

# THE STATE COMMISSIONER FOR DATA PROTECTION AND FREEDOM OF INFORMATION

## PRESS RELEASE

August 30, 2018

More transparency in the remuneration of top managers more public company

Today Prof. Dr. Ulf Papenfuss (Zeppelin University, Chair of Public Management & Public Policy) and the state representative for data protection and Freedom of Information (LfDI) Dr. Stefan Brink conducted a study on remuneration transparency by top management members of public companies.

Public companies are economic entities whose carrier is the public sector (Federal, state or local government) or over which they have a significant influence seated (participation by the public sector of at least 50%). Especially in services of general interest (electricity, gas, water supply, waste management). public companies are widely represented, often with a monopoly position. examples are Deutsche Bahn or Bundesdruckerei.

Prof. Dr. Papenfuss and his team have found nationwide findings on remuneration disclosure for a total of 6,137 public companies in all German cities a population of more than 30,000, all counties as well as the federal and compiled at national level. The study shows that at the local level for only 16.2% of the companies surveyed paid personal reported – at state level 33.3%, at federal level 52.0%.

The substantial difference in transparency between public porters. In some cities there is transparency with a disclosure rate of 100% taken for granted, in other cities the transparency margin ratio, on the other hand, is zero. The culture of transparency is particularly low in smaller cities and in the counties. A comparatively high remuneration

ment transparency, on the other hand, is achieved by the municipalities and states in which

Königstrasse 10 a 70173 Stuttgart Telephone 0711 615541-0 Fax 0711 615541-15 pressestelle@lfdi.bwl.de

www.baden-wuerttemberg.datenschutz.de PGP fingerprint: E4FA 428C B315 2248 83BB F6FB 0FC3 48A6 4A32 5962

- 2 -

Transparency laws or disclosure regulations in public corporate governance

are present.

In view of the findings of the study, it is from the point of view of the scientists and the LfDI

required to pass transparency laws in all countries and existing ones

Laws - such as § 105 of the Municipal Code of Baden-Württemberg - effective

enforce. Below the legal regulation, cities and municipalities

also take measures on their own initiative and, for example, a public corporate governance

adopt the nance code. This contains clear rules for new employment contracts

of top managers, requires their consent to the disclosure of compensation

and waives so-called protective clauses.

"The study is an important contribution to a transparent, accessible for all citizens

re administration," says Dr. Stefan Brink. "It's not about igniting one

Envy debate or an exposure of the individual board members. Rather, everyone should

Citizens are put in a position to understand the structures of public administration and their

to understand economic activity and to make a mature judgment for yourself

form." This marks a fundamental departure from the

carried out the arcane principle of public "secret" administration, which

Federal and state freedom of information laws

beginning and the modern understanding of a democratic constitutional state

is equivalent to. "This transparency also applies to the boards of public companies

to expand, which often provide important services for the population,

represents an opportunity for services of general interest and the public community in general

together, which should definitely be used.”

The study is available here.

If you have any questions, you can reach us on the telephone number 0711/615541-0.

Further information on data protection can be found on the Internet at

[www.baden-wuerttemberg.datenschutz.de](http://www.baden-wuerttemberg.datenschutz.de) or at [www.datenschutz.de](http://www.datenschutz.de).

The press release

is

in the

available online at

<http://www.baden->

[wuerttemberg.datenschutz.de](http://www.baden-wuerttemberg.datenschutz.de).