

# Remuneration report

2016–17

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## Purpose

The purpose of this remuneration report is to:

1. demonstrate how Defence Housing Australia's (DHA) remuneration strategy is aligned to its purposes and strategic objectives, as set out in its Corporate Plan and Statement of Corporate Intent which are approved by the Minister for Defence and the Minister for Finance;
2. set out the remuneration strategy and governance arrangements for DHA's Board members, senior executives and staff; and
3. provide detailed information about the remuneration paid to DHA's Board members, senior executives and other highly paid employees in 2016–17.

This report responds to:

- a request from the Minister for Finance on 16 February 2017 to all Government Business Enterprises<sup>1</sup> (GBE) for additional transparency in respect of senior executive remuneration for the 2015–16 financial year and beyond; and
- a request from the Secretary of the Department of the Prime Minister and Cabinet on 16 May 2017 to all Australian Public Service (APS) leaders calling for greater transparency of senior executive and highly paid officer remuneration (defined as those earning \$200,001 or more) for the 2016–17 reporting period and beyond.

DHA's remuneration arrangements as a GBE are unique. It is the only GBE that employs its staff under the Public Service Act 1999 (Public Service Act). This report aims to satisfy the two requests for transparency in relation to remuneration, while at the same time having regard for the provisions of the Privacy Act 1988 (Privacy Act).

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<sup>1</sup> A corporate body, established by a law of the Commonwealth but legally separated from it. Corporate Commonwealth entities can act in their own right and exercise certain legal rights such as entering into contracts and owning property.

# About DHA

## Enabling legislation

The *Defence Housing Australia Act 1987* (DHA Act) established DHA as a statutory authority<sup>2</sup> and sets out its functions, powers, corporate structure and delegations. Under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), DHA is both a corporate Commonwealth entity<sup>3</sup> and a GBE.

## Roles and responsibilities

DHA's purpose is to provide housing and related services to Australian Defence Force (ADF) members and their families in accordance with the DHA Act and service agreements with the Department of Defence (Defence). In doing so, DHA:

- manages approximately 18,100 properties in all states and territories of Australia;
- allocates managed properties to ADF members and administers the resulting tenancies;
- administers Rent Allowance (RA) payments to around 14,000 ADF members; and
- manages an online booking system for 35,000 rooms on ADF bases.

## Financial management

DHA does not receive funding directly from the Federal Budget. DHA funds its operations through:

- the receipt of commercial rent, fees and charges from Defence for its services; and
- generating revenue from:
  - selling and leasing back properties through its Sale and Leaseback (SLB) program<sup>4</sup>;
  - the disposal of excess land/finished properties from its developments; and
  - the disposal of properties that no longer meet minimum Defence standards or requirements.

DHA is required to maintain a strong financial position and to meet shareholder return obligations, including the payment of dividends to Government based on 60 per cent of Net Profit After Tax.

## Organisational structure

### Shareholder Ministers

DHA sits within the Defence portfolio of the Australian Government and, through a Board of Directors, reports to the Minister for Defence and the Minister for Finance as Shareholder Ministers. In 2016–17, the Minister for Defence delegated responsibility for operational matters to the Minister for Defence Personnel.

### Board of Directors

A Board of Directors is the accountable authority of DHA under the PGPA Act and is responsible for the proper and efficient performance of DHA's functions. All non-executive Board members are appointed by the Commonwealth of Australia through DHA's two Shareholder Ministers.

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<sup>2</sup> A body created by the Parliament for a specific purpose.

<sup>3</sup> A body created when government wishes to conduct some form of commercial enterprise at arm's length from usual departmental structures and processes.

<sup>4</sup> Leased properties sold through the SLB program comprise around 70 per cent of DHA's property portfolio to house ADF members and their families. The SLB program is the main contributor of funding for DHA.

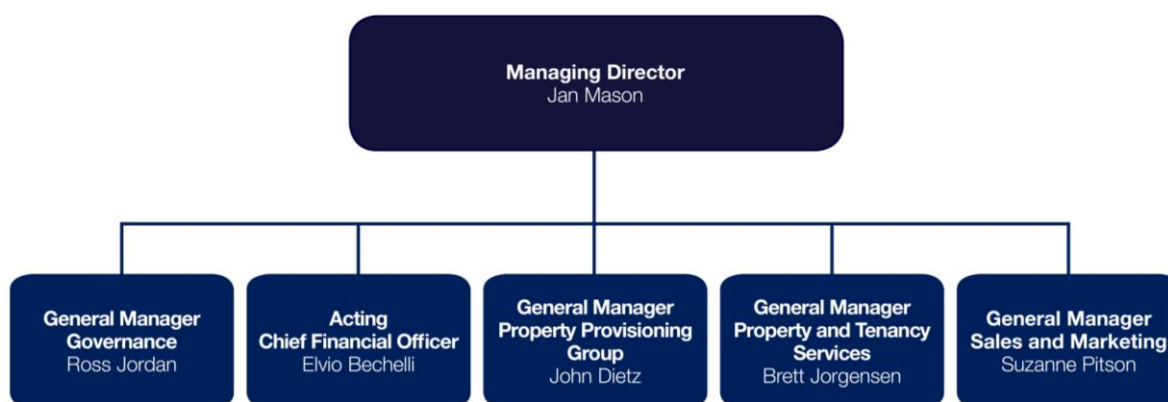
## Managing Director (MD)

The MD is employed by the Board and is its only executive director. The MD is responsible for conducting the operational affairs of DHA in accordance with any policies determined by, and directions given by, the Board. The MD oversees DHA's executive and staff, strategic direction, performance and relationships with key stakeholders.

## Senior Executive Group (SEG)

As at 30 June 2017, the SEG comprised the MD and five direct reports. The SEG assists the MD to ensure DHA fulfils its role in accordance with the DHA Act. The SEG provides leadership, guides performance, implements and delivers against the Corporate Plan and ensures accountability of DHA's activities.

Figure 1: DHA's Senior Executive Group as at 30 June 2017



## Staff

As at 30 June 2017, DHA employed 675 staff across Australia. The majority of staff (89.2 per cent) were employed on a full-time basis. As per the table below, the gender balance was 67.3 per cent female and 32.7 per cent male.<sup>5</sup>

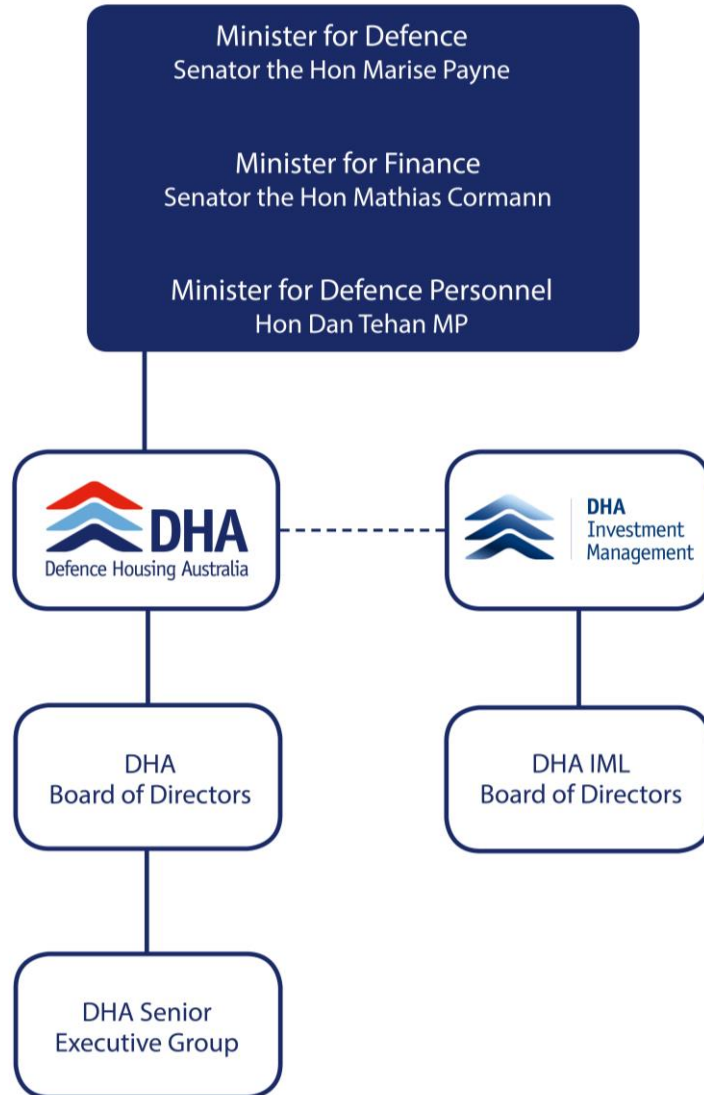
Classification	Female		Male	
	Headcount	Percentage (%)	Headcount	Percentage
DHA3	79	18.1	25	11.3
DHA4	142	32.5	37	16.7
DHA5	69	15.8	33	14.9
DHA6	72	16.5	37	16.7
EL1	52	11.9	43	19.5
EL2	20	4.6	39	17.7
SESB1	1	0.2	4	1.8
SESB2	1	0.2	3	1.4
MD01	1	0.2	–	–
<b>Total</b>	<b>437</b>	<b>100.0</b>	<b>221</b>	<b>100.0</b>

<sup>5</sup> Employee data includes ongoing and non-ongoing staff at their substantive classification as at 30 June 2017. It excludes agency staff (contractors) and Board members. The employment type (i.e. full-time/part-time) breakdown excludes 17 inoperative staff on long-term leave.

**Subsidiary company**

With approval from the Minister for Finance, DHA Investment Management Limited (DHA IML) was established as a wholly owned subsidiary of DHA in 2012. DHA IML has its own governance structure, including a separate Board of Directors. A member of the DHA Board is Chair of the DHA IML Board. The DHA IML Board is responsible for the proper and efficient performance of DHA IML's functions, as well as making decisions on direction and strategy.

**Figure 2: DHA's governance structure as at 30 June 2017**



# Remuneration strategy

## The link between organisational strategy, remuneration and performance

DHA's remuneration strategy:

- supports the strategic purposes of the organisation; and
- enables performance-based reward and recognition of capable employees whilst being aligned to market practice and being in the interests of shareholders and the Australian public.

### Statement of Corporate Intent (SCI)

DHA prepares a SCI annually based on the Corporate Plan. The SCI is a high-level, plain English overview of DHA's key objectives and priorities for the financial year. It is publicly available on [DHA's website](#).

### Corporate Plan

DHA's four-year Corporate Plan sets the strategic direction of the business, including corporate objectives, performance measures and a long-term outlook of future priorities. It is reviewed and updated annually in line with service agreements with Defence and in consultation with shareholder departments. It is approved by the DHA Board, before being provided to Shareholder Ministers for approval. It is not publicly available for commercial reasons.

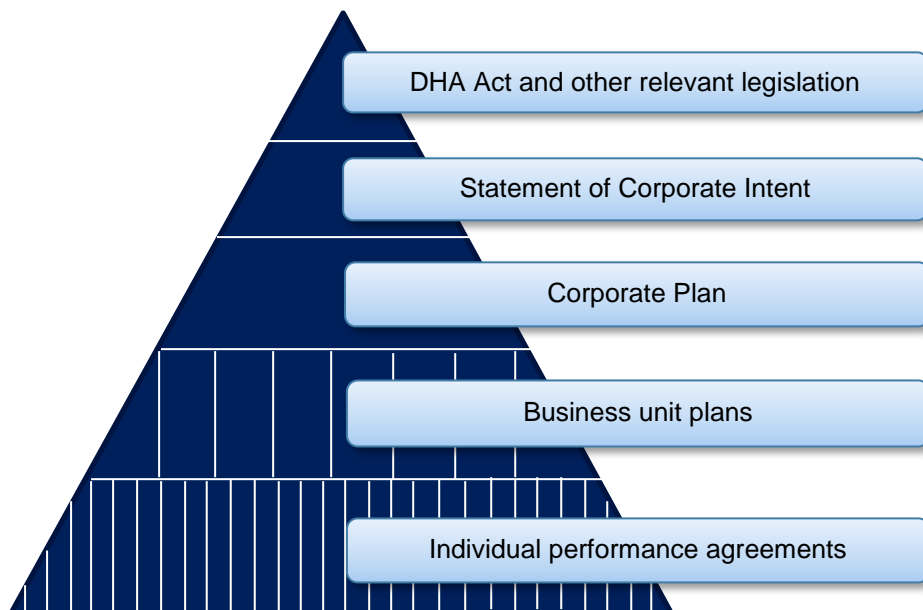
### Business unit plans

Each division of the business develops a business unit plan that incorporates all relevant responsibilities from the Corporate Plan, together with additional activities and measures linked to budget. Within divisions, some work groups also develop plans for the delivery of specific programs.

### Individual performance agreements

All staff employed for three months or more are required to have a performance agreement that aims to cascade business objectives from the Corporate Plan, through business unit plans, to individual targets and behaviours.

**Figure 3: Alignment between authority, strategy and individual performance**



# Board member remuneration

## Background

Part III of the DHA Act establishes DHA's Board of Directors, including its functions, membership, appointments, remuneration, meetings and committees. The DHA Board appoints committee members, including the respective Chair of each Committee, and the Chair of the DHA IML Board.

The following table details non-executive Board members and their roles in 2016–17:

Board member	2016–17 roles
Hon J.A.L. (Sandy) Macdonald	DHA Chairman Chair of the DHA Nomination and Remuneration Committee Member of the DHA Board Property Committee
Mr Martin Brady AO	Member of the DHA Board Chair of the DHA Board Audit Committee Chair of DHA IML Board Member of the DHA Nomination and Remuneration Committee Member of the Board Property Committee (1 July 2016 to 2 February 2017)
Ms Janice Williams	Member of the DHA Board Chair of the DHA Board Property Committee Member of the DHA Board Audit Committee Member of the DHA Nomination and Remuneration Committee
CDRE Vicki McConachie CSC RANR	Member of the DHA Board Chair of the DHA Advisory Committee Member of the DHA Board Audit Committee
Hon Alan Ferguson	Member of the DHA Board Member of the DHA Board Property Committee
Mr Robert Fisher AM	Member of the DHA Board Member of the DHA Board Audit Committee Member of the DHA Board Property Committee
Ms Andrea Galloway	Member of the DHA Board (from 9 November 2016) Member of the DHA Board Audit Committee (from 8 December 2016) Member of the DHA Board Property Committee (from 8 December 2016)
Mr Ewen Jones	Member of the DHA Board (from 21 December 2016) Member of the DHA Board Audit Committee (from 2 February 2017) Member of the DHA Board Property Committee (from 2 February 2017)

The Remuneration Tribunal is an independent statutory body established under the *Remuneration Tribunal Act 1973* that oversees the remuneration of key Commonwealth offices. In accordance with Section 17 of the DHA Act, the Remuneration Tribunal determines the fees and allowances payable to Board members.

In addition, DHA pays Board members compulsory employer superannuation contributions. DHA does not offer Board members long-term incentives or post-term benefits. A breakdown of the remuneration package is provided over the page.

Refer to **Attachment 1** for disclosure of remuneration payable to DHA's non-executive Board members in 2016–17.



## Fees

DHA pays Board members' fees in accordance with the Tribunal's principal determination for holders of part-time public office. The tables below set out the gross fees payable to Board members in 2016–17 in accordance with Determination 2015/20 (effective 1 January 2016) and Determination 2016/18 (effective 8 December 2016).

Board	Date of effect gross fee payable
Chair	\$112,290
Member	\$56,160

Audit Committee	Date of effect gross fee payable
Chair	\$15,370
Member	\$7,690

DHA IML Board	Date of effect gross fee payable
Chair	\$15,370

No additional fees were payable to the Chair or members of the DHA Board Property Committee, or to the Chair of the DHA Advisory Committee.

## Superannuation

DHA pays non-executive Board members' superannuation in accordance with applicable legislation and fund requirements.

## Salary packaging

Non-executive directors are entitled to salary packaging, whereby they may elect to have all of part of their fees paid to a complying superannuation fund as a pre-tax salary deduction.

## Travel and related allowances

DHA coordinates Board members' official business travel and pays related allowances in accordance with the Tribunal's principal determination for official travel by office holders. In 2016–17, this was Determination 2015/11 (effective 30 August 2015) and Determination 2016/07 (effective 28 August 2016).

DHA uses whole-of-government procurement arrangements to access competitive travel rates. In doing so, DHA ensures value for money in accordance with the PGPA Act and Australian Government travel policies.

## Long-term benefits

DHA does not offer long-term incentives to non-executive Board members.

## Post-term benefits

DHA does not pay any fees or offer any incentives to non-executive Board members beyond their appointed term.

# Senior executive remuneration

## Background

In 2016–17, DHA's senior executive comprised the MD and 12 senior executive service (SES) band employees.

DHA's senior executive remuneration strategy is designed to attract, motivate and retain the calibre of executives required to achieve the organisation's purpose now and into the future. It responsibly, fairly and competitively rewards individuals while complying with regulatory obligations.

Each senior executive's remuneration package consists of a base salary, employer superannuation contributions, potential allowances (e.g. motor vehicle allowance), accrued leave and potential performance pay. DHA does not offer long-term incentives or post-employment benefits to its senior executives. A breakdown of the remuneration package is provided below.

Refer to **Attachment 2** for disclosure of remuneration paid to DHA senior executives in 2016–17.

## Managing Director (MD)

Part IV, Division 1 of the DHA Act establishes the duties, appointment, remuneration, allowances and terms and conditions of employment for the MD. The MD is a statutory employee and the only executive-director of the Board.

### Remuneration

In accordance with Section 50 of the DHA Act, the MD's remuneration package is determined by the DHA Board within the parameters of the Remuneration Tribunal's principal determination for Principal Executives Offices (PEO). In 2016–17, this was *Determination 2015/19* (effective 1 January 2016) and *Determination 2016/15* (effective 8 December 2016). In summary:

- The DHA MD role is classified as a Band C PEO.
- The Board, as the employing body, sets the MD's remuneration within the framework determined by the Tribunal, following consideration of its Nomination and Remuneration Committee.
- Remuneration is specified on a 'total remuneration' basis (which represents the total value of cash and non-cash benefits available to the office holder), with stipulations as to the minimum proportion to be taken as salary and the maximum proportion to be regarded as salary for superannuation purposes.
- The Tribunal determines, annually, the amount by which the salary band limits are to be adjusted.

### Superannuation

DHA pays the MD's superannuation in accordance with applicable legislation and fund requirements.

### Salary packaging

The MD is entitled to salary packaging, whereby they receive part of their salary in forms other than cash. At DHA, employees may salary package cars (novated lease), additional superannuation and/or head office car parking. Salary packaging is subject to necessary internal approvals.

### Performance pay

In accordance with the Tribunal's Determination for PEOs, the MD is eligible for performance pay of up to 15 per cent of total remuneration. Performance requirements and related performance assessments are determined annually by the Board's Nomination and Remuneration Committee and referred to the Board for approval.

### **Travel and related allowances**

DHA coordinates the MD's official business travel and pays related allowances in accordance with the Tribunal's principal determination for official travel by office holders. In 2016–17, this was *Determination 2015/11* (effective 30 August 2015) and *Determination 2016/07* (effective 28 August 2016).

DHA uses whole-of-government procurement arrangements to access competitive travel rates. In doing so, DHA ensures value for money in accordance with the PGPA Act and Australian Government travel policies.

### **Other benefits**

The MD may undertake professional development, be reimbursed for professional memberships, access various health and wellbeing initiatives and access car parking in accordance with DHA policy and budgetary constraints.

### **Termination arrangements**

Termination arrangements for the MD are outlined in the Remuneration Tribunal's Determination for PEOs.

### **Long-term benefits**

The MD is only entitled to the accrual of statutory long service leave for APS employees.

### **Post-employment benefits**

There are no additional post-employment benefits, entitlements or arrangements in place for MDs of DHA.

## **SES employees**

DHA engages SES band employees in accordance with the Public Service Act, the *Public Service Classification Rules 2000* and its SES cap, as managed by the Australian Public Service Commission (APSC).

### **Remuneration**

The MD determines senior executive remuneration in accordance with section 24(1) of the Public Service Act, taking into account the following factors:

- market data for comparable roles<sup>6</sup>;
- the complexity of the role;
- internal relativities; and
- the individual's skills, qualifications and experience.

The MD reviews senior executive remuneration on an annual basis, considering both individual and company performance, as well as market conditions.

### **Superannuation**

DHA pays senior executive superannuation in accordance with applicable legislation and fund requirements.

### **Salary packaging**

Senior executives are entitled to salary packaging, whereby they receive part of their salary in forms other than cash. At DHA, employees may salary package cars (novated lease), additional superannuation and/or head office car parking. Salary packaging is subject to necessary internal approvals.

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<sup>6</sup> Senior executive roles are benchmarked with comparable roles in the market. External market benchmarks are determined by researching disclosed data from relevant Australian listed companies, APSC, industry data and other GBEs. This information is supplemented by survey data, including [APSC remuneration reports](#) (DHA participates in the annual APS remuneration survey which informs these reports).

### **Performance pay**

DHA's performance bonus program provides senior executives with the opportunity to receive 'potential' remuneration of up to 15 per cent of base salary. The program is designed to:

- ensure a portion of total remuneration is linked to the achievement of corporate performance; and
- reward senior executives who contribute to DHA's success and achieve their own individual performance measures during the specified period (i.e. financial year).

Each year, the MD determines the performance measures and objectives of the bonus program, participant eligibility and performance outcomes. The MD reviews performance measures for senior executives at least biannually to ensure alignment with DHA's business strategies, corporate goals and workforce resources. DHA reviews its performance bonus program annually to ensure it remains competitive with market practice and continues to incentivise senior executives as intended.

### **Travel and related allowances**

DHA coordinates senior executives' official business travel using whole-of-government procurement arrangements to access competitive travel rates. In doing so, DHA ensures value for money in accordance with the PGPA Act and Australian Government travel policies.

In accordance with DHA's travel policy, senior executives are issued with corporate credit cards for meals and other business-related expenditure (e.g. parking, public transport fares, etc.) incurred while on official business travel. Senior executives may be eligible for motor vehicle allowance (MVA) where they have received prior approval from the MD to use their own vehicle in lieu of DHA-paid airfares or a hire car. DHA pays MVA in accordance with Australian Taxation Office (ATO) determined rates.

### **Other benefits**

Senior executives may undertake professional development, be reimbursed for approved professional memberships, access various health and wellbeing initiatives and access car parking in accordance with DHA policy and budgetary constraints.

### **Termination arrangements**

Termination arrangements for senior executives are guided by the APSC.

### **Long-term benefits**

Senior executives are only entitled to the accrual of statutory long service leave for APS employees.

### **Post-employment benefits**

There are no additional post-employment benefits, entitlements or arrangements in place for DHA senior executives.

# Employee remuneration

## Background

DHA employees are engaged under the Public Service Act. Employee conditions of service and commencing salary are set out in the *DHA Enterprise Agreement 2015* (effective 18 January 2016). Each employee's remuneration package consists of a base salary, employer superannuation contributions, potential allowances (e.g. MVA, travel, etc.), accrued leave and potential performance pay. DHA does not offer long-term incentives or post-employment benefits to its employees. A breakdown of the remuneration package is provided below.

Refer to **Attachment 3** for disclosure of remuneration of highly paid DHA employees (defined as those earning \$200,001 or more) in 2016–17.

## DHA employees (DHA1 to EL2)

### Remuneration

Remuneration is payable to DHA employees in accordance with Part B (Remuneration) and Appendix 1 of the Enterprise Agreement (EA). In accordance with clause 9 of the EA, a 2 per cent pay increase was payable on the commencement of the EA, and on the 12-month and 24-month anniversary thereof. The following salary scales applied in 2016–17:

DHA level	Pay point	1 July 2016 to 17 January 2017	18 January 2017 to 30 June 2017
DHA trainee (APS technical)	Minimum	\$43,824	\$44,701
	Maximum	\$49,909	\$50,907
<b>Broadband 1</b>			
DHA Level 1 (APS Level 1)	Minimum	\$45,834	\$46,751
	Maximum	\$51,255	\$52,280
DHA Level 2 (APS Level 2)	Minimum	\$50,249	\$51,254
	Maximum	\$56,341	\$57,468
<b>Broadband 2</b>			
DHA Level 3 (APS Level 3)	Minimum	\$56,595	\$57,727
	Maximum	\$62,710	\$63,964
DHA Level 4 (APS Level 4)	Minimum	\$62,533	\$63,784
	Maximum	\$69,877	\$71,275
<b>Broadband 3</b>			
DHA Level 5 (APS Level 5)	Minimum	\$70,451	\$71,860
	Maximum	\$76,897	\$78,435
DHA Level 6 (APS Level 6)	Minimum	\$77,772	\$79,327
	Maximum	\$89,421	\$91,210
<b>Executive Level</b>			
Executive Level 1	Minimum	\$94,241	\$96,310
	Maximum	\$115,233	\$117,538
Executive Level 2	Minimum	\$112,208	\$114,452
	Maximum	\$143,973	\$146,852

## Superannuation

In accordance with clause 15 of the EA, DHA makes employer contributions as required by applicable legislation and fund requirements.

## Salary packaging

Employees are entitled to salary packaging, whereby they receive part of their salary in forms other than cash. At DHA, employees may salary package cars (novated lease), additional superannuation and/or head office car parking. Salary packaging is subject to necessary internal approvals.

## Flexibility arrangements

In accordance with Part F (Flexible Working Arrangements) of the EA, the MD and a staff member employed under the EA may agree to make an individual flexibility agreement to vary arrangements about when work is performed, overtime rates, penalty rates, allowances, remuneration and/or leave. An individual flexibility arrangement must meet the genuine needs of DHA and the employee in relation to one or more of the aforementioned items and be agreed to by DHA and the employee in writing.

## Performance pay and salary increases for exceptional performance

In accordance with clause 11 of the EA, employees may be eligible for an annual performance bonus.<sup>7</sup> Employee performance is reviewed mid-year and at the end of each financial year by their supervisor to assess whether individual targets were exceeded, met or not met. A bonus may be payable where an employee has met or exceeded all targets (or an equivalent as determined by the MD) during the appraisal cycle. The maximum bonus payable in respect of each level is as follows:

Level	Maximum per cent of annual base salary
DHA1–DHA4	7.5
DHA5–EL1	12.5
EL2	15.0

In accordance with clause 10.1 of the EA, to recognise exceptional performance, an employee who is assessed as exceeding targets in their performance development agreement will receive a 2 per cent salary increase provided they are not paid more than the maximum salary for their classification level and have been classified at that level for at least six months as at 30 June that year.

## Allowances

In accordance with Part H (Allowances) of the EA and DHA policy, EL2 employees and below may be entitled to the payment of various allowances as follows:

- *Higher duties allowance*  
Where an employee is required to work at a higher level for a temporary period they may be eligible to be paid a higher duties allowance.
- *Travel and related allowances*  
DHA pays employees at EL2 and below allowances for official business travel to cover meals (where not provided) and incidentals unless a corporate credit card is used to pay for business-related expenditure.

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<sup>7</sup> Staff who have at least six months of continuous service with DHA during the relevant appraisal cycle and are still employed on 30 June that year are eligible for a performance payment. Where a staff member was employed on a part-time basis, on paid or unpaid leave of more than 12 weeks, or commenced at DHA during the appraisal cycle, they may be eligible for a pro rata performance payment. Non-ongoing and casual employees are not entitled to performance pay.

- *Additional roles*

Employees who perform one or more of the following roles are entitled to an additional fortnightly allowance:

- first aid officer;
- fire warden or deputy fire warden;
- harassment contact officer; and/or
- health and safety representative.

#### **Other benefits**

Employees may undertake professional development, be reimbursed for professional memberships, access various health and wellbeing initiatives and access car parking in accordance with DHA policy and budgetary constraints.

#### **Termination arrangements**

Termination arrangements, including notice period and termination payments, for DHA employees are outlined in Part M (Termination of Employment) of the EA.

#### **Long-term benefits**

DHA employees are only entitled to the accrual of statutory long service leave for APS employees.

#### **Post-employment benefits**

There are no additional post-employment benefits, entitlements or arrangements in place for DHA employees.

Non-executive Board member remuneration in 2016–17<sup>1</sup>

Board member	Base salary and fees <sup>2</sup> \$	Other fees and benefits <sup>3</sup> \$	Superannuation \$	Total remuneration \$
CDRE Vicki McConachie CSC RANR <sup>4</sup>	–	–	–	–
Mr Ewen Jones <sup>5</sup>	29,277	3,096	5,066	37,439
Ms Andrea Galloway <sup>6</sup>	35,735	4,275	6,064	46,074
Hon Alan Ferguson	55,980	1,568	8,615	66,164
Ms Janice Williams	55,981	7,665	6,046	69,692
Mr Robert Fisher AM	55,971	8,845	6,158	70,973
Mr Martin Brady AO	55,981	38,493	8,771	103,245
Hon J.A.L. (Sandy) Macdonald	111,931	4,957	10,633	127,521

## NOTES

1. All figures rounded to the nearest dollar.
2. Board fees paid in accordance with *Determination 2015/20* and *Determination 2016/18* (remuneration and allowances for holders of part-time public office) and MVA (taxable) as applicable. All figures are actual amounts, rounded to the nearest dollar.
3. Includes allowances for membership of DHA's Board Audit Committee and the DHA IML Board and MVA (untaxed).
4. In accordance with *Remuneration Tribunal Act 1973*, CDRE McConachie is not entitled to be remunerated as a member of DHA's Board (part-time public office) as she is employed on a full-time basis by the Commonwealth. She is entitled to receive travel allowances for official business as a Board member.
5. Mr Jones was appointed to the DHA Board on 21 December 2016.
6. Ms Galloway was appointed to the DHA Board on 9 November 2016.



Senior executive remuneration in 2016–17<sup>1</sup>

Total remuneration	Executives No.	Average reportable salary <sup>2</sup> \$	Average contributed superannuation <sup>3</sup> \$	Average allowances <sup>4</sup> \$	Average bonus paid <sup>5</sup> \$	Average total remuneration \$
\$200,000 and less	2	76,162	8,488	–	18,000	102,650
\$200,001 to \$225,000	1	144,718	31,046	–	28,646	204,410
....	....	....	....	....	....	....
\$250,001 to \$275,000	1	207,175	38,367	207	25,860	271,610
\$275,001 to \$300,000	2	221,468	33,054	106	26,574	281,202
\$300,001 to \$325,000	3	246,367	33,071	211	28,741	308,389
\$325,001 to \$350,000	2	260,829	41,522	215	32,073	334,640
....	....	....	....	....	....	....
\$375,001 to \$400,000	1	294,619	46,132	–	38,250	379,001
....	....	....	....	....	....	....
\$450,001 to \$475,000	1	378,891	47,705	–	38,334	464,930
<b>Total number of executives</b>	<b>13</b>					

## NOTES

- Includes remuneration for substantive SES staff employed for part and/or all of 2016–17 and the MD. Excludes final monies paid to an estate. All figures rounded to the nearest dollar.
- Reportable salary is prepared on a cash basis and is the sum of gross payments (excluding bonuses), reportable fringe benefits (net amount), reportable employer superannuation, contributions and exempt foreign employment income, as reported in an individual's payment summary.
- Contributed superannuation is prepared on a cash basis and defined as follows:
  - For individuals that are in a defined contribution scheme (e.g. PSSap), contributed superannuation includes the defined contribution amounts. This is typically located on the individual's payslips.
  - For individuals that are in a defined benefit scheme (e.g. PSS or CSS), contributed superannuation includes the Notional Employer Contribution Rate (NECR) amount, Employer Productivity Superannuation Contribution (also known as the Productivity Component) and any Additional Lump Sum Contribution paid during the financial reporting period.
- Reportable allowance is prepared on a cash basis using reportable allowances as is equal to the 'total allowances' figure as reported in an individual's payment summary. Reportable allowances excludes any allowances already reported in the gross payments line in the payment summary.
- Bonus paid is prepared on a cash basis and is equal to the actual bonus paid to individuals during the reporting period (as a component of gross payments reported on the individual's payment summary).

Highly paid staff remuneration in 2016–17<sup>1</sup>

Total remuneration	Highly paid staff No.	Average reportable salary <sup>2</sup> \$	Average contributed superannuation <sup>3</sup> \$	Average allowances <sup>4</sup> \$	Average bonus paid <sup>5</sup> \$	Average total remuneration \$
\$200,001 to \$225,000	12	161,584	28,992	-	20,127	210,702
\$225,001 to \$250,000	8	184,320	29,008	-	20,660	233,988
\$250,001 to \$275,000	3	202,628	32,714	70	26,794	262,207
\$275,001 to \$300,000	1	213,703	38,800	-	24,463	276,966
<b>Total number of staff</b>	<b>24</b>					

## NOTES

- Highly paid staff includes DHA employees whose total remuneration was \$200,001 or more in 2016–17. Excludes SES employees and the MD (refer Attachment 2). All figures rounded to the nearest dollar.
- Reportable salary is prepared on a cash basis and is the sum of gross payments (excluding bonuses), reportable fringe benefits (net amount), reportable employer superannuation, contributions and exempt foreign employment income, as reported in an individual's payment summary.
- Contributed superannuation is prepared on a cash basis and defined as follows:
  - For individuals that are in a defined contribution scheme (e.g. PSSap), contributed superannuation includes the defined contribution amounts. This is typically located on the individual's payslips.
  - For individuals that are in a defined benefit scheme (e.g. PSS or CSS), contributed superannuation includes the Notional Employer Contribution Rate (NECR) amount, Employer Productivity Superannuation Contribution (also known as the Productivity Component) and any Additional Lump Sum Contribution paid during the financial reporting period.
- Reportable allowance is prepared on a cash basis using reportable allowances as is equal to the 'total allowances' figure as reported in an individual's payment summary. Reportable allowances excludes any allowances already reported in the gross payments line in the payment summary.
- Bonus paid is prepared on a cash basis and is equal to the actual bonus paid to individuals during the reporting period (as a component of gross payments reported on the individual's payment summary).