



## REMUNERATION TRIBUNAL

### REPORT RELATING TO DETERMINATION NO. 4 OF 2016

#### ANNUAL REVIEW OF REMUNERATION FOR THE AUDITOR GENERAL, ELECTORAL COMMISSIONER, DEPUTY ELECTORAL COMMISSIONER AND HEALTH AND COMMUNITY SERVICES COMPLAINTS COMMISSIONER

## 1. INTRODUCTION

1.1. The Remuneration Tribunal (“the Tribunal”) is responsible pursuant to Section 14 of the *Remuneration Act 1990* (“the Act”), for determining the remuneration payable to the following statutory office holders:

- the Auditor-General;
- the Electoral Commissioner;
- the Deputy Electoral Commissioner; and
- the Health and Community Services Complaints Commissioner.

## 2. ANNUAL REVIEW

2.1. In accordance with section 10(2) of the Act, prior to the Tribunal making its Determination, it must allow the parties who are subject to the Determination a reasonable opportunity to make submissions. The Tribunal wrote to the above parties inviting submissions for the purposes of the Tribunal’s annual review of remuneration payable to those offices. The Tribunal also invited the Premier as Minister responsible for the Act to make submissions in the public interest.

2.2. The last annual review of this Determination was conducted in 2015, whereby the Tribunal decided not to award an increase to the above statutory officers. Historically, the last time the salary payable to the above statutory officers was increased was through the Tribunal’s Determination 1 of 2014, which prescribed an operative date of 1 July 2013.

2.3. The position of Employee Ombudsman, which was previously subject to this Determination, is no longer in existence. The Employee Ombudsman is therefore no longer within the Tribunal’s jurisdiction for the purposes of this Determination, and has been omitted.

### **3. SUBMISSIONS RECEIVED**

- 3.1. The Tribunal received written submissions from the Deputy Electoral Commissioner, the Health and Community Services Complaints Commissioner, and the Premier.
- 3.2. A hearing was convened on 18 February 2016 to consider the submissions. The following parties appeared to provide short oral argument in relation to their submissions:
  - Mr David Gully, Deputy Electoral Commissioner, in his capacity as Acting Electoral Commissioner;
  - Ms Carly Cooper, Crown Solicitor's Office, on behalf of the Premier, and
  - Ms Julia Phillips, Office for the Public Sector, on behalf of the Premier.

#### The Deputy Electoral Commissioner

- 3.3. The Deputy Electoral Commissioner, in his capacity as Acting Electoral Commissioner, submitted that there has been a significant increase in the work value of the role of both the Electoral Commissioner and the Deputy Electoral Commissioner, as a result of recent amendments to the *Electoral Act 1985*.
- 3.4. The Deputy Electoral Commissioner submitted that if there is to be a review of the Electoral Commissioner's remuneration, then there ought to be a similar review of remuneration for the Deputy Electoral Commissioner, as the new and additional responsibilities will be divided between the two roles of the Electoral Commissioner and the Deputy Electoral Commissioner.
- 3.5. The Deputy Electoral Commissioner submitted his view that, having regard to the Tribunal's history of awarding increases that are similar to increases in total remuneration for public sector executives, the statutory officers that are subject to this Determination are worse off due to public sector executive increases being granted on a total remuneration package and the statutory officers being granted on base salary.

#### The Health and Community Services Complaints Commissioner

- 3.6. The Health and Community Services Complaints Commissioner submitted that although he is not seeking to appear before the Tribunal he would like to provide some background information in relation to the market place, reasoning that he is of the view that statutory officer positions have become vacant in the past due to having to face the realities of the market.

#### Submission on behalf of the Premier

- 3.7. It was submitted that the Tribunal's past approach to setting the remuneration for the relevant statutory office holders continues to be appropriate.
- 3.8. It was submitted that the Tribunal should have regard to the following economic factors in its review of remuneration:
  - The economic indices published by the Australian Bureau of Statistics for:

- The Wage Price Index (“WPI”) for South Australia, which indicated that the costs of employment in South Australia had increased by 2.3% over the 12 months to September 2015 and is consistent with 2.3% nationally;
  - The Consumer Price Index (“CPI”) for South Australia (all groups) which showed an increase of 1.1% for the year to September 2015; and
  - The Underlying Inflation rate for September 2015, which showed the measure of ‘underlying’ inflation in Australia at an annual growth of 2.2% (weighted mean).
- *The South Australian Public Sector Wages Parity Enterprise Agreement: Salaried 2014* was approved before the Industrial Relation Commission of South Australia on 4 December 2014 and includes general salary increases of 2.5% per annum in 2014, 2015 and 2016.
  - The 2015 review of Public Service Executive Remuneration approved an increase of 2.5%, with an operative date of 1 July 2015.
- 3.9. The submission was made on behalf of the Premier that the Tribunal should conduct a discrete review the remuneration of the office of the Electoral Commissioner, due to recent amendments to the *Electoral Act 1985*, resulting in new and additional responsibilities being conferred upon the public office of the Electoral Commissioner.
- 3.10. It was also submitted that the remuneration payable to the Electoral Commissioner is less, and in some cases significantly less, than that payable to the Electoral Commissioners of other states and territories.
- 3.11. The Tribunal is advised that due to the retirement of the current Electoral Commissioner, the statutory officers committee of the Parliament is undertaking an inquiry for the purpose of reporting on a suitable person for appointment to replace the outgoing Electoral Commissioner.
- 3.12. The submission was made that the new and additional responsibilities of the Electoral Commissioner are to include:
- introduction of a voluntary public funding scheme;
  - expenditure caps; and
  - introduction of a regulatory disclosure scheme, requiring all key political participants, including political parties, their associated entities, candidates, groups and third party campaigners to disclose certain financial information on a regular basis.
- 3.13. Copies of a Mercer assessment were provided, that had been conducted for the position of Electoral Commissioner of South Australia in light of these legislative changes. The Tribunal was advised that this assessment had considered the consequential level of expertise, judgement and accountability required for the role of the Electoral Commissioner arising from the legislative changes. The Mercer assessment prescribed a salary range of \$217,105 to \$361,842.

- 3.14. In relation to the Deputy Electoral Commissioner, the Premier submitted that a Mercer Assessment is not able to be conducted on this position until such time as the role description is finalised. The submission was made that the role description will be finalised after the incoming Electoral Commissioner has been appointed, as the new Electoral Commissioner will determine the extent of the duties that will be delegated to and performed by the Deputy Electoral Commissioner.

#### 4. ELECTORAL COMMISSIONER

- 4.1. The Tribunal is advised that, at the time of writing, the relevant salaries of Electoral Commissioners from other states and territories is as follows:

STATE	SALARY
New South Wales	\$355,000 plus vehicle and superannuation
Victoria	\$250,000 plus vehicle and superannuation
Western Australia	\$250,000 plus vehicle and superannuation
Queensland	\$240,000 plus vehicle and superannuation
Northern Territory	\$204,000 plus vehicle and superannuation
Australian Capital Territory	\$196,091 plus vehicle and superannuation
<b>South Australia – (prior to this determination)</b>	<b>\$190,457 plus vehicle and superannuation</b>
Tasmania	\$170,000 plus vehicle and superannuation

Based on the information before it, and notwithstanding the differences between jurisdictions, the Tribunal has observed that the remuneration payable to the Electoral Commissioner of South Australia is comparatively lower than the remuneration payable to other states and territory Electoral Commissioners.

- 4.2. Having regard to the significant changes to the statutory responsibilities of the Electoral Commissioner arising from the legislative changes referred to in the Premier's submission, the Tribunal considers that there has been a significant change in the work value of the office of the Electoral Commissioner. Moreover, the Tribunal considers that the statutory responsibility for oversight of new schemes for voluntary public funding, expenditure caps, and for a regulatory disclosure scheme are matters of profound public interest and great responsibility.
- 4.3. In light of the tribunal's conclusion in relation to the significant increase in the value of the work of the office of Electoral Commissioner, the Tribunal has determined that the salary of the Electoral Commissioner should be adjusted and regard should be had to the relevant remuneration of similar offices in other jurisdictions.
- 4.4. The outcome of the review will place the salary of the Electoral Commissioner within the matrix of remuneration payable to similar office holders throughout other states and territories as follows:

<b>STATE</b>	<b>SALARY</b>
New South Wales	\$355,000 plus vehicle and superannuation
Victoria	\$250,000 plus vehicle and superannuation
Western Australia	\$250,000 plus vehicle and superannuation
Queensland	\$240,000 plus vehicle and superannuation
<b>South Australia – (after this determination)</b>	<b>\$227,000 plus vehicle and superannuation</b>
Northern Territory	\$204,000 plus vehicle and superannuation
Australian Capital Territory	\$196,091 plus vehicle and superannuation
Tasmania	\$170,000 plus vehicle and superannuation

## **5. DEPUTY ELECTORAL COMMISSIONER**

- 5.1. The Tribunal will conduct a separate review of the salary of the Deputy Electoral Commissioner, which will take place at a later date and after the appointment of a new Electoral Commissioner.

## **6. CONCLUSION**

- 6.1. The Tribunal has decided to increase the salary of the statutory officers at paragraph 1.1 of this report by 2.5%.
- 6.2. The Tribunal has decided to make an additional and discrete Determination for the office of Electoral Commissioner, which will be applicable on appointment of a new Electoral Commissioner.
- 6.3. Having noted recent salary adjustments in the public sector, recent trends in the level of remuneration adjustments both nationally and within the state, comments and submissions from the statutory office holders and the Premier the Tribunal has determined that a salary increase of 2.5% is appropriate.
- 6.4. The Tribunal's Determination to equate the salary increase that is applicable to public sector executives to that of statutory officers within this Determination, should not be interpreted as a commitment to automatically link the salaries of these positions.
- 6.5. The Tribunal has therefore determined that the salary for the:
- Electoral Commissioner be \$195,218 per annum. This salary will increase to \$227,000 per annum upon the appointment of a new Electoral Commissioner of South Australia.
  - Auditor-General be \$311,571 per annum;
  - Deputy Electoral Commissioner be \$141,977 per annum; and
  - Health and Community Services Complaints Commissioner be \$229,609 per annum.

**7. OPERATIVE DATE**

7.1. The salaries prescribed in paragraph 2 of the accompanying formal Determination are operative on and from 1 July 2015, with the exception of the salary applicable to a new Electoral Commissioner of South Australia, for which the operative date is the date of appointment.

Dated this 8<sup>th</sup> day of March 2016.



John Lewin

**PRESIDENT**



Nicola Vincent

**MEMBER**



Peter Alexander

**MEMBER**