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Dr Colin Adrian
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Dear Dr Adrian

Thank you for your letter of 29 November 2018 about providing a submission into the ACT Remuneration Tribunal's 2019 Autumn Review of remuneration, allowances and entitlements for Members of the Legislative Assembly, the ACT Public Service Executives and full-time Statutory Office Holders.

The Government's Submission to the 2019 Autumn Review is attached. On behalf of the Government, I would like to acknowledge the important contribution that these public offices provide to the ACT community. I have sought input from Members of the Legislative Assembly and their feedback has been included as part of this submission.

I welcome the opportunity to discuss the Government's Submission further with the Tribunal at the upcoming Autumn Review.

Yours sincerely

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Submission into the ACT Remuneration Tribunal 2019 Autumn Review

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Background

The ACT Remuneration Tribunal advertised for the 2019 Autumn Review in December 2018. This review is looking into the remuneration and allowances to be paid, and other entitlements to be granted to:

- Members of the Legislative Assembly (including the Chief Minister, Deputy Chief Minister, and other Ministers and members of the Legislative Assembly holding particular roles);
- The Head of Service, Directors-General and ACT Public Service Executives;
- Full-time Statutory Office Holders, referred to in Section 10(1) and Schedule 1, Part 1.2 of the *Remuneration Tribunal Act 1995*, including the Clerk of the Legislative Assembly, the Auditor General and Electoral Commissioner; and
- any other positions that have been referred to the Tribunal for consideration.

This is the Government Submission into the 2019 Autumn Review and is made without prejudice.

Context

In undertaking the 2019 Autumn Review, the Government encourages the ACT Remuneration Tribunal (the Tribunal) to consider community standards, and the Territory's fiscal position going forward when assessing the remuneration, allowances and other entitlements of the Members of the Legislative Assembly (MLA), the ACT Public Service (ACTPS) Senior Executive Service (SES) and Statutory Office Holders. These considerations should be balanced by the need of the Territory to retain high calibre individuals to deliver quality public services.

The Government is committed to its fiscal responsibility and remuneration forms a large component of the Territory Budget. In making determinations for the above offices, it is useful for the Tribunal to note that the Government has committed to ensure that public officials continue to see their wages increase at a rate equivalent to the Consumer Price Index (CPI).

Enterprise Agreement update

The ACT Public Sector Administrative and Related Classifications Enterprise Agreement and the Infrastructure Services Enterprise Agreement were put forward to ballot in late 2018. Of the staff that voted, the majority of them voted to endorse the agreements.

The agreements have been provided to the Fair Work Commission for approval. The new agreements will commence operation seven days after they have been approved by the Fair Work Commission. The Government has committed to provide the pay increases and back-pay component prior to formal approval.

The other enterprise agreements will be progressed to ballot in early 2019. The majority of enterprise agreements will have an expiry date of 31 October 2021.

The pay increases under the agreements are:

- 2.25% from the first full pay period on or after 1 October 2017;
- 0.5% from the first full pay period on or after 1 June 2018;
- 1.35% from the first full pay period on or after 1 December 2018;
- 1.35% from the first full pay period on or after 1 June 2019;
- 1.35% from the first full pay period on or after 1 December 2019;
- 1.35% from the first full pay period on or after 1 June 2020;
- 1.35% from the first full pay period on or after 1 December 2020; and
- 1.35% from the first full pay period on or after 1 June 2021.

It is the Government's view that any general increases in remuneration, allowances and entitlements for MLAs, ACT Public Service Executives and other statutory officer holders issued by the Tribunal should be consistent with the pay increases across the ACT Public Sector.

A number of the common core leave provisions have been enhanced under the new agreements, including extending NAIDOC week leave to most staff; increasing the accessibility of bonding leave; and introducing a new concept of concurrency care leave which ensures that staff that have responsibility for a child through a registered community organisation can have greater access to adoption, permanent care and foster and short care leave arrangements. These new leave arrangements will apply to senior executive through the leave provisions under the *Public Sector Management Act 1994*.

The agreements can be found at <https://www.cmtedd.act.gov.au/employment-framework/for-employees/agreements>. This site also contains the Explanatory Notes on the major changes to the agreements.

Motor vehicle allowance for Members of the Legislative Assembly

In 2014, the Remuneration Tribunal provided for a motor vehicle allowance for Members of the Legislative Assembly to the value of \$21,500 per annum. In 2015, this allowance was increased to \$25,500 per annum. An allowance of \$2,500 per annum was also provided for taxis/hire cars to travel to and from official functions where private transport may not be appropriate in the interest of workplace safety and/or security. These allowances have not been adjusted for a period of 4 years. The Remuneration Tribunal is requested to consider a small increase to the motor vehicle allowance equivalent to CPI.

Major Review: ACT Public Service Executive Remuneration, allowances and other entitlements

The Head of Service, Directors-General and ACTPS executives play a key role in delivering the Government's agenda by leading the provision of programs and services to the ACT community. The Government recognises the importance of competitive remuneration with other services and requests the Tribunal to consider this in their deliberations.

The Remuneration Tribunal established a maximum relocation allowance for executives at \$51,533. This was set in 2012 without any further increases. It is common practice that allowances of this nature are adjusted by CPI, which the Tribunal may wish to consider.

Communications Allowance

The current provision of a Communications Allowance through the remuneration package for MLAs does not achieve its aims. The provision and use of the fund is not adequately transparent to the ACT community; and there is lack of awareness the allowance is able to be used to purchase "electoral matter", which was not its original purpose.

The Government proposes reviewing the Communications Allowance with a view to providing for this resource through a separately administered process, and seeks the Tribunal's consideration of this proposal.

Additional considerations raised by Members of the Legislative Assembly

It was noted by some Members of the Legislative Assembly that the current provision of a Communications Allowance through the MLAs' base remuneration package has resulted in a number of complications in practice and application. These complications may be further exacerbated in an election year. The Remuneration Tribunal is requested to review this in consultation with Elections ACT.

It was further noted by Members that committee workload is significant for all non-executive members. Consideration could be given to reviewing how committee members are remunerated in the context of distribution of workload and in comparison to remuneration of committee members in other parliaments.