

**Division 7: Salaries and Allowances Tribunal, \$1 101 000 —**

Mr T.J. Healy, Chair.

Mr M. McGowan, Premier.

Mr S. Kennedy, Chief Executive Officer.

[Witness introduced.]

**The CHAIR:** Leader of the Opposition.

**Dr M.D. NAHAN:** The government made a number of changes that restrict the tribunal's activities in that it overrode the tribunal and froze salaries and whatnot. What impact is that having on the workload of the Salary and Allowances Tribunal?

**Mr M. McGOWAN:** I think the question is to me. The Leader of the Opposition is correct; we made some changes; namely, we have frozen the salaries of all members of Parliament, all ministers, all judges, the Governor and all chief executive officers of government departments for a minimum of four years, saving in the vicinity of \$20 million. We thought that was the right example to set for the remainder of the public sector, which was enduring a tougher wages policy than was otherwise in place. Again, it is one of the initiatives we have taken to get the state's finances back under control. I think it was the right thing to do and, as the Leader of the Opposition knows, those incomes are much higher than the average income across the community. It has caused some pain, obviously, but it has been well received. The role of the Salaries and Allowances Tribunal is broader than just that. It deals with local government CEOs, elected members and members of university governing councils. It also examines reclassifications and arrangements for appointments and vacancies. It is a broader role than just the pay issue for those people I referred to earlier. I will let Mr Kennedy comment on the question the Leader of the Opposition raised.

**Mr S. Kennedy:** In a broad sense, at this early stage, there has not been a lot of change. The effect of the wage freeze was really to remove the annual adjustments traditionally made once a year. As the Premier said, a range of other work goes on in any case. Ordinarily, the tribunal might make 30 to 40 determinations a year. Of those, it would be five or six that relate to the economic adjustment. In a broad sense, perhaps that answers the question that there is still a fair bit of activity but that specific economic component, which attracts a fair bit of attention, has clearly been removed from the tribunal's ambit.

**The CHAIR:** Before you ask further questions. I assume you meant page 92.

**Dr M.D. NAHAN:** Division 7 page 92, that is right.

Is the determination of those annual increments relating to freezing the wages of all those people a small percentage of SAT's total workload?

**Mr M. McGOWAN:** It is part of the workload, but it is not all the workload. I will hand over to Mr Kennedy.

**Mr S. Kennedy:** It is the most prominent part, I guess, in the sense that it attracts the most attention. It is fair to say a core body of work goes on in any case.

**Mr Z.R.F. KIRKUP:** The Premier mentioned freezing the Governor's salary.

**The CHAIR:** I assume that is the same page number.

**Mr Z.R.F. KIRKUP:** It is the same page number, thank you very much, Chair.

**Mr M. McGOWAN:** From memory, that was within the legislation we passed last year, but I will ask Mr Kennedy.

**Mr Z.R.F. KIRKUP:** There was a question attached to that. I was wondering whether the Premier could confirm that the Premier's salary has actually increased over the last financial year.

**Mr M. McGOWAN:** Whose?

**Mr Z.R.F. KIRKUP:** Sorry, the Governor's salary.

**Mr M. McGOWAN:** I do not know the answer to that question.

**Mr S. Kennedy:** From memory, I think strictly speaking, the newly appointed Governor's remuneration was decided before the legislation took effect. The tribunal's decision did peg that remuneration at the level of the outgoing Governor, so the short answer is no, I do not think it did increase from the last financial year.

**The appropriation was recommended.**

**Extract from *Hansard***

[ASSEMBLY ESTIMATES COMMITTEE A — Tuesday, 22 May 2018]

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Chair: Leader Of The OPPOSITION.; Dr Mike Nahan; Mr Mark McGowan; Mr Zak Kirkup

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[4.30 pm]