Ms Anne Cahill Lambert

Chair

ACT Remuneration Tribunal

PO Box 964

CIVIC SQUARE ACT 2608

Dear Ms Cahill Lambert

Thank you for your letter of 10 February 2015 inviting submissions for the Remuneration Tribunal’s annual review of salary and allowances for statutory office holders. While I am not providing a submission for the salary and allowance review, I am seeking a determination from the Remuneration Tribunal for the Canberra Institute of Technology (CIT) Governing Board.

As a result of the Legislative Assembly passing the *Canberra Institute of Technology Amendment Act 2014* (CIT Amendment Act) in November 2014, the Remuneration Tribunal is required to determine remuneration for a number of offices (governing board members and CEO) through the operation of Schedule 1.2 of the *Remuneration Tribunal Act 1995* (RT Act). Schedule 1.2 includes a provision ‘a member (including the chief executive officer) of the governing board of a territory authority, other than a member employed under the *Public Sector Management Act 1994*’. Consequently, as it is prescribed in the RT Act there is no need for referral from the Chief Minister to seek a determination.

Briefly, the CIT Amendment Act establishes a new governance arrangement for CIT as a statutory authority with a governing board. Until now, CIT has had an Advisory Council with the members not receiving any remuneration or other payments. While the legislation provides for other things, it is the new governance arrangement that is the central element.

The governing board is to have a minimum of 9 and a maximum of 11 members with relevant knowledge and experience in prescribed areas such as industry and business, vocational education, finance, social policy, law and human resources and governance. Notably, the CIT Amendment Act enables a maximum of 4 public servants on the governing board which provides for 2 members from directorates, a staff elected member and a student elected member (the legislation foresees the possibility that the student member may also be employed in the public sector). The remaining members will between them have knowledge and experience in the areas mentioned above – the Chair and Deputy Chair must have an industry or business background.

The Minister for Education and Training is currently considering who she will appoint. After the Minister has made the appointments it is likely that she will commence the provisions of the CIT Amendment Act, otherwise the provisions commence on 1 July 2015.

While the composition of the governing board provides for a broad range of relevant knowledge and skills to assist CIT in competing more effectively in the education and training marketplace, it is likely to present a challenge in terms of remuneration setting. This is because the membership of, and expectations of, the governing board members is not homogeneous. For example, the expectation of availability outside of formal meetings of the governing board is higher for the Chair and Deputy Chair.

I have attached information which you may assist when making your inquiries about appropriate remuneration for members of the governing board and CEO, namely:

* the completed questionnaire, provided by the Tribunal Secretariat;
* a copy of the *CIT Amendment Act 2014* which should be read in conjunction with the relevant provisions of the *Financial Management Act 1996* and *the Canberra Institute of Technology Act 1987*; and
* most recent published Annual Report; and
* relevant media releases by the Minister for Education and Training.

At this time I have not provided any specific material in respect of remuneration for the CEO in the new structural and governance arrangements. I understand that the Remuneration Tribunal is likely to have access to recent remuneration for the Director CIT/Chief Executive CIT, however, given the CEO is a new position if you require further information I am happy to provide it.

I understand that you will be meeting in mid-March. If you require any further information or material to assist you in considering this matter please contact me directly on 62073103 or Mr Greg Haustead who is assisting CIT in this matter on 0417436727. I would also be available together with Mr Haustead if you wish to discuss any issues in person.

Yours sincerely

Leanne Cover

Acting Chief Executive

27 February 2015