

GOVERNMENT EMPLOYEES SUPERANNUATION BOARD — EXECUTIVE REMUNERATION

3760. Hon Giz Watson to the Minister for Finance representing the Treasurer

Referring to the then Minister's media release, 'Outcome of public sector superannuation review' of 15 April 2010, I ask —

- (1) What is the current total remuneration package of GESB's CEO and executives?
- (2) Did the CEO and/or the executive receive or will they receive any remuneration increases since 1 July 2009?
- (3) If yes to (2), please provide details.
- (4) If yes to (2), how do these increases compare with those of the Special Division of the Western Australian Public Sector for the same period?
- (5) How does the total value of these packages compare with remuneration of CEOs and executives of public sector superannuation funds in the other States?
- (6) Were any of the executives employed by GESB since 2005, working as public servants in the year prior to becoming GESB contract staff?
- (7) If yes to (6), please provide names and their classification as public servants.
- (8) What action has been taken 'to bring senior executive remuneration at GESB back within the jurisdiction of a Salaries and Allowances Tribunal'?
- (9) What is the timeline for implementation of (8)?
- (10) Could the Treasurer please provide an update on the progress of implementing the Whithear Report reforms?

Hon SIMON O'BRIEN replied:

- (1) The current total remuneration packages of GESB's CEO and executives, including salary superannuation and fixed benefits, at 31 March 2011 are —

\$220 000 – \$230 000	1
\$250 001 – \$260 000	1
\$260 001 – \$270 000	1
\$270 001 – \$280 000	1
\$310 001 – \$320 000	1
\$320 001 – \$330 000	1
\$520 001 – \$530 000	1

- (2) The CEO has received a minor increase in remuneration. The value of other benefits in the remuneration package increased by \$974 in 2009 and by \$392 in 2010. Four of GESB's six executives have received remuneration increases since 1 July 2009.

- (3) In 2009 four GESB executives did not receive a salary increase. Two executives received salary increases of 10.4 per cent each. The value of other benefits in the remuneration packages increased by \$974.

In 2010 two GESB executives did not receive a salary increase. Four executives received salary increases ranging from 5.3 per cent to 10.5 per cent. The value of other benefits in the remuneration packages increased by \$99.

- (4) The following general increases were determined for Special Division holders, by the Salaries and Allowances Tribunal (SAT) -

1 April 2010 — 3.5 per cent plus a flat \$5 000 increase to CEO's

1 April 2011 — 3.6 per cent plus further adjustments for some CEO's that were aligned to a new salary scale.

- (5) The 2011 Fund Executive and Staff Remuneration Survey by McGuirk Management Consultants Pty Ltd [the FEAL Survey] provides remuneration benchmarks for 88 Funds, including 14 Public Sector Funds.

GESB remuneration sits in the top range of the 14 public sector superannuation funds who respond to the FEAL survey, noting that DESB is one on the largest funds participating in the survey and is independently ranked in the top ten superannuation and retirement funds in Australia.

- (6) Yes
- (7) M. Ahearn — Class 1
- (8) The Department of Treasury and Finance, Public Sector Commission and Salaries and Allowances Tribunal have been working together to develop a framework by which the remuneration of relevant GESB Executives (and other Government Trading Enterprises) will be under the jurisdiction of the Salaries and Allowances Tribunal. This is also in line with the Economic Audit Committee's recommendation 28(b).
- (9) A proposal has been developed between the three agencies, and is currently being finalised by the Public Sector Commission. It is expected that the final recommendations will be provided for the Government's consideration in the near future.
- (10) A Superannuation Reform Implementation Steering Group was established by the former Treasurer in August 2010. The Steering Group is chaired by Stephen Home of the Department of Premier and Cabinet and comprises senior representation from GESB, Department of Treasury and Finance (DTF), Department of Commerce, Public Sector Commission, State Solicitor's Office and Unions WA. The steering group is charged with implementing Cabinet's reform decision.

A State Superannuation Amendment Bill 2011 that would facilitate Choice and give effect to some other aspects of the Government's March 2010 reform decision will soon be introduced into Parliament.