



Remuneration Tribunal

Holly Kramer
President

Ms Sophie Dunstone
Committee Secretary
Senate Finance and Public Administration Legislation Committee
Parliament House
Canberra ACT 2600

Dear Ms Dunstone,

Please find enclosed for the Committee's consideration the Remuneration Tribunal's submission to the Senate Finance and Public Administration Legislation Committee's inquiry into the Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025.

Should any further information be required, the Tribunal's Secretariat can be contacted on 02 6202 3930.

Yours sincerely,

Holly Kramer
President
3 October 2025



Remuneration Tribunal

Inquiry into Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025

Submission to the Senate Finance and Public Administration Legislation Committee

Remuneration Tribunal

October 2025

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1. Introduction

- 1.1 The Remuneration Tribunal is an independent statutory authority established under the *Remuneration Tribunal Act 1973* (the Act).
- 1.2 The Tribunal consists of three part-time members appointed by the Governor-General. The current members of the Tribunal are Ms Holly Kramer (President), Ms Heather Zampatti and Mr Stephen Conry AM.
- 1.3 The Tribunal is required to determine the remuneration for offices that meet the definition of 'public office' in sub-section 3(4) of the Act, in addition to Departmental Secretaries and Principal Executive Offices. Generally, the Tribunal has determinative jurisdiction over offices which are established by a Commonwealth law and appointments made under a Commonwealth law. Other appointments made by the Governor-General or by a Minister of State can be referred into the Tribunal's jurisdiction by the Minister responsible for the Act, currently Senator the Hon Katy Gallagher, Minister for the Public Service. The Tribunal also has legislated advisory functions for a range of offices.
- 1.4 The Tribunal also has a range of obligations under the *Parliamentary Business Resources Act 2017* (PBR Act), including to:
 - determine remuneration and allowances for current parliamentarians along with certain allowances and expenses for former parliamentarians;
 - inquire into and make recommendations to the Special Minister of State on a range of expenses relevant to domestic travel; and
 - inquire into, and report annually on, whether any alterations should be made to ministerial salaries. The Tribunal does not determine these salaries.
- 1.5 Further information about the Tribunal and its members is available on the Tribunal's website¹.

2. Independence of the Tribunal

- 2.1 The Remuneration Tribunal Amendment (There For Public Service, Not Profit) Bill 2025 (the Bill) would prevent the Tribunal from fully exercising its independence and discretion in determining remuneration for public offices in excess of a prescribed amount.
- 2.2 For over 50 years the Tribunal has provided independence to the determination of remuneration for public offices. The 1971 Kerr Report recommending the establishment of the Tribunal noted that "*it should conduct its work...irrespective of the political factors operating at the time*"². While the report focused on Parliamentary remuneration, the Tribunal was enacted in 1973 with a broad ambit to independently determine the remuneration of public offices.
- 2.3 An independent Tribunal is crucial to ensuring the fair and appropriate remuneration of public offices. It enables the determination of remuneration on the basis of solely relevant matters, free from undue external pressures. The external environment today has similarities to the environment noted by Justice Kerr in his report, including financial difficulties being experienced by many Australians³ and concerns with the level of remuneration of parliamentarians compared to public servants⁴. While Tribunal determinations in such an environment are rightly a matter of public interest and debate, this interest and debate underscores the importance of the Tribunal's independence. The Tribunal's independence ensures its continued capacity to impartially determine remuneration with the transparency necessary to maintain public confidence in the remuneration system.

¹ www.remtribunal.gov.au

² [*Salaries and Allowances of Members of the Parliament of the Commonwealth: Report of Inquiry*](#), (Kerr Report), 1971, at [64]

³ [*Salaries and Allowances of Members of the Parliament of the Commonwealth: Report of Inquiry*](#), (Kerr Report), 1971, at [30], [104]

⁴ [*Salaries and Allowances of Members of the Parliament of the Commonwealth: Report of Inquiry*](#), (Kerr Report), 1971, at [95], [101]

3. Determining remuneration

3.1 The Tribunal's philosophy centres on remuneration for public offices being appropriate for the particular role, equitable, and sufficient to attract and retain people of calibre. In setting remuneration, the Tribunal takes into consideration a range of factors, such as:

- the attributes of the office, including its functions, powers, responsibilities and accountabilities;
- the complexity and scope of the office, including the size of the budget and workforce managed;
- the characteristics, skills, experience or qualifications required of the office holder;
- the remuneration of similar public offices;
- submissions concerning the appropriate level of remuneration; and
- any non-financial rewards associated with the office, including the status of holding the office.

3.2 The Tribunal generally sets remuneration at levels lower than comparable private sector offices. This reflects the non-financial rewards associated with public offices, including the opportunity for public service and to lead and influence key programs and policy initiatives. Non-financial rewards vary between the hundreds of offices within the Tribunal's jurisdiction but can be significant. For example, in the case of Parliamentarians the Kerr report noted:

The main reward is doubtless the participation in political activity, the exercise of political power, involvement in the political conflict resulting from the presentation of alternative policies, participation in the great political issues of the day; in short, participation in the processes of government and opposition. The prestige of membership of the national Parliament, the opportunity for community and national service within the framework of political activity, travel and the availability of a forum for expression of views are all to be counted in the balance.⁵

3.3 The relevance of non-financial rewards in determining remuneration of public offices is well established. It formed part of the Kerr report's reasoning in concluding that the salaries of parliamentarians could not be compared to salaries in other occupations, including senior public servants and those employed in the private sector.⁶

3.4 The Tribunal typically seeks the views of the responsible minister prior to making a determination of remuneration for an office. The responsible minister is usually the Government minister who oversees the portfolio in which the office operates. The minister is provided with an opportunity to express a view on the appropriateness of the remuneration sought and any other relevant matters. While the Tribunal considers the minister's views, it is not uncommon for the Tribunal to determine remuneration below the level proposed by the minister.

3.5 The Tribunal periodically reviews its determinations to ensure they remain appropriate. Such reviews are conducted for a particular office or type of office and may be undertaken proactively or in response to submissions received. Determinations recently reviewed, or currently under review by the Tribunal include:

- travel entitlements for statutory offices to ensure such entitlements continue to promote the appropriate use of public money. The Tribunal concluded this review in August 2025 and decided to remove access to first class international air travel for all office holders, and remove access to business class air travel for Tier 2 office holders on domestic routes between Canberra and Sydney or Melbourne, and between Sydney and Melbourne;

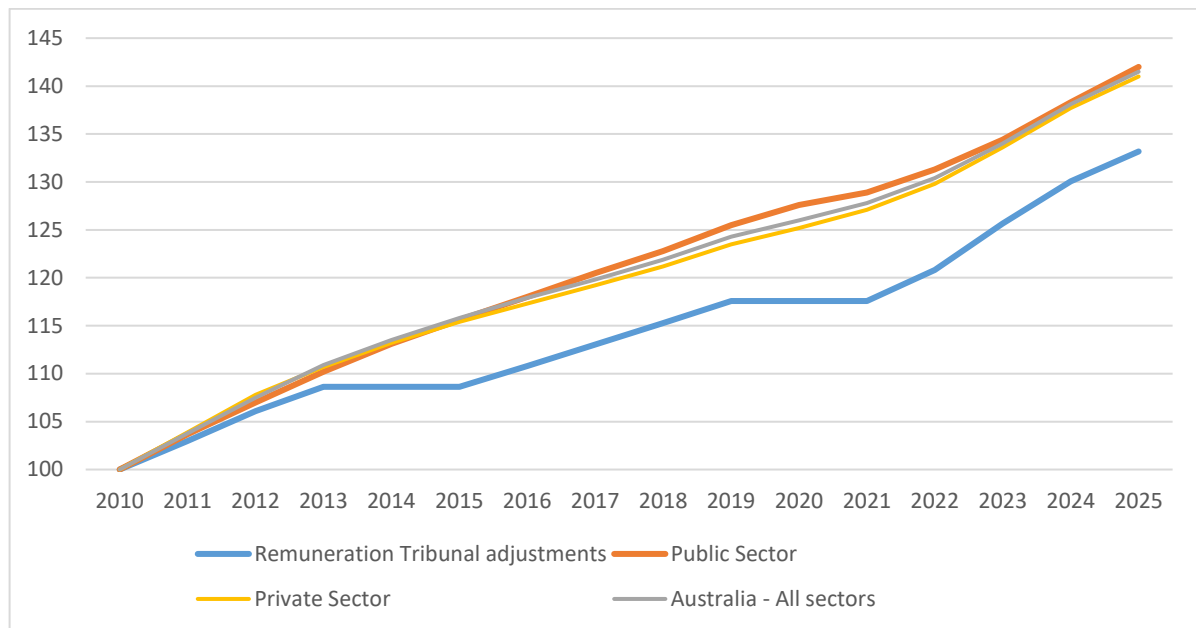
⁵ [Salaries and Allowances of Members of the Parliament of the Commonwealth: Report of Inquiry](#), (Kerr Report), 1971, at [78]

⁶ [Salaries and Allowances of Members of the Parliament of the Commonwealth: Report of Inquiry](#), (Kerr Report), 1971, at [79]-[80], [95]-[96], [160]

- a review of remuneration of all part-time deputy chairs to ensure that any additional remuneration for part-time deputy chairs (above that of a member of the relevant organisation) reflects additional work value.

3.6 The Tribunal also undertakes a statutorily required annual review of the remuneration for all offices in its determinative jurisdiction. In conducting its annual review, the Tribunal takes into account economic conditions, past and projected movements in remuneration in the private and public sectors, and the outcome of the wage reviews undertaken by the Fair Work Commission. As illustrated in Figure 1, the Tribunal's annual adjustments are generally modest compared to movements in wages in the wider economy.

Figure 1: Indexed Tribunal adjustments vs Wage Price Index (WPI), 2010 to 2025



4. Comparing remuneration between offices

- 4.1 Direct comparisons between the remuneration of different types of public offices cannot be made. This is due not only to the different non-financial rewards associated with particular offices discussed above, but also the differences in the way remuneration is determined for different office types.
- 4.2 There are 7 office types⁷ for which the Tribunal sets remuneration and allowances. Remuneration as it applies to each office type is defined in the relevant Tribunal determination for that office type.
- 4.3 A *total remuneration* approach is used by the Tribunal for full-time offices, specified statutory offices, departmental secretaries, principal executive offices and non-judicial offices of Federal courts and tribunals. Total remuneration is defined by the Tribunal as including base salary, employer superannuation contributions and any non-monetary benefits such as a vehicle or parking entitlements. However, total remuneration does not include certain prescribed entitlements including facilities provided as business support; payments in lieu of recreational leave; compensation for loss of office; and removal, relocation and family reunion assistance.

⁷ The Tribunal determines remuneration, including allowances and entitlements that are within its jurisdiction for the following: Federal parliamentarians, including ministers and parliamentary office holders; judicial and non-judicial offices of federal courts and tribunals; Departmental Secretaries; full-time holders of various public offices; part-time holders of various public offices; and principal executive offices.

- 4.4 A *base salary* approach is used for federal parliamentarians and judicial officers.⁸ Base salary only comprises the salary component of the office's remuneration. It does not include any other monetary or non-monetary benefits such as superannuation, the provision of vehicles or allowances. In the case of federal parliamentarians, the Tribunal determines the base salary for all parliamentarians and additional salary for holders of certain parliamentary offices (other than ministers), which is expressed as a percentage of the base salary.
- 4.5 Various factors also impede the capacity to provide meaningful comparisons in the remuneration of public offices between different countries. Public sector structures and roles and responsibilities differ between countries. Other differences between countries may include the purchasing power of salaries, taxation arrangements, average earnings, and the non-momentary benefits associated with offices. These factors along with fluctuating currency exchange rates inhibit direct comparisons.

5. Transparency and accountability

- 5.1 As noted, the setting of remuneration for public offices is rightly a matter of public interest. The transparency and accountability afforded by an independent Tribunal promotes understanding, trust and confidence in the remuneration system.
- 5.2 The Tribunal is consultative in its deliberations and provides various mechanisms for parliamentary and public scrutiny of its work. The various mechanisms by which the Tribunal remains accountable and transparent for its determinations are set out below.
- Tribunal determinations are legislative instruments and must be tabled in both houses of Parliament within 6 sitting days from the time of registration on the Federal Register of Legislation.
 - All Tribunal determinations except those relating to Members of Parliament are disallowable whereby either House of Parliament may, within 15 sitting days of the determination being tabled, pass a resolution to disallow the determination.
 - Each Tribunal determination is accompanied by an explanatory statement. The explanatory statement details the determination's purpose and operation, the context for the Tribunal's decision, and outlines the consultation process undertaken by the Tribunal.
 - Each determination (and its explanatory statement) is published on the Federal Register of Legislation's website⁹ and the Tribunal's website.¹⁰
 - The Tribunal typically seeks the views of the responsible minister prior to making a determination for an office within their portfolio and advises that minister and the Tribunal's minister of its decisions.
- 5.3 The Tribunal publishes other significant work it undertakes on its website. This includes reports from the proactive reviews referred to in paragraph 3.5; the Tribunal's annual advice provided to the Government on ministerial salaries; and statements following completion of the Tribunal's various annual reviews of remuneration and allowances.
- 5.4 The Tribunal also prepares an annual report which is provided to its minister and tabled in parliament. Each annual report covers the activities of the Tribunal for the relevant financial year and is published on the Tribunal's website.

⁸ Parliamentarians are subject to the *Parliamentary Business Resources Act 2017* and the *Parliamentary Superannuation Act 2004*. Commonwealth judges' retirement benefits are in most cases governed by the *Judges Pensions Act 1968*.

⁹ www.legislation.gov.au

¹⁰ www.remtribunal.gov.au

- 5.5 Any person interested in the Tribunal's work may register for email updates via the Tribunal's web page. Registered individuals receive notice of updates to the Tribunal's website, including the publication of determinations, statements, reports, and new or updated guidelines such as guidelines on how to make a submission to the Tribunal. There are approximately 1,000 unique email addresses on the Tribunal's email advisory list.

6. Considerations when changing remuneration arrangements

- 6.1 Proposed changes to the remuneration arrangements of public offices may raise complex legal and operational considerations. Some of these considerations include:
- constitutional considerations particularly when a change has the potential to impact the legal rights of existing office holders or the remuneration of judicial officers;
 - ensuring a clear definition of *remuneration* for the purposes of interpreting and implementing any changes;
 - the merits of 'grandfathering' remuneration arrangements for existing office holders;
 - the possibility of unintended consequences which may include disruptions to government;
 - the impact on the ability to attract and retain people of calibre to positions;
 - the impact on the relative remuneration across offices; and
 - ensuring that any proposed changes do not conflict with provisions setting out the Tribunal's roles and requirements, including provisions requiring the Tribunal to exercise its discretion when determining remuneration.

7. Conclusion

- 6.2 The Tribunal has a long history of making independent, expert and transparent determinations of remuneration for Commonwealth offices. It is therefore important to maintain the Tribunal's independence and hence public confidence in the remuneration system.