Public Sector Management Amendment Standards 2009 (No 7)

Disallowable instrument DI2009-185

made under the

Public Sector Management Act 1994, s 251 (Management Standards)

EXPLANATORY STATEMENT

The *Public Sector Management Act 1994* (the Act) regulates the management of the public sector. Section 251 of the Act empowers the Commissioner for Public Administration, with the written approval of the Chief Minister, to make Public Sector Management Standards (Standards) for the purposes of the Act. More specifically, sections 251(6) and (7) of the Act provide that the Chief Minister can give a general approval to the Commissioner for Public Administration to make Standards for specified purposes, subject to conditions where necessary.

Base monthly lease rate

The Chief Minister has given standing order approval for the Commissioner to make an annual amendment to the base monthly lease rate for executive vehicles set out in section 552(6) of the Standards. The Chief Minister has approved an amendment methodology to be used whereby the annual change to the base monthly lease rate for executive vehicles reflects the percentage change in remuneration granted to executives by the Remuneration Tribunal.

On 1 July 2009, Remuneration Tribunal Determination 4 of 2009 'Chief Executives and Executives' increased the remuneration for executives by approximately 1.51%.

The amendment increases the base monthly lease rate for executive vehicles prescribed in section 552(6) of the Standards by 1.51%. The revised base monthly lease rate has been rounded up to the nearest whole dollar.

Payment in lieu of executive vehicle entitlement

While base monthly lease rates have increased by 8.4% over the past two years, the existing payment in lieu entitlements of \$15,000 per annum for zone 1 executives, \$15,500 for zone 2 executives and \$17,000 for zone 3 executives have not been increased since 2000.

The increase of \$500 in the payment in lieu values for each of the executive zones represents an increase of approximately 3%.