Remuneration Tribunal

Explanatory Statement: Remuneration Tribunal Amendment Determination (No. 7) 2026

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. 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.
2. Section 11 of the Act provides 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 meet with relevant parties or seek further information from the minister or person making the submission.
5. Among other matters, in deliberating on appropriate remuneration for an office, the Tribunal informs itself of:
   - 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);
   - the remuneration of similar comparator offices within its jurisdiction; and
   - any non-financial rewards associated with the office, including the status of holding the office.

Consultation

External Reporting Australia – Governing Council, Chair, Deputy Chair and Member

6. On 16 February 2026, the Assistant Treasurer, the Hon Dr Daniel Mulino MP, wrote to the Tribunal seeking an indicative determination of remuneration for the proposed part-time offices of the Governing Council of External Reporting Australia. The accompanying submission provided information on the role and responsibilities of the offices.

7. During October and November 2026, the Tribunal's Secretariat consulted with officials from the Department of the Treasury to understand the requirements of the transitional provisions establishing External Reporting Australia. Advice provided by the Treasury informed the drafting instructions provided to the Office of Parliamentary Counsel and the transitional provisions in this determination.

8. In establishing remuneration and conditions for the new offices, the Tribunal assessed the functions, responsibilities and accountabilities of each office. The Tribunal considered that the submission from the Assistant Treasurer, who is responsible for appointing members of the Governing Council, provided a sufficient basis for this assessment. On that basis, the Tribunal did not seek further information directly from prospective office holders. The Tribunal has no role in the appointment of office holders.

Exemption from sunsetting

9. 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 Act is exempt from the provisions of paragraph 54(2)(b) of the *Legislation Act 2003*.

10. This exemption has been granted by the Attorney-General because the Remuneration Tribunal has a statutory role independent of government.

11. As the Remuneration Tribunal makes new principal determinations annually, this instrument's exemption from sunsetting will not have any practical effect. As such, the exemption from sunsetting will not have a practical impact on parliamentary oversight of the relevant measures.

Power to repeal, rescind, revoke, amend and vary

12. 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:

13. Section 1 specifies the name of the instrument as the Remuneration Tribunal Amendment Determination (No. 7) 2026.

14. Section 2 specifies the commencement date of the instrument as 1 December 2026.

15. Section 3 specifies the authority for the instrument, subsections 7(3) and (4) of the Act.

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

17. Schedule 1 sets out the amendments made to the instrument specified in that Schedule.

SCHEDULE 1—AMENDMENTS

Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2026

18. Item 1 establishes daily fees for the new offices of Chair, Deputy Chair and Member of the Governing Council of External Reporting Australia in Table 4A. It also references 2 special provisions established in relation to that body.

19. Item 2 establishes 2 special provisions for the offices of the Governing Council of External Reporting Australia, in Table 4B.

- The first provides that the Chair is entitled to Tier 1 travel and all other members are entitled to Tier 2 travel, subject to a transitional arrangement. Under that arrangement, members who were members of the Financial Reporting Council immediately before 1 December 2026 retain their entitlement to Tier 1 travel for the remainder of the terms of appointment they were serving immediately before that date. This entitlement also applies if such a member is appointed Deputy Chair of the Governing Council of External Reporting Australia.
- The second provides that Mr Andrew Mills, inaugural Chair of the Governing Council of External Reporting Australia, is to receive remuneration of not less than the value of the annual fee that applied to him in his previous appointment as Chair of the Financial Reporting Council for the remainder of his current appointment.

Authority:

Subsections 7(3) and (4) of the *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 Amendment Determination (No. 7) 2026

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

This instrument amends the principal determination Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2026.

This instrument establishes daily fees for 3 part-time offices of a new body. It establishes 2 special provisions for that body. One establishes travel tiers for the offices, including a transitional provision preserving the former travel tier for office holders transitioning from a previous body. The other establishes a transitional provision ensuring minimum remuneration for an office holder transitioning from a previous body.

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 includes, 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(a)(i)).

Consistent with Articles 6 and 7 of the ICESCR, this instrument ensures that individuals appointed to the public offices subject to the determination are fairly remunerated in respect of the work they undertake as public office holders. Specifically, the instrument:

- Establishes daily fees and travel tiers for the offices of Chair, Deputy Chair and Member of the Governing Council of External Reporting Australia;
- Establishes a special provision (temporary maintenance of former travel tier) for the members of the Governing Council who were members of the Financial Reporting Council immediately before 1 December 2026 entitling them to Tier 1 travel for the remainder of the terms of appointment they were serving immediately before that date; and
- Establishes a special provision (temporary minimum remuneration) for Mr Andrew Mills, Chair of the Governing Council, so that he receives not less than the value of the annual fee that applied to the office of Chair, Financial Reporting Council for the period 1 December 2026 until 30 November 2027.

By establishing remuneration, allowances and entitlements based on an assessment of the current work value of the office, the instrument directly promotes the principle of ensuring '*fair wages and equal remuneration for work of equal value*' per Article 7(a)(i) 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