

**"Plan to simplify executive pay reports"**

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The Question: Should public servant pay be capped?

The federal government's corporate law adviser will convene a high-powered industry roundtable in a fortnight .....with a view to streamlining disclosure of executive remuneration. The Corporations and Markets Advisory Committee (CAMAC) will meet with more than 20 industry groups and associations on December 10 to discuss simplifying remuneration reports and bonus structures.

The move comes as institutional investors, remuneration experts and company directors say the annual meeting season has shown boards are taking more notice of non-binding shareholder votes on executive pay.

(In terms of incentive structures...) Remuneration specialist John Egan said annual incentives for executives remained a vexed issue for boards and investors. "One of the criticisms has been in some companies that the executive team have received substantial bonuses, profits are down, the share price hasn't recovered and they got an increase in base pay as well," Mr Egan said.

"This is the real dilemma: is the hurdle last year's lousy performance or the underlying growth expectation that investors and the board might have put in place a few years ago?"

...end.