

Government Business Executive Remuneration Advisory Panel

Terms of Reference

Background:

The Government Business Executive Remuneration Advisory Panel was established in October 2013 and is accountable to the Treasurer.

The Government Business Executive Remuneration Advisory Panel is to provide advice to the Government on director, executive and employee remuneration policy for Government businesses.

Roles and responsibilities:

The Panel's role is to:

1. advise the Shareholding Ministers on matters relating to director, executive and employee remuneration within Government businesses;
2. establish and periodically review the Board sizing statements of Government businesses;
3. establish and periodically review the remuneration bands for Chief Executive Officers of Government businesses;
4. Board sizing statements and remuneration bands are to be reviewed in the context of:
 - the legal, regulatory and industrial environment and labour market conditions;
 - any independent advice received by the Government regarding appropriate levels of executive remuneration in the Government business sector; and
 - the *Guidelines for Tasmanian Government Businesses - Director and Executive Remuneration* published by the Department of Treasury and Finance;
5. review and endorse the remuneration packages of all Chief Executive Officers of Government businesses prior to their appointment or re-appointment;
6. consider and provide advice and recommendations to the Treasurer and Cabinet on any remuneration issues referred to it by the Treasurer, Cabinet or a Shareholding Minister, including, but not limited to:
 - applications for exceptions to the Guidelines for Chief Executive Officer remuneration packages that exceed the CEO remuneration bands or are otherwise outside of the conditions specified in the Guidelines;
 - applications for exceptions to the Guidelines for Senior Executive remuneration packages that exceed the remuneration thresholds specified in the Guidelines or are otherwise outside of the conditions of the Guidelines;
 - applications relating to performance payments that do not meet the conditions specified in the Guidelines;
 - CEO contracts that do not meet the conditions specified in the Guidelines; and
 - any other issues considered relevant to or within the remit of the Panel; and
7. review Government business employee remuneration, as requested by the Treasurer.

Membership:

The Panel is comprised of:

1. an Independent Panel Member appointed by the Treasurer;
2. the Secretary of the Department of Premier and Cabinet; and
3. the Secretary of the Department of Treasury and Finance.

The Independent Panel Member will hold the role of Chair of the Panel, and must be from outside the Tasmanian State Service.

The Shareholder Policy and Markets Branch of the Department of Treasury and Finance will provide administrative support.

Administration:

The Panel will be convened as the need arises. Two members of the Panel form a quorum, but only where one is the Independent Panel Member.

The Panel is to keep records of its proceedings.

The Panel can be contacted via the Shareholder Policy and Markets Branch of the Department of Treasury and Finance.

Disclosure of interests:

If:

- a member of the Panel has a direct or indirect pecuniary interest or interest of another nature which may give rise to a real or perceived conflict of interest in a matter being considered, or about to be considered, and
- that interest could conflict with the proper performance of the member's duties in relation to consideration of a matter,

the member must, as soon as practical after the relevant facts come to the member's knowledge, disclose the nature of the interest to the Treasurer.

Reporting:

The Panel is to:

- provide an annual report to the Treasurer on Government business director and executive remuneration policies and any issues that arose during the preceding 12 month period; and
- provide an annual report to Cabinet on compliance by Government businesses with the Guidelines.