



## Client Advice | 23 January 2025

**To:** Office of Senator J Lambie

**From:** [REDACTED]

**Contact:** [REDACTED]

**Reference:** CR-0010390

# Remuneration for Foreign Senior Public/Civil Servants

Thank you for your question relating to remuneration for foreign senior public/civil servants, received on 16 January 2025 by email.

1. An overview of the remuneration (and its core components, e.g. salary, superannuation, allowances, etc) for the leading/most senior civil/public servants of the Government Departments of the following nations:
  - a. United States of America (Secretaries)
  - b. United Kingdom (Permanent Secretaries)
  - c. Canada (Deputy Ministers)
2. For each of the above nations what legislation or regulations govern, control or limit the remuneration of the positions identified at question 1.

You requested this information by 24 January 2025.

## Caveat

The following information is drawn from public resources. Finding information on the remuneration for the heads of government agencies has been more straightforward than other benefits they may receive.

## Detailed response/Explanation

### United Kingdom

#### Background

[Constitutional Reform and Governance Act 2010](#) (CRAG) created a statutory basis for the [civil service](#) and the Civil Service code which first came into force on 1 January 1996. CRAG established the [Civil Service Commission](#) to provide assurance that civil servants are selected on merit on the basis of fair and open competition; and to help safeguard an impartial Civil Service.

The Cabinet Secretary is the most senior civil service adviser to the Prime Minister and Cabinet. The Cabinet Secretary is generally also the Head of the Civil Service and line manager to the departmental permanent secretaries.

#### Permanent secretary

A [permanent secretary](#) is the most senior civil servant in a department. Each supports the government minister at the head of the department, who is accountable to Parliament for the department's actions and performance. They are responsible for the day-to-day running of the department, including the budget.

Fixed five-year tenure was introduced for standard permanent secretary contracts in 2014. The tenure applies to the role rather than the individual.

[Permanent Secretary Remuneration Committee](#), QON, 15 January 2025

The Prime Minister makes the final decisions on Permanent Secretary remuneration following recommendations made by the Permanent Secretary Remuneration Committee.

Permanent secretaries are formally appointed by the prime minister, who is the minister for the civil service. However, CRAG requires that all such appointments must 'be on merit on the basis of fair and open competition', meaning that appointments should not be political choices. In practice the process is managed by officials with the views of ministers taken into account. Candidates who are deemed appointable ("over the line") are presented to the prime minister who takes the final choice from a list of those suitable for the job.

The first civil service commissioner, with support from senior permanent secretaries, the cabinet secretary and sometimes non-executive directors of departments manage the process. The Civil Service Commission oversees civil service recruitment and monitors appointments.

Appointments are usually expected to include an open competition where potential candidates can apply. These have often been 'internal' competition, meaning that only civil service candidates can apply, but more recent 'external' competitions have meant that people outside the civil service can also put their names forward.

Some permanent secretaries are appointed through 'managed moves', where a civil servant is moved into a vacancy of the same grade without any competition. The Senior Leadership

Committee makes the decision about whether a vacancy should be filled by managed move or competition. It is supposed to use managed moves only when there is a business case for it, for example if it is urgent, if there is an obvious candidate or where there is a risk in losing a highly skilled candidate.<sup>1</sup>

[New Permanent Secretary and Chief Executive at HM Revenue and Customs](#), media release, 18 December 2024

[New Permanent Under-Secretary Appointed at the Foreign, Commonwealth and Development Office - GOV.UK](#), 8 January 2025

In cases of departure, individuals could rely on their employment rights and on appointment received an employment contract setting out principal terms and conditions, including the particulars required by the Employment Rights Act 1996. Nonetheless, the Prime Minister has authority to appoint or dismiss civil servants through section 3 of CRAG.<sup>2</sup>

## Remuneration

Cabinet Office, [Guidance on the Senior Civil Service Pay Award 2024/25](#)

[Government evidence to the Senior Salaries Review Body on the pay of the Senior Civil Service](#) (December 2024)

62. For 2024/25, the Government took the decision to accept the SSRB's recommendation of a 5% consolidated increase for all eligible members of the SCS. The Permanent Secretary Remuneration Committee (PSRC) agreed to mirror this for eligible Permanent Secretaries. They also agreed to increase the pay band minimum by £1,000 in line with other SCS grades. As such, the Permanent Secretary tiers (within the band range) with effect from 1 April 2024 are:

Tier 1 - £185,000 - £200,000

Tier 2 - £170,000 - £185,000

Tier 3 - £153,000 - £170,000

## Annexe D Permanent secretaries' remuneration

A robust framework applies to Permanent Secretary pay; roles are assigned to one of three pay tiers, within the overall range (pay band), based on size and complexity. Specialists who receive market premium pay for their roles (e.g. the Cabinet Secretary and Chief Medical Officer) sit outside of the tiers.

Pay and performance is assessed by the Permanent Secretary Remuneration Committee (PSRC).

PSRC's remit is to provide an annual independent assessment of the performance of individual Permanent Secretaries, and to make recommendations to the Prime Minister on the consolidated and non-consolidated pay awards for individuals.

The maximum level of non-consolidated performance related pay available for Permanent Secretaries is £17,500. The Prime Minister approves PSRC's recommendations for consolidated base pay and non-consolidated performance pay.

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<sup>1</sup>Christine Haddon, [Permanent secretaries](#), Institute of Government, 12 March 2020.

<sup>2</sup>House of Lords, Select Committee on the Constitution, [Permanent secretaries: their appointment and removal](#), 17th Report of Session 2022–23, 20 October 2023.

## Senior Civil Service

All senior civil service (SCS) grades (known as SCS 1 / Deputy Director; SCS 2 / Director; SCS 3 / Director General; or SCS 4) are administered by the Cabinet Office. Their responsibilities vary and are at the discretion of the organisation they work for.

Pay for senior civil servants is set in a similar way to much of the public sector. The [review body](#) on senior salaries (SSRB) gathers evidence and advises the government each year. Ultimately, the government decides whether to accept or amend the SSRB's recommendation.

Review body on senior salaries (SSRB) – covering judges, senior civil servants, senior members of the armed forces, senior police officers, and the most senior NHS managers

The government is not bound by the review bodies' recommendations. The prime minister, relevant secretaries of state and ministers in the devolved governments decide how to react to the advice provided.

The government determines when it will respond to and publish the reports of pay review bodies. Secretaries of state usually respond to pay review body recommendations through issuing a written ministerial statement in parliament.

The recommendations of pay review bodies are usually accepted by the government.

Cabinet Office, [Statistical bulletin - Civil Service Statistics: 2024](#), Updated 20 August 2024

■ The median salary varies by grade, from £24,480 in the administrative grades to £88,970 at SCS level.

[Civil service pay | Institute for Government](#)

## Canada

[Guidance for Deputy Ministers](#) (developed by the Privy Council Office) helps to explain the responsibilities and accountabilities Deputies assume when they agree to serve the country as Deputy Minister. It assists them in fulfilling their commitment to the Prime Minister, to Ministers and to the Canadian public for the sound, effective and principled management of their organizations.

A department supports its Minister and the government by providing advice on policies and legislation, and by implementing ministerial decisions and programs. Headed by a Deputy Minister, a department carries out activities that require regular ministerial oversight and direction.

The Minister's general authority for the management and direction of the department flows from statutes. In addition, statutes designate the Deputy Minister as the deputy head of the department, responsible for the management of its financial and human resources. The Deputy Minister is answerable to the Minister and, ultimately, to the Prime Minister for the quality of management and advice provided by the department and for any actions taken by departmental officials. ([Financial Administration Act 1985](#), F11, F12)

The appointment of the deputy minister is for an indefinite period during pleasure. The Interpretation Act (section 24.1) provides that the power to appoint includes the power to dismiss. A simple, unexplained decision by the Prime Minister is enough to relieve a deputy minister of his duties.

A Deputy Minister is appointed by Governor in Council ([Public Service Employment Act 2003](#), s 127).

[Orders In Council - Search](#)

**Remuneration and terms**

[Terms and conditions applying to Governor in Council appointees - Canada.ca](#)

This document is intended to set out in one place the majority of the terms, conditions, obligations and entitlements that apply to Governor in Council appointees (terms and conditions).

Deputy Ministers are appointed to level. That is, they are paid within the DM 1, 2, 3 or 4 salary ranges depending on the scope and complexity of their responsibilities, the level of their experience and their performance.

Deputy Ministers and some Governor in Council appointees receive compensation which is comprised of a base salary and an annual re-earnable lump sum payment known as “at-risk” pay. Salary progression through the salary range and the award of at-risk pay, subject to Governor in Council approval, are based on the individual's performance which is evaluated annually against pre-established commitments.

2024-25 - Compensation for the EX and DM groups			
Level	Salary Range Minimum	Salary Range Maximum	Maximum Performance Award
EX 1	\$134,827	\$158,601	15.00%
EX 2	\$151,155	\$177,809	15.00%
EX 3	\$169,165	\$198,939	15.00%
EX 4	\$193,896	\$228,114	26.00%
EX 5	\$217,308	\$255,607	26.00%
DM 1	\$243,500	\$286,400	26.00%
DM 2	\$279,700	\$329,000	33.00%
DM 3	\$313,300	\$368,500	33.00%
DM 4	\$350,500	\$412,300	39.00%

Related to the accountability of Deputy Ministers is the assessment of their work carried out in the context of the Performance Management Program, which is administered by the Clerk of the Privy Council.

A performance agreement is established as a mutual understanding between the Deputy Minister and the Clerk of the Privy Council as to what is expected of the Deputy Minister for the annual performance cycle. The agreement is normally comprised of key commitments related to business plans and government objectives and specific performance measures. In addition, Deputy Ministers are accountable for ongoing responsibilities such as the provision of the highest quality support to the Minister, Prime Minister and Cabinet, effective and timely development and implementation of strategies consistent with the government agenda, the demonstration of leadership in the management of human and financial resources and the contribution to corporate-wide goals.

## United States

The US [Office of Personnel Management](#) (OPM) leads workforce management for the federal government.

The President of the United States appoints the heads of the 15 executive departments, each of whom serves on the President’s Cabinet. Within the executive branch, these heads are responsible for handling the day-to-day enforcement of the laws adopted by Congress. Their role is thus both advisory and administrative in nature.

At the top of the [Federal civilian personnel hierarchy](#) are positions placed by statute in the [Executive Schedule](#) or established at pay rates equivalent to the Executive Schedule. This compensation system is divided into [five levels](#), EX-I (the highest) through EX-V (the lowest). The Executive Schedule includes cabinet secretaries; under, deputy, and most assistant secretaries; heads of most of the independent agencies; members of regulatory commissions; and other key officials (e.g., general counsels and bureau directors). Executive Schedule and equivalent positions are generally filled by Presidential appointment with Senate confirmation.

Positions placed by statute in the Executive Schedule are listed in 5 U.S.C. [5312](#) through [5316](#). By Executive order, the President may also place up to 34 positions in EX-IV and V combined, under [5 U.S.C. 5317](#).

US Office of Personnel Management, [Executive Senior Level 2025 Executive & Senior Level Employee Pay Tables](#)

Salary Table No. 2025-ES  
Rates of Basic Pay for Members of the Senior Executive Service (SES)

Effective January 2025

Structure of the SES Pay System	Minimum	Maximum
Agencies with a Certified SES Performance Appraisal System	\$150,160	\$225,700
Agencies without a Certified SES Performance Appraisal System	\$150,160	\$207,500

A provision in the American Relief Act, 2025 (December 21, 2024) continues the freeze on the payable pay rates for the Vice President and certain senior political appointees through March 14, 2025. Future Congressional action will determine whether the pay freeze continues beyond that date.

Salary Table No. 2025-EX  
Rates of Basic Pay for the Executive Schedule (EX)

Effective January 2025

Level	Rate
Level I	\$250,600
Level II	\$225,700
Level III	\$207,500
Level IV	\$195,200
Level V	\$183,100

In general, officers and employees who are appointed by the President (PAS and PA) are not covered by the Federal leave system established by 5 U.S.C. chapter 63 if their rate of basic

pay equals or exceeds the rate for level V of the Executive Schedule. [5 CFR 630.211(a)(3)] These Presidential appointees do not earn annual and sick leave and cannot be charged leave for absences from work.<sup>3</sup>

Executive Schedule officials do not receive locality pay.<sup>4</sup>

Agencies may pay recruitment and relocation incentives to employees under the General Schedule, Senior Executive Service, senior level pay system, Executive Schedule, and certain other pay systems. Recruitment and relocation incentives are subject to the aggregate limitation on total pay that an employee may receive in a calendar year.<sup>5</sup>

There is also a statutory prohibition on granting cash awards under chapter 45 of title 5, United States Code, to Executive Schedule officials at any time. These restrictions do not preclude a Presidential Rank Award under 5 U.S.C. 4507 for a former career SES appointee who elected to retain eligibility for Presidential ranks under 5 U.S.C. 3392(c) upon appointment to an Executive Schedule position.<sup>6</sup>

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<sup>3</sup> Office of Personnel Management, [Presidential Transition Guide to Federal Human Resources Management Matters Election Year 2020](#), December 2020, 13.

<sup>4</sup> Ibid., 24.

<sup>5</sup> Ibid., 29.

<sup>6</sup> Ibid., 94.

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