

EXPLANATORY STATEMENT

Issued by the authority of the Assistant Minister for the Public Service

Remuneration Tribunal Act 1973

Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2023

PURPOSE AND OPERATION OF THE INSTRUMENT

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 members of the Parliament, Judges of Federal Courts and territory Supreme Courts, most full-time and part-time holders of public offices and principal executive offices.

Section 17 of the Act provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Under section 4 of the Act, the Tribunal consists of three Members appointed by the Governor-General on a part-time basis, one of whom is also appointed as President of the Tribunal. Section 12 of the Act provides that a Member of the Tribunal shall be paid such fees and allowances as are prescribed.

The *Remuneration Tribunal (Members' Fees and Allowances) Regulation 2016* (the Principal Regulation) prescribes fees and allowances payable to Members of the Tribunal.

The *Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2023* (the 2023 Regulations) amends the Principal Regulation to reflect increases in remuneration over 2022 and 2023 for other holders of public office. The 2023 Regulations increase the Tribunal Members' fees by:

- 2.75 per cent effective on and from 1 July 2022 – from \$131,500 to \$135,117 per year for the President and from \$44,836 to \$46,069 per year for other Members; and
- 4 per cent effective on and from 1 July 2023 – from \$135,117 to \$140,522 per year for the President and from \$46,069 to \$47,912 per year for other Members.

The increases are consistent with trends in public and private sector remuneration rates over 2022 and 2023.

Details of the Regulations are included in Attachment A.

A Statement of Compatibility with Human Rights is included in Attachment B.

COMMENCEMENT

The Regulations commence the day after the instrument is registered on the Federal Register of Legislation.

CONSULTATION

The Tribunal Secretariat, staffed by Australian Public Service employees in the Australian Public Service Commission, was consulted on the proposal to increase the Tribunal Members' fees. Members of the Tribunal were not consulted because this would not be appropriate given the Tribunal's role as the Australian Government statutory authority with responsibility to determine, report on, or provide advice about remuneration, including for part-time holders of various public offices. In considering the amount of the increases, the Department of the Prime Minister and Cabinet reviewed trends and market forces and had regard to general increases across the public sector and sources, such as the wage price index produced by the Australian Bureau of Statistics.

REGULATORY IMPACT STATEMENT

An assessment was made under guidelines issued by the Office of Impact Analysis (OIA). The OIA advises that a detailed Impact Analysis is not required (OIA23-05839).

Attachment A**NOTES ON SECTIONS****Section 1 – Name**

This section provides that the name of the instrument is the *Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2023*.

Section 2 – Commencement

This section provides that the instrument commences the day after the instrument is registered.

Section 3 – Authority

This section provides that the *Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2023* is made under the *Remuneration Tribunal Act 1973*.

Section 4 – Schedules

This section provides that each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 – Amendments**Item 1 – section 6**

Section 6 sets out the fees payable to Members of the Remuneration Tribunal. This item substitutes section 6, incorporating two amendments:

- For the period between 1 July 2022 and 30 June 2023, the fees payable are:
 - for the President – \$135,117 per year; and
 - for other Members – \$46,069 per year.
- For the period on and after 1 July 2023, the fees payable are:
 - for the President – \$140,522 per year; and
 - for other Members – \$47,912 per year.

Attachment B**Statement of Compatibility with Human Rights**

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2023

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 Disallowable Legislative Instrument

This Disallowable Legislative Instrument amends the *Remuneration Tribunal (Members Fees and Allowances) Regulation 2016* (the Principal Regulation). The Principal Regulation prescribes the fees and allowances of Members of the Remuneration Tribunal.

This Disallowable Legislative Instrument increases the fees for the Members of the Tribunal as follows:

- For the period between 1 July 2022 and 30 June 2023, the fees payable are:
 - for the President – \$135,117 per year; and
 - for other Members – \$46,069 per year.
- For the period on and after 1 July 2023, the fees payable are:
 - for the President – \$140,522 per year; and
 - for other Members – \$47,912 per year.

Human rights implications

This Disallowable Legislative Instrument engages the right to the enjoyment of just and favourable conditions of work, which includes a right to fair wages and equal remuneration, in Article 7 of the *International Covenant on Economic, Social and Cultural Rights*. The Disallowable Legislative Instrument promotes the realisation of this right by increasing the respective fees of the Members of the Remuneration Tribunal.

Conclusion

This Disallowable Legislative Instrument is compatible with human rights because it promotes the right to the enjoyment of just and favourable conditions of work.