

Remuneration Tribunal

Explanatory Statement: Remuneration Tribunal (Principal Executive Offices – Classification Structure and Terms and Conditions) Determination 2025

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.

Review of Remuneration for Holders of Public Office

- 3. 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 this obligation, the Tribunal last issued principal determinations on 25 June 2024.
- 4. In complying with its obligations the Tribunal takes the opportunity to consider whether any general increase to remuneration for offices is warranted. The Tribunal takes account of economic conditions in Australia, past and projected movements in remuneration in the public and private sectors, and the outcome of the wage reviews undertaken by the Fair Work Commission.
- 5. The Tribunal did not receive any submissions relating to Principal Executive Offices as part of this review.
- 6. On 6 June 2025 the Tribunal decided to determine a general adjustment of 2.4% to remuneration for public offices in its jurisdiction. The increase applies with effect from 1 July 2025.
- 7. A statement setting out the Tribunal's reasons for its decision is available at www.remtribunal.gov.au.
- 8. Remuneration Tribunal (Principal Executive Offices Classification Structure and Terms and Conditions) Determination 2025 implements the Tribunal's decision for Principal Executive Offices.

9. Consultation on this outcome was considered unnecessary given the matters contemplated by the Tribunal in making its decision.

Exemption from sunsetting

- 10. Under section 12, item 56 of the Legislation (Exemptions and Other Matters) Regulation 2015, an instrument required to be laid before the Parliament under subsection 7(7) of the *Remuneration Tribunal Act 1973* is exempt from the provisions of paragraph 54(2)(b) of the *Legislation Act 2003*.
- 11. This exemption has been granted by the Attorney-General because the Remuneration Tribunal has a statutory role independent of government.
- 12. As the Remuneration Tribunal makes new principal determinations annually, this principal determination is unlikely to have any practical effect beyond the usual 10 year sunsetting period. As such, the exemption from sunsetting will not have a practical impact on parliamentary oversight of the relevant measures.

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. Section 1 specifies the name of the instrument as the Remuneration Tribunal (Principal Executive Offices Classification Structure and Terms and Conditions) Determination 2025.
- 15. Section 2 specifies the commencement date for the instrument as 1 July 2025.
- 16. Section 3 specifies that the instrument takes effect at the start of 1 July 2025.
- 17. Section 4 specifies the authority for the instrument, section 5(2A) of the *Remuneration Tribunal Act 1973*.
- 18. Section 5 specifies that the determination supersedes the 2024 principal determination.
- 19. Section 6 specifies that instruments identified in a Schedule to the determination are amended or repealed as indicated.
- 20. Section 7 provides a simplified outline of the instrument.
- 21. Section 8 specifies definitions for certain words used in the determination.
- 22. Section 9 specifies that employing bodies must notify the Tribunal about changes to the terms and conditions of their office holder.
- 23. Section 10 provides that employing bodies may apply the same policies to their office holder as are applied to other employees, except where they are inconsistent with the determination.
- 24. Section 11 specifies that the Tribunal may issue guidelines to assist employing bodies in the administration of the determination.

PART 2 - CLASSIFICATION AND REMUNERATION, AND RELATED MATTERS

- 25. Part 2 specifies the classification structure; remuneration arrangements and performance pay for Principal Executive Offices. The general adjustment described in paragraph 6 has been applied to the values in Table 2A.
- 26. The provisions of this Part otherwise remain unchanged from those contained in Part 2 of the previous determination.

PART 3 - SUPERANNUATION

- 27. Part 3 sets out superannuation arrangements for Principal Executive Offices.
- 28. The provisions of this Part remain unchanged from those contained in Part 3 of the previous determination.

PART 4 - VEHICLES

- 29. Part 4 sets out the provisions relating to vehicles and vehicle parking.
- 30. The provisions of this Part remain unchanged from those contained in Part 4 of the previous determination.

PART 5 - ALLOWANCES

- 31. Part 5 sets out the provisions relating to geographic relocation, accommodation allowance, reunion travel and remote localities.
- 32. The provisions of this Part remain unchanged from those contained in Part 5 of the previous determination.

PART 6 - OFFICIAL TRAVEL

- 33. Part 6 sets out the provisions for official travel and the travel tiers that apply.
- 34. The provisions of this Part remain unchanged from those contained in Part 6 of the previous determination.

PART 7 - LEAVE

- 35. Part 7 sets out the provisions for a leave of absence.
- 36. The provisions of this Part remain unchanged from those contained in Part 7 of the previous determination.

PART 8 - COMPENSATION FOR EARLY LOSS OF OFFICE

- 37. Part 8 sets out the provision for compensation for early loss of office.
- 38. The provisions of this Part remain unchanged from those contained in Part 8 of the previous determination.

SCHEDULE 1

39. Schedule 1 specifies the instrument which has been repealed, namely Remuneration Tribunal (Principal Executive Offices – Classification Structure and Terms and Conditions) Determination 2024.

Authority: Sub-section 5(2A) *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 (Principal Executive Offices – Classification Structure and Terms and Conditions) Determination 2025

This Disallowable 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 Instrument

The legislative instrument, or determination, formalises the Tribunal's decision to determine an adjustment of 2.4% to the remuneration ranges for Principal Executive Offices from 1 July 2025.

The determination supersedes the previous Remuneration Tribunal (Principal Executive Offices – Classification Structure and Terms and Conditions) Determination 2024.

The decision follows 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*.

Human rights implications

This instrument engages the right to work in Article 6 of the *International Covenant on Economic, Social and Cultural Rights* (ICESCR) and the right to the enjoyment of just and favourable conditions of work, primarily contained in Article 7 of ICESCR.

Right to work and to just and favourable conditions of work

Article 6 of the ICESCR recognises '... the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts ...' The right to just and favourable conditions of work include, but is not limited to, ensuring 'fair wages and equal remuneration for work of equal value without distinction of any kind', and 'a decent living for themselves and their families' (Article 7(1)(a)).

Consistent with Articles 6 and 7 of the ICESCR, this instrument ensures that individuals appointed to the public offices subject to the determination continue to be fairly remunerated in respect of the work they undertake as public office holders. Specifically, the instrument increases remuneration for Principal Executive Offices in the Tribunal's jurisdiction by 2.4% from 1 July 2025.

By establishing remuneration, allowances and entitlements based on an assessment of the current work value of the office and reviewing those conditions annually having regard to economic indicators, the instrument directly promotes the principle of ensuring 'fair wages and equal remuneration for work of equal value' per Article 7(1)(a) of the ICESCR and more broadly contributes to '... the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts ...' per Article 6 of the ICESCR.

Conclusion

This instrument is compatible with human rights because it enhances and promotes the protection of human rights, and in particular, the right to work and to just and favourable conditions of work through maintaining the principle of fair, and current, remuneration for work performed.

The Remuneration Tribunal