

# **Remuneration Tribunal**

# Explanatory Statement: Remuneration Tribunal (Departmental Secretaries – Classification Structure and Terms and Conditions) Determination 2025

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, including Specified Statutory Offices. An additional function of the Tribunal is to determine a classification structure for Departmental Secretaries and associated terms and conditions for office holders.

#### Consultation

- 2. Section 11 of the Act advises 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.

#### Review of Remuneration for Holders of Public Office

- 3. The Tribunal's obligations, under sub-sections 7(3) and 8(1)(b) of the Act are to make determinations in respect of remuneration for various offices within its jurisdiction at periods of not more than one year. To meet this obligation, the Tribunal last issued principal determinations on 25 June 2024.
- 4. 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.
- 5. The Tribunal did not receive any submissions relating to the office of Departmental Secretary as part of this review.
- 6. On 6 June 2025 the Tribunal decided to determine a general adjustment of 2.4% to remuneration for public offices in its jurisdiction. The increase applies with effect from 1 July 2025.
- 7. A statement setting out the Tribunal's reasons for its decision is available at www.remtribunal.gov.au.
- 8. On 6 June 2025 the Tribunal also considered the effect the changes to the Administrative Arrangements Order made on 13 May 2025 had on the roles and responsibilities of each office.

- 9. Remuneration Tribunal (Departmental Secretaries Classification Structure and Terms and Conditions) Determination 2025 implements the Tribunal's decisions for Departmental Secretaries.
- 10. Consultation on this outcome was considered unnecessary given the matters contemplated by the Tribunal in making its decision.

# **Exemption from sunsetting**

- 11. 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 *Remuneration Tribunal Act 1973* is exempt from the provisions of paragraph 54(2)(b) of the *Legislation Act 2003*.
- 12. This exemption has been granted by the Attorney-General because the Remuneration Tribunal has a statutory role independent of government.
- 13. As the Remuneration Tribunal makes new principal determinations annually, this principal determination is unlikely to have any practical effect beyond the usual 10 year sunsetting period. As such, the exemption from sunsetting will not have a practical impact on parliamentary oversight of the relevant measures.

# The power to repeal, rescind and revoke, amend and vary

14. 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:

#### PART 1 - PRELIMINARY

- 15. Section 1 specifies the name of the instrument as the Remuneration Tribunal (Departmental Secretaries Classification Structure and Terms and Conditions) Determination 2025.
- 16. Section 2 specifies the commencement date for the instrument as 1 July 2025.
- 17. Section 3 specifies that the instrument takes effect at the start of 1 July 2025.
- 18. Section 4 specifies the authority for the instrument, Division 4 of Part II of the *Remuneration Tribunal Act 1973*.
- 19. Section 5 specifies that the determination supersedes the 2024 principal determination.
- 20. Section 6 specifies that instruments identified in a Schedule to this determination are amended or repealed as indicated.
- 21. Section 7 provides a simplified outline of the determination.
- 22. Section 8 specifies definitions for certain words used in the determination.
- 23. Section 9 provides the meaning of the term total remuneration for the purposes of the determination.

24. Section 10 provides a list of legislation which provide entitlements in addition to the determination.

# PART 2 - CLASSIFICATION, REMUNERATION AND RELATED MATTERS

- 25. Part 2 sets out the classification structure, pay point assignments and travel tier for the office of Departmental Secretary.
- 26. Table 2A sets out the classification structure and total remuneration for each level within the structure, implementing the general adjustment described at paragraph 6.
- 27. Table 2B sets out the classification level within the structure to which each office of Secretary is assigned. In addition to updating the names of portfolio departments in line with the Administrative Arrangements Order, the offices of Secretary of the Attorney-General's Department and Secretary of the Department of Social Services are assigned to Level 4 in the structure. These offices were assigned to Level 3 in the previous determination. These changes reflect the outcome of the Tribunal's assessment described at paragraph 8.
- 28. The provisions of this Part otherwise remain unchanged from those contained in Part 2 of the previous determination.

#### **PART 3 - SUPERANNUATION**

- 29. Part 3 sets out the superannuation arrangements for Departmental Secretaries.
- 30. The provisions of this Part remain unchanged from those contained in Part 3 of the previous determination.

#### PART 4 - VEHICLES AND BUSINESS SUPPORT

- 31. Part 4 sets out provisions relating to vehicles, parking and business support.
- 32. The provisions of this Part remain unchanged from those contained in Part 4 of the previous determination.

#### PART 5 - LEAVE

- 33. Part 5 sets out provisions relating to recreation leave, personal leave, and miscellaneous leave.
- 34. The provisions of this Part remain unchanged from those contained in Part 5 of the previous determination.

#### **PART 6 - END OF APPOINTMENT**

- 35. Part 6 sets out provisions relating to compensation for loss of office and notice of a decision not to reappoint.
- 36. The provisions of this Part remain unchanged from those contained in Part 6 of the previous determination.

# PART 7 - REMOVAL, RELOCATION AND FAMILY REUNION ASSISTANCE

- 37. Part 7 sets out provisions relating to relocation, settling in and out, accommodation support and reunion travel.
- 38. The provisions of this Part remain unchanged from those contained in Part 7 of the previous determination.

#### PART 8 - ASSISTANCE FOR TRAINING AND DEVELOPMENT

- 39. Part 8 sets out provisions relating to leave for training and development and the reimbursement of costs for training and development.
- 40. The provisions of this Part remain unchanged from those contained in Part 8 of the previous determination.

#### **PART 9 - DELEGATION**

- 41. Part 9 sets out provisions relating to the delegation of a Minister's functions under this determination.
- 42. The provisions of this Part remain unchanged from those contained in Part 9 of the previous determination.

#### **SCHEDULE 1 - REPEALS**

43. Schedule 1 specifies the instrument which has been repealed, namely Remuneration Tribunal (Departmental Secretaries – Classification Structure and Terms and Conditions) Determination 2024.

**Authority:** Division 4, Part II 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 (Departmental Secretaries – Classification Structure and Terms and Conditions) Determination 2025

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**

The legislative instrument, or determination, formalises the Tribunal's decision to determine an adjustment of 2.4% to remuneration for offices of Departmental Secretary from 1 July 2025. It also formalises the Tribunal's decision to amend the classification of offices of Secretary as a result of changes to the Administrative Arrangements Order issued on 13 May 2025.

The determination supersedes the previous Remuneration Tribunal (Departmental Secretaries – Classification Structure and Terms and Conditions) Determination 2024.

The decision follows a review of remuneration (and significantly related matters) carried out by the Tribunal consistent with sub-section 7(3) of the *Remuneration Tribunal Act 1973*.

# **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 include, 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(1)(a)).

Consistent with Articles 6 and 7 of the ICESCR, this instrument ensures that individuals appointed to the public offices subject to the determination continue to be fairly remunerated in respect of the work they undertake as public office holders. Specifically, the instrument increases remuneration for the offices of Departmental Secretary in the Tribunal's jurisdiction by 2.4% from 1 July 2025.

By establishing remuneration, allowances and entitlements based on an assessment of the current work value of the offices and reviewing those conditions annually having regard to economic indicators, the instrument directly promotes the principle of ensuring 'fair wages and equal remuneration for work of equal value' per Article 7(1)(a) 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.

The Tribunal notes its assessment of the current work value of the offices of Secretary of the Attorney-General's Department and Secretary of the Department of Social Services has been influenced by changes to the Administrative Arrangements Order published on 13 May 2025. It also notes the determination provides salary maintenance provisions for incumbents whose offices are reclassified during the term of their appointment. There will be no financial detriment to office holders within their current term of appointment.

# 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**