

STATEMENT BY THE PRIME MINISTER  
THE RT. HON. WILLIAM McMAHON  
IN THE HOUSE OF REPRESENTATIVES

INQUIRY INTO PARLIAMENTARY SALARIES AND ALLOWANCES

16 SEPTEMBER 1971

I inform the House that the Government has decided that there should be an inquiry into Parliamentary salaries and allowances.

Parliamentary salaries and allowances were last adjusted in December 1968. It will be generally accepted that there should be periodic reviews of Parliamentary salaries and allowances just as there are in other sectors of the community. It has been represented to me from both sides of the House, including strong recommendations from the Leader of the Opposition and the Deputy Leader of the Opposition, at the request of their own Party, that there should be a review at this time.

In the recent history of this matter, there have been three inquiries held - in 1952, in 1955 and in 1959. Since then, in 1964 and in 1968, the salary adjustments were made by decision of the Parliament itself.

The Government has decided that in this instance it should revert to the inquiry method. We propose that one of the terms of reference will be an examination and report upon methods by which Parliamentary salaries and allowances may be determined in future.

The Government has decided to ask Mr. Justice Kerr to undertake this task. He has accepted.

Mr. Justice Kerr was appointed a Judge of the Commonwealth Industrial Court in 1966. As a Senior Counsel at the Bar, he had previously had an extensive practice in industrial matters. Mr. Justice Kerr is at present Chairman of a five-man committee that the Government has appointed to inquire into pay and other conditions of service of members of the Armed Forces. He has informed me that the Committee has a planned programme for carrying out the remainder of its inquiry and for the submission of its further report. I have the Judge's firm assurance that the examination of Parliamentary salaries he has now been asked to undertake will in no way delay the completion of the work of the Armed Forces Pay Committee. That work will proceed and will be carried to finality as originally planned.

The terms of reference of the inquiry will be -

- .. To examine and report upon the salaries and allowances of Senators and Members of the House of Representatives, and those paid to Ministers and Senators and Members who are office-bearers of the Parliament;
- .. If it be reported that it is necessary or desirable to alter such salaries and allowances or any of them, then to recommend the nature and extent of the alterations that should be made; and
- .. To examine and report upon methods by which such salaries and allowances may be determined in future.