

27 August 2024

Tribunal Secretariat  
Victorian Independent Remuneration Tribunal

Via email [enquiries@remunerationtribunal.vic.gov.au](mailto:enquiries@remunerationtribunal.vic.gov.au)

**Re: Submission to the Tribunal's 2024 PE Determination**

Thank you for the opportunity to provide a submission to the Tribunal's 2024 Public Entity Determination.

The responses from [REDACTED] are noted following your questions in red below.

**1. How has the role of public entities, and the role of executives employed in public entities, evolved since the Tribunal's 2020 Determination?**

In our view, there is currently a greater need for executives in public entities to work in their areas of expertise to compensate for resource gaps in addition to their generalist management responsibilities. This is mainly due to budget constraints since COVID which we imagine are not unique to [REDACTED]. Whilst this is inherently not a bad thing, it certainly can detract from strategic focus of executives and blur the lines between executive roles and those of other senior managers.

**2. Are the values of the existing remuneration bands competitive in terms of attracting and retaining executive talent, noting that an employer must seek and consider the Tribunal's advice if they propose to pay an executive above the band?**

Other than our Director and Chief Executive position, [REDACTED] has not recruited an Executive since before COVID19. We are currently finalising an organisation review and will be going to market in coming months after which time we will be better placed to respond to this point.

**3. In benchmarking the remuneration of public entity executives against the broader market, what is an appropriate market positioning (e.g. low, middle or high), and why?**

Historically, we believe the benchmarking has been aligned to the 25<sup>th</sup> percentile of the market. This in our view does not serve to attract people with the skills and expertise from the broader market. We feel positioning the remuneration closer to the middle of the market would expand the pool of suitable candidates when recruiting to executive positions.

4. How are market conditions or pressures affecting the ability of public entities to attract and retain executives? Please provide specific data or information to support your response, noting that submitters may request this data or information be treated as confidential (i.e. not published on the Tribunal's website).

As per our response to question 2 above, we are currently unable to comment on this.

5. Are the values of the existing remuneration bands fair and equitable for employers and executives?

██████ believes the existing bands are fair and equitable for all parties.

6. Are the relativities in remuneration between executives and non-executives in public entities appropriate?

As the government wages policy is applied through Enterprise Agreement negotiations, the relativity between executives and non-executives has shrunk over the past few years, particularly when there was no guideline rate increase approved by the Premier, or, when executive increases were lower than the government wages policy.

We feel it may be a consideration to ensure the guideline rate increases for executives are either the same as the increases provided to the relevant entity's employees through their enterprise agreements, or the Premier's guideline rate increase, whichever is the greater.

7. How should the Tribunal consider the non-financial aspects of working as an executive in a public entity, that is, the 'employee value proposition'?

██████ has no view in relation to this.

8. The existing remuneration bands each correspond to a single classification level set by the relevant executive classification framework. Are the classification levels a suitable basis for setting the remuneration bands? Should the Tribunal consider other options, such as a different number of remuneration bands?

In our view, the classification levels are a suitable basis for setting the remuneration bands. Additional bands that do not align with the classification levels may just cause further confusion, particularly as we are now conducting the assessments of Executive positions against the framework in house.

9. What changes, if any, could be made to the PE Guidelines to better support employers to place executives within the remuneration bands?

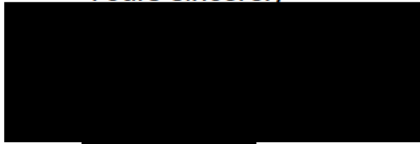
The PE Guidelines are well written, and we appreciate the information and support. No suggested changes come to mind.

10. Are there any other matters the Tribunal should consider as part of its deliberations?

None at this stage.

Thank you again for the opportunity to provide our input into these matters and I look forward to receiving information about the final determination once the process is complete.

Yours sincerely

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