

Building a new remuneration structure for Members of the Queensland Parliament —Part two

Determination 3/2014
27 March 2014



Queensland Independent Remuneration Tribunal

Determination 3/2014

The Queensland Independent Remuneration Tribunal is an independent statutory authority established to determine the salaries, allowances and entitlements of Members of the Queensland Parliament (MPs) and former MPs.

The Tribunal was initially formed in July 2013 and subsequently established as a statutory authority by the *Queensland Independent Remuneration Tribunal Act 2013* on 9 August 2013.

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Mr Harrison is an experienced non-executive company director having served on a variety of private and public sector boards since 1987 and with more than 30 years of experience in industrial relations. His current director roles are as Chairman of QMI Solutions Limited Board (since December 2004) and Director of the Workers' Compensation Regulatory Authority – QCOMP (since July 2012).

Mr Harrison has filled many directorships and chairman roles for many organisations over the years, including Australia TradeCoast Limited (2005 to 2012), Ferny Grove Bowls Sports and Community Club Inc. (2008 to 2013), Port of Brisbane Corporation (1999 to 2010), QIC Limited (1998 to 2011), Brisbane Airport Corporation (2005 to 2012), Sunsuper Pty Ltd (1994 to 2005), Queensland Theatre Company (2001 to 2004) and Sugar Manufacturers of Australia Retirement Trust Pty Ltd (1987 to 1994). His industrial relations experience includes nine years as Queensland Secretary of the Australian Manufacturing Workers' Union and 10 years as Honorary President of the Queensland Council of Unions. In 2003, he was awarded the Centenary Medal for distinguished services to industrial relations and he is a Fellow of the Australian Institute of Company Directors.

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ISBN: 978-1-921960-05-5 (Print)

ISBN: 978-1-921960-06-2 (Online)

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Executive Summary

Background and overview

- 1.1 The Queensland Independent Remuneration Tribunal (the Tribunal) is an independent statutory authority established to determine remuneration in connection with Members of the Queensland Parliament (MPs) and former MPs.
- 1.2 The definition of 'remuneration' includes the additional salary and associated allowances payable to an MP for performing roles as an office holder in addition to that of an MP in the Queensland Legislative Assembly.
- 1.3 On 15 October 2013 the Tribunal issued Determination 1/2013 that addressed two main issues. First, the Determination set the base salary of an MP and second, it reformed the allowances and entitlements system making the system more streamlined, accountable and transparent.
- 1.4 Determination 3/2014 addresses the matter of additional salaries and related allowances payable to various office holders.
- 1.5 During the process of Determination 1/2013, the Tribunal called for, and received over 2,500 public submissions into the remuneration of MPs. A subset of these submissions remains relevant to Determination 3/2014.

Offices in the Queensland Legislative Assembly

- 1.6 The *Queensland Independent Remuneration Tribunal Act 2013* (the Act) provides a list of offices for which MPs may be entitled to be paid a salary in addition to the base salary of a backbench MP (an additional salary). Only one salary (being the highest salary) is payable in the case of a person holding multiple offices.
- 1.7 The Act includes the following offices:
 - Minister (including the Premier and Deputy Premier)
 - Assistant Minister and Leader of the House
 - Assistant Minister
 - Speaker
 - Deputy Speaker
 - Leader of the Opposition
 - Deputy Leader of the Opposition
 - Manager of Opposition Business
 - Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition
 - Chief, senior and deputy government whips
 - Opposition whip
 - Chairperson and members of a Committee
 - Another office approved by resolution of the Assembly to be an office (e.g. Opposition Spokesperson).

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- 1.8 Office holders have a range of roles and responsibilities within the Legislative Assembly to facilitate the running of the Queensland Government and the business of Parliamentary sittings.

Additional salaries and associated allowances – historical analysis

- 1.9 The provision of additional salaries to office holders has proceeded in an incremental fashion with Ministers first being provided with an annual salary in 1862.
- 1.10 Over time, various offices have been established as needed and provided with an additional salary. It has consistently been recognised that office holders have a greater level of responsibility and workload than that of a backbench MP and should be compensated accordingly.
- 1.11 Since 1980 certain office holders have also been provided with an Expense of Office Allowance in recognition of the additional duties and responsibilities associated with the office.

Additional salaries and associated allowances – comparative analysis

- 1.12 The Tribunal is of the view that the additional salary of the Premier, as the most senior office holder, should be set as the highest additional salary with the subsequent relativities (expressed as percentages) of the additional salary of other office holders determined relative to that benchmark.
- 1.13 The current total salary and additional benefit of the Premier is \$311,635 (base salary, additional salary and Expense of Office Allowance) which is significantly lower than the remuneration of large private sector Chief Executive Officer (CEO) positions. For instance, the CEO of a company with turnover of a similar size to that of the State of Queensland budget receives a total remuneration of around \$7.8 million.
- 1.14 The total salary and additional benefit received by the Premier of Queensland is toward the lower end of remuneration percentiles of a sample of not-for-profit CEOs.
- 1.15 In comparison with the public service, the total salary and additional benefit of the Premier is at the lower end of the range of superannuable salaries received by Directors-General in Queensland.
- 1.16 An examination of the base salary, additional salary and Expense of Office Allowance received by office holders in other jurisdictions shows that the remuneration of the Premier and other office holders, with the exception of the chairperson of a committee, is consistently in the lower range of the Australian jurisdictions.

Evaluation of additional salaries

- 1.17 After detailed consideration of the role and responsibilities of the Premier, and a comparison against a range of benchmarks, the Tribunal has determined that the additional salary of the Premier be set at \$230,312. This amount subsumes the Expense of Office Allowance, and includes a 3.02% increase for the current 2013-14 year, which is the same annual percentage increase that was applied to the base salary of an MP in Determination 1/2013.
- 1.18 Additional allowances associated with office holders will be abolished thereby providing greater transparency and consistency with the principle that allowances are not to be regarded as de-facto salary.
- 1.19 For the sake of comparability and simplicity, all references to salary in this Determination are to be read as superannuable salary that is net of employer superannuation contributions unless otherwise specified. There are no changes to existing superannuation arrangements proposed as a result of this Determination other than the consequential change in both employer and employee contribution amounts that arise from any change in salary levels.
- 1.20 The Tribunal has also considered the roles and responsibilities of each office, where each office sits relative to the Premier in other jurisdictions and has undertaken targeted consultation with key stakeholders to determine where the additional salary of each office should sit relative to the additional salary of the Premier.

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- 1.21 The Tribunal has determined that the additional salary of each office holder will sit in one of the following ten bands relative to the additional salary of the Premier:

Band	Office	Relativity between offices %
1	Premier	100.0
2	Deputy Premier	80.0
3	Minister Leader of the Opposition	70.0
4	Speaker Assistant Minister and Leader of the House	60.0
5	Deputy Leader of the Opposition	40.0
6	Chief government whip Deputy Speaker Manager of Opposition Business Assistant Minister	35.0
7	Opposition Spokesperson Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition Chairperson of a committee	25.0
8	Senior government whip Opposition whip	15.0
9	Government deputy whip	12.5
10	Member of a committee	10.0

- 1.22 These changes to additional salaries will be back-dated to take effect as at 1 July 2013 consistent with Determination 1/2013, such that equity and consistency is maintained, and further noting that there has been no increase in additional salaries since 1 August 2011.

Chapter 1 – Background and overview

Chapter one provides the background and overview of the Queensland Independent Remuneration Tribunal's (the Tribunal) work in reviewing and determining the additional salaries and associated allowances for Members of Parliament (MPs) holding an Executive and/or Parliamentary office (office holder).

1.1 *The Queensland Independent Remuneration Tribunal*

The Tribunal is an independent statutory authority established under the *Queensland Independent Remuneration Tribunal Act 2013* (the Act). The Tribunal's functions are to review remuneration in connection with MPs and former MPs of the Queensland Legislative Assembly and make determinations about this remuneration.

In making a determination, the Tribunal may inquire into and inform itself of anything in the way it considers appropriate, may seek and receive written or oral statements and is not bound by the rules of evidence. The Tribunal must have regard to effective and efficient processes in carrying out its functions.

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).

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
- 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.¹

In performing its functions, the Tribunal must also act independently, impartially and fairly.

To preserve the Tribunal's independence, it is not subject to direction from a Minister and its decisions are legally binding and cannot be appealed.

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.

¹ *Queensland Independent Remuneration Tribunal Act 2013* (Qld) s 55.

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1.2 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).²

The definition of remuneration includes the additional salary payable to an MP for performing roles in addition to that of a backbench MP in the Queensland Legislative Assembly and any associated allowance.

Section 42 of the Act lists offices that attract a salary in addition to the base salary (additional salary). An office holder is only entitled to be paid one additional salary being the higher or highest of the additional salaries payable.³

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*
- entitlements the Leader of the Opposition receives to perform that role under the *Queensland Opposition Handbook*
- entitlements the Speaker of the Legislative Assembly receives under the *Guidelines for the Financial Management of the Office of the Speaker*.

1.3 Tribunal determinations

On 15 October 2013 the Tribunal handed down Determination 1/2013. This Determination dealt with two primary issues. First, Determination 1/2013 established the level of the base salary of an MP. Second, Determination 1/2013 contained significant reforms to the allowances and entitlements system to make the system more streamlined, accountable and transparent.

Determination 1/2013 did not review the additional salary payable to office holders but instead left the additional salaries unchanged pending a future review by the Tribunal. In the interim, the Tribunal also determined that allowances associated with office holder positions would remain unchanged until 30 June 2014 or until amended by a subsequent Determination.

In Determination 1/2013 the Tribunal also recommended that the Legislative Assembly, by resolution, create another office under section 42 of the Act to provide for additional salary in lieu of the Opposition Spokesperson’s Allowance. This office was subsequently established by resolution of the Legislative Assembly on 13 February 2014.

² Ibid, schedule 1.

³ Ibid, s 43.

On 14 November 2013 the Tribunal handed down Determination 2/2013 which set new rates for the Daily Travel Allowance and addressed minor and technical issues that had arisen during the implementation of Determination 1/2013. Determination 2/2013 did not impact on the additional salary for office holders or the associated allowances.

Determination 3/2014 is dedicated to the issue of additional salaries payable to office holders.

Determination 1/2013 and Determination 3/2014 form part of the 'Building a new remuneration structure for Members of the Queensland Parliament' series and should be read together.

1.4 Public submissions

As this Determination forms part of a wider and holistic review labelled under the umbrella of 'Building a new remuneration structure for Members of the Queensland Parliament', the Tribunal has considered the 2,568 public submissions received during the consultation process for Determination 1/2013 and particularly, those submissions relevant to office holders. De-identified submissions are available at www.remunerationtribunal.qld.gov.au by following the link to 'Submissions'.

The Tribunal notes that the public submissions primarily focused on the base salary of a backbench MP and the salary of the Premier with little comment on remuneration arrangements for other specific office holders, their roles and responsibilities or where the office holder's additional salary should sit relative to the Premier's additional salary or the base salary of a backbench MP.

However, as outlined in Chapter 2 of Determination 1/2013, there were some divergent views regarding the payment of additional salary to office holders in general. For instance, one submitter put forward the view that additional salary for the various roles was reasonable considering the additional time, responsibility and decisions required to be made.⁴ Alternatively, another submitter was of the view that additional salaries should be abolished.⁵

Of those submissions that commented on the salary level of the Premier there was a strong view that the Premier's salary should not be comparable to the President of the United States of America and that the salary should reflect the role and responsibilities of the Premier of Queensland.⁶

Submitters provided the following views on the additional salary payable to various office holders:

- Higher level positions such as Ministers and Premier should be pegged to the same level as the SES. E.g. Premier should receive the same amount as DG of Department of Premier and Cabinet.

⁴ Submission No 1050 to the Queensland Independent Remuneration Tribunal, 6 September 2013.

⁵ Submission No 101 to the Queensland Independent Remuneration Tribunal, 29 August 2013.

⁶ Submission No 379 to the Queensland Independent Remuneration Tribunal, 4 September 2013; Submission No 1469 to the Queensland Independent Remuneration Tribunal, 9 September 2013; Submission No 1563 to the Queensland Independent Remuneration Tribunal, 9 September 2013; Submission No 1574 to the Queensland Independent Remuneration Tribunal, 9 September 2013; Submission No 1576 to the Queensland Independent Remuneration Tribunal, 9 September 2013; Submission No 1596 to the Queensland Independent Remuneration Tribunal, 10 September 2013; Submission No 1611 to the Queensland Independent Remuneration Tribunal, 10 September 2013; and Submission No 1923 to the Queensland Independent Remuneration Tribunal, 10 September 2013.

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Ministers should receive the same pay as the DGs of the Department which supports their portfolio. Parliamentary secretaries should receive the equivalent [sic] of an Executive Director in the Department of their relevant portfolio. Chair's of committees should receive the the [sic] same as the lowest level SES officer.⁷

- For Ministers their base rate should be matched to the salary of the DG of the Dept the [sic] are leading.⁸
- If they all took the pay rise – only 2 (premier and deputy premier) would be paid more than a Magistrate (\$317,000 p/a) and only one would be paid more than a District Court Judge (that is the premier) but he is paid less than a Supreme court Judge. So those who are elected into power to make the laws and take the responsibility get paid less than those who interpret them and have no responsibility to the community – doesn't seem fair to me.⁹
- There should be no additional salaries for formal roles, taking on the mantle of Premier or portfolio minister should be seen as a solemn duty, not an opportunity to double one's pay.¹⁰
- The role of a MP is to represent their community so the additional payment for parliament committees is nonsensical as is the chairperson position. It is a part of the role and responsibilities of a MP so an additional amount of \$8217 and \$21168 simply cannot be justified; it is merely topping up their salary.¹¹
- A small allowance should be enough for a Committee Chairman or Member, because some committees are only established for a short time and the high money paid is not warranted. Politicians shouldn't be paid extra to sit on committees as that is part of their jobs as Parliamentarians, just like normal people are allocated jobs at work. They should be getting a set salary and only paid extra if the [sic] happen to be Premier, Treasurer, Speaker or Whip as that is a higher duty.¹²

The general concept of allocating offices into bands or levels of additional salary was discussed by submitters as follows:

- The practice of providing additional salary for the completion of duties in addition to those of an elected local member is not only compensation for further work, but a tangible recognition of the value those offices bring to our democratic system of governance. It is in considering this that I believe the practice of providing an additional salary based on a ratio of base salary should continue; obviously particularised for each parliamentary office holder. This should be clearly apportioned by seniority of office and duties required to be performed.¹³
- I do not know the relevant ATO figures for a fair salary percentage, but it could be similar to:- Premier 95%, Deputy 90%, Cabinet/Opposition Leader/Speaker 85%, Committee chair 80% and Back Bencher [sic] 75%.¹⁴
- Parliamentary Secretaries, Ministers and Premier's salaries be 5,10 and 20% above MP salary.¹⁵
- In designing the base salary there are two options – one is to create a tiered salary structure with MLAs on the bottom tier, Committee members and whips on a second tier; Leader of the Opposition, Ministers and the Speaker on a third tier and the Premier on a fourth tier based on some assessed notion of work level; the other is to have a base salary for all MLAs with different salary allowances paid for specific roles.¹⁶

⁷ Submission No 76 to the Queensland Independent Remuneration Tribunal, 29 August 2013.

⁸ Submission No 155 to the Queensland Independent Remuneration Tribunal, 29 August 2013.

⁹ Submission No 214 to the Queensland Independent Remuneration Tribunal, 31 August 2013.

¹⁰ Submitter No 223 to the Queensland Independent Remuneration Tribunal, 31 August 2013.

¹¹ Submission No 1591 to the Queensland Independent Remuneration Tribunal, 10 September 2013.

¹² Submission No 1650 to the Queensland Independent Remuneration Tribunal, 10 September 2013.

¹³ Submission No 1628 to the Queensland Independent Remuneration Tribunal, 10 September 2013.

¹⁴ Submission No 1488 to the Queensland Independent Remuneration Tribunal, 9 September 2013.

¹⁵ Submission No 1639 to the Queensland Independent Remuneration Tribunal, 10 September 2013.

¹⁶ Submission No 1532 to the Queensland Independent Remuneration Tribunal, 9 September 2013.

- For additional formal roles of Premier etc an additional salary component of between \$10,000 and \$30,000 per annum be given for each additional role up to a maximum of \$50,000.¹⁷
- To simplify the system, it might be better to define a few levels of payments for MPs - e.g. just MP, committee member, minister, premier, and set standard increases for these. Salary rates of senior public servants would provide a useful benchmark. Executive pay rates would not provide a suitable point of comparison for salary.¹⁸

1.5 *How the Tribunal went about its work*

As a first step the Tribunal considered the role and responsibilities of each office in the context of the Queensland Legislative Assembly. A summary of each office is provided in Chapter two of this Determination. It is important to note that these roles and responsibilities are in addition to the roles and responsibilities that each individual has as an MP.

The history of the provision of an additional salary for each office is provided in Chapter three.

A comparative analysis was undertaken between the remuneration of office holders and Chief Executive Officers (CEOs) in the private sector (including not-for-profit CEOs) as well as Directors-General of Queensland Government Departments. Consideration was also given to other Australian jurisdictions to ascertain the various offices and additional salaries pertaining to those offices. The results of this comparative analysis are outlined in Chapter four.

The Tribunal also undertook targeted consultation with office holders and the Clerk of the Parliament and considered submissions received during the public submission process.

Following this review the Tribunal undertook a process to determine the additional salary of the highest office holder (the Premier) and then to assess each office and ascertain where the office should sit relative to the office of the Premier. The outcome of this evaluation is provided in Chapter five.

¹⁷ Submission No 1141 to the Queensland Independent Remuneration Tribunal, 6 September 2013.

¹⁸ Submission No 114 to the Queensland Independent Remuneration Tribunal, 29 August 2013.

Chapter 2 – Offices in the Queensland Legislative Assembly

Chapter two provides an overview of the Queensland Legislative Assembly and a summary of the Executive and Parliamentary offices within the Assembly that may attract a salary in addition to the base salary of an MP.

2.1 *Offices in the Queensland Legislative Assembly*

In Queensland, some MPs hold Executive and/or Parliamentary offices within the Legislative Assembly. Ministers (including the Premier and Deputy Premier) and Assistant Ministers are Executive office holders and are appointed by the Governor.¹⁹ Ministers in Queensland make up Cabinet, are appointed as members of the Executive Council and along with the Governor, perform the functions of Executive Government.²⁰

Parliamentary office holders are either elected or appointed by the Legislative Assembly (e.g. Speaker and Deputy Speaker) or by a political party (e.g. Leader of the Opposition and whips). Together with all other MPs, the Parliamentary office holders perform the functions of the Legislature.

Section 42 of the *Queensland Independent Remuneration Tribunal Act 2013* (the Act) provides a list of offices for which MPs may be entitled to be paid an additional salary (Figure 2.1). The provision of an additional salary recognises the additional roles and responsibilities placed on office holders when compared with the roles and responsibilities of a backbench MP.

Section 42 enables the Legislative Assembly by resolution to create further offices. For instance, on 13 February 2014 the Legislative Assembly approved the establishment of the Office of Opposition Spokesperson.

¹⁹ Refer to the *Constitution of Queensland 2001* (Qld), s 24 and s 43. For further information on the role and responsibilities of the Governor, see The Office of the Governor, Queensland, *Roles and Functions*, The Office of the Governor, Queensland <http://www.govhouse.qld.gov.au/the_governor/roles_functions.aspx>.

²⁰ Further information is provided in the Department of the Premier and Cabinet, *Queensland Executive Council Handbook* (2 April 2013) *Governing Queensland – government handbooks* <<http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/exec-council-handbook.aspx>>.

Figure 2.1 – Section 42 offices in Queensland

Minister (including Premier and Deputy Premier)
Assistant Minister and Leader of the House
Assistant Minister
Speaker
Deputy Speaker
Leader of the Opposition
Deputy Leader of the Opposition
Manager of Opposition Business
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition
Chief government whip
Senior government whip
Government deputy whip
Opposition whip
Chairperson of a committee
Member of a committee
Another office approved by resolution of the Assembly to be an office to which this section applies (e.g. Office of Opposition Spokesperson)

2.2 The Queensland Legislative Assembly

The Queensland Legislative Assembly consists of 89 MPs who are directly elected to each represent one electorate in Queensland.

There are six key functions of the Queensland Parliament:

- following a general election the Parliament provides the State Government for Queensland (being the majority of MPs of a political party or coalition of parties)
- introducing and passing legislation which provides the basis for government activity and constitutes the State's laws
- having financial responsibility for the government's yearly appropriations of revenue and expenditure
- scrutinising the Executive Government's activities
- being a representative institution for all of Queensland's citizens by their elected MP
- accommodating the public interest of the citizens of Queensland.²¹

²¹ Parliament of Queensland, *The Role of Parliament* (2011) Explore Your Parliament <<http://www.parliament.qld.gov.au/explore/about-us/parliament-overview/role-of-parliament>>.

Executive and Parliamentary office holders have a significant role in the Queensland Legislative Assembly with responsibilities such as the preparation and introduction of Bills to the Legislative Assembly, scrutinising Bills and managing sittings of the Queensland Legislative Assembly thereby ensuring the business of the government is undertaken during each sitting.

Queensland is the only State (excluding Territories) in Australia that is unicameral consisting of the Legislative Assembly and no Upper House. Other state jurisdictions are bicameral consisting of a Lower and Upper House, generally known as a Legislative Assembly and a Legislative Council.

As a result of the unicameral system, Queensland MPs perform the full function of passing legislation in its entirety and have total responsibility to their constituents for their decisions.

The unicameral nature of the Queensland Parliament arguably places a greater responsibility on office holders in the Queensland Legislative Assembly. Office holders are subject to a higher level of responsibility and accountability than a backbench MP as their decisions will directly affect the people of Queensland.

Decisions made by Cabinet and by individual Ministers in relation to their portfolio directly affect the people of Queensland. For instance, the decision to draft and introduce new legislation or amend existing legislation will impact on how an individual conducts their affairs in Queensland. Additionally, decisions regarding the allocation of government resources and services affect the Queensland public.

Parliamentary committee chairpersons and committee members provide a layer of oversight of government activity and government decision making processes. In lieu of an Upper House, the intent of the committee system is to provide a level of accountability for government decisions which impact the people of Queensland.

Opposition office holders also have a significant role in maintaining government accountability by providing a critical, questioning and alternative view on government decisions and activity.

How an office holder fulfils their responsibilities also affects the stability of the system of government in Queensland. For instance, a Speaker fulfilling their constitutional and procedural roles in the Legislative Assembly assists in ensuring the institution of the Queensland Parliament is maintained and its duties fulfilled.

The offices of Assistant Minister and Leader of the House and whip also assist in providing a stable system of government by managing government business to meet the objectives of the government during each sitting and ensuring the government of the day has a majority for any division or vote.

2.3 Role of each office in the Queensland Legislative Assembly

Section 2.3 provides a summary of the roles and responsibilities of each individual office in the Queensland Legislative Assembly that is entitled to an additional salary under the Act.

Premier

The Premier is the leader of the Government in Queensland, the Chief Minister and chairperson of Cabinet. The Premier's authority comes from their party, Parliament, political convention and the electorate. The Premier is an 'indispensable part of Westminster government...'²²

The Premier is initially elected as the parliamentary leader by the party which has the support of the majority of MPs in the Queensland Legislative Assembly. The Premier is then formally appointed by commission issued by the Governor. While the office of Premier is not expressly provided for in the Act, the *Constitution of Queensland 2001* (Constitution) provides that Cabinet consists of the Premier and Ministers appointed by the Governor, by commission.²³

The Premier's power and influence over the State of Queensland generally comes from a number of sources.²⁴ As chairperson of Cabinet, the Premier sets Cabinet's agenda, prioritises Cabinet submissions and influences the decision making outcomes of Cabinet. As leader of the government in the Legislative Assembly the Premier dominates the business of the Legislative Assembly and determines its activity (in consultation with the Assistant Minister and Leader of the House).²⁵

In the public arena the Premier is the spokesperson for the government, announcing its initiatives, defending its policies and record and explaining its processes and as such is subject to constant media scrutiny and public attention.²⁶

The Premier is responsible for ensuring the government fulfils its responsibility to the Legislative Assembly. The Premier is expected to have a clear vision and strategy for Queensland that addresses the issues confronting the State and includes plans for the State's continued prosperity.

In the Premier's roles as Chief Minister and chairperson of Cabinet, the Premier:

- chooses and recommends Ministers for appointment to the Governor
- is the Governor's chief advisor and relays information between the Governor and Cabinet
- allocates portfolio responsibilities to Ministers
- has responsibility for portfolio matters allocated to the Premier

²² Parliament of Queensland, *Tertiary Factsheet 4.3 The Premier of Queensland* (2012) Everyone's Parliament
<http://www.parliament.qld.gov.au/documents/explore/education/factsheets/Tertiary%20Factsheet_4.3_The_PremierofQueensland.pdf>.

²³ *Constitution of Queensland 2001* (Qld), ss 42 and 43.

²⁴ Parliament of Queensland, above n 22.

²⁵ Ibid.

²⁶ Ibid.

- is an ex officio member of the Parliamentary Committee of the Legislative Assembly (the CLA)²⁷
- is the main channel of communication between the government and other State and Territory governments, the Commonwealth and overseas governments.

The Premier is the most prominent political figure in Queensland and carries the highest responsibility for the operations of government.

In the Premier's absence the Deputy Premier becomes the Acting Premier. On a day to day basis the Deputy Premier assists the Premier with a range of leadership issues in the Party, Cabinet and the Legislative Assembly.

Minister

Ministers, including the Premier, have three key roles and responsibilities:

- individual ministerial responsibility for the areas of government allocated to them by the gazetted administrative arrangements effectively allocated by the Premier and approved by the Governor-in-Council which varies from time to time
- participation in decision making through membership of Cabinet, the collective decision making body of the government²⁸
- participation in the Executive Council which consists of the Governor and persons appointed by the Governor (usually the same persons who comprise Cabinet).

Ministerial responsibility

The maximum number of Ministers allowable under the Constitution is 19²⁹ and there are currently 19 Ministers including the Premier in the 54th Parliament. The Governor has the power to appoint and dismiss Ministers and in this role is not subject to direction by any person.³⁰ Generally however, the Governor acts on the advice of the Premier.

Ministerial responsibility and the role of a Minister in this context can be summarised as follows:

- Ministers, led by the Premier, provide advice to the Governor as the Queen's representative in Queensland
- as part of the government's collective responsibility to the Legislative Assembly Ministers need to speak with one voice on Cabinet decisions

²⁷ The CLA is responsible for the ethical conduct of members, parliamentary powers, rights and immunities, standing rules and orders about the conduct of business by, and the practices and procedures of the Legislative Assembly and its Committees and any other matters for which the CLA is given responsibility (Queensland Parliament, *Committee of the Legislative Assembly* (2011) Work of Committees <<http://www.parliament.qld.gov.au/work-of-committees/committees/CLA>>). The CLA currently consists of the Speaker, the Treasurer (as the Premier's nominee), the Deputy Premier, the Leader and Deputy Leader of the Opposition, the Assistant Minister and Leader of the House and the Manager of Opposition Business.

²⁸ Cabinet consists of the Premier and a number of Ministers (*Constitution of Queensland 2001* (Qld) s 42). Currently, in the 54th Parliament, all Ministers are members of Cabinet.

²⁹ *Constitution of Queensland 2001* (Qld) s 43 (4).

³⁰ *Ibid*, s 34.

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- Ministers are individually responsible to the Legislative Assembly for the administration of their portfolios, including the acts or omissions of public servants from their departments.³¹

The Administrative Arrangements Order³² provides the current ministerial portfolios and responsibilities including the department, administrative units and Acts of Parliament administered.

Figure 2.2 lists the current Ministers in the Queensland Government and provides a summary of their key ministerial responsibilities. Ministers have significant responsibilities in relation to their portfolios which in turn significantly impact on the people of Queensland. Ministers are also ultimately responsible for overseeing considerable annual departmental budgets assisting them in fulfilling their portfolio responsibilities.

Figure 2.2 – Ministers in the Queensland Government and ministerial responsibilities³³

Ministers in the Queensland Government	Administrative units	Principal ministerial responsibilities ³⁴	Departmental budget 2013-14 ³⁵ \$ '000
Premier	<ul style="list-style-type: none"> Department of the Premier and Cabinet (DPC) Public Service Commission (PSC) 	Overall responsibility for Queensland, Cabinet, the State budget, the public service, coordination of government communication, policy development, Parliamentary Counsel, governance, protocol and intergovernmental relations.	DPC 130,221 PSC 26,667
Deputy Premier and Minister for State Development, Infrastructure and Planning	<ul style="list-style-type: none"> Department of State Development, Infrastructure and Planning 	Investment and infrastructure, major projects, land use planning, urban growth and state development including regional economic development and local industry policy.	401,044
Treasurer and Minister for Trade	<ul style="list-style-type: none"> Queensland Treasury and Trade 	The State budget, taxation, economic policy, trade development, government owned enterprises and insurance.	6,598,709
Minister for Health	<ul style="list-style-type: none"> Queensland Health 	Hospitals, ambulance service, public, oral, Aboriginal and Torres Strait Islander, community and mental health.	9,251,679
Minister for Education, Training and Employment	<ul style="list-style-type: none"> Department of Education, Training and Employment Skills Queensland 	State schooling, early childhood education, care regulation, non-state school accreditation, regulation and funding, teacher registration, higher education, vocational education and training, skilled and business migration for Queensland and employment programs.	10,661,842

³¹ Queensland Parliament, *The Executive Government of Queensland* (2011) Explore Your Parliament <<https://www.parliament.qld.gov.au/explore/about-us/parliament-overview/executive-government>>.

³² The current Administrative Arrangements Order (No. 2) 2013 is available at www.qld.gov.au by following the link to 'How government works' and then the link to 'Government responsibilities'.

³³ As at 1 January 2014.

³⁴ Queensland Government, *Directory of Queensland Ministers and Portfolios* (19 February 2014) The Queensland Cabinet and Ministerial Directory <<http://www.cabinet.qld.gov.au/ministers.aspx>>.

³⁵ *Appropriation Act 2013* (Qld), schedule 1.

Ministers in the Queensland Government	Administrative units	Principal ministerial responsibilities ³⁴	Departmental budget 2013-14 ³⁵ \$ '000
Attorney-General and Minister for Justice	<ul style="list-style-type: none"> Department of Justice and Attorney-General (DJAG) Public Trust Office 	Justice administration, courts, registration of births, deaths and marriages, coroners, criminal justice and law reform, adult corrective services, elections, judges and magistrates, JPs, Legal Aid, Public Trustee, occupational licensing, gaming, liquor licensing, fair trading, consumer protection, workplace health and safety, electrical safety, youth justice and workers' compensation.	810,305
Minister for Transport and Main Roads	<ul style="list-style-type: none"> Department of Transport and Main Roads 	Air services, busways, land transport and safety, main roads, maritime passenger transport, ports, railways, transport infrastructure and Translink.	5,791,607
Minister for Police, Fire and Emergency Services	<ul style="list-style-type: none"> Queensland Police Service (QPS) Queensland Fire and Emergency Services Public Safety Business Agency 	Police, fire and rescue services and disaster management.	QPS 1,920,943 Department of Community Safety 1,243,444 ³⁶
Minister for Agriculture, Fisheries and Forestry	<ul style="list-style-type: none"> Department of Agriculture, Fisheries and Forestry 	Agriculture, fisheries, forestry including food and fibre production, biosecurity including plant and animal disease protection, exotic pest management and animal welfare.	258,721
Minister for Environment and Heritage Protection	<ul style="list-style-type: none"> Department of Environment and Heritage Protection 	Environment, climate change, science and policy, coastal management, ecologically sustainable development, environmental planning, protection of flora and fauna, historical cultural heritage, pollution and waste management.	149,920
Minister for Natural Resources and Mines	<ul style="list-style-type: none"> Department of Natural Resources and Mines 	Mining and petroleum including mine safety and health, land management and use, land titles, valuations, state land, land protection and Aboriginal and Torres Strait Islander land interests and native title.	327,350
Minister for Energy and Water Supply	<ul style="list-style-type: none"> Department of Energy and Water Supply 	Energy and water utilities, clean energy including energy efficiency and energy industry development and bulk water supply, distribution and retail arrangements.	746,517
Minister for Local Government, Community Recovery and Resilience	<ul style="list-style-type: none"> Department of Local Government, Community Recovery and Resilience Queensland Reconstruction Authority 	Regulation of local government including corporate governance, auditing of councils, local government boundaries and elections, building relationships between councils and the State Government and Queensland disaster recovery strategies and projects.	4,536,792

³⁶ This Department no longer exists as a result of variations to the Minister's portfolio responsibilities.

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Ministers in the Queensland Government	Administrative units	Principal ministerial responsibilities ³⁴	Departmental budget 2013-14 ³⁵ \$ '000
Minister for Communities, Child Safety and Disability Services	<ul style="list-style-type: none"> Department of Communities, Child Safety and Disability Services 	Child protection services, adoption, carers, community recovery and services, disability services, home and community care, homelessness, seniors, social inclusion, women's policy, youth affairs, incorporation of associations and co-operatives, registration of charitable and community purpose organisations.	2,826,837
Minister for National Parks, Recreation, Sport and Racing	<ul style="list-style-type: none"> Department of National Parks, Recreation, Sport and Racing 	Marine and national parks management including access to national parks, recreation, racing and sport.	297,965
Minister for Tourism, Major Events, Small Business and the Commonwealth Games	<ul style="list-style-type: none"> Department of Tourism, Major Events, Small Business and the Commonwealth Games 	Commonwealth Games, developing small business capability, investment promotion, major events, regulatory reform, small business resilience and tourism development and promotion.	208,464
Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs and Minister Assisting the Premier	<ul style="list-style-type: none"> Department of Aboriginal and Torres Strait Islander and Multicultural Affairs Public Service Commission 	Aboriginal and Torres Strait Islander policy, rights and culture, multicultural affairs and assisting the Premier with public service industrial relations and veterans affairs.	59,822
Minister for Housing and Public Works	<ul style="list-style-type: none"> Department of Housing and Public Works 	Housing services, government accommodation, buildings, vehicles, purchasing, property facilities management and related services, building industry regulation and standards, regulation of accommodation services, registration of retirement villages and government printing.	698,576
Minister for Science, Information Technology, Innovation and the Arts	<ul style="list-style-type: none"> Department of Science, Information Technology, Innovation and the Arts 	Science policy, strategy and investment, digital economy, chief scientist, innovation policy, strategy and programs research and development coordination and planning, international collaborations, administration of Crown copyright and intellectual property, government information and communication services and delivery, archives, Smart Services Queensland, Queensland Shared Services and Arts Queensland.	386,906

Cabinet

While each Minister has ministerial responsibility for their individual portfolios they also have collective responsibility for all decisions made as part of Cabinet.

The Constitution provides for there to be a Cabinet consisting of the Premier and Ministers. All of the 19 Ministers are members of the current Cabinet.

Cabinet is responsible for the development, approval and coordination of the government's policies. Cabinet is collectively responsible for the policies and programs on which it makes decisions. As such, Ministers are required to speak with one voice on the policies and programs decided on in Cabinet regardless of their individual views in Cabinet.

Cabinet meetings are typically held on a weekly basis. Ministers present proposals to Cabinet in the form of submissions which are circulated to all Ministers and portfolios prior to Cabinet consideration. Once a Cabinet decision is made regarding a submission the relevant Minister and portfolio who brought the submission will implement the decision or the matter will be brought to Executive Council or the Parliament to give the Cabinet decision legal effect.

Executive Council

The Constitution states that there must be an Executive Council for the State consisting of persons appointed as members by the Governor.³⁷ It is customary in Queensland for those persons who comprise the ministry to be appointed as Executive Councillors after being sworn in as Ministers. Therefore, in addition to ministerial duties, Ministers must also perform the role of Executive Councillors.

The Governor attends and presides over all meetings of the Executive Council but is not a member of the Council.³⁸ A quorum of the Executive Council is the Governor and two Executive Councillors.

Unlike Cabinet, the Executive Council is not a deliberative or decision making body. The Executive Council advises the Governor in relation to the powers of the Governor in Council. Under the Constitution the term 'Governor in Council' means the 'Governor acting with the advice of the Executive Council'.³⁹ The Governor in Council gives legal effect to the decisions and actions of the government.

Executive Council Minutes are signed by Executive Councillors (Ministers) and lodged with the Department of the Premier and Cabinet. The Executive Council secretariat prepares a schedule of Minutes for consideration by Executive Councillors. If Executive Councillors agree that the matters in the schedule should proceed to the Governor in Council the schedule is initialled by each Executive Councillor at the regular Cabinet meeting. Minutes are then submitted to the Governor in Council for approval.

³⁷ *Constitution of Queensland 2001* (Qld) s 48.

³⁸ Department of the Premier and Cabinet, 2.4 *Membership* (2 April 2013) Executive Council Handbook <<http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/exec-council-handbook/powers/membership.aspx>>.

³⁹ *Ibid*; *Constitution of Queensland 2001* (Qld) s 27.

Acting Minister

Under the Act, a Minister who acts in another Minister's office for a continuous period of 30 days or more may be entitled to the higher additional salary payable to that other Minister.⁴⁰ However an office holder is only entitled to receive one additional salary being the higher of the additional salaries.

Assistant Minister and Leader of the House

The office of Assistant Minister and Leader of the House combines the roles and responsibilities of both an Assistant Minister and Leader of the House. This role was created by the Governor in Council in 2012.

The Leader of the House (previously known as the Manager of Government Business)⁴¹ is appointed by the Premier who is ultimately responsible for government business. The Premier then announces the appointment in the Legislative Assembly. In the current Parliamentary structure this role has been subsumed into the office of Assistant Minister and Leader of the House.

The Leader of the House has responsibility for the arrangement and management of government business in the Legislative Assembly to ensure government business progresses efficiently and is not hindered. In consultation with the Premier, Ministers and the Opposition it is the responsibility of the Leader of the House to determine the order in which the items of government business will be dealt with and the time allotted for debate to ensure the passage of government business is not unduly delayed or disrupted. When issues arise in the Legislative Assembly the Leader of the House is also involved in determining strategy and tactics to be followed by the government.

Most procedural motions are moved by the Leader of the House on behalf of the government. This office holder works closely with government whips and liaises with the Manager of Opposition Business on matters that may have a bearing on the progress of government and general business.

The Leader of the House is a member of the CLA and is responsible for calling CLA meetings and setting the agenda.⁴² The Leader of the House is also required to nominate to the Legislative Assembly chairpersons and members for Parliamentary committees.⁴³

Assistant Minister (previously known as a Parliamentary Secretary)

The functions of Assistant Ministers are determined by the Premier.⁴⁴ Currently, the *Queensland Cabinet Handbook* provides they are appointed:

... to assist Ministers in prioritising work, to provide a training experience for future Ministers, to facilitate public access to the Executive and to enable the bureaucracy to have an ongoing point of

⁴⁰ *Queensland Independent Remuneration Tribunal Act 2013* (Qld) s 46.

⁴¹ Definition of role in *Parliament of Queensland Act 2001* (Qld), schedule.

⁴² *Parliament of Queensland Act 2001* (Qld) ss 81 and 83.

⁴³ *Parliament of Queensland Act 2001* (Qld) ss 91-91B, 103-104 and 983.

⁴⁴ *Constitution of Queensland 2001* (Qld) s 25.

contact so that Parliamentary correspondence and other Parliamentary administrative issues are neither overlooked nor downgraded.⁴⁵

There are currently 12 Assistant Ministers listed in Figure 2.3 who assist the relevant Minister with the execution of the duties of the Minister's portfolio regarding the matters listed in the Assistant Minister's title.

Figure 2.3 – Assistant Ministers in the Queensland Government⁴⁶

Assistant Ministers in the Queensland Government
Assistant Minister to the Premier on e-government and Leader of the House
Assistant Minister for Natural Resources and Mines
Assistant Minister for Health
Assistant Minister for Emergency Volunteers
Assistant Minister for Tourism
Assistant Minister for Public Transport
Assistant Minister for Child Safety
Assistant Minister for Planning Reform
Assistant Minister for Finance, Administration and Regulatory Reform
Assistant Minister for Aboriginal and Torres Strait Islander Affairs
Assistant Minister for Technical and Further Education
Assistant Minister for Multicultural Affairs

Assistant Ministers are not Ministers of the State and cannot sit as a Minister in Cabinet, attend a meeting of the Executive Council, perform any duties on behalf of the Executive in the Legislative Assembly, or appear before a committee of the Parliament on behalf of the Minister.⁴⁷ However, Assistant Ministers perform a supportive role to their Minister in fulfilling portfolio responsibilities.

Speaker

The Speaker is elected by MPs in the Legislative Assembly and holds the most senior Parliamentary office. The election of a Speaker is the first duty of each new Parliament following a general election and swearing in of MPs. The Speaker can only be removed from office by a vote of the Legislative Assembly.

The Speaker of the Legislative Assembly performs a number of important roles.

- as the chief presiding officer in the Assembly, the Speaker chairs the debates and enforces Standing Orders (the rules) to ensure orderly conduct of proceedings
- while not setting the meetings or agenda, the Speaker acts as chairperson of the Committee of the Legislative Assembly (CLA), which has functions pursuant to the *Parliament of Queensland Act 2001* and the *Parliamentary Service Act 1988*
- the Speaker is the representative of Parliament and has a key ceremonial role on formal occasions in representing the Parliament in other jurisdictions and in hosting heads of mission and guests

⁴⁵ Department of the Premier and Cabinet, *2.8 Assistant Ministers* (3 October 2013) Cabinet Handbook <<http://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/cabinet-handbook/roles/assistant-ministers.aspx>>.

⁴⁶ As at 1 January 2014.

⁴⁷ Department of the Premier and Cabinet, above n 45.

- as the guardian of the rights, powers and immunities of the Parliament, the Speaker's role is to uphold the democratic institution of Parliament and its place within a Parliamentary democracy. This role includes determining whether matters of privilege arise and what matters should be referred to the Ethics Committee, and briefing counsel to appear in court when issues of privilege arise and the interest of the Legislative Assembly, its committee or members needs to be represented
- the Speaker through directions and by-laws regulates the conduct and behaviour of persons on the Parliamentary precinct and in the Legislative Assembly when the Assembly is sitting
- if the votes are equal in the Legislative Assembly, or a Committee of the Whole House, the Speaker has the casting vote.⁴⁸

Deputy Speaker

One MP is appointed by the Legislative Assembly as Deputy Speaker by a motion normally moved by the Premier.⁴⁹ Like the Office of Speaker, the Deputy Speaker can only be removed from office by a vote of the Legislative Assembly and continues to hold office until the day before the first sitting day of the Legislative Assembly after a general election.⁵⁰

The Deputy Speaker becomes Acting Speaker when the Speaker is absent and also presides over the Assembly during a sitting when requested by the Speaker. In such circumstances the Deputy Speaker has the full powers of the Speaker. Like an Acting Minister the Deputy Speaker is only entitled to the additional salary of the Speaker if they acted as Speaker for a continuous period of 30 days or more.⁵¹

Leader of the Opposition

The party or coalition of parties having the most non-government MPs in the Legislative Assembly is known as the Opposition and its leader, the Leader of the Opposition. The Leader of the Opposition is determined by the Parliamentary political party or parties constituting the Opposition.

The Leader of the Opposition has to be prepared to discuss every Bill introduced by the government and become the 'master of all the business which comes before the house'.⁵² The Opposition's main role is to hold the government to account through questioning and scrutinising the policies and decisions of the government. Opportunities to fulfill this role occur during Question Time, parliamentary debates, notices of motion and no confidence motions.

⁴⁸ *Parliament of Queensland Act 2001* (Qld) s 13.

⁴⁹ *Ibid*, s 17. The origin of the title being that this person presides when the House is meeting as a Committee of the Whole House to consider the clauses of a Bill in detail.

⁵⁰ *Parliament of Queensland Act 2001* (Qld) s 18.

⁵¹ *Queensland Independent Remuneration Act 2013* (Qld) s 44.

⁵² *Inquiry into the Salaries and Allowances of Members of the Commonwealth Parliament*, PP15 (1959-60) 31, cited in *Parliament of Australia, House of Representatives Practice* (6th Ed) Chapter 2: House, Government and Opposition, 80 (6 September 2012) House of Representatives <<http://www.aph.gov.au/~media/05%20About%20Parliament/53%20HoR/532%20PPP/Practice6/PDF/Chapters/6Chap02.ashx>>.

The Leader of the Opposition engages with the media and the general public to provide a critique of the government's actions, to articulate alternative views and policy and to establish the Opposition's credentials as an alternative government.

Traditionally the role and responsibilities of the Leader of the Opposition are as follows:

- leading the Opposition in Parliamentary and policy debate
- holding the government accountable and presenting the views of an alternative government
- chairing the meetings of shadow cabinet
- leading and publicising the development of party policy
- identifying as an alternative Premier
- leading the party in an election.⁵³

The Leader of the Opposition is also a member of the CLA.

Deputy Leader of the Opposition

Like the Leader of the Opposition, the Deputy Leader of the Opposition is determined by the Parliamentary political party or parties constituting the Opposition.

The Deputy Leader of the Opposition forms part of the Opposition leadership team assisting the Leader of the Opposition in fulfilling the duties of the Opposition and is also a member of the CLA. The Deputy Leader of the Opposition acts in the position of Leader of the Opposition in their absence.

Opposition Spokesperson

The Opposition is regarded as the 'alternative government' and the Leader of the Opposition generally appoints a number of MPs as 'shadow ministers'. These shadow ministers are formally known as 'Opposition Spokespersons' in Queensland and have responsibility to scrutinise the work of the government, its Ministers and their portfolios. Typically Opposition Spokespersons have defined areas of policy that loosely mirror ministerial portfolios, however Opposition Spokespersons have no executive or legal power. The Legislative Assembly pursuant to section 42 of the Act has recently recognised 'Opposition Spokesperson' as an office eligible for additional salary.⁵⁴

The Leader of the Opposition appoints Opposition Spokespersons by notification to the Speaker, the Clerk of the Parliament or the Legislative Assembly. The maximum number of persons able to be appointed Opposition Spokesperson is equal to the maximum number of Minister's at any time under the *Constitution of Queensland 2001* (currently 19). Given the nature of the current Parliament, all eight opposition members, including the Leader of the

⁵³ Parliament of Queensland, *Factsheet 3.14 Role of the Opposition* (October 2012) Everyone's Parliament <http://www.parliament.qld.gov.au/documents/explore/education/factsheets/Factsheet_3.14_RoleOfOpposition.pdf>.

⁵⁴ Queensland Parliament, *Record of Proceedings, First Session of the Fifty-Fourth Parliament, Thursday, 13 February 2014* (13 February 2014) Queensland Parliament, 217 <http://www.parliament.qld.gov.au/documents/hansard/2014/2014_02_13_WEEKLY.pdf>.

Opposition, the Deputy Leader of the Opposition, the Manager of Opposition Business and Opposition Whip are also Opposition Spokespersons as follows:

- Leader of the Opposition and Shadow Minister for Justice and Attorney-General, Industrial Relations, Tourism, Major Events and the Commonwealth Games
- Deputy Leader of the Opposition and Shadow Minister for State Development, Infrastructure and Planning, Racing, Agriculture, Fisheries and Forestry, and Local Government
- Manager of Opposition Business and Shadow Minister for Treasury and Trade, Energy and Water Supply, Employment and Aboriginal and Torres Strait Islander Partnerships
- Opposition whip and Shadow Minister for Health, Natural Resources and Mines and Housing
- Deputy opposition whip (not an office listed under s42 of the Act) and Shadow Minister for Community Services and Child Safety, Mental Health, Women and Seniors and Multicultural Affairs
- Shadow Minister for Police, Corrective Services and Emergency Services, Construction and Public Works and National Parks, Sport and Recreation
- Shadow Minister for Transport and Main Roads, Environment and Heritage Protection, Small Business and Consumer Affairs and the Arts
- Shadow Minister for Education and Training, Disability Services and Science, IT and Innovation.

Manager of Opposition Business

The Leader of the Opposition advises the Legislative Assembly of the appointment of the Manager of Opposition Business.

The Manager of Opposition Business liaises with the Leader of the House as part of the management of the business of the Legislative Assembly. A co-operative approach between parties is usually taken to progress business in the Legislative Assembly. The Manager of Opposition Business is also a member of the CLA.

Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition

The Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition is the leader of a registered political party⁵⁵ which has at least:

- 9 MPs in the Legislative Assembly, or
- 3 MPs in the Legislative Assembly who were members of the party at the most recent election at which the party member was elected and the party received at least 10 per cent of the primary vote at the most recent general election.⁵⁶

In the current Parliament there is no MP holding this office as none of the political parties that do not form the Government or Opposition meet the legislative requirements of a 'recognised political party'.

⁵⁵ *Queensland Independent Remuneration Tribunal Act 2013* (Qld) s 39.

⁵⁶ *Ibid.*

Where there is a Leader in the Assembly of a recognised political party this role involves leading the party in parliamentary and policy debate, being the party spokesperson in the media, seeking to hold the government accountable and being across government decisions and policies.

Whip

Whips are appointed within their Parliamentary political parties and are announced in the Legislative Assembly by the party leaders. In Queensland only the government whips and opposition whip are office holders in the Legislative Assembly in terms of additional salary. The government of the 54th Queensland Parliament currently has a chief government whip, senior government whip and two government deputy whips.

The main function of whips is to act as the administrative officers to their parliamentary political parties.⁵⁷ Whips essentially occupy party political positions and are responsible for arranging the number and order of MPs who wish to speak in debates, ensuring attendance of party members for divisions and quorum calls and acting as a teller or reporter of votes (advising the Speaker the way their party is voting) in divisions. Whips also grant leave to MPs who are unable to attend Parliamentary sessions so as to maintain the party's numbers in the Legislative Assembly. The government whips must also act to ensure the government has a majority in every division to avoid the risk of defeat, and in serious cases the loss of a no confidence motion.

Chairperson and members of committees

The committee system seeks to enhance accountability and transparency in the Queensland Legislative Assembly. There are currently ten Parliamentary committees.

Collectively seven portfolio committees have responsibility for covering all aspects of government activity.⁵⁸ These committees are the:

- Agriculture, Resources and Environment Committee
- Education and Innovation Committee
- Finance and Administration Committee
- Health and Community Services Committee
- Legal Affairs and Community Safety Committee
- State Development, Infrastructure and Industry Committee
- Transport, Housing and Local Government Committee.

There are three further committees that have specific responsibilities:

- Committee of the Legislative Assembly (CLA)
- Ethics Committee
- Parliamentary Crime and Misconduct Committee (PCMC).

⁵⁷ Parliament of Australia, *House of Representatives Practice* (6th Ed) Chapter 2: House, Government and Opposition (6 September 2012) House of Representatives, 55
<<http://www.aph.gov.au/~media/05%20About%20Parliament/53%20HoR/532%20PPP/Practice6/PDF/Chapters/6Chap02.ashx>> for the origins of the term whip.

⁵⁸ *Parliament of Queensland Act 2001* (Qld) s 78.

The CLA has responsibility for areas including the conduct of the Legislative Assembly and the ethical conduct of MPs.⁵⁹ In addition, the CLA has administrative functions under sections 5 and 6 of the *Parliamentary Service Act 1988*, which in broad terms cover:

- policies about Parliamentary accommodation and services in the Parliamentary precinct
- major policies to guide the operation and management of the Parliamentary Service
- the budget for the Parliamentary Service, including the capital budget.

The Ethics Committee deals with complaints about the ethical conduct of MPs and allegations of breaches of Parliamentary privilege.⁶⁰

The PCMC has responsibility for monitoring and reviewing the performance of the Crime and Misconduct Commission in Queensland.⁶¹

MPs are appointed to and discharged from committees by way of resolution of the Legislative Assembly. Each committee comprises members nominated by the Leader of the House and the Leader of the Opposition.⁶² The Assistant Minister and Leader of the House also nominates the chairperson of each committee.

Portfolio committees carry out the responsibilities assigned to them by legislation or the Parliament. Amongst other things they consider and report on Bills introduced into the Parliament and subordinate legislation, consider the annual Appropriation Bills (the Estimates process), investigate issues of public importance, consider whether policies or past decisions could be improved and make sure that public money is used appropriately.

Committees also conduct inquiries to examine matters in detail. Members of Parliamentary committees have significant powers, privileges and immunities. They can:

- require people to present evidence at committee hearings
- require documents or other items be provided
- make recommendations to the Legislative Assembly
- publish evidence and documents.

Other roles

The Tribunal notes that there are other roles utilised in the Legislative Assembly that are not listed in section 42 of the Act as offices and are not therefore entitled to an additional salary e.g. leader of a minor party and deputy opposition whip. Accordingly these roles have not been considered by the Tribunal.

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ *Crime and Misconduct Act 2001* (Qld) s 9.

⁶² *Parliament of Queensland Act 2001* (Qld) ss91-91C and 103; Ibid, s 300.

2.4 Summary

The Tribunal is of the view that each office holder listed in section 42 of the Act has an important role in fostering a stable and transparent system of government and parliamentary democracy in Queensland. Office holders have a higher work load and responsibility than that of a backbench MP.

The Premier, Deputy Premier and other Ministers have significant responsibility for running the State of Queensland through the development of legislation, provision of services, allocation of resources and maintenance of the State budget. The unicameral system of Parliament places added responsibility on these office holders as the State's sole 'decision makers' to ensure that their decisions reflect the interests of the people of Queensland. Assistant Ministers support Ministers in the fulfillment of their portfolio responsibilities as outlined above.

The role of the Premier as the leader of the Government in Queensland, the chairperson of Cabinet and the Chief Minister, as well as the chief spokesperson in the public arena, requires significant additional responsibility.

The Deputy Premier acts for the Premier in the Premier's absence undertaking the additional duties and responsibilities of the Premier. It is noted that the Deputy Premier does not receive an additional salary for acting as the Premier, unless the Premier is absent for a continuous period of more than 30 days, a circumstance which rarely occurs.

The Assistant Minister and Leader of the House has responsibility for ensuring that the government business in the Legislative Assembly runs smoothly and efficiently in addition to their Assistant Minister responsibilities.

The Speaker is the most senior Parliamentary office holder with a wide range of constitutional, procedural and representative (ceremonial) responsibilities associated with the Queensland Legislative Assembly. These responsibilities are central to the system of government in Queensland. The Deputy Speaker assists the Speaker in fulfilling their responsibilities.

The Opposition keeps the government of the day accountable and provides scrutiny and alternative views on government policies. The Leader of the Opposition needs to be across all government portfolios. Like the Premier, the Leader of the Opposition is subject to intense media scrutiny and needs to regularly present the views of the 'alternative government'. The Deputy Leader of the Opposition supports the Leader of the Opposition in this role. Shadow Ministers (Opposition Spokespersons) need to be across the depth of the ministerial portfolios allocated to them and quickly understand Bills relative to these areas when introduced in the Assembly.

Similarly to the Leader of the Opposition, the Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition needs to be across government policy and be able to present the views of their party where necessary.

The Manager of Opposition Business works cooperatively with the Leader of the House to facilitate the progression of business in the Legislative Assembly.

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Whips organise the attendance of MPs of the Government and Opposition (as applicable) in the Legislative Assembly and are responsible for organising MPs who wish to speak in debates. Government whips have the added responsibility of ensuring the government has a majority in every division.

As Queensland has a unicameral system, committee chairpersons and committee members have an oversight role of policies and legislation of the Government. The committee system provides accountability and transparency through its scrutiny activity.

Given the extra responsibilities of the section 42 office holders, the Tribunal considers it appropriate that these office holders receive an additional salary to that of a backbench MP.

Chapter 3 – Additional salaries and associated allowances – historical analysis

Chapter three provides the chronology of additional salaries and associated allowances payable to office holders in Queensland.

3.1 History of additional salaries in Queensland

Ministers

While MPs did not receive an annual salary until 1886, Ministers commenced receiving an annual salary in 1862. A Minister's salary was included in the *Civil List Amendment Act 1862* (Civil List Act), which provided for the payment of £1,000 annually to four Ministers.

These same provisions were then included in the *Constitution Act 1867* (Constitution Act). Amendments to that Act in 1870 reduced the payment to £800 annually and increased the number of Ministers who could receive this salary to six.

In 1874 these provisions returned to the Civil List Act and the salary of the six Ministers was increased to £1,000 annually while the Minister who was the Premier was also granted an annual additional salary of £300 for a total annual salary of £1,300. That is, the Premier received an additional loading of 30% over the Ministerial salary. An alternate way to look at this relativity is that Ministers received 77% of the Premier's salary.

In 1884 legislation increased the number of Ministers who could receive the £1,000 annual salary to seven. In 1896 this was included in the new *Officials in Parliament Act 1896*.

Speaker, Chairman of Committees (Deputy Speaker), Leader of the Opposition and whips

From 1860 to 1896 the annual salaries for the positions of Speaker and chairman of committees (the equivalent of the current Deputy Speaker role) were voted annually by the Parliament.

In 1896 annual salaries for these positions were provided for in the *Constitution Act Amendment Act 1896* (Constitution Amendment Act) being £1,000 annually for the Speaker and £500 annually for the Deputy Speaker.

The Constitution Amendment Act also provided for the first time an annual salary for the Leader of the Opposition of £500.

In 1944, the Constitution Act was amended to provide an annual salary of £950 for the government and opposition whips. In 1976 an additional salary was provided for the position of deputy government whip.

In 2012 legislation was passed to create the new positions of chief government whip, senior government whip and deputy government whip.

Deputy Premier and Deputy Leader of the Opposition

In 1961 the Constitution Act was amended to provide an annual salary for the Deputy Premier at a higher rate than other Ministers and an additional salary was for the first time also provided to the Deputy Leader of the Opposition.

This legislation also provided for an annual salary for the Leader of a further political party in Opposition.

Parliamentary Members' Salaries Act 1988

In April 1988 the then Government completed a review of MPs' salaries and the *Parliamentary Members' Salaries Act 1988* (Salaries Act) was enacted.

For the first time, the amount of the additional salary for all office holders was brought together under one Act, with the actual amount of each additional salary being expressed in the legislation. The Salaries Act as enacted provided for salaries as outlined in Figure 3.1.

Figure 3.1 – Additional Salaries provided to offices in the Salaries Act

Office	Additional salary \$	Additional salary as a % of the base %	Relativities between offices %
Premier	49,506	104.6	100.0
Deputy Premier	35,978	76.0	72.7
Minister and Leader of the House	33,943	71.7	68.6
Minister	29,282	61.9	59.1
Speaker	21,848	46.2	44.1
Deputy Speaker	11,257	23.8	22.7
Leader of the Opposition	21,848	46.2	44.1
Deputy Leader of the Opposition	11,257	23.8	22.7
Leader in the Legislative Assembly of a recognised political party other than the Leader or Deputy Leader of the Opposition	11,257	23.8	22.7
Government whip	5,535	11.7	11.2
Opposition whip	5,535	11.7	11.2
Deputy government whip	2,835	6.0	5.7

From 1988 to June 2013 the Salaries Act, which was later largely subsumed by the *Parliament of Queensland Act 2001*, provided the relativities between the base salary of an MP and additional salaries of these particular office holders.

Committee chairpersons and members

When the Public Accounts Committee was established in November 1988, the then Government decided that the members and chairperson of the committee should be entitled to receive an additional salary above the base salary as recognition of their responsibilities. This is the first known instance in Queensland of members of a Parliamentary committee receiving an additional salary.

The *Public Accounts Committee Act 1988* inserted a provision into the Salaries Act to provide that the chairperson was entitled to the same additional annual salary as the government whip and that a committee member was entitled to the same additional salary as the deputy government whip. This relativity of 11.7% of the base salary was maintained until June 2011.

As the Parliament established more and more statutory committees during the late 1980s and 1990s (e.g. Public Works Committee, Parliamentary Crime and Misconduct Committee, Subordinate Legislation Committee and Legal, Constitutional and Administrative Review Committee) legislation was amended to allow for the payment of salaries to the respective chairpersons and committee members.

Following the Parliament's adoption of a new Parliamentary committee system in 2011, it was decided that committee chairpersons should be entitled to an increased additional salary given their additional responsibilities in the new system.

Legislation was passed accordingly and from 16 June 2011, the Governor in Council increased the additional salary of committee chairpersons by \$5,000 annually thereby increasing the relativity from 11.7% of the base to 15.4% of the base.

Assistant Ministers (previously known as Parliamentary Secretaries)

In 1996 the Parliament passed the *Constitution (Parliamentary Secretaries) Amendment Act 1996* to create the position of Parliamentary Secretary. Initially there were three Parliamentary Secretaries with this number fluctuating up to 11 Parliamentary Secretaries at certain times.

In 2012 the Parliament passed an amendment to the *Constitution of Queensland 2001* to rename the position of Parliamentary Secretary to Assistant Minister.

Since 1996 the related legislation provided that a Parliamentary Secretary (or Assistant Minister) is entitled to an additional salary at the rate fixed by the Governor in Council by gazette notice.

From 1996 to 2004 the rate of additional salary often varied from one Parliamentary Secretary to the next; for example, the Parliamentary Secretary to the Premier received a higher additional salary than the Parliamentary Secretary to the Deputy Premier and so forth. During this period these additional salaries varied from 12.5% to 25% of the base salary.

Since 2004 Parliamentary Secretaries and later Assistant Ministers have received the same additional salary regardless of the nature of their duties. The rate of this additional salary has been set at 17.9% of the base salary.

The only exception to this was when a Parliamentary Secretary or Assistant Minister also held the position of Leader of the House (for some time also known as Manager of Government Business).

Parliamentary Secretary (Assistant Minister) and Leader of the House

In March 2009 a member holding a position of Parliamentary Secretary was also appointed to the position of Leader of the House. In recognition of the totality of the responsibilities of this combined office, the Governor in Council increased the additional salary of this office from 17.9% to 27.8% of the base salary.

In March 2011 the MP holding this position also took on further duties upon becoming the chairperson of the CLA. It was subsequently decided that the additional salary of the position should be further increased. From 16 June 2011, the Governor in Council increased the additional salary of the position to 43.2% of the base salary.

In March 2012 the Government appointed a member to the position of Manager of Government Business who was neither a Minister nor an Assistant Minister. No legislative provision existed to enable an additional salary to be paid to the holder of the position.

In September 2012, following the passage of amendments to the *Parliament of Queensland Act 2001*, the Governor in Council approved that from 30 March 2012 the position of Manager of Government Business would attract an additional salary of 23.8% of the base which was the same rate of additional salary as the Deputy Speaker.

In October 2012, the holder of the position of Manager of Government Business was also appointed as an Assistant Minister. In recognition of the totality of the responsibilities of this combined office, the Governor in Council increased the additional salary of this office from 23.8% of the base to 41.7% of the base salary.

Manager of Opposition Business

Following a review of the Parliamentary committee system in 2010 it was recommended that the position of Manager of Opposition Business be afforded an additional salary. While the position had existed within the Queensland Parliament for many years, it had never attracted an additional salary.

In October 2011, the Governor in Council approved that with effect from 16 June 2011, the position of Manager of Opposition Business would attract the same additional salary as a committee chairperson, being 15.4% of the base salary.

Additional salaries provided to office holders as at 30 June 2013

In Determination 1/2013 the Tribunal determined that the base salary of an MP from 1 July 2013 was \$148,848 and left additional salary rates at the 30 June 2013 dollar figure for each office. The last increase in additional salaries occurred on 1 August 2011 therefore the levels at 30 June 2013 are the levels effective at 1 August 2011.

Figure 3.2 shows the additional salaries payable to office holders and the relativities between offices as at 30 June 2013 (prior to Determination 1/2013).

Figure 3.2 – Salaries payable to office holders prior to Determination 1/2013

Office holder	Annual additional salary \$	Additional salary as a % of the base %	Relativities between Offices %
Premier	143,499	104.6	100.0
Deputy Premier	104,287	76.0	72.7
Minister	84,877	61.9	59.1
Speaker	63,329	46.2	44.1
Leader of the Opposition	63,329	46.2	44.1
Assistant Minister and Leader of the House	57,202	41.7	39.9
Deputy Speaker	32,630	23.6	22.7
Deputy Leader of the Opposition	32,630	23.6	22.7
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition*	32,630	23.6	22.7
Assistant Minister	24,572	17.9	17.1
Chief government whip	21,168	15.4	14.8
Chairperson of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	21,168	15.4	14.8
Manager of Opposition Business	21,168	15.4	14.8
Senior government whip	16,043	11.7	11.2
Opposition whip	16,043	11.7	11.2
Government deputy whip	8,217	6.0	5.7
Member of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community Services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	8,217	6.0	5.7

* Represents office not currently occupied in the Legislative Assembly.

A comparison of the relativities between the salaries payable to office holders in the Salaries Act as enacted (Figure 3.1) and the salaries payable to the same office holders prior to Determination 1/2013 (Figure 3.2) shows that the relativities between each office holder and the Premier have remained constant since 1988. However there has been an increase in the number of offices provided with an additional salary over time. Further, in 2011 a review of the salaries provided to committee members was undertaken following modernisation of the Parliamentary committee system. Notwithstanding, a comprehensive review of additional salaries and the relativities between office holders has not occurred since 1988.

Determination 1/2013 set the base salary of an MP at \$148,848. Figure 3.3 provides the same information as Figure 3.2 but following Determination 1/2013.

Figure 3.3 illustrates that the additional salary as a percentage of a backbench MP's base salary has decreased as a consequence of Determination 1/2013 (which maintained existing dollar amounts of additional salary pending this review of additional salaries and associated allowances). This can be seen by comparing the percentage column of the additional salary in Figure 3.3 with the corresponding percentage column shown in Figure 3.2. Hence, the Tribunal has determined that any adjustment to the additional salary levels will take effect from 1 July 2013 on the grounds of equity and consistency.

Figure 3.3 – Salaries payable to office holders following Determination 1/2013

Office holder	Annual additional salary \$	Additional salary as a % of the base %	Annual Aggregate salary \$
Premier	143,499	96.4	292,347
Deputy Premier	104,287	70.1	253,135
Minister	84,877	57.0	233,725
Speaker	63,329	42.5	212,177
Leader of the Opposition	63,329	42.5	212,177
Assistant Minister and Leader of the House	57,202	38.4	206,050
Deputy Speaker	32,630	21.9	181,478
Deputy Leader of the Opposition	32,630	21.9	181,478
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition*	32,630	21.9	181,478
Assistant Minister	24,572	16.5	173,420
Chief government whip	21,168	14.2	170,016
Chairperson of the: <ul style="list-style-type: none"> • Committee of the Legislative Assembly • Finance and Administration Committee • State Development, Infrastructure and Industry Committee • Legal Affairs and Community Safety Committee • Agriculture, Resources and Environment Committee • Education and Innovation Committee • Health and Community services Committee • Transport, Housing and Local Government Committee • Ethics Committee • Parliamentary Crime and Misconduct Committee 	21,168	14.2	170,016
Manager of Opposition Business	21,168	14.2	170,016
Senior government whip	16,043	10.8	164,891
Opposition whip	16,043	10.8	164,891
Government deputy whip	8,217	5.5	157,065
Member of the: <ul style="list-style-type: none"> • Committee of the Legislative Assembly • Finance and Administration Committee • State Development, Infrastructure and Industry Committee • Legal Affairs and Community Safety Committee • Agriculture, Resources and Environment Committee • Education and Innovation Committee • Health and Community Services Committee • Transport, Housing and Local Government Committee • Ethics Committee • Parliamentary Crime and Misconduct Committee 	8,217	5.5	157,065

* Represents office not currently occupied in the Legislative Assembly.

Opposition Spokespersons

Opposition Spokespersons are currently provided with an allowance (until 30 June 2014) to assist them to carry out duties reasonably and necessarily associated with this role.

Historically this allowance was compensation for not receiving an additional salary for performing this role. The allowance was introduced in April 1996 and since 1 January 2010 the amount of the allowance has been equal to 7.5% of the base salary payable to an MP.

Previously the Leader of the Opposition could nominate up to 16 Opposition Spokespersons. However the Leader of the Opposition and the Deputy Leader of the Opposition did not receive this allowance as they already received additional salary attaching to their roles.

The Tribunal notes that there is an anomaly whereby other opposition office holders, such as the Manager of Opposition Business and the opposition whip who are also Opposition Spokespersons, received both an additional salary for those offices and the Opposition Spokespersons Allowance.

In Determination 1/2013, the Tribunal stated its intention to abolish the Opposition Spokespersons Allowance and recommended that the Legislative Assembly, by resolution, create another office under section 42 of the Act to provide for additional salary in lieu of the Opposition Spokespersons Allowance.

On 13 February 2014 the Legislative Assembly resolved that in accordance with section 42 of the Act the office of Opposition Spokesperson be approved as an office entitled to be paid an additional salary.

3.2 *Summary of the history of additional salaries*

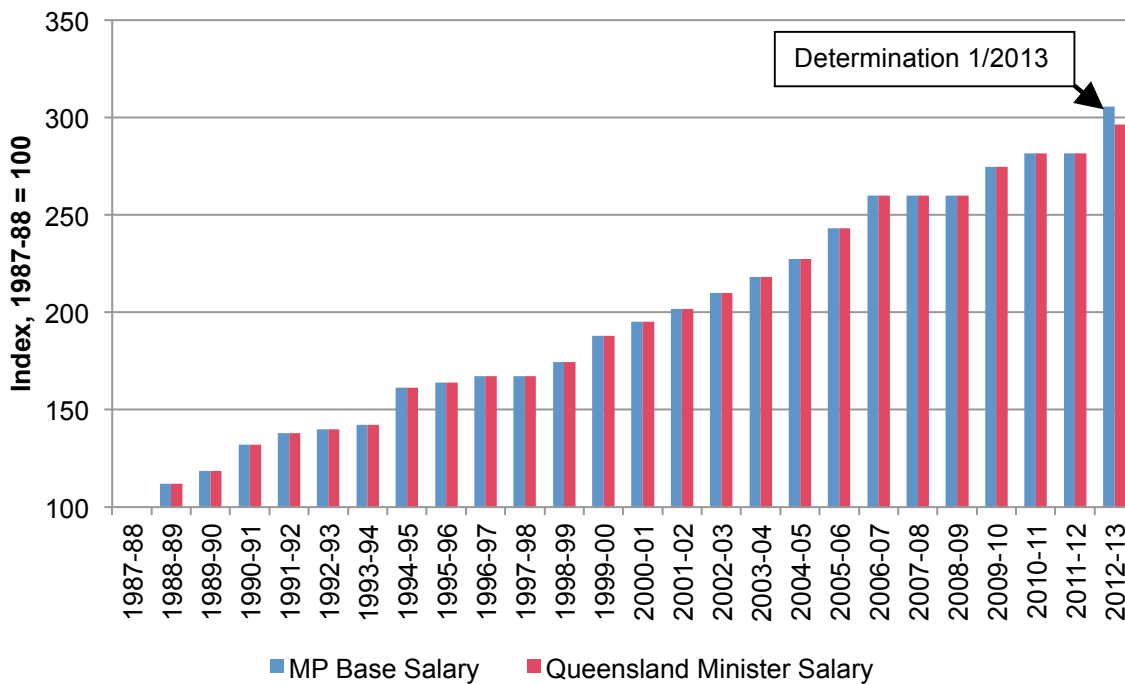
It is evident that over time various offices have been established as needed and provided with an additional salary in recognition of the additional duties and responsibilities associated with that new office.

Provision for additional salary for various office holders was contained in a number of statutes until the Salaries Act brought it all under one Act. The Salaries Act set the benchmark for the amount of each additional salary relative to the base salary although some additional salaries were able to be determined by the Governor in Council. The Salaries Act was then subsumed by the *Parliament of Queensland Act 2001*.

Between 1988 and 2012 the percentage increases between the base salary of an MP and additional salaries of office holders maintained the same relativity.

Figure 3.4 provides a cumulative index comparing the base salary of MPs and the additional salary of Ministers. It shows that the differential between the base salary of MPs and additional salary levels has been compressed as a result of Determination 1/2013.

Figure 3.4 – Cumulative index comparing base salary and additional salary of Ministers



3.3 History of Expense of Office Allowance

As outlined in Determination 1/2013, certain office holders (e.g. Ministers) are entitled to an Expense of Office Allowance in recognition of the additional duties and responsibilities associated with the relevant position. This allowance has existed since the 1980s, is paid fortnightly with salary, is subject to PAYE taxation, but is not taken into account for superannuation purposes.

Figure 3.5 lists the office holders and their current Expense of Office Allowance.

Figure 3.5 Expense of Office Allowance Schedule⁶³

Office holder	Expense of Office Allowance \$
Premier	19,288
Deputy Premier	9,085
Other Ministers	8,701
Speaker	8,701
Chairperson of committees (Deputy Speaker)	4,350
Leader of the Opposition	18,425
Deputy Leader of the Opposition	6,024
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition	4,350

There is a further Expense of Office Allowance provided to the Leader of a minor party. However, as noted earlier in Chapter 2, the Leader of a minor party is not listed in section 42 of the Act as an office entitled to an additional salary.

The Expense of Office Allowance is regarded as part of the remuneration of office holders. Further, the Expense of Office Allowance is granted in some Australian jurisdictions but not others. Hence it is appropriate to examine the total amount paid to office holders that includes both the additional salary and the Expense of Office Allowance. In Determination 1/2013 the Tribunal stated its intention to abolish the Expense of Office Allowance.

3.4 Summary of additional salaries and associated allowances

Figure 3.6 details the additional salary payable to office holders, Expense of Office Allowance and Opposition Spokespersons Allowance.

⁶³ Queensland Independent Remuneration Tribunal, *Building a new remuneration structure for Members of the Queensland Parliament, Determination 1/2013* (15 October 2013) Queensland Independent Remuneration Tribunal, 77 <<http://www.remunerationtribunal.qld.gov.au/assets/determination-01-2013.pdf>>.

Figure 3.6 – Additional salary and associated allowances currently payable to office holders

Office holder	Annual additional salary \$	Expense of office allowance \$	Opposition Spokespersons Allowance \$	Total additional payment \$	Relativity between offices %
Premier	143,499	19,288	-	162,787	100.0
Deputy Premier	104,287	9,085	-	113,372	69.6
Minister	84,877	8,701	-	93,578	57.5
Leader of the Opposition	63,329	18,425	-	81,754	50.2
Speaker	63,329	8,701	-	72,030	44.2
Assistant Minister and Leader of the House	57,202	-	-	57,202	35.1
Deputy Leader of the Opposition	32,630	6,024	-	38,654	23.7
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition*	32,630	4,350	-	36,980	22.7
Deputy Speaker	32,630	4,350	-	36,980	22.7
Manager of Opposition Business	21,168	-	11,164	32,332	19.9
Opposition whip	16,043	-	11,164	27,207	16.7
Assistant Minister	24,572	-	-	24,572	15.1
Chairperson of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	21,168	-	-	21,168	13.0
Chief government whip	21,168	-	-	21,168	13.0
Senior government whip	16,043	-	-	16,043	9.9
Opposition Spokesperson	-	-	11,164	11,164	6.9
Government deputy whip	8,217	-	-	8,217	5.0
Member of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	8,217	-	-	8,217	5.0

* Represents singular office not currently occupied in the Legislative Assembly.

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An examination of the history of additional salaries provided to office holders in Queensland reveals a consistent recognition that office holders have a greater level of responsibility and work load than a backbench MP and should be compensated accordingly.

The Tribunal also notes that historically there has been a differentiation between the additional salary of Premiers, Deputy Premiers and Ministers, with Premiers and Deputy Premiers receiving a higher additional salary than other Ministers.

It is evident from the history of additional salaries that the relativities between the various offices have not been comprehensively reviewed since 1988.

The Tribunal is of the view that the additional salary of the Premier should be set as the highest additional salary in recognition of the role and responsibilities of the Premier as the most senior office holder and the subsequent relativities of the other office holders determined from that benchmark.

The Tribunal considers that it is no longer appropriate for the additional salary of office holders to be 'topped up' with an Expense of Office Allowance and other such allowances and has taken this into account when setting the additional salary for the role of the Premier and the additional salary relativities of other office holder roles.

As the office of Opposition Spokesperson has now been established by the Legislative Assembly, as recommended in Determination 1/2013, the Opposition Spokespersons Allowance is abolished and an additional salary has been determined for this office.

Chapter 4 – Additional salaries and associated allowances – comparative analysis

Chapter four contains a discussion of benchmarks and provides a comparison of the additional salary and associated allowances provided to office holders in other Australian jurisdictions.

4.1 *Non-government benchmarks*

The most senior elected office holder in the Queensland Government is the Premier. The Premier is the leader of the State Government and the Chief Minister with responsibility to the Legislative Assembly, the government party room and the people of Queensland. The Premier, in consultation with Cabinet and the party room, determines the government's strategic direction and vision for the State of Queensland.

Currently the Premier receives the highest additional salary among the office holders consistent with the position of leader of the Executive Government. The Premier carries the greatest responsibility of the office holders and should be entitled to receive the highest additional salary. Hence the Tribunal has initially focussed on the Premier's additional salary as once this is considered the additional salary for all other office holders will be determined with reference to the additional salary of the Premier.

Leaders of organisations in the private sector are paid remuneration and additional benefits (i.e. shares) based on their individual performance and that of the relevant organisation. When assessing performance in the private sector, typically a significant weight is placed on financial matters such as profits, market capitalisation, expenditure and revenue.

Conversely the Premier's performance is assessed every three years at an election with the result for the political party being either re-election or removal from office. A Premier and their party (or coalition) are assessed by the general public on multiple public policy matters such as, but not limited to, the services provided to constituents, legislative decisions, delivery of pre-election commitments and the state of the Queensland economy. Finances may be one of many considerations the general public uses to assess the performance of a Premier and their party.

Chief Executive Officers (CEOs) in the private sector generally have the power to directly hire and fire employees of their organisation, noting that in some instances this is delegated to other organisational officers. However in the public sector the Premier and Ministers have overarching responsibility to promote the overall effectiveness and efficiency of the public service⁶⁴ and the chief executive of each department, the Director-General, is responsible for the employment of public service employees of that department.

⁶⁴ *Public Service Act 2008* (Qld) s 36.

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Putting aside alternative arguments that leadership roles in the public sector are distinct from those in the private sector Figure 4.1 (as an exercise) provides detail on the remuneration of private sector CEOs from a selection of the largest ASX listed companies in Australia and Queensland.

Figure 4.1 – Private sector CEO remuneration 2012-13

Company	Turnover/ group revenue (\$ M)	Annual Base remuneration \$	Total Remuneration including additional benefits \$
Commonwealth Bank ⁶⁵	44,867	2,500,000	Total statutory remuneration 7,804,894
BHP ⁶⁶	74,012	1,907,294	Total target remuneration 8,563,751
Westpac Group ⁶⁷	38,783	2,989,989	Total in accordance with statutory accounting requirements 9,178,330
Average of top 10 listed ASX companies ⁶⁸	31,958	2,731,319	8,739,316
Suncorp Group ⁶⁹	16,186	2,550,000	Actual remuneration received 8,044,000
Average of top 3 listed ASX Queensland companies ⁷⁰	7,313	1,550,667	5,012,435

⁶⁵ Commonwealth Bank of Australia, *Annual Report 2013* (2013) Annual Report 2013, 59, 61 and 90 <https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/annual-reports/2013_CBA_Annual_Report_19_August_2013.pdf>; and Commonwealth Bank of Australia, *Profit Announcement for the full year ended 30 June 2013* (2013), Profit Announcement, 79 <<https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/results/fy13-profit-announcement.pdf>>.

⁶⁶ US dollars converted to AUD dollars as at 1 January 2014 – XE, *Current and Historical Rate Tables*, (1 January 2014) EX <<http://www.xe.com/currencytables/?from=USD&date=2014-01-01>>; BHP Billiton, *Our shared values, Annual Report 2013* (2013) BHP Billiton Annual Report 2013, 13 and 157 <<http://www.bhpbilliton.com/home/investors/reports/Documents/2013/BHPBillitonAnnualReport2013.pdf>>.

⁶⁷ Westpac Group, *2013 Annual Report* (2013) 2013 Annual Report, 67, 71 and 257 <http://www.westpac.com.au/docs/pdf/aw/ic/2013_WBC_Annual_Report.pdf>.

⁶⁸ CBA, BHP, Westpac, ANZ Banking, NAB, Telstra, Wesfarmers, Woolworths, CSL, Westfield Group (annual report January to December 2012). US dollars converted to AUD dollars as at 1 January 2014 – XE, *Current and Historical Rate Tables*, (1 January 2014) EX <<http://www.xe.com/currencytables/?from=USD&date=2014-01-01>>.

⁶⁹ Suncorp Group, *2012/13 Directors' Report and Financial Statements* (2013) Suncorp Group, 19 and 58 <<http://www.suncorpgroup.com.au/annual-report-2013/assets/pdf/2012-13-suncorp-directors-report-and-financial-statements.pdf>>.

⁷⁰ Suncorp, Aurizon and Flight Centre.

In comparison the annual budget appropriation for Queensland in the last financial year was \$47,369 million⁷¹ and the Premier's salary and additional benefit (comprising the base salary, additional salary and Expense of Office Allowance) was \$311,635. This amount is notably lower in comparison with the private sector. For instance the Premier's salary and additional benefit as a percentage of the State budget in the last financial year was 0.0007% compared with the equivalent ratio for the CEO of Australia's largest listed company of 0.017% and the equivalent ratio for the CEO of Queensland's largest listed company of 0.05%.⁷²

However comparisons between public sector and private sector remuneration are subject to criticism. In particular, the comparison of political leadership roles and private sector CEOs is argued to be inappropriate. First, the skill sets of the two roles are argued to be different. For instance a role such as Premier demands that the individual displays significant leadership skills, has strong organisational and business acumen so as to win the support of colleagues to be the leader of their political party, is a capable and effective public speaker and generally will have led that party to a victory in an election. Whereas a CEO must have requisite skills, qualifications and experience to beat other contenders for the position generally in a market-based competition with the applicants being evaluated by senior corporate peers.

Secondly, unlike jobs in the private sector, there is no specific job description for the role of the Premier. The Premier is not required to submit their skills, experience and qualifications through an application process to an employer although the electorate presumably takes into account such matters when casting their votes. Prior to an election a political party puts forward their proposed leader who, following an election, will be Premier if the political party receives a majority in the Legislative Assembly. The attributes and factors considered by the general public when selecting a candidate for election as an MP may include the Premier as the party's leader, the party's pre-election commitments, track record and ideology of the political party. These factors are very different to those used when selecting a CEO.

A significant number of submissions received during the public consultation process presented a commonly held view that the Premier's role is to serve the Queensland community and consistent with a theme noted by the Salaries and Allowances Tribunal of Western Australia that 'the salary awarded to a MP is not intended to be an enticement for attracting someone looking for the highest salary possible.'⁷³

Irrespective of the debate concerning the appropriateness or otherwise of comparison with the private sector, there is strong evidence available in practice in a variety of jurisdictions, both within Australia and internationally, that political leaders are remunerated at a much lower rate than their counterparts in the private sector. As one example, in the last financial year the President of the United States of America (USA) received an annual salary of US\$400,000 and an additional expense allowance of US\$50,000⁷⁴ which pales into insignificance when

⁷¹ *Appropriation Act 2013* (Qld) s 2.

⁷² While the private sector comparison potentially includes employer superannuation contributions, given the magnitude of the differences, any discrepancy will have negligible impact on the comparison.

⁷³ State of Western Australia, *Determination of the Salaries and Allowances Tribunal, Remuneration of Members of Parliament* (22 August 2011) Western Australian Government Gazette, No. 159, 3376 <[https://www.slp.wa.gov.au/gazette/GAZETTE.NSF/gazlist/6F242242E2D4E1D2482578F1002488EA/\\$file/gg159.pdf](https://www.slp.wa.gov.au/gazette/GAZETTE.NSF/gazlist/6F242242E2D4E1D2482578F1002488EA/$file/gg159.pdf)>.

⁷⁴ Cornell University Law School, 3 U.S. Code § 102 – *Compensation of the President*, Legal Information Institute <<http://www.law.cornell.edu/uscode/text/3/102>>.

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compared with the target total direct compensation⁷⁵ of US\$19,460,000⁷⁶ of Michael Duke, the CEO of Walmart which is one of the largest companies in the USA.

An alternative point of comparison for the Premier's remuneration is with CEOs of not-for-profit organisations. Unlike a company with shareholders a not-for-profit organisation does not operate for purpose of generating profit in order to make a return to its members. Any surplus made by a not-for-profit organisation goes back to fund the operations of the organisation and is not distributed to individual members.⁷⁷

The Tribunal commissioned information on a sample of twelve Queensland not-for-profit organisations with annual revenue ranging from \$30 million to \$1,400 million (average \$340 million) and Full Time Equivalent (FTE) employees ranging from 70 to 13,000. The sectors covered in the sample include community housing, health, aged care, community services, disability services and education.⁷⁸

Like the not-for-profit organisations included in the sample the Queensland Government is responsible for providing and supporting the provision of healthcare, education and community services to Queenslanders. However the Queensland budget appropriation is significantly larger (\$47,369 million⁷⁹) and, as at 30 September 2013, Queensland had 228,865 public sector employees or 191,917 FTE employees.⁸⁰

Percentiles provided for the fixed remuneration of not-for-profit CEOs range from \$321,700 at the 25th percentile to \$478,800 at the 75th percentile of the data sample with an average of \$415,200 and a median of \$431,700.⁸¹ The Premier of Queensland currently receives salary and an additional benefit of \$311,635.

In summary, the total salary and additional benefit received by the Premier of Queensland is significantly below the remuneration of CEOs of ASX listed companies and toward the lower end of remuneration percentiles of a sample of not-for-profit CEOs.

⁷⁵ The target total direct compensation represents the amount Mr Duke would receive if target performance goals are achieved.

⁷⁶ Walmart, *Notice of 2013 Annual Shareholders' Meeting and Proxy Statement* (7 June 2013) Notice of 2013 Annual Shareholders' Meeting, 44 <http://c46b2bcc0db5865f5a76-91c2ff8eba65983a1c33d367b8503d02.r78.cf2.rackcdn.com/64/4b/62f742b84c41a72237ed824ee792/2013-proxy-statement-for-walmart-stores-inc_130221025125760317.pdf>.

⁷⁷ Australian Taxation Office, *Getting started for non-profit organisations* (8 October 2013) Non-profit <<http://www.ato.gov.au/Non-profit/Getting-started-for-non-profit-organisations/Is-your-organisation-non-profit/>>.

⁷⁸ Mercer, *Remuneration of Not-For-Profit Chief Executive Officers in Queensland* (2014) Queensland Independent Remuneration Tribunal <<http://www.remunerationtribunal.qld.gov.au/resources.aspx>>.

⁷⁹ *Appropriation Act 2013* (Qld) s 2.

⁸⁰ Public Service Commission, *Queensland public service workforce quick facts* (30 September 2013) Workforce statistics publications <<http://www.psc.qld.gov.au/publications/workforce-statistics/statistics-quick-facts.aspx>>.

⁸¹ Mercer, above n 78. The definition of fixed remuneration potentially includes employer contributions to superannuation and thus potentially biases the comparison although this is unlikely to make a substantial difference.

4.2 Government benchmarks

An alternative to private sector benchmarks is to examine the remuneration of Directors-General of Queensland Government departments and the remuneration of offices in other jurisdictions.

In Queensland, Directors-General are regarded in the public service as holding positions equivalent to CEOs. The remuneration package for Directors-General includes a range of benefits of which the major component is an annual superannuable salary. These superannuable salaries fall into seven bands, as indicated below:

- CEO level 0: \$506,260 to \$552,034
- CEO level 1: \$436,381 to \$491,828
- CEO level 2: \$380,933 to \$436,379
- CEO level 3: \$325,485 to \$380,931
- CEO level 4: \$270,035 to \$325,483
- CEO level 5: \$214,587 to \$270,034
- CEO level 6: \$181,317 to \$214,586.⁸²

As previously stated, the annual total salary of the Premier including base salary, additional salary and Expense of Office Allowance is currently \$311,635. This amount places the salary of the Premier into CEO level 4. In comparison, of the 20 current Directors-General (or equivalent i.e. Under Treasurer and Police Commissioner), 14 receive a salary that is higher than CEO level 4. Of the six Directors-General receiving a salary at CEO level 4 or below, the lowest current salary sits around CEO level 5. Hence, the total salary of the Premier sits toward the lower end of comparisons with Directors-General.

Another comparison is with the other States, and to a lesser extent the two Territories, however there is a cautionary note required in such a comparison. As the determination of salaries and other benefits of political leaders is often a highly controversial topic it is not surprising to see the various salary figures cluster around similar levels so that any one individual state is not out of line with its other Australian counterparts. Hence there is an historical tendency for salary increments to be small and to follow those of other states.

Figure 4.2 charts the movements in the salaries of the Premiers of the six states over the last ten years. Note that salary alone does not describe the full remuneration package as allowances, such as the Expense of Office Allowance and superannuation arrangements vary across time and jurisdictions.

⁸² Public Service Commission, *Chief Executive Remuneration Framework* (10 September 2013) Chief Executive Service <<http://www.psc.qld.gov.au/for-executives/employment/ces.aspx>>.

Figure 4.2 – Historical total annual salary (base and additional) movements of Premiers of Australian States

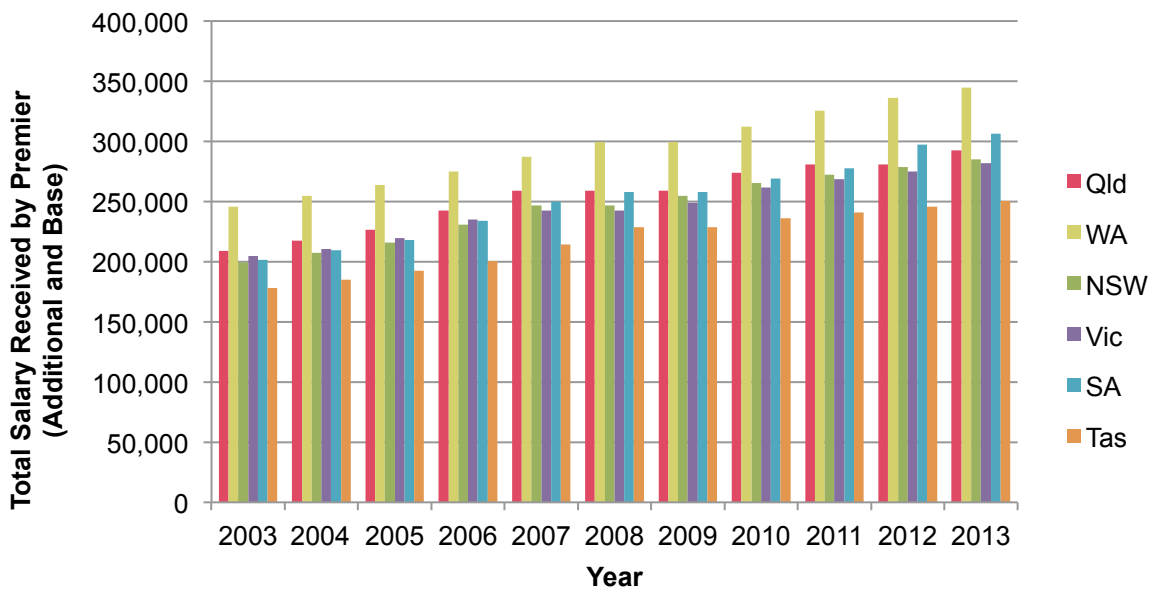
Calendar Year	SA	NSW ⁸³	Tas	WA ⁸⁴	Qld	Vic
2003	201,520	191,685 199,407	178,015	245,920	209,255	204,520
2004	209,540	207,227	185,149	254,773	217,461	210,656
2005	218,300	215,768	192,374	263,944	226,424	219,416
2006	233,900	230,978	200,267	274,804	232,112 242,384	235,016
2007	250,120	246,792	214,321	287,170	258,980	242,654
2008	258,080	246,792	228,931	299,234	258,980	242,654
2009	258,080	246,792 254,553	228,931	299,234	258,980	248,720
2010	269,280	254,553 265,473	236,103	312,101	267,124 273,802	250,614 261,814
2011	277,820	272,111	240,826	325,522	280,648	268,359
2012	297,100	278,914	245,642	336,101	280,648	275,069
2013	306,260	285,189	250,555	344,840	292,347	281,946
Average annual increase	4.27%	3.64%	3.48%	3.44%	3.40%	3.26%
Accumulated increase over 10 years	51.97%	43.02%	40.75%	40.22%	39.71%	37.86%

Figure 4.2 shows that the Premier of South Australia has received the highest average annual increase in salary over the last ten years followed by the Premier of New South Wales. The Premier of Western Australia, despite having the highest dollar value of total salary, has received similar average annual increases to the total salary of the Premiers of Queensland and Tasmania. The Premier of Victoria has had the lowest average annual increase over the past ten years followed by the Premier of Queensland.

⁸³ Parliament of New South Wales, *Salaries and Allowances for Members of the Legislative Assembly* (2013) Legislative Assembly <<http://www.parliament.nsw.gov.au/prod/web/common.nsf/key/SalariesandAllowancesforMembersoftheLegislativeAssembly>>.

⁸⁴ Salaries and Allowances Tribunal, *Determinations for Members of Parliament* (August 2013) Members of Parliament <<http://www.sat.wa.gov.au/MEMBERSOFPARLIAMENT/Pages/Default.aspx>>.

Figure 4.3 – Historical total salary (base and additional) movements of Premiers of Australian States



From Figure 4.3 it is evident that the Premier of Western Australia has consistently received the highest level of total salary over the past ten years. The Premiers of New South Wales and Victoria have tended to receive a similar total salary, noting that the Premiers in these jurisdictions also currently receive an Expense of Office Allowance of approximately \$60,000. In recent years the Premier of South Australia has received the highest percentage increase in total salary while the Premier of Queensland, in terms of total salary, has fallen behind in a relative sense.

4.3 Queensland and other Australian jurisdictions – comparative statistics

This section examines comparative key demographic and economic indicators between the jurisdictions. Figure 4.4 provides some comparison data of the demographics between jurisdictions.

Figure 4.4 – Demographic comparison between Queensland and other jurisdictions⁸⁵

	Population	Area km ²	Population density ⁸⁶	Lower house electorates
NSW	7,407,682	800,809	9.3	93
Vic	5,737,615	227,496	25.2	88
Qld	4,658,557	1,729,958	2.7	89
WA	2,517,165	2,526,574	1.0	59
SA	1,670,834	984,179	1.7	47
Tas	513,012	68,018	7.5	5*
ACT	383,375	2,358	162.6	3*
NT	239,507	1,348,199	0.2	25

*Denotes multiple MPs per electorate

In terms of population density, there are three bands that follow from data in Figure 4.4. Queensland, Western Australia, South Australia and the Northern Territory can all be described as low density jurisdictions, with a reasonably clear separation to the medium density states of New South Wales and Tasmania, with further separation to the high density jurisdictions of Victoria and the Australian Capital Territory.

Queensland is the third most populous state covering the second largest geographical area. Queensland is often compared to Western Australia which is the fourth most populous state but covers the largest area.

With the exception of Tasmania, Queensland is the most decentralised state with 55% of Queensland's population residing outside its capital city. In comparison, the states of Victoria, Western Australia and South Australia have over 70% of their population residing in their respective capital cities. These data are summarised in Figure 4.5.

Figure 4.5 – Number of persons residing in the capital city of each State jurisdiction

Capital city	Persons in urban area ⁸⁷	State population	% urban area share of State population %
Hobart	205,557	513,012	40
Brisbane	2,099,328	4,658,557	45
Sydney	4,293,416	7,407,682	58
Melbourne	4,086,734	5,737,615	71
Perth	1,834,184	2,517,165	73
Adelaide	1,250,795	1,670,834	75

⁸⁵ Population, area and population density data taken from Queensland Government Statistician's Office, *Key Demographic and Socio-Economic Indicators by State and Territory (as at February 2014 (a))*, (13 February 2014) Queensland Treasury and Trade <<http://www.oesr.qld.gov.au/products/tables/key-demographic-socio-economic-indic/index.php>>.

⁸⁶ Persons per square kilometre.

⁸⁷ Australian Bureau of Statistics, *3218.0 – Regional Population Growth, Australia, 2012* (30 August 2013) Australian Bureau of Statistics, Table – Population Estimates by Significant Urban Area, 2001 to 2012 <<http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3218.02012?OpenDocument>>.

Further, Queensland is the only mainland State of Australia where the majority of Lower House electorates are not found in the capital city metropolitan region (as determined by each State's Electoral Commission). Figure 4.6 shows the percentage of Lower House Electorates found in the metropolitan region.

Figure 4.6 – State electorates in the metropolitan region⁸⁸

State	% of seats in the capital city region %
Queensland	39
New South Wales	53 ⁸⁹
Victoria	63
Western Australia	71
South Australia	72

Only 35 of Queensland's 89 electorates are in the Brisbane metropolitan region.⁹⁰ A political party in Queensland could hold every seat in the Brisbane metropolitan region but would still need a further 10 seats to form Government in their own right. In other jurisdictions elections can be won or lost in the metropolitan region.

Additionally, Queensland has large regional centres such as Townsville, Cairns, Mackay, Rockhampton, Mount Isa, Toowoomba and Gladstone and other major population centres such as the Gold Coast and Sunshine Coast each with their own local economies, diverse industries and policy agendas.

The unicameral nature of the Queensland Parliament is also a unique feature amongst the State and Commonwealth Parliaments and one that arguably places greater responsibility on the Premier and Cabinet to make effective and appropriate decisions. Apart from the Opposition and committee system there is not another layer of accountability and scrutiny of government decisions in the Queensland Parliament.

Figure 4.7 provides a comparison of key economic indicators across the States and Territories with Queensland ranked third in terms of economic size. In the last financial year Queensland's economy was a reasonably solid performer ranking behind Western Australia and the Northern Territory.

⁸⁸ Refer to the relevant Electoral Commission website for each State.

⁸⁹ Forty-nine electorates (53% of the total number of electorates) are fully within the Sydney Metropolitan area. An additional seven electorates are partly within the Sydney metropolitan area or other regions.

⁹⁰ Electoral Commission of Queensland, *Brisbane North Region* (2008) Electoral Commission of Queensland <http://www.ecq.qld.gov.au/elections/state/state2008/redistributions/finalReport/A4maps/A4%20region_Brisbane%20North.pdf>; Electoral Commission of Queensland, *Brisbane South Region* (2008) Electoral Commission of Queensland <http://www.ecq.qld.gov.au/elections/state/state2008/redistributions/finalReport/A4maps/A4%20region_Brisbane%20South.pdf>.

Figure 4.7 – Economic indicators of Australian States and Territories⁹¹

Jurisdiction	Gross State Product (GSP) 2012-13 levels \$M ⁹²	GSP Chain Volume measures, annual growth 2012-13 %	GSP Chain Volume measures, average annual compound growth 2001-02 to 2012-13 %
NSW	471,354	1.8	2.1
Vic	333,393	1.6	2.6
Qld	294,548	3.6	4.0
WA	252,999	5.1	4.9
SA	94,210	1.3	2.4
ACT	34,414	2.7	3.1
Tas	24,191	-0.6	1.8
NT	19,860	5.6	4.1

The *State of the States* report confirms this analysis with Western Australia being Australia's best performing economy followed by the Northern Territory, with Queensland and the Australian Capital Territory equal third.⁹³ Comparatively Queensland was the best performer in relation to business investment, the third strongest on economic growth, retail trade and construction work (behind Northern Territory and Western Australia) and improved over the quarter to January 2014 in relation to housing finance.⁹⁴

In relation to Gross Value Added (GVA) Figure 4.8 summarises the industry contribution to Gross State Product (GSP) growth across the various jurisdictions. In Queensland the key contributing industries to GSP growth are mining followed by healthcare and social assistance. Mining was also the key contributor to GSP growth in Western Australia, Northern Territory and across Australia. Healthcare and social assistance ranked as the key contributor in Victoria, South Australia and Tasmania.⁹⁵

When comparing demographic and economic indicators it is evident that Queensland is most similar to Western Australia overall.

⁹¹ Australian Bureau of Statistics, *5220.0 – Australian National Accounts: State Accounts, 2012-13* (28 November 2013) Analysis of Results <<http://www.abs.gov.au/AusStats/ABS@.nsf/Latestproducts/5220.0Main%20Features22012-13?opendocument&tabname=Summary&prodno=5220.0&issue=2012-13&num=&view=>>>; Australian Bureau of Statistics, *5220.0, 2012-13 Australian National Accounts, State Accounts* (28 November 2013) Australian Bureau of Statistics, 3 <[http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/154DF709B44199D0CA257C3000115973/\\$File/52200_2012-13.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/154DF709B44199D0CA257C3000115973/$File/52200_2012-13.pdf)>.

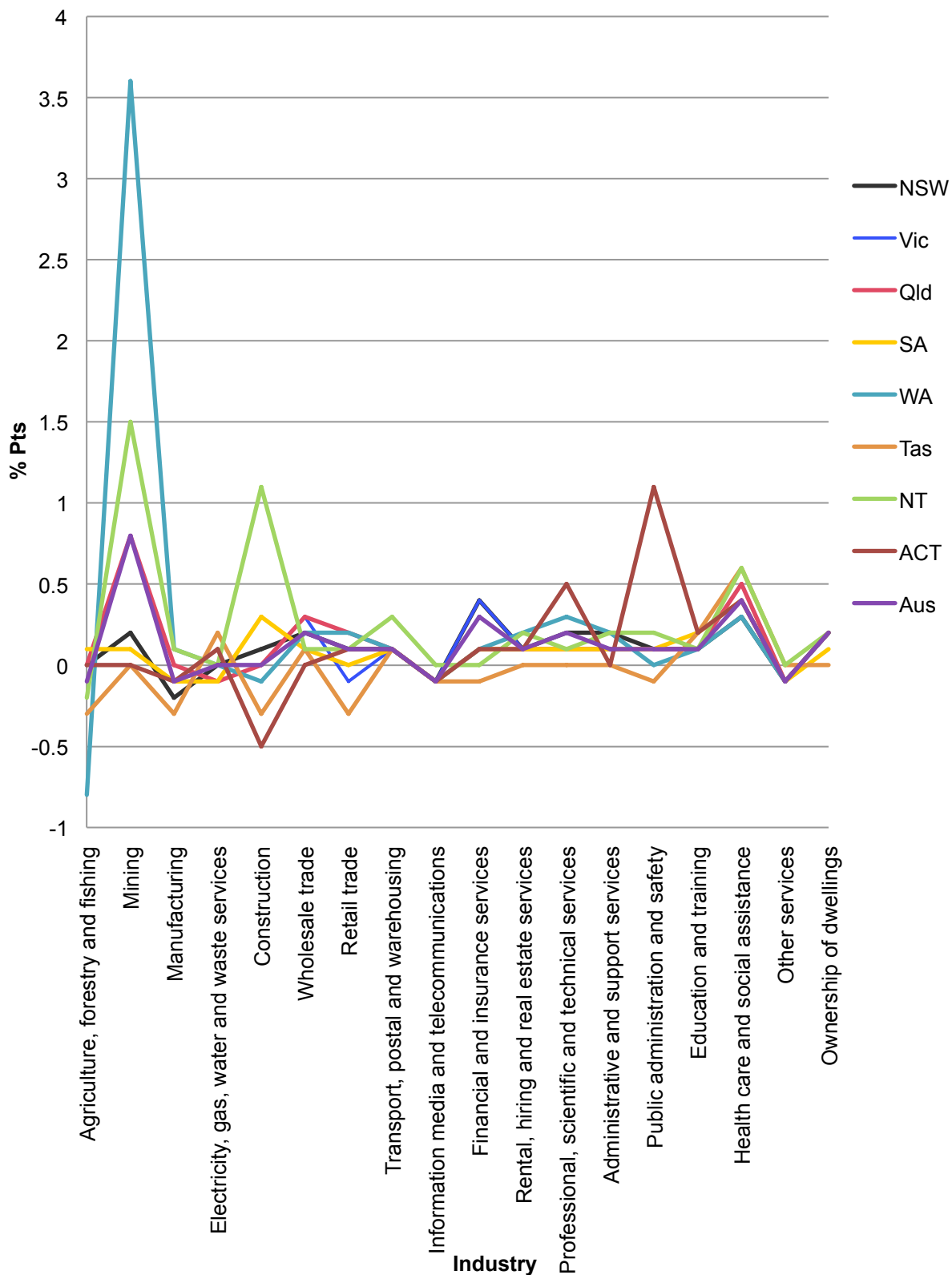
⁹² Australian Bureau of Statistics, *5220.0 – Australian National Accounts: State Accounts, 2012-13* (28 November 2013) Table 1. Gross State Product, Chain volume measures and current prices, 11 <<http://www.abs.gov.au/AusStats/ABS@.nsf/Latestproducts/5220.0Main%20Features22012-13?opendocument&tabname=Summary&prodno=5220.0&issue=2012-13&num=&view=>>>.

⁹³ CommSec, *State of the States* (20 January 2014) Economic Insights, 1 <<http://www.investing.com/msec.com.au/media/123258/state%20of%20the%20states%20jan%202014.pdf>>.

⁹⁴ Ibid, 2 - 4.

⁹⁵ Australian Bureau of Statistics, *5220.0 – Australian National Accounts: State Accounts, 2012-13* (28 November 2013) Analysis of Results, above n 91.

Figure 4.8 – Industry GVA Contribution to Gross State Product Growth⁹⁶



⁹⁶ Australian Bureau of Statistics, 5220.0, 2012-13 Australian National Accounts, State Accounts (28 November 2013) Australian Bureau of Statistics, above n, 91, 5.

4.4 Remuneration components

The remuneration of any office holder comprises four elements. First an office holder receives a base salary as an MP. Second, for certain office holders, an additional salary is payable. Third, a series of allowances and entitlements may be received by the office holder in their capacity as either an MP or office holder. Fourth, the remuneration package includes employer superannuation contributions.⁹⁷

The allowance system for MPs generally is complex and difficult to benchmark in a quantifiable manner across Australian jurisdictions because the systems vary by jurisdiction. In Queensland the allowance system has recently undergone a major review and redesign as a result of the Tribunal's Determination 1/2013. Consistent with the Tribunal's responsibility to eliminate allowances as an alternate source of salary the allowances system in Queensland is no longer easily comparable with those in other Australian jurisdictions.

In Determination 1/2013 the Tribunal flagged that discretionary allowances paid specifically to office holders in their capacity as office holders would cease to be regarded as an allowance but would instead be considered as forming part of the additional salary of the office holder. In Queensland such office holder allowances are known as an 'Expense of Office Allowance'. In order to compare like with like the following analysis regards 'total salary' payable to office holders as comprising the following:

- base salary of MP
- additional salary of office holder, plus
- Expense of Office Allowance or equivalent.

The extent that general MP allowances vary across Australian jurisdictions is a difficult point to address. However, in a broad sense, the removal of various allowances in Determination 1/2013 combined with a tightening of the potential use of MP allowances through a new accountability and acquittal system means consideration should be given to an office holder in Queensland being at the higher end in relation to total salary to maintain overall relativity across jurisdictions.

⁹⁷ However, differences in superannuation arrangements across jurisdictions and superannuation schemes are not a focus of this determination.

4.5 Total salary of office holders of Australian jurisdictions⁹⁸

Figures 4.9 to 4.25 provide a comparison between the total salary received by office holders in Queensland and the total salary received by equivalent office holders in other Australian jurisdictions.

Determination 1/2013 did not address the additional salary of office holders in Queensland but rather focussed on the base salary and the allowances system of an MP. The consequence of this is that there was a reduction in the percentage relativity between the base and additional salary. The Queensland data include the levels of base and additional salary as outlined in Determination 1/2013.

⁹⁸ Information on the salary levels of office holders in other jurisdictions is current as at 1 January 2014 and available for each jurisdiction as follows: Queensland Independent Remuneration Tribunal, above n 63, 77, 98 and 99; Parliament of New South Wales, *Parliamentary Salaries and Allowances as from 1 July 2013 Following Application of Parliamentary Remuneration Tribunal dated 4 July 2013* (July 2013) Salaries and Allowances for Members of the Legislative Assembly <[https://www.parliament.nsw.gov.au/prod/web/common.nsf/cbe381f08171c2e8ca256fca007d6044/e3939ce2445bc055ca257bf80006bb01/\\$FILE/LA%20Members%20Salaries%20and%20Allowances%20July%202013.pdf](https://www.parliament.nsw.gov.au/prod/web/common.nsf/cbe381f08171c2e8ca256fca007d6044/e3939ce2445bc055ca257bf80006bb01/$FILE/LA%20Members%20Salaries%20and%20Allowances%20July%202013.pdf)>; *Parliamentary Salaries and Superannuation Act 1968* (Vic) s 3 and s 6; Remuneration Tribunal, *Determination 2013/13: Members of Parliament – Base Salary, Additional Salary for Parliamentary Office Holders, and Related Matters* (23 August 2013) Australian Government Remuneration Tribunal, 2, 4 and 5 <http://www.remtribunal.gov.au/_data/assets/pdf_file/0017/24812/2013-13-Determination-23.8.2013.pdf>; Remuneration Tribunal, *Report Number 1 of 2013, Report on Ministers of State – Salaries Additional to the Basic Parliamentary Salary* (19 September 2013) Australian Government Remuneration Tribunal <<http://www.remtribunal.gov.au/media/documents/reports/2013-report-on-ministers-of-state-salaries-additional-to-the-basic-parliamentary-salary-report-1/Report-1-of-2013.pdf>>; Salaries and Allowances Tribunal, *Western Australia Salaries and Allowances Act 1975 Determination of the Salaries and Allowances Tribunal on Remuneration of Members of Parliament* (9 August 2013) Determinations for Members of Parliament, 12 and 13 <<http://www.sat.wa.gov.au/MembersOfParliament/Documents/Determination%20on%20Remuneration%20of%20MPs%20Final%209-8-13.pdf>>; Salaries and Allowances Tribunal, *Variation: Members of Parliament – 2013 September 24th* (24 September 2013) Determinations for Members of Parliament <www.sat.wa.gov.au/MembersOfParliament/Pages/Variation2013September24th-RecognisedminorpartyWhip.aspx>; *Parliamentary Remuneration Act 1990* (SA) s 3 and schedule – Additional salary; *Parliamentary Salaries, Superannuation and Allowances Act 2012* (Tas) schedule 4, schedule 5 and schedule 6; Legislative Assembly of the Northern Territory, *Guide to Members' Entitlements* (March 2013) Northern Territory Government, 14 <http://www.nt.gov.au/lant/members-of-parliament/Guide_to_Members_Entitlements.pdf>; Australian Capital Territory Remuneration Tribunal, *Members of the ACT Legislative Assembly Determination 1 of 2013* (1 July 2013) ACT Remuneration Tribunal <http://www.nt.gov.au/lant/members-of-parliament/Guide_to_Members_Entitlements.pdf>.

Premier

Figure 4.9 compares the current salaries of Premiers (or equivalent) of Australian jurisdictions. The Premier of Queensland currently receives the fifth lowest annual total salary.

Figure 4.9 – Comparative remuneration of a Premier

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth (Prime Minister)	195,130	312,208	N/A	507,338
NSW	146,251	138,938	65,438	350,628
WA	148,638	196,202	N/A	344,840
Vic	140,973	140,973	59,209	341,155
Qld	148,848	143,499	19,288	311,635
SA	153,130	153,130	N/A	306,260
NT (Chief Minister)	138,953	133,047	N/A	272,000
Tasmania	118,466	136,236	14,216 ⁹⁹	268,918
ACT (Chief Minister)	125,259	137,785	N/A	263,044

Figure 4.10 presents the additional salary and Expense of Office Allowance received by Premiers (or equivalent) across the jurisdiction as a percentage of the base salary received by a backbench MP in the relevant jurisdiction.

Figure 4.10 – Additional salary and Expense of Office Allowance as a % of the base salary

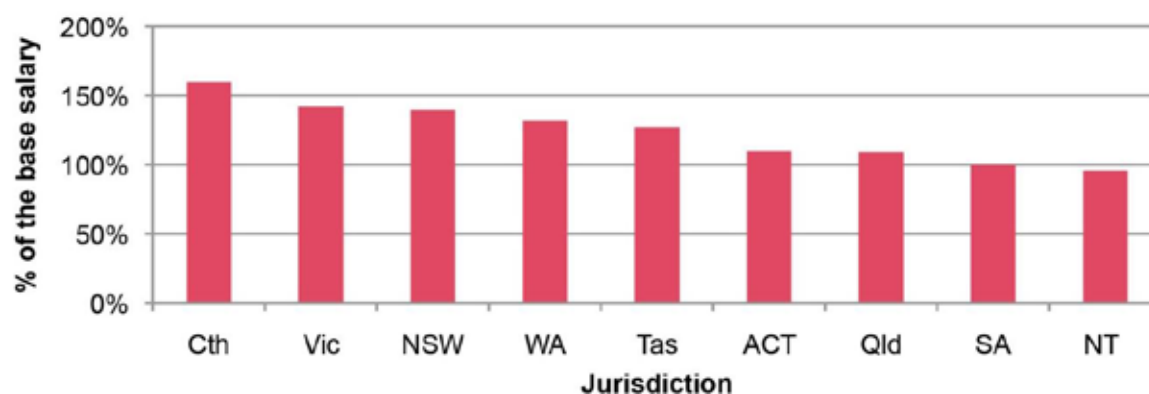


Figure 4.10 shows that in a comparison among the States the additional salary and associated allowance of the Premiers of Queensland and South Australia, as a function of the base salary of a backbench MP, is distinctly lower than those of the other States.

⁹⁹ Termed an Entertainment Allowance.

Deputy Premier

Figure 4.11 compares the current salaries of Deputy Premiers (or equivalent) of Australian jurisdictions. The Deputy Premier of Queensland currently receives the fourth lowest annual total salary amount.

When the additional salary and Expense of Office Allowance are considered as a percentage of the base salary the Deputy Premier of Queensland receives the second lowest percentage of the base salary of the jurisdictions.

Figure 4.11 – Comparative remuneration of a Deputy Premier¹⁰⁰

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	204,887	N/A	400,017
NSW	146,251	111,151	39,488	296,890
WA	148,638	144,179	N/A	292,817
Vic	140,973	119,827	29,604	290,404
SA	153,130	130,161	N/A	283,291
Qld	148,848	104,287	9,085	262,220
NT	138,953	93,101	N/A	232,054
ACT	125,259	100,207	N/A	225,466
Tas	118,466	97,142	N/A	215,608

Minister

Figure 4.12 compares the salaries of Ministers of Australian jurisdictions. It should be noted that the Commonwealth, New South Wales and South Australia have varying classifications of Ministers resulting in multiple additional salary amounts for Ministers.

Ministers in Queensland currently receive the fifth lowest annual total salary (out of a possible 14 annual total salary levels).

When the additional salary and Expense of Office Allowance are considered as a percentage of the base salary the percentage of the base salary of Ministers in Queensland is similar to that of Ministers in Tasmania, the Australian Capital Territory and the lowest level of Minister in the Commonwealth.

¹⁰⁰ Deputy Chief Minister in ACT and NT; Deputy Prime Minister in Cth.

Figure 4.12 – Comparative remuneration of a Minister

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	112,200 to 170,739 ¹⁰¹	N/A	307,330 to 365,869
NSW	146,251	83,363 to 97,988 ¹⁰²	38,025	267,639 to 282,264
Vic	140,973	105,730	25,375	272,078
SA	153,130	62,783 to 114,848 ¹⁰³	N/A	215,913 to 267,978
WA	148,638	118,910	N/A	267,548
Qld	148,848	84,877	8,701	242,426
ACT	125,259	87,681	N/A	212,940
NT	138,953	67,914	N/A	206,867
Tas	118,466	82,926	N/A	201,392

Assistant Minister

Figure 4.13 compares the salaries of Assistant Ministers of Australian jurisdictions (also known as Parliamentary Secretaries in some jurisdictions) that provide an additional salary for this office.

Assistant Ministers in Queensland receive the second lowest annual total salary and when additional salary and Expense of Office Allowance are considered, as a percentage of the base salary, the second lowest percentage.

¹⁰¹ There are multiple levels of Minister including Treasurer, other Ministers in Cabinet and other Ministers.

¹⁰² There are two levels of Minister including senior Ministers and other Ministers.

¹⁰³ There are two levels of Minister including Ministers that are member of the Executive Council and Ministers that are not members of the Executive Council.

Figure 4.13 – Comparative remuneration of an Assistant Minister¹⁰⁴

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	48,783	N/A	243,913
SA	153,130	30,626	N/A	183,756
Vic	140,973	21,146	14,097	176,216
NSW	146,251	19,013	10,238	175,501
Qld	148,848	24,572	N/A	173,420
WA	148,638	22,296	N/A	170,934

Assistant Minister and Leader of the House (Leader of the House combined with another office)

Figure 4.14 compares the current salaries of Leaders of the House of Australian jurisdictions where the office is combined with another office.

In Queensland, as discussed earlier in this Determination, there is an office called Assistant Minister and Leader of the House. New South Wales also has a Parliamentary Secretary (Assistant Minister) and Leader of the House. When comparing these two similar offices, the Parliamentary Secretary and Leader of the House in New South Wales receives higher annual total salary; additionally, the annual additional salary and Expense of Office Allowance (in combination) is a greater percentage of the base salary than that for the equivalent Queensland office.

Figure 4.14 – Comparative remuneration of a Leader of the House combined with another office

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	146,348 ¹⁰⁵	N/A	341,478
NT	138,953	84,401 ¹⁰⁶	N/A	223,354
NSW	146,251	43,875 ¹⁰⁷	29,250	219,377
Qld	148,848	57,202 ¹⁰⁸	N/A	206,050

¹⁰⁴ Tas, NT and ACT do not provide an additional salary for this office.

¹⁰⁵ Currently, the Leader of the House in the Commonwealth is also a Minister.

¹⁰⁶ The Leader of Government Business is considered to be a Ministerial position.

¹⁰⁷ Parliamentary Secretary and Leader of the House.

¹⁰⁸ Assistant Minister and Leader of the House.

Speaker

Figure 4.15 compares the salaries of Speakers of Australian jurisdictions. The Speaker in Queensland currently receives the fourth lowest annual total salary.

When additional salary and Expense of Office Allowance of Speakers are considered, as a percentage of the base salary, only Tasmania has a lower percentage.

Figure 4.15 – Comparative remuneration of a Speaker

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	146,348	N/A	341,478
SA	153,130	114,848	N/A	267,978
NSW	146,251	83,363	38,025	267,639
Vic	140,973	91,632	16,917	249,522
WA	148,638	98,101	N/A	246,739
Qld	148,848	63,329	8,701	220,878
NT	138,953	67,914	N/A	206,867
ACT ¹⁰⁹	125,259	68,892	N/A	194,151
Tas	118,466	41,463	5,923 ¹¹⁰	165,852

Deputy Speaker

Figure 4.16 compares the current salaries of Deputy Speakers of Australian jurisdictions. The Deputy Speaker in Queensland has the fifth lowest annual total salary.

Four jurisdictions have a higher additional salary and Expense of Office Allowance as a percentage of the base salary for the Deputy Speaker than that of the Deputy Speaker in Queensland.

¹⁰⁹ Presiding Officer.

¹¹⁰ Termed an Entertainment Allowance.

Figure 4.16 – Comparative remuneration of a Deputy Speaker¹¹¹

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	39,026	N/A	234,156
NSW	146,251	43,875	29,250	219,377
SA	153,130	57,424	N/A	210,554
WA	148,638	44,591	N/A	193,229
Qld	148,848	32,630	4,350	185,828
Vic	140,973	28,195	14,097	183,265
NT	138,953	22,636	N/A	161,589
ACT	125,259	18,789	N/A	144,048
Tas	118,466	23,693	N/A	142,159

Leader of the Opposition

Figure 4.17 compares the salaries of the Leaders of the Opposition of Australian jurisdictions.

The Leader of the Opposition in Queensland receives the second lowest additional salary and Expense of Office Allowance as a percentage of base salary ahead of the Northern Territory. The Leader of the Opposition in Queensland receives the fourth lowest annual total salary.

¹¹¹ Also referred to as 'Chairperson of Committees' in some jurisdictions.

Figure 4.17 – Comparative remuneration of a Leader of the Opposition

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	165,861	N/A	360,991
Vic	140,973	105,730	25,375	272,078
SA	153,130	114,848	N/A	267,978
NSW	146,251	83,363	38,025	267,639
WA	148,638	118,910	N/A	267,548
Qld	148,848	63,329	18,425	230,602
ACT	125,259	87,681	N/A	212,940
NT	138,953	67,914	N/A	206,867
Tas	118,466	82,926	N/A	201,392

Deputy Leader of the Opposition

Figure 4.18 outlines the current salaries of the Deputy Leader of the Opposition of Australian jurisdictions.

The Deputy Leader of the Opposition in Queensland receives the fourth lowest annual total salary. In relation to additional salary and Expense of Office Allowance, as a percentage of the base salary, only the Deputy Leader of the Opposition in the Northern Territory receives a lower percentage.

Figure 4.18 – Comparative remuneration of a Deputy Leader of the Opposition

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	112,200	N/A	307,330
SA	153,130	91,878	N/A	245,008
WA	148,638	66,887	N/A	215,525
Vic	140,973	45,111 ¹¹²	14,097	200,181
NSW	146,251	29,250	20,475	195,976
Qld	148,848	32,630	6,024	187,502
ACT	125,259	56,366	N/A	181,625
NT	138,953	33,956	N/A	172,909
Tas	118,466	41,463	N/A	159,929

¹¹² In the Assembly.

Shadow Minister

Figure 4.19 compares the salaries and/or allowances received by Shadow Ministers (known as Opposition Spokespersons in Queensland) of Australian jurisdictions. The Commonwealth is the only jurisdiction that provides an annual additional salary. As prefaced in Chapter two Queensland currently provides an 'Opposition Spokespersons Allowance'. Victoria does not provide an additional salary but does provide an Expense of Office Allowance.

Figure 4.19 – Comparative remuneration of a Shadow Minister¹¹³

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	39,026 to 48,783 ¹¹⁴	N/A	234,156 to 243,913
Vic	140,973	N/A	21,146	162,119
Qld	148,848	11,164 ¹¹⁵	N/A	160,012

Manager of Opposition Business

Figure 4.20 shows the current salaries provided to Managers of Opposition Business in the Commonwealth and Queensland. These are the only two jurisdictions providing an additional salary for this office. The Commonwealth provides a higher amount of annual total salary and additional salary as a percentage of the base salary.

Figure 4.20 – Comparative remuneration of a Manager of Opposition Business¹¹⁶

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	53,661 ¹¹⁷	N/A	248,791
Qld	148,848	21,168	N/A	170,016

¹¹³ NSW, WA, SA, TAS, NT and ACT do not provide an additional salary for this office.

¹¹⁴ There are two levels of Shadow Ministers determined using a formula based on the number of Ministers of Cabinet and the number of Opposition office holders.

¹¹⁵ In Queensland this is currently paid as an allowance.

¹¹⁶ Only the Cth and Qld provide an additional salary for this office.

¹¹⁷ In the House of Representatives.

Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition

Figure 4.21 shows the current salaries of leaders of recognised political parties in Australian jurisdictions. The definition of a recognised political party varies between jurisdictions but generally involves achieving a minimum number of elected MPs.

New South Wales provides an additional salary to the deputy leader of a recognised political party and the Commonwealth has a different additional salary depending on the size of the recognised party.

In Queensland no MP currently holds this position. However in relation to annual remuneration the Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition, has the third lowest annual total salary.

Figure 4.21 – Comparative remuneration of a leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition (or equivalent)¹¹⁸

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	82,930 to 87,809 ¹¹⁹	N/A	278,060 to 282,939
WA	148,638	66,887	N/A	215,525
Vic	140,973	45,111	14,097	200,181
NSW	146,251	29,250	20,475	195,976
Qld	148,848	32,630	4,350	185,828
Tas	118,466	41,463	N/A	159,929

Whip

Figure 4.22 compares the current salaries of whips in Australian jurisdictions. In Queensland there is a chief, a senior and two government deputy whips as well as an opposition whip who receive an additional salary. The percentages of additional salary and Expense of Office Allowance as a percentage of the base salary in Queensland range from 6% to 14% which is comparable to all jurisdictions with the exception of the Commonwealth whose additional salaries range from 2% to 26% of the base salary.

¹¹⁸ SA, NT and ACT do not provide an additional salary for this office.

¹¹⁹ There are two levels of leader of a recognised political party (other than a party whose leader is the Prime Minister or Leader of the Opposition) based on the number of MPs in the party.

Figure 4.22 – Comparative remuneration of a whip

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$ ¹²⁰	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	3,903 to 50,734 ¹²¹	N/A	199,033 to 245,864
SA	153,130	27,563	N/A	180,693
NSW	146,251	16,088 to 19,013 ¹²²	10,238 ¹²³	172,576 to 175,501
WA	148,638	13,377 to 26,755 ¹²⁴	N/A	162,015 to 175,393
Qld	148,848	8,217 to 21,168 ¹²⁵	N/A	157,065 to 170,016
Vic	140,973	15,507 to 25,375 ¹²⁶	N/A	156,480 to 166,348
NT	138,953	19,802	N/A	158,755
ACT	125,259	12,526	N/A	137,785
Tas	118,466	7,108	N/A	125,574

¹²⁰ SA, NT, ACT and Tas provide the same additional salary to the government and opposition whip.

¹²¹ Deputy whip in House of Representatives of party with less than 5 and no more than 10 Members in the House through to the chief government whip in the House of Representatives.

¹²² There are two levels of whip based on whether the whip is the Government, Opposition or another party whip.

¹²³ All whips receive same Expense of Office Allowance.

¹²⁴ There are two levels of whip based on whether the whip is the Government, Opposition or a minor party whip.

¹²⁵ There are three levels of whip including chief government whip, senior government whip and opposition whip and government deputy whip.

¹²⁶ There are two levels of whip based on whether the whip is the Government, Opposition or another party whip.

Committee chairperson

Figure 4.23 shows the current salaries of committee chairpersons of Australian Jurisdictions. The Commonwealth, Victoria and South Australia have ranges of additional salary and hence annual total salary depending on the type of committee. In relation to the combination of additional salary and Expense of Office Allowance, as a percentage of the base salary, the amounts range from 3% to 20% across the jurisdictions.

In Queensland committee chairpersons receive 14% of the base salary which is in the top half of the comparative range. The higher level of additional salary in Queensland arguably reflects the unicameral nature of the Queensland Parliament where Parliamentary committee chairpersons and members have responsibility to provide an additional layer of oversight of Government activity and scrutiny of Government decision making processes.

Figure 4.23 – Comparative remuneration of a committee chairperson¹²⁷

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$ ¹²⁸	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	5,854 to 31,221	N/A	200,984 to 226,351
SA	153,130	21,438 to 26,032	N/A	174,568 to 179,162
Qld	148,848	21,168	N/A	170,016
Vic	140,973	7,049 to 28,195	N/A	148,022 to 169,168
NSW	146,251	9,141	\$9,141	164,532
WA	148,638	14,864 ¹²⁹	N/A	163,502
NT	138,953	22,636 ¹³⁰	N/A	161,589
ACT	125,259	12,526 ¹³¹	N/A	137,785

¹²⁷ Tas does not provide an additional salary to a committee chairperson.

¹²⁸ Cth, Vic and SA provide different salaries depending on the committee.

¹²⁹ Chairperson of Standing Committee.

¹³⁰ Chairperson of Public Accounts Committee; Chairperson of Legal and Constitutional Affairs Committee.

¹³¹ Presiding Member of a committee that is concerned with public affairs rather than affairs of the Legislative Assembly.

Committee member

Whilst Queensland does not provide an additional salary to deputy chairpersons of committees it is interesting to note, from Figure 4.24, that the Commonwealth and Victoria provide an additional salary to deputy chairpersons of committees but not to committee members.

Figure 4.24 – Comparative remuneration of a deputy chairperson of a committee¹³²

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary \$	Annual Expense of Office Allowance \$	Annual total salary \$
Cth	195,130	10,732 to 15,610 ¹³³	N/A	205,862 to 210,740
WA	148,638	11,148	N/A	159,786
Vic	140,973	5,639	N/A	146,612

Only Queensland, Western Australia, New South Wales and South Australia provide an additional salary to committee members. Figure 4.25 shows that, of the jurisdictions that provide an additional salary to committee members, committee members in Queensland receive the second lowest annual total salary.

Figure 4.25 – Comparative remuneration of a committee member¹³⁴

Jurisdiction	Base annual salary as a backbench MP \$	Annual additional salary received \$	Annual Expense of Office Allowance \$	Annual total salary \$
SA	153,130	15,313 to 18,376 ¹³⁵	N/A	168,443 to 171,506
WA	148,638	10,405	N/A	159,043
Qld	148,848	8,217	N/A	157,065
NSW	146,251	4,310 ¹³⁶	N/A	150,561

4.6 Summary

In summary, the total salary and additional benefit received by the Premier of Queensland is significantly below the remuneration of CEOs of large ASX listed companies and toward the lower end of remuneration percentiles of a sample of not-for-profit CEOs.

In comparison with the public service, the total salary and additional benefit of the Premier is at the lower end of the range of superannuable salaries received by Directors-General in Queensland.

¹³² Qld, NSW, SA, NT and ACT do not provide an additional salary for this office.

¹³³ There are different levels depending on the Committee.

¹³⁴ The Cth, Vic, Tas, NT and ACT do not provide an additional salary for this office.

¹³⁵ There are different levels depending on the Committee.

¹³⁶ Public Accounts Committee Members' Allowance.

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When the total additional salary and Expense of Office Allowance provided to Queensland office holders is considered as a percentage of the base salary and compared with other State and Territory jurisdictions the remuneration of office holders in Queensland is consistently at the lower end.

Currently Queensland, New South Wales, Victoria and Tasmania provide an Expense of Office Allowance (or equivalent) for certain office holders. Office holders in New South Wales consistently receive the highest Expense of Office Allowance which contributes to higher levels of additional remuneration as a percentage of the base salary.

Figure 4.26 shows where Queensland office holders sit relative to office holders in other jurisdictions (excluding the Commonwealth) when additional salary and Expense of Office Allowance are considered as a percentage of the base salary.

Figure 4.26 Additional salary and Expense of Office Allowance as a % of the base salary¹³⁷ provided to office holders in the lower house (excluding the Cth)

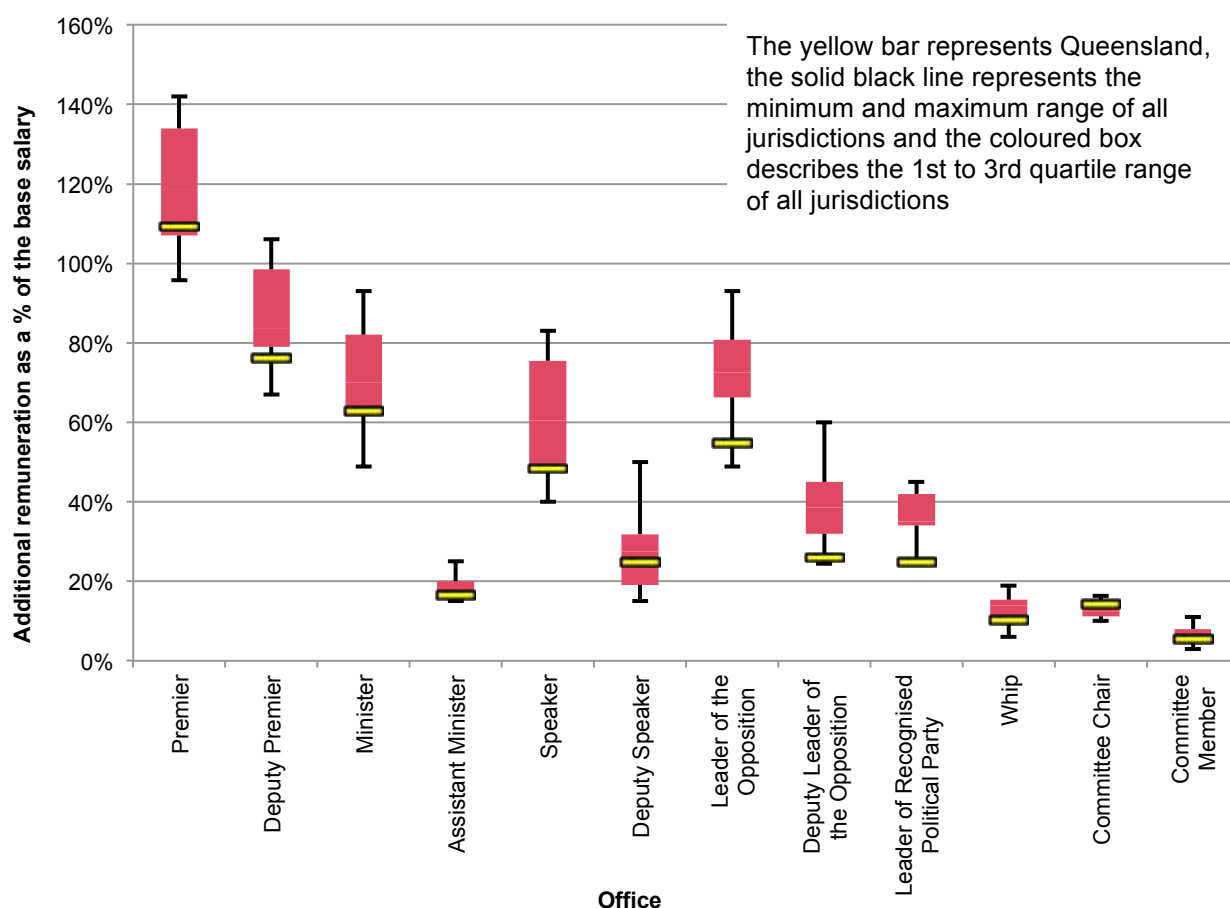


Figure 4.26 clearly demonstrates that the additional salary and Expense of Office Allowance for office holders in Queensland is considerably less as a percentage of the base salary than comparable jurisdictions.

¹³⁷ Where there are multiple categories of the same office holder i.e. chief, senior or deputy whip, these have been averaged to come to one figure for that office in the jurisdiction.

Chapter 5 – Evaluation of additional salaries

5.1 *Discussion of the additional salary of the Premier*

As noted earlier the Premier is the leader of the Executive Government and is the office holder with the most responsibility. Hence the Tribunal considers it appropriate that the additional salary of the Premier, as the most senior office holder, sets the upper band for additional salaries for all other office holders.

From the comparison with companies in the private sector, there is clear evidence that the remuneration of the Premier of Queensland is significantly below the remuneration received by CEOs of large ASX listed companies particularly when private sector salary benefits such as company shares, performance bonuses and the like are taken into account. However, as discussed earlier, comparisons between leadership roles in the public and private sectors are contentious, particularly when the public service aspects of the role of an MP are considered.

Not-for-profit organisations are more aligned with the work of the Queensland Government (particularly in providing services) and arguably provide a better benchmark than commercial companies. When a sample of not-for-profit organisations was considered it demonstrated that the total salary and additional benefit of the Premier is toward the lower end of remuneration percentiles of this sample of not-for-profit CEOs.

In comparison with the public service, the total salary and additional benefit of the Premier is at the lower end of the range of superannuable salaries received by Directors-General in Queensland.

In a comparison with other Australian jurisdictions, the additional salary of the Premier of Queensland is at the lower end despite Queensland being one of the larger, decentralised and therefore arguably more complex states to manage. As a matter of comparison only 45% of Queensland's population resides in Brisbane whereas, with the exception of Tasmania, every other State jurisdiction has the majority of its population living in the capital city. This is further reflected in the number of electorates in the Brisbane metropolitan region (35 of 89) with the majority of seats in the regions rather than the capital city area. In other jurisdictions, where the majority of seats are in the capital city, elections are more likely won or lost in the metropolitan region.

Further, the removal of various allowances in Determination 1/2013 combined with a stronger accountability and acquittal system for the use of MP allowances means consideration should be given to an office holder in Queensland being at the higher end in relation to salary to maintain overall relativity across jurisdictions.

The above points all indicate to the Tribunal that the additional salary for the Premier, as the most senior office holder in Queensland, should be at the higher end of any Australian State comparison.

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Over the past ten years annual changes in the additional salary of the Premier in Queensland have been among the lowest of the States and significantly lower than the States of New South Wales, South Australia, Western Australia and Tasmania.

When a comparison is made between the current dollar values of the annual total salary of State Premiers, including the Expense of Office Allowance, it is evident that Queensland is well behind New South Wales, Western Australia and Victoria. When the additional salary and Expense of Office Allowance are considered, as a percentage of the base salary of the State jurisdictions, the Premier of Queensland's additional salary relative to base salary is significantly lower than other State jurisdictions except for South Australia.

Considering the roles and responsibilities of the Premier of Queensland, the unique attributes of the State of Queensland and taking into account a comparison of the annual total salary of the Premier of Queensland with comparable jurisdictions, the not-for-profit sector, and Queensland Government Directors-General, the Tribunal is of the view that the additional salary of the Premier should be significantly increased.

The Tribunal determines that the total additional salary for the Premier of Queensland is set at \$223,560 and, consistent with Determination 1/2013, the Expense of Office Allowance of \$19,288 is abolished and the additional salary is to be increased by 3.02% for the 2013-14 financial year bringing the total additional salary to \$230,312 effective from 1 July 2013. The full effect of this Determination is to increase the superannuable salary of the Premier to \$379,160 (which includes base salary of \$148,848 and additional salary of \$230,312) as at 1 July 2013.

There are no changes to existing superannuation arrangements proposed as a result of this Determination other than the consequential change in both employer and employee contribution amounts that arise from any change in salary levels.

5.2 Relativities between offices in Queensland

This section provides a summary of the Tribunal's Determination regarding where the salary of each office should sit relative to the Premier as the most senior office holder.

Figure 5.1 provides the current relativities between office holders including additional salary, Expense of Office Allowance and the Opposition Spokespersons Allowance.

Figure 5.1 – Current relativities between office holders in Queensland

Office holder	Annual additional salary \$	Expense of office allowance \$	Opposition Spokespersons Allowance \$	Total additional payment \$	Relativity between offices %
Premier	143,499	19,288	-	162,787	100.0
Deputy Premier	104,287	9,085	-	113,372	69.6
Minister	84,877	8,701	-	93,578	57.5
Leader of the Opposition	63,329	18,425	-	81,754	50.2
Speaker	63,329	8,701	-	72,030	44.2
Assistant Minister and Leader of the House	57,202	-	-	57,202	35.1
Deputy Leader of the Opposition	32,630	6,024	-	38,654	23.7
Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition*	32,630	4,350	-	36,980	22.7
Deputy Speaker	32,630	4,350	-	36,980	22.7
Manager of Opposition Business	21,168	-	11,164	32,332	19.9
Opposition whip	16,043	-	11,164	27,207	16.7
Assistant Minister	24,572	-	-	24,572	15.1
Chairperson of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	21,168	-	-	21,168	13.0
Chief government whip	21,168	-	-	21,168	13.0
Senior government whip	16,043	-	-	16,043	9.9
Opposition Spokesperson	-	-	11,164	11,164	6.9
Government deputy whip	8,217	-	-	8,217	5.0
Member of the: <ul style="list-style-type: none"> Committee of the Legislative Assembly Finance and Administration Committee State Development, Infrastructure and Industry Committee Legal Affairs and Community Safety Committee Agriculture, Resources and Environment Committee Education and Innovation Committee Health and Community services Committee Transport, Housing and Local Government Committee Ethics Committee Parliamentary Crime and Misconduct Committee 	8,217	-	-	8,217	5.0

*Represents office not currently occupied in the Legislative Assembly.

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As outlined in Chapter two each office holder has varying roles and responsibilities. These roles and responsibilities impact on where the office is placed relative to the Premier as the most senior office holder.

In addition to considering the roles and responsibilities of each office the Tribunal has taken into account where the office sits comparative to the Premier in other Australian States and Territories. An examination of Figure 4.26 broadly shows where each office sits relative to the Premier in these jurisdictions.

The Tribunal has also undertaken targeted consultation with key stakeholders including the Committee of the Legislative Assembly, the Clerk of the Parliament and other current office holders to seek their views on where each office should sit relative to the Premier as the most senior office holder. Public submissions that related to potential bands have also been considered.

Interestingly, as discussed in Chapter three, when the initial relativity between the Premier's salary and that of Ministers was set for the first time in 1874 Ministers received 77% of the Premier's salary.

Taking all these factors into account the Tribunal has determined that the additional salary of each office will sit in a band relative to the additional salary of the Premier as follows:

Figure 5.2 – New relativities between additional salaries of office holders in Queensland

Band	Office	Relativity between offices %
1	Premier	100.0
2	Deputy Premier	80.0
3	Minister Leader of the Opposition	70.0
4	Speaker Assistant Minister and Leader of the House	60.0
5	Deputy Leader of the Opposition	40.0
6	Chief government whip Deputy Speaker Manager of Opposition Business Assistant Minister	35.0
7	Opposition Spokesperson Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition Chairperson of a committee	25.0
8	Senior government whip Opposition whip	15.0
9	Government deputy whip	12.5
10	Member of a committee	10.0

The Tribunal notes that as the mix of duties and responsibilities of each office may change over time the relativities in Figure 5.2 will need to be periodically reviewed.

Consistent with the determination of base salary in Determination 1/2013 the Tribunal considers that these additional salary rates should be effective as at 1 July 2013.

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Preamble

Determination 3/2014 is issued by the Queensland Independent Remuneration Tribunal (Tribunal) under the *Queensland Independent Remuneration Tribunal Act 2013* (the Act).

Any inconsistencies between Determination 3/2014 and previous Tribunal Determinations are to be resolved in favour of Determination 3/2014. Matters in previous Determinations not addressed in Determination 3/2014 are confirmed by the Tribunal and not amended.

All Tribunal Determinations must be read in the context of the entire report, which provides reasons for the Determination as required under the Act.

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1. The Tribunal determines that the total additional salary for the Premier of Queensland is set at \$223,560 and, consistent with Determination 1/2013, the Expense of Office Allowance of \$19,288 is abolished and the additional salary is to be increased by 3.02% for the 2013-14 financial year bringing the total additional salary to \$230,312 effective from 1 July 2013. The full effect of this Determination is to increase the superannuable salary of the Premier to \$379,160 (which includes base salary of \$148,848 and additional salary of \$230,312) as at 1 July 2013.
2. The additional salary payable to each office relative to the additional salary payable to the office of Premier is set effective 1 July 2013 as determined in the following table:

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Band	Office	Relativity between offices %
1	Premier	100.0
2	Deputy Premier	80.0
3	Minister Leader of the Opposition	70.0
4	Speaker Assistant Minister and Leader of the House	60.0
5	Deputy Leader of the Opposition	40.0
6	Chief government whip Deputy Speaker Manager of Opposition Business Assistant Minister	35.0
7	Opposition Spokesperson Leader in the Assembly of a recognised political party, other than the Leader or Deputy Leader of the Opposition Chairperson of a committee	25.0
8	Senior government whip Opposition whip	15.0
9	Government deputy whip	12.5
10	Member of a committee	10.0

3. The Tribunal confirms its decision that the Opposition Spokespersons Allowance and Expense of Office Allowance payments be abolished. However, the Tribunal notes that eligible office holders have already received Opposition Spokespersons Allowance and/or Expense of Office Allowance payments since 1 July 2013. As the new additional salary rates subsume the Opposition Spokespersons Allowance and Expense of Office Allowance effective from 1 July 2013, the amounts already paid in the 2013-14 financial year will be deducted from the salary for these office holders in the transitional year to ensure there are no double payments.

Date of Determination: 27 March 2014



Professor Tim Brailsford
Chair



Ms Joanne Jessop
Member



Mr David Harrison
Member

