



## PARLIAMENTARY REMUNERATION AMENDMENT (BASIC SALARY) BILL 2025

### STATEMENT OF PUBLIC INTEREST

#### **Need: Why is the policy needed based on factual evidence and stakeholder input?**

The remuneration of Members of each House of Parliament (**Members**) includes a basic salary and additional entitlements. The amount of each is subject to determinations made by the Parliamentary Remuneration Tribunal (**Tribunal**) under the provisions of the *Parliamentary Remuneration Act 1989* (**Act**).

On 25 July 2025, the Tribunal published its annual Report and Determination of additional entitlements for Members of the Parliament of New South Wales pursuant to the Act dated 22 July 2025 (**2025 Determination**). The Tribunal determined that there should be a 4% increase in the basic salary from 1 July 2025.

The Bill proposes to insert a new provision into the Act that will limit the basic salary increase for Members to 3.5% as of 1 July 2025, for the 2025-26 financial year. The effect of the Bill will override the 2025 Determination that there should be a 4% increase in the basic salary. The Tribunal will not be able to determine to increase the basic salary for the period 1 July 2025 to 30 June 2026.

This is consistent with the Government's commitment to achieving a sustainable fiscal position.

#### **Objectives: What is the policy's objective couched in terms of the public interest?**

A 3.5% increase to the basic salary for Members is in the public interest and is consistent with the Government's commitment to achieving a sustainable fiscal position.

It is appropriate in consideration of the matters raised in the Government's submission to the Tribunal and in the 2025 Determination, including the two-year pay freeze for Members that was repealed on 30 June 2025, the disparity with the base salary of Members of other Australian Parliaments, and the advice provided by Treasury to the Tribunal, which included that any additional expenditure, not offset by savings or additional revenue, places further fiscal pressure on the State's fiscal strategy. It is also consistent with the 2025 determination of the Statutory and Other Offices Remuneration Tribunal to increase the remuneration ranges for Public Service Senior Executive Bands 1 to 4 by 3.5%.

#### **Options: What alternative policies and mechanisms were considered in advance of the bill?**

The policy can only be implemented by legislative amendment.

#### **Analysis: What were the pros/cons and benefits/costs of each option considered?**

The Bill is consistent with the Government's commitment to achieving a sustainable fiscal policy. The benefits of the policy are detailed above. Alternative options have not been analysed.

#### **Pathway: What are the timetable and steps for the policy's rollout and who will administer it?**

If enacted, the provisions will be taken to have commenced from 1 July 2025, which aligns with the commencement date of the increase in the basic salary under the 2025

Determination. The Government has written to the Presiding Officers to foreshadow the Government's intention to introduce the Bill, given their responsibilities relating to the payment of the basic salary to Members.

**Consultation: Were the views of affected stakeholders sought and considered in making the policy?**

The views of affected stakeholders, including the Presiding Officers and various other Members, were considered by the Tribunal in the 2025 Determination. The Government carefully considered the 2025 Determination, including the recorded views of affected stakeholders, in making the policy.

No additional consultation was undertaken with the Presiding Officers, or with the Clerks of Parliament or the Tribunal. As noted, the Government has written to the Presiding Officers to foreshadow the Government's intention to introduce the Bill.