



REMUNERATION TRIBUNAL

Explanatory Statement: Determination 2015/21 Remuneration and Allowances for Holders of Full-Time Public Office

1. The Remuneration Tribunal has inquired into and determined a general adjustment of 2 per cent in the remuneration of Public Offices in its jurisdiction with effect on and from 1 January 2016, as it is empowered to do by the *Remuneration Tribunal Act 1973*.
2. In undertaking its inquiry and making this Determination the Tribunal has informed itself through consultation in accordance with established practice.
3. Any retrospective application of this Determination is in accordance with subsection 12(2) of the *Legislative Instruments 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.

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PART 1 – GENERAL

4. Part 1 sets out the authority for and the date of effect of the Determination and supersedes and revokes the previous principal Determination 2015/07 (as amended) applying to the offices covered by this Determination. This Part also contains definitions of certain words used in the Determination.
5. The definition of Employer Superannuation Contribution has been modified to provide greater clarity on how employer superannuation is derived under the different superannuation fund membership arrangements. (This definition is called up in other Tribunal determinations in order to determine the Reference Salary used for the calculation of certain payments on termination). There have been no changes to the superannuation entitlement provisions.
6. The other provisions in Part 1 are unchanged from those contained in Part 1 of the previous Determination.

PART 2 – REMUNERATION AND RELATED MATTERS

7. Part 2 provides for adjustments to Base Salary and Total Remuneration and other related matters (such as some personal loadings) effective on and from 1 January 2016, except where specified.
8. The fees in this Determination have been rounded where appropriate.
9. Additional remuneration increases have been included to finalise the transition paths for certain Full-time Offices, as decided by the Tribunal in its 2012 Review of Full-time Offices.
10. Progressive changes have continued as announced in the Tribunal's 2012 Review of Full-time Offices to transition Base Salaries to 70% of Total Remuneration for offices at \$417,800 and above, and 73% for most offices below that level.

11. Remuneration has been determined effective from 9 December 2015 for the Chair of the Australian Accounting Standards Board, now within the Tribunal's jurisdiction by virtue of the *Corporations Legislation Amendment (Deregulatory and Other Measures) Act 2015*. Clause 2.2.20 sets out remuneration for the period 9 December 2015 to 31 December 2015 with remuneration from 1 January 2016 included in Table 2A.
12. Revised remuneration for the offices of the Australian Skills Quality Agency has been included in Table 2A, with existing remuneration for the Chief Commissioner/Chief Executive Officer maintained by clause 2.2.19.
13. A personal Base Salary has also been included in Table 2A for Mr Phillip Glyde, incoming Chief Executive Officer of the Murray-Darling Basin Authority.
14. Other changes in this Determination include changing the order of certain entries in the Tables (and the associated explanatory clauses) and consolidating changes made over the life of the previous Determination.

PARTS 3 – 6

15. Parts 3 to 6 set out the:
 - allowance provisions;
 - entitlements for official travel which are contained in Determination 2015/11;
 - recreation leave provisions which are contained in Determination 2012/11;
 - compensation for early loss of office provisions which are contained in Determination 2014/17.
16. The general provisions in these parts are unchanged from those contained in the previous Determination.

Authority: Sub-sections 7(3) and 7(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 Determination 2015/21

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, applies a 2 per cent increase (rounded as appropriate) to the remuneration of Full-Time Public Offices from 1 January 2016.

The Determination supersedes and revokes the previous *Determination 2015/07 - Remuneration and Allowances for Holders of Full-Time Public Office* (as amended).

The changes follow a general review of the remuneration (and significantly related matters) of Full-Time Public Offices carried out by the Tribunal in compliance with subsections 7(3) and 8(1) of the *Remuneration Tribunal Act 1973*.

The Determination also sets:

- remuneration for the new office of Chair, Australian Accounting Standards Board;
- revised remuneration for the offices of the Australian Skills Quality Agency; and
- a personal base salary for the incoming CEO of the Murray-Darling Basin Authority.

In addition the definition of Employer Superannuation Contribution has been amended to clarify how employer superannuation is derived under the different superannuation fund membership arrangements.

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.

Remuneration Tribunal