



FINANCE AND ADMINISTRATION COMMITTEE

Members present:

Ms DE Farmer MP (Chair)
Ms VM Barton MP
Mr MJ Crandon MP
Mr CD Crawford MP
Mr DA Pegg MP
Mr PT Weir MP

Staff present:

Ms D Jeffrey (Research Director)
Dr M Lilith (Principal Research Officer)
Ms C Heffernan (Executive Assistant)

PUBLIC BRIEFING—INQUIRY INTO THE PARLIAMENT OF QUEENSLAND AND OTHER ACTS AMENDMENT BILL 2015

TRANSCRIPT OF PROCEEDINGS

FRIDAY, 10 APRIL 2015

Brisbane

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Committee met at 9.37 am

CRAIG, Mr Leighton, Cabinet Secretary, Cabinet and Parliamentary Services, Department of the Premier and Cabinet

FRANCIS, Ms Shelley, Parliamentary Liaison Officer, Cabinet and Parliamentary Services, Department of the Premier and Cabinet

TIMPERLEY, Mr Andrew, Principal Policy Officer (Parliament), Cabinet and Parliamentary Services, Department of the Premier and Cabinet

CHAIR: Good morning. I declare this public departmental briefing of the Finance and Administration Committee's inquiry into the Parliament of Queensland and Other Acts Amendment Bill 2015 open. I am Di Farmer, the chair of the committee and the member for Bulimba. The other members of the committee are Mr Michael Crandon, our deputy chair and the member for Coomera; Miss Verity Barton, the member for Broadwater; Mr Craig Crawford, the member for Barron River; Mr Duncan Pegg, the member for Stretton; and Mr Pat Weir, the member for Condamine. The purpose of this hearing is to receive information from the department about the bill, which was referred to the committee on 27 March 2015. This hearing is a formal proceeding of the parliament and is subject to the Legislative Assembly's standing rules and orders. The committee will not require evidence to be given under oath, but I remind you that intentionally misleading the committee is a serious offence. Thank you for your attendance here today; the committee appreciates your assistance. You have previously been provided with a copy of instructions for witnesses, so we will take those as read. Hansard will record the proceedings and you will be provided with a transcript. This hearing will also be broadcast.

I remind all of those in attendance at the hearing today that these proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In this regard, I remind members of the public that under the standing orders the public may be admitted to or excluded from the hearing at the discretion of the committee. I remind committee members that officers are here to provide factual or technical information. They are not here to give opinions about the merits or otherwise of the policy behind the bill or alternative approaches. Any questions about government or opposition policy that the bill seeks to implement should be directed to the responsible minister or shadow minister or left to debate on the floor of the House. I also request that mobile phones be turned off or switched to silent and remind you that no calls are to be taken inside the hearing room. I invite Leighton to make a brief opening statement.

Mr Craig: Thank you, Chair, and good morning, members. I am appearing today as I have managerial responsibility for the Cabinet and Parliamentary Service's team within the department and I am accompanied by two officers from the Cabinet and Parliamentary Service's team involved in drafting the bill—Shelley Francis and Andrew Timperley—and I may defer to Shelley and Andrew through this briefing. I would also add that Ms Francis is the primary contact for matters relating to the inquiry. First, I want to thank members for the opportunity to attend this morning. We are pleased to assist the committee through the course of your inquiry into the bill.

I will proceed with a short overview of the Parliament of Queensland and Other Acts Amendment Bill 2015. The bill delivers on two of the government's election commitments together with a commitment that was made by the now Premier and then Leader of the Opposition to the member for Nicklin in a letter of 5 February 2015. To this end, the main objectives of the bill are really three: firstly, to restore autonomy to the position of the Speaker, and that is primarily achieved by returning responsibility for management of the Parliamentary Service to the Speaker from the Committee of the Legislative Assembly; and, secondly, it allows a crossbench member to be included on the membership of the CLA. The Speaker will also be given voting rights on the CLA, with a deliberative vote and a casting vote in the case of a tied vote. The bill also retrospectively overturns Determination 7/2015 of the Queensland Independent Remuneration Tribunal which granted a 2.58 per cent salary increase to members of the Legislative Assembly from 6 April this

year. The bill also places a limit on the tribunal in determining salary increases so that it cannot determine a salary increase for members greater than the percentage increases received by public servants. In relation to the position of the Speaker, I thought it might assist the committee just to have a brief history perhaps of the role of the Speaker and the CLA, if that is useful.

CHAIR: Yes; thank you.

Mr Craig: The bill does transfer the CLA's powers and responsibilities under the Parliamentary Service Act 1988 back to the position of the Speaker exactly as they were vested in the Speaker before the parliament transferred them in August 2011, so this is reverting to the pre-August 2011 position. I would qualify that by saying that the Clerk of the Parliament will remain the employing authority for Parliamentary Service officers and employees, so that is the difference between the pre-2011 changes. The Speaker was the employing authority prior to August 2011, but at that time the CLA recommended that the function be transferred to the Clerk rather than the CLA. As a matter of interest, the establishment of the CLA itself was first recommended by the parliament's Committee System Review Committee in December 2010, and members would be aware that that was the committee that conducted a broadscale review of the parliament's committee system. The CLA was then first established by a resolution of the parliament on 10 March 2011 and in May 2011 it became a statutory committee following the passage of the Parliament of Queensland (Reform and Modernisation) Amendment Bill. Just stepping back, in the government's response at the time to the review committee's recommendations, it had asked the CLA to review the Parliamentary Service Act 1988 and arising out of the CLA's review of the Parliamentary Service Act it recommended that the administrative functions of the Speaker with respect to the Parliamentary Service be transferred to the CLA and to the Clerk of the Parliament, so that is where the change arose.

The parliament then passed legislation in August 2011 to give effect to that change and the Speaker has not been involved in the management of the Parliamentary Service since that time. As I mentioned earlier, the bill before the House at the moment reverses that change and effectively replicates the pre-August 2011 position with the aforementioned exception.

Very briefly, in relation the members' salaries, the bill retrospectively overturns the 2.58 per cent increase that was determined by the tribunal for members from 6 April 2015. The only way to overturn a tribunal determination was through a retrospective act of parliament. I mention the bill also sets out new limits for the tribunal to follow for any future salary increase for members. So I trust that is of some assistance in framing the bill.

CHAIR: That was very useful. In fact, I was going to ask a question about that. You have read my mind. Was there anything else that you wanted to add, Leighton?

Mr Craig: Not specifically. I think that is a broad overview of what you have before you.

CHAIR: Thank you. That was really helpful. In terms of the autonomy of the position of Speaker in a practical day-to-day sense, what will be the effect? How do you see things working?

Mr Craig: As I mentioned, it really is just a return to exactly as it was before 2011.

CHAIR: For the benefit of some of the newer members, could you elaborate on that?

Mr Craig: Certainly. Perhaps I will refer to the explanatory notes. As set out in the bill, the general role of the Speaker for the Parliamentary Service will be to decide major policies, to guide the operation and management of the Parliamentary Service, prepare budgets, decide the size and organisation of the Parliamentary Service and the services to be supplied by the Parliamentary Service and supervise the management and delivery of services by the Parliamentary Service—so those broad administrative functions that had resided with the CLA.

CHAIR: Because there was not a CLA before.

Mr Craig: No. That is absolutely right.

CHAIR: No. That is the difference.

Mr Craig: So it is a return.

CHAIR: Yes. Thank you.

Mr CRANDON: Can I jump to overturning the salary—

Mr Timperley: Revocation of the salary.

Mr Craig: Of the salary determination.

Mr CRANDON: Yes, determination 7. Is there a timing foreshadowed as to when the next review or increase will be? Is that retrospective as well or is that sometime in the future?

Mr Craig: My understanding is—and my colleagues can step in here—that the next Public Service salary increase is effective in December 2015.

Mr CRANDON: Yes. Okay.

Mr Craig: That would be the date that it would be effective from.

Ms Francis: The tribunal has 90 days from that date to make their determination.

Mr Craig: From that date.

Ms Francis: Yes, and it would be retrospective to that date.

Mr CRANDON: Sure.

CHAIR: Yes.

Miss BARTON: Could we go to section 42 of the independent remuneration tribunal act. Section 42 says that CLA members are entitled to additional payments. Section 43 qualifies this to ensure that members are entitled to be paid for only one additional salary. I just wondered if you could confirm that alternate members of the CLA are entitled to the additional salary if they are eligible for that payment under section 43.

Mr Timperley: Yes, they are. If you are an alternate you are entitled to a salary as a member of that committee, but if the member who becomes an alternate already holds another position that pays a higher salary then you get only that higher salary. For instance, in the last parliament the Treasurer, I think from memory, was the Premier's alternate on the CLA. Obviously, the Treasurer did not get paid to be an alternate on the CLA, given that the Treasurer was already receiving an additional salary as Treasurer.

CHAIR: Thank you.

Mr CRAWFORD: Just on the same area, the explanatory notes say—

The Bill will result in relatively minor cost, if at all, given the potential for an additional salary to have to be paid to the crossbench member appointed to the CLA.

Can you elaborate what you mean by that section?

Mr Timperley: Mr Crawford, I can let you know, by relatively minor costs, we meant that the additional salary for a committee member is about \$23,000 a year. So I think in the scheme of government we deem \$23,000 a year to be a relatively minor cost. It would be in our discussions with the Clerk when we were consulting on this bill that that would be a cost that the Clerk and the parliament would be able to meet from within its existing budget. So it was not deemed to be a specifically significant cost and, given the make-up of the parliament, there is every chance that the alternate—any alternate—on the CLA would already be another member of another committee or hold another position. So it may not even turn out that that alternate member will have to be paid that salary, because they are already receiving an additional salary.

Mr WEIR: Could you please outline the results of consultation with interested stakeholders and elaborate on why these particular stakeholders were selected to be part of the consultation process?

CHAIR: This is the Clerk of the Parliament and QSuper and the Independent Remuneration Tribunal?

Mr Craig: Obviously, the Clerk of the Parliament is critical for these considerations. The Queensland Independent Remuneration Tribunal was consulted, provided a draft of the bill and provided comments on the bill, which were taken into consideration in the drafting—and QSuper.

Ms Francis: Yes, and QSuper to basically just double-check the effect any changes might have on members and former members' superannuation—just to check what sort of issues that may or may not be cause for them. Also with the Clerk being consulted, the Parliamentary Service Act sets out how the Parliamentary Service operates. So the Clerk is, in effect, in charge of the operation of it, if you like. He implements it and it is his act to a certain extent. So that is a further reason the Clerk of the Parliament was consulted. Queensland Treasury was consulted as it is a requirement that Queensland Treasury is consulted on all of these sorts matters. So that is just a basic requirement. That is why they were consulted—about the financial implications.

Mr CRANDON: Just further to that, you talk about the Queensland Independent Remuneration Tribunal being consulted. Was there any opposition from them to the proposals being put forward? Did they say, 'Okay,' and a big tick, or what was their view? What was the outcome of the consultation?

Mr Craig: The tribunal in response did raise some technical issues with the bill that were taken into account. I would probably take that question on notice and get some advice about the other aspects. I would not want to misrepresent any position that the tribunal put forward.

CHAIR: In fact, it would be interesting to know what the feedback was generally from all of those stakeholders, I think.

Mr Craig: Certainly. We would be more than happy to—

CHAIR: I think we would find that really useful.

Mr CRANDON: Yes.

Mr Craig: We will provide a response to that.

Mr PEGG: I had a question about the amendments to the Parliamentary Service Act to omit the references to the CLA and replace them with 'Speaker'. Could you please outline the role of the CLA under these proposed changes?

Mr Craig: Certainly. It perhaps might be most useful if we point out what functions the CLA retains after those amendments. While losing responsibility for the management of the Parliamentary Service, the CLA does retain responsibility for the ethical conduct of members—except for the hearing of complaints; parliamentary powers, rights and immunities; standing orders; monitoring and reviewing the business of the House and committees. So they are the powers that are retained. I would add to that, under the bill, the CLA will also be responsible for any matter that is referred to it by the Speaker.

CHAIR: My question is about clause 24, which allows for a crossbench member to be appointed to the CLA. Given that the Speaker himself is a crossbench member, can he be appointed as a crossbench member even though he is already a member of the committee?

Mr Craig: There would be an additional crossbench member.

CHAIR: Good. Thank you.

Mr CRANDON: Okay. So on to clause 25. The committee notes that it is proposed that the Speaker will have a casting vote when the votes are equal. The committee also notes that, for portfolio committees, where there is at least 50 per cent non-government membership of the Assembly, the chair does not have the casting vote, which is the current situation. Could you please explain the reasons for the difference between the CLA situation and the other committees?

Ms Francis: It is basically to implement the election commitment to provide autonomy to the Speaker and to allow the Speaker to have a casting vote. That sort of situation is seen to be strengthening the autonomy of the Speaker in managing the Parliamentary Service. That is basically the fundamental reason that was determined. It is a different committee from the portfolio committees, as you would know. It is a different type of committee. That was one of the main reasons—to ensure that the Speaker did retain, in the spirit of the autonomy of the Speaker. That was the reason for that. Otherwise, you could have a tied situation and then the Speaker would not have autonomy or be able to implement their own decisions. It would not be anticipated I do not think that there would be many situations—this is just speculation—where the Speaker would have to exercise that vote in the spirit of the CLA. Hopefully, they would be agreeing on things more so than disagreeing on things, given their responsibilities and the long-term management of the business.

CHAIR: I know that Verity has a question, but I just want to return to that issue that I raised before about the Speaker being a crossbench member. If the crossbench members wish the Speaker to be their representative on the CLA, is there a requirement or is there that flexibility? How does that work?

Ms Francis: As you know, the positions are actually named in the current act, so the Speaker is named and the Speaker attends as the Speaker. It is anticipated that the crossbenchers would like another crossbench member on there.

CHAIR: But if they do not?

Ms Francis: That is something that we will have to consider when that point comes. That is not how it is anticipated to work. It is anticipated that the Speaker attends as the Speaker. This is for future parliaments as well, so the Speaker attends as the Speaker and then a crossbench member is also on the committee, so it is an eight-member committee. If the crossbenchers wish the Speaker to be on there on their behalf, that is another matter that we will have to consider. The government will have to consider that because we may need to look at amending the act if that is the way it is going to pan out.

Mr CRANDON: Thanks for that; it is much appreciated. Does the committee have a right of veto over the nominated crossbench member of the committee?

Ms Francis: Not as it currently stands. It would be a matter for the parliament, if you like, because as it currently stands that person has to be nominated by the Leader of the House and that would be by a motion, so the parliament would have an opportunity to—

Mr CRANDON: Okay. So the crossbench members do not select their—

Ms Francis: They do. They do, but there would be a discussion that we would anticipate the Leader of the House would have with the crossbench members for them to advise him which member they wanted to have on the committee and then that would be put to the House by a motion. The other positions are actually named, so there is no question about who they are because they are named or their alternates. But, again, this is a matter for future parliaments where it depends on the number of crossbenchers. If there is one crossbench member, it is clear who that person would be. If there are more, it is anticipated that the Leader of the House will have a discussion with them and they will advise him which person they wish to put forward. It is up to the Leader of the House of course, but then that would be put by a motion to the House and that is where the House as a whole would have an opportunity to—

Mr CRANDON: So the House as a whole would vote for or against the nominated person but the nomination would come from the crossbench members?

Ms Francis: Yes. It is just a mechanism because the Leader of the House needs the capacity to organise the business and move business or procedural motions. That is why the Leader of the House does that.

CHAIR: I suppose there are a couple of permutations of this, aren't there, for this parliament and future ones?

Ms Francis: Yes.

Miss BARTON: Page 7 of the explanatory notes talks about clause 28 and amendments to the schedule particularly with respect to the definitions. Could you explain why the changes to the definitions needed to be made—that is, 'crossbench member' and 'opposition member' et cetera?

Mr Timperley: Miss Barton, those changes were just made because we had to bring in a new definition of 'crossbench member'. It was not something that was previously countenanced in the Parliament of Queensland Act, so it is only a minor change in relation to that matter. The meaning of 'government member' and the meaning of 'opposition member' are essentially exactly the same as they were before. It is just to, as I said, incorporate the new definition of 'crossbench member'.

Mr CRAWFORD: Just referring to the pay rise issue, and we understand how it is linked to the percentage increase with the public sector, what happens where, for example, you have an admin stream of AO1s to AO8s and there might be a variety of percentage increases? Which one are we going to rely on for us? Is it one in particular or an average? How is that going to work?

Mr Timperley: Mr Crawford, it would be the lowest increase—and anything is possible in a Public Service Award agreement in that you could have differences, although from the advice I have received that has not been likely in recent years or for quite a long time. But it would be envisaged that the lowest increase would be the amount that the tribunal could award members an increase up to in order to maintain the policy that MPs are not receiving a percentage salary increase higher than a public servant within that framework.

Mr Craig: I would just reiterate Andrew's comment though: I do not think we have been seeing those variations in the percentage increase.

Mr CRANDON: Anything is possible though.

Mr Timperley: It is possible.

Ms Francis: Yes.

Mr CRANDON: So is that specific? Is that specified in the bill? Do you think it should be perhaps given the considerations? Should it be specified?

Mr Craig: That is perhaps something we might again take on notice and respond to you about.

Mr CRANDON: Okay.

CHAIR: Did you want to ask anything else, Craig, on that matter?

Mr CRAWFORD: No, I think that was it.

Mr WEIR: On page 8 in relation to clause 31 the committee notes that a new section is proposed to provide that the tribunal may make determinations about the additional salary entitlement for an office. Could you please clarify why there is a need for this new section? Could you also please provide examples of circumstances where this situation would arise?

Ms Francis: That was included because we needed to make it very clear what it could and could not make determinations about, because when we were drafting the bill we had to specify when the tribunal could make determinations and it was left a little ambiguous as to whether or not it could continue with its existing ability to determine a salary for an additional salary holder. An example of this is one which is happening at the moment in that last sitting there was a motion moved to provide for an additional position which was the Deputy Opposition Whip, so it is those sorts of circumstances. That is a new position and therefore the tribunal has to maintain its ability to be able to determine a salary for those additional positions. It was just to clarify basically that it could continue to have that existing function, so basically as it stands now it will look at the Deputy Opposition Whip salary. Had that happened in three months time, the tribunal would still have the ability to determine a salary for that position.

Mr Timperley: Mr Weir, it is also a recognition that in the Public Service from time to time a particular job may be evaluated and reclassified either up or, I suppose, down. It is also a recognition that, if the tribunal—and it will still be the tribunal that will be making these decisions—determined that the functions of an office within the parliament had changed which may require, in its view, an additional salary relative to the other additional salaries that members are receiving, the tribunal still has that function if it so determines to, in a sense, reclassify an office holder position. For instance, if committee chairs in the tribunal's view had taken on more responsibilities, then the tribunal could, if it felt that to be the case, recommend a higher additional salary for, say, the office of committee chair.

Mr PEGG: I want to ask a question about the amendments to the Queensland Independent Remuneration Tribunal Act and in particular the amendments placing a limit on the tribunal so that it cannot determine percentage salary increases to MPs greater than the percentage salary increases received by public servants. What do you believe will be the practical impact of these provisions on the tribunal's work?

Mr Craig: It is one factor that the tribunal has to take into consideration when determining the salary increases, so I think that that is the extent of the practical implications. It is a factor to be considered by the tribunal.

CHAIR: I do not have any more questions. Does any other member of the committee wish to ask a question? If not, we will conclude this public departmental briefing. If members require any further information, we will contact you. Thank you very much for your attendance today. We really appreciate your help. I declare this briefing closed.

Committee adjourned at 10.10 am