

REMUNERATION TRIBUNAL ANNUAL REPORT 2021–22

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The document must be attributed as the Remuneration Tribunal Annual Report 2021–22.



16 September 2022

Senator the Hon Katy Gallagher Minister for the Public Service Parliament House CANBERRA ACT 2600

Dear Minister

We have pleasure in presenting to you the Remuneration Tribunal's Annual Report for 2021–22. The Report covers the activities of the Tribunal during the year ended 30 June 2022.

Section 12AA(2) of the *Remuneration Tribunal Act 1973* (Cth) requires you to cause a copy of this Report to be laid before each House of Parliament within 15 sitting days of receipt.

Yours sincerely

John C Conde AO PRESIDENT Heather Zampatti MEMBER Stephen Conry AM MEMBER

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President's Overview

In the year to June 2022, the Remuneration Tribunal continued its work determining remuneration arrangements for a range of senior public offices, as well as fulfilling its advisory role for those offices outside its determinative jurisdiction.

In its determinations, the Tribunal is obliged to assess remuneration on the work value of an office. In doing so, the Tribunal seeks to fix remuneration at levels that will attract and retain individuals of the calibre and with the skills necessary to perform the office.

As reflected in its 2022 Remuneration Review decision, the Tribunal has regard to a range of economic considerations, historical and projected, when determining overarching adjustments for public offices. The Tribunal also maintains awareness of remuneration trends in the private and public sectors generally, including by monitoring trends in Senior Executive Service remuneration in the Australian Public Service (APS).

Departmental secretaries

In 2022, the Tribunal considered the remuneration arrangements for departmental secretaries. The Tribunal took the opportunity to rationalise the pay points of its classification structure for Secretaries.

Parliamentarians

The Tribunal completed its inquiry, reporting and determinative obligations on the remuneration and work expenses framework for parliamentarians, set out in the *Parliamentary Business Resources Act 2017* (Cth). The Tribunal implemented minor updates to post-retirement travel provisions for parliamentarians, to provide additional flexibility and reflect the demands on retiring members with large electorates.

The Tribunal continues to monitor the operation of the framework and the need for any changes. The Tribunal will consider the recommendations of the independent review of the Parliamentary Business Resources Act and undertake any inquiries requested by the Special Minister of State.

General reviews of remuneration

The Remuneration Tribunal Act 1973 (Cth) and the Parliamentary Business Resources Act require the Tribunal to examine and determine remuneration for offices in its jurisdiction at intervals no greater than one year. As part of these examinations, the Tribunal considers whether any general increase to remuneration for offices in its jurisdiction should be determined.

While work value and competitive, equitable remuneration are the Tribunal's primary considerations when determining remuneration, the Tribunal also considers the broader jobs market and the economy. For offices other than parliamentarians, the Tribunal is required to consider the annual wage reviews of the Fair Work Commission.

Over the last decade the Tribunal has determined modest remuneration increases, taking into account the environment of economic restraint, slower wage growth, and the Government's public sector workplace bargaining policies. In 2020 and 2021, noting the economic impacts of COVID-19, the need for remuneration restraint and the wage freeze for Commonwealth public servants, the Tribunal made no general increases in remuneration for public offices in its jurisdiction.

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Figures 1 and 2 show the Tribunal's remuneration increases during the past decade and how they compare with movement in adult weekly ordinary time earnings (AWOTE).

7.0 6.0 5.0 4.0 3.0

Figure 1: Tribunal annual adjustments 2012-2022

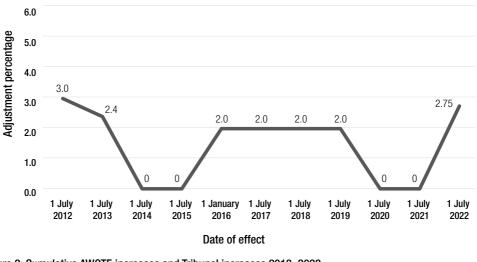
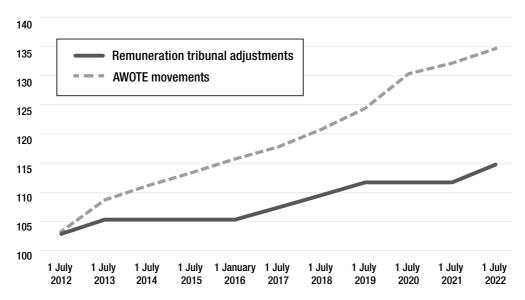


Figure 2: Cumulative AWOTE increases and Tribunal increases 2012-2022



Source: Remuneration Tribunal Secretariat using Australian Bureau of Statistics average weekly earnings, Australia, May 2022.

The 2022 Remuneration Review was undertaken in a period of economic recovery following further restrictions associated with the COVID-19 pandemic. The Fair Work Commission's 2021 annual wage review decision was taken into consideration during the Tribunal's 2022 deliberations and, as with last year, the Fair Work Commission's 2022 annual wage review decision was not available prior to the Tribunal's decision.

On 14 June 2022, the Tribunal announced its decision to increase remuneration by 2.75% for public offices in its jurisdiction from 1 July 2022.

In making this decision the Tribunal had regard to a range of economic considerations, historical and projected. The Tribunal noted that, while the economy had contracted in the September quarter, its stronger than expected recovery was evident particularly in the labour market.

The Tribunal also had regard to the wages policies in states and territory public sectors, and noted the Government's Public Sector Workplace Relations Policy.

Tribunal membership

For the period 1 July 2021 to 13 October 2021 the Tribunal operated with only two members and I relied heavily on the commitment, support and counsel of my colleague Ms Heather Zampatti. Ms Zampatti was re-appointed as a member of the Tribunal on 31 March 2022 for a further five years.

On 14 October 2021, the Tribunal welcomed the appointment of Mr Stephen Conry AM as a member for a five-year term. Mr Conry has a wealth of experience in the commercial property sector and has also has served on various business and community boards and committees.

I record my deep appreciation to Ms Zampatti and Mr Conry for their invaluable contributions to the Tribunal's work.

The Tribunal's Secretariat, led by Mr Martyn Hagan, consists of a small group that continues capably and effectively to support the Tribunal's work program. I record my gratitude to Mr Hagan and everyone in the Secretariat staff for their loyalty, dedication and efforts.

John C Conde AO

President

1. Introduction to the Tribunal

The Remuneration Tribunal is an independent statutory authority established under the Remuneration Tribunal Act. It is primarily responsible for inquiring into and determining the remuneration and allowances to be paid to holders of public offices, including parliamentary offices. The Tribunal also reports on and provides advice about these matters.

The Remuneration Tribunal Act defines 'public office' to include all offices established by a Commonwealth law (also known as statutory offices) and appointments made under a Commonwealth law, as well as, but not limited to, appointments made by the Governor-General or a minister of state that are formally referred into the Tribunal's jurisdiction by the Minister responsible for the Tribunal (section 3). The attributes of a 'public office' establish whether appointment to it is made on a full-time or other basis.

Since 2018, the Tribunal's powers to determine remuneration for parliamentary offices have been provided in the Parliamentary Business Resources Act.

In assessing the remuneration of offices, the Tribunal takes into account:

- the attributes of the office
- remuneration of comparable offices
- considerations related to complexity and scope
- indicators of movements in remuneration.

The Tribunal aims to develop remuneration arrangements that are flexible and broadly consistent, having regard to the diversity of the offices in its jurisdiction.

2. Membership of the Tribunal

The Remuneration Tribunal Act establishes the Tribunal with three part-time members who are appointed by the Governor-General. Tribunal membership is managed by the Department of the Prime Minister and Cabinet.

Current members are:

Mr John C Conde AO, President

Reappointed on 29 May 2018 as Member and President for a further five years from 25 June 2018, Mr Conde was appointed originally as a member of the Remuneration Tribunal on 18 June 1998. He is Chairman of the McGrath Foundation and Chairman of Cooper Energy Limited. He is also Chairman of the Dexus Wholesale Property Fund and Deputy Chairman of Whitehaven Coal Limited. Mr Conde is an ex officio member of the Independent Parliamentary Expenses Authority.

Mr Conde's previous appointments include Chairman of Bupa Australia Health Pty Ltd, CoChair of the Review Committee: An Independent Parliamentary Entitlements System, Chairman of the Sydney Symphony Orchestra, Chairman of Destination NSW, Chairman of Ausgrid (formerly EnergyAustralia), Director of BHP Billiton, Dexus Property Group (ASX listed entity DXS) and Excel Coal Limited, Managing Director of Broadcast Investment Holdings Pty Limited, Director of Lumley Corporation, President of the National Heart Foundation of Australia and the Dermatology Research Foundation at the University of Sydney and member of the Sydney Children's Hospital Network Board and the Council of the Sydney University Medical School Foundation.

In January 1994, Mr Conde was appointed an Officer of the Order of Australia (AO) for service to business and commerce, particularly in the field of electricity generation and supply to the community.

Ms Heather Zampatti

Reappointed as a Member on 31 March 2022 for five years, Ms Zampatti was originally appointed to the Remuneration Tribunal on 23 March 2017. Ms Zampatti has over 30 years' experience in investment advising and providing investors with professional portfolio management. Her expertise covers the full range of investment options including advice on cash, fixed interest, stockbroking and financial investment policy and strategy.

Ms Zampatti is a graduate of the University of Western Australia with a Bachelor of Science and Diploma of Education. She also holds an honorary Doctorate of Commerce from Edith Cowan University, and is a Certified Financial Planner, a Master of Stockbroking, and a Fellow of the Australian Institute of Company Directors.

Ms Zampatti sits on the boards of Blackearth Minerals, Theatre 180, Osteoporosis Australia, the University Club of Western Australia, ASIC Financial Services Consultative Committee and Tura New Music, and is a member of the Edith Cowen University Resources Committee. She is a former Chair of Lotterywest, a former Chair of the Princess Margaret Hospital Foundation and a former member of Healthways, the Takeovers Panel, the Western Australia Regional Council of Financial Services Institute of Australasia (FINSIA), Western Australian Ballet, the Australian Institute of Management (Western Australia), Chief Executive Women and the Financial Sector Advisory Council.

Mr Stephen Conry AM

Appointed as a Member on 14 October 2021 for five years, Mr Conry is the Chairman of private investment company Langdon Capital having recently retired as the Chief Executive Officer of JLL (formerly Jones Lang LaSalle), Australia's largest commercial property services firm.

Mr Conry commenced his career with JLL in 1982 while undertaking part-time studies in property valuations (graduating 1986). He was appointed as a Director in 1989 and Managing Director for Queensland in 1997. He was a member of the firm's National Executive from 1999, was appointed an International Director in 2000 and appointed CEO for Australia, and to the Asia Pacific Board, in 2009.

Mr Conry has served on various business and community boards and committees in Australia. He is currently a Board Member of Redkite and is the Immediate Past National President of the Property Council of Australia. He is a Fellow of the Australian Property Institute, a Fellow of the Royal Institution of Chartered Surveyors and a Fellow of the Australian Institute of Company Directors. In June 2019 he was appointed a Member of Order of Australia for his service to the commercial property sector and the community.

3. The work of the Tribunal

During the reporting year, the Tribunal convened formally on 10 occasions. In addition, it held meetings with a wide range of interested parties and considered a considerable number of matters out of session.

The Tribunal formalised its decisions in 20 determinations. Appendix A lists the determinations and reports issued by the Tribunal in the reporting year.

3.1 Annual adjustment

In accordance with sections 7(3) and 8(1) of the Remuneration Tribunal Act, the Tribunal is required to report on, and make determinations about, remuneration for the offices in its jurisdiction at intervals of not more than one year. The same obligation exists in section 45(1) of the Parliamentary Business Resources Act for parliamentary offices.

In fulfilling these obligations, the Tribunal considers remuneration movements in the public and private sectors, as well as the general economic and fiscal environment. The Tribunal must also have regard to the outcome of the annual wage reviews of the Fair Work Commission.

Most Australian jurisdictions have policies providing for public sector employee wage restraint. The Tribunal considered the Government's Public Sector Workplace Relations Policy 2020, which sets out the Government's wages policy for employees of the APS and non-APS government entities. The current policy links maximum annual adjustments in new Commonwealth public sector workplace arrangements with the private sector Wage Price Index annual percentage change for the immediately preceding June quarter.

In June 2022, the Tribunal decided to increase remuneration by 2.75% for public offices in its jurisdiction from 1 July 2022. This follows decisions not to increase remuneration in 2020 and 2021. It is consistent with the Tribunal's generally moderate approach to remuneration for the senior offices for which it is responsible.

In making this decision, the Tribunal had regard to a range of economic considerations, historical and projected. It noted that, while inflation had become stronger than originally anticipated, the domestic economy had staged a strong comeback from late 2021, supported by a robust labour market. The Tribunal will continue to monitor economic conditions and wages growth.

The full text of the Tribunal's 14 June 2022 statement, containing its reasons for decision, is at https://www.remtribunal.gov.au/document-library-search/2022-remuneration-review-statement-0

3.2 Full-time public offices

The framework

Under the Remuneration Tribunal Act, the Tribunal is responsible for inquiring into and determining remuneration and recreation leave for full-time public offices. It is also responsible for inquiring into and determining other matters it considers are significantly related to remuneration (section 7).

The Tribunal determines full-time office holders' remuneration as 'total remuneration' – a figure that covers cash salary, superannuation and other benefits. The significantly related matters determined for full-time office holders are principally travel provisions and some other allowances in specific cases.

Most full-time offices are statutory offices.

During the reporting period, the Tribunal received and considered submissions on remuneration, conditions and allowances for new and established full-time offices.

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase remuneration by 2.75% for full-time offices from 1 July 2022. The Tribunal issued Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2022 to implement this decision.

As at 30 June 2022, there were 176 offices remunerated under the Tribunal's principal determination for holders of full-time offices. Three additional full-time offices were included in the determination during 2021–22. One of these offices was established by legislation, one was a former part-time office changed to a full-time office as permitted by its enabling legislation, and one office was referred into the Tribunal's jurisdiction.

In late 2021, the Tribunal became aware of a technical anomaly that may possibly have resulted in several offices not falling automatically into its jurisdiction despite their establishing legislation requiring the Tribunal to determine remuneration. The Tribunal consulted with the Office of Parliamentary Counsel and the Australian Government Solicitor on this matter. Legal certainty was provided on 31 March 2022 when the Minister for the Public Service wrote to the Tribunal clarifying that the provisions of the Remuneration Tribunal Act should apply to these offices.

Appendix B details the new full-time public offices for which the Tribunal determined remuneration in the year to 30 June 2022 and the offices removed from the determination.

Specified statutory offices

The Tribunal is responsible for determining the remuneration of four full-time public offices referred to as 'specified statutory offices'. As at 30 June 2022, these were the:

- Chief of the Defence Force
- Commissioner of Taxation
- Auditor-General for Australia
- Australian Statistician.

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase remuneration by 2.75% for three of these offices from 1 July 2022. For the Chief of the Defence Force, the Tribunal implemented a separate adjustment to provide remuneration parity with the Secretary of the Department of Defence. The Tribunal issued Remuneration Tribunal (Specified Statutory Offices—Remuneration and Allowances) Determination 2022 to implement these decisions.

3.3 Part-time public offices

The framework

Appointments to a wide range of public offices are made on a part-time basis. In addition to statutory offices, part-time offices include appointments made under a Commonwealth law. These offices are diverse and include the chairs and members of boards, councils, committees and administrative tribunals whose work may be regular or intermittent.

Several remuneration models are determined for part-time offices. The two main models are an annual fee, compensating in one annual figure for work done by the office holder, and a daily fee, where remuneration is paid for each day or part-day worked. The other remuneration models are a combination of these models, with daily fees covering specific activities and an annual fee covering recurring or predictable elements of the office holder's workload.

A related matter determined by the Tribunal for part-time offices is travel entitlements.

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase remuneration by 2.75% for part-time offices from 1 July 2022.

As at 30 June 2022, the principal determination – Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2021 – included part-time offices relating to 209 principal bodies. This determination was superseded by Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2022, effective from 1 July 2022.

During the reporting year, the Tribunal considered submissions on remuneration and conditions for a number of part-time offices. Appendix B includes the details of the new part-time offices for which the Tribunal determined remuneration.

In late 2021, the Tribunal became aware of a technical anomaly that may possibly have resulted in several offices not falling automatically into its jurisdiction despite their establishing legislation requiring the Tribunal to determine remuneration. The Tribunal is consulting on this matter and expects any necessary referral of part-time offices into its jurisdiction will be finalised in 2022.

3.4 Principal Executive Offices

The framework

The Remuneration Tribunal Act provides for the Tribunal to determine a classification structure for Principal Executive Offices (PEOs), under section 5(2A), and to determine the terms and conditions applicable to each classification in the structure, under section 7(3D).

The Minister responsible for the Tribunal has the power to make declarations concerning PEOs, having taken into account the advice of the Tribunal (section 3A). The Minister may declare an office to be a PEO, the classification to which the PEO is assigned and the PEO's employing body (sections 3A and 3B). The Minister may also determine commencing remuneration for a PEO.

The employing body is responsible for determining the terms and conditions applying to a PEO. Any such determination must be consistent with the terms and conditions determined by the Tribunal for the classification of the office concerned (section 12C) and the Tribunal's guidelines.

The Tribunal has established a total remuneration reference rate for each PEO as the basis on which an employing body may exercise discretion in determining remuneration. Reference rates are generally adjusted annually to reflect the outcome of the Tribunal's remuneration review. Most employing bodies have a discretionary range, from 10% below to 5% above the reference rate, although the reference rate must not be exceeded in the first 12 months of a new appointee's term without the prior approval of the Tribunal. PEOs generally also have access to performance pay of up to 15% for bands A to C and up to 20% for bands D and E, although in a number of cases performance pay has been absorbed into fixed remuneration, particularly in circumstances in which a minister is the employing body.

A full list of PEOs is available on the Tribunal's website: https://www.remtribunal.gov.au/document-library-search/list-principal-executive-office-2

Consistent with the Tribunal's remuneration review statement of 14 June 2022, the remuneration ranges of the PEO classification structure were increased by 2.75% effective from 1 July 2022. The Tribunal issued Remuneration Tribunal (Principal Executive Offices—Classification Structure and Terms and Conditions) Determination 2022 to implement this decision.

During 2021–22, the Tribunal considered submissions relating to PEOs, generally dealing with reviews of remuneration and conditions or changes to governance arrangements. During this period, two PEOs were reclassified within the PEO structure:

- Managing Director, Export Finance Australia, was reassigned from PEO Band D to Band E
- Chief Executive Officer, Australian Institute of Marine Science, was reassigned from PEO Band C to Band D.

Since 2007, the number of PEOs has gradually reduced, reflecting the move away from performance pay arrangements. This has allowed some offices to be returned to the Tribunal's full-time determinative jurisdiction. However, no offices had their PEO status revoked during 2021–22.

3.5 Departmental secretaries

The framework

Under Division 4 of the Remuneration Tribunal Act, the Tribunal is responsible for setting the classification structure, specifying pay points for the classification structure and assigning each office of departmental secretary to a classification. The Tribunal fixes the amount of remuneration to be paid to the Secretary of the Department of the Prime Minister and Cabinet and the Secretary of the Department of the Treasury.

Secretaries of departments other than the Departments of the Prime Minister and Cabinet and the Treasury are assigned to pay points by a separate instrument made by the Secretary of the Department of the Prime Minister and Cabinet under subsection 14(3) of the Remuneration Tribunal Act.

In assigning the pay point, the Secretary of the Department of the Prime Minister and Cabinet must consult with the President of the Tribunal and the Australian Public Service Commissioner.

The Tribunal must, from time-to-time, inquire into and determine the terms and conditions (other than remuneration) that are to apply to the office of departmental secretary.

During the reporting period, the Tribunal undertook a detailed review of the remuneration arrangements for departmental secretaries. The review was informed by changes to the functions and titles of a number of departments arising from the Government's Administrative Arrangement Order of 1 June 2022. These changes, which included an increase in the number of departments from 14 to 16, required the Tribunal to review each secretary's allocation to a level within the pay structure. As a result of its review, the Tribunal took the opportunity to rationalise the pay points of its secretaries classification structure and regularise the differences between pay points.

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase remuneration by 2.75% for departmental secretaries from 1 July 2022.

The Tribunal issued Remuneration Tribunal (Departmental Secretaries—Classification Structure and Terms and Conditions) Determination 2022 to implement both the revised classification structure and the upward adjustment.

3.6 Judicial and related offices

The framework

The Remuneration Tribunal Act empowers the Tribunal to determine remuneration and associated entitlements for the federal judiciary, administrative tribunals and related offices in those organisations.

The extent of the Tribunal's power varies between offices. Depending on the type of office, remuneration may be expressed as base (annual) salary or as 'total remuneration'. Associated entitlements may include the value attributed to the Commonwealth's superannuation contributions or superannuation support (although the Tribunal has no role in relation to the *Judges' Pensions Act 1968* (Cth)), travel allowance, Commonwealth and private vehicle costs, recreation leave, separation benefits, lumpsum payments, other benefits received by way of remuneration packaging, and minimum annual fees for some part-time office holders.

The judiciary

The Tribunal determines base (annual) salary and related benefits for: the chief justices and justices of the High Court of Australia, the Federal Court of Australia and the Federal Circuit and Family Court of Australia; and judges who sit as presidents of administrative tribunals (see below).

In determining remuneration for judges, the Tribunal is mindful of section 72(iii) of the Australian Constitution, which prohibits the diminution of a judge's remuneration while the judge remains in office.

Administrative tribunals and other bodies

The Tribunal determines remuneration and related benefits for non-judicial presidents, deputy presidents and members of bodies such as the Administrative Appeals Tribunal, Australian Competition Tribunal, Australian Law Reform Commission, Copyright Tribunal, National Native Title Tribunal, and for offices in the military justice system.

Other related offices

The Tribunal determines remuneration and related benefits for a range of non-judicial positions in the Commonwealth courts, including the chief executives of each court.

Recreation leave

The Tribunal determines recreation leave for the related offices and for judges of the Federal Circuit and Family Court of Australia (Division 2).

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase remuneration for judicial and related offices within its jurisdiction by 2.75% from 1 July 2022. The Tribunal issued Remuneration Tribunal (Judicial and Related Offices—Remuneration and Allowances) Determination 2022 to implement this decision.

In September 2021, the Tribunal amended its Judicial and Related Offices determination to reflect the establishment of a new court – the Federal Circuit and Family Court of Australia – which merged the Federal Circuit Court and the Family Court of Australia. The Tribunal determined

remuneration for two new full-time judicial offices established under the *Federal Circuit and Family Court of Australia Act 2021* (Cth).

In September 2021, the Tribunal considered a request for an extension of temporary amendments to the recreation leave provisions for Federal Circuit and Family Court (Division 2) judges, to enable them to carry over up to two weeks of unused recreation leave to be used in the 2022 or 2023 calendar years. The request sought to extend measures implemented in 2020 for the then Federal Circuit Court because of COVID-19. During the pandemic, judges were unable to access recreation leave in the year it was accrued (and which would otherwise be forfeited) to enable them to prioritise the needs of litigants. Considering the challenges resulting from COVID-19, the Tribunal agreed to the request and the relevant determination was amended.

The Judicial Remuneration Coordination Group

The Judicial Remuneration Coordination Group met in May 2022. Representatives from state and territory remuneration tribunals attended to discuss matters of common interest. It was agreed that a community of practice be established for the secretariats of these tribunals.

3.7 Parliamentarians

The framework

Base salary for parliamentarians

The Tribunal is responsible for determining the base salary of parliamentarians. It is required to make new determinations about parliamentary base salaries at periods of no more than 12 months (section 45(1) of the Parliamentary Business Resources Act). Unlike most other Tribunal determinations, those concerning parliamentarians are not disallowable by the Parliament. The Tribunal is required to explain in writing its decisions in relation to parliamentarians. These reasons are published on the Tribunal's website: www.remtribunal.gov.au/offices/parliamentary-offices

Additional salary for ministers and parliamentary office holders

Ministers of state (including the Prime Minister) and parliamentary office holders receive a parliamentary base salary and an additional amount of salary known as 'office holder's salary'.

Under the Constitution, the salaries of ministers are a matter for decision by executive government rather than the Tribunal. The Parliamentary Business Resources Act requires the Tribunal to report annually to the Government on these salaries.

The Tribunal determines the salaries for more than 50 non-ministerial parliamentary office holders, such as the Leader and Deputy Leader of the Opposition, presiding officers, whips, shadow ministers, and chairs and deputy chairs of parliamentary committees.

Other allowances and work-expenses provisions

The Tribunal determines various allowances and related provisions for federal parliamentarians (including ministers), such as travel allowance rates, electorate allowance, allowances for private-plated vehicles and allowances for internet and telephone services at private residences. The Tribunal also determines allowances and expenses for former members, such as for post-retirement travel.

Matters outside the Tribunal's determinative powers

The Tribunal does not determine all remuneration and related matters available for members of parliament. It reports on and makes recommendations to the Special Minister of State about a range of work expense and domestic travel-related provisions (for example, travel on scheduled domestic flights and car transport).

Matters relating to the provision of support for members of parliament that are outside the Tribunal's jurisdiction are decided by the Government through the Special Minister of State or by Parliament, under the following legislation:

- Parliamentary Business Resources Act 2017
- Parliamentary Contributory Superannuation Act 1948 (although the Tribunal determines what constitutes 'parliamentary allowance' for the purposes of this Act)
- Parliamentary Superannuation Act 2004
- Ministers of State Act 1952
- Members of Parliament (Staff) Act 1984.

Parliamentary base salary

Consistent with its remuneration review statement of 14 June 2022, the Tribunal decided to increase the base salary for parliamentarians by 2.75% from 1 July 2022. The Tribunal issued Remuneration Tribunal (Members of Parliament) Determination 2022 to implement this decision.

Additional salary for ministers and parliamentary office holders

Under section 44(1) of the Parliamentary Business Resources Act, the Tribunal is required to report annually to the Minister responsible for the Tribunal on 'the question of whether any alterations are desirable in the ministerial salaries that are payable out of public money of the Commonwealth'.

In 1999, the Tribunal adopted the practice in its reports of expressing ministerial salaries as a percentage of the parliamentary base salary.

In July 2021, the Tribunal reported to the Assistant Minister for the Public Service that no alterations were desirable in the ministerial salaries that are payment out of public money of the Commonwealth. The Tribunal subsequently issued the *Report on Ministerial Salaries – Salary Additional to Parliamentary Base Salary* on 28 July 2021, recommending no change to existing percentages.

Expenses for senators and members

Consistent with section 14(4)(c) of the Parliamentary Business Resources Act, in October 2021 the Tribunal implemented a more contemporary definition of 'service' in the context of expenses payable to members of parliament for internet and telephone services provided to their private residences. The changes better align the definition with the way telephony and internet services are provided by way of modern technology. The Tribunal had regard to the limitations experienced by members of parliament under the old definition and also consulted the Minister for Finance as the then Minister responsible for the Parliamentary Business Resources Act.

Travel allowances

In August 2021, the Tribunal inquired into and determined no change to travel allowances for parliamentarians in line with the Tribunal's general review of travel allowances. Conscious that the Australian economy was continuing to face unprecedented challenges because of COVID-19, the Tribunal decided not to make any adjustments to its rates for travel and motor vehicle allowance.

In May 2022, the Tribunal implemented changes to post-retirement travel provisions for former members of parliament. The amendments provide an additional return trip for former members who had three or more Commonwealth-funded electorate offices and provide the option for former members to use a private vehicle and receive private vehicle allowance, instead of using scheduled commercial transport for post-retirement travel.

Inquiries and reports

In accordance with its obligations under section 35 of the Parliamentary Business Resources Act, the Tribunal completed its annual inquiry into domestic travel expenses and travel allowance provisions included in the Parliamentary Business Resources Regulations 2017 and reported its conclusions to the Minister for Finance in August 2021.

The Tribunal did not consider a need for any change to travel expense and allowance provisions.

3.8 Official travel

The framework

Under the Remuneration Tribunal Act, the Tribunal is responsible for setting travel allowances for office holders in its jurisdiction. Since 1 January 2018, the Tribunal's power to determine travel allowances for parliamentarians has been contained in the Parliamentary Business Resources Act.

The general provisions for non-parliamentary offices, including judicial offices, are set out in a single determination. The various remuneration determinations specify the travel tier applicable to an office and may also contain specific travel-related provisions for an office or group of offices.

The general provisions for parliamentarians are provided separately in the Tribunal's members of parliament determination with other travel-related provisions set out in the Parliamentary Business Resources Regulations 2017.

The Tribunal reviews travel and motor vehicle allowances annually. Conscious that the Australian economy continued to face unprecedented challenges because of COVID-19, in August 2021 the Tribunal decided not to make any adjustments to the rates for travel and motor vehicle allowance applicable for the reporting period.

3.9 Geographic relocation

The framework

Under the Remuneration Tribunal Act, the Tribunal may determine or report on any matter it considers to be significantly related to remuneration.

The Tribunal has issued Relocation Guidelines that may be applied in circumstances where a person is offered a full-time appointment in a geographic locality that differs from their principal place of residence.

These guidelines may also be taken into account when the Tribunal considers relocation assistance for PEOs. They do not apply to the office of departmental secretary or to judicial offices.

The Tribunal's general expectation is that, when a person is appointed to an office and their principal place of residence is in a different geographic locality, the person will relocate their principal place of residence to the new locality. When this occurs, reasonable relocation costs may be approved by the employer or employing body, consistent with that agency's policy and practice.

In exceptional circumstances, however, and when it is in the interest of the agency, the Tribunal will consider providing accommodation and reunion travel assistance for a person who does not relocate their principal place of residence. During the reporting year, the Tribunal considered and approved assistance for appointees to these full-time offices:

- Sex Discrimination Commissioner
- Chief Executive Officer, Northern Australia Infrastructure Facility
- Director, Workplace Gender Equality Agency
- Human Rights Commissioner
- Registered Organisations Commissioner
- Aboriginal and Torres Strait Islander Social Justice Commissioner.

Geographic relocation assistance is provided for actual costs incurred by office holders up to specified limits.

3.10 Recreation leave for holders of relevant offices

The framework

Under the Remuneration Tribunal Act, the Tribunal is responsible for determining the recreation leave entitlements for holders of relevant full-time offices, including specified statutory offices, PEOs and non-judicial offices.

Relevant offices are those where there is a specific Commonwealth law (usually the Act establishing the office) that provides the office holder has such recreation leave entitlements as determined by the Tribunal.

Recreation leave entitlements for holders of full-time office and specified statutory offices are included in a separate determination that does not apply to judges, departmental secretaries, PEOs, parliamentarians or holders of part-time office.

The Tribunal determines recreation leave for judges of Division 2 of the Federal Circuit and Family Court of Australia and related offices in its Judicial and Related Offices Determination. Recreation leave arrangements for secretaries and PEOs are included in the relevant determinations.

The recreation leave entitlement determined by the Tribunal is set out in Remuneration Tribunal (Recreation Leave for Holders of Relevant Offices) Determination 2018. The Tribunal did not vary this determination during the reporting period.

Recreation leave entitlements for PEOs are separately specified in Remuneration Tribunal (Principal Executive Offices—Classification Structure and Terms and Conditions) Determination 2022, which provides that PEOs are entitled to be paid annual leave of four weeks per year of full-time service. This entitlement was not varied in the reporting period.

Recreation leave arrangements for judges of Division 2 of the Federal Circuit and Family Court of Australia are separately specified in Remuneration Tribunal (Judicial and Related Offices—Remuneration and Allowances) Determination 2022. As an extension to a temporary measure first implemented in 2020, the relevant provision was amended in 2021 to enable Division 2 judges to carry over two weeks of unused recreation leave (which would otherwise be forfeited) to be used in the 2022 or 2023 calendar years. This was in response to the impact of COVID-19, wherein judges' recreation leave was deferred to enable them to prioritise the needs of litigants.

3.11 Compensation for loss of office

The framework

Under the Remuneration Tribunal Act, the Tribunal is responsible for determining the compensation entitlements of holders of relevant full-time offices, including specified statutory offices and non-judicial offices, where an appointment is terminated prematurely in a range of circumstances.

The compensation entitlements determined by the Tribunal do not apply to judges, parliamentarians or holders of part-time office.

The determinations covering PEOs and secretaries have specific loss of office provisions.

The compensation arrangements for public offices holders whose appointments are terminated prematurely are included in Remuneration Tribunal (Compensation for Loss of Office for Holders of Certain Public Offices) Determination 2018.

Provisions for compensation for loss of office for secretaries are included in Remuneration Tribunal (Departmental Secretaries—Classification Structure and Terms and Conditions) Determination 2022.

No changes were made to these arrangements during 2021–22.

3.12 Advisory functions

The framework

The Remuneration Tribunal Act requires the Tribunal to provide advice to the presiding officers of each House of Parliament before the presiding officers determine the terms and conditions, including remuneration and allowances, of a number of offices created in the *Parliamentary Service Act 1999* (Cth).

The Tribunal also provides advice on remuneration in limited other circumstances, such as where legislation requires a minister or board to seek the Tribunal's advice.

During 2021–22, the Tribunal was not called upon to provide advice to the presiding officers or any of the offices specified in the Parliamentary Service Act.

The Tribunal was not called up on to provide advice on any other matters for which a body's establishing legislation requires advice to be sought.

4. Financial matters

The Tribunal is supported by a Secretariat staffed by employees of the Australian Public Service Commission (APSC). Appendix C provides contact details for the Secretariat. The Tribunal's financial requirements are met through the Commission's Program 1.1. There is no separate form of accounts applicable to the Tribunal.

5. Consultancies

As part of the Tribunal's review of remuneration of departmental secretaries, the APSC – as the responsible agency – entered into a contract with Egan Associates Pty Ltd for the provision of assistance with the review.

6. Legislative requirements

6.1 Work health and safety

The Tribunal's Secretariat is located in the APSC's premises and is subject to the Commission's policies and practices on work health and safety. Information about the APSC's policies is in its annual report.

6.2 Advertising and market research

The Tribunal did not engage in any paid advertising or market research activities during the reporting year.

6.3 Environment Protection and Biodiversity Conservation Act 1999 (Cth)

The Tribunal Secretariat is subject to the policies and practices of the APSC on the requirements of the Environment Protection and Biodiversity Conservation Act. Information about the Commission's policies is in its annual report.

6.4 Freedom of Information Act 1982 (Cth)

For the purposes of freedom of information, the Remuneration Tribunal is a separate agency. Agencies subject to the Freedom of Information Act are required to publish information to the public as part of the Information Publication Scheme. This requirement (Part II of the Act), has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the Information Publication Scheme requirements. The Tribunal's plan is available on its website: www.remtribunal.gov.au/freedom-information

6.5 Legislation Act 2003 (Cth)

Most Tribunal determinations are legislative instruments for the purposes of the Legislation Act. The exception is determinations relating to departmental secretaries, which are notifiable instruments for the purposes of the Legislation Act. Notifiable instruments are not subject to Parliamentary disallowance and do not automatically sunset 10 years after commencement.

Tribunal determinations are registered on the Federal Register of Legislation.

The Legislation Act requires the Office of Parliamentary Counsel to table a copy of each determination that is a legislative instrument in each House of Parliament within six sitting days of registration.

Subsection 7(8) of the Remuneration Tribunal Act, which provides that either House may pass a resolution disapproving a determination within 15 sitting days after the determination has been tabled, applies to all legislative instruments made by the Tribunal other than those made in relation to parliamentarians. Determinations made in relation to parliamentarians – that is, determinations made under the Parliamentary Business Resources Act, Part 6, subsections 44(1), (2) and (3) – are legislative instruments, but the disallowance provisions in the Legislation Act do not apply to them.

No Tribunal determinations were disallowed during the reporting period.

Appendix A: Determinations and reports for 2021–22

During the reporting year, the Tribunal issued these determinations, reports and statements:

Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office)

Determination 2022*

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

Determination 2022*

Remuneration Tribunal (Specified Statutory Offices—Remuneration and Allowances)
Determination 2022*

Remuneration Tribunal (Principal Executive Offices—Classification Structure and Terms and Conditions) Determination 2022*

Remuneration Tribunal (Judicial and Related Offices—Remuneration and Allowances)

Determination 2022*

Remuneration Tribunal (Departmental Secretaries—Classification Structure and Terms and Conditions) Determination 2022*

Remuneration Tribunal (Members of Parliament) Determination 2022*

Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 1) 2021

Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 1) 2022

Remuneration Tribunal Amendment Determination (No. 3) 2021

Remuneration Tribunal Amendment Determination (No. 4) 2021

Remuneration Tribunal Amendment Determination (No. 5) 2021

Remuneration Tribunal Amendment Determination (No. 6) 2021

Remuneration Tribunal Amendment Determination (No. 7) 2021

Remuneration Tribunal Amendment Determination (No. 1) 2022

Remuneration Tribunal Amendment Determination (No. 2) 2022

Remuneration Tribunal Amendment Determination (No. 3) 2022

Remuneration Tribunal Amendment Determination (No. 4) 2022

Remuneration Tribunal Amendment Determination (No. 5) 2022

Remuneration Tribunal Amendment Determination (No. 6) 2022

Report: Report on Ministerial Salaries Salary Additional to the Parliamentary Base Salary – July 2021

Statement: Report on Ministerial Salaries – Salary Additional to the Parliamentary Base Salary – July 2021

Statement: 2021 Travel and Motor Vehicle Allowance Rates for Public Office Holders and Parliamentarians

Statement: Remuneration Tribunal (Members of Parliament) Determination 2022 – Reasons for Determination

Statement: Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 1) 2021 – Reasons for Determination

 $Statement: Remuneration \ Tribunal \ (Members \ of \ Parliament) \ Amendment \ Determination \ (No. \ 1)$

2022 - Reasons for Determination

Statement: 2022 Remuneration Review

Copies of these documents can be obtained from the:

- Tribunal's website: www.remtribunal.gov.au
- Tabling Office of the Senate or the House of Representatives
- Federal Register of Legislation website: www.legislation.gov.au

^{*}These documents are principal determinations.

Appendix B: Variations to bodies and offices determined in 2021–22

Full-time offices

New

- National Data Commissioner
- Head, National Suicide Prevention Office
- Chair, Tiwi Land Council

Renamed

 Chief Executive Officer, National Disability Insurance Agency (formerly the National Disability Insurance Scheme Launch Transition Agency)

Removed from the determination

• Chairperson and Deputy Chairperson, Superannuation Complaints Tribunal

Part-time offices

New

- Chair and Member, Advisory Committee on the Environmental Management of Industrial Chemicals
- Chair, Deputy Chair and Member, Australian Organ and Tissue Donation and Transplantation Authority Advisory Board
- Chair and Member, Australian Pesticides and Veterinary Medicines Authority Board
- Deputy Chair, ASC Pty Ltd Board
- Chair and Member, Financial Regulator Assessment Authority
- Deputy Chair, Medical Services Advisory Committee
- Chair and Member, National Data Advisory Council
- Member, Tiwi Land Council
- Deputy Chair, Tiwi Land Council Management Committee

Renamed

 Chair and Member, National Disability Insurance Scheme Agency – Advisory Council (formerly the National Disability Insurance Scheme Launch Transition Agency – Advisory Council)

Removed from the determination

- Chair and Member, Australian Organ and Tissue Donation and Transplantation Authority
- Chair, Deputy Chair and Member, Australian National Council on Drugs
- Chair and Member, Australian Pesticides and Veterinary Medicines Authority –Advisory Board
- Chair, Defence Industry Study Course
- Director, Financial Adviser Standards and Ethics Authority
- Chair, Fishing Industry Policy Council
- Chair and Member, Hazardous Waste Technical Group
- Chair and Member, National Water Grid Advisory Body
- Chair and Member, Regional and Small Publishers Jobs and Innovation Fund Advisory Committee
- Member, Superannuation Complaints Tribunal

• Chair, Tiwi Land Council

Principal Executive Offices

New

Nil

Renamed

- Executive Director, Australian Sports Commission (formerly the Chief Executive Officer, Sports Australia)
- Director, Australian Institute of Sport (formerly the Chief Executive Officer, Australian Institute of Sport)

Removed from the Principal Executive Office structure

• Nil

Judicial and related offices

New

- Federal Circuit and Family Court of Australia (Division 2)—Deputy Chief Judge (Family Law)
- Federal Circuit and Family Court of Australia (Division 2)—Deputy Chief Judge (General and Fair Work).

Renamed

- Federal Circuit and Family Court of Australia (Division 1)—Chief Justice (formerly Family Court—Chief Justice)
- Federal Circuit and Family Court of Australia (Division 1)—Deputy Chief Justice (formerly Family Court—Deputy Chief Justice)
- Federal Circuit and Family Court of Australia (Division 1)—Judge (formerly Family Court—Judge)
- Federal Circuit and Family Court of Australia (Division 2)—Chief Judge (Federal Circuit Court—Chief Judge)
- Federal Circuit and Family Court of Australia (Division 2)—Judge (Federal Circuit Court—Judge)
- Federal Circuit and Family Court of Australia (Division 1)—Chief Executive Officer and Principal Registrar (formerly Family Court—Chief Executive Officer)

Removed from the determination

• Federal Circuit Court—Chief Executive Officer

Appendix C: Secretariat

The Tribunal is supported by a Secretariat staffed by employees of the Australian Public Service Commission. The Secretary to the Tribunal is Mr Martyn Hagan.

The Secretariat can be contacted in writing, by email or telephone:

Secretary

Remuneration Tribunal Secretariat

PO Box 281

Civic Square ACT 2608

Email: enquiry@remtribunal.gov.au

Telephone: 02 6202 3930

This annual report is available on the Tribunal's website: www.remtribunal.gov.au

Media inquiries should be directed to:

Secretary

Remuneration Tribunal Secretariat Email: enquiry@remtribunal.gov.au

