

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."

The Premier made a request, dated 17 July 2014, in accordance with Section 5A (1).

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."

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

Consistent with previous remuneration provided to Governors, this determination includes provision for a motor vehicle to be provided for the Governor's business and personal use, an expense of office allowance and retirement benefits to be paid to the Governor upon leaving the office for costs, such as travel and administrative needs, related to their service as Governor.

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 inquiries, determines that the remuneration for the office of Governor shall be \$446,000 per annum, inclusive of personal leave.
- 1.2 This rate shall be adjusted annually on each anniversary of the Governor's appointment at the same percentage as adjustments made to judicial salaries during the preceding 12 months, as recommended in the Tribunal's reports issued pursuant to section 7 of the *Salaries and Allowances Act 1975*.

PART 2 EXPENSE OF OFFICE ALLOWANCE

- 2.1 In consideration of the obligations of a Governor to effectively undertake Vice Regal duties, an expense of office allowance shall be provided to be utilised at the Governor's discretion.
- 2.2 The expense of office allowance shall be paid at the rate of 10% per annum of the salary of the Governor and shall be adjusted according to the method set out in Part 1 of this determination.
- 2.3 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

- 3.1 The Governor is entitled to a motor vehicle for personal use provided through State Fleet leasing arrangements.
- 3.2 The notional value of the vehicle lease per annum 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.
- 3.3 The terms and conditions relevant to this Part of the determination are set out in sections 2 and 3 of Schedule 1 below.

PART 4 POST-TERM EXPENSE ALLOWANCE

- 4.1 In consideration of the cost of meeting obligations arising from the Governor's term of office, a post-term expense allowance shall be provided to the Governor upon the conclusion of his/her term of office.
- 4.2 The post-term expense allowance shall be provided a sum equal to 10% of the Governor's salary at the date of retirement from office.

Dated at Perth on 12 August 2014.

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 2 and 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.
- 1.2 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 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 notional lease value 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:

$L + R + aD + FBT + I + LCT$, where

L	=	Lease payments
R	=	Registration costs
a	=	Running cost per kilometre
D	=	nominated annual kilometres
FBT	=	Fringe Benefits Tax
I	=	Insurance
LCT	=	Luxury car tax

- 2.8 FBT is costed at applicable Australian Taxation Office rates. FBT is costed at purchase price (including GST) x Statutory fraction x Gross up (2.0802) x FBT rate (0.470).

Section 3 Purchase of a Leased Vehicle

- 3.1 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 on 12 August 2014.

W S Coleman AM
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