

# Australian Capital Territory Remuneration Tribunal

# **Director of Public Prosecutions**

# **Determination 17 of 2023**

made under the

Remuneration Tribunal Act 1995, section 10 (Inquiries about holders of certain positions)

# **ACCOMPANYING STATEMENT**

#### **Background**

Under section 10 of the *Remuneration Tribunal Act 1995* the Remuneration Tribunal (the Tribunal) must inquire into and determine the remuneration, allowances and other entitlements for certain full-time public offices, including the Director of Public Prosecutions (DPP) appointed under the *Director of Public Prosecutions Act 1990*.

#### **Considerations**

In October 2023, the Tribunal commenced its Spring Sitting to consider the remuneration, allowances and other entitlements of the following office-holders:

- ACT Magistrates;
- ACT Supreme Court judges;
- ACT Civil and Administrative Tribunal members;
- the ACT Integrity Commission (Integrity Commissioner and Chief Executive Officer);
- the Principal Registrar, Courts and Tribunal;
- the Director of Public Prosecutions;
- part-time Holders of Public Office on Boards, Tribunals and Committees; and
- any other positions that have been referred to the Tribunal for consideration.

The Tribunal advertised its Spring Sitting on its website and in the Canberra Times on 1 September 2023. The Tribunal also wrote to the relevant office-holders inviting submissions.

At its meeting in October 2023, the Tribunal met with the Chief Minister, ACT Government Treasury officials and officials responsible for the Enterprise Agreement bargaining for ACT Public Sector non-executive employees. The Tribunal also met with a number of full-time public office-holders, part-time public office holders and departmental officials.

The briefings provided to the Tribunal by ACT Treasury officials outlined the resilient nature of the Territory's economy. ACT Treasury reported that the Territory continues to experience

a tight labour market and wages growth, with wage growth particularly notable in the private sector. ACT Treasury noted that employment growth was stronger than expected in the 2022-23 financial year.

On 2 June 2023 the Fair Work Commission announced a 5.75 per cent increase in all award rates, with an effective 8.6 per cent increase to the minimum wage. <sup>1</sup>

The Australian Bureau of Statistics released the Consumer Price Index for the September Quarter on 25 October 2023, which included an increase of 0.8 per cent for the ACT during the September quarter, with a 4.5 per cent increase over the year (September 2022 to September 2023). The national trimmed mean inflation was 5.2 per cent over the year.

While the Tribunal noted that cost of living increases have been high, the Tribunal also noted that the consumer price index (CPI) forecast has a descending trend and the increase to remuneration provided in this determination reflects this.

In its deliberations, the Tribunal continued to give considerable weight to community standards and expectations with particular reference to wage growth nationally and locally, and the Territory's tight job market. The Tribunal also continued to give consideration to the importance of the Territory providing competitive and equitable remuneration, allowances and other entitlements so that it can continue to attract and retain high calibre individuals to deliver quality services to the ACT community. In this context, the Tribunal noted the wage policies and remuneration determinations by its Commonwealth and State/Territory counterparts and the significant increase in wage growth in the ACT private sector. The Tribunal also continues to be cognisant of the future compounding effect of not providing increases in remuneration.

In making this Determination, the Tribunal took account of the ACT Government's current Enterprise Agreement bargaining context. The Tribunal also had regard to the 2023–24 ACT Budget, released in June 2023 by the Chief Minister in his role as Treasurer, which predicted growth in 2023–24 of 3.75 per cent in wage price index (WPI) and 3.25 per cent in CPI.<sup>4</sup>

The Tribunal considered the national and the local contexts, in particular the anticipated movements in wages locally and nationally and the advice that the current economic circumstances in the Territory are robust. It therefore decided that an increase to remuneration of 3.5 per cent is a measured response given the current circumstances.

#### Decision

The Tribunal determines to increase the base remuneration of the Director of Public Prosecutions by 3.5 per cent, with effect from 1 November 2023.

The retrospective application of this Determination to 1 November 2023 does not affect the rights of a person (other than the ACT Government) in a manner prejudicial to that person, nor does it impose any liability on such person.

22 November 2023

<sup>&</sup>lt;sup>1</sup> Fair Work Commission Decision 2 June 2023

<sup>&</sup>lt;sup>2</sup> ACT Treasury, 25 October 2023, CPI – September Quarter 2023 https://www.treasury.act.gov.au/ data/assets/pdf file/0009/399978/CPI.pdf/ recache

<sup>&</sup>lt;sup>3</sup> Australian Bureau of Statistics Release 25 October 2023 <a href="https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release">https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release</a>

<sup>&</sup>lt;sup>4</sup> ACT Budget 2023-2024 Budget Outlook, Chapter 2 Economic Outlook, page 17.



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#### 1 Commencement

This instrument is taken to have commenced on 1 November 2023.

#### 2 Remuneration

2.1 The Director of Public Prosecutions is entitled to be paid the following remuneration:

#### **TABLE 2.1**

Column 1 Office	Column 2  Base Remuneration	Column 3 <sup>5</sup> Total Remuneration
Director of Public Prosecutions	\$498,729 per annum	\$531,729 per annum

- 2.2 If a person appointed to this office is also appointed to another office, which is not a second job under the *Public Sector Management Act 1994*, the person must only receive salary for the office that has the highest remuneration.
- 2.3 Where a person appointed to an office mentioned in clause 2.1 of this Determination has an employer-provided vehicle, remuneration listed in column 2 of Table 2.1 is the total remuneration payable.

#### 3 Salary packaging

- 3.1 A person appointed to an office mentioned in clause 2.1 of this Determination may elect to take the remuneration outlined in clause 2.1 as:
  - a) salary; or
  - b) a combination of salary and other benefits (a *salary package*).

<sup>&</sup>lt;sup>5</sup> Provides for additional remuneration associated with the previous provision of executive vehicles, commensurate with that payable to ACTPS senior executives under section 51 of the *Public Sector Management Standards 2016*.

- 3.2 Salary packaging must be consistent with:
  - a) taxation laws and guidelines issued by the Australian Taxation Office; and
  - b) any salary packaging policy and/or procedures issued for the ACT Public Service, with up to 100% of the remuneration able to be taken as benefits and related costs such as fringe benefits tax.
- 3.3 Salary packaging must be administered without additional cost to the employer and any fringe benefits tax associated with the provision of a benefit must be included in the salary package.
- 3.4 Salary for superannuation purposes is not affected by salary packaging.

### 4 Employer provided benefits

- 4.1 A person, appointed to an office mentioned in clause 2.1 of this Determination, is entitled to either the employer provided benefits mentioned below or the relevant cash payment in lieu of the benefit mentioned below.
- 4.2 An employer-provided benefit, or cash payment in lieu of an employer-provided benefit, is in addition to the remuneration specified in clause 2.1 of this determination, and does not affect salary for superannuation purposes.
- 4.3 For the avoidance of doubt, the value of an allowance or entitlement set out in this Determination is fixed and cannot be transferred to any other component of the total remuneration package.

## 5 Vehicle parking space

5.1 An executive is entitled to a parking space in accordance with the *Public Sector Management Standards 2016*.

#### 6 Employer's superannuation contribution

- 6.1 A person, appointed to an office mentioned in clause 2.1 of this Determination, is only eligible for the employer's superannuation contribution if their superannuation entitlements are not provided elsewhere.
- 6.2 Superannuation entitlements for a person appointed to an office listed above are consistent with clause D7 in the ACT Public Sector Administrative and Related Classifications Enterprise Agreement 2023-2026 or its replacement.
- 6.3 The value of the employer's superannuation contribution must not be paid in cash to a person appointed to an office mentioned in clause 2.1 of this Determination.

#### 7 Relocation allowance

- 7.1 In this clause, **ACT** means the Australian Capital Territory and its surrounding district, including Queanbeyan.
- 7.2 Relocation allowance is provided to assist an individual with the costs to relocate from their home location to the ACT in order to take up the appointment as the Director of Public Prosecutions.
- 7.3 The person appointed to the office mentioned in clause 2.1 may be reimbursed an amount of up to \$55,000, for receipted, reasonable costs of the following:
  - a) packing personal effects and furniture belonging to the person and their family;

- b) necessary storage of personal effects and furniture;
- c) removal costs and associated insurance of personal effects and furniture;
- d) unpacking of personal effects and furniture;
- e) costs of travel, accommodation and meals between the former location and the ACT;
- f) temporary accommodation costs at the former location and in the ACT up to a maximum aggregate period of six months, or, in exceptional circumstances, nine months with specific approval of the ACT Remuneration Tribunal;
- g) costs of disconnection and reconnection of utilities;
- h) cost of stamp duty and legal and professional services associated with the sale of the residence at the former location and/or the purchase of a residence or lease on a block of land in the ACT;
- i) subject to the approval of the ACT Remuneration Tribunal, any other reasonable expenses necessarily incurred in relocating to the ACT.
- 7.4 The Tribunal may decide to reimburse a higher amount of allowance if the Tribunal agrees:
  - a) there are unusual or exceptional circumstances; and
  - b) the unusual or exceptional circumstances were unforeseen or unable to be dealt with without exceeding \$55,000.
- 7.5 If a person, appointed to an office mentioned in clause 2.1 thinks that unusual and exceptional circumstances exist, they may ask the ACT Remuneration Tribunal to consider the matter and determine whether the maximum relocation allowance can be exceeded. A request must be in writing and must include:
  - a) details of the unusual or exceptional circumstances; and
  - b) details of the relocation; and
  - c) expenses incurred by the full-time Statutory Office Holder; and
  - d) the expected total relocation expenses of the full-time Statutory Office Holder; and
  - e) the level of assistance the full-time Statutory Office Holder considers should be provided; and
  - f) any other relevant information.
- 7.6 If the person appointed to an office mentioned in clause 2.1 terminates their employment with the Territory within twelve months of the date of their appointment, the person may be required to repay the following amount:
  - a) If the person terminated employment within six months from the date of their appointment 100% of the amount reimbursed under clause 8.3;
  - b) If the person terminates employment more than six months and less than twelve months from the date of their appointment 50% of the amount reimbursed under clause 8.3.

Note: Relocation allowance does not apply to any expenses incurred at the conclusion of employment.

#### 8 Other entitlements

- 8.1 For the avoidance of doubt, under section 115 of the *Public Sector Management Standards 2016*, the following provisions of the *Public Sector Management Standards 2006 (repealed)* continue to apply in relation to a person appointed to an office mentioned in clause 2.1 of this Determination:
  - part 3.6 (recognition of prior service on appointment or engagement);
  - part 4.1 (continuity of service);
  - part 5.5 (payment in lieu of entitlements on cessation of employment or death);
  - part 9.4 (statutory office-holder financial entitlements); and
  - part 9.6 (executive employee and statutory office-holder leave and other entitlements).

#### 9 Travelling arrangements

#### 9.1 In this clause:

**home base** means the town or city in which the traveller's principal place of residence is located.

international travel means official travel to a destination outside Australia.

**reasonable expenses** means legitimate work-related expenses incurred while conducting official business efficiently and effectively.

**traveller** means a person, appointed to an office mentioned in clause 2.1 of this Determination, who is travelling away from their home base for official purposes.

- 9.2 If a traveller is required to travel for official purposes, the employer must pay the cost of the transport and accommodation expenses outlined below. The reasonable amounts set out in the relevant Australian Taxation Office Determination<sup>6</sup> relating to meal and incidental expenses will be paid to the traveller as a reimbursement. These expenses are not to be paid to the traveller where their home base is within the ACT or surrounding districts and the travel for official purposes is within the ACT or surrounding districts.
- 9.3 All reasonable expenses incurred by a traveller can be reimbursed.

#### Travel

- 9.4 All official travel is to be appropriately authorised prior to travel and must not be authorised by the traveller under any circumstances. This includes all official travel paid for privately or by the Territory.
- 9.5 The traveller may travel by one or more of the following:
  - a) commercially provided road or rail transport;
  - b) commercially provided flights;
  - c) private motor vehicle.

<sup>&</sup>lt;sup>6</sup> <u>Australian Taxation Office – Taxation Determination 2023/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2023-24 income year?</u>

- 9.6 Commercially provided travel should be selected on the basis of:
  - a) what is most convenient to the person; and
  - b) seeking the most reasonable costs.
- 9.7 If a traveller travels on commercially provided road or rail transport the employer will pay the fares for that travel.
- 9.8 A traveller must use the Territory's travel manager, which has been procured through a competitive process, as a preferred provider of travel and related services. The travel manager has been instructed to book all travel at the lowest logical fare.
- 9.9 If a traveller travels on commercially provided flights the employer will pay the fares to the following standard:
  - a) for domestic flights less than 4 hours economy class;
  - b) for domestic flights of 4 hours or more business class;
  - c) for international flights business class.
- 9.10 If a traveller is approved to travel by private motor vehicle, the employer will pay the owner of the vehicle an allowance calculated in accordance with the Motor Vehicle Allowance set out in the ACT Public Sector Administrative and Related Classifications Enterprise Agreement 2023-2026 or its replacement.

#### **Accommodation**

- 9.11 It is standard practice that where an executive traveller must stay overnight while on official travel, the employer will pay for commercial accommodation to the following standard:
  - a) for domestic accommodation 4.5 stars;
  - b) for international accommodation 4.5 stars.
- 9.12 The employer will pay for a traveller to stay in commercial accommodation above the 4.5 star standard and the amounts set out in the relevant Australian Taxation Office Determinations if:
  - a) the cost is reasonable; and
  - b) to do so would better enable business objectives to be met.

Examples where business objectives may be better met:

- to allow a traveller to stay in the commercial accommodation where a meeting, conference or seminar they are attending is being held;
- to allow a traveller who is traveling with a Minister to stay in the same commercial accommodation as the Minister, if the Minster is entitled to a higher standard of accommodation.

#### Meals

9.13 If a traveller is absent from their home base for more than ten hours while on official travel, the employer will reimburse actual, reasonable expenses for meals up to the amounts set out in the relevant Australian Taxation Office Determinations.

#### **Incidental expenses**

- 9.14 The employer will reimburse all reasonable expenses and legitimate expenses directly related to official travel up to the amounts set out in the relevant Australian Taxation Office Determinations, including:
  - a) taxi, ridesharing (such as uber) or bus fares to or from an airport; and
  - b) taxi, ridesharing service (such as uber) and public transport costs at a temporary location; and
  - c) airport taxes or charges.

### 10 Frequent Flyer points

10.1 Frequent flyer points cannot be accrued or used by a traveller as a result of travel and accommodation paid for by the employer for official travel.

#### 11 Incidental travel in conjunction with official travel

- 11.1 Authorised travellers wishing to take personal leave during, or at the conclusion of official travel should obtain the appropriate prior approval consistent with the agreed travel arrangements.
- 11.2 Travellers may combine incidental personal travel with official travel, provided there is no additional cost to the Territory. Expenses incurred during leave are at the traveller's own cost. If the period of such incidental travel is greater than 40% of the period of official travel, a pro rata contribution must be made to the overall cost of the travel.
- 11.3 If insurance has been obtained for official travel at official expense, such insurance must not cover the traveller for the duration of the personal leave.

#### 12 Travel insurance

- 12.1 Travel insurance decisions should be based on risk management principles and include factors such as the nature and destination of the trip.
- 12.2 International travel will normally require travel insurance.
- 12.3 If necessary, the cost of travel insurance will be met as a reasonable work related expense by the Territory.
- 12.4 All legitimate and reasonable work related claims will be covered by the Territory.

#### 13 Definitions

13.1 In this Determination:

domestic travel means official travel to a destination within Australia.

*employer* means the Australian Capital Territory and includes any person authorised to act on behalf of the Australian Capital Territory.

*fringe benefits tax* means the tax assessed under the *Fringe Benefits Tax Assessment Act 1986*.

**home base** means the town or city in which the traveller's principal place of residence is located.

international travel means official travel to a destination outside Australia.

**reasonable expenses** means legitimate work-related expenses incurred while conducting official business efficiently and effectively.

**traveller** means a person, appointed under clause 2.1 of this Determination, who is travelling away from their home base for official purposes.

## 14 Revocation of previous determination

Determination 12 of 2022 is revoked.

Ms Sandra Lambert AM Chair

Mr Dale Boucher PSM Member

Mr Michael Manthorpe PSM FIPAA Member to Bach

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22 November 2023