

# **Remuneration Tribunal**

# Explanatory Statement: Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2025

- 1. The determination is made under the *Parliamentary Business Resources Act* 2017 (the PBR Act). Sections 45, 46 and 46A of the PBR Act require the Tribunal to make determinations in relation to various matters for members, and former members, of the Parliament at least once each year.
- 2. The Tribunal must determine the remuneration to be paid to members, the rates of travel allowances for domestic travel, and the allowances and expenses to be paid to former members, and the allowances to be paid to the estate of a member who dies in office. The Tribunal must publish its reasons for making a determination.
- 3. The Tribunal also has functions under section 35 of the PBR Act relating to travel expenses, travel and private vehicle allowances and other public resources. The Tribunal must inquire annually into travel expenses and travel allowances for domestic travel (except travel on a special purpose aircraft) and may be asked by the Special Minister of State to inquire into other matters. Regulations must be made or amended in accordance with the Tribunal's recommendations.

#### Consultation

# Review of Remuneration for Holders of Public Office

- 4. The Tribunal's obligations, under sections 14 and 45 of the PBR Act are to make determinations in respect of remuneration for members of Parliament at least once each year. To meet this obligation, the Tribunal last issued a determination adjusting remuneration for members of Parliament on 25 June 2024.
- 5. 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.
- 6. The Tribunal did not receive any submissions relating to members of Parliament as part of this review.
- On 6 June 2025 the Tribunal decided to determine a general adjustment of 2.4% to remuneration for public offices in its jurisdiction, including members of Parliament. The increase applies with effect from 1 July 2025.
- 8. A statement setting out the Tribunal's reasons for its decision is available at <u>www.remtribunal.gov.au</u>.
- Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2025 formalises the Tribunal's decision for members of Parliament. The Tribunal's Reasons for Determination are available at

www.remtribunal.gov.au.

10. Consultation on the outcome was considered unnecessary given the matters contemplated by the Tribunal.

## **Exemption from disallowance**

- 11. Subsection 47(7) of the PBR Act provides that this determination is a legislative instrument, but section 42 (disallowance) of the *Legislation Act 2003* does not apply to it.
- 12. Exemption from disallowance is appropriate in the context of this instrument, as it amends the conditions for members of Parliament.

### 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:

#### Section 1 – Name

14. Section 1 specifies the name of the instrument as the Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2025.

#### Section 2 – Commencement

15. Section 2 specifies the commencement date of the instrument as 1 July 2025.

#### Section 3 – Authority

16. Section 3 specifies the authority for the instrument, sections 45, 46 and 46A of the PBR Act.

#### **Section 4 – Schedules**

17. Section 4 outlines the effect of instruments specified in a Schedule to the instrument.

# SCHEDULE 1-AMENDMENTS

# Remuneration Tribunal (Members of Parliament) Determination 2024

- Item 1 removes the existing base salary and substitutes a new base salary, with effect from 1 July 2025. This implements the general adjustment described at paragraph 7.
- 19. Item 2 removes the existing value for the portion of base salary that is not parliamentary allowance for the purposes of the *Parliamentary Contributory Superannuation Act 1948*, and substitutes a new value reflecting the general adjustment described at paragraph 7.
- 20. Item 3 updates the note at Section 2.3 of the determination, reflecting the increase to base salary.

Authority: Sections 45, 46 and 46A Parliamentary Business Resources Act 2017