



REMUNERATION TRIBUNAL

Explanatory Memorandum: Determination 2002/07

1. The Remuneration Tribunal has inquired into and determined the remuneration and significantly related matters for public office holders, as it is empowered to do by the *Remuneration Tribunal Act 1973*.
2. The retrospective application of this determination does not affect the rights of a person (other than the Commonwealth) in a manner prejudicial to that person, nor does it impose any liability on such a person.

PART 1 - GENERAL

3. Part 1 specifies the authority for and the date of effect of the determination and administration matters and defines "Specified Statutory Officers" for the purposes of this determination..

PART 2 – REMUNERATION AND RELATED MATTERS

4. Clause 2.1 provides definitions for this Part of the determination.
5. Clause 2.2 provides Total Remuneration and Base Salary effective on and from 2 May 2002 for the Specified Statutory Officers listed in Table 1.
6. Clauses 2.3 to 2.5 enables a Specified Statutory Officer to remuneration package up to 50 per cent of Total Remuneration consistent with taxation laws and as long as there are no additional costs to the Commonwealth. The remuneration packaging provisions are intended to be consistent with relevant guidelines covering Australian Public Service employees.
7. Clause 2.6 requires Base Salary to be used to calculate superannuation obligations and entitlements. This means that the Base Salary in Table 1 remains unaffected by remuneration packaging and performance-based remuneration.
8. Clause 2.7 specifies that Total Remuneration includes a value attributable to the superannuation contribution or support provided by the Commonwealth. The value attributed to the Commonwealth Superannuation Scheme and Public Sector Superannuation Scheme is specified as 13 per cent of Base Salary. The value for other schemes is the actual amount of contribution or liability. Clause 2.8 prevents the receipt of salary in lieu of the value of superannuation contribution or support.
9. Clauses 2.9 and 2.10 specify that Total Remuneration includes the value of a fully maintained vehicle under the Executive Vehicle Scheme and requires that value to be calculated on an actual cost approach.
10. Clause 2.11 provides Specified Statutory Officers with an annual entitlement to a lump sum equal to 7 per cent of Total Remuneration in recognition that these officers are not entitled to annual performance bonuses.

PART 3 – OFFICIAL EXPENSES INCLUDING TRAVEL

11. Part 3 sets out travelling allowance provisions in respect of official business (Clauses 3.1 and 3.2) for Specified Statutory Officers
12. Clause 3.3 provides definitions for this Part of the determination.
13. Clauses 3.4 to 3.9 specify the guiding principles for travelling allowance provisions.
14. Clauses 3.10 to 3.12 specify that Specified Statutory Officers may have an entitlement to accompanied travel in certain circumstances.
15. Clauses 3.13 to 3.17 specify the rate of travelling allowance for travel within Australia.
16. Clauses 3.18 to 3.22 specify the class of travel and the rate of travelling allowance for international travel.

PART 4 – COMPENSATION FOR LOSS OF OFFICE PROVISIONS

17. Part 4 provides for early loss of office for a Specified Statutory Officer. Clause 4.1 provides that such compensation shall be in accordance with the provisions of Determination 1992/11. These provisions are not intended to limit what may be independently available under any relevant employing Act of the Commonwealth.
18. Clause 4.2 specifies that no entitlement to compensation arises where the full term of appointment is served.

Authority: Sub-sections 7(3) and 7(4)
of the *Remuneration Tribunal Act 1973*