

SALARIES AND ALLOWANCES ACT 1975

DETERMINATION OF THE REMUNERATION OF

COMMISSIONERS OF THE WESTERN AUSTRALIAN

INDUSTRIAL RELATIONS COMMISSION

1. The Salaries and Allowances Tribunal (“Tribunal”) issues this Determination pursuant to section 6(1)(e) of the *Salaries and Allowances Act 1975* (“the Act”).
2. Section 8 of the Act requires the Tribunal, at intervals of not more than 12 months, to inquire into and determine the remuneration to be paid to a person holding any office prescribed for the purposes of that section.
3. The offices of the members of the Western Australian Industrial Relations Commission are so prescribed in section 20 of the *Industrial Relations Act 1979* for the purposes of section 6(1)(e) of the Act.
4. By issuing this Determination, the Tribunal discharges its statutory obligations under section 8 of the Act), with respect to offices of the members of the Western Australian Industrial Relations Commission.
5. The Tribunal’s previous determination in relation to the WAIRC was issued on 22 November 2013.
6. In March 2014 the Tribunal invited submissions by advertising in *The West Australian* newspaper, through the Tribunal website and by writing to key office holders.
7. The Tribunal received a joint submission from the Chief Commissioner, Senior Commissioner and Commissioners of the Western Australian Industrial Relations Commission. The Minister for Commerce also provided a submission on behalf of the Government.
8. The Tribunal considered the performance of the Western Australian economy and forecasts as to its likely future performance. The Tribunal has taken into account labour market and economic information, the Government’s most recent Public Sector Wages Policy Statement, Financial Strategy Statement and Financial Projection Statement.
9. The Minister for Commerce’s submission provided details of the performance of the Western Australian economy, which he states has moderated over the past year. The pace of growth is expected to moderate further in 2014-15 and beyond.

10. The Tribunal noted economic forecasts included in the 2014-15 Budget Papers.

Forecasts for Major Western Australian Economic Aggregates

Economic Aggregates	2012-13 Actual	2013-14 Estimated Actual	2014-15 Budget Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate	2017-18 Forward Estimate
	%	%	%	%	%	%
Gross State Product	5.1	3.75	2.75	3.0	4.25	5.0
State Final Demand	5.0	0.25	0.0	0.75	1.5	2.0
Employment	3.5	1.5	1.5	1.75	1.75	2.0
Unemployment Rate^(a)	4.4	5.0	5.5	5.25	5.0	4.75
Consumer Price Index	2.3	3.0	2.75	2.5	2.5	2.5
Wage Price Index	4.0	3.25	3.25	3.5	3.5	3.75
Population	3.5	2.6	2.1	2.1	2.1	2.

^(a)Data expressed in terms of the annual average during the financial year.

Source: Department of Treasury, *Economic Forecasts as at May 2014*

11. The WAIRC submission raised issues relating to salary relativities and the jurisdictional role of the Industrial Relations Commission. The place of the Commission in the hierarchy of the judicial system was highlighted. For example, the Commission remains an appellate body for decisions made in the Industrial Magistrate’s Court.

12. The Tribunal acknowledges the jurisdiction and role of the Western Australian Industrial Relations Commission within the state’s judicial system.

13. It is also mindful of the recent determination of the Commonwealth Remuneration Tribunal that there would be no annual adjustment to remuneration for judicial offices in its jurisdiction.

Leave loading

14. Section 20(10) of the *Industrial Relations Act 1979* states that the rights of a commissioner to paid leave of absence and to lump sum payments on ceasing to hold office shall be not less than those of a permanent officer under the *Public Sector Management Act 1994* (PSMA).

15. These rights are not specified in the PSMA but are provided for in the *Public Service Award 1992* and the *Public Sector General Agreement 2011* as paid leave of 4 weeks with 17.5% loading. In the event a person ceases to be employed in that office, they are entitled to a lump sum payment equivalent to any outstanding leave.

16. The Department of Commerce’s *Circular to Departments and Authorities No 1 of 2014* applies to all public sector Awards that provide for annual leave loading. The Circular states that the maximum annual leave loading that may be paid on four weeks’ annual leave is \$1,615.80.

17. The level of remuneration identified in this determination is inclusive of leave loading entitlements.

DETERMINATION

1. The Tribunal has determined an increase in remuneration for Commissioners above a 2.5% economic adjustment in consideration of changes to the consumer price index.
2. The final level of remuneration includes any leave loading to which Commissioners are otherwise entitled under *the Public Sector Management Act 1994* (WA).
3. The determination will now issue.

Signed this 24th day of June 2014.

W S Coleman AM

CHAIRMAN

C A Broadbent

MEMBER

B J Moore

MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

SALARIES AND ALLOWANCES ACT 1975

**DETERMINATION OF THE REMUNERATION OF
COMMISSIONERS OF THE WESTERN AUSTRALIAN INDUSTRIAL
RELATIONS COMMISSION
PURSUANT TO SECTION 6(1)(e)**

PART 1: INTRODUCTORY MATTERS

This part deals with some matters that are relevant to the determination generally.

1.1 Short Title

This determination may be cited as the *Commissioners of the Western Australian Industrial Relations Commission Determination No. 1 of 2014*.

1.2 Commencement

This determination comes into operation on 1 July 2014.

1.3 Content and intent

- (1) This determination provides for the salary, allowances and other benefits to be paid, provided or reimbursed to holders of offices of the Western Australian Industrial Relations Commission ('the Commission') prescribed for the purposes of section 6(1)(e) of the *Salaries and Allowances Act 1975*.
- (2) The offices to which this determination applies are the offices of the members of the Commission other than the President as prescribed in section 20(2) of the *Industrial Relations Act 1979*.
- (3) This determination fulfils the Tribunal's obligations provided in section 8 of the *Salaries and Allowances Act 1975*, with respect to the holders of offices of the Commission.

1.4 Terms used

In this determination, unless the contrary intention appears –

Chief Commissioner means a Chief Commissioner appointed under the *Industrial Relations Act 1979*;

Senior Commissioner means a Senior Commissioner appointed under the *Industrial Relations Act 1979*;

Commissioner means a commissioner appointed under the *Industrial Relations Act 1979*.

1.5 Conditions of service

- (1) Pursuant to section 20(10) of the *Industrial Relations Act 1979* a Chief Commissioner, Senior Commissioner and Commissioner have a right to paid leave of absence and to lump sum payments on ceasing to hold office for the money equivalent of leave of absence which shall not be less than those applicable to a permanent public office under the *Public Sector Management Act 1994*.
- (2) To the extent that conditions of service affect remuneration (e.g. paid leave of absence), a Chief Commissioner, Senior Commissioner and Commissioner are entitled to the same terms and conditions as contained in the *Public Service Award 1992* and the *Public Service and Government Officers General Agreement 2011*. Where there is any inconsistency between the remuneration payable under this determination and the terms of the *Public Service Award 1992* and the *Public Service and Government Officers General Agreement 2011*, the remuneration specified in this determination shall prevail to the extent of any inconsistency.

1.6 Salary Packaging

A Chief Commissioner, Senior Commissioner and Commissioner are entitled to participate in salary packaging arrangements for superannuation and novated leases in accordance with the “Guidelines for Salary Packaging in the WA Public Sector” document, which can be accessed at -

http://www.commerce.wa.gov.au/LabourRelations/PDF/Circulars/2012_004.pdf

PART 2: SALARY

This part deals with the salary payable to a Chief Commissioner, Senior Commissioner or Commissioner for the performance of their duties pursuant to their appointments under the *Industrial Relations Act 1979*.

2.1 General

The amount of a person’s entitlement to an annual salary shall be calculated on a pro rata basis in accordance with the proportion of full-time hours worked by an office holder.

2.2 Offices and salaries

- (1) The annual salaries specified in Table 1 of this Part apply to a Chief Commissioner, Senior Commissioner and Commissioner.
- (2) The annual salaries specified are inclusive of leave loading entitlements.

Table 1: Annual salaries payable to a Chief Commissioner, Senior Commissioner and Commissioner

OFFICE	ANNUAL SALARY
Chief Commissioner	\$342,137
Senior Commissioner	\$319,677
Commissioner	\$302,940

PART 3: MOTOR VEHICLE BENEFITS

This Part deals with the motor vehicle benefits paid or provided to a Chief Commissioner, Senior Commissioner or Commissioner.

3.1 General

- (1) Each Chief Commissioner, Senior Commissioner and Commissioner is entitled to the provision of a fully maintained motor vehicle for business and private use.
- (2) All vehicles (being part of the Government-owned State Fleet) are to 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 set out in the Department of Finance's document, *State Fleet – Agency General Agreement*, which took effect on 1 March 2013.
- (3) Selection of appropriate vehicles is to be subject to consultation between the Chief Commissioner and the Department of the Registrar of the Commission as the department administratively supporting the Commission and therefore the "Agency" responsible for managing the leasing arrangements for vehicles provided under this determination.
- (4) In providing for the use of a motor vehicle under this arrangement, the Tribunal requires that the Department of the Registrar of the Commission 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 Commissioners;
 - b) provide for adequate safety and security of Commissioners;
 - 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 Commissioners; 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.
- (5) Motor vehicles leased for a Chief Commissioner, Senior Commissioner and Commissioner shall not be changed prior to the expiration of the lease unless it is for operational reasons approved by the Chief Commissioner and the Department of the Registrar of the Commission.
 - (6) 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 Use Contract for motor vehicles, in the process of selecting a vehicle under this arrangement.
 - (7) Vehicles with V8 engines are not included. Turbo charged and supercharged engines with a capacity greater than 3.0 litres are not included.
 - (8) Each lease is to be tailored to achieve the most cost-effective arrangement based on individual usage patterns.
 - (9) The Chief Commissioner must approve the selection of the vehicle and approve that the provision of an off road vehicle and factory fitted “roo” bar is substantiated by operational need.

3.2 Value of the Motor Vehicle Benefit

- (1) 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 two years/40,000 kilometres. The lease value 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.

- (2) The notional value of the vehicle benefit must include 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:

$$\text{Value of Motor Vehicle} = L + R + aD + \text{FBT} + I + \text{LCT},$$

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) FBT is costed at applicable Australian Taxation Office rates: purchase price (including GST) x Statutory fraction x Gross up (2.0802) x FBT rate (0.470).
- (4) A Chief Commissioner is entitled to the provision of a vehicle to the notional value of \$26,900 per annum.
- (5) A Senior Commissioner and Commissioner are entitled to the provision of a vehicle to the notional value of \$25,400 per annum.
- (6) The notional values specified in this Section shall be calculated on a pro rata basis in accordance with the proportion of full-time hours worked by the relevant office holder.
- (7) A Chief Commissioner, Senior Commissioner and Commissioner may choose any vehicle and accessories in the relevant Western Australian Government 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 Part. Where the total cost of the chosen vehicle and accessories exceeds the maximum cost of accessing a motor vehicle benefit determined in this Part, 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.
- (8) Off road vehicles shall be of a standard, the cost of which does not exceed the lease value of the Toyota Prado GXL Auto 3.0 litre Turbo Diesel fitted with “roo” bar (air bag compliant). This includes the purchase cost of other essential accessories approved by the Chief Commissioner.

PART 4: TRAVELLING AND ACCOMMODATION ALLOWANCE

This Part deals with the travelling and accommodation allowance to be paid or reimbursed to a Chief Commissioner, Senior Commissioner and Commissioner.

4.1 General

- (1) A Chief Commissioner, Senior Commissioner and Commissioner shall be entitled to claim a travelling and accommodation allowance or reimbursement as specified in this Part while travelling on official business.
- (2) Claims for overnight stays in the Perth metropolitan area shall be subject in each case to the approval of the Chief Commissioner.

4.2 Allowance or reimbursement payable

- (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 Australian Taxation Office reasonable benefit limit 2013/14 rates found in Taxation Determination TD 2013/16 and where accompanied by certification that the expense was appropriately incurred.
- (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.
- (3) Part payment of travelling and accommodation allowances shall apply in the following circumstances.
 - a) Where the Chief Commissioner, Senior Commissioner or Commissioner 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 Chief Commissioner, Senior Commissioner or Commissioner, an allowance shall be payable in accordance with the relevant Australian Taxation Office reasonable benefit limit 2013/14 rates found in Taxation Determination TD 2013/16 for meals and incidentals where accompanied by certification that the expense was appropriately incurred.
 - c) Where in the case of commercial accommodation referred to in sub section (b) above, the cost of a meal or meals is met by an entity other than the Chief Commissioner, Senior Commissioner or Commissioner, the amount of travelling allowance shall be reduced by the relevant amount or amounts referred to in the preceding paragraph.

Signed this 24th day of June 2014.

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

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