

## STATUTORY AND OTHER OFFICES REMUNERATION TRIBUNAL

Report and Determination for Mr Michael Pratt in the role of Secretary of the Treasury pursuant to Section 24P of the *Statutory and Other Offices Remuneration Act 1975*.

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### PREMIER'S DIRECTION

1. On 13 July 2017 the Statutory and Other Offices Remuneration Tribunal (the Tribunal) received a request from the Premier, the Hon Gladys Berejiklian MP, pursuant to section 24P of the *Statutory and Other Offices Remuneration Act 1975* (the SOOR Act) to make a determination as to whether, and (if so) how, the determination of the range of remuneration packages of Band 4 Public Service Senior Executives should be altered in relation to Mr Michael Pratt in the role of Secretary of the Treasury.
2. Section 24P of the SOOR Act provides for the Premier to direct the Tribunal to make a special determination in the following terms:

#### **24P Special determinations**

*If the Minister so directs, the Tribunal is required to make (not later than the day specified in the direction as the day on or before which the determination is to be made) a determination as to whether, and (if so) how, any determination already made should be altered in relation to remuneration packages as are referred to in the direction.*

3. The Secretary of the Treasury is a Public Service Senior Executive (PSSE) Band 4 – Secretary Level role. The determination already made in respect of PSSE Band 4 – Secretary Level is the Tribunal's 2016 annual determination which provides the following remuneration package range:

Band	Per annum range		
Band 4 - Secretary level	\$452,251	to	\$522,500

4. This determination will alter the annual determination in respect of the remuneration range for Band 4 in relation to the remuneration package for Mr Pratt in the role of Secretary of the Treasury.

## **BACKGROUND**

5. NSW Treasury advises the NSW Government on state financial management policy and reporting, on economic conditions and issues, and on industrial relations matters. NSW Treasury also coordinates the State Budget, manages the State's financial assets, monitors the performance of the State's commercial agencies, implements industrial relations policy, and monitors and reviews policy, expenditure and budgets of NSW Government agencies.
6. The Secretary of NSW Treasury provides strategic leadership to the Department and any related executive agencies to ensure the delivery of their policy and corporate objectives. The Secretary is responsible for the development and delivery of economic policy and financial management strategies to deliver services for NSW in line with the Government's strategic objectives.
7. The Secretary of the NSW Treasury is one of the State's most senior public servants and as such has unique leadership and stewardship responsibilities beyond Treasury including providing expert and independent advice to the NSW Government on the State Budget.
8. The Premier has advised that Mr Pratt will be appointed to the role of Secretary of the Treasury commencing on 1 August 2017. The Premier has advised that it is appropriate that Mr Pratt receive a total remuneration package, including the discretionary performance component, comparable to that received by other Secretaries employed under the same conditions. Having regard to the seniority of the role the Premier has recommended that Mr Pratt receive remuneration equivalent to that provided to the current Secretary of the Treasury being \$563,750 per annum, plus a discretionary range of up to 12 per cent.
9. In determining the appropriate remuneration for the Secretary of the Treasury the Tribunal has had regard to the role and its responsibilities and the Premier's recommendation. The Tribunal notes that remuneration for the most senior roles should be sufficient to ensure the best candidates can be attracted, and retained, to work for the NSW Government.
10. The Tribunal is of the view that the remuneration package for Mr Pratt in the role of Secretary of the Treasury will be \$563,750 per annum. In addition to this base amount a discretionary remuneration range of up to 12 per cent will apply. This determination will alter the Tribunal's determination in respect of Band 4 remuneration levels.

11. This determination is made prior to the making of the 2017 annual determination. To maintain relativity between Secretary remuneration levels the amount determined in this special determination will be amended by the annual determination to reflect the general increase, if any, that will apply to all Public Service senior executives with effect from 1 July 2017. The amended determination, if any, for Mr Pratt will take effect from the date of his appointment being 1 August 2017.
12. The determination is made in accordance with section 24R(3)(a) of the SOOR Act, which provides for the Tribunal to fix a remuneration package for a particular senior executive named in the determination. Consistent with the Premier's request, this determination is personal to Mr Pratt, is not a determination that applies to the office of Secretary of the Treasury or to future appointments to the role.

### **DETERMINATION**

Pursuant to section 24P of the *Statutory and Other Offices Remuneration Act 1975* the Tribunal determines that the range of remuneration packages of Band 4 Public Service senior executives is altered to provide Mr Michael Pratt, in the role of Secretary of the Treasury, with a remuneration package of \$563,750 per annum plus a discretionary remuneration range of up to 12 per cent in addition to the base amount, effective from the date of his appointment being 1 August 2017.

<b>Band</b>	<b>Per annum range</b>			
Band 4 - Secretary level	\$452,251	to	\$522,500	Mr Michael Pratt, Secretary of the Treasury: \$563,750 per annum plus a discretionary remuneration range of up to 12 per cent in addition to the base remuneration.

### **Statutory and Other Offices**

#### **Remuneration Tribunal**

*(Signed)*

Richard Grellman AM

**19 July 2017**