

## **REPORT OF THE SALARIES AND ALLOWANCES TRIBUNAL**

### **REMUNERATION OF JUDGES, DISTRICT COURT JUDGES, MASTERS OF THE SUPREME COURT, MAGISTRATES AND THE PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**

1. Section 7 of the *Salaries and Allowances Act 1975* ('the Act') requires the Salaries and Allowances Tribunal ('the Tribunal'), at intervals of not more than twelve months, to inquire into and report to the responsible Minister in relation to possible changes in the remuneration paid or provided to Judges, District Court Judges, Masters of the Supreme Court, Magistrates and the Parliamentary Inspector of the Corruption and Crime Commission. The Act states that the Tribunal shall recommend the nature and extent of any changes, if they are considered necessary.
2. The last report was issued by the Tribunal on 1 June 2016.
3. In exercising its statutory responsibilities, the Tribunal applies broad principles upon which levels of remuneration are determined for all categories of offices and positions within the scope of the Act. These principles, particularised to the judiciary, are applied by the Tribunal to assess remuneration and entitlements and include:
  - the value of judicial offices to the State and our democratic system of government;
  - measures of the "work value" of judicial offices; and
  - the level of remuneration of judicial offices within the context of wage and salary rates applying generally in the community.
4. While the judicial offices specified in this Report are part of a national judicial system, the Tribunal considers it important to primarily consider issues relevant to Western Australia when reviewing levels of remuneration.
5. The Tribunal is mindful of Western Australia's current economic circumstances, particularly as outlined in the *2016-2017 Pre-Election Financial Projections Statement*, and through the update provided by the Treasurer and Under Treasurer in the "Economic and Fiscal Outlook", on 6 April 2017.
6. The Western Australian economy is enduring serious economic challenges, including:
  - Increased government debt;
  - Reduced government revenue;
  - Falling business investment;
  - Declining tax and rates base;
  - Unemployment and underemployment at high levels;
  - WA Average Weekly earnings falling by -0.7% and the Wage Price Index remaining at low levels; and
  - Increasing economic stress on households.

7. It is apparent that the Western Australian community, as a whole, is facing a difficult time that will require some economic sacrifices to reverse some of the economic declines and restore confidence in the economy. The Tribunal considers that those holding judicial offices, as community leaders, should be included in this approach.
8. On balance, while these acute economic challenges remain, the Tribunal considers that there should be no increase to the remuneration of judicial officers.

#### **RECOMMENDATION**

9. The Tribunal recommends that there should be no adjustment to the remuneration paid or provided to Judges, District Court Judges, Masters of the Supreme Court, Magistrates and the Parliamentary Inspector of the Corruption and Crime Commission.
10. The Tribunal recommends the remuneration for judicial offices remain at rates determined in June 2016, as set out in the attached Schedule.

#### **TABLING OF REPORT**

11. The Act requires this report to be tabled in each House of Parliament within five sitting days of the Minister receiving it. Either House of Parliament, within 15 sitting days of the report being tabled in that House, may pass a resolution disapproving the Tribunal's recommendation.

The report will now issue.

Signed on 31 May 2017

W S Coleman AM  
CHAIRMAN

C A Broadbent  
MEMBER

B J Moore  
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

# SCHEDULE

## REPORT ON THE REMUNERATION OF JUDGES, DISTRICT COURT JUDGES, MASTERS OF THE SUPREME COURT, MAGISTRATES, AND THE PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

### REMUNERATION ARRANGEMENTS, INCORPORATING RECOMMENDED ALTERATIONS

#### PART 1: REMUNERATION

- 1.1 Remuneration shall be payable at the following rates to Judges, Masters and Magistrates with effect from 1 July 2017.
- 1.2 The annual salary specified in this Part is inclusive of leave loading.

POSITION	ANNUAL SALARY
Chief Justice	\$508,591
President of the Court of Appeal	\$476,012
Senior Puisne Judge	\$454,511
Senior Judge of the Court of Appeal	\$454,511
Puisne Judge	\$441,057
Senior Master of the Supreme Court	\$408,726
Master of the Supreme Court	\$396,951
Chief Judge District Court	\$441,057
Senior Judge District Court	\$408,726
Judge District Court	\$396,951
Chief Magistrate	\$396,951
Deputy Chief Magistrate	\$347,952
Principal Registrar/Magistrate Supreme Court *	\$347,952
Principal Registrar/Magistrate, Family Court *	\$347,952
Magistrates	\$327,484
Registrars/Magistrates Family Court *	\$327,484
Parliamentary Inspector, Corruption and Crime Commission	\$176,422

\* The relevant office holders remunerated under this Part hold commissions to be Magistrates while having been given leave to hold the offices of Registrar or Principal Registrar as the case may be.

#### PART 2: TRAVELLING AND ACCOMMODATION ALLOWANCE

- 2.1 Where an overnight stay away from home is involved, a travelling and accommodation allowance (inclusive of accommodation, meals and incidentals) shall be payable in accordance with the relevant Australian Taxation Office reasonable benefit limit applicable from time to time and where accompanied by certification that the expense was appropriately incurred.

- 2.2 If the reasonably and properly incurred travelling and accommodation expenses exceed the abovementioned specified rates, the actual costs should be reimbursed. Receipts or vouchers must be provided in support of any claim for reimbursement in excess of the specified rate.
- 2.3 Claims for overnight stays in the Perth metropolitan area should be subject in each case to the approval of the relevant Chief Judicial Officer.
- 2.4 Part payment of travelling and accommodation allowances shall apply in the following circumstances:
  - a. Where the Judge, Master or Magistrate is accommodated in private, non-commercial accommodation, such as the home of a family member or friend, a rate of one third of the specified rate shall be payable.
  - b. Where the cost of commercial accommodation is met by an entity other than the Judge, Master or Magistrate, an allowance shall be payable in accordance with the relevant Australian Taxation Office reasonable benefit limit for meals and incidentals applicable from time to time and where accompanied by certification that the expense was appropriately incurred.
  - c. Where in the case of commercial accommodation referred to in 2.4.b above, the cost of a meal or meals is met by an entity other than the Judge, Master or Magistrate, the amount of travelling allowance shall be reduced by the relevant amount(s) referred to in the preceding paragraph.

### **PART 3: MOTOR VEHICLES**

- 3.1 The following arrangements apply or continue to apply, as the case may be, to each Judge, Master and full-time Magistrate for the provision of a fully maintained motor vehicle for business and private use.
- 3.2 All vehicles (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".
- 3.3 Selection of appropriate vehicles should be subject to consultation between the Department supporting the Courts administratively (as the "Agency" responsible for managing the leasing arrangements for vehicles provided to Judges, Masters and Magistrates) and the relevant Court. Although the cost of the vehicles is centrally funded, as a consequence of it being a benefit recommended under the *Salaries and Allowances Act 1975*, the area remains an administrative responsibility of the Department to manage in a cost effective manner.

3.4 In providing for the use of a motor vehicle under this arrangement, the Tribunal requires that office holders and the Department of the Attorney General (or its successor) will take account of the following principles established by the Tribunal. The provision of a motor vehicle should:

- a. meet the operational conveyance needs of the judiciary;
- b. provide for adequate safety and security of judicial office holders;
- c. be representative of fair value and benefit;
- d. be supportive of the efficient, effective and ethical use of State resources;
- e. be consistent with current principles of environmental sustainability, in particular, fuel efficiency and Government emissions targets;
- f. be commensurate with the status of judicial offices; and
- g. where private use of a vehicle is permitted, provide scope for personal preference in choice of motor vehicle consistent with the above principles

3.5 For the purposes of determining the value of the motor vehicle lease relative to the value of the relevant benefit set out in this determination, the lease value shall be based on a whole of life lease over a minimum of two years/40,000 kilometres. The lease value and term will be determined at the time of ordering the motor vehicle and will be inclusive of the cost of accessories. No additional costs shall be incurred by the office holder as a result of fluctuations in lease costs during the specified term of the lease.

3.6 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:

$L + R + aD + \text{FBT} + I + \text{LCT}$ , 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

3.7 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).

3.8 FBT Exempt Agencies: Where an organisation is exempt from FBT in accordance with Commonwealth Government legislation, a notional amount equal to the standard FBT must be added to the cost of the benefit.

3.9 Motor vehicles leased for judicial office holders shall not be changed prior to the expiration of the lease unless it is for operational reasons approved by the relevant Chief Judicial Officer in consultation with the Department of the Attorney General (or its successor).

3.10 The Chief Justice is entitled to the provision of a vehicle to the notional value of \$27,300 per annum.

- 3.11 Judges, Masters and the Chief Magistrate are entitled to the provision of a vehicle to the notional value of \$26,900 per annum.
- 3.12 Magistrates are entitled to the provision of a vehicle to the notional value of \$25,400 per annum.
- 3.13 Judges, Masters, and Magistrates may choose any vehicle and accessories in the Common Use Contract or an "off contract" vehicle and accessories available under Government leasing arrangements, the total cost of which does not exceed the maximum cost of accessing a motor vehicle benefit determined in this report. Where the total cost of the chosen vehicle and accessories exceeds the maximum cost of accessing a motor vehicle benefit determined in this report, the additional cost must be borne by the individual. This includes the purchase cost of any accessories and the installation cost and removal costs if required before disposal of the vehicle.
- 3.14 In order to contain additional administrative costs associated with "off contract" leases, office holders may request cost quotations for not more than three vehicles outside the Government's Common User Contract for motor vehicles, in the process of selecting a vehicle under this arrangement.
- 3.15 Vehicles with V8 engines are not included. Turbo charged and super charged engines with a capacity greater than 3.0 litres are not included.
- 3.16 Each actual lease should be tailored to achieve the most cost-effective arrangement based on individual usage patterns.
- 3.17 Where the use of an off road vehicle is substantiated by operational need, this must be approved by the Chief Judicial Officer. Off road vehicles shall be of a standard, the cost of which does not exceed the whole of life notional lease value of the Toyota Prado GXL Auto 3.0 litre Turbo Diesel fitted with "roo" bar (air bag compliant) or the relevant notional value listed in Parts 3.10 to 3.12, whichever is higher. This includes the purchase cost of other essential accessories approved by the relevant Chief Judicial Officer.
- 3.18 For the Magistrate resident in Kununurra, use of the Government provided vehicle is permitted to and from the Northern Territory for periods of usage up to seven days under the same conditions as if the vehicle were in Western Australia. Under the State Fleet – Agency General Agreement, office holders are required to seek approval from State Fleet for travel outside Western Australia for periods of seven days or more.
- 3.19 Where a Magistrate is employed on a part time basis, a pro rata amount should be added to the remuneration in lieu of a motor vehicle. For that purpose, the full value of the vehicle is assessed at \$24,000 per annum.
- 3.20 Where an acting magistrate is employed for less than two years, a pro rata amount should be added to the remuneration in lieu of a motor vehicle. For this purpose, the full value of the vehicle is assessed at \$24,000 per annum.

The report will now issue.

Signed on 31 May 2017.

W S Coleman AM  
CHAIRMAN

C A Broadbent  
MEMBER

B J Moore  
MEMBER

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