Salary Packaging Policy

Section 1 - Introduction

(1) The University of Newcastle (University) offers salary packaging to eligible staff. Salary packaging is designed to provide an opportunity to structure remuneration in a tax effective manner, in accordance with Australian taxation laws.

(2) Salary packaging is a key benefit that enhances the University's reputation as an employer of choice, providing incentives to eligible current and prospective staff.

Section 2 - Purpose

(3) This policy outlines the University's salary packaging arrangements and requirements for their management.

Section 3 - Eligibility and Scope

(4) Continuing staff members have access to the full range of approved salary packaging benefits.

(5) Contingent staff members, as defined by the University's enterprise agreements, have access to the full range of approved salary packaging benefits, limited by the term of their employment.

(6) Fixed term staff members have access to a reduced range of approved salary packaging benefits, limited by the term of their employment.

(7) Casual staff members may package a fixed percentage of their salary to their nominated superannuation scheme.

(8) This policy does not apply to persons employed by any controlled entity of the University.

Section 4 - Policy Principles

(9) Eligible staff can choose to package up to 100% of their gross salary after authorised deductions and in certain circumstances.

(10) Staff wishing to enter into a salary packaging arrangement must do so on a prospective and voluntary basis.

(11) All available salary packaging benefits will comply with the Fringe Benefits Tax Assessment Act 1986 and Australian Taxation Office (ATO) requirements and will fall within the following three Fringe Benefits Tax (FBT) categories:

a. Exempt Benefits;
b. Otherwise Deductible Benefits;
c. Concessionally Taxed Benefits.

(12) Fully taxable benefits are not available under the University's salary packaging scheme.

(13) The list of salary package benefits made available to eligible staff may be varied at any time and is subject to approval by the Vice-Chancellor. Refer to Section 7 for approved benefits.

(14) The administration of salary packaging may be undertaken either through in-house arrangements for selected benefits or by utilising the services of an external provider.

(15) Salary packaging arrangements are provided at no cost to the University. Staff who choose to enter into salary packaging arrangements are responsible for all applicable administration fees, charges and taxes. Any outstanding costs associated with salary packaging owed by staff members to the University, including FBT liability, will be deducted from the staff member's salary in accordance with the following timeframes:

a. $0 to $500 over one pay period;
b. $500 to $1,000 over two pay periods;
c. $1,000 to $2,000 over three pay periods;
d. $2,000 to $3,500 over four pay periods;
e. Above $3,500 by negotiation, but not to exceed six pay periods.

Section 5 - Administration

Salary Packaging Arrangements and Amendments

(16) Salary packaging arrangements are subject to the terms and conditions prescribed by the relevant salary packaging provider and the specific category of benefit being packaged.

(17) Eligible staff members who choose to salary package must ensure that their salary packaging arrangement is authorised and executed in accordance with the requirements stipulated by the relevant salary packaging provider. Staff entering into novated lease agreements must obtain prior approval from an authorised delegate.

(18) Staff may amend their salary packaging arrangements, subject to the terms, conditions and authorisation processes required by the relevant salary packaging provider and relevant taxation laws.

(19) The University reserves the right to review and adjust salary packaging arrangements in line with changes in legislation, taxation rulings, or University policy.

Termination of Packaging

(20) Salary packaging arrangements will automatically terminate upon cessation of employment with the University.

(21) Staff may opt-out of salary packaging by providing written notice, subject to the terms and conditions outlined in their agreement.

(22) In cases of termination of employment or withdrawal from salary packaging, all outstanding amounts, including any tax liabilities, must be settled before the final salary payment is made.

Section 6 - Responsibilities

(23) The Chief Financial Officer is responsible for ensuring salary packaging arrangements comply with relevant taxation laws and regulations, including the Fringe Benefit Tax Assessment Act 1986 and guidelines provided by the Australian Taxation Office (ATO).

(24) The Chief Financial Officer will monitor changes to relevant taxation laws and regulations and any impact on the range of offered benefits.

(25) The Chief People and Culture Officer will regularly review and update this policy to comply with any changes in taxation laws or related regulations. Staff will be informed of significant changes that may impact their salary packaging arrangements.

(26) Staff members are responsible for seeking independent financial advice prior to entering into a salary packaging arrangement, particularly in relation to FBT and income tax issues and associated implications. This responsibility also applies in the event of any changes to their existing arrangement, including but not limited to changes in eligibility, benefits offered, or personal circumstances that may affect their entitlement or tax position. A salary packaging arrangement may affect:

a. The Medicare Levy Surcharge;
b. study and training support loan compulsory repayments;
c. some tax offsets;
d. child support payments;
e. some government benefits.

Section 7 - Approved Salary Packaging Benefits

(27) The following salary packaging benefits are approved as at the effective date of this Policy:

Benefit	Salary Packaging Provider
Vehicles – novated leasing	SG Fleet
Pre-tax voluntary superannuation contributions	Superannuation Fund, administered via University of Newcastle Payroll
Staff parking permits	In-house – administered by the University of Newcastle
Living away from home allowance and relocation expenses	SG Fleet
Laptop	SG Fleet
Mobile Phone / PDA	SG Fleet
Miscellaneous Benefits	SG Fleet

(28) For further information please refer to the Salary Packaging website.

Status and Details

Status	Current
Effective Date	29th June 2026
Review Date	17th June 2028
Approval Authority	Chief People and Culture Officer
Approval Date	29th June 2026
Expiry Date	Not Applicable
Responsible Executive	Martin Sainsbury Chief People and Culture Officer martin.sainsbury@newcastle.edu.au
Enquiries Contact	HR Services Remuneration and Benefits 4033 9999

Glossary Terms and Definitions

"University" - The University of Newcastle, a body corporate established under sections 4 and 5 of the University of Newcastle Act 1989.

"Controlled entity" - Has the same meaning as in section 16A of the University of Newcastle Act 1989.

"Staff" - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

"Delegate" - (noun) refers to a person occupying a position that has been granted or sub-delegated a delegation of authority, or a committee or body that has been granted or sub-delegated a delegation of authority.