

Governor of New South Wales

Annual
Determination

*Report and determination
under section 13 of the
Statutory and Other Offices
Remuneration Act 1975*

**6 September
2021**

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Background

1. Section 13 of the *Statutory and Other Offices Remuneration Act 1975* (the SOOR Act) requires the Tribunal, each year, to make a determination on the remuneration to be paid to office holders. “Remuneration” is defined in section 10A as salary or allowances paid in money.
2. Schedule 6, Part 3, clause (3)(2) of the SOOR Act provides for the determination in respect to the office of Governor to be taken as a determination under section 13 in the following terms:

3 Governor’s salary

- (1) *On, or as soon as practicable after, the commencement of the Constitution Amendment (Governor’s Salary) Act 2003, the Tribunal is to make a determination of the remuneration to be paid to the holder of the office of Governor as on and from the day specified for that purpose in the determination (which may, but need not, be the day on which that Act commences).*
 - (2) *A determination under this clause is taken to be a determination under section 13. However, sections 17 (2) and 20 (1) (b) do not apply to a determination under this clause.*
 - (3) *A determination under this clause comes into force, or is taken to have come into force, on the day specified for that purpose in the determination (which may, but need not, be the day on which the Constitution Amendment (Governor’s Salary) Act 2003) commences.*
3. The effect of the above clause is that an annual determination in respect of the Governor’s salary does not take effect from 1 July. Instead, annual determinations of the Governor’s salary take effect from the anniversary of the commencement of the Tribunal’s special determination made on 5 June 2014. That special determination took effect on or after the commencement date of *the Constitution Amendment (Governor’s Salary) Act 2003*, that being 2 October 2014.

Government Wages Policy

4. The Tribunal is required, when making determinations under Part 3 of the SOOR Act, to give effect to any policy concerning the remuneration of office holders as declared by the regulations. Section 6AB of the SOOR Act applies to the Tribunal's determinations in respect of the Governor. Government policy concerning the remuneration of office holders to which Part 3 of the SOOR Act applies is declared in the *Statutory and Other Offices Remuneration (Judicial and Other Office Holders) Regulation 2013* (the SOOR Regulation).
5. In accordance with the clause 6 of the SOOR Regulation any increase the Tribunal may determine in excess of 2.5 per cent, be it a general increase available to all office holders, or an increase provided to an individual office holder or group of office holders based on changes in work value, could only be paid if officer-related cost savings for the office holder (or group of office holders) have been achieved to fully offset the increased officer-related costs resulting from increased payment.
6. Since 2 October 2015, the Governor has received general annual increases capped at 2.5 per cent, apart from 2020 when there was a temporary wage pause pursuant to Clause 5A of the SOOR Regulation commencing 29 May 2020 and ending 12 months after that date.

2020 Determination

7. The Tribunal was required to give effect to the temporary wages policy which paused remuneration increases for 12 months and on 7 September 2021 determined that no increase would apply to the salary of the Governor.

2021 Determination

Government Submission

8. The Tribunal invited Mr Tim Reardon, Secretary of the Department of Premier and Cabinet, to make a submission on behalf of the Government prior to making its annual

report and determination.

9. Mr Reardon provided the Government submission to the Tribunal on 2 September 2021, which supports an increase of 2.5 per cent, adjusted to 2.04 per to take into account the cost of the recent superannuation guarantee contributions increase (the SGC):

‘The NSW Government supports the Statutory and Other Offices Remuneration Tribunal in determining an increase of 2.5 per cent in relation to the annual salary of the Governor of NSW effective from 2 October 2021. The increase will be adjusted to 2.04 per cent to take into account the cost of the recent SGC increase.

Such a determination would be appropriate and consistent with the NSW wages policy and reflects the NSW Government’s intent, pursuant to section 6AB of the Statutory and Other Offices Remuneration (Judicial and Other Office Holders) Regulation 2013.’

Superannuation Guarantee Contributions

10. Information published on the Australian Taxation Office website confirms the previous and future percentage increases to the superannuation guarantee since 1 July 2002, when the general superannuation guarantee was 9.00 per cent:

Date of increase	Percentage increase (%)	General super guarantee (%)
1 July 2013	.25	9.25
1 July 2014	.25	9.50
1 July 2021	.50	10.00
1 July 2022	.50	10.50
1 July 2023	.50	11.00
1 July 2024	.50	11.50
1 July 2025	.50	12.00

11. The Tribunal reviewed the impact of the SGC increase on other office holders subject to determinations under Part 3 of the SOOR Act in the 2021 annual determination for the Public Office Holder Group, Court and Related Officers Group and Judges and Magistrates Group. The Tribunal is required under the SOOR Regulation to take account of the cost of SGC increases in its remuneration determination for the Governor. The Governor receives a salary and there is an employer on-cost associated with the SGC

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increase. Therefore, it is open to the Tribunal to determine an annual increase in remuneration of up to 2.5 per cent adjusted accordingly to account for the cost of the SGC increase.

12. The Government submission outlines the Government's view of appropriate adjustments in respect of the SGC.

Conclusion

13. The Tribunal, after having regard to the provisions of section 6AB of the SOOR Act, finds that the Governor should receive the maximum permissible increase, although adjusted to 2.04 per cent to take into account the SGC increase. This is consistent with the increase recommended in the Government submission.
14. Pursuant to section 13 and Part 3 of Schedule 6 of the SOOR Act the Tribunal determines an increase of 2.04 per cent to the salary payable to the holder of the office of Governor effective on and from 2 October 2021. The new rate is as set out in Determination No. 1 below.

Determination No. 1- Governor

Annual determination of the remuneration to be paid to the holder of the office of Governor of New South Wales effective on and from 2 October 2021.

Public Office Holder	Salary per annum
Governor	\$513,860

The Statutory and Other Offices Remuneration Tribunal

(Signed)

Richard Grellman AM

Dated: 6 September 2021