

19 February 2020

Victorian Independent Remuneration Tribunal
1 Treasury Place
Melbourne Victoria 3002
enquiries@remunerationtribunal.vic.gov.au

Dear Mr McCann,

Re: North East WRRG Feedback to Independent Remuneration Tribunal review of remuneration bands for executives

Thank you for your letter dated 29th January 2020, seeking feedback from the North East Waste Resource and Recovery Group (NEWRRG) with regards to your current review and determination of remuneration levels for executive bands. This review will directly impact on the employment conditions of the NEWRRG Executive Officer (EO).

NEWRRG have experienced numerous ongoing challenges relating to the recruitment and retention of the EO position over a number of years and the Board believes that the low remuneration level of the role has contributed to this issue.

Whilst our organisation is very small in size when measured in equivalent fulltime staff, we service a large geographic region with many important stakeholders but very few resources to achieve this. Specifically we support:

- seven Councils,
- three Alpine resorts
- numerous national and multi-national industries in our area

as well as a diverse collection of small-medium industries.

As a result, our EO is required to be able to relate to a broad range of representative of these stakeholders (from technical/shop floor staff through to Chief Executives/Managing Directors) and in doing so exercise a high level of judgement in the workplace as they have the authority and responsibility for all aspects of the organization's work.

In their roles they must be both strategic leaders as well as operational and administrative experts as they are responsible for ensuring compliance with legislation, governance, business planning and program delivery.

They are fully accountable for actions taken and decisions made, both by themselves and their employees and must assist the Board in meeting its statement of expectations.

The EO is also wholly responsible for identifying and managing operational and corporate risks for the organisation and, where those risks could have a material impact on the organisation, formulating strategies for managing and mitigating those risks, including for consideration and endorsement (as applicable) by the board and the Minister.

The growing interest in the use and recovery of resources, by the community and now by the state means that there is added expectation on the leader of our group to be visible in local and state settings. Furthermore as the Waste and Resource Recovery Groups hold more technical staff in this space than those in the portfolio partners of DELWP and SV, our EO is expected to have time to contribute to a broad range of state initiatives – in the policy development space, program delivery space (such as the e-waste recovery sheds and education and the recent litter strategy) and community education processes as a regional “arm” of government.

By comparison our remuneration limits do not appear to compare to that of regional directors of portfolio partners or Chief Executives of other agencies. Whilst the latter would arguably have more staff and programs to direct we would put forward that this indeed shares the responsibility and effort compared to our operations.

To be successful in the role our EO is required to perform a wide breadth of management including developing strategy, business planning, corporate governance, financial management, people leadership, stakeholder management and operational delivery.

In an organisation that does not have any enforcement or regulatory powers, the EO is required to produce outcomes with local government and industry using very high-level strategic influencing and stakeholder management skills. The skill of strategic influencing is a key competency for the EO role which requires establishing credibility and trust and use of compelling data to gain engagement and to impact waste and resource recovery programs within the regions. A high level of tact and diplomacy coupled with innovative thinking is required to be successful in the role.

The increasing demands of this important role, together with the broad skill set required to be successful, is resulting in a limited pool of talent available for a position such as this in a regional area and impacting our ability to attract and retain staff to this position.

Our recruitment experiences have been that the sources of potential new staff to this position are limited to other government agencies (local and state) and comparatively the remuneration and overall benefits of the role are often much lower than these workplaces and vastly different to packages in the private sector.

Further to this, the remuneration level of the EO position has been inconsistent with the salary structure of the Statewide Waste and Resource Recovery Groups EBA that the balance of the staff operate under, meaning that benefits offered to senior staff other than the EO position are more significantly more attractive – especially when considering the reduced level of responsibility and risk these roles hold.

We would ask that when you prepare your recommendations for the calculation of remuneration that you contemplate a model that factors in the diverse skills, limited contract periods (that can detract from new candidates relocating) and additional burden that falls to Executive Officers in this space due to the need to meet such a broad remit of work with a very small team.

We are most mindful that as a group we must balance this request with our ongoing commitment to financial sustainability given the limited funding model that we operate under and are pleased to have the opportunity to raise these concerns in relation to the current remuneration bands applicable to the EO position of NEWRRG,

Please don't hesitate to contact me if you would like to discuss this matter further or would like specific information on any points raised. We look forward to the outcome of your review and determination.

Yours sincerely,



Veronica Schilling
Chairperson