# Local Government Remuneration Commission

# **Annual Report 2020**



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An electronic copy of this report is available at www.dlgrma.qld.gov.au.

## 30 November 2020

The Honourable Steven Miles MP
Deputy Premier
Minister for State Development, Infrastructure, Local Government and Planning
1 William Street
Brisbane QLD 4000

## **Dear Deputy Premier**

On 25 November 2020, the Local Government Remuneration Commission (Commission) concluded its determination of the levels of remuneration for mayors, deputy mayors and councillors of Queensland local governments (excluding Brisbane City Council) as required by section 177(c) of the Local Government Act 2009 and Chapter 8, Division 1 of the Local Government Regulation 2012.

Our determinations on these matters, together with the Remuneration Schedule to apply from 1 July 2021 are included in the enclosed Report, which we commend to you.

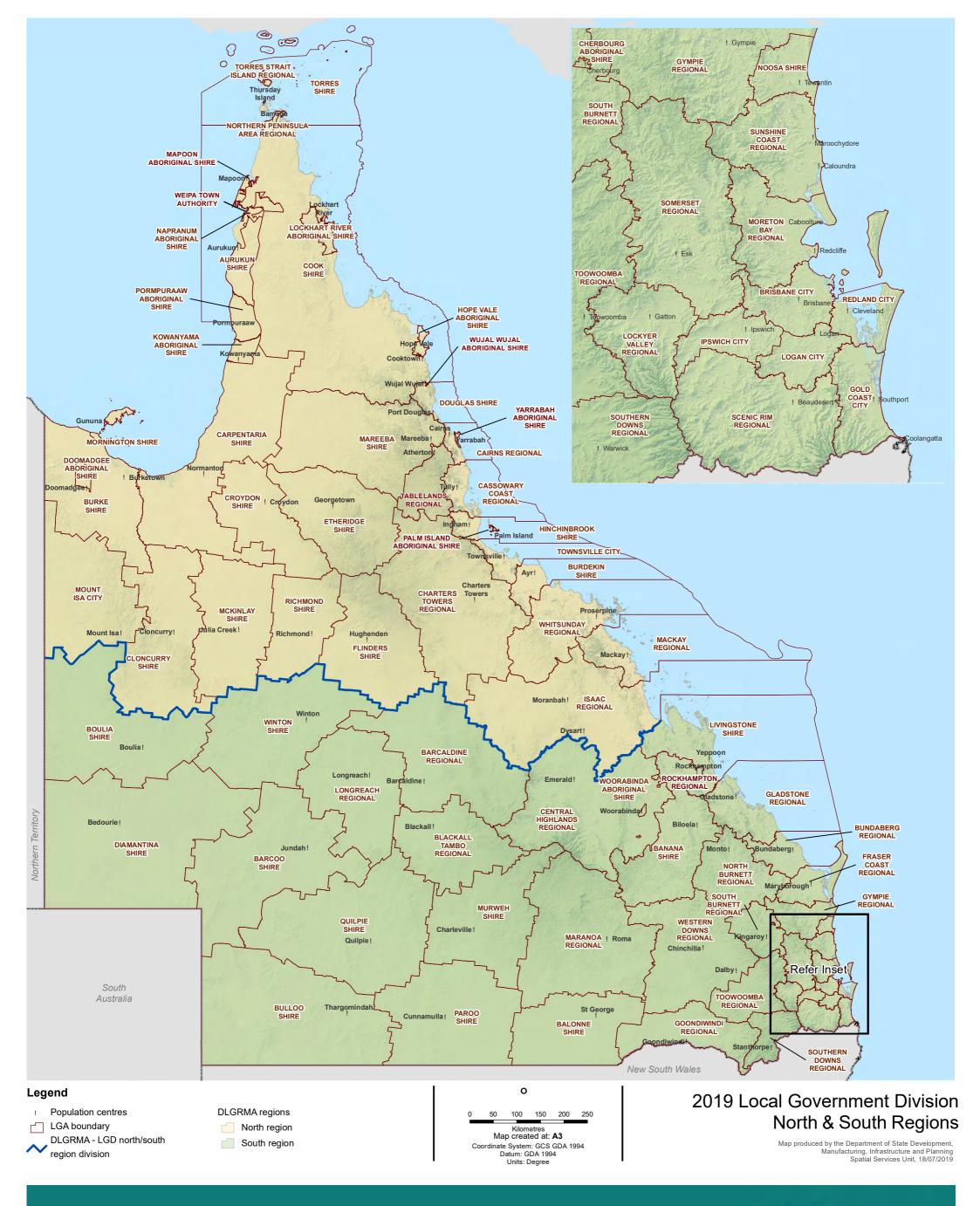
Yours sincerely

Robert (Bob) Abbot OAM Chair Commissioner

Andrea Ranson Commissioner

Andreal

Reimen Hii Commissioner





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## 2020 Report key determinations

In its 2019 report, the Commission determined not to make any category changes. The Commission did, however, state its intention to undertake an analysis of the categories in the period 2020-2021, after the 2020 quadrennial Queensland Local Government Elections. The Commission's anticipated analysis has been delayed in 2020 due to the impact of the COVID-19 global pandemic. COVID-19 has inevitably resulted in an increased focus on other priorities for Queensland local government. The Commission commends all local government members for their on-going contribution to their communities and the State of Queensland.

The Commission still intends to undertake a category review during 2021 and will engage with and invite submissions from councils and stakeholders commencing in early 2021.

The Commission has decided not to increase the maximum remuneration levels for mayors, deputy mayors and councillors from 1 July 2021. The levels will remain as set at the amounts fixed for 1 July 2020.

In making its determination, the Commission considered the following:

- Decrease in the Consumer Price Index (CPI) for the financial year ended 30 June 2020 (percentage change from previous financial year)<sup>1</sup>
  - Weighted average of the eight capital cities: -0.3 per cent
  - o Brisbane: -1.0 per cent
- Increases in the Wage Price Index (WPI) for the financial year ended 30 June 2020<sup>2</sup>
  - o Australia (All Industries): +2.1 per cent
  - o Australia (Public Sector): +2.3 per cent
  - o Queensland (All Industries and Public Sector): +1.9 per cent
- Queensland Weekly Payroll Jobs and Wages<sup>3</sup> for the period of:
  - o 14 March to 27 June 2020: Jobs -5.2 per cent; Wages -1.2 per cent
  - o 14 March to 19 September 2020: Jobs -2.5 per cent; Wages -1.7 per cent
  - o 14 March to 31 October 2020: Jobs -2.0 per cent; Wages -3.3 per cent
- As in 2019, in 2020 the Commission considered Brisbane City Council's Independent Councillor Remuneration Tribunal (ICRT) remuneration determination a potentially relevant factor, however, the ICRT reviews and resets Brisbane City Councillor remuneration arrangements every five years. The last increase was in 2017, at which time the ICRT accorded a two per cent increase to salaries effective 1 July 2018. In its 20 November 2019 Report, the ICRT determined not to make any changes outside of its four yearly remuneration review cycle.

<sup>&</sup>lt;sup>1</sup> Source: *Consumer Price Index (report), June quarter 2020*, Queensland Government Statisticians Office, Queensland Treasury

<sup>&</sup>lt;sup>2</sup> Source: *Wage price index, Queensland and Australia, 1997–98 to 2019–20*, Queensland Government Statisticians Office, Queensland Treasury; and *Wage Price Index Australia, June 2020*, All WPI Series: Original (Financial Year Index Numbers for year ended June quarter), Australian Bureau of Statistics (ABS) 6345.0.

<sup>&</sup>lt;sup>3</sup> Source: Weekly Payroll Jobs and Wages in Australia, Week ending 27 June 2020, Week ending 19 September 2020, Week ending 31 October 2020, ABS 6160.0.55.001.

• In its 13 August 2020 determination of the Base and Additional Salary Rates and Allowance System, the Queensland Independent Remuneration Tribunal (QIRT) determined by majority (with dissent from the Chair) to provide a zero per cent increase to the base and additional salary levels of members for the years commencing 1 September 2019, 2020, 2021 and 2022. The Commission notes the QIRT Chair's dissent that a decision to impose a 'salary freeze' on members for a period of five years is unreasonable and that the Chair would have determined to increase the base and additional salaries by 2.5 per cent from 1 September 2021 and 1 September 2022.

The Commission considers that its own obligation to conduct an annual review of the maximum levels of remuneration affords the Commission the flexibility to consider and respond to the short and long term impacts of the COVID-19 pandemic which is not necessarily available to the QIRT and ICRT.

- Decision of the Salaries and Allowances Tribunal of Western Australia determination dated 8
   April 2020: no increase.
- Decision of the New South Wales Local Government Remuneration Tribunal Determination and Annual Report dated 10 June 2020: no increase.
- Decision of the Victorian Minister for Local Government: two per cent increase effective on 1
  December 2019. It is noted that the 1 December 2020 Victorian decision was unavailable at the
  date of this determination.
- Tasmania is the only jurisdiction that has increased the remuneration for local government councillors. The increase, effective 1 November 2020, is an automatic indexation of local government allowances provided for under the *Tasmanian Local Government Act 1993* by multiplying the allowances for the previous year by the inflationary factor (determined by calculating the current year's June quarter Wage Price Index divided by the previous years' June Wage Price Index).
- The application of principles of consistency and austerity, and general consideration of recent conservative wage review practices in both the public and private sectors.
- The Commission's inability to project the short and long-term impacts of COVID-19 with certainty.

The Commission also had regard to anecdotal reports and submissions received about:

- The impact of economic hardship experienced by local communities during and following the COVID-19 pandemic and natural disasters of 2019-2020.
- The potential disproportional impact of COVID-19 pandemic restrictions on rural and remote communities.
- The economic cost to communities of interruption to businesses.
- The significant economic volatility and contraction during 2020.
- The need to ensure sustainability for local governments and their communities.

Local governments role in Queensland's post COVID-19 economic recovery and development.		
The Commission gratefully acknowledges the submissions received this year which have assisted in its discharge of its statutory obligations.		

## 1. The Commission

## Formation and composition

The Local Government Remuneration Commission (Commission) is an independent entity established under the *Local Government Act 2009* (the Act). On 1 October 2019, His Excellency the Governor, acting by and with the advice of the Executive Council, approved three new appointees to the Commission for a term of four years.

This is the second report of the new Commission, and the fourteenth report including the reports of the former Local Government Remuneration and Discipline Tribunal and the Local Government Remuneration Tribunal.

The current Chair and Commissioners of the Commission are:

## Mr. Robert (Bob) Abbot OAM

## Chair

Mr. Abbot has extensive experience in the local government sector with 32 years as an elected councillor and mayor. Mr. Abbot has experience working at state and national local government organizations and has held board and panel positions, including Deputy Chair of the South East Queensland Council of Mayors, Director of the Local Government Association of Queensland (LGAQ), and Director of the Australian Local Government Association. Mr. Abbot has been a mentor for newly elected mayors on behalf of the LGAQ, with a particular focus on mentoring Queensland Indigenous mayors.

In the Australia Day 2020 Honours List, Mr. Abbot was the recipient of an Order of Australia (OAM) for his service to local government and to the communities of Noosa and the Sunshine Coast.

## Ms. Andrea Ranson

## Commissioner

Ms. Ranson is a lawyer with extensive experience in public and private sector business and governance. Ms. Ranson brings substantial legal experience in commercial, industrial, and equal opportunity law, ethics, and justice. Ms. Ranson is a Nationally Accredited Mediator currently working with the Queensland Civil and Administrative Tribunal (QCAT), and a member of the Department of Justice Dispute Resolution Panel and Aboriginal Working Group. Ms. Ranson is appointed as a Non-Executive Director to the Board of North Queensland Bulk Ports Corporation, a government owned corporation. Ms. Ranson is Chair of the Corporate Governance & Planning Committee and a Member of the Audit & Financial Risk Management Committee of that Board. Ms. Ranson holds a Master of Laws (LLM), Bachelor of Laws (Hons) and Bachelor of Arts from Monash University. She is a Graduate of the Australian Institute of Directors (GAICD) and a Fellow of the Governance Institute of Australia (FGIA).

## Mr. Reimen Hii

## Commissioner

Mr. Hii is a barrister and Nationally Accredited Mediator. He holds the degrees of Bachelor of Laws and Bachelor of Arts. He is a practicing lawyer with extensive knowledge in public administration and community affairs, and a particular interest in civil and commercial law. Mr. Hii is experienced in professional discipline matters, including investigations, public administration, corporate and public governance, public sector ethics and finance. Mr. Hii has a culturally and linguistically diverse background and experience working with diverse communities. Mr. Hii has previously been recognized as Australian Young Lawyer of the Year by the Law Council of Australia, in recognition of his significant contribution to access to justice and diversity advocacy. Mr Hii provides a deep understanding of diversity and brings well respected analytic skill, together with legal and business acumen to the role.

## Remuneration responsibilities

Chapter 6, Part 3 of the Act, proclaimed into force on 3 December 2018, established the Local Government Remuneration Commission to assume the remuneration functions of the former Local Government Remuneration and Discipline Tribunal which ceased to exist on 3 December 2018.

Section 177 of the Act provides the functions of the Commission are:

- · to establish the categories of local governments, and
- to decide the category to which each local government belongs, and
- to decide the maximum amount of remuneration payable to the councillors in each of the categories, and
- to consider and make recommendations to the Minister about the following matters relating to councillor advisors—
  - (i) whether or not to prescribe a local government under section 197D(1)(a);
  - (ii) the number of councillor advisors each councillor of a local government may appoint;
  - (iii) the number of councillor advisors a councillor of the council under the *City of Brisbane Act 2010* may appoint; and
- another function related to the remuneration of councillors if directed, in writing, by the Minister.

Chapter 8, Part 1, Division 1 of the *Local Government Regulation 2012* (Regulation) sets out the processes of the Commission in deciding the remuneration that is payable to councillors.

The Regulation requires the Commission to review the categories of local governments once every four years, in the year prior to each quadrennial election, to determine whether the categories and the assignment of local governments to those categories require amendment.

After determining the categories of local governments, the Regulation also requires the Commission to decide annually, before 1 December each year, the maximum amount of remuneration to be paid to mayors, deputy mayors and councillors in each category from 1 July of the following year.

In addition, section 248 of the Regulation allows a local government to make a submission to the Commission to vary the remuneration for a councillor, or councillors, to a level higher than that stated in the remuneration schedule where the local government considers exceptional circumstances apply. The Commission may, but is not required to, consider any such submission. If the Commission is satisfied that exceptional circumstances exist, the Commission may approve payment of a higher amount of remuneration.

On 12 October 2020, the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020* and section 197A of the *Local Government Act 2009* came into force. These changes formed part of the Queensland Government rolling reform agenda in the local government sector to further strengthen transparency, accountability and integrity measures that apply to the system of local government in Queensland.

Section 197A of the Act established requirements for councils that wish to employ councillor advisors and councilor administrative support staff to assist councillors complete their duties. The role of councillor advisors is currently restricted to Brisbane City Council and to those councils within category 4 to 8 as prescribed by this Commission.

The requirements in relation to the appointment of councillor advisors include the following:

- must vote to pass a resolution to create councillor advisor positions (except Brisbane City Council)
- appoint advisor, at the discretion of councillors and only until the councillor's term ends, unless re-appointed by a new councillor
- must report the costs of councillor advisors to the community, for example through the council's annual report.

Requirements for councillor advisors include the following:

- they must submit registers of interests and keep them up-to-date
- they must follow a new Code of conduct for councillor advisors in Queensland
- they must comply with the local government principles and can be found guilty of integrity offences.

A dedicated telephone hotline (07 3452 6747 – available between the hours of 8.30 am to 5.00 pm, Monday to Friday) has been established by the Department of State Development, Infrastructure, Local Government and Planning to respond to any questions regarding councillor advisors.

Alternatively, email enquiries can be forwarded to <a href="mailto:lgreforms@dlgrma.qld.gov.au">lgreforms@dlgrma.qld.gov.au</a>.

The Commission is yet to receive any submissions or enquiries in relation to councillor advisors as at the date of its determination.

## 2. Remuneration determination

## Remuneration determination for councillors

As required by section 246 of the Regulation the Commission has prepared a remuneration schedule for the 2021-2022 financial year, applicable from 1 July 2021 (the Schedule), which appears below.

Arrangements have been made to publish the Schedule in the Queensland Government Gazette and for this Report to be printed and presented to the Minister for Local Government.

## Methodology

The Commission had regard to the matters in section 244 and 247 (2), (5) of the Regulation in determining the Schedule. The Commission also noted and had regard to the matters listed on pages 6 to 8 of this Report to determine the appropriate maximum remuneration in each category of local government.

The Commission notes it did not receive any specific submissions from councils in relation to setting the remuneration schedule for the 2020-2021 financial year and has continued to adopt a conservative approach to setting remuneration levels.

## Matters not included in the remuneration schedule

Section 244(3) of the Regulation states that the remuneration cannot include any amount for expenses to be paid or facilities to be provided to councillors under a council's expenses reimbursement policy.

During the 2020 consultation period, Townsville City Council sought clarification and consistency in relation to the application of Motor Vehicle Policies by local government across Queensland.

The Commission notes section 244(3) of the Regulation states that remuneration decided by the Commission cannot include "any amount for expenses to be paid or facilities to be provided to councillors under a council's expenses reimbursement policy". The Commission is of the view that the application of Motor Vehicle policy falls within section 244(3) exclusions and that the Commission cannot prescribe whether or how a vehicle policy is applied by individual council's as the Commission does not prescribe expenses and reimbursement policies.

The Commission notes that practices may differ within or between individual councils, however, as the matter falls outside of council's statutory functions the Commission is unable to decide to direct council.

The Commission has informed Townsville City Council of this determination.

## Pro rata payment

Should an elected representative hold a councillor position for only part of a financial year, she or he is only entitled to remuneration to reflect the portion of the year served.

# Remuneration schedule to apply from 1 July 2021

		Remunerat (from 1 Jul	ion determir y 2021)	ned
		(\$ per annum;	see Note 1)	
Category	Local governments assigned to categories	Mayor	Deputy mayor	Councillor
Category 1 (see Note 2)	Aurukun Shire Council Balonne Shire Council Banana Shire Council Barcaldine Regional Council Barcoo Shire Council Blackall-Tambo Regional Council Bulloo Shire Council Burdekin Shire Council Burdekin Shire Council Burdekin Shire Council Carpentaria Shire Council Charters Towers Regional Council Cherbourg Aboriginal Shire Council Cook Shire Council Cook Shire Council Cook Shire Council Cook Shire Council Domadgee Aboriginal Shire Council Douglas Shire Council Etheridge Shire Council Etheridge Shire Council Goondiwindi Regional Council Hinchinbrook Shire Council Hope Vale Aboriginal Shire Council Kowanyama Aboriginal Shire Council Lockhart River Aboriginal Shire Council Longreach Regional Council Mapoon Aboriginal Shire Council Mapoon Aboriginal Shire Council Mornington Shire Council Mornington Shire Council North Burnett Regional Council North Burnett Regional Council Northern Peninsula Area Regional Council Palm Island Aboriginal Shire Council Paroo Shire Council Pormpuraaw Aboriginal Shire Council Paroo Shire Council Torres Strait Island Regional Council Torres Strait Island Regional Council Winton Shire Council Woorabinda Aboriginal Shire Council	\$108,222	\$62,435	\$54,110
Category 2	Yarrabah Aboriginal Shire Council  Mareeba Shire Council  Mount Isa City Council  Somerset Regional Council	\$124,869	\$74,923	\$62,435

Category 3	Cassowary Coast Regional Council Central Highlands Regional Council Gympie Regional Council Isaac Regional Council Livingstone Shire Council Lockyer Valley Regional Council Maranoa Regional Council Noosa Shire Council Scenic Rim Regional Council South Burnett Regional Council Southern Downs Regional Council Tablelands Regional Council Western Downs Regional Council Whitsunday Regional Council	\$133,196	\$83,247	\$70,759
Category 4	Bundaberg Regional Council Fraser Coast Regional Council Gladstone Regional Council Rockhampton Regional Council	\$158,168	\$104,059	\$91,571
Category 5	Cairns Regional Council Mackay Regional Council Redland City Council Toowoomba Regional Council	\$183,143	\$124,869	\$108,222
Category 6	Ipswich City Council Townsville City Council	\$208,117	\$141,520	\$124,869
Category 7	Logan City Council Moreton Bay Regional Council Sunshine Coast Regional Council	\$233,091	\$161,499	\$141,520
Category 8	Gold Coast City Council	\$258,066	\$178,981	\$154,006

## Notes to the remuneration schedule

In its 2014 report the then Tribunal explained the rationale behind the adoption of a system of remuneration which comprised a base payment (of two thirds of the annual remuneration) and a monthly payment based upon attendance at, and participation in, the 12 mandated council meetings.

- Note 1 The monetary amounts shown are the per annum figures to apply from 1 July 2021. If an elected representative only serves for part of a full year (that is, 1 July to 30 June) they are only entitled to a pro rata payment to reflect the portion of the year served.
- Note 2 For councillors in category 1 councils, a base payment of \$36,073.28 is payable for the 12 months commencing on 1 July 2021. A meeting fee of \$1,503.06 per calendar month (or fortnightly equivalent) is payable for attendance at, and participation in, scheduled meetings of council subject to certification by the mayor and/or chief executive officer of the council. Mayors and deputy mayors in category 1 councils are to receive the full annual remuneration level shown.

# 3. Matters raised with the Commission during the remuneration review program

A summary table of submissions made to the Commission during the review period and the Commission's determination is provided below.

## **Meetings and deputations**

Local governments were provided with the opportunity to engage with the Commission at the 124<sup>th</sup> Annual Conference of the LGAQ at the Gold Coast Convention and Exhibition Centre held from 19 to 21 October 2020.

Townsville City Council and South Burnett Regional Council provided the Commission with oral deputations during the LGAQ Conference.

Considering the restrictions imposed by COVID-19 the Commission determined and advised councils that the date for written submissions would be extended from 26 October 2020 to 30 October 2020. Five submissions were received from the Central Highlands Regional Council, Torres Strait Island Regional Council, Isaac Regional Council, North Burnett Regional Council and Pormpuraaw Aboriginal Shire Council by 30 October 2020.

After the extended due date, the Commission also receive a written submission from Somerset Regional Council on 2 November 2020, and from Barcaldine Regional Council and Toowoomba Regional Council on 5 November 2020.

In making its determination, the Commission had regard to all submissions it received, together with the matters on pages 6 to 8 of this report.

Key points raised with the Commission during the 2020 review period were not dissimilar to 2019 and included increasing demands on councils in relation to sustainability, industry and innovation, potential recognition of differential council and councillor workloads. Councils also raised the impact and future uncertainty of the COVID-19 pandemic with particular emphasis on concerns for the wellbeing of their community constituents, future economic growth, development, and sustainability, especially in regional areas.

## **Table – Summary of 2020 submissions**

1	Date received	Oral Submission made at LGAQ Gold Coast Conference, Monday 19 October 2020
	Received from	Townsville City Council: Councillor Anne Marie Greaney and Councillor Rehbein
	Summary of submission	Council sought clarity on areas of law for Motor Vehicle Policy options. Council further requested consistency in relation to Vehicle Policies across Queensland. Currently, nine councillors have vehicles subject to novated leasing and three councillors use their own vehicles.

	Determination	Application of a Motor Vehicle Policy by Council is outside of the scope of the LGRC. The Commission does not prescribe expenses and reimbursement policies.
2	Date received	Oral Submission made at LGAQ Gold Coast Conference, Monday 19 October 2020
	Received from	South Burnett Regional Council: Mayor Brett Otto, Deputy Mayor Gavin Jones, and Chief Executive Officer Mark Pitt
	Summary of submission	Councils expressed views about the challenges of dealing with the Grants Commission, with operational funding and consistency being the key challenges to enable council to plan and budget moving forward. Expressed that councillors face more complex economic growth, large geographical area with complex diversity, ageing population, 3200km road network, large corporate proponents requiring strategic level engagement by mayor and deputy mayor with local, state, and federal governments. Enterprise is transitioning and strategic management is required.
	Determination	The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.  In relation to the Grants Commission, the functions and operation of the Grants Commission is outside of the scope and authority of the LGRC. The broader considerations raised have, however, been
		noted and council will be invited to engage further during the Commission's intended 2021 consultation and analysis period.
3	Date received	Written Submission on 21 October 2020
	Received from	Pormpuraaw Aboriginal Shire Council, Chief Executive Officer Edward A Natera
	Summary of submission	Remuneration for Pormpuraaw ASC is considered by council to be "very reasonable and generous in comparison to our broader community".
		Council noted that it seeks to build up capacity (rotating its deputy mayor each three months) and have Portfolio Holders attend meetings with the CEO and managers. Some of the challenges include attendance at meetings by elected members. Councillors meet each

fortnight for briefing and project/programs/issues which are tabled for the management team to follow up at the last Thursday monthly council meetings. Determination Submission received and noted. No change requested on behalf of council. 4 Date received Written Submission on 5 November 2020 Received from Barcaldine Regional Council, Acting Chief **Executive Officer Brett Walsh** Council advised the Commission that it had Summary of submission passed a Resolution on or about 28 October 2020 in the following terms: "Council receives the report and provides feedback to the Commission that it is the position of Barcaldine Regional Council that Mayor and Councillor remuneration for the 2021-2022 financial year remain at the same level as the 2020-2021 financial year." **Determination** The Commission has noted council's Resolution passed for no change in mayor and councillor remuneration for the 2021-2022 financial year. 5 Date received Written Submission on 30 October 2020 Received from Central Highlands Regional Council, Chief Executive Officer Scott Mason on behalf of council **Summary of submission** Council is currently identified by the LGRC as a category 3 council. Council repeats its submission that it does not consider category 4 as appropriate, however, it should be differentiated from other category 3 councils. Council advocates for a new category between category 3 and 4 to separate councils that fall outside criteria and can be justified recognising the extraordinary diversity of industry. The following factors were relied upon in council's submission: Central Highlands contributes a significant amount to Queensland's Gross Domestic Product by way of its resource and agricultural, sectors. There are 11 operating coal mines in the region generating \$813 million of local spend and significant royalties for the state. The gross value of agricultural commodities produced within the Central Highlands is greater than \$800 million per annum.

- Coal and agricultural sectors have significant impact on elected members in relation of the need to understand the operational complexities of each sector but the elected members also deal with tourism, retail, support services to various industries, education and facilitating a lifestyle of choice for residents of the region.
- Significant stakeholder engagement is required by mayor and councillors outside of their ordinary standard central duties, especially in the context of drought.
- Mining resources are quantifiably more intensive than other regions (for example, natural gas).
- Submitted that Central Highlands is unique due to the presence of two significant industries in its region.

Council identified that similar challenges facing both Central Highlands and Isaac Regional Council supported the creation of two new categories.

Key issues raised in support of council's submission included increased (and significant) demand particularly around the resource and agricultural sectors, infrastructure growth, innovation, and regional sustainability. Resident and non-resident population demands were also cited as creating additional workload for councillors. Council has repeated its questioning of whether councillors could properly be considered as 'part-time' given increasing community and industry expectations upon council regarding regional sustainability.

**Determination** 

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.

Date received

Written Submission on 30 October 2020

Received from

<u>Isaac Regional Council</u>, Chief Executive Officer Gary Stevenson

**Summary of submission** 

Council relied on its previous submissions dated 24 October 2018 and 21 October 2019, together with representations made to the Commission at the LGAQ Conference on 15 October 2019 by Deputy Mayor Kelly Vea and Senior Advisor Mary-Anne Uren.

Council has previously requested that mayors of like councils in category 3 be remunerated at a higher level than their counterparts, to recognize the mayor's role demands full-time hours where the local government area has a geographical spread of more than 50,000km², a resident and non-resident population total more than 30,999 and the local government area has a significant diversity of Industry.

The practical request that council repeats in its 2020 submission to the Commission is that the existing category 3 councils become category 3A councils and that a new category 3B be introduced which includes Isaac Regional Council and Central Highlands Regional Council and sets remuneration for the mayor of each of these two councils in accordance with the remuneration determined for category 4 mayors. Council requests that the remuneration of the deputy mayor and councillors be consistent with the remuneration of category 3A councils.

Council states that resource sector requirements, community expectations to ensure regional benefit and the increased regulatory oversight of mining practices, together with the impact of an extensive agricultural sector creates requirements for the mayor to participate in stakeholder engagement activities outside of their ordinary standard central duties, especially in the context of drought.

Council's submission states further that whilst it is acknowledged that category 4 mayors are not full-time – Isaac Regional Council considers that a minimum increase of the mayor's remuneration to the level requested is warranted.

Additionally, council submitted that data utilised to inform the categories for remuneration where based on Census information, is subject to a significant lag bias. The council referenced the Bowen Basin population report, produced by the Queensland Governments Statistician's Office, and submitted that this report would provide a more relevant, up-to-date, reference for populations being managed by Isaac Regional Council.

Council submitted that the additional level of engagement required by the mayor stemming from the non-resident population is considerable and that continuous engagement is required through advocacy to state and

federal governments to fund infrastructure and services, advocacy and engagement with resource and renewables proponents in the region to manage and mitigate impacts and seek opportunities from economic developments in the region.

Strategic planning for a sustainable future with diversity of industries in the Isaac region. Submission stated to relate to increased remuneration for mayor only.

## **Determination**

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.

## 7 Date received

## Written Submission on 30 October 2020

#### **Received from**

# North Burnett Regional Council, Mayor Rachel Chambers

## **Summary of submission**

Council seeks an understanding and clarity regarding LGRC remuneration methodology. Submits that category 1 is not reflective of the effort and skill of council. Identified issues council faces in undertaking their role and that the current remuneration does not reflect the actual role and duties undertaken daily which include - 20,000km<sup>2</sup> area with six distinct townships, current salary makes it difficult to attract younger candidates needed to be involved in planning for the future, roles are full-time (long hours, after hours, public holidays and on call) and all councils are under the same legislative conditions and subject to the same obligations to achieve financial sustainability and positive socio-economic outcomes. Questioned lack of qualifications or skills needed as part of the methodology. Challenged whether 'conditions are different' equates to 'workload is different'. Economic development is a factor for all councils.

#### Determination

Pursuant to section 242 of the Regulation, in establishing categories of local governments, the Commission **must have regard to the following criteria**: -

- (a) The size, and geographical and environmental terrain, of local government areas.
- (b) The population of local government areas, including the areas' demographics, the spread of population serviced by the local governments and the extent of the

services the local governments provide; and

(c) The Commission may have regard to other matters the Commission considers relevant to the effectiveness, efficiency, and sustainability of local governments.

The Commission intends to analyse the application of the regulated criteria and its applicability to best service the needs of local government representatives and their constituents moving forward. The Commission will be inviting further engagement with local government in 2021 with formulating an understanding of the challenges and demands faced by mayors, deputy mayors and councillors with increasing demands for councillor participation in growth, development, innovation, infrastructure and sustainability.

The Commission understands that additional clarity regarding methodology has been requested and in 2021 the Commission intends to formulate a general guide to assist council/s better engage and communicate with the Commission.

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021..

8 Date received

Written Submission on 2 November 2020

Received from

<u>Somerset Regional Council</u>, Chief Executive Officer Andrew Johnson for Mayor Graeme Lehmann

**Summary of submission** 

Council submitted that council categories and selection criteria should be reviewed to ensure that the level of workload is reflected by the constitutes serviced. Council requests that remuneration is reinstated comparable to at least that at the time of amalgamation.

Council submitted that the service level and expectation of communities and workloads are increasing. Council contends that alternative formulas should be considered as part of determining categories to ensure adequate compensation is given to elected members. Changes in legislation (Belcarra Reform, etc.) have added increased burden to elected members, once again, raising the risk and workload of elected members.

Council argued that Remuneration in the Somerset Region had reduced since

amalgamation, while Somerset continues to grow.

#### **Determination**

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.

#### 9 Date received

Written Submission on 5 November 2020

#### Received from

Toowoomba Regional Council, Chief Executive Officer Brian Pidgeon

## **Summary of submission**

Council repeated its previous submission to the LGRC that the current category 5 status should be elevated to category 6.

Council notes that it shares category 5 with Cairns, Mackay, and Redland, and submits that it is more appropriately benchmarked, on a variety of measures, with those councils in category 6, specifically Ipswich and Townsville. Factors submitted by council included:

- size of Toowoomba Regional Council area being 12 times larger in area than lpswich and 3.4 larger in area than Townsville
- geographical and environmental terrain of Toowoomba Region
- population of Toowoomba Region including demographics; spread of population across 12,973km²
- extent of services and diversity of communities
- extent of development in the region (one of the most diverse and robust economies in Australia)
- councillor workload given one city and 28 independent towns and villages are incorporated in the Toowoomba Region
- managing challenges with being in a highly productive, growth region, with large infrastructure projects requiring significant investment by council including Toowoomba Bulk Water Supply; Cressbrook Dam Spillway Upgrade; Reservoir and Treatment Plant upgrades; Toowoomba Region Sports Precinct; Cooby Dam Spillway Upgrade and additional projects specifically identified by council in its detailed submission

- ongoing challenges related to aligning the community following amalgamation of eight councils
- re-categorisation of Toowoomba Regional Council as category 6 would promote relativities between councils and ensure appropriate remuneration with confidence in what council has identified as being a "demanding environment".

## **Determination**

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.

10 Date received Written Submission on 30 October 2020

Received from

Torres Strait Island Regional Council, Mayor Phillemon Mosby

**Summary of submission** 

Submission that TSIRC should not be classified as a category 1 council and should be in a category of its own. Mayor, deputy mayor and councillors inadequately remunerated under category 1.

TSIRC is one of three local councils in the Torres Strait region. TSIRC manages the treaty agreement between the border of Australia and Papua New Guinea (PNG) and identifies itself as the only local council in Australia with this added responsibility. TSIRC services fifteen separate communities spread across 42,000km2 of open sea, each with its own unique characteristics and service requirements. As an Indigenous Regional Council under the Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984 (Qld), it is submitted that TSIRC has additional responsibilities in managing Deed of Grant in Trust (DOGIT) communities as Trustee, as well as providing for local government services. TSIRC submits that there are several matters which are unique to it and that these matters add to the responsibilities of councillors. These matters include: treaty obligations between Australia and PNG; high cost of living and travel in and to the region; limited employment (meaning that the mayor and councillor salary is in most cases the only source of income); over 800 social houses under banner of responsibility; no revenue from rates base and completely reliant on state and commonwealth funding; responsible for management of air and sea

ports in 15 island communities; multilingual language challenges and Native Title determinations add a layer of complexity to the functions as a local government.

#### **Determination**

The Commission notes the increasing pressure on councils in relation to sustainability and strategic development. The Commission further notes the specific matters raised by TSIRC regarding consideration of a future category change and/or creation of a new category.

The Commission will consider the matters raised and invite further submissions and/or engagement with councils in 2021 when the Commission intends to undertake an analysis of the current methodology, remuneration categories and application.

# 4. Other activities of the Commission

Exceptional circumstances submissions (matters raised under *Local Government Regulation 2012*, section 248):

Nil.

# 5. Commission's future priorities

The Commission intends to undertake its comprehensive analysis of the council categories in 2021 and looks forward to engaging with local government and its stakeholders over the next 12 months.

Further information about the Commission and/or the Councillor Conduct Tribunal can be located at <a href="https://www.dlgrma.qld.gov.au">www.dlgrma.qld.gov.au</a>

## **Local Government Remuneration Commission**

PO Box 15009 City East Qld 4002

1 William Street Brisbane Qld 4000

Email: LGRCenquiries@dlgrma.qld.gov.au

Phone: (07) 3452 6735

Website: www.dlgrma.qld.gov.au