

2006

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

REMUNERATION TRIBUNAL AMENDMENT BILL 2006

EXPLANATORY STATEMENT

**Circulated by authority of
Jon Stanhope MLA
Chief Minister**

Outline

This Bill amends the *Remuneration Tribunal Act 1995* (the RT Act). The RT Act establishes and governs the operation of the Remuneration Tribunal (the Tribunal). The Tribunal is responsible for making determinations on remuneration, allowances and entitlements for a wide range of public offices, including members of the Legislative Assembly, executives, chief executives and statutory office holders.

The Bill amends elements of the framework for the making of determinations by the Tribunal about remuneration, allowances and entitlements for various public offices.

Currently, the Tribunal is not able to determine allowances or entitlements where those entitlements or allowances are provided under a law of the Territory or Commonwealth, or specified in the relevant instrument of appointment. New section 11 retains existing arrangements where the Tribunal cannot determine allowances or entitlements that are provided under a law of the Territory or Commonwealth.

New section 11 also clarifies the operation of Tribunal determinations where a Territory or Commonwealth law, or the instrument of appointment, deals with allowances or entitlements governed by existing Tribunal determinations. This will most likely apply where a Territory or Commonwealth law is made subsequent to an existing determination.

New section 11 will provide that any Territory or Commonwealth law, or instrument of appointment, will prevail over Tribunal determinations. This will only apply to appointments or engagements to positions on or after 1 July 2006. The changes link to new arrangements for superannuation and motor vehicle entitlements which have been set under Public Sector Management Standards for executives and statutory office holders engaged on and after 1 July 2006. The amendments do not affect entitlements under existing contractual or appointment arrangements for the remaining employment term.

Financial implications

There are no financial implications arising from these amendments. However these changes support arrangements under the 2006-07 budget.

Details

Name of Act and commencement
Clauses 1 and 2

These clauses are formal requirements. They refer to the name of the Act, and the commencement of the Act, which in accordance with the Legislation Act, is the day after notification.

Legislation amended
Clause 3

This Act amends the *Remuneration Tribunal Act 1995*.

Substitution
Clause 4

Clause 4 inserts replacement section 11.

New section 11(1) largely reflects the arrangements in place for the determination of allowances and entitlements before this amendment. This includes that the Tribunal cannot determine allowances or entitlements under sections 9 or 10 which are set under Territory or Commonwealth laws. The previous limitation on making determinations on matters provided in the instrument of appointment has been removed, as new section 11(2) provides that any instrument will prevail over the determination.

New section 11(2) provides that any determination under sections 9 or 10 is subject to any Territory or Commonwealth laws, and the instrument of appointment.

New section 11(3) applies new section 11(2) to persons appointed to an office or position on or after 1 July 2006.

New section 11(4) inserts a definition of appointment to clarify the circumstances in which new section 11(3) applies.

New section 11(5) applies the provisions of the Legislation Act, section 88 (Repeal does not end the effect of transitional laws) to new section 11(3).

New section 11(6) provides transitional arrangements for new sections 11(3) to 11(5), in that those sections expire 1 year after commencement.