make changes to the structure of the separation payment as that is set in section 7E of the PSAS Act. However, it found such arguments to be compelling and recommends that the Government give further consideration to the adequacy of current arrangements.

8.7 Conclusion

This Statement of Reasons deals with the second Comprehensive Determination of the Tribunal of the salaries and allowances for MPs in the Parliament of Victoria. The VIRTIPS Act provides for the annual adjustment of the values set by the Tribunal for those salaries and allowances.

The Tribunal has examined the role and responsibilities of MPs including certain specified parliamentary office holders, their current remuneration framework,

their current EO&C Budget, economic factors and existing guidelines and rulings applying to their remuneration and EO&C Budget.

In deciding on the values for the salaries and allowances for MPs, the Tribunal has comprehensively reviewed the existing basic salary, additional salaries, work-related parliamentary allowances and other funding and superannuation and pension arrangements provided to MPs.

The Tribunal has also taken into account the salary and allowances for, and roles and responsibilities of, MPs of the Commonwealth and other States and Territories as well as existing guidelines and rulings governing the use of work-related parliamentary allowances and the EO&C Budget, including relevant rulings of the ATO.

In making its Determination, the Tribunal has given close consideration to the financial position and fiscal strategy of Victoria, current and projected economic conditions and trends and the Government's statements or policies in respect of wages and other relevant remuneration and allowances.

The Tribunal received submissions in relation to the proposed Determination for MPs which it has considered in making its Determination. The Tribunal expresses its appreciation to those who made submissions and participated in the consultative group.

As required by the VIRTIPS Act, individual MPs will be in an overall position that is no less favourable than the arrangements in place before the making of the Determination taking into account the basic salary, additional salary, the EO&C Budget, work-related parliamentary allowances and superannuation and pension arrangements.

The resultant Determination for MPs will take effect on 1 July 2023.

9 2023 MP Guidelines



This chapter discusses the Tribunal's considerations when making the *Members of Parliament (Victoria) Guidelines No. 01/2023* (2023 MP Guidelines) and summarises the key changes made to the 2022 MP Guidelines.

Some submissions to the Tribunal noted that changes made to the Guidelines in 2019 and 2021 had been positive in clarifying the regulatory framework that applies to the use of the EO&C Budget and certain work-related parliamentary allowances. However, submissions also raised other matters regarding the operation of the Guidelines, in particular, the rules governing the use of the EO&C Budget.

The Tribunal has given careful consideration to all matters raised to ensure that the 2023 MP Guidelines support MPs to undertake their work, consistent with the principles and overarching obligations of the PSAS Act.

The 2023 MP Guidelines are effective from 1 July 2023.

9.1 Summary of key changes made

A summary of key changes the Tribunal has determined to make to the 2022 MP Guidelines are set out below.

Provision of the EO&C Budget (Guideline 8)

The Guidelines clarify that following the declaration of the poll for an electorate by the VEC, a re-elected MP may carry-over any unspent funds from their EO&C Budget remaining from the pre-election period, consistent with general carry-over provisions. This includes MPs elected to a different seat.

The Guidelines also clarify that claims for expenditure incurred prior to the issuing of the writs cannot be paid or reimbursed using the post-election EO&C Budget allocation. In practice, this means that an MP cannot exceed their pre-election

EO&C Budget allocation and then claim the excess from their post-election allocation.

Prohibitions on party political activity (Guideline 9)

The Guidelines also clarify that an MP must not make a claim under the EO&C Budget for any costs incurred and/or activity undertaken to communicate with their electorate between the issuing of writs for a general election or by-election and the declaration of the poll for the electorate by the VEC. Any costs incurred and/or activity undertaken to communicate with their electorate during that period cannot be funded from the EO&C Budget.

This clarifies the Tribunal's intent that MPs should not be able to use the EO&C Budget to undertake communications activities during an election period. However, the Secretary of DPS as the relevant Officer retains the ability to issue terms and conditions providing for payment of costs incurred for standard electorate office services, such as cleaning and utilities.

The Tribunal has removed the restriction on the EO&C Budget being used for petitions that are not in appropriate form for either House of Parliament. This follows feedback that an MP may be unable to claim for the cost of a petition that they intended to table in Parliament due to an administrative error. It also allows MPs to claim for the costs of petitions to other bodies, such as local government. Any claims for the costs of petitions remain subject to the principles and overarching obligations under the PSAS Act.

Joint communications (Guideline 14)

The Guidelines now enable joint communication between two or more Victorian MPs from any geographic location or House of Parliament. MPs wishing to undertake joint communication are no longer restricted to communicating jointly with one MP who shares the same geographic location or with one MP in a neighbouring electorate.

The Guidelines continue to state that all MPs who have authored a joint communication are required to include the name of the MP as author and at least one form of contact detail for the MP. There are no other minimum content requirements, such as requiring an even distribution of content about each MP or activities in their electorate.

The rules governing the allocation of costs for joint communications arrangements are unchanged.

Communication with the electorate (Guideline 15)

The Guidelines now provide for an MP to communicate with their constituents on any matter that they reasonably believe is of importance or interest to them, subject to the principles and overarching obligations in the PSAS Act and prohibitions on party political activity in the Guidelines.

The Guidelines clarify that an MP is permitted to communicate outside of the geographic boundaries of their electorate, provided that the dominant purpose is to communicate with their constituents. For example, this allows MPs to communicate using a sign or billboard located outside their electorate that they may reasonably believe their constituents will view.

The above changes provide MPs with greater scope to communicate outside of their electorate.

Claiming the travel allowance (Guideline 19)

The Guidelines clarify that an MP may make a claim for an overnight stay for the night immediately preceding and following their parliamentary business, committee business or Ministerial business. For example, MPs will be permitted to claim the travel allowance for stays in Melbourne on the night before a parliamentary sitting day (usually a Monday evening) and for the night of the last sitting day of the week (usually a Thursday evening). Such a change is designed to meet health and safety concerns associated with MPs travelling while fatigued.

9.2 Other matters raised

The Tribunal has determined not to change the Guidelines in relation to some other matters raised in submissions.

Rules governing travel and transport costs

Some submissions suggested changes to the rules governing travel and transport costs to allow reimbursement for:

- the cost of road tolls

- transport costs incurred by MP staff working for regional MPs when travelling to their principal place of work
- the cost of hiring a driver for regional MPs to return to their electorates at the end of a sitting week, to mitigate the occupational health and safety risks associated with driving long distances in the evening or late at night.

The Tribunal does not consider that these types of costs should be able to be claimed under the EO&C Budget or allowances in the scope of the Guidelines.

The Tribunal notes that toll road costs are not reimbursed for Commonwealth MPs²⁰³ or Victorian Public Service executives undertaking private travel²⁰⁴ and that these costs could be funded from other allowances, including the electorate allowance.

The Tribunal also notes that consistent with the tax deductibility rules of the ATO,²⁰⁵ trips between home and work — even if the person lives a long way from where they work — are private travel and therefore should not be reimbursed from public funds.

Further, the Tribunal considers that the ability for regional MPs to claim the travel allowance for an overnight stay for the night immediately preceding and following a parliamentary sitting day will help mitigate safety risks associated with long-distance travel to and from their electorate for regional MPs.

Purchases of small items

Submissions also requested that the Guidelines clarify whether the purchase of small value miscellaneous items, such as items for the local fete and small gifts for delegations visiting Parliament, could be claimed from the EO&C Budget. The Tribunal notes that these costs could be funded from other sources, such as the electorate allowance.

Matters out of scope of the Tribunal's remit

Some submissions suggested that DPS consider a 'pre-approval' process, whereby MPs could obtain assurance that their purchases of items would be able to be claimed from the EO&C Budget before incurring expenditure. While this

²⁰³ Independent Parliamentary Expenses Authority (Cth) (2003).

²⁰⁴ Department of Treasury and Finance (Vic) (2020).

²⁰⁵ ATO (2023).

suggestion is out of scope of the Tribunal's remit, the Tribunal notes that the Commonwealth Government permits MPs to request an optional 'pre-claim assessment' for a proposed non-travel related claim.²⁰⁶

Other matters relating to the broader regulatory framework governing MP entitlements which were raised but which are outside the Tribunal's remit included:

- the interaction of claims made under the EO&C Budget with VEC authorisation requirements
- providing MPs with a definition of the standard costs of an electorate office that are automatically deducted from the EO&C Budget.

These matters have been passed on to the appropriate authorities for their consideration.

9.3 Summary

Submissions to the Tribunal raised matters relating to the operation of the Guidelines. To better support MPs to carry out their roles and responsibilities in accordance with the principles and overarching obligations of the legislative framework, the Tribunal has made several changes to the Guidelines. These mainly relate to clarifying the carry-over of unspent EO&C Budget funds and revised provisions governing communications with constituents, including joint communications with other Victorian MPs and permitted communication with the electorate.

²⁰⁶ Department of Finance (Cth) (2021).

Appendix A

Recent changes to MP salaries and allowances



In 2019 the Victorian Government introduced significant legislative reforms to the remuneration framework for MPs, which gave the Tribunal responsibility for making:

- Determinations setting the values of MP salaries, allowances and the EO&C Budget
- Determinations providing for an annual adjustment to those values
- guidelines for, or with respect to, the use of particular allowances and the EO&C Budget.

Since its establishment, and prior to the making of this Determination, the Tribunal has made the *Members of Parliament (Victoria) Determination No. 01/2019* (2019 Determination) and three annual adjustment Determinations. The Tribunal also issued amended MP Guidelines on four occasions.

A.1 Previous Determinations

In its inaugural 2019 Determination, the Tribunal made several key reforms to MP salaries and allowances:

- a 'base' expense allowance, equal to eight per cent of the basic salary, was consolidated into the basic salary for an MP
- the basic salary was further increased by 3.5 per cent, bringing its value to \$182,413 per year
- additional salaries for specified parliamentary office holders were reset, based on the new value of the basic salary

- the value of additional salaries and remaining expense allowances for office holders were set in dollar terms, rather than as a percentage of the basic salary
- the value of the motor vehicle allowance was increased, to adjust for inflation and to bring Victoria into line with other Australian jurisdictions that provide MPs with a similar allowance.

The Tribunal's 2019 Determination saw the value of 'total salary' (basic salary, additional salary and expense allowance) of specified parliamentary office holders — who previously had an eight per cent expense allowance — increase by between 3.8 per cent and 4.8 per cent. The 'total salary' of office holders who had a higher expense allowance increased by 11.8 per cent. For those office holders, the Tribunal phased-in the increase to their 'total salary' over two years.

The Tribunal also made reforms to travel-related allowances, including to eligibility criteria and other rules governing interstate and international travel-related expenses.

The Tribunal made Determinations providing for an annual adjustment to the values set in the 2019 Determination in each of 2020, 2021 and 2022. These adjustments are summarised in chapter 7.

A.2 Previous MP Guidelines

The Tribunal made the *Members of Parliament (Victoria) Guidelines No. 01/2019*, on 16 September 2019, the same day that the 2019 Determination was made. Where appropriate, those Guidelines preserved or built upon the rules and eligibility criteria for using allowances and the EO&C Budget that were previously in place.

Since the original Guidelines were made, the Tribunal has issued updated Guidelines on three occasions.

December 2019 update

Following the making of the *Members of Parliament (Victoria) Guidelines No. 01/2019*, the Tribunal received letters from the Special Minister of State and the Clerks of the Parliament of Victoria, requesting that it clarify aspects of the Guidelines. The Tribunal released a discussion paper in November 2019 and invited all interested parties to make a submission.

The Tribunal published the *Members of Parliament (Victoria) Guidelines No. 02/2019* on 23 December 2019, and those Guidelines took effect on the same date.

Box A.1 summarises the key changes to the Guidelines that were made following that review.

Box A.1: Key changes to the Guidelines made in 2019

- MPs were permitted to claim the travel allowance for occasions when they stay in the metropolitan area as a result of there being a break of less than 10 hours between sittings of a House of Parliament, or when the relevant Clerk anticipated there would be a break of less than 10 hours.
- MPs were allowed to claim the travel allowance if they can demonstrate that the shortest practicable route by road between their primary residence and the location of the stay satisfies the applicable distance threshold.
- The distance thresholds for claiming the parliamentary accommodation sitting allowance and commercial transport allowance have been updated to be based on the shortest practicable route, instead of the shortest route.
- MPs were allowed to claim the international travel allowance for electoral business, whereas previously it could only be claimed for parliamentary business.
- Limits in the Guidelines on how much MPs can claim per financial year under the commercial transport allowance for each of parliamentary business and electorate business were removed — the overall limit set in the 2019

Source: Victorian Independent Remuneration Tribunal (2019b), pp. 4-7.

2020-21 comprehensive review

In 2020-21, the Tribunal carried out a comprehensive review of the Guidelines, aimed at addressing anomalies and areas of ambiguity. The Tribunal released an issues paper in July 2020 and a consultation draft in November 2020, and invited submissions from all interested parties. The Tribunal published the *Members of Parliament (Victoria) Guidelines No. 01/2021* on 24 February 2021, which took effect on 1 May 2021.

Box A.2 summarises the key changes to the Guidelines that were made following that review.

Box A.2: Key changes to the Guidelines made in 2021

- The Statement of Principles and overarching obligations under the PSAS Act were inserted at the beginning of the MP Guidelines.
- Preambles were inserted to clarify the purpose of the different allowances and EO&C Budget.
- Definitions were included for the four categories of ‘public duties’ under the PSAS Act.
- The section on the EO&C Budget was amended to provide:
 - detailed and specific prohibitions on the types of expenses that can be claimed, in particular with regard to party political activity
 - that the names and logos of political parties may be included in communication materials
 - further clarity around the issuing of joint communications
 - that computer software and systems may be claimed, provided they comply with parliamentary networks and equipment
- Eligibility criteria for the commercial transport allowance and international travel allowance were amended to provide that MPs may claim the cost of reasonable commercial transport directly to or from a Victorian airport.

Source: Victorian Independent Remuneration Tribunal (2021b), pp. 3-7.

2022 update

In November 2022 the Tribunal made the *Members of Parliament (Victoria) Guidelines No. 01/2022* to reflect changes to electorates that were announced by the Electoral Boundaries Commission for the 2022 Victorian general election. The Guidelines took effect on 26 November 2022.

Appendix B

Consultation



Pursuant to section 24(1) of the VIRTIPS Act, and before making this Determination, the Tribunal:

- published notice of its intention to make a Determination, including details about the proposed Determination, on its website on 16 December 2022
- gave any affected person or a class of affected persons a reasonable opportunity to make a submission in relation to the proposed Determination.

To support those wanting to make a submission, the Tribunal also published a Consultation Paper alongside the notice of intention.

The Tribunal received both written and oral submissions. The written submissions received from the following individuals and organisations are available on the Tribunal's website:

- Dr Amy Nethery, Dr Peter Ferguson, and Dr Zim Nwokora, Deakin University.
- Parliament of Victoria — Clerk of the Legislative Council and Clerk of the Legislative Assembly
- Parliament of Victoria — Speaker of the Legislative Assembly and President of the Legislative Council
- Samantha Ratnam MLC, Leader of the Victorian Greens.

One party requested that their written submission be published in a de-identified form. This submission is also available on the Tribunal's website.

The Tribunal also received confidential submissions from two parties who did not give consent for their submission, or name, to be published.

Agreed summaries of the oral submissions from the following individuals and organisations are available on the Tribunal's website:

- The Hon. Peter Walsh MP
- Victorian Parliamentary Former Members Association Inc.

In addition, one party requested that the agreed summary of their oral submission be published on the website in a de-identified form.

The Tribunal also met with a group of four MPs to discuss their views on the issues raised in the Consultation Paper. A summary of the matters discussed has been published on the Tribunal's website.

References



ABC News (2020), *Daniel Andrews is finally taking a day off. Is this a sign things are looking up for Victoria?*, <https://www.abc.net.au/news/2020-10-30/daniel-andrews-takes-day-off-after-120-covid-media-briefings/12831460>, last updated 31 October 2020.

ABS (Australian Bureau of Statistics) (2022a), *Australian National Accounts: State Accounts*, 2021-22 financial year.

——— (2022b), *Average Weekly Earnings, Australia*, November 2022.

——— (2022c), *National, state and territory population*, September 2022.

——— (2022d), *Regional Population*, reference period 2021.

——— (2023a), *Australian National Accounts: National Income, Expenditure and Product*, March quarter 2023.

——— (2023b), *Consumer Price Index, Australia*, March quarter 2023.

——— (2023c), *Labour Force, Australia*, May 2023.

——— (2023d), *Wage Price Index, Australia*, March quarter 2023.

Australian Capital Territory Remuneration Tribunal (2022), *Members of the ACT Legislative Assembly Determination 6 of 2022*.

ATO (Australian Taxation Office) (1992), *Taxation Ruling 1992/15 Income tax and fringe benefits tax: the difference between an allowance and a reimbursement*.

——— (1999), *Taxation Ruling 1999/10 Income tax and fringe benefits tax: Members of Parliament – allowances, reimbursements, donations and gifts, benefits, deductions and recoupments*.

— — — (2022), *Taxation Determination 2022/10 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022-23 income year?*

— — — (2023), *Trips you can and can't claim*, <https://www.ato.gov.au/Individuals/Income-deductions-offsets-and-records/Deductions-you-can-claim/Cars-transport-and-travel/Trips-you-can-and-can-t-claim/>, last updated 26 April 2023.

Commonwealth of Australia (2023), *Budget 2023-24*.

Compliance Officer (2022), *Compliance Officer - Victorian Independent Remuneration Tribunal*, <https://www.vic.gov.au/compliance-officer>, last updated 4 May 2022.

Department of Employment and Workplace Relations (Cth) (2023), *Trends in Federal Enterprise Bargaining – December quarter 2022*.

Department of Finance (Cth) (2021), *Claiming PBR expenses*, <https://maps.finance.gov.au/offices-resources-and-budgets/office-expenses-budget/claiming-pbr-expenses>, last updated 18 January 2021.

— — — (2022), *Annual budget for office expenses*, <https://maps.finance.gov.au/offices-resources-and-budgets/office-expenses-budget/annual-budget-office-expenses>, last updated 21 December 2022.

— — — (2023), *Additional electorate staff resources and changes to the nominated traveller provision*, <https://maps.finance.gov.au/news/2023/additional-electorate-staff-resources-and-changes-nominated-traveller-provision>, last updated 12 May 2023.

Department of Premier and Cabinet (Tas) (2021), *Handbook for Elected Members of the House of Assembly and Prescribed Parliamentary Office Holders*.

Department of Premier and Cabinet (Vic) (2023), *Cabinet Handbook*.

Department of Prime Minister and Cabinet (2022), *Parliamentary Sitings 2023*.

Department of Transport and Planning (Vic) (2023), *Guide to Victoria's planning system — the Role of the Minister*, <https://www.planning.vic.gov.au/guide-home/the-role-of-the-minister>, last updated 5 April 2023.

- Department of Treasury and Finance (SA) (2022), *House of Assembly Global Allowance Guidance Notes*.
- Department of Treasury and Finance (Vic) (2020), *Victorian Government Standard Motor Vehicle Policy*.
- — — (2022), *The Resource Management Framework Part 1 of 2*.
- — — (2023), *Victorian Budget 2023/24*.
- Electoral Boundaries Commission (2013), *Report on the 2012 – 2013 redivision of electoral boundaries*.
- — — (2021), *Report on the Redivision of Victorian Electoral Boundaries 2020-2021*.
- FWC (Fair Work Commission) (2023), *Decision – Annual Wage Review 2022-23*.
- Governor of Victoria (2022), *Government in Australia*, <https://www.governor.vic.gov.au/government-house/government-australia>, last updated 13 September 2022.
- Independent Parliamentary Expenses Authority (Cth) (n.d.a), *International Travel*, <https://www.ipea.gov.au/travel/parliamentarians-travel/international-travel>, accessed 18 June 2023.
- — — (n.d.b) *Travel within Australia*, <https://www.ipea.gov.au/travel/parliamentarians-travel/travel-within-australia>, accessed 9 June 2023.
- Industrial Relations Victoria (2023), *Wages Policy and the Enterprise Bargaining Framework*.
- Legislative Assembly for the Australian Capital Territory (2020), *Tenth Assembly Members Guide*.
- — — (2022), *Sitting Calendar 2023 As of November 2022*.
- Legislative Assembly of the Northern Territory (2022), *2023 Parliamentary Calendar as at October 2022*.
- Legislative Assembly of Queensland (2023), *Members' Remuneration Handbook*.
- Legislative Assembly of Victoria (2021), *Standing Orders*.
- Legislative Council of Victoria (2022), *Standing Orders*.

Nethery A et al (2021), *Transitioning to Life after Parliament*, A report commissioned by the Parliament of Victoria in conjunction with the Victorian Parliamentary Former Members' Association.

Parliament of New South Wales, *Sitting Day Calendar (2023)*, <https://www.parliament.nsw.gov.au/pages/sitting-day-calendar.aspx?y=2023>, accessed 9 June 2023.

Parliament of Tasmania (2022), *Proposed Parliamentary Sittings 2023*.

Parliament of Victoria (2019a), *Dealing with alleged contraventions of the requirements of the Code of Conduct and the Register of Interests*.

— — — (2019b) *Fact Sheet H1: Roles in the Assembly*, <https://www.parliament.vic.gov.au/assembly/publications-a-research/2-legislative-assembly/articles/2491-fact-sheet-h1>, last updated 25 February 2019.

— — — (2023), *Sitting calendar 2023*, https://new.parliament.vic.gov.au/48f8b0/globalassets/sections-shared/parliamentary-activity/pov-2023-sitting-calendar_a4.pdf, last updated 3 January 2023.

— — — (n.d.a), *A guide to member roles and terms*, <https://new.parliament.vic.gov.au/about/how-parliament-works/people-in-parliament/member-roles>, accessed 5 June 2023.

— — — (n.d.b), *Committees*, <https://new.parliament.vic.gov.au/get-involved/committees/>, accessed 9 June 2023.

— — — (n.d.c), *Department of the Legislative Assembly*, <https://new.parliament.vic.gov.au/about/departments/legislative-assembly/>, accessed 9 June 2023.

— — — (n.d.d) *How sitting days work*, <https://new.parliament.vic.gov.au/about/how-parliament-works/how-sitting-days-work>, accessed 1 May 2023.

— — — (n.d.e) *Introduction to the Public Accounts and Estimates Committee*, <https://new.parliament.vic.gov.au/4909de/globalassets/sections-shared/get-involved/committee-shared-blocks/introduction-to-the-public-accounts-and-estimates-committee-.pdf>, accessed 15 June 2023.

— — — (n.d.f), *Legislative Assembly Statistics: 59th Parliament Interactive Report*, <https://new.parliament.vic.gov.au/parliamentary-activity/statistics/assembly-statistics>, accessed 2 June 2023.

— — — (n.d.g), *Legislative Council Statistics: 59th Parliament Interactive Report*, <https://new.parliament.vic.gov.au/parliamentary-activity/statistics/statistics-council>, accessed 2 June 2023.

— — — (n.d.h), *People in Parliament*, <https://new.parliament.vic.gov.au/about/how-parliament-works/people-in-parliament>, accessed 9 June 2023.

— — — (n.d.i), *Petitions*, <https://new.parliament.vic.gov.au/get-involved/petitions/>, accessed 9 June 2023.

Parliament of Western Australia (2022), *Calendar for 2023*, <https://www.parliament.wa.gov.au/482583EA0000BFAF/0/209C33774CE545214825890C000F79B9>, last updated 2 December 2022.

Parliament South Australia (n.d.), *Sitting Program by Year*, <https://www.parliament.sa.gov.au/en/Sitting-Program/Sitting-Program-by-Year>, accessed on 9 June 2023.

Parliamentary Remuneration Tribunal (NSW) (2021), *Annual report and determination*.

— — — (2022), *Annual report and determination*.

Public Accounts and Estimates Committee (Vic) (2022), *Report on the 2022-23 Budget Estimates*.

Queensland Parliament (n.d.), *Sitting Dates*, <https://www.parliament.qld.gov.au/Work-of-the-Assembly/Sitting-Dates/Dates>, accessed on 9 June 2023.

Remuneration Tribunal (Cth) (2022a), *Report on Ministerial Salaries – Salary Additional to the Parliamentary Base Salary*.

— — — (2022b), *Statement — Travel and Motor Vehicle Allowance Rates for Public Office Holders and Parliamentarians*.

— — — (2023a), *Remuneration Tribunal (Members of Parliament) Determination (No. 1) 2023*.

— — — (2023b), *2023 Review of Remuneration for Holders of Public Office Statement*, <https://www.remtribunal.gov.au/document-library-search/2023-remuneration-review-statement>, last updated 8 June 2023.

Remuneration Tribunal (NT) (2021), *Report and Determination No. 3 of 2021 Entitlements of Assembly Members*.

— — — (2022), *Report and Determination No. 1 of 2022 Salaries and Other Entitlements of Assembly Members*.

Remuneration Tribunal of South Australia (2022a), *Determination No. 15 of 2022, Common Allowance for Members of the Parliament of South Australia*.

— — — (2022b), *Determination No. 17 of 2022, Electorate Allowances for Members of the Parliament of South Australia*.

— — — (2022c), *Determination No. 18 of 2022, Accommodation Expense Reimbursement and Allowances for Country Members of Parliament*.

— — — (2022d), *Report No. 15 of 2022, 2022 Review of Common Allowance for Members of the Parliament of South Australia*.

— — — (2022e), *Report No. 17 of 2022, 2022 Review of Electorate Allowances for Members of the Parliament of South Australia*.

Reserve Bank of Australia (RBA) (2023a), *Forecast Table – May 2023*.

— — — (2023b), *Statement by Philip Lowe, Governor: Monetary Policy Decision – June 2023*.

— — — (2023c), *Statement on Monetary Policy – May 2023*.

— — — (n.d.), *Inflation and its Measurement*, <https://www.rba.gov.au/education/resources/explainers/inflation-and-its-measurement.html>, accessed on 16 June 2023.

Salaries and Allowances Tribunal (WA) (2022), *Members of Parliament Tribunal Determination No. 1 of 2022*.

SEEK (2023), *Advertised Salary Index*, April 2023.

State Government of New South Wales (2023), *Minns Government acts to freeze NSW public sector senior executive and politicians' pay for 2 years*,

<https://www.nsw.gov.au/media-releases/minns-government-acts-to-freeze-nsw-public-sector-senior-executive-and-politicians-pay-for-2-years>, last updated 30 May 2023.

State Government of Victoria (2018), *Code of Conduct for Ministers and Parliamentary Secretaries*.

— — — (2020), *Crisis Council Of Cabinet Set Up To Combat Coronavirus*, <https://www.premier.vic.gov.au/crisis-council-cabinet-set-combat-coronavirus>, last updated 3 April 2020.

— — — (2021), *The Premier*, <https://www.vic.gov.au/premier>, last updated 30 March 2021.

— — — (2022), *Sweeping Integrity Reforms for Victoria*, <https://www.premier.vic.gov.au/sweeping-integrity-reforms-victoria>, last updated 20 July 2022.

— — — (2023a), *General orders*, <https://www.vic.gov.au/general-orders>, last updated 1 February 2023.

— — — (2023b), *New Wages Policy Strikes Responsible Balance For Victoria*, <https://www.premier.vic.gov.au/site-4/new-wages-policy-strikes-responsible-balance-victoria>, last updated 4 April 2023.

Tasmanian Industrial Commission (2020), *Issues Paper – Inquiry into Parliamentary Salaries and Allowances by The Full Bench of the Tasmanian Industrial Commission*.

— — — (2022), *Tasmanian State Service Award No. 3 of 2022 (Consolidated)*.

Victorian Electoral Commission (VEC) (n.d.a), *Administrative expenditure funding for political parties*, <https://www.vec.vic.gov.au/candidates-and-parties/funding/funding-registered-political-parties/rpp-administrative-expenditure-funding>, accessed on 10 January 2023.

— — — (n.d.b), *Policy development funding*, <https://www.vec.vic.gov.au/candidates-and-parties/funding/funding-registered-political-parties/rpp-policy-development-funding>, accessed on 10 January 2023.

—— (n.d.c), *Public funding for political parties*, <https://www.vec.vic.gov.au/candidates-and-parties/funding/funding-registered-political-parties/rpp-public-funding>, accessed on 10 January 2023.

Victorian Independent Remuneration Tribunal (2019a), *Members of Parliament (Victoria) Determination No. 01/2019*.

—— (2019b), *Statement – Victorian Independent Remuneration Tribunal makes Members of Parliament (Victoria) Guidelines No. 02/2019*.

—— (2020a), *Members of Parliament (Victoria) Annual Adjustment Determination 2020*.

—— (2020b), *Review and report on the superannuation arrangements for Members of the Parliament of Victoria*.

—— (2021a), *Members of Parliament (Victoria) Annual Adjustment Determination 2021*.

—— (2021b), *Statement – Victorian Independent Remuneration Tribunal makes Members of Parliament (Victoria) Guidelines No. 01/2021*.

—— (2022a), *Members of Parliament (Victoria) Annual Adjustment Determination 2022*.

—— (2022b), *Members of Parliament (Victoria) Determination No. 01/2020 (as varied by [2020] DMPA 01, [2021] DMPA 01 and [2022] DMPA 01)*.

—— (2022c), *Members of Parliament (Victoria) Guidelines No. 01/2022*.

Victorian Public Sector Commission (2023a), *Employee numbers*, <https://vpsc.vic.gov.au/data-and-research/data-facts-visuals-state-of-the-sector/employee-numbers/>, last updated 27 April 2023.

—— (2023b), *Machinery of Government*, <https://vpsc.vic.gov.au/about-public-sector/machinery-of-government>, last updated 24 January 2023.