

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance

Outcome/Program: 3/3.1

Topic: Remuneration – Prime Minister’s Chief of Staff

Senator: Farrell

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Question:

Senator FARRELL: There was a report in The Australian on 23 November last year that said Mr Turnbull was paying Mr Clarke a salary of \$691,200. Is that correct?

Senator Ryan: Generally in this committee we have not answered questions about the salaries of individual staff members. We have not confirmed or denied salaries or done anything to identify what individuals were paid.

...

Senator Ryan: I will take it on notice to look at past practice and what the various rules are regarding this. I have given some thought to it when I have received questions on notice in this area.

...

Senator FARRELL: I just want truthful answers. That is all I ask and expect from the minister and I am sure that you will give me those. Mr Clarke's salary appears to \$430,000 above the highest salary provided under the enterprise agreement covering staff. Firstly, is it the case? If it is the case, why? We are also advised that the former Prime Minister's chief of staff, Peta Credlin, earned \$394,487 as chief of staff to the Prime Minister. Is that accurate? How did Mr Clarke get a \$300,000 pay rise for the same job that Ms Credlin was doing? What was the rationale behind the difference in payment? What was the justification? Did Mr Clarke work longer hours than Ms Credlin? Did he have a different set of, say, key performance indicators to Ms Credlin? Was he more qualified

than Ms Credlin for the role? On what date did Mr Clarke start receiving the annual salary of \$691,200? It is an unusual figure to pick and, if it were to be the case, I am wondering whether it was the same salary that he might have been earning as the chief of the communications department. Is that true? When was the Department of Finance first alerted to the fact that Mr Turnbull wanted Mr Clarke to receive a \$300,000 pay rise on top of the salary of the previous chief of staff? For clarity, was this request made when he assumed the role of acting chief of staff or did it begin when he was appointed in November 2015? Did the Prime Minister personally contact the department about this matter? If the answer to that question is yes, is this a common practice?

Did Mr Clarke make his own representations to Finance about his pay rise? Again, if the answer to this question is yes, is that a usual set of circumstances? If the answer to both of those last two questions was no, if it was not Mr Clarke or Mr Turnbull who sought the pay rise, who

was it? Are there any records of emails, memos or phone calls about the pay rise? If yes, can copies be provided?

...

Senator FARRELL: It was quoting your Prime Minister, and your Prime Minister said: Mr Clarke's remuneration had been a matter of public record.

Can you tell us where on the public record—

Senator Ryan: If you can provide a copy of the article, I will take that on notice as well and add it to the other questions.

Senator FARRELL: Thank you, Chair, for allowing us to circulate this report which I will now refer to. You can see there that it says:

Responding to criticism from Ms Credlin, Mr Turnbull yesterday said Mr Clarke's remuneration had been a matter of public record.

It is in the third paragraph there. Can you please advise us where the information is on the public record?

...

Senator FARRELL: ... I understand the Prime Minister has a new chief of staff by the name of Greg Moriarty.

...

Senator FARRELL: Can you advise us what his total remuneration is?

Senator Ryan: I will take that on notice, but probably, for the same reason as before: I generally have not provided remuneration advice regarding individual staff. I will take it on notice, and if there is a precedent—

...

Senator FARRELL: We tried to get some answers from his department and they referred us to you. We are not getting very many answers, but we live in hope. Given that you have taken the matter on notice, Minister, can I ask you to take a few other issues in relation to this on notice, if you are happy to provide them. Does his total remuneration include allowances or any additional salary provided by any other department? If so, what allowances does Mr Moriarty receive? If that is not the case, is he being paid more or less than Mr Clarke? Does Finance know the salary of the highest ranking staff member in the government, and, in relation to that, are there any other employees of Senator Cormann's office on salaries outside the normal pay bands that apply to ministerial and personal staff? Are there any other staff, including chiefs of staff, that are paid above the published bands for ministerial staff? If the answer to either of those questions is yes, how many staff, and what are they being paid? Is this normal practice now for ministerial staff to be paid outside the bands? How many ministerial staff are now paid outside the band, and where are they located?

Answer:

In accordance with established practice across successive governments and obligations under the *Privacy Act 1988*, the Department of Finance does not provide details of the remuneration and other employment arrangements for individual employees.