

Public Service Senior Executives

Annual Determination

Report and determination under section
240 of the Statutory and Other Offices
Remuneration Act 1975

15 July 2024

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Section 1

Background

Legislative Framework

1. Senior executives employed under the *Government Sector Employment Act 2013* (GSE Act) are referred to as Public Service senior executives (PSSEs).
2. Section 35 of the GSE Act provides that the Minister may determine bands in which senior executives are to be employed. The following four bands were determined by the then Premier with effect from 24 February 2014:

Band 4	Secretary level
Band 3	Deputy Secretary level
Band 2	Executive Director level
Band 1	Director level

3. Section 40 of the GSE Act provides for the remuneration package of a PSSE to be within the range determined under the *Statutory and Other Offices Remuneration Act 1975* (SOOR Act) for the band in which the executive is employed. Remuneration packages are expressed as a total cost of employment, whether the amount is monetary remuneration for the executive, or partly as that remuneration and partly as the cost to the employer of the executive's employment benefits.
4. Section 240 of the SOOR Act requires the Tribunal, each year, to make a determination on the remuneration packages for senior executives on and from 1 July in that year.
5. The Tribunal's determination provides for remuneration ranges for Bands 1 to 4 and specific remuneration packages for individual office holders identified in the determination.
6. This determination, made under Part 3B of the SOOR Act, also applies to any senior executive employed in the following aligned services:
 - NSW Police Force senior executive to whom Part 5 of the *Police Act 1990* applies, also the Commissioner of Police
 - NSW Health Service senior executive to whom Part 3 of Chapter 9 of the *Health Services Act 1997* applies

- Transport Service senior executive to whom Part 7A of the *Transport Administration Act 1988* applies.
7. Executive employment arrangements for Health Service senior executives, Transport Service senior executives and NSW Police Force senior executives align with those of PSSEs to the extent provided for in the legislation governing their employment.
 8. A small number of ‘transitional former senior executives’ and NSW Police Force senior executives may continue to be eligible for remuneration packages as determined under Part 3A of the SOOR Act. The remuneration ranges in the Former Chief and Senior Executive Service determination apply to these executives.

Government Wages Policy

9. The Tribunal is required, when making determinations under Part 3B of the SOOR Act, to give effect to any policy concerning the remuneration of executive office holders and senior executives. Section 6AA of the SOOR Act applies to the Tribunal’s determinations in respect of executive office holders and senior executives. Government policy concerning the remuneration of executive office holders and senior executives to which Part 3B of the SOOR Act applies is declared in the *Statutory and Other Offices Remuneration (Executive Office Holders and Senior Executives) Regulation 2023* (the Regulation).
10. In accordance with clause 4 of the Regulation the Tribunal is not to make a determination that has the effect of awarding an increase in remuneration that takes effect before 1 July 2025 to executive office holders and senior executives covered by Part 3B of the SOOR Act.

Economic Analysis

11. As outlined in its 2024-25 Budget papers,¹ the Government noted that the outlook is consistent with a soft landing for the NSW economy, with economic growth forecast to be subdued in the very near term, before accelerating through the course of 2024-25 as cost-of-living pressures ease.

¹ NSW Government. (2024). *NSW Budget 2024-25, Budget Paper No.01 Budget Statement*. <https://www.budget.nsw.gov.au/sites/default/files/2024-06/Budget-Paper-No.1-Budget-Statement-Budget-2024-25.pdf>

12. Cost-of-living pressures have weighed on household spending and slowed domestic economic growth in NSW. In particular, price growth for essential goods and services have continued to outpace discretionary items, constraining households' real purchasing power.
13. The softening in both spending growth and the labour market is helping to bring down inflation. Annual headline inflation in Sydney was 3.8 per cent through the year to the March 2024 quarter. This was higher than the national headline figure of 3.6 per cent. National underlying inflation rose by 4 per cent over the 12 months to the March 2024 quarter, which remains above the RBA's target band of 2-3 per cent despite easing from the peak of 6.8 per cent in December 2022.²
14. The Budget expected goods inflation to ease further in 2024 but elevated labour costs in the near term will keep services inflation high.
15. Labour supply has been boosted by international migration, driving a modest lift in the unemployment rate to 3.8 per cent in May 2024 from a low of 3.0 per cent in June 2023. The Budget papers noted that recent easing in the labour market was expected to continue with the unemployment rate rising to 4.5 per cent in the second half of 2025.
16. While the Budget provides for a 10.5 per cent increase to remuneration over 3 years for public sector workers, it notes that the wage freeze for Members of Parliament and Public Service senior executives continues to apply in 2024-25. By virtue of the Regulation, the freeze also applies to office holders with the Tribunal's remit.

2023 Determination

17. The Tribunal was required to give effect to the Regulation and the temporary wages policy, so on 26 July 2023, the Tribunal determined that no increase would apply to the remuneration packages for senior executives from 1 July 2023.

² Australian Bureau of Statistics. (2024). *CPI, Trimmed mean and Weighted median, Annual movement (%)*. <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

2023-2024 Special Determinations

18. The Tribunal has made 3 special determinations, pursuant to section 24P of the SOOR Act, since the making of the 2023 annual determination.
19. The determinations are available on the NSW Remuneration Tribunals website.³
20. Determinations in respect of executives who have vacated the specified role no longer apply.

³ Located at <https://www.remtribunals.nsw.gov.au/>

Section 2

2024 Annual Review

Government Submission

21. The Secretary, Premier's Department provided the Government submission. It was limited to noting the temporary 2-year freeze on increases in the remuneration of office holders under Parts 3, 3A and 3B of the Act, implemented by amendments to the Act in 2023.

Section 3

2024 Annual Determination

No Increase

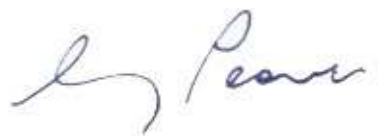
22. In accordance with the Regulation and the temporary wages policy, there will be no increase to the minimum and maximum of the remuneration package ranges for Bands 1 to 4. There will also be no increase applied to the remuneration packages for those senior executives named in the determination.
23. This determination is consistent with the temporary wages policy which the Tribunal is required to give effect to pursuant to the Regulation.
24. In making this determination, the Tribunal consulted with the Secretary, Premier's Department, in their capacity as Assessor under the SOOR Act. The other assessor role is currently vacant.
25. Pursuant to Section 24O of the SOOR Act, the Tribunal determines that the remuneration ranges for Bands 1 to 4 on and from 1 July 2024 shall be as specified in Determination No. 1.

Superannuation Guarantee Contributions

26. From 1 July 2024, the general SGC increases from 11.00 per cent to 11.50 per cent.⁴
27. As the Tribunal is required to not award an increase in remuneration on this occasion, it is not necessary to deal with the SGC increase.

⁴ Australian Taxation Office. (2024). *Super guarantee percentage*. <https://www.ato.gov.au/tax-rates-and-codes/key-superannuation-rates-and-thresholds/super-guarantee>

Statutory and Other Offices Remuneration Tribunal

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The Hon. Greg Pearce

Dated: 15 July 2024

Section 4

Determinations

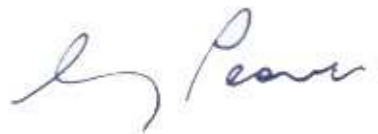
Determination No. 1 – Remuneration Package Ranges for the PSSEs

The Tribunal determines that the remuneration package ranges for Public Sector Senior Executive Bands and different remuneration packages that apply to senior executives named effective on and from 1 July 2024 shall be:

Public Sector Senior Executive Bands	
Band	per annum range
Band 4 – Secretary level	\$509,251 to \$588,250
Band 3 – Deputy Secretary level	\$361,301 to \$509,250
Band 2 – Executive Director level	\$287,201 to \$361,300
Band 1 – Director level	\$201,350 to \$287,200

Different remuneration packages that apply to the senior executives named	
Band 4 – Secretary level	
Ms Karen Webb, Commissioner of Police: \$679,050 per annum	
Mr Simon Draper PSM, Secretary, Premier's Department: \$623,300 per annum	
Mr Michael Coutts-Trotter, Secretary, Treasury: \$623,300 per annum	
Mr Murat Dizdar, Secretary, Department of Education: \$623,300 per annum	
Ms Elizabeth Mildwater, Secretary, Department of Creative Industries, Tourism, Hospitality and Sport: \$623,300 per annum	
Ms Susan Pearce, Secretary, Ministry of Health: \$623,300 per annum	
Mr Michael Tidball, Secretary, Department of Communities and Justice: \$623,300 per annum	
Band 3 – Deputy Secretary level	
Mr Tom Gellibrand, Chief Executive Officer and Co-ordinator General, Infrastructure NSW, \$588,250 per annum	
Band 2 – Executive Director level	
Mr Douglas Parris, Executive Project Director, Energy Corporation of NSW (EnergyCo): \$464,058 per annum	
Mr Andrew Kingsmill, Executive Director, Technical Advisory Services, Energy Corporation of NSW (EnergyCo): \$397,300 per annum	

Statutory and Other Offices Remuneration Tribunal

A handwritten signature in dark ink, appearing to read "Greg Pearce". The signature is fluid and cursive, with the first name "Greg" written in a larger, more prominent script than the last name "Pearce".

The Hon. Greg Pearce

Dated: 15 July 2024