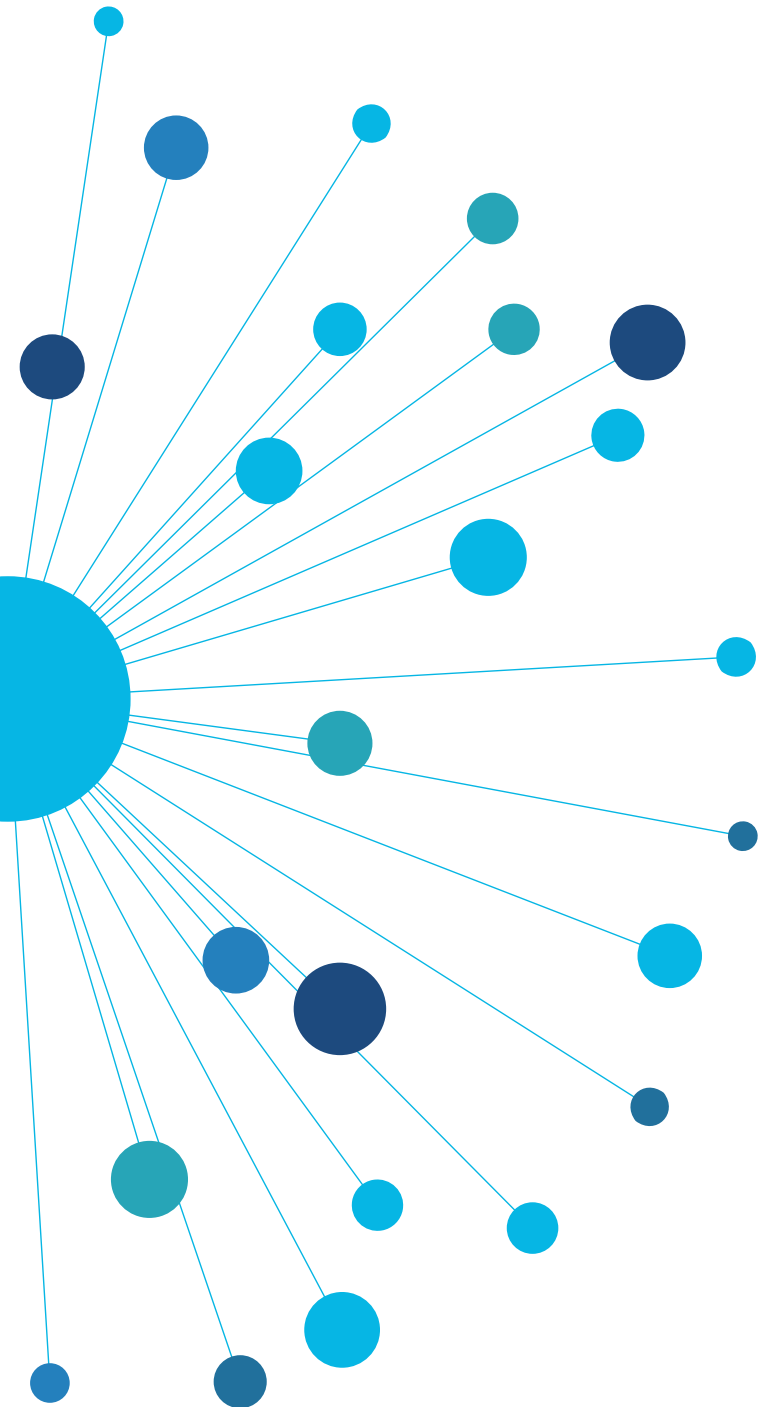


Queensland Independent
Remuneration Tribunal

Annual Report 2016–2017



About the Annual Report

The Queensland Independent Remuneration Tribunal is required under the *Queensland Independent Remuneration Tribunal Act 2013* (the Act) to prepare and give to the Clerk of the Parliament a written report about the operations of the Tribunal during each financial year.

The Annual Report provides information on the Tribunal, the Tribunal's key achievements during 2016–2017, its priorities ahead and a summary of the Tribunal's financial operations.

The Annual Report can be accessed online at www.remunerationtribunal.qld.gov.au

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Further information is available at www.remunerationtribunal.qld.gov.au/tools/copyright.aspx



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Letter of compliance

29 September 2017

Mr Neil Laurie
Clerk of the Parliament
Parliament House
BRISBANE QLD 4000

Dear Mr Laurie

I am pleased to present the Annual Report 2016–2017 for the Queensland Independent Remuneration Tribunal.

This is the fourth report issued under section 26 of the *Queensland Independent Remuneration Tribunal Act 2013* and complies with the provisions of that section.

Yours sincerely



Professor Anne Tiernan
Chair

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Message from the Chair

The Queensland Independent Remuneration Tribunal Annual Report for 2016–2017 is the first Annual Report under the new membership of the Tribunal.

In a year where the use of allowances by Members of Parliament in other jurisdictions has raised public interest and media attention, Queensland's adoption of a robust and transparent remuneration and allowances framework for Members of Parliament has demonstrated its benefits. On behalf of the Tribunal, I offer sincere thanks to the former Tribunal members for their work in establishing the current framework. Their efforts over the past three years established solid foundations that the current members have sought to build upon.

I also acknowledge the work of the Clerk of the Parliament and his staff in ensuring the level of transparency within the remuneration and allowances framework is maintained and understood by Members of the Queensland Legislative Assembly.

In 2016–2017, the Tribunal issued four Determinations:

- Determination 12/2016 – *Review of Salary Levels of Members of the Queensland Parliament*
- Determination 13/2016 – *Minor Amendments to the Queensland Allowances System*
- Determination 14/2017 – *Additional Salary of the New Office of Leader of the House*
- Determination 15/2017 – *Additional Salary of the Offices of Chair and Member of Select Committees.*

A copy of each Determination is available on the Tribunal's website.

The Queensland Redistribution Commission published its final determination for the State Redistribution on 26 May 2017. The Commission's determination established 93 electoral districts. The redistribution resulted in changes to existing electorate names and boundaries. Two existing electorates were abolished and six new electorates were created. The Tribunal had planned a comprehensive review of the current allowances framework. The Queensland Redistribution Commission's determination necessitates a range of changes to MP allowances. The review will be the Tribunal's primary focus and its most significant body of work throughout the next financial year.

Finally, I thank my fellow members, Ms Karyn Walsh and Mr Michael Noud for their efforts throughout the past year.



Professor Anne Tiernan
Chair

About the Queensland Independent Remuneration Tribunal

1.1 Establishment

The Queensland Independent Remuneration Tribunal (the Tribunal) was administratively established as an independent entity on 16 July 2013 to review and decide the remuneration in connection with Members and former Members of the Queensland Parliament. On 9 August 2013, the Tribunal was established as an independent statutory authority under *Queensland Independent Remuneration Tribunal Act 2013* (the Act).

1.2 Members

Under the Act, the Tribunal consists of three persons appointed by the Governor in Council for a term of three years.

In accordance with the Act, the terms of appointment of the inaugural Chair and members of the Tribunal expired on 15 July 2016. A new Chair (Professor Anne Tiernan) and members (Michael Noud and Karyn Walsh) were subsequently appointed by the Governor in Council from 16 July 2016 to 15 July 2019.

1.3 Remuneration of Tribunal members

In accordance with the Act, Tribunal members are appointed on a part-time basis and are paid the remuneration and allowances decided by the Governor in Council.

The remuneration of Tribunal members has been assessed in accordance with the *Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies* (the Remuneration Procedures). These procedures apply to the majority of Queensland Government bodies.

Remuneration for the Tribunal has been set by the Governor in Council at Adjudication and Determination Level 2 of the Remuneration Procedures, being meeting fees (four hours or less) of \$520 for the Chair and \$400 for members.

1.4 Roles and functions of the Tribunal

The Tribunal's functions are to review remuneration in connection with Members of Parliament (MPs) and former MPs, and make binding decisions, known as 'determinations', about this remuneration.

For the purposes of the Act, 'remuneration' refers to salary, allowances or entitlements in connection with an MP or former MP (including associated recipients such as spouses). In 2015, an amendment to the Act capped salary increases to that received by core public service employees.

In making a determination, the Tribunal may inquire into, and inform itself, of anything in the way it considers appropriate.

The Tribunal must have regard to effective and efficient processes in carrying out its functions.

Under the Act, the Tribunal must:

- consult with and consider the views of the Clerk of the Queensland Parliament (the Clerk)
- ensure any allowances paid to an MP reflect the amount of reasonable expenses incurred by an MP in servicing their electorate i.e. expenses to assist constituents
- ensure these allowances are not a substitute for other remuneration

- ensure accommodation, services or other entitlements mentioned in section 55 of the Act are not taken into account.

In making a determination, the Tribunal may consider the following principles:

- the value to the community of an MP carrying out their role, functions and responsibilities
- the importance of an MP being appropriately remunerated for carrying out their role, functions and responsibilities
- relevant laws that apply to MPs
- any other matter the Tribunal considers appropriate (e.g. the size of an MP's electorate).

In performing its functions, the Tribunal must also act independently, impartially and fairly. When reviewing the various components of remuneration, the Tribunal has been independent, impartial and fair.

To ensure the Tribunal operates in a transparent manner, it must include written reasons for its determinations, provide a copy of the determination and reasons to the Clerk for tabling in Parliament and make the determination and reasons publicly available.

Section 55 of the Act provides that the Act (and therefore any Tribunal determination) does not prevent a person from receiving the following:

- accommodation and services provided by the Parliamentary Service at Parliament House
- accommodation and services provided in electorate offices, such as offices, staff, IT infrastructure and other major office equipment
- entitlements a Minister or Assistant Minister receives to perform that role under the *Queensland Ministerial Handbook* <www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/ministerial-handbook.aspx>
- entitlements the Leader of the Opposition receives to perform that role under the *Queensland Opposition Handbook* <www.premiers.qld.gov.au/publications/categories/policies-and-codes/opposition-handbook.aspx>
- entitlements the Speaker of the Legislative Assembly receives under the *Guidelines for the Financial Management of the Office of the Speaker* <www.parliament.qld.gov.au/members/entitlements>.

1.5 Code of Conduct

The Tribunal Code of Conduct complies with the *Public Sector Ethics Act 1994* and is consistent with the Code for the Queensland Public Service. In accordance with the *Public Sector Ethics Act 1994*, the Code has been approved by the Premier as the Minister administering the Act.

The Code is part of the Tribunal's publication scheme and is available at www.remunerationtribunal.qld.gov.au

1.6 Secretariat support

In accordance with the Act, the Tribunal receives assistance from the Chief Executive of the department that administers the Act.

The Secretariat consists of two officers from the Department of the Premier and Cabinet who provide support to the Tribunal on a part-time basis. The Secretariat assists the Tribunal in preparing meeting documents, drafting meeting minutes, completing action items, drafting research materials, compilation of submissions and drafting determinations and other reports as advised by Tribunal members. The Secretariat also coordinates support for the Tribunal in relation to the website, design, communications, printing and other resourcing needs. This further support is provided in-kind by relevant sections of the Department of the Premier and Cabinet.

Key activities 2016–2017

2.1 Tribunal Determinations 2016–2017

During 2016–2017, the Tribunal issued four determinations. An overview of these determinations is provided below. All Tribunal determinations, which include an explanation of the deliberations and analysis undertaken by the Tribunal in making the determination, are available on the Tribunal's website at www.remunerationtribunal.qld.gov.au/determinations.aspx

2.1.1 Determination 12/2016

On 29 August 2016, the Tribunal issued Determination 12/2016 which set the new base salary levels for an MP and made consequent adjustments to the additional salary of office holders effective from 1 September 2015, 1 September 2016 and 1 September 2017.

2.1.2 Determination 13/2016

On 16 December 2016, the Tribunal issued Determination 13/2016 to make the following minor amendments to the allowances system:

- remove the requirement for the Clerk to produce a bi-annual report on expenditure against the Electorate and Communication Allowance as this report was considered administratively burdensome and unnecessary, given other reporting arrangements that are in place
- provide for an MP to be entitled to receive fuel reimbursements under certain circumstances
- transfer the Electorate Office Cleaning allocation and the Electoral Office Equipment Consumables allocation to the Electorate and Communication Allowance, on the basis that there will be no net increase in the amount available to MPs to expend.

2.1.3 Determination 14/2017

Determination 14/2017 was issued on 9 March 2017 and set the additional salary payable to the Office of the Leader of the House.

2.1.4 Determination 15/2017

On 23 June 2017, the Tribunal issued Determination 15/2017 which set the additional salary payable to the offices of Chair and Member of Select Committees.

2.2 Review of Allowances System and Electoral Redistribution

The Tribunal also commenced a review during 2016–2017 to consider:

- the operations of the MP allowances system
- the impact of the Queensland Redistribution Commission's determination after the Queensland Legislative Assembly decided to increase the number of State electorates from 89 to 93.

This review is scheduled to be completed in 2017–2018, the results of which will be included in the annual report for that reporting period.

2.3 Tribunal meetings

The Tribunal held meetings on eight occasions from 1 July 2016 to 30 June 2017. Meetings were held in person in Brisbane at the Executive Building, 100 George Street or at 1 William Street.

Minutes were produced for each meeting in accordance with the Act.

Tribunal members communicated via telephone and email outside of formal meetings to draft and finalise documentation. In addition, the Tribunal met and corresponded with the Clerk on a regular basis, as required under the Act.



3 Priorities for 2017–2018

The Queensland Redistribution Commission published its final determination on the State Redistribution on 26 May 2017, wherein the Commission redistributed Queensland into 93 electoral districts.

The redistribution has resulted in changes to existing electorate names and boundaries and also the abolition of two existing electorates and the creation of six new electorates.

As indicated in section 2.2, during 2017–2018 the Tribunal will complete its reviews of the operations of the MP allowances system and the impact of the Commission's determination to increase the number of State electorates from 89 to 93.

The Tribunal will monitor the impact of the redistribution on electorates and will undertake an assessment of this review following the first six months of its implementation.

Financial summary

The Financial Statement for the Queensland Independent Remuneration Tribunal (the Tribunal) have been prepared on an accrual basis in accordance with the prescribed requirements. The Department of the Premier and Cabinet provide secretariat support to the Tribunal. The revenues and expenses recognised for the Tribunal do not include allocations for corporate support and executive management services which are provided in-kind by the Department of the Premier and Cabinet.

Financial Statement for period 01 July 2016 to 30 June 2017¹

	NOTE	2016–2017	2015–2016
	2		
Revenue from ordinary activities		\$	\$
Departmental services revenue		22,868	15,193
Other revenue	3	10	–
Total revenue from ordinary activities		22,868	15,193
Tribunal Member Fees and related costs	4	22,280	11,542
Expenses from ordinary activities			
Establishment costs			
Salaries and wages and related costs		–	–
Salary-related taxes		–	–
Superannuation		–	–
Total establishment costs		–	–
Supplies and services			
Consultancy and Contractors		–	–
Consumables		521	318
Legal costs		–	1885
Parking		77	127
Printing and communication costs		–	222
Telecommunications costs		–	545
Travel costs		–	553
Total supplies and services		598	3651
Total expenses from ordinary activities		22,868	15,193
Net Operating Result		–	–

Notes to and forming part of the financial statement

1. This financial statement for the Tribunal and associated notes have not been audited. Full audited statements will be available in the Department of the Premier and Cabinet 2016-2017 Annual Report.
2. Comparative data has been included for the Tribunal for the period ended 30 June 2017. This comparative data was for the Tribunal's third year of operation.
3. This includes a prior year adjustment for a reimbursement of \$10 for incorrectly applied long service levy.
4. The Remuneration Table 2016-17 below provides total remuneration for members of the Tribunal. This table includes actual payments made to members, not accruals or other state obligations as at 30 June 2017. The increase in remuneration expenses between 2015-16 and 2016-17 relates to former members finalising work before the end of their appointment and the induction of new members.

2016-2017

REMUNERATION TABLE			
Member	Short Term	Post Employment	Total Remuneration
BRAILSFORD, Timothy J	\$ 4243	\$ 403	\$ 4646
HARRISON, David H	\$ 864	\$ 82	\$ 946
JESSOP, Joanne B	\$ 1400	\$ 133	\$ 1533
TIERNAN, Anne-Maree	\$ 6240	\$ 593	\$ 6833
NOUD, Michael J	\$ 4400	\$ 418	\$ 4818
WALSH, Karyn J	\$ 3200	\$ 304	\$ 3504
	\$ 20,347	\$ 1933	\$ 22,280

2015-2016

REMUNERATION TABLE			
Member	Short Term	Post Employment	Total Remuneration
BRAILSFORD, Timothy J	\$ 4742	\$ 442	\$ 5184
HARRISON, David H	\$ 2248	\$ 205	\$ 2453
JESSOP, Joanne B	\$ 3573	\$ 331	\$ 3904
	\$ 10,563	\$ 979	\$ 11,542