Judicial and Statutory Officers Remuneration Legislation Amendment Bill 1989

Date Introduced: 17 August 1989
House: House of Representatives
Portfolio: Industrial Relations

Digest of Bill

Purpose
To increase the salary and allowances payable to the judiciary, certain statutory office holders, and allow the Remuneration Tribunal (the Tribunal) to make determinations in respect of those salaries and allowances.

Background
The Tribunal was established in 1973 to inquire into, and report on, the salaries and allowances that should be paid to various Commonwealth employees, including members of Parliament and the judiciary. In performing its function, the Tribunal is required to take account of the principles laid down in the determinations and decisions of the Australian Industrial Relations Commission. The Tribunal may only make recommendations, rather than determinations, in respect of the salaries and allowances of the judiciary and certain statutory office holders (e.g. the President of the Inter-State Commission).

In 1988, the Tribunal held an inquiry into the salaries of Federal judges. The Tribunal's conclusions included that judicial salaries are too low; that, in the public interest, the position should be remedied; that the salary payable to the Chief Justice of the High Court should be $230,000 p.a.; and that the level of salaries payable to other sections of the judiciary should be fixed by reference to that figure. The Tribunal's conclusions were based on its own experience in the assessment of the level of salaries for top and senior positions in the public and private sectors, and recent changes in the level of salaries of judges and others in the States.1

In its 1988 Review, the Tribunal recommended new levels of salaries for the judiciary and certain statutory office holders. The Tribunal's recommendations included that the salary of the Chief Justice of the High Court be increased from $127,420 to $230,000 p.a.; salaries of Justices of that Court be increased from $115,539 to $210,000 p.a.; and the salary of the Chief Justice of the Family Court be increased from $98,161 to $190,000 p.a.2
On 1 May 1989, the Minister for Industrial Relations announced that in light of the current economic climate the Government was unable to accept the level of judicial salary increases recommended by the Tribunal. The Minister requested that the Tribunal provide new recommendations on appropriate salary levels for the judiciary in the current wage fixing context. On 30 June 1989, the Tribunal presented its recommendations, which included; that the salary of the Chief Justice of the High Court be increased from $127,420 to $160,852 p.a.; salaries of Justices of that Court be increased from $115,539 to $146,218 p.a.; and the salary of the Chief Justice of the Family Court be increased from $98,161 to $125,081. The 1989 recommendations were approximately 60% less than those recommended by the Tribunal in report number 3 of 1988.

Main Provisions

Amendments to the Judicial and Statutory Officers (Remuneration and Allowances) Act 1984

Clause 4 provides that the Act will be subject to the Remuneration Tribunal Act 1973. The effect of this will be to allow determinations of the Tribunal to override (subject to disallowance by Parliament) the salary levels set out in the Schedule of the Act.

Clause 5 provides for new rates of salary and allowances as set out in the Schedule to the Bill. For example, the new annual salary of the Chief Justice of the High Court will be $160,852 p.a., while Justices of that court will receive $146,218 p.a.

The travelling allowances of Justices of the High Court will be increased by clause 6. The allowance for a stay in a capital city will be increased from $190 to $250 per night, while that for other places will increase from $120 to $130 per night.

The additional annual allowance payable to a Justice of the High Court who does not reside in Canberra will be increased from $12,910 to $15,118 p.a. (clause 7).

The travelling allowance payable to other judges and certain statutory office holders (e.g. the President of the Inter-State Commission and the Judicial Registrar of the Family Court) will be increased by clause 8. The allowance for a stay in a capital city will be increased from $180 to $235 per night, while that for other places will increase from $115 to $125 per night.

The new rates will operate from 1 March 1989.

A new Schedule, which contains the rates of salary for judges and certain statutory office holders, will be substituted into the Act by clause 9.
Amendments to the *Remuneration Tribunal* Act 1973

The effect of clauses 11 and 12 will be to allow the Tribunal to make determinations (subject to disallowance by Parliament) in respect of judicial and certain statutory office holders' salaries and allowances.

References
2. Ibid., pp. 19–21.

For further information, if required, contact the Economics and Commerce Group.

21 August 1989

Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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