

SALARIES AND ALLOWANCES ACT 1975

DETERMINATION OF THE REMUNERATION

OF COMMISSIONERS OF THE

WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

1. Section 6(1)(e) 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 determine the remuneration to be paid to a person holding any office prescribed for this section.

CURRENT INQUIRY

2. The Tribunal last made a determination in respect of the Western Australian Industrial Relations Commissioners on 22 February 2012. No increase was awarded to the Commissioners at this time.
3. In discharging its statutory requirements with respect to the remuneration of Members, the Tribunal’s approach has been to:
 - advertise for public submissions;
 - seek submission from key office holders; and
 - consider relevant labour market and economic data.
4. This process provides an opportunity for members of the public, the Government, Commissioners themselves or any other interested party to make a submission. It also helps to inform the Tribunal of changes which might have taken place in the roles or responsibilities of Members over the past year and other remuneration issues for Commissioners.

Public submissions

5. Public submissions were sought by advertisement in the ‘*The West Australian*’ and on the Tribunal’s website with a closing date of Friday, 5 September 2012.

Invitation to Office Holders

6. The Tribunal received a submission from the Western Australian Industrial Relations Commissioners dated 17 April 2012.

Labour Market and Economic Data

7. Relevant labour market and economic data were sought from a variety of sources. For example, the Tribunal sought current data on the Wage Price Index, Average Weekly Earnings, the Consumer Price Index and Total Employment Growth. Economic forecasts at a

national and state level were also considered. These are set out in the Judicial Recommendation Report dated 23 November 2012.

SUBMISSIONS

8. The Government made a submission to the Tribunal regarding the Western Australian Industrial Relations Commission.
9. The Tribunal also received a joint submission from the Chief Commissioner, Senior Commissioner and Commissioners of the Western Australian Industrial Relations Commission.
10. The submissions give rise to matters related to:
 - The timing of the Tribunal's determination with respect to members of the Western Australian Industrial Relations Commission;
 - The alignment of rates of remuneration within the Tribunal's structure for Special Division and Prescribed Office holders; and
 - The levels of remuneration within the framework of rates applying to judicial, quasi-judicial and statutory office holders within state and comparable jurisdictions throughout Australia.

CONSIDERATIONS

11. Given the nature of appointment to the Western Australian Industrial Relations Commission, remuneration for these office holders will be determined at the same time as recommendations and determinations are made for judicial and other quasi-judicial officers.
12. The rates determined herein, reflect the value of mediation, consultation and arbitration within the State's industrial relations system of dispute resolution and workplace regulation.
13. As with all offices within the Tribunal's jurisdiction, the levels of remuneration will be reviewed within the statutory timetable set down by the Act.

DETERMINATION

14. This determination provides for a 5 per cent increase to the remuneration of Commissioners of the Western Australian Industrial Relations Commission.
15. The Tribunal determines that the remuneration paid or provided to Western Australian Industrial Relations Commissioners will be as set out in the attached Schedule.

SCHEDULE

PART 1: REMUNERATION

1.1 The remuneration of the holders of the offices listed below comprises salary, superannuation and other benefits described further below. The annual salary component of total remuneration is as follows Remuneration shall be payable at the following rates with effect from 1 January 2013.

| OFFICE | SALARY |
|---------------------|---------------|
| Chief Commissioner | \$323,758 |
| Senior Commissioner | \$302,402 |
| Commissioner | \$286,486 |

PART 2: MOTOR VEHICLE BENEFITS

The following arrangements apply to the entitlement of each Commissioner to the provision of a fully maintained motor vehicle for business and private use:

- 2.1 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 Treasury and 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 Selection of appropriate vehicles should be subject to consultation between the Chief Commissioner and the Department of the Registrar of the Western Australian Industrial Relations Commission (as the department administratively supporting the Commission and therefore the "Agency" responsible for managing the leasing arrangements for vehicles provided to Commissioners of the WAIRC). Although the cost of the vehicles is centrally funded, as a consequence of it being a benefit determined under the Salaries and Allowances Act 1975, the area remains an administrative responsibility of the Department to manage in a cost effective manner.
- 2.3 In providing for the use of a motor vehicle under this arrangement, the Tribunal requires that the Department of the Registrar of the Western Australian Industrial Relations Commission will take account of the following principles established by the Tribunal. The provision of a motor vehicle should:
 - meet the operational conveyance needs of the Commissioners;
 - be representative of fair value and benefit;
 - be supportive of the efficient, effective and ethical use of State resources;

- be consistent with current principles of environmental sustainability, in particular, fuel efficiency and Government emissions targets;
- provide for adequate safety and security of Commissioners;
- be commensurate with the status of Commissioners; and
- where private use of a vehicle is permitted, provide scope for personal preference in choice of motor vehicle consistent with the above principles.

2.4 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

2.5 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:

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

| | | |
|-----|---|-----------------------------|
| 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 |

2.6 Motor vehicles leased for Commissioners of the WAIRC 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 Western Australian Industrial Relations Commission.

2.7 The Chief Commissioner is entitled to the provision of a vehicle to the notional value of \$26,900 per annum.

2.8 The Senior Commissioner and Commissioners are entitled to the provision of a vehicle to the notional value of \$25,400 per annum.

2.9 Commissioners of the WAIRC 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.

- 2.10 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.
- 2.11 Vehicles with V8 engines are not included. Turbo charged and supercharged engines with a capacity greater than 3.0 litres are not included.
- 2.12 Each lease should be tailored to achieve the most cost-effective arrangement based on individual usage patterns.
- 2.13 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. 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 3: TRAVELLING AND ACCOMMODATION ALLOWANCE

- 3.1 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.
- 3.2 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.
- 3.3 Claims for overnight stays in the Perth metropolitan area should be subject in each case to the approval of the Chief Commissioner.
- 3.4 Part payment of travelling and accommodation allowances shall apply in the following circumstances.
 - 3.4.1 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.
 - 3.4.2 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 for meals and incidentals applicable from time to time and where accompanied by certification that the expense was appropriately incurred

- 3.4.3 Where in the case of commercial accommodation referred to in 3.3.2 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(s) referred to in the preceding paragraph.

PART 4: REMUNERATION PACKAGE VALUE

- 4.1 The entitlement to salary packaging arrangements set out in Part 4 of the First Schedule of this determination apply to office holders listed in this Schedule.

The determination will now issue.

Signed this 23rd day of November 2012

W S Coleman AM
CHAIRMAN

C A Broadbent
MEMBER

B J Moore
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL