



## REMUNERATION TRIBUNAL

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### Explanatory Statement: Remuneration Tribunal (Specified Statutory Offices – Remuneration and Allowances) Determination 2020

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1. The *Remuneration Tribunal Act 1973* (the Act) establishes the Remuneration Tribunal (the Tribunal) as an independent statutory authority responsible for reporting on and determining the remuneration, allowances and entitlements of key Commonwealth office holders. These include Judges of Federal Courts and most full-time and part-time holders of public offices, including Specified Statutory Offices. An additional function of the Tribunal is to determine a classification structure for Principal Executive Offices and the terms and conditions applicable to each classification within the structure.

#### **Consultation**

2. Section 11 of the Act advises that in the performance of its functions the Tribunal:
  - may inform itself in such manner as it thinks fit;
  - may receive written or oral statements;
  - is not required to conduct any proceeding in a formal manner; and
  - is not bound by the rules of evidence.
3. The Tribunal normally receives submissions on remuneration from a portfolio minister, or a secretary, program manager or employing body (in respect of a Principal Executive Office) with responsibility for the relevant office(s). The Tribunal will normally seek the views of the relevant portfolio minister prior to determining remuneration for an office.
4. The Tribunal may reach a decision based on the information provided in the submission and other publicly available information such as portfolio budget statements, annual reports, corporate plans, legislation and media releases. On occasion it may wish to meet with relevant parties or seek further information from the relevant minister or person making the submission.
5. Amongst other relevant matters in deliberating on appropriate remuneration for an office the Tribunal informs itself on:
  - the main functions, responsibilities and accountabilities of the office;
  - the organisational structure, budget and workforce;
  - the requisite characteristics, skills or qualifications required of the office holder(s); and
  - the remuneration of similar, comparator, offices within its jurisdiction.

## *Review of Remuneration for Holders of Public Office*

6. The Tribunal's obligations, under sub-sections 7(3) and 8(1)(b) of the Act are to make determinations in respect of remuneration for various offices within its jurisdiction at periods of not more than one year. To meet these obligations, the Tribunal issued determinations on 21 June 2019 and at that time included a general adjustment of 2 per cent to remuneration for all offices in its jurisdiction.
7. In complying with its obligations to make new determinations the Tribunal takes the opportunity to consider whether any general increase to remuneration for offices might be warranted. In conducting this review the Tribunal takes account of economic conditions in Australia, past and projected movements in remuneration in the public and private sectors (including the Australian Public Service), as well as the outcomes of reviews of public offices completed by the Tribunal. In order to inform its conclusions the Tribunal draws upon authoritative external sources such as the published material available from the Government, the Reserve Bank of Australia and the Australian Bureau of Statistics as well as trends in public and private sector remuneration. The Tribunal is also obliged by the Act to consider the Annual Wage Reviews of the Fair Work Commission. The Commission's 2020 decision was not available at the time the Tribunal concluded its deliberations.
8. The Tribunal also considered a joint request from the Minister for Finance, Senator the Hon Mathias Cormann and the Minister Assisting the Prime Minister for the Public Service and Cabinet, the Hon Greg Hunt MP, to institute stay on increases to remuneration, entitlements and allowances for all office holders in the Tribunal's jurisdiction.
9. On 11 June 2020 the Tribunal notified its decision to determine no adjustment to remuneration for public offices in its jurisdiction with effect from 1 July 2020. A statement setting out the Tribunal's reasons for decision is available at [www.remtribunal.gov.au](http://www.remtribunal.gov.au).
10. *Remuneration Tribunal (Specified Statutory Offices – Remuneration and Allowances) Determination 2020* formalises the Tribunal's decision for Specified Statutory Offices.
11. Consultation on this outcome was considered unnecessary given the matters considered by the Tribunal in making its decision.

## **Retrospectivity**

12. Any retrospective application of this determination is in accordance with subsection 12(2) of the *Legislation Act 2003* as it does not affect the rights of a person (other than the Commonwealth or an authority of the Commonwealth) to that person's disadvantage, nor does it impose any liability on such a person.

## **The power to repeal, rescind and revoke, amend and vary**

13. Under subsection 33(3) of the *Acts Interpretation Act 1901*, where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

### **Details of the determination are as follows:**

#### **PART 1 – PRELIMINARY**

14. Part 1 specifies the authority for and the commencement date of the determination and supersedes the previous principal *Remuneration Tribunal (Specified Statutory Offices - Remuneration and Allowances) Determination 2019* (as amended) applying to the offices covered by this determination. This part also contains definitions of certain words used in the determination.

#### **PART 2 – REMUNERATION**

15. Part 2 sets out the remuneration and travel arrangements.

16. The provisions of this Part remain unchanged from those contained in Part 2 of the previous determination.

#### **PART 3 - SUPERANNUATION**

17. Part 3 sets out the superannuation arrangements.

18. The provisions in Part 3 remain unchanged from those contained in the previous determination.

#### **PART 4 – VEHICLES AND OTHER BENEFITS**

19. Part 4 sets out the provisions relating to vehicles, parking and housing assistance for the Chief of the Defence Force.

20. The provisions in Part 4 remain unchanged from those contained in the previous determination.

#### **SCHEDULE 1 – REPEALS**

21. Schedule 1 specifies instruments which have been amended or repealed.

**Authority:** Subsections 7(3) and 7(4)  
*Remuneration Tribunal Act 1973*

## **Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

### **Remuneration Tribunal (Specified Statutory Offices - Remuneration and Allowances) Determination 2020**

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*

#### **Overview of the Legislative Instrument**

The legislative instrument, or determination, formalises the Tribunal's review decision to determine no adjustment to remuneration for Specified Statutory Offices from 1 July 2020.

The determination supersedes the previous *Determination Remuneration Tribunal (Specified Statutory Offices - Remuneration and Allowances) Determination 2019* (as amended).

The changes follow a review of remuneration (and significantly related matters) carried out by the Tribunal consistent with sub-section 7(3) of the *Remuneration Tribunal Act 1973*.

The instrument maintains the principle of fair, and current, remuneration for work performed.

#### **Human rights implications**

This legislative instrument does not engage any of the applicable rights or freedoms.

#### **Conclusion**

This legislative instrument is compatible with human rights as it does not raise any human rights issues.

**The Remuneration Tribunal**