

STATUTORY AND OTHER OFFICES REMUNERATION ACT 1975

REPORT AND DETERMINATION PURSUANT TO SECTION 14 OF THE ACT

REPORT:

1. On 16 November 2010, the Minister for Public Sector Reform, the Hon Paul Lynch MP, directed the Statutory and Other Offices Remuneration Tribunal (the Tribunal), pursuant to section 14(1) of the *Statutory and Other Offices Remuneration Act 1975* (SOOR Act), to make a determination concerning the remuneration to be paid to the Parliamentary Budget Officer.
2. For remuneration purposes the office of Parliamentary Budget Officer is listed in Schedule 2 of the SOOR Act. The Tribunal has not previously made a determination on the remuneration payable for this office.
3. The office of Parliamentary Budget Officer is constituted under the *Parliamentary Budget Officer Act 2010*. Various functions are conferred on the Parliamentary Budget Officer. Most notably, the Parliamentary Budget Officer will provide independent costings of election promises (including a budget impact statement) and, outside pre-election periods, independent costings of proposed policies of Members of Parliament.
4. The Parliamentary Budget Officer will be accountable to the Parliament through the Presiding Officers and will have an ongoing role in providing independent economic and financial analysis and advice to members of Parliament on a range of matters such as the costing of bills introduced to Parliament and economic briefs on important public policy issues.
5. The Parliamentary Budget Officer will head a team of approximately 12-16 staff most of whom will be highly skilled economists or financial professionals. Establishing the Parliamentary Budget Office will be the first and most urgent challenge of the position. The Parliamentary Budget Office is a stand alone

unit within the Legislature and as such will develop and pursue its own operational plan.

6. As noted above a key feature of this office is that it is directly accountable to the Parliament, rather than to the Executive arm of Government. An independent job evaluation process has found that the position should be remunerated within the SES Level 5 Band ie \$241,251 - \$278,350. Because Schedule 2 offices' remuneration is expressed as a fixed amount, the Tribunal in determining the remuneration for this newly created position has had regard to the job evaluation outcome.
7. After considering the role and responsibilities of the position, the Tribunal considers that the remuneration of the Parliamentary Budget Officer should be set at \$261,552 and so determines.
8. The amount determined is a salary only. Should the office holder wish to avail themselves of remuneration packaging it would be necessary for him/her to make an application pursuant to Section 11A of the Act.

DETERMINATION:

Pursuant to section 14 of the *Statutory and Other Offices Remuneration Act 1975* the Tribunal determines that the office of Parliamentary Budget Officer shall receive a salary of \$261,552 per annum.

**Statutory and Other Offices
Remuneration Tribunal**

(signed)

Alex Smith

22 November 2010