

Advice to the Major Transport Infrastructure Authority to pay the Program Director, Level Crossing Removal Project above the remuneration band

Advice reference 2022/18
Date 31 May 2022

This advice is provided under section 37 of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic).

Details of proposal

The Major Transport Infrastructure Authority seeks advice on a proposal to pay the following executive above the maximum of the relevant remuneration band set by the *Remuneration bands for executives employed in public service bodies (Victoria) Annual Adjustment Determination 2021*:

Executive	██████████
Position	Program Director, Level Crossing Removal Project
Remuneration band	SES-2
Maximum of band SES-2	\$370,331
Proposed TRP	██████████
Proposed percentage above the band	████
Contract period	01/04/2022 to 31/03/2025

Advice

- 1 The Victorian Independent Remuneration Tribunal (**Tribunal**) advises the Major Transport Infrastructure Authority that an appropriate total remuneration package (**TRP**) for the position of Program Director, Level Crossing Removal Project is within the SES-2 remuneration band (\$257,112 – \$370,331 per annum).
- 2 The Tribunal advises that it is appropriate that this position be paid within the SES-2 remuneration band for the following reasons:
 - (a) The functions and responsibilities of the position.
 - (b) The skills and experience that are relevant to the position.
 - (c) Relativities with similar positions in the organisation.
 - (d) The remuneration benchmarking information available to the Tribunal on the relevant market rates for such a position.
- 3 The Tribunal considers that increasing an executive's TRP above the relevant remuneration band based on their performance is equivalent to a bonus payment that is consolidated into TRP. The Tribunal notes that from 2016, bonus opportunities were progressively removed from Victorian public service executive contracts consistent with Victorian Government policy.
- 4 However, as this is a reappointment to the position, the Tribunal considers that an appropriate TRP for [REDACTED] in the position is \$375,689 per annum, which exceeds the maximum of the relevant remuneration band, for the following reasons:
 - (a) The appropriate TRP for the position.
 - (b) [REDACTED]
- 5 The Tribunal notes that its advice must be sought again for a mid-contract remuneration adjustment, reappointment or a new appointment, if it is proposed to continue paying the executive above the maximum of the remuneration band.