



Mr Greg Haustead  
Secretary  
Australian Capital Territory Remuneration Tribunal  
PO Box 964  
CIVIC SQUARE ACT 2608

Dear Mr Haustead

I am writing in response to the Tribunal's recent general invitation seeking input into a review of the various matters that are reviewed annually by the Remuneration Tribunal and that are reflected in its determinations.

I wanted to take this opportunity to draw the Tribunal's attention to a difficulty that arises most years due to the timing of the Tribunal's annual review and determination process, relative to the annual Territory budget timetable.

I am aware that there is a legislative requirement for the Tribunal to complete its review of members' entitlements before 1 July each year and it is quite obvious that, from a practical perspective, the review process is scheduled to conclude around May or June and a resultant determination is made at that time – which traditionally takes effect from 1 July of that year.

However, the Tribunal's determinations are almost always made shortly after the annual budget for the relevant year has been finalised and this gives rise each year to a difficulty. While I expect that the Tribunal may not be aware of this, the nature of budgets for members' salaries and related entitlements are such that, unlike budget arrangements for Executive level officers and most statutory office holders, there is no capacity to make any provision for "anticipated" increases. Those budgets must be framed on the entitlements that prevail at the time the budget is finalised and, as a consequence of this restriction, it is the case that, in most years, the amounts budgeted for members salaries and related entitlements are out of date within weeks of the budget being handed down – and usually before the financial year even begins.

If, on the other hand, the Tribunal's review and resultant determination was able to be finalised each year by the end of March (the 1 July date of effect remains very sensible and effective), this would provide an opportunity for the relevant annual budgets to reflect the Tribunals' determination.

In making this submission, the Assembly Secretariat has consulted with officials from the ACT Executive and with the Treasury Directorate, who both fully support the alternative approach being proposed.

While it is acknowledged that the alternative proposal could shift the workload and resource demands of the annual review process, it would nevertheless address a long standing area of difficulty for both the Assembly, the ACT Executive and Treasury; and would ensure that these aspects of the ACT budget are more accurately presented.

Should the Tribunal require any further information in relation to the issues raised, could I ask that initial contact be made with the Legislative Assembly Secretariat's Corporate Manager, Ian Duckworth (620 50181).

Yours sincerely



Tom Duncan  
Clerk of the Legislative Assembly

2 September 2011

c.c. Ms Laurel Coyles  
Chief Minister's Support and Protocol Unit  
Chief Minister's and Cabinet Directorate

Ragu Ragunathan  
Budget Management and Analysis Branch  
Treasury Directorate