

**REMUNERATION TRIBUNAL
ANNUAL REPORT
2009-2010**

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REMUNERATION TRIBUNAL

14 October 2010

The Hon Gary Gray AO MP
Special Minister of State for the Public Service and Integrity
Parliament House
CANBERRA ACT 2600

Dear Minister

We have pleasure in presenting to you the Remuneration Tribunal's Annual Report for 2009-2010. The report covers the activities of the Tribunal during the year ended 30 June 2010.

Section 12AA(2) of the Remuneration Tribunal Act 1973 (the Act) requires you to cause a copy of this report to be laid before each House of Parliament within 15 sitting days of receipt.

Yours sincerely

Handwritten signature of John C Conde in blue ink.

John C Conde AO
PRESIDENT

Handwritten signature of John Prescott in black ink.

John Prescott AC
MEMBER

Handwritten signature of Jillian Segal in black ink.

Jillian Segal AM
MEMBER

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President's Overview

The Tribunal's principal responsibility is to enquire into and determine, or report on, or provide advice about, the remuneration and allowances of public offices at least annually. In meeting this responsibility, the Tribunal conducts general reviews of offices in its jurisdiction, as well as reviews of individual offices or groups of offices.

Ordinarily, the Tribunal determines a common adjustment in the remuneration of each office in its determinative jurisdiction with effect from 1 July each year. In 2009, this annual adjustment was deferred until 1 October 2009. In May 2010, the Tribunal announced that the date of effect of the 2010 annual adjustment would be 1 August 2010. These "annual adjustments" are referred to subsequently.

The Tribunal is conscious that the quantum of the adjustments in 2009 and 2010 has been modest; this has been compounded by the deferred dates of effect. Furthermore, the Tribunal's generally conservative approach has not been followed by those with responsibility for the remuneration of the most senior employees of the Australian Public Service (APS), the Senior Executive Service (SES). The consequence of this has been that the remuneration of federal public offices has fallen relative to those senior APS employees, in particular. If it could be demonstrated that the Tribunal's cautious approach to determining remuneration had had some wider moderating effect on remuneration in the federal public sector, then that would underpin one rationale, at least, for the continuation of such an approach. However, it is not evident to the Tribunal that the consequences of its moderation have served any such purpose – rather, the result has been continually to disadvantage those offices in the Tribunal's determinative jurisdiction and to focus attention on remuneration inadequacies.

The Tribunal will not act precipitately to address the imbalances that have emerged. Rather, as is evident from the approach taken by the Tribunal in its review of the office of Secretary, it will continue to gauge the extent of disparities; publicise them; and, as circumstances permit, address them in a consistent and sustained manner, with appropriate regard for general economic circumstances. The Tribunal's work on Secretaries is touched upon later in this Overview. Suffice it to say, here, that the Tribunal has already indicated that a reasonable initial adjustment is warranted for existing Secretaries and that an appropriate longer term remuneration structure would entail levels of remuneration substantially above current levels.

The Tribunal has also foreshadowed its intention to review the principal public offices of the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission, and the Australian Competition and Consumer Commission, and the group of offices comprising the Australian Statistician; the Auditor-General for Australia; the Chief Executive Officer of the Australian Customs and Border Protection Service; the Commissioner of Taxation; and the Chief of the Defence Force. Further reviews may follow.

The Tribunal's assessment of the office of Secretary - clearly amongst the most significant of senior federal public offices - will be relevant to these reviews, as will developments in the remuneration of public offices in federal agencies outside the Tribunal's direct jurisdiction. Should these reviews and any relevant developments indicate that adjustments are warranted in the remuneration of these offices, the Tribunal will determine them.

The Tribunal is also conscious of the extensive and significant functions undertaken by holders of part-time offices. The Tribunal expects to commence a review of these offices in 2010/11.

Annual Adjustment - 2009

The Overview to the Tribunal's 2008-2009 Annual Report noted that, on 24 September 2009, the Tribunal issued a Statement (available on the Tribunal's website¹) setting out its reasoning and conclusions on an appropriate adjustment to the remuneration of public offices for 2009. The Tribunal determined an adjustment of 3%, with effect from 1 October 2009. That increase, taken over the year to 30 June 2010, was equivalent to an annual increase of 2.25% from 1 July 2009.

The Statement noted that, in deciding remuneration for public offices, the Tribunal needed to strike a balance between competing considerations. It included data about movements in the remuneration of SES and non-SES employees in the APS. Agreements in respect of the latter group pointed to increases of the order of 4%; increases in the remuneration of SES employees were greater.

However, mainly because of the uncertainty in the general economic situation in Australia and globally, the Tribunal decided that the adjustment in the remuneration of public offices should be moderated, having regard for lower percentage adjustments in remuneration generally at that time.

As noted above, this decision, while appropriate at the time, had the less acceptable effect of exacerbating remuneration inequities at the most senior levels of the federal public sector.

Secretaries of Departments

Previous Tribunal Annual Reports have referred to the review of the office of Secretary. As I observed last year:

Secretaries are at the very apex of the Australian Public Service. Prime Ministers and Ministers rely on them for the provision of public services and turn to them for strategic advice about the whole spectrum of government domestic and foreign activities.

The work of Secretaries extends further than leading and managing the operations of specific departments. They have direct, and indirect, roles with their departments in recommending and administering frameworks for the legal and regulatory regimes of the nation.

It is evident that some Secretaries have wider portfolios than their colleagues. Every Secretary handles a breadth of demands and responsibilities which give these offices similarities to the highest executive offices in the private sector. Notwithstanding this, the Tribunal does not consider remuneration parity between Secretaries and their private sector counterparts to be appropriate. One of our main concerns is to ensure that the office of Secretary is set on an appropriate footing relative to other offices in the federal public sector.

Part I of the Tribunal's report of its review of the office of Secretary was presented to the Prime Minister in March 2010 and published on 29 March 2010; it is available on the Tribunal's website².

The Tribunal concluded that a two-level classification structure was appropriate (consistent with the existing two-level structure), with separate provision to be made for the

¹ Statement of 24 September 2009 - <http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

² Review of the Office of Secretary - Report - Part I - 29 March 2010
<http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

remuneration of the offices of Secretary of the Department of the Prime Minister and Cabinet and Secretary of the Department of the Treasury. The Tribunal considers that the particular features of these offices distinguish them from the other offices of Secretary. The Tribunal included its views on the allocation of each office of Secretary (based on responsibilities of each such office at the time) to one, or another, of the two classification levels.

The Tribunal recommended that the classification structure have the following features:

- the Remuneration Tribunal determining the initial allocation of Secretary offices between the two levels, as well as subsequent shifts between levels arising, for example, from changes in the Administrative Arrangements Order;
- the remuneration of offices of Secretary of the Department of the Prime Minister and Cabinet and Secretary of the Department of the Treasury being determined directly by the Remuneration Tribunal;
- the Secretary of the Department of the Prime Minister and Cabinet determining the placement of individual offices within each level, in consultation with the President of the Remuneration Tribunal;
- adequate recognition being given to the range of roles and responsibilities within each level (with each level to have several pay points); and
- means of recognizing, in remuneration, the attributes of individual office holders as well as the attributes of their respective departments.

The Tribunal's thinking, at this stage, is that the remuneration of an individual Secretary within a level should be determined having regard to a range of factors including:

- the background and experience of a new appointee;
- the competence and accomplishment demonstrated by a Secretary, over the term of an appointment;
- scope for the Tribunal to determine an additional loading in circumstances in which particular skills, expertise or other unique factors demonstrate the need; and
- the assessed potential of an appointee to take on appointment at the higher level.

The Tribunal, in determining the remuneration levels themselves, would take into account a range of factors, including internal APS relativities; the remuneration of other federal public offices; and relevant private sector reference points. Of these factors, APS relativities and the remuneration of other federal public offices would be the most important considerations. In respect of the former, the Tribunal would be particularly mindful of remuneration at the highest level of APS SES employees. The Tribunal's Part I report included the following observation in respect of the weight to be ascribed to the remuneration of other federal public offices:

“The Tribunal considers it evident that the responsibilities of the most significant of the offices of Secretary (the Secretary of the Department of the Prime Minister and Cabinet and the Secretary of the Department of the Treasury) extend beyond those of the principal offices of the economic regulatory agencies for which the Tribunal determines remuneration. The office of Governor of the Reserve Bank of Australia is a highly relevant comparator. The Tribunal considers that the responsibilities of the Governor are not greater than those of either the Secretary of the Department of the

*Prime Minister and Cabinet or the Secretary of the Department of the Treasury. In the Tribunal's judgement, each of these offices is more singular and demanding than any of the full-time public offices in the Tribunal's jurisdiction, and other senior federal public offices.*³

In its Part I Report, the Tribunal referred to the policy commitment enunciated in September 2007 by the then Shadow Minister for Public Administration and Accountability, Senator Penny Wong, to restore the jurisdiction of the Remuneration Tribunal to fix pay and conditions of agency heads and Secretaries. The Tribunal understands that further consideration has been given to implementing this policy. The Tribunal would not expect to publish its Part II report in advance of the extension of its determinative jurisdiction to Secretaries, at least.

Within a reasonable timeframe, the employment conditions of these most important offices must be put on a proper footing vis-à-vis the federal public sector. There is a need to ensure that respected and talented individuals continue to be attracted to serve at the highest levels of the public sector.

I mentioned, earlier in this Overview, the Tribunal's intention to review the principal public offices of the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission, and the Australian Competition and Consumer Commission. The Tribunal's Part I report on Secretaries also referred to this review and included the following observation:

*"The Tribunal has no doubt that the responsibilities of the principal public offices of APRA, ASIC and ACCC are demonstrably greater than those of the Deputy Governor of the Reserve Bank of Australia. It need only be observed that, unlike the Deputy Governor, each of these office holders is an agency head. The proper point of comparison, therefore, is the Governor."*⁴

Review of Relativities among Australia's Federal Courts

The review followed from work undertaken by the Tribunal in 2001 and 2002, when it noted that it had some unresolved questions about the nexus that existed, at that time, between the remuneration of Judges of the Federal Court and Judges of the Family Court.

The Federal Magistrates Court has become an established and significant part of the federal courts system since then, its workload being concerned, predominantly, with family law matters. In the Tribunal's view, the establishment of the Court called for consideration to be given to developments in the balance of work between this Court and the superior courts.

The Tribunal invited the Federal Court, the Family Court, and the Federal Magistrates Court, to make submissions to the review addressing a number of matters considered by the Tribunal to be relevant to evaluating relativities. In May 2008, the Attorney-General advised the Tribunal that the Government had commissioned a review of the structure of the federal courts, particularly those courts providing family law services. The Attorney-General contended that, in the light of this review, it would be premature for the Tribunal to complete its relativities review until future directions of the courts were more settled.

The report of the review to which the Attorney-General had referred was published in August 2008.

³ Review of the Office of Secretary - Report - Part I - Summary of the Tribunal's Conclusions - p iii, para 18

⁴ Review of the Office of Secretary - Report - Part I - p 60 - para 8.73

In November 2008, the Tribunal wrote to the Chief Judicial Officer of each of the federal courts, and to the Attorney-General, setting out its indicative conclusions – namely that:

- there was a work value case to increase the remuneration of the Judges of the Federal Court by 6%;
- on the basis that most of the ‘work value’ changes in the Federal Court would apply to the High Court, the same adjustment in remuneration would apply;
- the increase indicated for the Federal Court may also apply to the Family Court when it was accepted that the demonstrable and sustained transfer of all of the more straightforward matters to the lower court had occurred and that like considerations applied to the Federal Magistrates Court.

On 13 October 2009, the Tribunal published its report, "Review of Remuneration Relativities among Australia's Federal Courts"; the report is available on the Tribunal's website⁵.

The Tribunal noted that, in practice, changes were taking place, administratively, between the Family Court and the Federal Magistrates Court consistent with the directions advocated in the report of the review of family law services. The Tribunal, in its report, referred to an increase in the average length of cases undertaken by the Family Court; improved effectiveness in the protocols between the courts in the family law system directing caseload to the most appropriate level of judicial office; and foreshadowed reductions in the number of Judges in the Family Court. On this basis, the Tribunal concluded that, at the time of its report, the remuneration of all superior court judges would remain the same.

As the immediate consequence of its review, the Tribunal decided that an adjustment of 1.5% would be made to the remuneration of judicial offices in the High Court, Federal Court, Family Court, and Federal Magistrates Court, with effect from 1 November 2009. It also indicated its intention to determine three further 1.5% adjustments for each of the judicial offices concerned, with the adjustments to be phased-in by 1 May 2011.

On 13 April 2010, the Tribunal issued a further Statement concerning remuneration in Australia's federal courts, advising that it had decided that a second 1.5% increase for federal judicial offices would take effect from 1 May 2010⁶.

Review of Parliamentary Entitlements

The Overview to the Tribunal's 2008-2009 Annual Report referred to the announcement, on 8 September 2009, by Senator the Honourable Joe Ludwig, Special Minister of State, of the establishment of a Committee to report on the reform of parliamentary entitlements. I was appointed as a member of the Committee in my capacity as President of the Remuneration Tribunal.

On 17 July 2010, the Government announced that there would be a federal election on 21 August 2010. At the time of writing, neither the report of the Review of Parliamentary Entitlements nor the Government's response to it had been published.

⁵ Tribunal report - Review of Remuneration Relativities among Australia's Federal Courts <http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

⁶ Tribunal Statement - "Remuneration in Australia's Federal Courts - 13 April 2010 - <http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

The Tribunal made two submissions to the Committee; each is available on the Tribunal's website⁷. The principal elements of the Tribunal's submissions were that:

- the approach adopted at the time of the making of the *Remuneration and Allowances Act 1990* (the R&A Act) and the *Parliamentary Entitlements Act 1990* (the PE Act) - namely separating 'entitlement delivery' into two streams - was soundly based in logic and principle, and should continue to be the basis of the expression and delivery of parliamentary entitlements;
- the 'two streams' should be:
 - payments in the nature of remuneration, or which provide, at least in part, a personal financial benefit to the parliamentarian and which would be so understood by the community; and
 - funds made available for the business expenses of parliamentarians to enable them to fulfil their function and which do not provide, and cannot be converted to provide, a personal financial benefit;
- the remuneration elements of the current parliamentarians' 'package' be rationalised and consolidated to express parliamentarians' remuneration as a 'total remuneration' amount, including the present 'base salary', consistent with contemporary remuneration practice, so that there should be few, if any, benefits of a personal nature outside this 'total remuneration' amount;
- the remuneration of parliamentarians should be determined independently and by an examination of the roles and responsibilities of a parliamentarian, rather than determined by the Parliament itself based on some linkage to non-parliamentary offices;
- for the sake of transparency, the remuneration package should be published in a consolidated and clear form; and
- transition to such arrangements should be effected on a 'no additional cost' basis.

The Tribunal considers that the review of parliamentary entitlements commissioned by the Government during the 42nd Parliament was an important initiative and one that should be progressed by the Government in the 43rd Parliament.

In that context, it is relevant to note that the Tribunal has, for some time, been of the view that the remuneration of parliamentarians, especially Ministers, is less than it should be⁸. On the assumptions that the Tribunal's 2010 annual adjustment is applied to the remuneration of parliamentarians and that the Tribunal's report on the additional salaries of Ministers is applied, then the remuneration of the Treasurer (base salary plus additional ministerial salary) is some \$256,000 - which is of the same order as the average base salary of an APS SES Band 3 employee (e.g. Deputy Secretary) at the end of 2009.

In the Tribunal's view, the proper reference point for the salaries of senior Cabinet Ministers, at least, is that of Secretaries. There is, however, in the Tribunal's judgement a broader question about proper remuneration relativities between ministers; public offices in the federal administration; judicial offices; and parliamentary offices. The Tribunal's preliminary

⁷ Tribunal Submissions to the Committee for the Review of Parliamentary Entitlements
<http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

⁸ See, for example, the Overview to the Tribunal's 2007-2008 Annual Report -
<http://www.remtribunal.gov.au/publications/default.asp>

view is that the present relativities do not reflect appropriately the responsibilities of the most onerous of these various offices and their standing in Australia's system of government.

Recent Developments

On 31 May 2010, the Tribunal announced that it had decided that its 2010 annual adjustment would take effect on and from 1 August 2010. It also foreshadowed a further Statement, in mid-July 2010, on the amount of the adjustment and the reasons for its decision. Following the announcement, on 17 July 2010, that there would be a federal election on 21 August 2010, the Tribunal issued a Statement announcing that it had decided to defer its proposed mid-July Statement until after the election. Each Statement is available on the Tribunal's website⁹.

The Tribunal issued a Statement on 24 August 2010 announcing that it had determined an increase of 4.1% effective 1 August 2010. This increase is equivalent to an increase of 3.8% over the full twelve months to 30 June 2011.

The August 2010 Statement is available on the Tribunal's website¹⁰.

Following the election, responsibility for the *Remuneration Tribunal Act 1973* was vested in the Special Minister of State for the Public Service and Integrity, the Hon Gary Gray AO MP. In this context, the Tribunal's Secretariat was transferred from the Department of Education, Employment and Workplace Relations to the Australian Public Service Commission.

Tribunal Membership

There were significant changes in the membership of the Tribunal during the year.

Mr John Allen and Ms Janet Grieve completed their appointments, and Mr John Prescott AC and Ms Jillian Segal AM were appointed, each for five years, with effect from 25 February and 12 April 2010, respectively.

The Tribunal's recent Annual Reports provide an account of its work. It has a significant responsibility for ensuring the effective operation of very many government authorities by determining remuneration sufficient to enable the Commonwealth to recruit and retain, and reward appropriately, individuals in the extraordinary range of Commonwealth public offices.

Bearing in mind that appointments to the Tribunal are part-time, its program has been significant and demanding. The quality of the Tribunal's work, and its standing, depend heavily upon the contributions and commitment of its Members.

It is my privilege to have worked closely with Mr Allen and Ms Grieve. There is no doubt that the Tribunal has benefited greatly from their perspectives and contributions and I thank them warmly. I look forward to working with Mr Prescott and Ms Segal in meeting the Tribunal's responsibilities in the period ahead. Our predecessors since the Tribunal was created in 1974 have established high standards and we seek to build upon and develop them to ensure that the Tribunal contributes to fostering a federal public administration of the highest quality.

⁹ Tribunal Statements of 31 May 2010 and 20 July 2010 - <http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

¹⁰ Tribunal Statement - 2010 Review of Remuneration for Holders of Public Office - 24 August 2010 - <http://www.remtribunal.gov.au/statementsreports/default.asp?menu=Sec8&switch=>

Acknowledgements

I have noted, previously, the Tribunal's appreciation of the opportunities provided by office holders and others to discuss matters relevant to its responsibilities.

The work during the year on Secretaries, the federal judiciary, and parliamentary entitlements emphasised, yet again, the value that the Tribunal derives from such engagements. One of the most important of the Tribunal's tasks is to develop long term objectives for the remuneration arrangements to apply to federal public offices, continually to refine them and consistently to lay the groundwork for their achievement.

Discussions with office holders, with government officials, with senior private sector representatives; with parliamentarians and with Ministers are essential to the Tribunal's effectiveness. I acknowledge the Tribunal's appreciation of the perceptiveness, responsiveness, frankness and goodwill shown by its interlocutors.

Prior to the August 2010 federal election, the Department of Education, Employment and Workplace Relations had, for some years, been responsible for supporting the Tribunal through the provision of both staff for its Secretariat and the resources otherwise necessary for the Tribunal to undertake its work. As the Tribunal's President, I have enjoyed effective working relationships with each Secretary. I take this opportunity to acknowledge, in particular, the professionalism and support provided by the Department's current Secretary, Ms Lisa Paul PSM, and her colleague, Deputy Secretary Mr John Kovacic.

I have also noted, previously, that the Tribunal's effectiveness depends heavily on the support of its Secretariat. The demands of the Tribunal's program in 2009-2010 emphasised this. The Secretariat, ably led by Mr Derren Gillespie, once again demonstrated the scope of its insights; its capacity to provide high-quality advice for the consideration of Members; and capable administrative support. My colleagues and I acknowledge the professionalism and commitment of the officers concerned and thank them warmly.

Finally, I thank my fellow Tribunal Members during 2009-2010 - Mr John Allen, Ms Janet Grieve, Mr John Prescott AC and Ms Jillian Segal AM - for their work and support during a year of significant and intensive endeavour.

John C Conde AO
President

1. Introduction to the Tribunal

The Remuneration Tribunal is an independent statutory authority established under the *Remuneration Tribunal Act 1973* (the Act) responsible, primarily, for inquiring into and determining, or reporting on, the remuneration and allowances to be paid to holders of public offices (including parliamentary offices) at least annually.

In undertaking its work, the Tribunal takes into account the attributes of the job; appropriate relativities; considerations related to job complexity, merit and productivity; and a range of indicators of movements in remuneration. The Tribunal aims to develop remuneration arrangements that are flexible and broadly consistent, having regard to the particular nature and range of offices in its jurisdiction.

2. Membership of the Tribunal

The Tribunal consists of three part-time members who are appointed by the Governor-General.

The current members of the Tribunal are:

Mr John C Conde AO – President - appointed on 19 June 2008 as Member and President for five years from 25 June 2008. Mr Conde was appointed first as a member of the Remuneration Tribunal on 18 June 1998. Mr Conde is the Chairman of Energy Australia. He is also Chairman of Bupa Australia Health Pty Ltd, Chairman of Whitehaven Coal Limited, Chairman of the Sydney Symphony, Chairman of Events New South Wales. He is a Director of Dexus Property Group and Chairman of the Dermatology Research Foundation at the University of Sydney and sits on the parent entity, Sydney Medical School Foundation.

Mr Conde is also Chairman of the Homebush Motor Racing Authority Advisory Board, Chairman of the Australian Olympic Committee (NSW) Fundraising Committee and Member of Bond University's Board of Trustee Members.

Positions previously held include Director of BHP Billiton and Excel Coal Limited, Managing Director of Broadcast Investment Holdings Pty Limited, Director of Lumley Corporation, President of the National Heart Foundation of Australia.

Mr John B Prescott AC – appointed from 25 February 2010 for five years. Mr Prescott is Chairman of QR National Limited and a Director of Newmont Mining Corporation. He is Global Counsellor of The Conference Board (USA), and a member of President's Circle, AustralAsia Centre, Asia Society. Mr Prescott was previously Chairman of ASC (formerly Australian Submarine Corporation Pty Ltd) from 2000 to 2009 and from 1991 to 1998 was Managing Director and Chief Executive Officer of BHP.

Ms Jillian Segal AM – appointed from 12 April 2010 for 5 years. Ms Segal is a Director of the National Australia Bank Limited, a Director of ASX Limited and Deputy Chancellor of the University of New South Wales. Ms Segal is also Chairman of the General Sir John Monash Foundation and a Director of the Garvan Institute for Medical Research. Formerly, she was President of the Administrative Review Council and Deputy Chair of the Australian Securities and Investments Commission. Prior to that Ms Segal sat on a number of industry and government boards and was a partner in Allen Allen & Hemsley (now Allens Arthur Robinson).

3. The Work of the Tribunal

During the year, the Tribunal held 29 meetings, including by teleconference. It also met with a range of interested parties. The Tribunal considered approximately 111 briefings; determined 56 matters; and expressed its conclusions in 22 Determinations.

Annual Adjustment

The Tribunal's work in relation to the 2009 annual adjustment was undertaken within an uncertain economic environment.

On 19 May 2009, the Tribunal issued a Statement advising that it had decided to defer any decision on an annual adjustment for public office holders until after 30 September 2009. In deferring the adjustment, the Tribunal noted that it was of the view that it would not be desirable for the remuneration of office holders in its determinative jurisdiction to be eroded further by inflationary or other pressures, notwithstanding the fact that economic circumstances remained difficult.

On 24 September 2009, the Tribunal issued a further Statement, announcing the Tribunal's decision to provide office holders with an increase in remuneration of 3.0% from 1 October 2009. In determining the increase, the Tribunal noted that:

- since May 2009, the general economic outlook appeared to have improved, referencing in particular, the minutes of the Monetary Policy Meetings of the Reserve Bank Board held in August and September 2009;
- for the year to 31 December 2008, the AAWI for all APS agreements struck in 2008 was 4.5% (and 4.3% in calendar 2007). The AAWI for all wage agreements formalised in the June 2009 quarter was 3.9% (private sector - 4.1%; public sector - 3.9%);
- it struck an appropriate balance between ongoing economic uncertainty on the one hand and the sustained increases in remuneration in the wider APS on the other, noting that every year in which the Tribunal determines an annual adjustment that is less than the averages indicated by the SES remuneration survey data, the remuneration of public offices falls behind;
- it was equivalent to an annual increase of 2¼% from 1 July 2009.

The Tribunal reiterated its view that, while the remuneration of public offices continued to be determined conservatively, it needed to be sufficient to ensure that Australian government agencies attracted and retained highly skilled and committed people. The Tribunal stated that the remuneration of the most senior public offices should be restored to appropriate levels, over time.

In May 2010, the Tribunal issued a Statement advising that any increase resulting from its 2010 remuneration review would take effect on and from 1 August 2010 and that it would issue a further Statement in mid-July 2010.

3.1 Full-Time Public Office Holders

The Framework

Under the *Remuneration Tribunal Act 1973* (the Act), the Tribunal is responsible for setting the total remuneration, some allowances and recreation leave for full-time public offices.

The Act defines 'public office'. It includes all offices established by a Commonwealth law (also known as statutory offices) and appointments made under a Commonwealth law as well as (but not limited to) appointments made by the Governor-General or a Minister of State which are formally referred into the Tribunal's jurisdiction by the Minister responsible for the Act (s3). The attributes of a 'public office' establish whether appointment to it is made on a full-time, or other, basis.

The Tribunal inquires into and determines remuneration and 'significantly related' matters for holders of public office (under s7). The Act specifies that the Tribunal determine matters at intervals of not more than one year (s8).

In May 2009, the Tribunal issued a Statement advising that it would be deferring any decision on an annual adjustment for public office holders until after 30 September 2009. The Tribunal's September 2009 Statement provided full-time office holders with an increase in remuneration of 3.0% from 1 October 2009. The increase was implemented via Determination 2009/18.

In May 2010, the Tribunal issued a Statement advising that any increase resulting from its 2010 remuneration review would be effective on and from 1 August 2010.

During the reporting period the Tribunal received and considered a number of submissions on remuneration, conditions and/or allowances for new and established offices. A list of new full-time public offices for which the Tribunal determined remuneration in the year to 30 June 2010 is included at Appendix 2.

As at 30 June 2010 there were 105 offices covered by the Tribunal's determination for holders of full-time public offices.

Specified Statutory Offices

The Tribunal is responsible for determining the remuneration of a significant group of full-time public offices, referred to as the Specified Statutory Offices (SSOs). It includes the:

- Chief of the Defence Force;
- Commissioner of Taxation;
- Auditor-General for Australia;
- Chief Executive Officer of the Australian Customs and Border Protection Service;
- and
- Australian Statistician.

The remuneration of these offices was increased by 3.0% with effect from 1 October 2009 by Determination 2009/15, consistent with the adjustment made by the Tribunal for other public offices.

As noted above, the Tribunal's Statement of May 2010 advised that any adjustment resulting from the Tribunal's 2010 remuneration review would take effect on and from 1 August 2010.

In March 2010, the Tribunal released Part I of its report on the Office of Secretary. The Tribunal now intends to commence its review of the SSO group. One of the matters of interest to the Tribunal will be the continuing relevance of identifying the SSOs as a single group. The Tribunal's preliminary view is that each SSO is unique and quite distinct from the other SSO offices and that these offices should be included, in future, in the Tribunal's determination for holders of full-time public offices.

3.2 Part-Time Public Offices

The Framework

The *Remuneration Tribunal Act 1973* (the Act) defines 'public office'. It includes all offices established by a Commonwealth law (also known as statutory offices) and appointments made under a Commonwealth law as well as (but not limited to) appointments made by the Governor-General or a Minister of State which are formally referred into the Tribunal's jurisdiction by the Minister responsible for the Act (s3). Under the Act the Tribunal is responsible, for setting the remuneration and some allowances of public offices.

The Tribunal inquires into and determines remuneration and 'significantly related' matters for holders of public office (under s7). The Act specifies that the Tribunal determine matters at intervals of not more than one year (s8).

Appointments to a wide range of public offices are made on a part-time basis. These offices are very diverse and include the chairs and members of boards, councils, committees and administrative tribunals whose work may be regular or intermittent.

Consistent with the Tribunal's May 2009 Statement, the annual adjustment for part-time office holders was deferred until after 30 September 2009. Determination 2009/14 provided for an increase of 3.0% for part-time office holders within its jurisdiction, with effect from 1 October 2009.

As with full-time offices, the Tribunal's Statement of May 2010 advising that the adjustment resulting from the Tribunal's 2010 remuneration review would be effective on and from 1 August 2010 applies to part-time office holders.

During the reporting period, the Tribunal considered submissions on remuneration and/or conditions for a number of individual offices. A list of new part-time public offices for which the Tribunal determined remuneration in the year to 30 June 2010 is included at Appendix 2.

As at 30 June 2010, there were over 249 bodies for which remuneration had been determined.

The Tribunal is concerned that the current general framework of remuneration and conditions that applies to part-time office holders does not reflect, adequately, the value of the work undertaken by this important and large group of office holders. It is the Tribunal's intention to review the framework.

3.3 Principal Executive Offices

The Framework

The *Remuneration Tribunal Act 1973* (the Act) provides for the Tribunal to determine a classification structure for Principal Executive Offices [s5(2a)] and to determine the terms and conditions applicable to each classification within the classification structure [s7(3D)].

The Minister for Employment and Workplace Relations, as the Minister responsible for the Act, has the power to make declarations concerning Principal Executive Offices (PEO), having taken into account the advice of the Tribunal [s3(a)]. The Minister may declare an office to be a PEO, the classification to which the PEO is assigned and the PEO's employing body [s3(a) and (b)].

The employing body is responsible for determining the terms and conditions applying to a PEO. Any such determination must be consistent with the terms and conditions determined by the Tribunal for the classification of the office concerned [s12C] and the Tribunal's Guidelines.

The Tribunal has established a total remuneration reference rate for each PEO as the basis on which an employing body is able to exercise discretion in determining remuneration. Reference rates are generally adjusted annually to reflect the outcome of the Tribunal's annual review. Employing bodies have a discretionary range of 5% above and 10% below the reference rate, although the reference rate must not be exceeded in the first twelve months of a new appointee's term without the prior approval of the Tribunal. Although PEOs generally also have access to performance pay of up to 15% for Bands A to C and up to 20% for Bands D and E, recent policy has been to absorb this in circumstances in which a Minister is the 'employing body'.

A full list of Principal Executive Offices can be found on the Tribunal web site at www.remtribunal.gov.au/principalExecutiveOffices/currentDetermination/listPEO.asp.

As a result of the Tribunal's 2009 annual review, the band maxima and reference salaries of the Principal Executive Office (PEO) classification structure were increased by 3.0% with effect from 1 October 2009, consistent with the Tribunal's general remuneration adjustment (Determination 2009/16).

As with other public offices, the Tribunal's Statement of May 2010 advising that the adjustment resulting from the Tribunal's 2010 remuneration review would take effect on and from 1 August 2010, applies to the PEO classification structure and reference rates established for individual PEOs.

During the reporting period the Tribunal considered submissions for new and existing offices, generally relating to reviews of remuneration and/or conditions, or changes to governance arrangements. At 30 June 2010, there were 86 listed PEOs.

Consistent with Government policy to move away from direct ministerial involvement in remuneration decisions for public offices, the Tribunal continued to consolidate performance pay arrangements into 'total remuneration' for PEOs with a Minister as their employing body. With the removal of performance pay, the terms and conditions of PEOs are much the same as those of full-time office holders. As such, the Tribunal's view is that PEOs without access to performance pay should be placed in its full-time office jurisdiction.

Under the PEO classification structure determined by the Tribunal, the employing body is responsible for determining remuneration within the framework determined by the Tribunal. The Tribunal regards the reference rate established for each office to be the appropriate

level of remuneration for an experienced and competent office holder. An employing body may determine remuneration at a level up to 5% greater than the reference rate, on the basis of higher levels of skill and insight which an office holder with experience may be expected bring to a position over time. Taking account of a new appointee's relative lack of familiarity with the responsibilities of a particular office, the employing body may also determine total remuneration at up to 10% less than the reference rate during the first 12 months, noting that remuneration may be increased up to the reference rate during that period.

3.4 Judicial and Related Offices

The Framework

The *Remuneration Tribunal Act 1973*, empowers the Remuneration Tribunal to determine remuneration and associated entitlements for the federal judiciary, administrative tribunals and related offices in those organisations.

The extent of the Tribunal's power varies between offices. Depending on the type of office concerned, remuneration may be expressed as base salary or as 'total remuneration'. Associated entitlements may include: the value attributed to the Commonwealth's superannuation contributions or superannuation support, travelling allowance, Commonwealth and private vehicle costs, recreation leave, separation benefits, lump sum payments, other benefits received by way of remuneration packaging; and minimum annual fees for part-time office holders.

The Judiciary

The Tribunal determines base salary and related benefits for the Chief Justices and Justices of the High Court, Federal Court and Family Court; the Chief Federal Magistrate and Magistrates of the Federal Magistrates Court of Australia; and Judges who sit as Presidents of an administrative tribunal (see below). The Tribunal also determines recreation leave entitlements (but not other leave entitlements) for Federal Magistrates.

In determining remuneration for judges, the Tribunal is mindful of sub-section 72(iii) of the Constitution, which prohibits diminution of a judge's remuneration while the judge remains in office.

Administrative Tribunals

The Tribunal determines remuneration and related benefits for the non-judicial Presidents, Deputy Presidents and Members of tribunals such as the Copyright Tribunal, the Australian Competition Tribunal, the Australian Law Reform Commission and the National Native Title Tribunal.

Related Offices

The Tribunal determines remuneration and related benefits for a range of non-judicial positions in the courts, including the chief executives of the High Court, Federal Court, Family Court and Federal Magistrates Court of Australia. Remuneration for these offices is expressed as 'total remuneration'.

Entitlements Outside the Tribunal's Determinative Powers

The Tribunal does not determine the entire range of employment provisions available for judicial and related offices. They may receive other entitlements outside the Tribunal's determinative powers, for instance under:

- legislation administered by the Commonwealth Attorney-General, including: the *Judges' Pensions Act 1968*, the *Judicial and Statutory Officers (Remuneration and Allowances) Act 1984*, and the *Judges (Long Leave Payments) Act 1979*;
- general Commonwealth laws concerned with employment, such as the *Long Service Leave (Commonwealth Employees) Act 1979*; and
- the authority of the relevant federal court, tribunal or the administering government department.

The Federal Judiciary

Annual Adjustment

As has been reported previously, the 2009 annual review adjustment was deferred due to the difficult economic circumstances prevailing at the time. Subsequently, noting the improvement in the general economic outlook since May 2009, the Tribunal determined a 3.0% adjustment to the remuneration of judicial and related offices, effective from 1 October 2009.

The adjustment, which was made by Determination 2009/17, was equivalent to an annual increase of 2¼% from 1 July 2009.

Review of Relativities

The Tribunal's comprehensive review of remuneration relativities in the federal courts, which commenced in 2007, was finalised in October 2009. After considering the submissions of each of the courts and the implications of a review of family law services commissioned by the Attorney-General's Department in 2008, the Tribunal decided to determine an increase of 6% for all judicial offices in the High Court, Federal Court, Family Court and Federal Magistrates Court, to be implemented within two years commencing with an initial adjustment of 1.5%.

While the review focused more on the three courts below the High Court, the Tribunal also concluded that, as most of the 'work value' changes in the Federal Court, in particular, would also apply to the High Court, the same 'work value' change in remuneration, in percentage terms, should apply to the High Court. This had the effect of maintaining the previous percentage relativity between the High Court and the courts beneath it. In respect of the family law courts (i.e. the Family Court and the Federal Magistrates Court), the adjustments would be contingent upon anticipated developments in the family law system being realised.

By the end of the reporting period, two adjustments of 1.5% had been made for all judicial offices in the relevant courts. The first adjustment, which was made via Determination 2009/21, had effect from 1 November 2009. The second adjustment, which had effect from 1 May 2010, was made by Determination 2010/03. The final two adjustments are expected to have occurred by 1 May 2011.

Judicial Remuneration Coordination Group

In accordance with an annual practice established in 1990, in March 2010 the Tribunal convened a meeting of the Commonwealth/State Judicial Remuneration Coordination Group (JRCG) to discuss issues relevant to the remuneration of the judiciary across all jurisdictions.

Following the JRCG, the Tribunal, in correspondence to the Attorney-General, noted that there had been an agreement throughout the last twenty years that remuneration of judges in the highest courts in the states and territories should be limited to 85% of the remuneration of High Court Judges. Without recommending any immediate changes to remuneration in any jurisdiction, the Tribunal suggested that a more appropriate comparison might be that remuneration of the highest courts in the states and territories should not exceed that of the Federal Court. This proposal remains under consideration.

3.5 Ministerial and Parliamentary

The Framework

Base Salary

In 1999, the Tribunal was asked by the Government to report on parliamentarians' base salary and to identify a reference salary and mechanism for adjustment. The Government, and subsequently both Houses of Parliament, accepted the Tribunal's recommendation that the reference salary be Reference Salary A in Band A of the Principal Executive Office structure. This recommendation was given effect by the *Remuneration and Allowances Regulations 1999*. The *Remuneration and Allowances Act 1990* (R&A Act) and the Regulations under that Act provide the mechanism for setting the annual base salary to be paid to Members of the Parliament. Prior to the making of the R&A Act, the Tribunal had determined the annual base salary directly.

The percentage of the reference salary which constitutes the base salary for parliamentarians has varied over time. Most recently, a 2008 amendment to the Regulations means that the base salary, expressed as an annual figure, is effectively Reference Salary A less \$5,470.

Additional Salary for Ministers and Parliamentary Office Holders

The Tribunal reports annually to the Minister on the additional salary of ministers of state. The actual salaries are a matter for decision by Executive Government.

The Tribunal determines the additional salary for holders of more than 50 parliamentary offices such as the Leader and Deputy Leader of the Opposition, the Presiding Officers, Whips, and the Chairs and Deputy Chairs of various parliamentary committees.

Other Allowances and Entitlements

The Tribunal also determines a range of allowances and entitlements for Federal Senators and Members (including Ministers). These include travelling allowance rates and travel-related provisions (eg travel on scheduled domestic flights, car transport and overseas study travel), electorate allowance, qualifying periods for Life Gold Pass, severance travel (for those not qualifying for Life Gold Pass), and certain office facilities.

Entitlements Outside the Tribunal's Determinative Powers

The Tribunal does not determine the entire range of entitlements available for Members of Parliament. Matters relating to the provision of support for members of Parliament that are not within the jurisdiction of the Tribunal are decided by the Government, through the Special Minister of State, or the Parliament. The following Acts are relevant in this regard:

- *Parliamentary Allowances Act 1952*;
- *Ministers of State Act 1952*;
- *Parliamentary Contributory Superannuation Act 1948*;
- *Members of Parliament (Staff) Act 1984*;
- *Remuneration and Allowances Act 1990*;
- *Members of Parliament (Life Gold Pass) Act 2002*;
- *Parliamentary Superannuation Act 2004*; and
- *Parliamentary Entitlements Act 1990*

Ministerial and Parliamentary

Parliamentary Base Salary

The Tribunal's 2007/08 report outlined the method of calculating the base salary for parliamentarians. Until 2007/08, the base salary was set, by Regulation under the *Remuneration and Allowances Act 1990*, at an amount equivalent to Reference Salary A in Band A of the Principal Executive Office (PEO) structure. Following an amendment to this Regulation in 2007/08, the base salary, as an annual amount, became Reference Salary A less \$5,470.

On 24 September 2009, via Determination 2009/16, Reference Salary A was increased from \$132,530 to \$136,510 with effect from 1 October 2009. Consequently, the base salary for parliamentarians increased from \$127,060, where it had remained since 1 July 2007, to \$131,040 per annum.

Additional Salary for Ministers and Parliamentary Office Holders

The Tribunal made its annual report on Ministers' additional salaries (Report No 1 of 2009) on 15 October 2009. The report, which is advisory rather than determinative in nature, expressed the additional salaries of Ministers of State as percentages of the basic salary of a parliamentarian. There were no recommended changes to the percentages established in 1999.

In addition, the Tribunal made Determination 2009/20, with effect from 1 November 2009, which set the rates of additional salary for parliamentary office holders (including the Opposition Leader, the Presiding Officers, leaders of minor parties, Party Whips and the Chairs of parliamentary committees). The overall pattern of rates, also expressed as a percentage of base salary, was maintained and there were no substantive variations in the Determination from its predecessor.

Allowances and Entitlements for Senators and Members

Following an Australian National Audit Office review of the administration of parliamentarians' entitlements by the Department of Finance and Deregulation in 2009, Senator the Hon Joe Ludwig, Special Minister of State, announced the establishment of an independent panel to enquire into the parliamentary entitlements framework.

The panel, also known as the Committee for the Review of Parliamentary Entitlements, comprised Ms Barbara Belcher (Chair), former First Assistant Secretary of the Department of Prime Minister and Cabinet; Ms Jan Mason, General Manager of Corporate and Parliamentary Services, Department of Finance and Deregulation; Professor Allan Fels AO, former Chairman of the Australian Competition and Consumer Commission; and the President of the Tribunal, Mr John Conde AO.

The Tribunal made two submissions to the Committee, focusing on how parliamentarians' remuneration could best be structured to take into account payments in the nature of remuneration and funds made available for business expenses. The Tribunal's submissions are available on its website.

At the time of writing, neither the report of the Review of Parliamentary Entitlements nor the Government's response to it had been published.

The most significant change made during the reporting period has been to the Communications Allowance. As announced by the Special Minister of State on 8 September 2009, the allowance was combined with the printing entitlement into a single

entitlement under a single head of authority in the *Parliamentary Entitlements Regulations 1997*. Accordingly, the Tribunal no longer sets the conditions for the entitlement and all references to it have been removed from Determination 2006/18: Members of Parliament – Entitlements. As the Tribunal no longer determines a Communications Allowance, it can no longer determine an aggregated communications and charter allowance, as occurred previously. Charter allowance is now a stand-alone allowance.

3.6 Official Travel

The Framework

Under the *Remuneration Tribunal Act 1973*, the Tribunal is responsible for setting travel allowances for office holders within its jurisdiction.

The general provisions for non-parliamentary office holders are set out in a single determination, which provides for different tiers of travel entitlement. The various remuneration determinations specify the travel tier applicable to an office and may also contain specific travel-related provisions for an office or a group of offices. Provisions for parliamentary office holders are set out in separate determinations.

The Tribunal determined new travel allowance rates for office holders, including parliamentary office holders, via Determinations 2009/10: *Official Travel by Office Holders* and 2009/11: *Members of Parliament – Travelling Allowance*. Determination 2009/10 amended principal Determination 2004/03 and Determination 2009/11 replaced previous principal Determination 2008/15. Both were signed on 6 August 2009 and came into effect on 30 August 2009.

In considering the travel allowance rates provided in the Determinations, the Tribunal closely reflects the rates in the Australian Taxation Office's *TD 2009/15 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for 2009-10 income year?*

During the reporting period, some minor adjustments were also made to Determination 2006/18: *Members of Parliament – Entitlements*. Amongst other things, the Determination contains general travel provisions for parliamentary office holders. It was amended via Determinations 2009/09 and 2009/23 to reflect legislative changes and to insert a definition of the word "spouse" that was consistent with usage in other legislation.

3.7 Recreation Leave

The Framework

Under the *Remuneration Tribunal Act 1973*, the Tribunal is responsible for determining the recreation leave entitlements of full-time holders of relevant offices.

Relevant offices are those in relation to which there is a specific law of the Commonwealth (usually the Act establishing the office) which provides that the office holder has such recreation leave entitlements as are determined by the Remuneration Tribunal.

Judges, parliamentarians and part-time office holders do not have recreation leave entitlements determined by the Tribunal.

The recreation leave entitlement determined by the Tribunal is set out in Determination 2007/09: *Recreation Leave for Full-Time Holders of Relevant Offices*.

This entitlement is specified as follows:

“For each completed 12 months of service, there accrues to an Office Holder a credit of four weeks Recreation Leave, to be paid at the Office Holder’s normal weekly salary. This leave accrues on a pro rata basis.”

The amount of recreation leave is the same as that enjoyed by Australian Public Service employees.

Determinations 2009/18: *Remuneration and Allowances for Holders of Full-Time Public Office* and 2009/15: *Specified Statutory Offices – Remuneration and Allowances* refer to Determination 2007/09, thereby extending the entitlement to the public offices to which Determinations 2009/18 and 2009/15 apply.

Recreation leave entitlements for holders of Principal Executive Offices (PEO) are separately specified in Determination 2005/19: *Principal Executive Office - Classification Structure and Terms and Conditions*, which provides that PEOs are entitled to “paid annual leave of 4 weeks per year of full-time service”.

Offices specified in Tribunal Determination 2009/14: *Remuneration and Allowances for Holders of Part-Time Public Office* Part-time office have no entitlement to recreation leave.

The Tribunal did not vary Determination 2007/09 during the year.

3.8 Advisory Functions

The Framework

The Tribunal is required under several Acts to provide advice before remuneration for a relevant office is determined by the relevant minister. The Tribunal provides advice under the *Public Service Act 1999* to the Prime Minister about the remuneration of Departmental Secretaries; to the Cabinet Secretary about the remuneration of the Public Service Commissioner and Merit Protection Commissioner; and to Agency Ministers about the heads of Executive Agencies, the Bureau of Meteorology, National Archives of Australia, CrimTrac, and Insolvency and Trustee Service Australia; and to the Presiding Officers under the *Parliamentary Service Act 1999*.

In accordance with the requirements of the *Public Service Act 1999*, the Tribunal advised the Prime Minister on the remuneration of Departmental Secretaries. It also advised each of the relevant Ministers on the remuneration and other conditions of Executive Agency Heads and the office of the Public Service Commissioner. The Tribunal also provided advice to the Presiding Officers in relation to remuneration of the Heads of Parliamentary Departments, in accordance with the *Parliamentary Service Act 1999*.

The advice provided by the Tribunal included notification of the deferral of its 2010 annual adjustment for public office holders to 1 August 2010.

4. Financial Matters

During the reporting year, the Tribunal's financial requirements were met through the Department of Education, Employment and Workplace Relations (DEEWR), sub-program 5 "Secretariat to the Remuneration Tribunal". There is no separate form of accounts applicable to the Tribunal.

During the reporting year, the Tribunal was supported by a Secretariat staffed by DEEWR employees. Appendix 3 provides contact details for the Secretariat. Financial reporting for the Tribunal can be found within the DEEWR Annual Report.

5. Consultancies

Following the expiration of the original contract, DEEWR entered into a new three year contract with Morris Walker Pty Ltd (Morris Walker) for the provision of media advisory and specialist public relations services to the Tribunal. This will expire in December 2011.

6. Legislative Requirements

6.1 Occupational Health and Safety Act 1991

During the reporting year, the Tribunal Secretariat, being provided by DEEWR, was subject to its policies and practices in relation to occupational health and safety. Information about DEEWR's policy is available in the DEEWR Annual Report.

6.2 Advertising and Market Research (Commonwealth Electoral Act 1918)

The Tribunal did not undertake any paid advertising or market research activities in the reporting year.

6.3 Environment Protection and Biodiversity Conservation Act 1999

During the reporting year, the Tribunal Secretariat, being provided by DEEWR, was subject to its policies and practices in relation to meeting the requirements of the *Environment Protection and Biodiversity Conservation Act 1999*. Information about DEEWR's policy is available in the DEEWR Annual Report.

6.4 Freedom of Information Act 1982

The Tribunal is subject to the provisions of the *Freedom of Information Act 1982* (FOI Act). The information required to be published under s8 of the FOI Act is set out at Appendix 4.

6.5 Legislative Instruments Act 2003

Tribunal determinations are legislative instruments for the purposes of the *Legislative Instruments Act 2003* (the LI Act). Under the LI Act, Tribunal Determinations made after 1 January 2005 (the date of commencement of most provisions of the LI Act) have been provided to the Attorney-General's Department by the Tribunal for registration on the Federal Register of Legislative Instruments. The LI Act then requires the Attorney-General's Department to table a copy of the Determination in both houses of the Parliament within 6 sitting days of registration. Sub-section 7(8) of the *Remuneration Tribunal Act 1973* provides that either house may pass a resolution 'disapproving' the determination within 15 sitting days after the determination has been tabled.

Appendix 1 – List of Determinations and Reports for 2009-2010

During the reporting year, the Tribunal issued the following Reports, Determinations and Statements. No Determinations were disallowed during the year.

Copies of these documents can be obtained from:

- The tabling offices of the Senate or the House of Representatives;
- The Tribunal's website www.remtribunal.gov.au; and
- The Federal Register of Legislative Instruments website www.frli.gov.au

Statement	2010 Annual Adjustment – Date of Effect
2010/07	Remuneration and Allowances for Holders of Public Office
2010/06	Remuneration and Allowances for Holders of Public Office
2010/05	Remuneration and Allowances for Holders of Public Office
Statement	Remuneration in Australia's Federal Courts
2010/04	Remuneration and Allowances for Holders of Public Office
2010/03	Judicial and Related Offices - Remuneration and Allowances
2010/02	Remuneration and Allowances for Holders of Public Office
Report	Review of the Office of Secretary – Report – Part I
2010/01	Remuneration and Allowances for Holders of Public Office
Submissions	Committee for the Review of Parliamentary Entitlements
2009/23	Remuneration and Allowances for Holders of Public Office, Members of Parliament – Entitlements and Judicial and Related Offices
2009/22	Remuneration and Allowances for Holders of Public Office and Judicial and Related Offices
Statement	2009 Review of Remuneration Relativities among Australia's Federal Courts
2009/21	Remuneration and Allowances for Holders of Public Office
Statement	Salaries Additional to the Basic Parliamentary Salary
Report 1	Report on Ministers of State – Salaries Additional to the Basic Parliamentary Salary
2009/20	Parliamentary Office Holders – Additional Salary
2009/19	Members of Parliament – Entitlements
Statement	2009 Review of Remuneration for Public Office Holders
2009/18*	Remuneration and Allowances for Holders of Full-Time Public Office
2009/17*	Judicial and Related Offices – Remuneration and Allowances
2009/16	Principal Executive Office (PEO) Classification Structure and Terms
2009/15*	Specified Statutory Officers – Remuneration and Allowances

2009/14*	Remuneration and Allowances for Holders of Part-Time Public Office
2009/13	Remuneration and Allowances for Holders of Public Office
2009/12	Remuneration and Allowances for Holders of Public Office
2009/11	Members of Parliament – Travelling Allowance
Statement	Travelling Allowance Rates for Public Office Holders and Parliamentarians
2009/10	Official Travel by Office Holders
2009/09	Remuneration and Allowances for Holders of Public Office, Judicial and Related Offices, Members of Parliament, and Specified Statutory Officers
Submission	Productivity Commission’s Inquiry into Executive Remuneration

* These documents are Principal Determinations

Appendix 2 – Variation to Bodies/Offices in 2009-2010

Full-Time Offices

New

Coordinator-General, for Remote Indigenous Services
Executive Director, Australian Solar Institute
Chief Executive Officer, Australian Curriculum, Assessment and Reporting Authority (ACARA)
Chief Executive Officer, Safe Work Australia
Chief Executive Officer, Health Workforce Australia
Chief Executive Officer, Australian Sports Anti Doping Authority (ASADA)
Chief Executive Officer, Centrelink
Deputy Principal Member, Migration Review Tribunal

No Longer Appearing in the Determination

Nil

Renamed

Nil

Part-Time Offices

New

Australian Curriculum, Assessment and Reporting Authority (ACARA)
National Broadband Network Co Ltd
Innovation Australia Board
Innovation Australia Committee
Innovation Australia Committee – Non Innovation Australia Board Member
Defence Strategic Reform Advisory Board
Health Workforce Australia
Advisory Committee on Medical Devices
Advisory Committee on Prescription Medicines
Advisory Committee on Non-Prescription Medicines
Advisory Committee on the Safety of Medicines
Advisory Committee on Complementary Medicines
Anti-Doping Rule Violation Panel
Anti Doping Rule Violation Panel – Advisory Group
Aboriginals Benefit Account Advisory Committee (ABAAC)
Australian Institute for Teaching and School Leadership Ltd (AITSL)
Building the Education Revolution (BER) Implementation Taskforce
Australian Centre for Renewable Energy (ACRE) Board
Apprenticeships for the 21st Century Expert Panel

No Longer Appearing in the Determination

Australian Families and Children Council
Professional Services Review – Tribunals
Industry Research and Development Board (IRDB)

IRDB – Co-opted Member
IRDB – Other Committees
Venture Capital Registration Board
Australian Nuclear Science and Technology Organisation (ANSTO) – Technical Advisory Committee
National Health and Medical Research Council (NHMRC) – Special Expert Committee on Transmissible Spongiform Encephalopathies
Adverse Drug Reactions Advisory Committee
Australian Drug Evaluation Committee
Complementary Medicines Evaluation Committee
Medical Devices Evaluation Committee
Medicines Evaluation Committee
Land and Water Australia
Quarantine & Exports Advisory Council
Teaching Australia – Australian Institute for Teaching and School Leadership

Renamed

Advisory Panel on the Marketing of Infant Formula: now Advisory Panel on the Marketing in Australia of Infant Formula.
National Broadband Network Co Ltd: now NBN Co limited
Comcover Advisory Board: now Comcover Advisory Council
Anti Doping Rule Violation Panel – Advisory Group: now ASADA – Advisory Group

Appendix 3 – Secretariat

During the reporting year, the Tribunal was supported by a Secretariat staffed by officers of the Department of Education, Employment and Workplace Relations.

The Secretary to the Tribunal is Mr Derren Gillespie.

The Secretariat can be contacted by writing to:

The Secretary
Remuneration Tribunal Secretariat
PO Box 281
CIVIC SQUARE ACT 2608

Or via:

Phone: (02) 6121 7965
Fax: (02) 6218 4056
Email: enquiry@remtribunal.gov.au

This Annual Report is available on the Tribunal's website: www.remtribunal.gov.au

Media inquiries should be directed to:

Ms Danielle Morris
Morris Walker Pty Limited

Phone: (02) 6162 0021
Fax: (02) 6162 0023
Mobile: 0412 181 389
Email: dmorris@morriswalker.com.au

Appendix 4 – Freedom of Information Act 1982

Establishment

The Remuneration Tribunal is an independent statutory authority established under the *Remuneration Tribunal Act 1973* (the Act).

Organisation

The Tribunal comprises three part-time Members, one of whom is appointed as President.

Functions/Powers

The Tribunal's role is to determine, report on or provide advice about remuneration, allowances and entitlements that are within its jurisdiction, for the following:

- Full-time and part-time holders of various public offices;
- Judicial and non-judicial offices of federal courts and tribunals;
- Principal Executive Offices; and
- Federal Parliamentarians, including Ministers and Parliamentary Office Holders.

In respect of a number of offices, the Tribunal provides advice to the authority responsible for determining remuneration for each individual office concerned.

The *Public Service Act 1999* requires the responsible Minister to consult the Tribunal about the remuneration of an office before making a determination. These are:

- the Prime Minister for Secretaries of Departments;
- the Agency Minister in relation to the Public Service Commissioner and the Merit Protection Commissioner; and
- the Agency Minister in respect of Heads of Executive Agencies.

The *Parliamentary Service Act 1999* requires the Speaker of the House of Representatives and the President of the Senate to consult the Tribunal about the remuneration of the offices of Secretaries of the Parliamentary Departments, the Parliamentary Service Commissioner and the Parliamentary Service Merit Protection Commissioner prior to making a determination.

Under s11(1) of the *Remuneration Tribunal Act 1973*:

- a) the Tribunal may inform itself in such manner as it thinks fit;
- b) the Tribunal may receive written or oral statements;
- c) the Tribunal is not required to conduct any proceeding in a formal manner; and
- d) the Tribunal is not bound by the rules of evidence.

Categories of Documents

Documents maintained by the Tribunal include:

- Determinations, Explanatory Statements and Reports made by the Tribunal;
- minutes of Tribunal Meetings and documents placed before meetings;
- submissions from interested parties; and
- files dealing with matters that have been referred to the Tribunal.

FOI procedures and initial contact points

During the reporting year, formal FOI procedures for the Tribunal were managed by the Department of Education, Employment and Workplace Relations. In the first instance persons wishing to gain access to documents relating to the work of the Tribunal should write to or contact the Secretary of the Tribunal at the following address:

The Secretary
Remuneration Tribunal
PO Box 281
CIVIC SQUARE ACT 2608

Phone: (02) 6121 7965
Fax: (02) 6218 4056
Email: enquiry@remtribunal.gov.au

Media inquiries should be directed to:

Danielle Morris
Morris Walker Pty Limited

Phone: (02) 6162 0021
Fax: (02) 6162 0023
Mobile: 0412 181 389
Email: dmorris@morriswalker.com.au

Appendix 5 – Acronyms

AAWI	Average Annualised Wage Increase
APS	Australian Public Service
CEO	Chief Executive Officer
DEEWR	Department of Education, Employment & Workplace Relations
FTOH	Full-Time Office Holder
FOI	Freedom of Information
FOI Act	Freedom of Information Act 1982
JRCG	Judicial Remuneration Coordination Group
LI Act	Legislative Instruments Act 2003
PEO	Principal Executive Office
PTOH	Part-Time Office Holder
RTS	Remuneration Tribunal Secretariat
SES	Senior Executive Service
SSO	Specified Statutory Office