

SALARIES AND ALLOWANCES ACT 1975

DETERMINATION OF THE SALARIES AND ALLOWANCES TRIBUNAL PURSUANT TO SECTION 5A OF THE *SALARIES AND ALLOWANCES ACT 1975* (REMUNERATION OF THE GOVERNOR)

Section 5A (1) of the *Salaries and Allowances Act 1975* ('the Act') requires that, "The Premier shall, before an appointment is made to the office of Governor, request the Tribunal to inquire into, and determine, the remuneration to be paid to the Governor."

A request in accordance with Section 5A (1) of the Act was made by the Premier on 7 February 2011.

Section 5A (3) of the Act states that the "Tribunal may, in complying with a request made under subsection (1), in its determination specify a method of altering from time to time the remuneration payable to the Governor during the subsistence of the appointment referred to in that subsection."

BACKGROUND

In making this determination the Tribunal has informed itself on a range of factors including the remuneration paid to other Vice-Regal office holders at the Commonwealth and State levels and a range of economic indices.

The Tribunal has previously made a determination for the provision of an expense of office allowance for the Governor. The Tribunal believes this practice should continue and in this determination has clarified the method by which this allowance will be adjusted.

Consistent with determinations for other office holders within the Tribunal's jurisdiction, this determination also includes provision for a motor vehicle to be provided for the Governor's business and personal use.

Historically, certain benefits on retirement have been provided to Governors including secretarial support for a period immediately after the expiry of their appointments or a cash payment in lieu of such benefits. In this determination, the Tribunal, after taking advice on the matter, has included the provision of retirement benefits to be paid to the Governor. In determining an appropriate sum to cover the cost of finalising Vice-Regal responsibilities, the Tribunal has taken into account a range of associated costs including travel, secretarial support, telephone and postage.

DETERMINATION

Pursuant to Section 5A of the *Salaries and Allowances Act 1975*, the Salaries and Allowances Tribunal determines the remuneration to be paid to the Governor of Western Australia as hereunder follows with effect on and from the date on which the Governor is appointed.

PART 1 SALARY

- 1.1 The Tribunal, having conducted its enquiries, determines that the remuneration for the office of Governor shall be \$400,000 per annum inclusive of personal leave.

- 1.2 This rate shall be adjusted on the first anniversary of the Governor's appointment and thereafter annually on the anniversary of the Governor's appointment at the same percentage as recommended in the Tribunal's report or reports on judicial salaries made during the preceding 12 months pursuant to section 7 of the *Salaries and Allowances Act 1975*.

PART 2 EXPENSE OF OFFICE ALLOWANCE

- 1.1 In consideration of the obligations of a Governor effectively to undertake Vice Regal duties, an expense of office allowance shall be provided to be utilised as the Governor sees fit.
- 1.2 The expense of office allowance shall be paid at the rate of 10 per cent per annum of the salary of the Governor and shall be adjusted according to the method set out in Part 1 of this determination.
- 1.3 The terms and conditions relevant to this Part of the determination are set out in section 1 of Schedule 1 below.

PART 3 MOTOR VEHICLE

- 1.1 In addition to the remuneration determined in Part 1 and Part 2 of this determination, the Governor has an entitlement to a motor vehicle for personal use provided through State Fleet leasing arrangements or to be paid cash in lieu of a leased vehicle.
- 1.2 The notional value of the vehicle lease per annum and the cash value to be paid in lieu of a vehicle shall be the value recommended from time to time by the Tribunal for the lease of a motor vehicle accessible by the Chief Justice of Western Australia.
- 1.3 The terms and conditions relevant to this Part of the determination are set out in sections 2, 3 and 4 of Schedule 1 below.

PART 4 BENEFITS ON RETIREMENT

- 1.1 In consideration of the cost of completing duties related to the Governor's role, there shall be payable to the Governor on retirement, a sum equal to 10 per cent of the Governor's salary at the date of retirement from office.
- 1.2 The relevant salary for the purpose of calculating this benefit shall be the salary determined in Part 1 of this determination and adjusted according to the method set out in Part 1 of this determination.

Dated at Perth this 21st day of April 2011.

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

SCHEDULE 1

Pursuant to Section 5A of the *Salaries and Allowances Act 1975*, the Salaries and Allowances Tribunal determines the terms and conditions applicable to Part 3 of this determination for the remuneration to be paid to the Governor of Western Australia.

Section 1 Terms and Conditions for the Expense of Office Allowance

- 1.1 The Governor may elect to have the expense of office allowance paid with salary fortnightly or monthly as the case may be, or to have the expense of office allowance held in trust by the Governor's Establishment to be used on a draw-down basis. Any unexpended balance of the expense of office allowance at the end of each year of the Governor's service shall be paid to the Governor.
- 1.3 If the Governor retires prior to an anniversary date of appointment, the expense of office allowance will be paid on a pro-rata basis.

Section 2 Terms and Conditions for a Leased Vehicle

- 2.1 The vehicle (being part of the Government-owned State Fleet) should be managed in accordance with the policies and conditions established and amended from time to time by the Department of Finance (the effective owner of the State Fleet). Applicable terms and conditions are currently set out in the document "State Fleet - Agency General Agreement".
- 2.2 Although the cost of the vehicle is centrally funded, as a consequence of it being a benefit determined under the *Salaries and Allowances Act 1975*, arrangements for the provision of the vehicle remain an administrative responsibility of the Governor's Establishment to manage in a cost effective manner based on individual usage patterns.
- 2.3 The motor vehicle leased for the Governor shall not be changed prior to the expiration of the lease.
- 2.4 Where the total cost of leasing the chosen vehicle and accessories exceeds the maximum cost of the motor vehicle benefit determined in Part 3 above, the additional cost must be borne by the Governor. This includes the purchase cost of any accessories and the installation cost and removal costs if required, before disposal of the vehicle.
- 2.5 Where the total cost of leasing the chosen vehicle and accessories is less than the maximum cost of the motor vehicle benefit determined in Part 3, Section 1 above, the difference in cost to Government is to be paid fortnightly or monthly as part of the Governor's remuneration.
- 2.6 The method of determining whether an additional contribution must be made by the Governor or the surplus paid as part of salary, shall be based on the actual cost to Government of the vehicle sought (using the formula detailed below), compared with the value determined for the benefit in Part 3 of this determination. The cost at the time of entering into the lease is applicable.

- 2.7 The motor vehicle costs must include the lease cost, Fringe Benefits Tax (FBT) and all other operating costs based on the relevant figure of nominated kilometres to be travelled annually. The formula to be adopted in valuing the motor vehicle is:

$L + R + aD + \text{FBT}$, where

L	=	Lease payments
R	=	Registration costs
a	=	Running cost per kilometre
D	=	nominated annual kilometres
FBT	=	Fringe Benefits Tax

- 2.8 FBT is costed at applicable Australian Taxation Office rates.

Section 3 Cash in Lieu of a Leased Vehicle

- 3.1 Where a Governor elects not to be provided with a motor vehicle through State Fleet, he or she is entitled to the cash value being paid fortnightly or monthly, as the case may be, as additional remuneration.
- 3.2 Should a Governor elect to be paid cash in lieu of a motor vehicle supplied through State Fleet, he or she is not entitled to claim a mileage allowance for use of their personal vehicle.
- 3.3 The Governor's Establishment should not incur any additional costs in providing for the personal transport needs of the Governor if the Governor elects to be paid cash in lieu of their entitlement to a motor vehicle supplied through State Fleet.

Section 4 Purchase of a Leased Vehicle

- 4.1 At the end of the Governor's term of office, a Governor may elect to purchase the vehicle leased under the provisions of Part 3, at a cost determined by State Fleet, Department of Finance.

Dated at Perth this 21st day of April 2011.

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

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