



65 Martin Place
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SYDNEY NSW 2001

RESERVE BANK OF AUSTRALIA

~~PRIVATE AND CONFIDENTIAL~~

1 December 2009

The Hon Wayne Swan MP
Treasurer
Suite MG 47
Parliament House
CANBERRA ACT 2600

Dear Treasurer

On behalf of the Reserve Bank Board, I am writing to inform you of the Board's decision at its November 2009 meeting regarding the remuneration of the Governor and Deputy Governor.

Following a recommendation by the Board's Remuneration Committee, the Board approved a 3 per cent increase in the salaries of the Governor and Deputy Governor, effective from 6 November 2009.

Details of the current annual remuneration packages are shown in the tables below, with figures for the previous period shown for comparison.

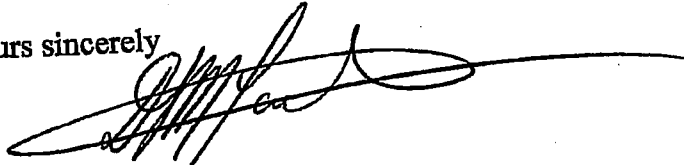
	Governor	
	From 6/11/09	1/7/08 – 5/11/09
Salary	\$809 889	\$786 300
Parking	\$7 841	\$7 050
Health Fund	\$5 340	\$5 354
Superannuation	\$172 506	\$167 482
Other allowances (including motor vehicle)	\$0	\$0
Total	\$995 576	\$966 186

	Deputy Governor	
	From 6/11/09	1/7/08 – 5/11/09
Salary	\$611 614	\$593 800
Parking	\$7 841	\$7 050
Health Fund	\$5 340	\$5 354
Superannuation	\$130 274	\$126 479
Other allowances (including motor vehicle)	\$0	\$0
Total	\$755 069	\$732 683

As I have noted previously, given the national significance of the Governor's position, the Board's Remuneration Committee and the Board itself discharge their responsibilities in this area in a disciplined manner. Moreover, from 2010 it is the Board's intention to include greater detail on the remuneration of the Governor and Deputy Governor in the Reserve Bank's *Annual Report*.

As the office of the Governor is a Principal Executive Office in terms of the Remuneration Tribunal's framework, we have advised the President of the Tribunal of these remuneration adjustments, so that this information can be considered by the Tribunal in its deliberations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. McGauchie', with a long horizontal flourish extending to the right.

Donald McGauchie AO
Chairman, Remuneration Committee