

1995

**THE PARLIAMENT OF THE COMMONWEALTH OF
AUSTRALIA**

THE SENATE

INDUSTRIAL RELATIONS AND OTHER LEGISLATION AMENDMENT BILL 1995

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments to be moved on behalf of the Government

**(Circulated by authority of the
Minister for Industrial Relations,
the Honourable Laurie Brereton MP)**



INDUSTRIAL RELATIONS AND OTHER LEGISLATION AMENDMENT BILL 1995

(amendments to be moved on behalf of the Government)

OUTLINE

The amendments insert Schedules 7, 8 and 9 to the bill to amend 3 Acts.

Schedule 7 amends the *Remuneration Tribunal Act 1973* to modify the Tribunal's role in relation to the remuneration of executive education offices of Commonwealth higher education institutions.

The Tribunal is currently required to fix remuneration levels for these offices:

in future the Tribunal will only be required to advise the institutions concerned upon appropriate levels of remuneration for these offices.

Schedule 8 is a consequential amendment to the *Australian National University Act 1991* to clarify the university Council holds power to determine remuneration for its Vice-Chancellor and Deputy Vice-Chancellor.

Schedule 9 is a consequential amendment to the *University of Canberra Act 1989* to clarify the university Council holds power to determine remuneration for its Vice-Chancellor and Deputy Vice-Chancellor.

FINANCIAL IMPACT STATEMENT

The amendments will have no significant impact on Commonwealth expenditure.

NOTES ON AMENDMENTS AND NEW CLAUSES

Amendment No.1

This amendment provides that the Schedules inserted by Government amendment No.3 will commence on Royal Assent.

Amendment No.2

This amendment is consequential upon Government amendment No.1. As the new Schedules are to commence on Royal Assent it is necessary to exclude them from items in the bill which commence on a day or days to be fixed by Proclamation.

Amendment No.3

This is a formal provision to give effect to the inclusion of the new Schedules.

Amendment No.4

This amendment adds 3 new Schedules to the bill to amend three Acts.

SCHEDULE 7 - AMENDMENTS OF THE REMUNERATION TRIBUNAL ACT 1973

This Schedule amends the *Remuneration Tribunal Act 1973* ("the RT Act") in relation to the Remuneration Tribunal's role in determining salary levels for executive education offices (Vice-Chancellors, Deputy Vice-Chancellors, Principals and Deputy Principals) of Commonwealth higher education institutions (the Australian National University, the Australian Maritime College, and the University of Canberra).

The RT Act currently requires the Tribunal to determine the level of remuneration payable for executive education offices.

Item 1: Repeal and replacement of subsection 5(2)

Subsection 5(2) of the RT Act provides it is a function of the Tribunal to advise statutory corporations, government business enterprises and other employing bodies upon the terms and conditions (including remuneration and allowances) on which principal executive offices are to be held.

Proposed replacement subsection 5(2) adds to this a requirement that the Tribunal advise the Australian National University, the University of Canberra and the Australian Maritime College upon the terms and conditions (including remuneration and allowances) on which executive education offices are to be held.

Item 2: Subsection 5(3)

This is a consequential amendment to ensure that in providing advice under subsection 5(2), the Tribunal has regard to superannuation entitlements of the holders of executive education offices.

Item 3: Repeal of subsection 7(2A)

This is a consequential amendment to remove an existing requirement upon the Tribunal to inquire into and determine the rate of salary payable to a person holding an executive education office.

Item 4: Continuance of existing determinations

This is a transitional provision. It separately provides that existing determinations of the Tribunal regarding executive education offices continue in force until such time as the Council of an institution makes a replacement determination.

Item 5: Repeal of subsection 7(3D)

This amendment is consequential on item 3 of Schedule 7.

Subsection 7(3D) gives the Tribunal power to determine the rate of salary payable to the holder of an executive education office is equivalent to the holder of another office. This will not be relevant when the Tribunal ceases to make determinations in respect of executive education offices.

Item 6: Amendment of subsection 7(4)

This amendment is consequential on item 3 of Schedule 7 and removes a reference to determinations made by the Tribunal under section 7(2A).

Item 7: Repeal of paragraph 7(9)(acc)

This amendment is consequential on item 3 of Schedule 7.

The requirement for Commonwealth higher institutions to pay salaries of executive education offices out of funds lawfully available for this purpose will not be relevant when the Tribunal ceases to make determinations in respect of these offices.

Item 8: Amendment of paragraph 8(1)(b)

This amendment is consequential on item 3 of Schedule 7.

The requirement for the Tribunal to make annual determinations in respect of executive education offices will not be relevant when the Tribunal ceases to make determinations in respect of these offices.

SCHEDULE 8 - AMENDMENT OF THE AUSTRALIAN NATIONAL UNIVERSITY ACT 1991

Schedule 8 is consequential on the amendments made by Schedule 7.

Schedule 8 amends the *Australian National University Act 1991* ("the ANU Act") to clarify the university Council holds power to determine remuneration for its Vice-Chancellor and Deputy Vice-Chancellor.

Item 1: Repeal of section 36

Section 36 of the ANU Act provides that the Council's powers in relation to executive office holders have effect subject to the RT Act.

Repealing section 36 is necessary to clarify that the Council has power to determine rates of remuneration for its Vice-Chancellor and Deputy Vice-Chancellor once the Remuneration Tribunal no longer performs this function.

SCHEDULE 9 - AMENDMENT OF THE UNIVERSITY OF CANBERRA ACT 1989

Schedule 9 is consequential on the amendments made by Schedule 7.

Schedule 9 amends the *University of Canberra Act 1989* ("the UCAN Act") to clarify the university Council holds power to determine remuneration for its Vice-Chancellor and Deputy Vice-Chancellor.

Item 1: Repeal of section 26

Section 26 of the UCAN Act provides that the Council's powers in relation to executive office holders have effect subject to the RT Act.

Repealing section 26 is necessary to clarify that the Council has power to determine rates of remuneration for its Vice-Chancellor and Deputy Vice-Chancellor once the Remuneration Tribunal no longer performs this function.

