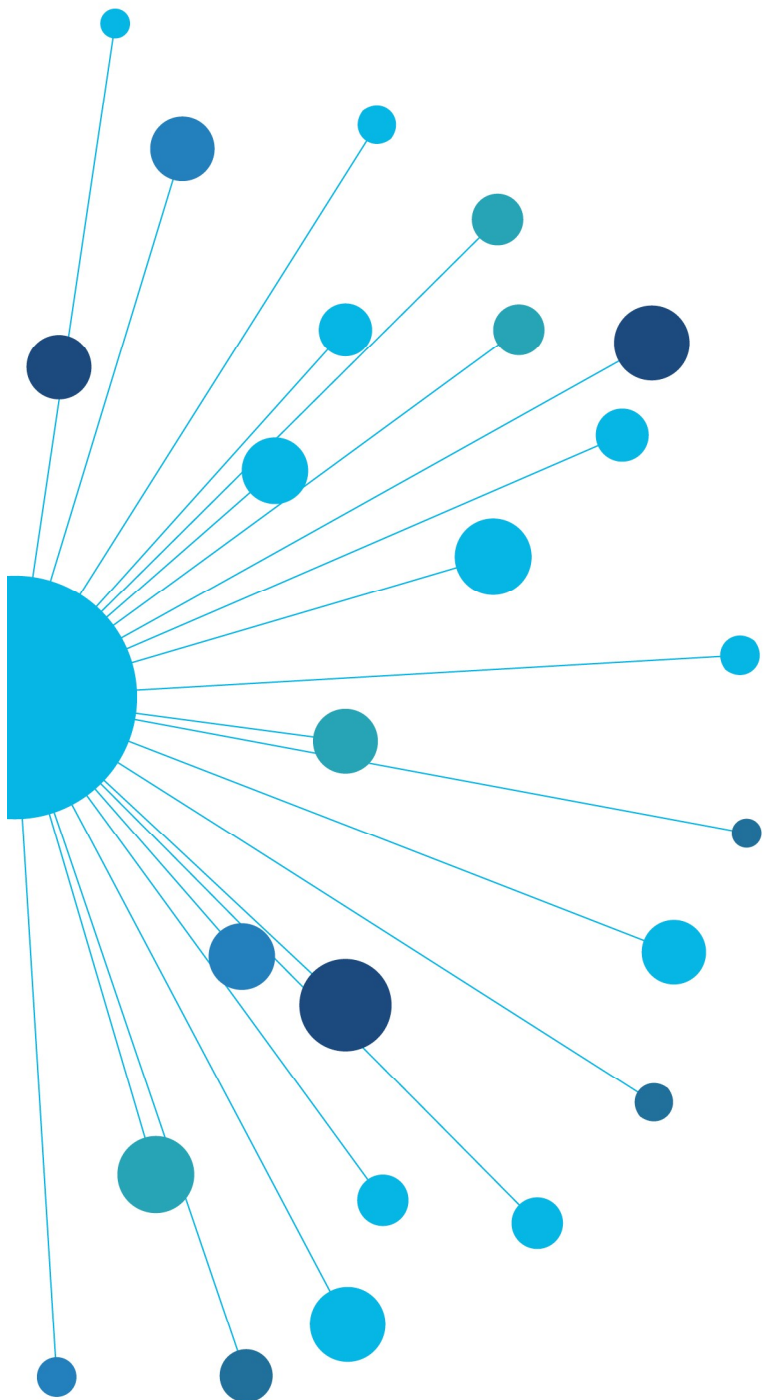


Queensland Independent
Remuneration Tribunal

Remuneration Determination

*Review of Annual
and Additional
Salary - Members
of the Queensland
Legislative
Assembly 2023*

Determination 29/2023
8 December 2023



Determination 29/2023

Background and Reasons

Tribunal roles and responsibilities

The Queensland Independent Remuneration Tribunal (the Tribunal) is an independent statutory authority established by the *Queensland Independent Remuneration Tribunal Act 2013* (the Act) to:

- review and determine remuneration (annual and additional salaries, allowances and entitlements) in connection with members and former members of the Queensland Legislative Assembly (remuneration determination), and
- review and determine entitlements of cross bench members to additional staff members.

Section 31A of the Act provides that the Tribunal must make a remuneration determination about a members' salary entitlements within 90 days after a 'public service salary decision'¹ is made. Pursuant to section 31A(3) of the Act, the amount of any increase in a member's salary entitlement is capped at the rate of the increase to the salary or wage of a departmental employee under the public service salary decision. Further, in accordance with section 31A(4) of the Act, if the remuneration determination increases a member's salary entitlement the increase must take effect on the same day the increases takes effect for the public service employee under the public service salary decision.

Section 29 of the Act provides the general principles the Tribunal may have regard to in making a remuneration determination. These include:

- the value to the community of a member carrying out their role, functions and responsibilities
- the importance of a member being appropriately remunerated for carrying out their role
- relevant laws and
- any other matters the Tribunal considers appropriate including, for example, the size of an electorate.

Pursuant to section 30 of the Act, before making a Determination, the Tribunal must consult with and consider the views of the Clerk of the Parliament (the Clerk).

Background to the current determination

On 23 October 2023, the Queensland Industrial Relations Commission (QIRC) certified the State Government Entities Certified Agreement 2023 (2023 Agreement) which provided for the following public service wage increases:

- 4% on current agreement rates of pay (as at 30 June 2023) effective 1 July 2023 (back paid from the date of certification)
- 4% on the 1 July 2023 rates of pay effective 1 July 2024
- 3% on the 1 July 2024 rates of pay effective 1 July 2025.

¹ 'public service salary decision' is defined in section 31A(5) to mean an industrial instrument or directive that includes provision about the salary or wage of a departmental employee.

The Tribunal has decided that the certification of the 2023 Agreement is a 'public service salary decision' for the purposes of section 31A of the Act, triggering the requirement for the Tribunal to make a remuneration determination about a member's salary entitlement.

Annual and Additional Salary for Members

Members are entitled to an annual salary (section 41 of the Act) and an additional salary for holding an 'office' (section 42 of the Act). A member who holds an office is entitled to one additional salary on top of their annual salary. The amount of the additional salary entitlement for office holders varies in recognition of the varying roles and responsibilities and falls into bands relative to the additional salary of the Premier, as the most senior office holder. Appendix 1 provides the current annual and additional salary rates provided to members with effect on and from 1 September 2022.

Discussion

Salary decisions

The Tribunal noted the 2023 Agreement the *State Wage Case 2022* (State Wage Case)², delivered on 30 August 2022³ and the decision of the Fair Work Commission (FWC) in its *Annual Wage Review 2022-23 Decision*⁴ (FWC Annual Wage Decision).

The Tribunal noted that the State Wage Case decision for 2022 increased the Queensland Minimum Wage by 5.2% from 1 September 2022 and increased wages by 4.6% for all state awards.⁵

The Tribunal notes that the 2022-23 FWC Annual Wage Decision increased the National Minimum Wage and all modern award minimum wage rates by 5.75% from 1 July 2023 and that the FWC noted that:

- the high rate of inflation has reduced and is continuing to reduce the real value of minimum wage rates causing financial stress to award reliant employees
- the labour market is robust and will remain so despite relative weakening forecasted for employment growth, unemployment and workforce participation creating room for a large wage increase.⁶

² Note at the time of the Tribunal's consideration, the 2023 State Wage Case decision had not yet been made.

³ QIRC, *Declaration of General Ruling (State Wage Case 2022)* [2022] QIRC 340, https://www.qirc.qld.gov.au/sites/default/files/2022-08/2022_b52%20b53%20b54_decision_300822.pdf

⁴ Fair Work Commission (FWC), *Annual Wage Review 2022-23*, C2023/1, [2023] FWCFB 3500

<https://www.fwc.gov.au/document-search/view/1/aHR0cHM6Ly9zYXN5Y2RhdGFwcmRhdWVhYS5ibG9iLmNvcmlwcmUud2luZG93cy5uZXQvZGVjaXNpb25zLzlwMjMvMDYvMjAyM2Z3Y2ZiMzUwMDMzMTAzNzY4YTIIZTczZjYtOGJiOS00ZjZjLWEwZjctNTFiMjQ3ODZkNjFjNDVhMGE4ZmEtMmE2NC00NGE0LWI1OTEtYTU2MjdmMTY2ZmlwLnBkZg2?sid=&q=%5B2023%5D%24%24FWCFB%24%243500>

⁵ QIRC, *Declaration of General Ruling (State Wage Case 2022)* [2022] QIRC 340,

https://www.qirc.qld.gov.au/sites/default/files/2022-08/2022_b52%20b53%20b54_decision_300822.pdf

⁶ Fair Work Commission (FWC), *Annual Wage Review 2022-23*, C2023/1, [2023] FWCFB 3500

<https://www.fwc.gov.au/document-search/view/1/aHR0cHM6Ly9zYXN5Y2RhdGFwcmRhdWVhYS5ibG9iLmNvcmlwcmUud2luZG93cy5uZXQvZGVjaXNpb25zLzlwMjMvMDYvMjAyM2Z3Y2ZiMzUwMDMzMTAzNzY4YTIIZTczZjYtOGJiOS00ZjZjLWEwZjctNTFiMjQ3ODZkNjFjNDVhMGE4ZmEtMmE2NC00NGE0LWI1OTEtYTU2MjdmMTY2ZmlwLnBkZg2?sid=&q=%5B2023%5D%24%24FWCFB%24%243500>

Salary and economic indices

The Tribunal considered various salary and economic indices, including the Consumer Price Index, the Wage Price Index (public and private sectors), the unemployment rate, jobs growth figures and the Queensland Government indexation rates for fees and charges and community funding/grants.

The Tribunal also considered the following indices and their annual changes as outlined in detail in Table 1 on the following page:

- the base salary of members
- Average Weekly Ordinary Time Earnings in the public and private sectors
- the Queensland core public service (covered by the 2019 Certified Agreement)
- the Queensland Senior Executive Service.

The Tribunal notes that, based on the indexation of \$1,000, the relationship between the annual salary of members and the Queensland core public service and the SES has remained consistent at approximately \$1,600. This rate is less than the average weekly earnings in the public sector (\$2,038) and CPI (\$1,719). The 10-year average to 2022-23 indicates that members have received the lowest average increase (1.64%) behind the SES (1.93%) and core public service (2.18%).

Table 1: Annual changes in members' annual salary and other salary indices 2000-2023⁷

Year	Member Annual Salary	Average Weekly Earnings, Public Sector	Average Weekly Earnings, Private and Public Sector	Consumer Price Index (CPI)	Qld Core Public Service	Senior Executive Service (SES)
2000-01	3.93%	6.97%	6.70%	6.15%		3.14%
2001-02	3.37%	4.18%	3.79%	3.03%		3.13%
2002-03	4.03%	3.19%	5.22%	2.68%		3.97%
2003-04	3.92%	4.44%	4.95%	3.13%	3.80%	3.96%
2004-05	4.12%	4.61%	7.41%	2.53%	3.80%	0.00%
2005-06	7.05%	5.42%	2.25%	4.19%	4.00%	3.95%
2006-07	6.85%	4.54%	5.65%	2.60%	4.00%	8.16%
2007-08	0.00%	3.99%	5.57%	5.07%	4.00%	4.00%
2008-09	0.00%	4.96%	6.16%	1.98%	4.50%	2.50%
2009-10	3.14%	5.17%	6.05%	3.23%	4.00%	2.50%
2010-11	2.50%	5.12%	4.23%	3.86%	4.00%	2.50%
2011-12	2.50%	4.15%	3.77%	0.90%	0.00%	2.20%
2012-13	5.35%	3.80%	7.65%	1.99%	0.00%	2.20%
2013-14	3.02%	2.43%	1.07%	3.22%	2.20%	2.20%
2014-15	0.00%	1.56%	0.15%	1.51%	2.20%	2.20%
2015-16	2.25%	3.54%	1.35%	1.49%	2.50%	2.50%
2016-17	2.25%	2.82%	2.45%	1.83%	2.50%	2.50%
2017-18	2.25%	3.69%	3.06%	1.71%	2.50%	2.50%
2018-19	0.00%	4.15%	2.29%	1.68%	0.00%	0.00%
2019-20	0.00%	2.22%	4.32%	-1.05%	2.50%	0.00%
2020-21	0.00%	1.05%	0.08%	4.93%	0.00%	0.00%
2021-22	4.25%	5.62%	3.55%	7.30%	5.00%	5.00%
2022-23	2.50%	3.82%	5.04%	6.33%	2.50%	2.50%
5-year ave to 2022-23	1.34%	3.36%	3.04%	3.79%	1.98%	1.48%
10-year ave to 2022-23	1.64%	3.08%	2.32%	2.87%	2.18%	1.93%
	Member Annual Salary	Average Weekly Earnings, Public Sector	Average Weekly Earnings, Private and Public Sector	CPI	Qld Core Public Service	SES
\$1,000 indexed since 2004-05 to 2022-23	\$1,600	\$2,038	\$2,020	\$1,719	\$1,638	\$1,592
DATA		SOURCE				
MP Annual Salary		MP Annual Salary increase from 1 July in financial year				
Average Weekly Earnings, Public Sector		ABS 6302.0 - Average Weekly Ordinary Time Earnings - Qld; Persons; Full Time; Adult; Public Sector				
Average Weekly Earnings, Private and Public Sector		ABS 6302.0 - Average Weekly Ordinary Time Earnings - Qld; Persons; Full Time; Adult; Total (Public and Private Sector)				
CPI		ABS 6401.0 - Consumer Price Index - All groups CPI; Brisbane				
QLD Core Public Service		Wage increases of 'core' government departments and agencies, State Government Entities Certified Agreement (2003, 2006, 2009, 2013,2015,2019)				
SES Remuneration		Based on SES Remuneration Scale provided by the Public Service Commission				

⁷ Data provided by the Queensland Government Statistician.

Economic forecasts and outlook

The Tribunal noted the Minutes of the Monetary Policy Meeting of the Reserve Bank Board on 3 October 2023⁸ and commentary around inflation and labour market conditions.

The Tribunal noted the Queensland Budget Strategy and Outlook⁹ noting that following strong economic growth of 4.4% in 2021–22, the Queensland economy is now forecast to grow a further 2% in 2022–23 and strengthen to 3% growth in 2023–24. The Tribunal noted the comments in the Queensland Budget Strategy and Outlook that ‘cost of living pressures are currently being felt across the country, including Queensland.... with Queensland households facing the challenges of higher interest rates, increasing electricity costs and higher costs of goods and services’.¹⁰

Jurisdictional comparisons

The Tribunal considered the annual (base) salary paid to members of Parliament in other States and in the Commonwealth and the annual percentage increases, if any, applied in 2022 and 2023.

Table 2 provides a jurisdictional comparison of the annual (base) salary of State Members of Parliament and the percentage change between 2013 and 2023. The Tribunal notes that Queensland base salary changes are largely consistent with increases for members in New South Wales and South Australia between 2013 and 2023.

Table 2: Jurisdictional comparison of base salary rates and increases 2013 to 2023

Jurisdiction	Base Salary 2013	Base Salary 2023	Total % change	Average annual % change
Queensland	144,485	170,105	17.7	1.8
New South Wales	146,251	172,576	18.0	1.7
South Australia	153,130	183,742	20.0	1.8
Western Australia	148,638	166,724	12.2	1.2
Northern Territory	143,122	162,696	13.7	1.3
Victoria	140,973	198,839	41.0	3.5
Australian Capital Territory	125,259	183,299	46.3	3.9
Tasmania	118,466	140,185	18.3	1.9

⁸ <https://www.rba.gov.au/monetary-policy/rba-board-minutes/2023/2023-10-03.html>

⁹ <https://budget.qld.gov.au/budget-papers/#budget-paper-2>, p.4

¹⁰ <https://budget.qld.gov.au/budget-papers/#budget-paper-2>, p.10

Table 3 provides the salary increases decided for members in other jurisdictions in 2022 and 2023.

Table 3: 2022 and 2023 salary increases provided to members in other jurisdictions

	2022 Increase (%)	2023 Increase (%)
Queensland	4.75 (Mar & Sept)	to be set by this determination
New South Wales	2.00	0.00
South Australia	3.43	5.00
Western Australia	2.75	3.00
Northern Territory	0.00	0.00
Victoria	2.75	3.50
ACT	3.25	3.50
Tasmania	0.00	0.00
Commonwealth	2.75	4.00

In 2014 the Tribunal set the additional salaries of Queensland office holders relative to the additional salary of the Premier.¹¹ A comparison of the salary of the Queensland Premier compared with the Premier/Chief Minister in other jurisdictions is at table 4.

Table 4: Jurisdictional comparison of the Premier's salary rates and increases 2013 to 2023

Jurisdiction	Base and Additional Salary 2013 ¹²	Base and Additional Salary 2023	Total % change	Average annual % change
Queensland	379,160	427,561	12.8	1.5
New South Wales	350,628	416,440	18.8	1.9
South Australia	306,260	367,484	20.0	2.0
Western Australia	344,840	377,485	9.5	1.0
Northern Territory	272,000	331,392	21.8	2.2
Victoria	341,155	481,190	41.0	3.9
Australian Capital Territory	263,044	384,928	46.3	4.3
Tasmania	268,918	301,396	12.1	1.4

Conclusion

The Tribunal noted that the Act provides that a remuneration determination may not increase a member's salary entitlement by a rate that is higher than the rate of the increase to the salary or wage of a departmental employee under the public service salary decision.

The Tribunal noted that most economists are predicting some economic slowing but that the percentages are unknown at this time. The Tribunal noted the Reserve Bank monetary policy of aiming to keep annual Consumer Price Index increases at 2% - 3% and that high pay increases

¹¹ See Determination 3/2014.

¹² New South Wales and Victoria provide an 'Expense of Office Allowance' (or equivalent) to office holders. The Expense of Office Allowance has been included in the total base and additional salary rates included above.

creates inflationary pressure. The Tribunal also noted labour shortages and the impacts that has on wages.

The Tribunal noted the comments in the Queensland Budget Strategy and Outlook that ‘cost of living pressures are currently being felt across the country, including Queensland.... with Queensland households facing the challenges of higher interest rates, increasing electricity costs and higher costs of goods and services’.¹³

The Tribunal considered that the salary increases provided to public service employees in the 2023 Agreement are largely consistent with the actual and forecasted rates of inflation with the exception of 2022-23 where inflation was 7.25%. The Tribunal considered that the 4% increase in public service salaries for 2023 was modest in comparison to inflation.

The Tribunal expressed a preference to follow the 2023 Agreement rates as the salary and economic indices considered did not support a decision to set a salary increase lower than that provided to public service employees.

Tribunal has decided that:

- the relativity between the annual and additional salary levels should be retained, that is, any increase applying to the base salary level will also apply to additional salary levels
- the annual and additional salary rates for members will be increased as follows:
 - 4.00% increase with effect on and from 1 July 2023
 - 4.00% increase with effect on and from 1 July 2024
 - 3.00% increase with effect on and from 1 July 2025

¹³ <https://budget.qld.gov.au/budget-papers/#budget-paper-2>, p.10

Determination 29/2023

Any inconsistencies between earlier Tribunal Determinations and Determination 29/2023 are resolved in favour of Determination 29/2023. Matters in earlier Determinations not addressed in this Determination are confirmed by the Tribunal and not amended.

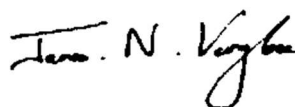
Salary

1. The Tribunal determines that the following increases will apply to the annual and additional salary rates of Members of the Legislative Assembly:
 - 4.00% with effect on and from 1 July 2023
 - 4.00% with effect on and from 1 July 2024
 - 3.00% with effect on and from 1 July 2025.

Date of Determination: 8 December 2023
Effective Date: Various



Keitha Dunstan
Chairperson



Jim Varghese
Member



Patrick Weller
Member

**Appendix 1: Annual and additional salary rates provided to members from
1 September 2022**

Member/Office Holder	Annual salary (\$)	Annual additional salary (\$)	Additional salary relative to Premier's additional salary	Annual aggregate salary (\$)
Band 1 Premier	\$170,105	\$257,456	100%	\$427,561
Band 2 Deputy Premier	\$170,105	\$205,965	80%	\$376,070
Band 3 Minister and Leader of the House	\$170,105	\$186,656	72.5%	\$356,761
Band 4 <ul style="list-style-type: none"> • Minister • Leader of the Opposition 	\$170,105	\$180,219	70%	\$350,324
Band 5 <ul style="list-style-type: none"> • Speaker • Assistant Minister and Leader of the House 	\$170,105	\$154,474	60%	\$324,579
Band 6 Leader of the House	\$170,105	\$128,728	50%	\$298,833
Band 7 Deputy Leader of the Opposition	\$170,105	\$102,982	40%	\$273,087
Band 8 <ul style="list-style-type: none"> • Deputy Speaker • Assistant Minister • Manager of Opposition Business • Chief Government Whip 	\$170,105	\$90,110	35%	\$260,215
Band 9 <ul style="list-style-type: none"> • Opposition Spokesperson • Leader of a Recognised Political Party • Chairperson of a Committee (including a select committee) 	\$170,105	\$64,364	25%	\$234,469
Band 10 <ul style="list-style-type: none"> • Senior Government Whip • Opposition Whip 	\$170,105	\$38,618	15%	\$208,723
Band 11 <ul style="list-style-type: none"> • Government Deputy Whip • Deputy Opposition Whip 	\$170,105	\$32,182	12.5%	\$202,287
Band 12 Member of a Committee (including a select committee)	\$170,105	\$25,746	10%	\$195,851