

Advice to the Major Transport Infrastructure Authority to pay the General Manager Strategy, West Gate Tunnel Project above the remuneration band

Advice reference 2020/09
Date 19 November 2020

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 Public Service Bodies (Victoria) Determination No. 01/2020:

██████████	████████████████████
Position	General Manager Strategy, West Gate Tunnel Project
Remuneration band	SES-2
Maximum of band SES-2	\$360,000
██████████	██████████
██	██████████
Contract period	3 years

Advice

- 1 The Victorian Independent Remuneration Tribunal (**Tribunal**) advises the Major Transport Infrastructure Authority (**MTIA**) that it does not support paying the executive in the position of General Manager Strategy, West Gate Tunnel Project (**WGTP**) the total remuneration package (**TRP**) proposed.
- 2 The Tribunal advises that an appropriate TRP for the executive in this position is \$430,000.
- 3 This TRP is 19 per cent above the maximum of the SES-2 remuneration band.
- 4 The Tribunal considers it appropriate that the executive be paid a TRP of \$430,000 which exceeds the maximum of the remuneration band for the following reasons:
 - (a) information referenced in the submission regarding labour market pressures in the relevant industry warranting a TRP above the SES-2 remuneration band
 - (b) the results of a work value assessment for the position, and the associated recommended remuneration range, provided with the submission. Noting that relative to the TRP advised by the Tribunal for the position of Chief Operating Officer, WGTP, the General Manager Strategy position has a lower work value assessment score than the Chief Operating Officer position, and therefore it is appropriate that this position be paid a lower TRP
 - (c) the fact the contract is for three years.
- 5 Going forward, the Tribunal will expect the MTIA to show evidence that a sound testing of the market and rigorous recruitment process have been undertaken prior to proposing a TRP amount that is above the relevant band.
- 6 The Tribunal will also continue to monitor Victoria's fiscal and economic conditions and the impact the pandemic has had on executive remuneration levels across all sectors.
- 7 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.