# INDEPENDENT COUNCILLOR REMUNERATION TRIBUNAL FINDINGS AND RECOMMENDATIONS REPORT

**MARCH 2022** 

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## **Executive Summary**

On 7 December 2021, the Brisbane City Council (Council) approved by Council Resolution (380/2021-22) the amendment of *AP216 Councillor Remuneration Policy* (the Policy) and to delegate powers to the Establishment and Coordination Committee and the Chief Executive Officer pursuant to section 238 of the *City of Brisbane Act 2010*. The policy is contained in Appendix A to this report. Provision was also made at this time for the Brisbane City Council Independent Councillor Remuneration Tribunal (the Tribunal) to review and, as required, reset the remuneration arrangements applying to Councillors every four years.

Acting under its Terms of Reference and by applying the policy, the Tribunal set the remuneration payable to a Brisbane City Councillor from 1 July 2013. That is, the Tribunal set the base salary for Councillors, the relativities for office-holders and the Lord Mayor.

Since the Tribunal was originally established and approved by Council on 30 July 2013, it has met on three occasions (2013, 2017 and 2019). In 2013, the Tribunal, acting under the Terms of Reference and applying the Remuneration Policy as it was at that time, provided for an 8% increase to Councillors' salaries. It did so on the basis that in the period between 2008-2013, Councillors' salaries had fallen significantly behind the relevant market salary increases (when compared with Council EBA staff and executive salaries).

The recommended increase brought the salary for a Councillor into approximate alignment with that of a Queensland MP, an appropriate outcome given that the Tribunal considered that Councillors performed comparable roles with MPs (given the unique characteristics of the Council, including the council size, scale and demographics, budget, the average ward electorate populations and the range of Councillor responsibilities).

The Tribunal also determined percentage relativity of the office of Lord Mayor at 165% of the salary of a Councillor and, by so doing, severed its traditional nexus with the salary of a Queensland Government Cabinet Minister. The Tribunal maintained the relativities or salary loadings for office-holders other than the Lord Mayor.

The 2017 Tribunal, acting under the Terms of Reference at the time, made four recommendations, the first being a 2% pay increase for Councillors effective 1 July 2018. The second recommendation was that no change was warranted to the current percentage loading on salary for Council office-holders and the third recommendation was to maintain the current machinery in relation to the adjustment of Council allowances. The fourth and final recommendation was to introduce the payment of a transition allowance to Councillors who have served at least one term of Council and have retired involuntarily (loss of party preselection or defeat at an election).

The 15 October 2019 Council resolution directed the Tribunal to conduct a special sitting within its ordinary five-year cycle of sittings (not otherwise due until the current review) to consider Councillor remuneration anew, and to determine whether any adjustment or change in remuneration arrangements was warranted in the circumstances stipulated in the Terms of Reference.

Importantly, the Council resolution of 15 October 2019 included Councillor superannuation in the definition of remuneration in the Terms of Reference. Prior to this Council resolution, Councillor superannuation was expressly excluded from the previous Terms of Reference and was therefore outside of the Tribunal's jurisdiction. Changes to Councillor superannuation arrangements were historically determined by a Council resolution.

After considering the wider market and the likely future of employer-based superannuation, the 2019 Tribunal recommended that a new Council superannuation contribution rate (12.0%) apply to all Councillors and take effect from 1 January 2020 (a decrease from the historical rate of 20%).

The Tribunal noted that the amendment of the Policy now stipulates that in the intervening years between Tribunal review sittings remuneration would be adjusted in accordance with the percentage increases applied by the Queensland Independent Remuneration Tribunal, which sets Queensland MPs' remuneration and adjusts allowances.

The Tribunal has determined that the base rate for a BCC Councillor should be increased by 2.5% at 1 June 2022. The Tribunal considers that 2.5% is a remuneration reference point that is salient within the context of local, state and federal remuneration arrangements we have considered above.

The Tribunal further considers that a Councillor acting in the role of an office-holder position should be remunerated at the relevant rate from the first full pay period commencing after the Councillor has acted in the role for four consecutive weeks. The Tribunal determines that the new arrangements should commence from the day this determination takes effect and earlier periods of service prior to that date should not be recognised.

## Chapter 1: Background and Overview

## 1.1 Introduction

This report of the Tribunal is under a new set of administrative arrangements.

Since its inception in 2013, the Tribunal has been a creation of the Council, to which it also reported, and did so on a five-year cycle. Two tribunals have sat in that time (one in 2013, the decision of which took effect from 1 July 2013, the other in 2017, the various decisions of which took effect on 1 July 2018).

The Tribunal as constituted in 2017 was also convened outside its five-year review cycle in 2019, in response to a Council resolution, to review the Council superannuation arrangements (and provided a report to Council in this regard on 20 November 2019).

The role of the Tribunal (outside its review of superannuation cited above) has been to review and if necessary, to re-set Council remuneration, at the base level, and to consider the appropriateness of relativities between a prescribed list of office-holders (see below). In 2017 the Tribunal also determined some new transitional conditions for Councillors whose terms had come to an end.

Whilst the Tribunal's considerations were focused principally on the year in which it was sitting, it has also had regard to interim year remuneration issues. Previously, the Tribunal left decisions about remuneration in the interim years to the Queensland Independent Remuneration Tribunal (which sets remuneration for Members of the Queensland State Parliament).

In 2017, the Tribunal was concerned that this outsourcing of remuneration policy might lead to changes in Councillor remuneration that may not necessarily be reflective of the basket of discrete factors, including community expectations, which are required to guide the Tribunal's decision making.

The Tribunal was cognisant that the Queensland Independent Remuneration Tribunal's decision took into account a different set of factors, including interstate State Parliament remuneration changes, which appeared to the Tribunal to be somewhat remote to the more localised contextual considerations relevant to Brisbane City Councillors' remuneration.

For this reason, the 2017 Tribunal (as set out in its report) applied an absorption principle which effectively capped remuneration changes that might flow on from decisions of the Queensland Independent Remuneration Tribunal. This was in effect a mechanism for keeping a measure of control over Council remuneration policy in the interim years and ensuring its loose alignment with community expectations.

The onset of the COVID-19 pandemic meant that this mechanism did not have any work to do in the interim years, as Queensland Parliament remuneration changes were dampened, at least up until the 2021 decision of the Queensland Independent Remuneration Tribunal. We address these recent changes in our discussion below.

That all said, this Tribunal's jurisdiction has undergone changes. The administrative framework that gave rise to the considerations and approaches as set out above is now moribund, and the Tribunal now performs its functions under a new set of administrative arrangements.

## **1.2 Establishing the Tribunal**

On 7 December 2021, the Brisbane City Council (Council) approved by Council Resolution (380/2021-22) the amendment of AP216 Councillor Remuneration Policy (the Policy). See 4.1 Appendix A

The Policy effectively delegated the administration of Council's remuneration policy to the Chief Executive Officer (the CEO).

A new Tribunal was constituted under the direction of the CEO. The Tribunal now reports to the CEO rather than Council, and its former five-year review cycle was re-set at four years.

Further, the function of the Tribunal (after taking into account a range of prescribed conditions) was to re-set (if necessary) Council remuneration in the year in which it was convened, but not otherwise or in respect of the interim years (as it had done in 2017). The Policy further indicated that remuneration changes in the interim years would be as determined for Members of the Queensland Parliament by the Queensland Independent Remuneration Tribunal (and not by this Tribunal).

## **1.3 Role of the Tribunal**

Under the Terms of Reference approved by Council on 7 December 2021, the role of this Tribunal is to review and as required, reset the base remuneration level for a Councillor. The secondary role is to determine the relativities of remuneration for the following roles vis-à-vis that of a Councillor on the base level remuneration:

- Lord Mayor
- Deputy Mayor
- Civic Cabinet Chairs
- Chair of Council
- Leader of the Opposition.

Remuneration is defined as salary, allowances and any other related matters prescribed by the legislation.

Remuneration does not include:

- any amount for expenses to be paid or facilities to be provided to a Councillor under Council's expenses reimbursement policy (including Ward Office expenses);
- motor vehicles, telephone and mobile computing devices as they are considered tools of trade; and
- any contribution the Council makes for a voluntary superannuation scheme, for Councillors established or taken part in by the Council under section 210 of the *City of Brisbane Act 2010.*

The Tribunal's considerations are to include, but not be limited to, the following factors:

- average national and state wage increases
- Council's obligations to pay superannuation for Councillors
- actual wage increases and Council contributed superannuation contributions for Council staff
- actual Councillor wage increases
- Councillors acting in higher duties (i.e., in Acting Civic Cabinet Chair roles)
- community expectations
- workloads of Councillors

 comparative conditions of employment provided to elected officials at other levels of government.

The Tribunal will not award back-pay prior to 1 June 2022.

## 1.4 Timings

The Terms of Reference required the Tribunal's report be delivered to Council's CEO by 5.00pm Thursday 31 March 2022.

The Tribunal's determinations will be effective 1 June 2022.

## **1.5 Councillor Remuneration Policy**

The Policy established the following principles to guide the Tribunal in its remuneration considerations:

- remuneration setting processes will be transparent and accountable
- Councillors will accept the decision of the Tribunal
- any determination or recommendation in relation to Councillors' remuneration will be compliant with the provisions set out in Chapter 8, Part 1, Division 1, section 230 to section 235 of the *City of Brisbane Regulation 2012* (CoBR)
- Councillors' remuneration will be reviewed every four years
- consideration is to be given to community expectations
- public release of remuneration decisions will occur as soon as practicable.

The Policy provides that:

- the Tribunal shall consist of three members, appointed by the CEO.
- each Tribunal member will be paid a flat fee, determined by the CEO at the time of their appointment
- the Tribunal will act in accordance with the Terms of Reference as approved by the CEO.
- members are appointed to the Tribunal for a term of one review only, although they may subsequently be appointed to future Tribunals
- the Tribunal's recommendations will be implemented without amendment and will not be subject to review.

Additionally, the current Policy as approved by Council on 7 December 2021 provides that in the intervening years between Tribunal sittings, Council's CEO would implement the percentage movement awarded by the Queensland Independent Remuneration Tribunal to Members of the Queensland Parliament (Queensland MPs), without a requirement to refer the matter back to Council.

## 1.6 Definitions

## The Act – City of Brisbane Act 2010

**Councillor remuneration** – defined in the Terms of Reference as salary, allowances and any other matters that may be prescribed by legislation. In practice there are no other allowances or other matters (other than the transitional payment referred to above as determined by the Tribunal in 2017).

**Excluded matters** – remuneration does not include (a) any amount for expenses to be paid, or facilities to be provided, to a Councillor under the Council's expenses reimbursement policy; or (b) any contribution the Council makes for a Councillor to a voluntary superannuation scheme for Councillors established or taken part in by the Council under section 210 of the Act (CoBR section 233 Excluded matters).

**Tools of trade** – 'tools of trade' such as motor vehicles, telephone and mobile computing devices are considered out of scope for the purposes of the Tribunal's review (Terms of Reference).

**Decision making criteria** – must have regard to (a) the provisions of the Act about entitlements and responsibilities of Councillors; and (b) community expectations about what is appropriate remuneration in the circumstances as per section 234 of CoBR (Criteria for remuneration decisions).

**Publication** – Council must publish details of remuneration decisions in a newspaper circulating generally in Brisbane and on the Council's website as soon as possible after a decision is made as per section 235 of CoBR (Publication of remuneration decisions).

## 1.7 Tribunal Members

On 7 December 2021, Council approved the amendment of the Policy and the delegation of powers to the CEO. On 23 December 2021, the CEO wrote to the following persons inviting them to constitute the 2022 Tribunal. The Tribunal members appointed were:

Mr Peter Richards	Former Senior Deputy President, Commissioner and Industrial Registrar, Fair Work Commission, Fair Work Australia and Australian Industrial Relations Commission; dual appointed Commissioner Queensland Industrial Relations Commission; Assistant Director Business Council of Australia; Chief of Staff Cabinet Minister for Workplace Relations and Small Business; Assistant Secretary Legal and Policy Branch, Department of Business (Vic). Principal of Insync HR\IR Consulting; Chair, Commonwealth Safety Rehabilitation and Compensation Commission and Board Grievance Officer.			
Ms Sharon Doyle	Currently holds a number of board roles including Director of Technology One Limited (ASX:TNE) and Auto and General Insurance Company Limited and is Executive Chair of InterFinancial, a corporate finance advisory firm. Sharon is a member of the QUT Faculty of Law Founders' Scholarship Fund Committee.			
The Honourable John Mickel	Former Speaker of the Legislative Assembly and Queensland Government Minister. In 2016 led the Queensland Government's trading hours review.			

## **1.8 The Remuneration Consideration**

The role and function of the Tribunal is set out in the Terms of Reference (see 4.2 Appendix B).

The Terms of Reference stipulate the definition of remuneration for the purposes of the Tribunal's review. That definition is derived from Chapter 8, Part 1, Division 1, sections 230-235 of the CoBR and the Policy.

The scope of meaning of remuneration expressly excludes expenses and facilities paid to Councillors including Ward Office expenses and tools of trade (motor vehicles, computing equipment and telephones). The definition of remuneration also excludes any contribution Council makes to a voluntary superannuation scheme (so far as such a scheme is one provided under section 210 of CoBA. That is, the standard 12% Council superannuation contribution determined by the Tribunal in 2019 is not a part of a Councillor's remuneration (or total employment costs) for the purposes of the Tribunal's jurisdiction.

Notwithstanding this, Council's obligation (under CoBA) to make contributions to Councillor superannuation is a matter that the Tribunal is required to take into account in reaching a decision about the remuneration outcome in its sitting year (see below).

The Tribunal is to review and as required re-set the remuneration (as defined) for a Councillor and to determine the relativities between the offices of:

- Lord Mayor,
- Deputy Mayor,
- Civic Cabinet Chairs;
- Chair of Council; and
- Leader of the Opposition.

Importantly, in considering whether to re-set the remuneration of a Councillor and/or to determine any relativities matters between office-holders, the Tribunal, in accordance with the Terms of Reference, must consider a range of prescribed factors (amongst any others the Tribunal considers relevant).

These factors, in summary, are:

- "average national and state wage increases"
- "Council's obligation to pay superannuation for Councillors"
- "actual wage increases and Council contributed superannuation contributions for Council staff"
- "actual Councillor wage increases"
- Councillors acting in higher duties (i.e. Acting Civic Cabinet Chair roles);
- Community expectations;
- Workloads of Councillors; and
- Comparative conditions of employment provided to elected officials at other levels of government.

We consider that the review of Councillor remuneration to also require consideration of the wider economic outlook, and we make some high-level comments about this below.

We also note that the Terms of Reference require the Tribunal to only consider the relevant factors above in the context of the period since 1 January 2020 (to current) and not over any longer prior time period. That is, the Tribunal is constrained to give weight to the basket of factors in respect of a defined time period.

Equally, the Tribunal is bound not to award any back payment prior to 1 June 2022, which is the date the Terms of Reference prescribe as the date on which any remuneration adjustment it may make will commence (and with application, presumably, for the succeeding 12-month period). In effect, therefore, the Terms of Reference preclude any back payment or retrospective payment being granted to Councillors by the Tribunal.

We consider the task of reaching a relevant decision to require a global assessment of the basket of factors set out above. We also consider that the requirement to have regard to the community's expectations obligates us to consider the range of wage movements in the community (and within Council itself) at both award and agreement levels, and to weigh up any decision we make against this experience (within the defined period).

## **1.9** The Role of the Secretariat

Secretariat support was provided to the Tribunal by Governance, Council and Committee Services, City Administration and Governance. The role of the Secretariat was to assist the Tribunal in the administration of the review, coordination of meetings and provision of research support. The Tribunal is very appreciative of the work undertaken by the Secretariat.

## 1.10 Councillor Remuneration

There has been a long-standing historical connection between the salaries paid to Federal MPs, Queensland MPs and Brisbane City Councillors. Until 2013, salaries paid to Queensland MPs were set at \$500 less than the annual salary of Federal MPs, and Brisbane City Councillor salaries were set at \$500 less than the salary paid to Queensland MPs.

In 2013, the Tribunal was established. The Tribunal decided that the automatic nexus between Queensland MP remuneration and Councillor remuneration should be severed and accordingly set up a framework whereby the Tribunal would be reconstituted every five years to review and where appropriate, reset Councillor remuneration.

In the intervening years between Tribunal sittings, Councillor remuneration was to be adjusted in accordance with the percentage increases applied by the Queensland Independent Remuneration Tribunal for Queensland MPs.

Councillor salaries and allowances, and the differential rates paid to office-holders, as at 1 July 2013, are set out in Table 1 below. The corresponding figures as at 1 September 2017, are set out in Table 2 and Table 3 details the figures as at 1 September 2021.

Position	No.	Salary	Relativity	Allowances	Salary plus
			(Salary)		allowances
					(excluding
					superannuation)
Councillor	17	\$136,649	100%		\$136,649
Leader of the	1	\$150,314	110%	\$18,268	\$168,582
Opposition					
Chairman of	1	\$170,811	125%	\$18,268	\$189,079
Council					
Committee	6	\$170,811	125%	\$18,268	\$189,079
Chairman					
Deputy Mayor	1	\$177,644	130%	\$18,268	\$195,912
Lord Mayor	1	\$225,470	165%	\$89,693	\$311,719

Table 1 – Salary, Differential Rates & Relativities as at 1 July 2013

Position	No.	Salary	Relativity	Allowances	Salary plus
			(Salary)		allowances
					(excl.super)
Councillor	17	\$157,782	100%		\$157,782
Leader of the	1	\$173,560	110%	\$19,921	\$193,481
Opposition					
Chairman of	1	\$197,227	125%	\$19,921	\$217,148
Council					
Committee	6	\$197,227	125%	\$19,921	\$217,148
Chairman					
Deputy Mayor	1	\$205,116	130%	\$19,921	\$225,037
Lord Mayor	1	\$260,342	165%	\$97,811	\$358,153

#### Table 3 - BCC Councillor salaries and relativities as at 1 September 2021

Position	NO.	Salary	Relative (Salary)	Allowances	Salary plus allowances (excl.super)
Councillor	17	\$164,156.00	100%		
Leader of the Opposition	1	\$180,571.00	110%	\$20,320	\$200,891
Chair of Council	1	\$205,195.00	125%	\$20,320	\$225,515
Civic Cabinet Chair	7	\$205,195.00	125%	\$20,320	\$225,515
Deputy Mayor	1	\$213,402.00	130%	\$20,320	\$233,722
Lord Mayor	1	\$270,857.00	165%	\$99,767	\$370,624

#### Note on Allowances

Allowances refers to Expense of Office allowance, subject to adjustment by applying CPI and by flowing on the percentage increases awarded by the Queensland Independent Remuneration Tribunal.

## Chapter 2: Key Considerations

This chapter outlines the issues identified and key considerations of the Tribunal. In particular, the Tribunal considered the workload of Councillors, the additional responsibilities attributed to office-holders and the relativities to elected representatives at federal and state levels of government. It also undertook a comparative analysis between Brisbane City Councillors and other elected representatives in local governments within Queensland, interstate and New Zealand.

## 2.1 Brisbane City Council – size, scale and demographics

Council is the largest local government in Australia, covering 1,338 square kilometres, with an estimated population of 1.273 million in 2020. Brisbane has been an amalgamated Local Government Area (LGA) since the implementation of the *City of Brisbane Act 1924* on 1 October 1925, with a current budget of \$3.6 billion per annum and assets totalling \$31.3 billion.

Brisbane is the only local government within Queensland with its own individual act of Parliament. Compared to other local governments in Queensland, Council is unique in its nature and the extent of its responsibilities and powers, some of which are set out below:

- it is the capital city of Queensland
- it is the largest provider of local government services in Australia
- the Lord Mayor is popularly elected by all electors of the Brisbane City Council Local Government area
- there are 26 Councillors who each represent the interests of the residents of a Council ward
- the Lord Mayor and Councillors are elected by Brisbane electors at quadrennial elections
- the Lord Mayor and Councillors perform their role in a full-time capacity as elected representatives of Brisbane City Council
- the Lord Mayor has executive powers under the CoBA
- Council has an Establishment and Coordination Committee (E&C), chaired by the Lord Mayor, and nine Standing Committees. Each of the Civic Cabinet Chairs have portfolio responsibilities and is a member of E&C
- A Chair of Council presides at all Council meetings and is responsible for ensuring its rules of procedure are observed and enforced.

## 2.2 Councillor Responsibility by Class of Office

## 2.2.1 Lord Mayor

The Lord Mayor is popularly elected and represents all residents of Brisbane. In addition to fulfilling the responsibilities of an elected official, the Lord Mayor is also required to carry out the additional duties as outlined in section 14(4) of CoBA.

These additional duties include:

- implementing the policies adopted by the Council
- developing and implementing policies, other than policies that conflict with policies adopted by the Council
- leading and controlling the business of the Council
- preparing a budget to present to the Council
- leading, managing and providing strategic direction to the CEO in order to achieve high quality administration of the Council
- ensuring that the Council promptly provides the Minister with the information about Brisbane, or the Council, that is requested by the Minister
- arranging representation of the Council at ceremonial or civic functions
- directing the CEO and senior contract employees of the Council.

In accordance with section 26 of the Act, the Lord Mayor is a member of all Standing Committees of Council and is able to attend, participate in and vote at any meeting. The Lord Mayor is also able to direct the CEO and senior contract employees in accordance with section 170 of CoBA.

## 2.2.2 Deputy Mayor

The Deputy Mayor acts on behalf of the Lord Mayor in his or her absence or incapacity and takes on all Lord Mayoral responsibilities during that time in accordance with section 165 of CoBA.

The Deputy Mayor is also a ward Councillor and is currently the Chair of the Economic Development and the Brisbane 2032 Olympic and Paralympic Games Committee.

## 2.2.3 Leader of the Opposition

The Leader of the Opposition is the Councillor nominated by the party of minority Councillors with the largest number of Councillors as defined in the dictionary of the *Meetings Local Law 2001* (MLL).

The Leader of the Opposition is appointed by their own party, not the Council, and has no statutory authority. They lead and direct the Opposition's policies and strategies and assess administration policies. They also put forward alternative proposals and views.

The Leader of the Opposition is a ward Councillor and is currently the shadow Chair for Economic Development and the Brisbane 2032 Olympic and Paralympic Committee and the shadow Chair for the Transport Committee.

## 2.2.4 Chair of Council

The Council must, by resolution, appoint a Chair of the Council from its Councillors (other than the Lord Mayor or Deputy Mayor) at the first meeting after the office of the Chair of Council becomes vacant.

The Chair of Council, who is also a ward Councillor, presides at all Council meetings and is responsible for ensuring its rules of procedure are observed and enforced. However, the Chair of Council does not preside at meetings of Standing Committees of the Council.

The Chair has absolute precedence over conduct within a Council meeting (section 51 of MLL). The Chair must preserve order and may at any time call to order any Councillor who appears to be acting in a disorderly manner (section 21 of MLL).

Subject to the provisions of the Standing Rules (as contained in Chapter 2, Part 2 of the MLL), the Chair of Council may take part in a debate. However, he or she normally vacates the Chair to do so and the normal convention is for the Deputy Chair of Council to take control of the meeting.

## 2.2.5 Civic Cabinet Chairs

Civic Cabinet Chairs are answerable to the Lord Mayor for matters within their portfolio and provide strategic guidance and oversight to the Council area which relates to their portfolio. While unable to direct Council officers, Civic Cabinet Chairs act with the authority of E&C and the Lord Mayor. Generally, they are responsible for providing strategic guidance for their responsible portfolios, divisional managers and Council officers. Council has nine Standing Committees.

These are:

- E&C (also known as Civic Cabinet)
- Economic Development and the Brisbane 2032 Olympic and Paralympic Games
- City Planning and Suburban Renewal
- Finance and City Governance
- Environment, Parks and Sustainability
- Community, Arts and Nighttime Economy
- City Standards
- Transport
- Infrastructure
- Councillor Ethics Committee

Each Committee is chaired by a Councillor who represents a ward within Brisbane city, except for the E&C, which is chaired by the Lord Mayor.

## 2.2.6 Establishment and Coordination Committee (E&C)

E&C is chaired by the Lord Mayor and comprises all Civic Cabinet Chairs. When Council is not in session, E&C has a recess delegation to make decisions on behalf of Council, unless a resolution of full Council is required by law. E&C makes decisions in its own right.

E&C considers matters being recommended to Council for approval or resolution. E&C also has the delegation to approve purchases and contracts in accordance with approved budgets.

## 2.2.7 Councillors

#### Responsibilities of Councillors

Section 14(1) of CoBA states that Councillors must represent the current and future interests of the residents of Brisbane. Responsibilities of the Lord Mayor and Councillors are set out in the remaining sub-sections of section 14 and are briefly summarised below.

All Councillors have the following responsibilities, but the Lord Mayor has some extra responsibilities in:

- ensuring the Council:
  - o discharges its responsibilities under CoBA
  - o achieves its corporate plan
  - o complies with all laws that apply to the Council
- providing high quality leadership to the Council and the community
- participating, for the benefit of Brisbane, in:
  - meetings of the Council
  - policy development and decision making about matters being considered at a meeting of the Council
- being accountable to the community for the Council's performance.

When performing a responsibility, a Councillor must serve the overall public interest of the whole of Brisbane.

As well as representing their wards, both Administration and Opposition Councillors are members of Standing Committees.

#### Differential remuneration

Councillor remuneration provisions are set out in sections 230 to 235 of CoBR, with section 231 providing Council with the ability to set differential remuneration according to the following classes of offices:

- the Lord Mayor
- the Deputy Mayor
- the Leader of the Opposition
- the Chair of Council
- Civic Cabinet Chairs
- other Councillors.

## 2.3 Queensland Independent Remuneration Tribunal

The Queensland Independent Remuneration Tribunal (QIRT) is an independent statutory authority established in 2013 to review and determine the salaries, allowances and entitlements of Queensland MPs and former MPs. The Tribunal makes these determinations on at least an annual basis.

Under the *Queensland Independent Remuneration Tribunal Act 2013* (QIRT Act), the Tribunal is responsible for making determinations about the following matters:

- base salary for Queensland MPs
- additional salary for Queensland MPs holding an Office
- allowances and entitlements to assist members to carry out their role functions and responsibilities
- allowances and entitlements for former Queensland MPs.

The *Queensland Independent Remuneration Tribunal Act 2013* requires that, in performing its functions, the QIRT must act 'independently, impartially and fairly'. On 23 July 2020, the QIRT Act was amended to provide the QIRT with the additional function of deciding the additional staffing entitlement of cross bench members.

The current QIRT members were appointed for a term commencing on 19 September 2019 and ending on 18 September 2022.

On 31 May 2021 the QIRT published Determination 25/2021 entitled Review of Base and Additional Salary Levels of Queensland MPs. Determination 25/2021 sets the base and additional salary increases for Queensland MPs as follows:

- 0% increase with effect from 1 September 2019
- 2% increase from 1 September 2021
- 2.25% increase from 1 March 2022
- 2.5% increase from 1 September 2022

## 2.4 Local Government Remuneration Commission and The Councillor Conduct Tribunal

Legislative changes in May 2018 to the *Local Government Act 2009* created a new Councillor Conduct Tribunal and Local Government Remuneration Commission (the Commission).

The Commission is an independent body, made up of a Chair and Casual Commissioners, appointed by the Governor in Council.

The Department of State Development, Infrastructure, Local Government and Planning provides administrative and secretariat assistance to the Commission to enable it to effectively perform its responsibilities.

Under the Act, the functions of the Commission are:

- a. to establish the categories of local governments
- b. to decide the category to which each local government belongs
- c. to decide the maximum amount of remuneration payable to the Councillors in each of the categories
- d. to consider and make recommendations to the Minister about matters relating to Councillor advisors; and
- e. another function related to the remuneration of Councillors directed, in writing, by the Minister.

The categories are reviewed every four years, while the remuneration is reviewed annually.

The Councillor Conduct Tribunal (CCT) was established under the *Local Government* (*Councillor Complaints*) and Other Legislation Amendment Act 2018.

The CCT is an independent body, made up of 12 members and a President appointed by the Governor in Council. It is responsible for dealing with complaints of misconduct by Councillors.

The Department of State Development, Infrastructure, Local Government and Planning provides administrative and secretariat assistance to the CCT to enable it to effectively perform its responsibilities.

The functions of the CCT are:

- i. to hear and decide complaints of misconduct by Councillors as referred by the Office of the Independent Assessor
- ii. to investigate the suspected inappropriate conduct of a Councillor referred to the local government, by the assessor and to be dealt with by the local government
- iii.

## 2.5 Average national and state wage increases

#### QUEENSLAND

On balance, the Queensland Industrial Relations Commission is of the view that an increase of 2.5 percent should apply to all state awards and existing award allowances (other than expense related allowances) relating to work or to conditions which have remained unchanged."

#### FEDERAL

In its 2020-21 Annual Wage Review, the Fair Work Commission (FWC) increased minimum award rates of pay by 2.5 per cent. The National Minimum Wage (NMW) was adjusted to \$772.60 per week or \$20.33 per hour.

#### Enterprise Bargaining

#### Federal

The Average Annualised Wage Increase (AAWI) (as published in each Trends in Enterprise Bargaining report: Third quarter 2021) was 2.7%

#### **Brisbane City Council EBA 9 increases**

The current agreement (EBA 9) was certified in 2018 meaning that a new agreement should be in place now however as agreement could not be reached between Council and one union, the outstanding matter has been referred to arbitration. As a result of the delays, Council approved a 2% pay increase effective 8 October 2021 for EBA employees.

In the previous years, EBA employees received a pay increase of 2.5% on 8 October 2018 and 8 October 2019. There was no pay increase in 2020.

#### Other Economic factors

For the 12-month period ending on 30 September 2021:

• Weighted average of the eight capital cities: +3.0% • Brisbane: 3.9% (Consumer Price Index (report), September quarter 2021, Queensland Government Statisticians Office, Queensland Treasury.)

Estimates for average weekly ordinary time earnings for full-time adults (seasonally adjusted):

#### National AWE

- Increased by 1.4% to \$1,737.10 annually to May 2021
- Males: \$1,996.60 (public), and \$1,807.40 (private)
- Females: \$1,781.60 (public), and \$1,490.70 (private)

## QLD AWE (QLD TREASURY)

## 2021-21

Average weekly earnings Queensland	\$1,631.10	(Change of 0.2%)
Average weekly earnings Australia	\$1,724.40	(Change of 2.3%)

(Financial year data are based on average of May and November quarters).

Note: the Queensland AWE does not incorporate the 2.5% increase for the Queensland

#### Wage-Price Index Australia v Queensland 2020-2021

	<u>Australia</u>	<u>Queensland</u>
2020-21	135.4 (1.6)	135.7 (1.5)

#### **RBA** commentary on WPI:

"Growth in the Wage Price Index (WPI) is anticipated to pick up to above 2 per cent by the end of 2021, to be back in line with pre-pandemic wage growth norms of around 2– 2½ per cent per annum (Graph 5.7). WPI growth is then forecast to strengthen further as the **unemployment rate approaches 4 per cent, to be around 3 per cent by the end of 2023** – the fastest pace since 2013. Increases in the superannuation guarantee rate over coming years are estimated to reduce WPI growth relative to average earnings by around a ¼ percentage point by the end of the forecast period; average earnings per hour is forecast to be growing above 3 per cent by 2023."



Released on 2 February 2002 (data updated to 27 January 2022

The June 2022 WPI forecast is at 2.0%

WPI Budget Forecast 1.5 % 2021-2022 - 2.25% 2022-2023

## Comment

We consider that the broad movement in wage growth remains subdued by historical comparisons and the overall economy is exposed to volatility, internally and externally. The impact of the COVID variants is one risk factor, but there are others.

We appreciate generally that award-dependent employee wages growth at State and Federal Levels has been around 2.5% (with some staging concessions at the Federal level in the 2021 National Minimum Wage Review).

Annualised Enterprise Agreement outcomes at the Federal level have reached 2.7% (as at the last quarter of 2021), noting some variations between public and private sectors and between some industry sectors. Tighter labour market conditions could give rise to increased bargaining outcomes in the future, however.

Collective bargaining outcomes in the Council have been stalled for some time owing to a protracted industrial dispute before the QIRC. Council's 2019 EBA9 Agreement has not been replaced as yet and adjustments have been applied administratively at a rate of 2.0%

We also acknowledge that the wage price indicator appears to be around the 2.0% per annum, and the available forecasts show little chance of significant acceleration.

Average Weekly Earnings (AWE) reflect the above trend indicators, with AWE growth being in the vicinity of 2.0% nationally and somewhat higher in Queensland.

## 2.6 Council's obligation to pay superannuation for Councillors

The 2019 Independent Councillor Remuneration Tribunal determined that the previous nominal employer 20% contribution rate should be re-set at a market point more relevant to the contemporary superannuation system and that the new Council superannuation rate of 12.0% apply to all Councillors at the same time and take effect from 1 January 2020.

#### Superannuation contributions for Council staff

From 1 July 2021:

- The superannuation guarantee (SG) increased from 9.5% to 10%
- The concessional contribution caps increased to \$27,500 per annum
- The con-concessional contribution cap is \$110,000 per annum

Council contributes at the level of gross ordinary earnings shown below:

- Permanent Council employee (under 70 years of age and covered by Council's certified agreement) 14%.
- Permanent employee (over 70 years of age and covered by Council's certified agreement) Council contributes the SGC rate and the additional 4% is paid to the employee as salary or wages in their normal weekly pay.
- Temporary or casual employee or if employment contract specifies the superannuation guarantee charge (SGC) 10% (effective 1 July 2021) any increase to SGC will be passed on to employees.

#### Employee Contributions

Employees must contribute at the level of gross ordinary time earnings shown below:

- Permanent full-time employees (covered by Council's certified agreement) 5%
- Permanent part-time employees (covered by Council's certified agreement) 5%
- Permanent flexible part-time employees (covered by Council's certified agreement) 5%
- Senior and Specialist Professional (SSP) employees as per their individual contract
- Casual, temporary employees (covered by Council's certified agreement), Executive Service and Professional Service Employment (PSE) employees may elect to make voluntary contributions up to ATO limits.

Employees 70 years of age and over are not required to make compulsory employee contributions. Compulsory employer contributions will cease once an employee reaches 75 years of age.

## 2.7 Actual Councillor wage increases

There was no wage increase in the 2020 calendar year but a wage increase of 2% was passed onto Councillors in December 2021 (backdated to September 2021) as a consequence of the QIRT 2021 Report operating in this Tribunal's non-sitting years.

## 2.8 Councillors acting in higher duties (i.e. in Acting Civic Cabinet Chair roles)

The Tribunal notes that a number of Councillors perform higher duties assignments from time

CITY STANDARDS, COMMUNITY HEALTH AND SAFETY COMMITTEE Councillor Steve Toomey (Acting Chair) – Normally Deputy Chair 23/02/2021, 04/05/2021 (individual committee meetings)

ENVIRONMENT, PARKS AND SUSTAINABILITY COMMITTEE Councillor Tracy Davis (Acting Chair) – Normally Deputy Chair 04/05/2021, 11/05/2021, 18/05/2021, 25/05/2021, 01/06/2021, 08/06/2021, 03/08/2021, 10/08/2021 (acting Chair for the duration of the May/June dates and then August dates)

FINANCE AND CITY GOVERNANCE COMMITTEE Councillor Steven Huang (Acting Chair) - Normally Deputy Chair 17/08/2021, 24/08/2021, 31/08/2021, 07/09/2021 (acting Chair for entire period)

TRANSPORT COMMITTEE Councillor Angela Owen (Acting Chair) - Normally Deputy Chair 24/08/2021 (individual committee meeting), 1/02/2022, 8/02/2022, 15/2/2022 (acting Chair for entire period)

## 2.9 Community expectations

Our capacity to discern what might constitute community expectations in a direct way is limited. But we approach the requirement to take such a matter into account as we would assess what a reasonable person, devoid of antipathy for elected officials and accepting that there are important roles that must be performed for the benefit of the public, would expect to be a fair and appropriate outcome.

Such a reasonable person might consider their direct experience of the wage increases they and the community served by the Council (which is quite diverse) are experiencing, along with the value they might attach to the delivery of their local government services (which do not appear to the Tribunal's knowledge to suffer from any systemic failures).

We consider that community expectations around an appropriate remuneration would:

- a) anticipate an increase in remuneration for Councillors after a period of austerity;
- b) the increase should be aligned with community experiences; and
- c) the Tribunal should not award back payments, which the Terms of Reference expressly prohibits in any event.

## 2.10 Workloads of Councillors

We are not aware of any material changes in the workloads of Councillors as such. We are aware, however, that owing to the COVID-19 pandemic that the way in which workloads have been performed, and the work that has been performed has been changing.

Councillors have had to perform their official Council duties in different formats, and they have dealt with a new range of issues in managing Council's response to the pandemic (at business and community levels).

Councillors have also been required to adapt to the social distancing requirements and use a wider diversity of communication tools (such as social media) in performing their constituency functions.

But while this process of diversification and adaptation has been occurring, other tasks have been rationalised and the time demands on Councillors have reduced. This is not to say Councillors have had more time on their hands. The reduction in travel, decline in attendance at larger functions and meetings have in all likelihood been exchanged for higher activity levels in digital and less direct communication modes with their constituencies and in relation to Council business itself.

## 2.11 Comparative conditions of employment provided to elected officials

So far as we are required to take into account the comparative conditions of employment provided to elected officials, we note there are two relevant categories: Queensland MPs and Local Government Councillors.

#### Comparison with the Legislative Assembly

Queensland MPs have their salary (base and additional salaries, allowances and entitlements) reviewed and re-set as required by the Queensland Independent Remuneration Tribunal (QIRT) which operates under the *Queensland Independent Remuneration Tribunal Act 2013* (the QIRT Act).

The QIRT makes its decisions within a different framework to that of this Tribunal. Section 29 of the QIRT Act sets out the framework for its determinations.

In reaching their decision, the QIRT considered the following:

- "the decisions of the QIRC and FWC and the bases upon which those decisions were made
- the changing and evolving economic environment arising from the COVID-19 pandemic since the QIRT last considered the salary levels of Queensland MPs in 2020
- the current base and additional salary levels of Queensland MPs and that Queensland MPs have not had a salary increase since 1 September 2017
- salary increases provided to MPs in other jurisdictions and that the salary levels of Queensland MPs have fallen behind comparable jurisdictions
- community expectations and the value to the community of a member performing their role, functions and responsibilities."

The QIRT provide extensive exposition in relation to salary increases for MPs and officeholders in other State jurisdictions, where there have been some very considerable increases in recent years.

In the context of the matters it is considered, the QIRT determined (noting there had been no increase in 2019 and 2020) as follows:

- 2.00% increase with effect on and from 1 September 2021
- 2.25% increase with effect on and from 1 March 2022
- 2.5% increase with effect on and from 1 September 2022.

In the period 1 September 2021 to 1 September 2022, the QIRT has awarded Queensland MPs a 6.75% cumulative increase to their base salaries and allowances (which are largely the

increased payments to office-holders, which are taken account of through the office holder relativities in the decision of this Tribunal).

There are similarities between Councillors and Queensland MPs, largely because the size of an electorate in the Council bears some approximation with that of a Queensland MP. They do, however, have different areas of responsibility, though there are some overlaps which lead to cooperation and joint funding.

It is for this reason that the base salary of a Councillor bears some approximation to that of a Queensland MP.

A Councillor's base salary is \$164,156 (at September 2021 following the 2.0% increase).

The base salary of a MP is \$162,304 (which includes the 2% increase in September 2021).

We consider that it is a matter of note that the base salary of a Queensland MP is below that of the base (non-office holding) salary of a BCC Councillor.

There are however differences in relation to the supplementary salaries paid to State Government officeholders as opposed those office-holders in Council. These lead to more beneficial outcomes to Queensland MPs than for Councillors who are office-holders.

This Tribunal considers that there are sound reasons for such differentiation, noting the Statewide ministerial and portfolio commitments (and executive-level responsibilities) of a Queensland MP are considerably more demanding, in the main, than the Brisbane-wide responsibilities of Council office-holders.

#### Comparison with LGAs

In both its 2019 Report and its 2020 Report, the Local Government Remuneration Commission (the LGRC) determination was to freeze the rate of pay for mayors, deputy mayors and Councillors for the succeeding year respectively (that is, for 2020 and 2021 respectively).

However, the most recent LGRC determination (in its 2020-2021 Report) "decided to increase the maximum remuneration levels for mayors, deputy mayors and Councillors by 2.0% from 1 July 2022."

The Tribunal does not consider that decisions of the LGRC provide a significant point of reference that is relevant to the review and re-setting (if required) of the remuneration of BCC Councillors.

The LGRC adjusts multiple rates of pay across the non-Brisbane LGA network across Queensland on the basis of particular considerations and needs and reflect a very wide variety of financial and other conditions affecting regional Councils (such as the impact of droughts and floods and the affect of the pandemic on tourism and employment in regions with an undiversified economic base).

That is to say, whilst the LGRC has regard to prevailing economic factors and wages growth it is nevertheless – and rightly so - a decision-making body, the focus of which is at a level very much more discrete than that of this Tribunal.

## Chapter 3: Findings and Recommendations

## DETERMINATION

Taking into account the above data and discussion, the Tribunal has determined that the base rate for a BCC Councillor should be increased by 2.5% at 1 June 2022. We consider that 2.5% is a remuneration reference point that is salient within the context of local, state and federal remuneration arrangements we have considered above. We further think that for this reason it is an adjustment that conforms to community expectations.

The new salaries for Councillors and office-holders are indicated in table 4.

Position	NO.	Salary	Relative (Salary)	Allowances	Salary plus allowances (excl.super)
Councillor	17	\$168,259.00	100%		
Leader of the Opposition	1	\$185,084.00	110%	\$20,320	\$205,404.00
Chair of Council	1	\$210,323.00	125%	\$20,320	\$230,643.00
Civic Cabinet Chair	7	\$210,323.00	125%	\$20,320	\$230,643.00
Deputy Mayor	1	\$218,736.00	130%	\$20,320	\$239,056.00
Lord Mayor	1	\$277,627.00	165%	\$99,767	\$377,394.00

 Table 4 - BCC Councillor salaries and relativities as at 1 June 2022

The Tribunal does not consider that there is any imperative at this stage to review the relativities for office-holders.

## ACTING IN OFFICE-HOLDER POSITIONS

The Tribunal notes that the Council makes use of acting arrangements in office-holder positions from time to time, and these arrangements can be for lengthy periods.

The Tribunal considers that Councillors performing in acting roles in relation to office-holder positions, for example, should be remunerated for the increased work value required of these roles. Indeed, we think there would be a community expectation that Councillors acting in office-holder positions should be remunerated (at some point) for their work at a higher level as does a Councillor who performs the role on a fixed or formal basis.

The Tribunal further notes that the Terms of Reference do not direct the Tribunal to expressly to make this determination.

Notwithstanding this admission, we consider that paragraph 10 of the TOR may be read broadly so that a matter that is incidental to the remuneration of a Councillor (and determines the actual remuneration a Councillor receives and which is not excluded from the definition of remuneration set out in the TOR) may be determined by the Tribunal.

In support of this view, the Tribunal points out that in its 2017 report it made a determination around the transitional remuneration a Councillor would receive upon leaving office.

Given this, we think the Tribunal has the power to determine the period of time a Councillor would need to serve in an acting office-holder position before such time as they received the remuneration relevant to that office.

The Tribunal understands that there has been no practice in regard to remunerating Councillors for acting in office-holder positions roles or the period of time that would apply for doing so. Councillors who perform higher duties or acting roles for fixed periods are not (and never have been) remunerated at the higher relativity.

Clearly, there is some scope to suggest that a Councillor's salaried role will allow for some reasonable flexibility for additional work in the service of Council and the community, but this should not reach to an exploitative point.

In order to provide Council a measure of flexibility to move Councillors around without high transaction costs, the Tribunal considers that a Councillor acting in the role of an office-holder should be remunerated at the relevant rate from the first full pay period commencing after the Councillor has acted in the role for four consecutive weeks.

The Tribunal considers this period will reduce the transaction costs in moving Councillors between roles (thereby enhancing Council's flexibility to manage changing circumstances).

The Tribunal further considers that these arrangements will also allow the relevant Councillor to develop into the role in which they are acting and express a more complete set of competencies at the point they commence to be remunerated at the higher level.

In reaching this decision, the Tribunal acknowledges that there are alternate arrangements for BCC employees under their enterprise bargaining agreement and for Senior Officers. The former are paid higher duties almost immediately they commence the acting or temporary role. The latter must work for a number of weeks before they qualify for a part (%) payment of the higher relativity.

The Tribunal does not consider these circumstances are relevant to Councillors, and note that there are transaction costs in relation to part full rate payments in relation to salary and superannuation. Such approaches inhibit flexible work practices.

The Tribunal notes that its TOR preclude it from making back payments.

It would therefore be inconsistent with the Terms of Reference if the Tribunal were to determine those Councillors who have been serving in an acting role in relation to an office-holder position to have their prior service in that role recognised for the purposes of the receipt of the full office-holder rate of pay.

Therefore, the Tribunal determines that the new arrangements should commence from the day this determination takes effect and earlier periods of service prior to that date should not be recognised.

## Chapter 4: Appendices

## 4.1 Appendix A – AP216 Councillor Remuneration Policy

#### OVERVIEW

Council will establish the Independent Councillor Remuneration Tribunal (**Tribunal**) to determine Councillor remuneration and superannuation. The Tribunal will be reappointed every four years unless it is considered appropriate to establish the Tribunal earlier. Council will implement annual percentage movements between the review periods as set out by the State Government's Queensland Independent Remuneration Tribunal.

#### APPLICABILITY

This policy applies to delegates and all classes of offices in Council including: the Lord Mayor, Deputy Mayor, Chair of Council, Civic Cabinet Chairs of Standing Committees, Leader of the Opposition, and other Councillors.

#### DICTIONARY

*Classes of offices* means the class of offices provided for in section 231 of the CoBR.

*Remuneration* is defined as salary, allowances and any other related matters prescribed by the legislation.

Remuneration does not include:

- any amount for expenses to be paid or facilities to be provided to a Councillor under Council's expenses reimbursement policy (including Ward Office expenses);
- motor vehicles, telephone and mobile computing devices as they are considered tools of trade; and
- any contribution the Council makes for a voluntary superannuation scheme, for Councillors established or taken part in by the Council under section 210 of the *City of Brisbane Act 2010.*

#### PRINCIPLES

This policy is based on the following principles:

- Remuneration and superannuation setting processes will be transparent and accountable;
- Councillors and delegates will accept the decision of the Tribunal;
- Any determination and recommendations in relation to Councillor remuneration will be compliant with the provisions set out in Chapter 8, Part 1, Division 1, sections 230 – 235 of the CoBR;
- Councillor's remuneration and superannuation will be reviewed every four years, unless it is necessary to review it sooner;
- Consideration is to be given to the provisions of the *City of Brisbane Act 2010* about entitlements and responsibilities of Councillors;
- Consideration is to be given to community expectations; and
- Public release of remuneration and superannuation decisions will occur as soon as practicable.

#### POLICY

- Council will establish a Tribunal to determine appropriate levels of remuneration and superannuation for all classes of offices.
- The Tribunal's role is to review and, where appropriate, reset Councillor remuneration and superannuation.
- A Tribunal will be reappointed every four years in sufficient time to allow implementation of the Tribunal's determination by 1 June of the relevant year.
- Council may reappoint the Tribunal in the intervening years between Tribunal sittings, where it is considered appropriate to determine such relevant matters. For clarity, a Tribunal meeting in the intervening period does not recommence the four-year period above.
- In the intervening years, being the calendar years in which the Tribunal does not make a finding in respect of remuneration, Councillor remuneration will be adjusted in accordance with the percentage increases applied by the State Government's Queensland Independent Remuneration Tribunal for Members of the Legislative Assembly (intervening percentage movement).
- The CEO will implement the intervening percentage movement.
- The Tribunal shall consist of three members appointed by the delegate after consultation with the Lord Mayor and Leader of the Opposition.
- Each Tribunal member will be paid a flat fee determined by the delegate at the time of their appointment.
- The Tribunal will act in accordance with Terms of Reference as approved by the delegate after consultation with the Lord Mayor and Leader of the Opposition.
- Members are appointed to the Tribunal for a term of one review only, although they may subsequently be appointed to future Tribunals.
- The Tribunal's findings will be implemented by the delegate without amendment and will not be subject to review.

#### **APPROVING AUTHORITY**

Council: 30/07/2013 Council approved 2017 Terms of Reference: 24/10/17 Chief Executive Officer approved review date extension: 18/5/18 Council: 7/12/2021

#### POLICY OWNER

Divisional Manager, City Administration and Governance

#### FURTHER ASSISTANCE

Executive Officer to the Divisional Manager, City Administration and Governance

#### RELATED INFORMATION

Content Manager container: 109/268/189/150 City of Brisbane Regulation 2012 AP032 Councillor Expenses Reimbursement Policy

#### **REVIEW DATE**

Due: 1 July 2023 Last reviewed: November 2021

## 4.2 Appendix B – 2022 Terms of Reference

## Brisbane City Council – Independent Councillor Remuneration Tribunal (2022) – Terms of Reference

#### **Document Purpose**

1. The purpose of this document is to clearly define the Terms of Reference (ToR) for the independent Councillor Remuneration Tribunal (2022).

#### Context

- 2. On 30 July 2013, Council approved the establishment of a Councillor remuneration policy framework including the establishment of an independent Councillor Remuneration Tribunal (the Tribunal).
- 3. Two Tribunals have been convened in accordance with this framework, reporting findings firstly on 8 November 2013 with recommendations taking effect from 1 July 2013 and secondly on 24 November 2017 with recommendations taking effect on 1 July 2018.
- 4. On 15 October 2019 Council resolved to interpose a special meeting of the Tribunal within the ordinary five-year cycle of meetings as provided for in the Councillor Remuneration Policy to review Councillor superannuation arrangements, reporting findings on 20 November 2019 with recommendations taking effect on 1 January 2020.
- 5. On 7 December 2021 Council resolved to amend *AP216 Councillor Remuneration Policy* (AP216) to reconvene the Tribunal every four years.

#### Authority

- 5. Chapter 8, Part 1, Division 1 of the *City of Brisbane Regulation 2012* provides Council with the authority to determine Councillor remuneration.
- 6. This determination will be undertaken in accordance with *AP216 Councillor Remuneration Policy*.

#### Definition

- 7. Remuneration is defined as salary, allowances and any other related matters prescribed by the legislation.
- 8. Remuneration does not include:
  - (a) any amount for expenses to be paid or facilities to be provided to a Councillor under Council's expenses reimbursement policy (including Ward Office expenses);
  - (b) motor vehicles, telephone and mobile computing devices as they are considered tools of trade; and
  - (c) any contribution the Council makes for a voluntary superannuation scheme, for Councillors established or taken part in by the Council under section 210 of the *City of Brisbane Act 2010.*

## Role of the Tribunal

- 10. The Tribunal's role is to:
  - (a) review and, as required, reset the Remuneration for a Councillor
  - (b) determine the relativities of remuneration for the following roles:
    - (i) Lord Mayor
    - (ii) Deputy Mayor
    - (iii) Civic Cabinet Chairs
    - (iv) Chair of Council
    - (v) Leader of the Opposition.

## Tribunal Considerations

- 11. The Tribunal's considerations are to include, but not be limited to, the following factors:
  - a) average national and state wage increases
  - b) Council's obligations to pay superannuation for Councillors
  - c) actual wage increases and Council contributed superannuation contributions for Council staff
  - d) actual Councillor wage increases
  - e) Councillors acting in higher duties (i.e., in Acting Civic Cabinet Chair roles)
  - f) community expectations
  - g) workloads of Councillors
  - h) comparative conditions of employment provided to elected officials at other levels of government.
- 12. The factors detailed in section 11(a) to (d) above are to be for the period since 1 January 2020.
- 13. The Tribunal will not award back-pay prior to 1 June 2022.

#### Ward Funds

14. Ward funds are not provided as part of a Councillor's remuneration, cannot be used as salary, may only be spent on specific ward related purposes and must be fully acquitted. As such, the allocation of ward funds is not to be included in the Tribunal's deliberations.

#### Timings

- 15. The Tribunal's report is to be delivered to the CEO of Council by 5pm Thursday 31 March 2022.
- 16. The Tribunal's determinations will be effective 1 June 2022.

## Secretariat Support

- 17. The Divisional Manager's Office, City Administration and Governance and Governance, Council and Committee Services, City Administration and Governance, will provide secretariat support (the Secretariat). The Secretariat will facilitate request and information exchange between Council and the Tribunal. The Secretariat will be responsible for the preparation and distribution of meeting papers prior to each Tribunal meeting.
- 18. Funding and research requests for activities in support of the Tribunal's deliberations may be made to the Secretariat.

## Chapter 5: References

- Queensland Industrial Relations Commission citation: Declaration of General Ruling (State Wage Case 2021) [2021] QIRC 293
- Queensland Independent Remuneration Tribunal Determination 25/2021
- Local Government Remuneration Commission 2020-2021 Report
- Legislative Assembly of Queensland Members' Remuneration Handbook
- Fair Work Act 2009 s.285 Annual wage review Annual Wage Review 2020–21 (C2021/1)
- Australian Bureau of Statistics Average Weekly Earnings: May 2020-May 2021
- Qld Government Wage Price Index, Queensland and Australia, 1997-98 to 2020-21 (table)
- Reserve Bank of Australia Statement on Monetary Policy November 2021
- Reserve Bank of Australia Statistical report (version 12), 15 June 2021, Table 14.4; (2021), Statement on Monetary Policy, May, Appendix: Forecasts.
- Australian Government (2021), Budget 2021-22 Budget Paper No.1, May, p. 37.
- AP216 Councillor Remuneration Policy
- Brisbane City Council Enterprise Bargaining Agreements EBA 9
- City of Brisbane Regulation 2012 (Qld)
- City of Brisbane Act 2010 (Qld)