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Mr Warren McCann
Chair
Victorian Independent Remuneration Tribunal
Suite 1, Ground Floor
1 Treasury Place
MELBOURNE VIC 3002

Dear Mr McCann

Thank you for the opportunity to make a submission to the Tribunal on the proposed determination setting the values of remuneration bands for executives employed in prescribed public entities.

We recognise that the Act sets out matters that the Tribunal is required to consider. However, we believe that this list needs to be expanded to include:

- Current remuneration for similar roles in the broader community and private sector. It is recognised that being an executive in the public sector by definition is about public service and thus remuneration would be expected to be lower than similar roles in publicly listed companies. However, the level of difference in remuneration makes it challenging to attract the best suite of high calibre candidates. There have also been instances where candidates from other public entities such as local government and departments have had to take salary decreases to lead prescribed public entities.
- Existing remuneration provided to executives across government departments. Unfortunately, there seems to be a significant disparity with CEO's of prescribed public entities being disadvantaged compared to their departmental colleagues.

We would also like to raise the issues around the processes applied by the Tribunal for approval of salaries for candidates. In order to attract quality candidates for roles we need to indicate to candidates the band in which we can negotiate. It is then challenging for an organisation to have the Tribunal reject a proposed salary and stipulate a lower salary. This combined with the length of the process, which is significantly longer compared to other public and private sector recruitment/remuneration processes, can result in losing excellent candidates in highly competitive markets.

Given that prescribed public entities conduct rigorous recruitment processes we propose that these entities should be able to present in person to the Tribunal and answer any questions arising rather than be subjected to decisions that appear to place too much emphasis on one or two of the core competencies that are listed in the Proposed Public Entity Executive Classification Framework 2019. In respect to the core competencies outlined in the Executive Classification Framework, from my experience, values and leadership are the defining attributes that should be assessed above technical knowledge and resource management.

We thank the Tribunal for consideration of this response and would welcome further discussion on the matters raised.

Yours sincerely

Heather Campbell
Chair

