

STATUTORY AND OTHER OFFICES REMUNERATION TRIBUNAL

Report and Determination for the first person appointed as Secretary of the Department of Premier and Cabinet since the commencement of the *Government Sector Employment Act 2013* (pursuant to Section 24P of the *Statutory and Other Offices Remuneration Act 1975*)

PREMIER'S DIRECTION

1. On 4 September 2014, the Statutory and Other Offices Remuneration Tribunal (the Tribunal) received a direction from the Premier, the Hon Mike Baird MP to make a special determination as to, 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 the first person appointed as Secretary of the Department of Premier and Cabinet (DPC) since the commencement of the *Government Sector Employment Act 2013* (GSE Act).

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 Department of Premier and Cabinet will be employed as a Public Service Senior Executive (PSSE) Band 4 – Secretary Level. The determination already made in respect of PSSE Band 4 – Secretary Level is the Tribunal's 2014 annual determination which provides the following remuneration package range:

Band	Per annum range		
Band 4 - Secretary level	\$430,451	to	\$497,300

4. The Premier has directed the Tribunal to alter its determination of 1 July 2014 in respect of the remuneration range for Band 4 in relation to the remuneration package for the first person to be appointed as Secretary, DPC since the commencement of the GSE Act.

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BACKGROUND

5. Since 2008 the Tribunal has determined a specific remuneration package for the role of Director General (now Secretary), DPC. The package has been greater than the maximum remuneration provided for under the then senior executive remuneration structure in recognition of the demands of the role.
6. The Tribunal last made a determination for the role of Director General DPC during the 2013 annual review, determining a remuneration package of \$559,445. That determination was made under section 3A of the SOOR Act and applied to the office holder appointed under the *Public Sector Employment and Management Act 2002* (repealed).
7. The Premier has directed the Tribunal to determine the remuneration package which will apply to the first person to be appointed as Secretary, DPC under section 23 of the GSE Act.
8. In directing the Tribunal to make this determination the Premier has advised that remuneration in excess of the maximum of Band 4 is necessary to ensure a suitably qualified and experienced candidate may be selected. The need for additional remuneration is supported by the responsibilities and scope of the role. The Secretary of DPC provides strategic leadership and management to DPC and its related executive agencies to ensure delivery of their policy and corporate objectives. The Secretary is the State's most senior public servant and as such has unique leadership and stewardship responsibilities beyond the Department including providing the Premier with expert and independent advice on state and intergovernmental policies and strategic objectives.
9. In determining the appropriate remuneration the Tribunal has had regard to the role and responsibilities of the position and the remuneration provided to similar roles in other jurisdictions. The Tribunal has also had regard to advice contained in the Premier's direction to the Tribunal.

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10. The Tribunal is of the view that the remuneration package for the first person appointed as Secretary, DPC since the commencement of the GSE Act will be \$569,965 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 with effect from 1 July 2014.
11. The Tribunal's determination is consistent with advice contained in the Premier's direction and provides flexibility for remuneration movement over time if the person appointed as Secretary, DPC exceeds performance expectations, as assessed by the Premier. The determination is also consistent with the Government's Wages Policy in that the base remuneration package is equivalent to the amount received by the former Director General of DPC increased by 1.88 per cent, consistent with the Tribunal's 2014 annual determination for public service senior executives.
12. While the determination is consistent with the Premier's direction and the recommendation in the accompanying statement, 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. While remuneration is not always the primary consideration in a decision to seek public employment, it is important that executive salaries remain competitive with those in other jurisdictions and in the private sector.
13. The Tribunal's determination will take effect from the date of the appointment of the first person appointed as Secretary, DPC since the commencement of the GSE Act.

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 the first person appointed as Secretary of the Department of Premier and Cabinet, since the commencement of

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the *Government Sector Employment Act 2013*, with a remuneration package of \$569,965 per annum plus a discretionary remuneration range of up to 12 per cent in addition to the base remuneration.

Band	Per annum range			
Band 4 - Secretary level	\$430,451	to	\$497,300	First person appointed as Secretary, Department of Premier and Cabinet under section 23 of the <i>Government Sector Employment Act 2013</i> : \$569,965 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
17 September 2014