

1954

VICTORIA

REPORT OF THE COMMITTEE

APPOINTED TO INQUIRE INTO THE

SALARIES AND ALLOWANCES

OF

MEMBERS OF THE PARLIAMENT

OF THE

STATE OF VICTORIA

RETURN to an Order of the House,
Dated 19th October, 1954, for—

A COPY of the Report of the Committee of Inquiry appointed to investigate
and make recommendations in regard to the salaries and allowances of
Members of Parliament and Ministers of the Crown.

(*Mr. Cain.*)

Ordered by the Legislative Assembly to be printed, 19th October, 1954.

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VICTORIA

REPORT OF THE COMMITTEE OF INQUIRY INTO THE SALARIES AND ALLOWANCES OF MEMBERS OF PARLIAMENT AND MINISTERS OF THE CROWN

On 14th May, 1954, the Honorable the Premier appointed the signatories to this report as a Committee of Inquiry to investigate and to make recommendations in regard to salaries and allowances to Members of Parliament and Ministers of the Crown.

The terms of reference are—

1. (a) What remuneration should be provided for Members of the Legislative Council of Victoria and of the Legislative Assembly of Victoria respectively.

(b) Whether there should be any differentiation between the remuneration provided for country Members and metropolitan Members respectively, and, if so, what amount.

(c) Whether, in addition, any special allowance or allowances should be provided, particularly for country Members.

2. What should be the salaries of:—

(a) Premier.

(b) Other Ministers of the Crown.

(c) Leader of Her Majesty's Opposition.

(d) President of the Legislative Council, Speaker of the Legislative Assembly, and the Chairman of Committees of the respective Houses.

Mr. E. W. Coates, B.Com., Economics Research Officer of the Treasury, was appointed as Secretary of the Committee, and he promptly furnished each member with a great deal of statistical and historical information which he considered might be of assistance. Thus, before meeting as a Committee, the members had the advantage of studying various documents. It will be necessary to make some quotations from these documents.

Basic Documents

These included the very full report submitted in 1948 by a Committee under the Chairmanship of the Chief Justice Sir Edmund Herring—herein referred to as the Herring Report—and the report of the Committee of Inquiry into salaries and allowances of Members of the National Parliament set up in 1951 under the Chairmanship of the late Mr. Justice Harold S. Nicholas.

Whilst due regard has been paid to the past history of remuneration to Members of Parliament in this State and to the prevailing levels of salaries paid to Members of the National Parliament, and to those of other States, the Committee, broadly, decided not to be bound by precedent but to make an independent approach to the general question of what remuneration should be provided for Members, having regard, amongst other considerations, to the value of the pound to-day.

Present Parliamentary Salaries

The rates of annual salaries and allowances now being paid to Members of Parliament in the State of Victoria are as follows:—

	Salary (including £390 C.O.L. in all cases)	Plus Urban or Country Electorate Allowance where Applicable	Entertainment Allowance
	£	£	£
Premier	3,140	250	500
Other Ministers (11)	2,640	200	100
Honorary Ministers (2)	1,890	100	..
President Legislative Council	1,940	100	150
Chairman of Committees, Legislative Council	1,690	100	..
Speaker, Legislative Assembly	1,940	100	150
Chairman of Committees, Legislative Assembly	1,690	100	..
Leader of the Opposition, Legislative Assembly	1,940	100	..
Leader of Third Party, Legislative Assembly	1,790	100	..
Government Whip	1,540	100	..
Party Whip	1,490	100	..
Members Legislative Council and Legislative Assembly	1,440	100	..

Changes in Parliamentary Salaries Since 1948

Following the Herring Report, Parliamentary salaries were increased from 1st July, 1948. The recommendations of the Herring Committee were adopted from that date with the exception of those relating to Members of the Legislative Council and the Chairman of Committees in that House.

By 1st July, 1951, all recommendations of the Herring Committee had been adopted with an additional annual allowance of £50 each to the President of the Legislative Council and to the Speaker of the Legislative Assembly.

Apart from amendments based on the Herring Report, the only other alterations have been—

(1) From 11th December, 1950—

Cost of living adjustments applied to Members' salaries on basis of automatic adjustment to Public Service salaries.

(2) From 1st July, 1951—

Cost of living adjustments applied to Ministers' salaries and to salaries of the Speaker and Chairman of Committees in the Legislative Assembly and the President and Chairman of Committees in the Legislative Council.

Earlier History

The following figures, selected from a chronological table covering approximately 100 years, show the annual Parliamentary salaries and allowances paid at various dates during that period:—

LEGISLATIVE COUNCIL

	President	Chairman of Committees	Members
	£	£	£
1861	1,000	400	Nil
1871	1,000	400	300 (From 25.4.71 to 9.2.80)
1891	1,200	600	Nil
1921	750	300	Nil
1923	750	400	200
1948—June—(Prior Herring Report) ..	1,000	500	350
1948—July—(After Herring Report) ..	1,500	1,000	750
1954—July	1,940	1,690	1,440

NOTE.—Since the Herring Report the President has also received an Entertainment Allowance of £150, and urban or country Members an Electorate Allowance of £100.

LEGISLATIVE ASSEMBLY

	Speaker	Chairman of Committees	Members
	£	£	£
1861	1,500	800	Nil
1871	1,500	800	300
1891	1,500	800	300
1921	1,200	740	500
1948—June—(Prior Herring Report) ..	1,200	850	650
1948—July—(After Herring Report) ..	1,500	1,300	1,050
1954—July	1,940	1,690	1,440

NOTE.—Since the Herring Report the Speaker has also received an Entertainment Allowance of £150, and urban or country Members an Electorate Allowance of £100.

MINISTERS' SALARIES

	Premier			Other Ministers		
	Salary	Entertainment Allowance	Country or Urban Allowance	Salary	Entertainment Allowance	Country or Urban Allowance
	£	£	£	£	£	£
1855.. .. .	2,500	..	..	5 @ 2,000 1 @ 1,500	..	..
1895.. .. .	1,400	..	..	9 @ 1,000	..	..
1948—June ..	1,601	300	..	9 @ 1,211	..	..
1948—July— (after Herring Report) ..	2,750	500	250	9 @ 2,250	100	200
1954—July ..	3,140	500	250	11 @ 2,640	100	200

Basic Wage—Melbourne

The following table shows the basic wage payable in Melbourne at various dates:—

	<i>Shillings per week</i>
1906	33/- General Level Unskilled Worker
1907 (Higgins Award Harvester Judgment)	42/-
1922 February	81/-
1927 February	88/-
1932 February	63/-
1939 February	79/-
1948 May	115/- Herring Report
1949 February	123/-
1950 February	134/-
1951 February	170/-
1952 February	209/-
1952 May	212/-
1952 August	224/-
1952 November	228/-
1953 February	229/-
1953 May	232/-
1953 August	235/-
1953 November	237/-
1954 February	238/-
1954 May	237/-
1954 August	236/- Increase from Herring Report 1948 = 105%.

Authority.—Commonwealth Arbitration Court basic wage to August, 1953. State basic wage from November, 1953.

Expenditure—State of Victoria

The following tables show the annual Revenue and Loan expenditure of the State for the years stated:—

TOTAL REVENUE BUDGET				£
1861	..	..	..	3,100,000
1891	..	..	..	9,100,000
1921	..	..	..	18,400,000
1947-48	..	..	..	42,300,000
1948-49	..	..	..	48,200,000
1949-50	..	..	..	57,500,000
1950-51	..	..	..	65,700,000
1951-52	..	..	..	85,800,000
1952-53	..	..	..	99,200,000
1953-54	..	..	..	108,400,000
1954-55	..	..	..	114,500,000

LOAN EXPENDITURE ON WORKS

				£
1921	..	..	..	11,500,000
1931	..	..	..	3,600,000
1947-48	..	..	..	11,000,000
1948-49	..	..	..	12,700,000
1949-50	..	..	..	20,300,000
1950-51	..	..	..	35,300,000
1951-52	..	..	..	55,100,000
1952-53	..	..	..	41,600,000
1953-54	..	..	..	45,700,000

Committee Procedure.

The Committee held its first formal meeting on 3rd August, 1954, when procedures were adopted.

Ten formal meetings were held for the purpose of interviewing witnesses. Five of these meetings were open to the public and the press and five were private sessions at which several Members revealed their financial position and submitted statements of expenses incidental to the upkeep of office.

Four meetings were held subsequently to consider the evidence and to prepare this report.

The Committee interviewed 24 Members, including the President of the Legislative Council, the Speaker of the Legislative Assembly, the Premier, Deputy Premier, Leader and Deputy Leader of the Opposition, appointed representatives of the Country party and the Leader of the Hollway group. At the request of the Committee, several members were selected by Parties and were representative of the different types of constituencies and of each House.

Three only members of the public, including a former Premier and an ex-Member, accepted the Committee's invitation to give verbal testimony.

The Committee also interviewed the Secretary of the Taxpayers' Association of Victoria. Invitations were extended to twelve Employer and Union organizations but only nine acknowledged the letter and only one body was represented personally.

Other Sources of Information

The Committee received seven written statements from Members whom it did not interview, fifteen from Members whom it did interview, and perused 44 letters written by members of the public in response to advertisements inserted in the metropolitan and provincial press inviting comments.

The Committee commends those Members who appeared before it, particularly for the manner in which they revealed the most private and intimate details of their financial affairs, including the expenses incidental to their Parliamentary positions, and generally for the information they supplied. Most Members showed a willingness to support their statements with cheque butts, vouchers, &c. The

statistical sheet which the Committee prepared shows the large expenses reported as incurred by individual Members in their concept of the proper conduct of their Parliamentary duties.

There appears to be considerable misconception on the part of the public regarding expense recompense given to a Member. Other than the Gold Pass—which now is of limited use to Members—and the stamp allowance, the floor Member receives nothing from the State in addition to the salary and allowances previously mentioned. Analysis of the 54 expense statements submitted by Members shows annual expenditure as follows:—

- 19 metropolitan Members of the 32 Legislative Assembly Seats—
average annual expenditure, £476; highest, £1,014.
- 6 metropolitan Members of the 14 Legislative Council Seats—
average annual expenditure, £434; highest, £810.
- 6 urban Members of the 12 Legislative Assembly Seats—
average annual expenditure, £902; highest, £1,125.
- 5 urban Members of the 10 Legislative Council Seats—
average annual expenditure, £826; highest, £1,014.
- 10 inner country Members of the 17 Legislative Assembly Seats—
average annual expenditure, £899; highest, £1,330.
- 3 inner country Members of the 6 Legislative Council Seats—
average annual expenditure, £1,061; highest, £1,560.
- 4 outer country Members of the 4 Legislative Assembly Seats—
average annual expenditure, £887; highest, £967
- 1 of the outer country Members of the four Legislative Council
Seats—gives annual expenditure of £875.

No attempt is made to give a weighted average of the 54 Members because of the different conditions in the different types of electorates. Income Tax is, of course, paid on the total remuneration received by the Member, less some allowance which the Commissioner of Taxation permits each Member to deduct from his income. Disregarding this factor, many Members appeared before the Committee and submitted accounts showing that the difference between their Parliamentary income and the expenses attributable to office does not equal to-day's basic wage. Some Members showed that they had drawn upon private resources accumulated prior to their advent to Parliament; others admitted, and proved to the Committee, that they were accepting financial help from members of their family.

Type of Membership

Conflicting evidence was given on the question whether a floor Member could render satisfactory service on a part-time basis.

The Committee expresses no view about the great inroads made on the time of the Member who is at the beck and call of his constituents at all hours of the day and night, including week-ends, but it is of the opinion that the huge machinery of Government is now

so complex and the workings of the welfare State (whether we like it or not, being here to stay) are so detailed that it is not reasonable to expect any Member to perform his Parliamentary duties efficiently and, at the same time, give satisfactory service in some business or calling in which he may be engaged.

Similar views have been expressed by other committees of inquiry into Parliamentary salaries. The following views of a Royal Commission in New Zealand, quoted by the Nicholas Committee, are apposite:—

“ We think that the increased volume of work . . . the modern duties and functions of the State and the invasion of the State for good or ill of territories of human affairs formerly left to private enterprise now makes demands on the time of Ministers and Members which can only be fairly met on the basis that the work is full-time professional work. We use the term ‘ professional ’ in the strict ordinary sense of the word—that is, the Minister or Member gives skilled, continuous service requiring ability, training and experience. All Ministers must abandon their private occupation so long as they hold office, and many Members must do the same.”

The duties of a Member of Parliament within his constituency and when Parliament is sitting are so well known as to require no elaboration herein, but the Committee does draw attention to the important but almost unknown work that a Member must do. He must acquire an intimate knowledge of the operation of the various Acts of Parliament and the regulations thereunder; he must acquire a thorough knowledge of the activities of State enterprises in all their ramification and keep his information up to date; and he must consider and assist in the initiation of, and/or critically examine, proposals for development of the State or for improvements in the working thereof.

A survey of Victorian State enterprises indicates the scope for men of the right type in the State Parliament; men possessing initiative, vision, sound judgment and the ability to examine and comprehend the implications of governmental activities. The population of the State is now increasing at the remarkable rate of approximately 3 per cent. per annum. Immense developmental works, rural and urban, are in progress. More are under consideration or are in process of planning. A comprehensive booklet, recently issued by the Department of National Development contains details of 150 of Australia's major developmental projects with a total estimated cost of £1,060,914,000.

Almost all these projects are being undertaken by State Governments, and it is clear that Victoria is a major participant in this immense programme. Important and large-scale activities of the State include the undertakings of the State Electricity Commission; railways, roads, transport and other commercial enterprises; the expanding fields of education; health and welfare. All these call for Parliamentary control so that adequate finance for capital costs and administration may be provided, and services supplied as efficiently and economically as possible.

It is of prime importance, in the view of the Committee, that well-qualified men should be available for Parliamentary service. Selection of candidates should not be limited by a search for men of independent means who are prepared to make sacrifices of time and money to represent electors.

Much uninformed criticism is directed against Members of Parliament because of the low number of sitting days per annum. In the Committee's view this is no indication of the worth or the work of the Member. A good and conscientious Member looking after the well being of his constituents does not adhere to the normal working week. To evaluate the services of a Member of Parliament on the basis of the number of days that the House sits seems to the Committee to be just as illogical as assessing the worth of a Director of a Company on the number of meeting days per annum of his Board. A Director doing his job is of great worth to the Company between meetings and so is a Member of Parliament.

From the Members point of view, insecurity of tenure of office is an important consideration. In comparison with a commercial career, the Parliamentary career is very uncertain. Tenure of office may be limited to the Parliament in which the Member is elected. It is true that there are electorates which are safe seats for the endorsed candidate of the dominant political party in that electoral area, but, broadly speaking, there is uncertainty in respect to security of tenure. A land slide election has removed a number of well-known figures—Ministers and Members—from Parliament. In commerce a suitable person is assured of continuous employment if he is efficient and otherwise suitable. The prospects of promotion to higher positions in Parliament are not as good as those in commercial life. Ministerial positions are few in number and tenure of office is uncertain under the Party system of Parliament—eligibility is confined to members of the dominant Party in power or a coalition of Parties as the case may be.

Democratic Government

There appears to be much loose criticism alleging that there are too many Members of Parliament and that the cost of government is excessive. This makes no allowance for the fact that such cost is incidental to the form of government adopted in English-speaking countries. Other forms of government might be less costly, of that we have no knowledge and no desire to ascertain, but in this connexion it is appropriate to quote again from the report of the Nicholas Committee:—

“All (English-speaking countries) have adopted some form of representative or Parliamentary Government. It follows that there must be a large number of persons who take part in legislation, a number larger than would be necessary if the country were in the hands of commissioners, and members are likely to differ among themselves, not only in their political creeds but in experience and outlook. In most English-speaking countries the Government is representative and responsible, and the Party system prevails. There must, therefore, be a Leader of the Opposition with his Deputy and Party Whip, and Ministers,

besides holding their offices, must have seats in Parliament. Representative Government involves the participation of numbers who would not be necessary in a bureaucracy, and in the first instance, at least is more costly. But the cost is the price which democracy pays for free institutions."

The cost of maintaining the Parliamentary institution in Victoria, including the establishment of the Governor in 1953-54, amounted to three shillings and five pence per head of the population or less than three farthings from each pound of Revenue and Loan Expenditure.

General Summary

In the State of Victoria, payment to Members was first introduced in 1871 at the rate of £300 per annum. This sum was intended to be a reimbursement of expenses which Parliamentary duties entailed. There have been a series of reviews since 1871 which provided for increases in the annual amount.

The practice has been, and still is, to provide a lump sum per annum to cover payment for (a) the services required of a Member, plus (b) expenses incurred in the performance of Parliamentary duties.

At this date a Member of Parliament is paid £1,440 per annum (Country Members, £1,540 per annum) to cover both (a) and (b).

Your Committee considers that the payment for services rendered (as distinct from expense incurred) should be the same for each Member. This is of paramount importance.

It is important that the reimbursement of expenses incurred should approximate closely the amount actually expended.

Under the present system of a lump sum vote, it follows that if there is a substantial difference in the amount of expenses properly incurred by one Member as compared with another, there will result a substantial difference in residual amounts available to each for services rendered.

Every increase in expenses means a decrease in the amount receivable for services and vice versa.

Your Committee, after a careful investigation of Members' expenses as previously referred to, has ascertained that there are substantial differences as between Members and, therefore, there are resultant substantial differences in the residual amounts available for services rendered.

The practice of providing a lump sum remuneration per annum therefore results in anomalies, and we consider it should be discontinued.

The practice should be to provide a fixed salary for Parliamentary services and, in addition, an expense allowance varying according to constituencies as classified in specified grades.

RECOMMENDATIONS

Members

The Committee recommends—

- (a) That there be a basic salary which should apply to all Members of the Legislative Council and the Legislative Assembly irrespective of electorate and irrespective of Ministerial or other office.

The basic salary should be £1,600 per annum.

- (b) There should be no differentiation between the basic salary provided for country Members and metropolitan Members.

- (c) That, in addition to the basic salary, there should be paid an Electorate allowance annually of a sum of money which this Committee feels to be a just and fair reimbursement for the expenses attaching to each electorate.

In order to determine this amount, the Committee recommends that the electorates be classified into four grades, and that each Member should be paid an amount set out below opposite the grade in which his electorate is classified:—

Grade 1—£400

Grade 2—£600

Grade 3—£700

Grade 4—£800

In arriving at the above figure, the Committee has included no sum for election expenses. To do so would be unfair to other candidates for election. The Member must make his own contribution to election expenses from the basic salary. For the classification of electorates see Appendix A.

The Committee is aware that at the next dissolution of the Assembly there will be new State Electoral districts, and those electorates will need to be classified on the above general pattern.

Premier

Much evidence was tendered that the high office of Premier should carry with it a salary in excess of that paid at present.

The Premier, who is usually the Treasurer, is in charge of a gigantic undertaking. In terms of money in the commercial field a very high salary indeed would be paid to such a person. That salary cannot be expected to be matched for one in the service of the State.

The Committee recommends that, in addition to the basic salary and Electorate allowance, the Premier should be paid an annual salary of £3,000, and that there should be added to it £1,000 per annum as a special allowance for the expenses particularly attributable to the office of Premier.

Residency

The Committee draws attention to the fact that there is no official residence provided for the head of the State as is provided by some of the Parliaments in other parts of the British Commonwealth. The history of Victoria shows that over the past 40 years the office of Premier has been filled on fourteen occasions (out of 21 Ministries) by a representative from the country. This condemns the Premier to either a city home at his own expense or residence, usually of an indifferent type, in city hotels of various grades, according to the purse of the incumbent. In such circumstances, the Premier cannot demean himself with the dignity of his office nor can he be in a proper position to receive and to give hospitality to important interstate and overseas visitors.

In view of the growing importance of the State of Victoria in the scheme of world affairs, and the advent of air travel which is bringing many important people of the world to this State regularly, the Committee feels that to do justice to the office, and to do justice to the State, there should be provided for the Premier a residency, possibly within the precincts of Parliament. There is ample ground upon which a residency of proper proportion can be built.

Other Salaried Ministers of the Crown

Here again there is abundant evidence, and little opposition, to the view that the work and responsibility of other Ministers demands full time in the conduct of what, in most cases, are large business undertakings yet carrying responsibility to Parliament.

A Minister must attend the needs of his electorate as best as he can and, at the same time, administer one or more large Government Departments. Then he must take his place in Cabinet to take part in the formation of policy.

A survey of the annual Budget and the Loan Programme over the past ten years shows the size and importance of Ministerial office.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to a Minister an additional salary of £1,500 per annum, together with a Minister's special expense allowance of £500 per annum.

Deputy Premier

The position of Deputy Premier calls for some recognition beyond that of other Cabinet Ministers. His responsibilities are onerous and frequently he must act during the absence of the Premier.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Deputy Premier an additional salary of £2,000 per annum, together with a Deputy Premier's special expense allowance of £500 per annum.

Assistant Ministers

It is established practice to elevate certain floor Members to Junior Cabinet rank, whereupon they are designated Assistant Ministers. An extra allowance has been paid to them. The Committee believes in the system of Junior Ministers and feels that they are entitled to extra remuneration.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to an Assistant Minister an additional salary of £750 per annum, together with an Assistant Minister's special expense allowance of £100 per annum.

The Committee recommends the continuance of the special payment to the Parliamentary Secretary of the Cabinet.

Leader of Her Majesty's Opposition

Leader of the Opposition is, without doubt, a very important office in Parliament. The occupant may well be the next Premier and, as such, his views are important, not only to the Parliament but also to all people and organizations whose livelihood is dependent upon Parliamentary enactments. The views of the Leader of the Opposition, for instance, are almost as important to a person proposing to set up a big industry within the State as are the views of the Premier.

On the Parliamentary side, the Leader of the Opposition has to be prepared, on all occasions, and frequently at short notice, to discuss every Bill introduced by the Government. He has no call on Departmental assistance as a Minister has.

In the National Parliament of Australia and in Canada—to quote only two examples—the salary of the Leader of the Opposition is the same as that of a Cabinet Minister.

The Committee accepts that view and recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Leader of Her Majesty's Opposition an additional salary of £1,500 per annum, together with a special expense allowance of £500 per annum.

Deputy Leader of the Opposition

His responsibilities in Opposition are second only to the Leader of the Opposition. If the Leader of the Opposition be a representative from a country electorate and the Deputy Leader a representative of a city electorate, then more responsibility still falls upon the shoulders of the Deputy.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Deputy Leader of Her Majesty's Opposition an additional salary of £500 per annum, together with an expense allowance of £100 per annum.

President of the Legislative Council and the Speaker of the Legislative Assembly

In most Parliaments of the British Commonwealth to-day, the office of President of the Upper House and the Speaker of the Lower House are rated as of equal importance, dignity and responsibility. The Committee accepts that view. Each must be well versed in Parliamentary procedure and neither is worthy of office unless he can bring that dignity and impartiality which, by tradition, are associated with the respective high offices. It must be remembered that both the President and the Speaker carries his own obligations to his electorate and he is not free of the perils of election.

Both the President and the Speaker, by tradition, are required to meet special expenses of entertainment within the House, and they are required to extend hospitality to important people of State and prominent visitors.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the President of the Legislative Council and the Speaker of the Legislative Assembly, each, an additional salary of £1,000 per annum, together with a special expense allowance of £250 per annum.

Chairman of Committees, Legislative Council and Legislative Assembly

In actual practice each is a Deputy for the President and the Speaker respectively, and those qualities expected of the President and the Speaker are expected of the Chairman.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Chairman of Committees of the Legislative Council and the Chairman of Committees of the Legislative Assembly, each, an additional salary of £350 per annum.

The Committee does not consider that either office is entitled to any additional expense allowance and therefore makes no recommendation.

Leader of Third Party

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Leader of the Third Party an additional salary of £500 per annum, together with a special expense allowance of £100 per annum.

Party Whips

There is no doubt that extra responsibilities fall upon the Party Whips, particularly the Government Party Whip but, in the Committee's view, there are no extra expenses incidental to these offices.

The Committee recommends that, in addition to the basic salary and Electorate allowance, there should be paid to the Government Whip an additional salary of £150 per annum, and that there should be paid to the other Party Whips an additional salary of £100 per annum.

Other Benefits

1. *All Lines Gold Pass.*—In early days the Gold Pass was of great value to Members, but methods of transport have changed and evidence shows that to-day, to many Members, it now means little more than a badge of office. The Committee recommends the continuance of this privilege of office.

2. *Stamp Allowance.*—The present allowance is—

Legislative Assembly—

		Per annum.		
		£	s.	d.
Country Member	.. ..	78	1	0
Metropolitan Member	.. ..	35	7	0
Mr. Speaker	.. ..	26	11	0

Legislative Council—

Country Member	.. ..	37	2	0
Metropolitan Member	.. ..	26	11	0
The President	.. ..	13	6	0

The Committee recommends that this allowance be discontinued, as the Committee has allowed for this expense when determining the Electorate allowance recommended herein.

3. *Telephone.*—There is public misconception about the telephone benefits that Members receive. No allowance is paid to any Member for either rental, local calls or trunk calls on the Members private telephone line. The present situation is that local calls only in the metropolitan area are available free to Members if the call is originated in Parliament House. Trunk line calls from Parliament House are paid for by the Member.

The Committee recommends that this situation be not altered, as allowance has been made for this in the Members' Electorate allowance.

4. *Travel Allowance.*—Other than the Gold Pass above referred to the floor Members receive no cash refund for travelling either within or without the electorate.

The Committee recommends that, in addition to the Electorate allowance there should be a living allowance of £3 3s. per day payable to an Urban or Country Member for the days he spends in Melbourne *when the House is in session.*

At present, each Minister, when on Government business, receives a daily travelling allowance of £2 2s. per day when away from his home travelling within the State but outside the metropolitan area and £3 10s. per day when outside the State. This allowance is to pay for hotel accommodation, meals, and other incidental expenses. It is not possible for a Minister to obtain service appropriate to his office on the present daily allowance. The Committee recommends that the allowance be:—Within the State but outside the metropolitan area £3 3s. per day, and outside the State £5 10s. per day when the Minister is absent on the business of the State.

Cost of Living

The Committee is opposed strongly to any basis of remuneration which has a cost of living adjustment attached thereto. Legislators and policy makers should not have the easy comfort of the cost of living adjustment. The Committee has taken that into account when

determining the scale it recommends. Later on, any other adjustment, if such be necessary, could be by a body constituted as was this Committee.

Appreciation

The Committee records its appreciation of the efficient and courteous service rendered to it by Mr. E. W. Coates.

Sir FRANK RICHARDSON, Chairman.

G. E. FITZGERALD, B.A., B.Com., Member.

J. C. WESTHOVEN, C.M.G., Member.

Melbourne, Victoria,

6th October, 1954.

MEMBERS OF PARLIAMENT

ELECTORATE ALLOWANCE—GRADING RECOMMENDED BY COMMITTEE

Grade	Legislative Assembly	Legislative Council
1. Metropolitan ..	Albert Park, Box Hill, Brighton, Brunswick, Camberwell, Carlton, Caulfield, Clifton Hill, Coburg, Collingwood, Dandenong, Elsternwick, Essendon, Footscray, Glen Iris, Hawthorn, Ivanhoe, Kew, Malvern, Melbourne, Mentone, Moonee Ponds, Northcote, Oakleigh, Port Melbourne, Prahran, Preston, Richmond, St. Kilda, Sunshine, Toorak, Williamstown	Doutta Galla, East Yarra, Higinbotham, Melbourne, Melbourne North, Melbourne West, Monash
2. Urban ..	Allendale, Ballarat, Barwon, Bendigo, Evelyn, Geelong, Gippsland West, Grant, Mernda, Midlands, Mornington, Scoresby	Ballarat, Bendigo, Southern, South Eastern, South Western
3. Inner Country	Benalla, Benambra, Borung, Dundas, Gippsland North, Gippsland South, Goulburn, Hampden, Korong, Murray Valley, Polwarth, Portland, Ripon, Rodney, Shepparton, Warrnambool, Wonthaggi	Northern, North Eastern, Western
4. Outer Country	Gippsland East, Mildura, Rainbow, Swan Hill	Gippsland, North Western

SUMMARY OF RECOMMENDATIONS

Salaries

—	At Present	Committee Recommends
	£ p.a.	£ p.a.
Members of both Houses .. plus Urban or Country Allowance	1,440 100	1,600 plus Electorate Expense Allowance— Grade 1—£400 Grade 2—£600 Grade 3—£700 Grade 4—£800

Premier, Deputy Premier, Cabinet Ministers, President, Speaker, and other office bearers to receive the above for their electorate responsibility and, *in addition*, the following :—

Premier	1,700	3,000 plus 1,000 Expense Allowance
plus Urban or Country	150	
plus Entertainment	500	
Deputy Premier	1,200	2,000 plus 500 Expense Allowance
plus Urban or Country	100	
plus Entertainment	100	
Ministers	1,200	1,500 plus 500 Expense Allowance
plus Urban or Country	100	
plus Entertainment	100	
Assistant Ministers	450	750 plus 100 Expense Allowance
President and Speaker	500	1,000 plus 250 Expense Allowance
plus Entertainment	150	
Chairman of Committees	250	350
Leader of the Opposition	500	1,500 plus 500 Expense Allowance
Deputy Leader of the Opposition .. .. .	..	500 plus 100 Expense Allowance
Leader of Third Party	350	500 plus 100 Expense Allowance
Government Whip	100	150
Party Whip	50	100

Other Benefits

At Present	Committee Recommends
TRAVEL ALLOWANCE.	
<i>Ministers.</i> —£2 2s. per day within the State but outside the Metropolitan area ; £3 10s. per day outside the State <i>Members.</i> —Nil	<i>Ministers.</i> —£3 3s. per day within the State but outside the Metropolitan area ; £5 10s. per day outside the State <i>Members.</i> —Urban or Country Members £3 3s. per day for days spent in Melbourne when the House is in session
ALL LINES GOLD PASS.	
Issued to all Members	To be continued
STAMP ALLOWANCE.	
<i>Legislative Assembly—</i>	
Country Member ..	£ 78 1 p.a.
Metropolitan Member ..	35 7 p.a.
Mr. Speaker ..	26 11 p.a.
<i>Legislative Council—</i>	
Country Member ..	37 2 p.a.
Metropolitan Member ..	26 11 p.a.
The President ..	13 6 p.a.
	} To be discontinued
TELEPHONE FACILITIES.	
No allowance	No allowance