

Andrew Barr MLA

Chief Minister

Treasurer
Minister for Social Inclusion and Equality
Minister for Tertiary Education
Minister for Tourism and Special Events
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Ms Sandra Lambert AM
Chair
ACT Remuneration Tribunal
PO Box 964
CIVIC SQUARE ACT 2608
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Sandia Dear Ms Lambert

Thank you for your letter of 24 January 2020 about providing a submission to the ACT Remuneration Tribunal's 2020 Autumn Review of remuneration, allowances and entitlements for Members of the ACT Legislative Assembly, ACT Public Service Executives, and Full-time Statutory Office Holders.

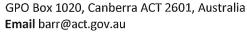
The ACT Government's Submission to the 2020 Autumn Review is attached. On behalf of the Government, I would like to acknowledge the important contribution that ACT Public Service Executives, Full-time Statutory Office Holders and MLAs provide to the ACT community.

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

Yours sincerely

Andrew Barr MLA
Chief Minister
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Submission into the ACT Remuneration Tribunal 2020 Autumn Review

Background

The ACT Government acknowledges the Ngunnawal people as the Traditional Custodians of the land on which the Government operates.

The ACT Remuneration Tribunal (the Tribunal) advertised the 2020 Autumn Review in January 2020. This review is looking into the remuneration and allowances to be paid and other entitlements to be granted to:

- Members of the Legislative Assembly;
- the Head of Service, Directors-General and ACT Public Service Executives;
- full-time Statutory Office Holders (including Officers of the Legislative Assembly); and
- any other positions that have been referred to the Tribunal for consideration.

This is the ACT Government Submission to the Tribunal's 2020 Autumn Review, and it is made without prejudice.

Context

The Government notes the outcomes of the:

- 2019 Spring Review, held in October 2019 for the Judiciary, the Director of Public Prosecutions, and Part-time Holders of Public Offices; and included general increases between 2 and 2.5 per cent, and other adjustments to fringe benefit tax payments and relocation allowances;
- 2019 Autumn Review, held in February 2019 for Members of the Legislative Assembly (MLAs), ACT Public Service Executives, and Full-time Statutory Office Holders; and included general increases of 2.5 per cent, and other adjustments to fringe benefit tax payments and relocation allowances; and
- the Major Review: ACT Public Service Senior Executive Service remuneration, allowances and other entitlements as part of the 2019 Autumn Review. The Government notes a review of this type has not been undertaken since self-government, and the ACTPS Senior Executive Service plays an important role in leading and delivering government functions and services to the ACT community.

Matters for the Tribunal to consider

MLAs Vehicle Allowance

The Government notes *Determination 1 of 2019, Members of the ACT Legislative Assembly* outlines that the Tribunal will review the rate of the motor vehicle and taxi allowance at the Autumn Review in 2020.

The Determination outlines that the motor vehicle allowance is currently \$25,000 per annum, and an allowance of \$2,500 per annum is available for taxi/hire car to travel to and from official functions where private transport may not be appropriate in the interests of workplace safety and/or security. A parking space at or near the Legislative Assembly is also part of the provisions outlined in the determination.

These allowances have not been reviewed or adjusted since they were introduced in 2015. If CPI was used to make annual adjustments, the motor vehicle allowance would be \$27,250, and the taxi/hire car allowance would be \$2,709.

It is the Government's view any changes to the motor vehicle allowance remain within community expectations and give due regard to the territory's wider budget.

Communications Allowance

On 11 December 2019, the Chief Minister wrote to the Tribunal about the proposed review of the MLAs Communication Allowance and the potential introduction of a Bill to amend the Legislative Assembly (Office of the Legislative Assembly) Act 2012.

As outlined in the letter, the Government has further considered the Bill following consultation with MLAs and receipt of the *Standing Committee on Justice and Community Safety (Legislative Scrutiny Role) Scrutiny Report 37* of 19 November 2019.

Given the circumstances, the Government is now not planning to debate the Bill during the current Parliamentary term.

In this context, the Tribunal is not required to take any further action at this time.

Enterprise Agreements

The ACTPS employment framework includes 18 enterprise agreements made under the Fair Work Act 2009 (Cwlth). In the 2018-19 reporting year, new enterprise agreements were negotiated and approved to replace 13 of the existing agreements. The new agreements were:

- ACT Public Sector Administrative and related Classifications Enterprise Agreement 2018-2021;
- ACT Public Sector Cultural Facilities Corporation Enterprise Agreement 2018-2021;
- ACT Public Sector Health Professional Enterprise Agreement 2018-2021;
- ACT Public Sector Infrastructure Services Enterprise Agreement 2018-2021;
- ACT Public Sector Nursing-Midwifery Agreement 2017-2019;
- Transport Canberra Operations (ACTION) Enterprise Agreement 2018-2021;
- ACT Public Sector Support Services Enterprise Agreement 2018-2021;
- ACT Public Sector Education Directorate (Teaching Staff) Enterprise Agreement 2018-2022;
- ACT Public Sector Technical and Other Professional Enterprise Agreement 2018-2021;
- ACT Legislative Assembly Members' Staff Enterprise Agreement 2018-2021;
- ACT Public Sector Office of the Legislative Assembly Enterprise Agreement 2018-2021;
- CIT Enterprise Agreement 2019-2021; and
- CIT (Teaching Staff) Enterprise Agreement 2018-2021.

The following agreements are currently lodged with the Fair Work Commission, and are awaiting approval:

- ACT Public Sector Legal Professionals Enterprise Agreement; and
- ACT Public Sector Medical Practitioners Agreement.

The following agreements will be negotiated and finalised in the 2019-20 reporting year:

- ACT Public Sector Ambulance Service Enterprise Agreement;
- ACT Public Sector Fire & Rescue Enterprise Agreement; and
- ACT Public Sector Correctional Officers Enterprise Agreement.

The negotiated outcomes include fair, affordable and competitive wage and entitlement enhancements. The pay offer covers a period of four years duration with percentage increases being provided at regular intervals. The pay increases are applicable from the first full pay period on or after the dates listed below, with backpay applied as relevant:

- 2.25 per cent backdated from the first full pay period in October 2017;
- 0.5 per cent backdated from the first full pay period in June 2018; and

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• 1.35 per cent every six months from the first full pay period in December 2018 to the first full pay period in June 2021.

The agreements simplify and strengthen the ability for employees to access a range of entitlements to ensure they can balance their work and personal commitments.

Substantial policy work continues to be undertaken to support the implementation of the new Agreements and to improve underlying processes.

Conclusion

In undertaking the 2020 Autumn Review, the Government encourages the Tribunal to consider community expectations and the Territory's fiscal position when assessing the remuneration, allowances and other entitlements of MLAs, ACT Public Service Executives and Full-time Statutory Office Holders.

Noting the recent fiscal headwinds being faced by all Australian states and territories, it is the Government's view that if the Tribunal were minded to increase MLA salaries, an increase at the lower end of the scale would be appropriate. In relation to the remuneration for the Head of Service, Director Generals, ACT Public Service Executives and Statutory Office Holders, it is the Government's view that any increase should not exceed the broader ACT Public Service. Equally, it is important the Tribunal consider the need of the Territory to retain high calibre individuals in these roles to deliver quality services in the ACT.

In making determinations for the above offices, excluding MLAs, it is useful for the Tribunal to note that the Government has an election commitment to ensure public officials continue to see their wages increase at a rate equivalent to the Consumer Price Index (CPI).

Thank you for the opportunity to provide a submission for the Autumn 2020 review. The Government wishes to acknowledge the important contribution that MLAs, ACT Public Service Executives, and Full-time Statutory Office Holders provide to the ACT community.