

Corporate Governance

Our Board



Mr Terry Jackman AM



Mr Peter Wade



Mr Robert Gleeson



Mr Max Shepherd



Ms Lorna Hempstead



Mr Ashley Kerr



Ms Sarina Russo

Commitment to corporate governance

We are committed to achieving a high standard of corporate governance throughout the organisation, including the executive and managerial level. Through this commitment, we have adopted appropriate systems and processes to direct and manage the business and affairs of the corporation. Enhancements in this area are ongoing as we strive to achieve best practice outcomes.

Reporting structure



Board appointment

As at 30 June 2004, the Tourism Queensland Board of Directors was comprised of seven industry representatives from around Queensland. While the full complement of board members is nine, Grant Kenny and John Menzies retired on 25 April 2004 after reaching the maximum term allowable under the Tourism Queensland Act.

The Chairman and board are appointed by, and responsible to, the Minister for Tourism, the Honourable Margaret Keech MP. In April 2004 the Minister reappointed the Chairman for another three years, and six board members for a further one-year term.

Board members' experience

Mr Terry Jackman AM

CHAIRMAN

Terry was born in Brisbane and now lives on the Gold Coast. At age 15, he joined Birch, Carrol & Coyle Limited, Brisbane, where he worked for 20 years, the last six as the company's Chief Executive. He was subsequently Managing Director of Hoyts Theatres, based in Sydney, for 10 years. In 1989, Terry formed Pacific Cinemas, now one of the largest privately owned cinema exhibition groups in Australia. Terry is a Director of Prime Television Limited and the Sunland Group. In June 2003, he was made a Member of the Order of Australia (AM) for service to the entertainment industry, tourism development and to the community as a fundraiser.

Mr Peter Wade

DEPUTY CHAIRMAN

SUNLOVER COMMERCIALISATION COMMITTEE CHAIRMAN

Peter has over 25 years' experience in the tourism and business sector as the former founder and owner of TBH, a company based in the United Kingdom and the largest provider of tourists to Australia from Europe. Peter is also a non-executive Director of Quicksilver Connections Ltd based in Port Douglas.

Mr Robert (Bob) Gleeson

AUDIT COMMITTEE CHAIRMAN

Formerly from Longreach, Bob has extensive experience in the Outback tourism industry, local government and pastoral industry. He is currently the Chief Executive Officer of the Australian Workers Heritage Centre, Barcaldine and also the Managing Director of My Country Clothing Collection and Dangrove Pty Ltd.

Mr Max Shepherd

SUNLOVER COMMERCIALISATION COMMITTEE MEMBER

Max has a long history of association with the tourism industry and is currently the Skyrail General Manager. He was formerly the General Manager and Executive Director of Quicksilver Connections Ltd based in Port Douglas. In 2000, Max received the Queensland Tourism Award for outstanding contribution by an individual.

Ms Lorna Hempstead BA (Hons) FAIMM

AUDIT COMMITTEE MEMBER

Lorna's background is in cultural tourism, and particularly development in the regions. She is a partner in Gibson & Hempstead Consultants and a Council Member of James Cook University. Lorna is very active in regional tourism associations. She has been awarded the Peter Drucker Award, the Nugget Coombes Award and a Centenary Medal for services to regional tourism and the nurturing of cultural and cultural tourism businesses.

Mr Ashley Kerr

Ashley is the Managing Director of Barefoot Cruises Australia Pty Ltd. His first introduction to the Australian tourism industry was in 1981 with a day sailing charter business in the Whitsundays, following extensive chartering experience in the Mediterranean and Caribbean. He founded the company Barefoot Cruises Australia in 1988 and today owns a fleet of charter vessels offering a range of sailing and cruising experiences. Ashley is a current board member of Tourism Whitsundays.

Ms Sarina Russo

Sarina is the Managing Director of the Russo Institute of Technology, one of Australia's largest privately owned vocational education institutions, and Sarina Russo Job Access, a provider of recruitment and employment services for employers and jobseekers offering services from government funded assistance to executive recruitment. Sarina is the Chairperson of the Jupiters Casino Community Benefit Fund and an honorary ambassador for the city of Brisbane.

Board responsibilities

The board, working with senior management, is responsible for the organisation's overall performance and strategic direction. It ensures appropriate policies, procedures and systems are in place to optimise performance, maintain high standards of ethical behaviour and provide leadership to Queensland's tourism industry.

Board disclosure and independent advice

Appropriate corporate governance procedures are in place to handle any conflicts of interest. There have been full declarations of members' interests. A register of current declared interests is included in the board papers and its completeness and accuracy is confirmed at the commencement of every board meeting.

In discharging their duties, board members are able to engage independent counsel and other advisers. This is provided on the basis that the board is advised as to the nature and extent of such outside advice.

Board performance

As part of its ongoing commitment to achieving best practice corporate governance, Tourism Queensland is developing a formal and transparent process for assessing and evaluating the performance of Tourism Queensland's Board, including individual directors. At its April meeting, the board agreed to proceed with a formal annual self-assessment evaluation. This assessment will be undertaken by December 2004.

Board meetings

Nine board meetings were held in 2003-04. One meeting was held outside Brisbane at the Mareeba Visitor Information Centre.

Between board meetings, there is continuing contact between the Chairman and Chief Executive Officer to discuss major policy and operational matters, especially when such matters are the subject of board interest, or are likely to become so. The Chairman also meets with senior management to discuss strategy and operational issues.

Regular board papers inform board members of current and forthcoming issues relevant to Tourism Queensland's operations and performance. These papers contain the year-to-date financial performance of all departments and a report from each Executive Director.

Audit Committee

The primary role of the Audit Committee is to provide assistance to the board in fulfilling its corporate governance and oversight responsibilities in relation to Tourism Queensland's financial reporting, internal control structure, risk management systems, and the internal and external audit functions.

The committee regularly reports to the board on its activities and recommendations. Its key responsibilities include to:

- maintain free and open communication between the committee, external auditors, internal auditors and management of Tourism Queensland
- understand the organisation's structure, controls and types of transactions in order to adequately assess the significant risks it faces

	Eligible to attend	Attended	Appointment details
Terry Jackman AM	9	9	Appointed 13 August 1998
Peter Wade	9	8	Appointed 19 July 2001
Robert Gleeson	9	9	Appointed 28 August 1998
Lorna Hempstead	9	9	Appointed 28 August 1998
Max Shepherd	9	8	Appointed 26 April 2002
Ashley Kerr	9	7	Appointed 26 April 2002
Sarina Russo	9	6	Appointed 26 April 2002
Grant Kenny	7	7	Term expired 25 April 2004
John Menzies	7	5	Term expired 25 April 2004

- oversee the financial reporting process on behalf of the board
- assess the adequacy and effectiveness of the accounting and financial controls, including the policies and procedures to assess, monitor and manage business risk, and legal and ethical compliance programs
- make recommendations to the board on the appointment, reappointment or replacement, remuneration, monitoring of the effectiveness and independence of the internal auditors
- consult with the external and internal auditors regarding the scope and plans of audit
- review the auditors' recommendations and monitor their implementation.

The board members on the Audit Committee are Mr Robert Gleeson and Ms Lorna Hempstead. The non-board member on the Audit Committee is Mr Leon Smith, Manager Internal Audit with the Department of Tourism, Fair Trading and Wine Industry Development. Mr Smith is a professionally qualified accountant. Management representatives who attend in an observer capacity include the Chief Executive Officer, Executive Director Corporate Services and the Director Financial and Business Services.

The organisation's internal auditors, Ernst&Young, and the Queensland Audit Office are also represented at the meetings. The committee holds four meetings each year with full minutes being kept and full reports made to the board.

Attendance at Audit Committee meetings

	Eligible to attend	Attended
Robert Gleeson, Committee Chairman	4	4
Lorna Hempstead	4	4
Leon Smith	4	4

In 2003-04 the Audit Committee adopted 22 recommendations on topics relating to payroll, business ethics, international offices, accounting processes, corporate governance, retail operations and financial management system implementation.

Audit Committee Charter

The committee revised the Audit Committee Charter in 2003-04. The changes broadened the committee's purpose to include corporate governance and risk management, not just accounting and internal controls. This charter governs the operations of the Audit Committee and details the requirements for membership. The committee's duties and responsibilities are also explained. The committee will review and reassess the charter at least annually and obtain the approval of the board.

The charter requires that the committee evaluate its performance at least annually to ensure it is functioning effectively in line with current best practice. The committee undertook its first such assessment in 2003. The results from the evaluation have been collated into an action plan which is progressively being implemented.

Internal Audit Charter

The committee also reviewed the Internal Audit Charter during the year. This charter outlines the responsibilities and scope of internal audit. To strengthen its independence, internal audit reports to the Audit Committee and has access to the Chief Executive Officer on a regular basis.

Sunlover Commercialisation Committee

Sunlover Holidays was commercialised on 1 July 1998, in line with commitments by federal and state governments to competitive neutrality for government-owned businesses and transparency of operations. The Sunlover Commercialisation Committee now directs Sunlover's business.

Commercialisation aims to achieve value for money in the consumption and delivery of government services through the application of commercial principles. This contributes to a more efficient allocation and use of resources.

The committee's role is to:

- oversee the transparency of the commercialisation process
- ensure acceptable corporate governance practices are built into the process
- ensure Sunlover meets acceptable commercial levels against the targets set in the performance contract.

The board members on the Sunlover Commercialisation Committee are Mr Peter Wade and Mr Max Shepherd. The Chief Executive Officer, the Executive Director Corporate Services and the Executive General Manager Commercial are also on the Sunlover Commercialisation Committee. The committee holds four meetings each year.

Senior executive experience

The executive comprises the Chief Executive Officer and Executive Directors of the five key areas of the organisation. The executive meets on a weekly basis and is responsible for implementing board decisions and making strategic and operational decisions.

Mr Ian Mitchell

Ian was appointed as Chief Executive Officer in May 2004. His experience in the aviation and tourism industries spans 31 years and includes senior and executive appointments with Qantas, the former Australian Airlines and most recently RegionalLink Airlines. His senior management positions with Qantas include Group General Manager Australia/PNG Sales between March 2001 and January this year. He was previously Group General Manager Sales for the airline in UK/Europe and South-East Asia and a former Queensland Regional General Manager. He is a former Managing Director and Chief Executive Officer of the Northern Territory Tourist Commission and also a board member of the Western Australia Tourism Commission.

Mr David Ronai B.Fin. Admin, FCPA, FAIM, FAICD Executive Director Corporate Services since 1991, David manages the financial, business services and technology functions. He attends all board meetings as company secretary. David has financial and corporate expertise from a range of senior management positions in Shell Coal of Australia, and Exxon Coal and Minerals Australia Limited.

Mr Alex de Waal

TOURISM MANAGEMENT DEGREE, SALZBURG UNIVERSITY OF TOURISM

Alex was appointed Executive General Manager Commercial in January 2004 after serving as Executive Director Marketing since 1996. He is responsible for Sunlover Holidays and the Queensland Travel Centres. Alex also provides strategic and representative support to the Chief Executive Officer. Alex has over 20 years' experience in the tourism industry with much of his career in senior management positions. Alex was formerly Tourism Queensland's European manager based in Munich, Germany.

Mr Tony Charters BSc (Env Studies), M Urb and Reg Plg Executive Director of Policy, Planning and Development since 1999, Tony is responsible for tourism research, policy, planning and development. He was formerly Tourism Queensland's Environmental Tourism Manager. Prior to this he was Managing Director of Ecotourism Management Australia and held senior management positions with Queensland Tourism Industries Limited and the Queensland Parks and Wildlife Service. His board positions include: Wet Tropics Management Authority, Fraser Island World Heritage Area Management Committee, Great Barrier Reef Marine Park Authority Consultative Committee, Brisbane Forest Park Advisory Planning Board and the International Ecotourism Society Advisory Board.

Ms Leanne Coddington B.Bus (Hosp. Mgt) Executive Director Human Resources since January 2001, Leanne oversees human resources strategies and management. She joined Tourism Queensland in 1996 as human resources manager. Prior to this Leanne held senior management positions with Hyatt Hotels in Melbourne and Canberra.

Mr James Corvan

James was appointed Acting Executive Director Marketing in February 2004 with responsibility for Tourism Queensland's domestic and international marketing activities. Prior to this appointment he served as Director Destination Marketing since 1997. James has also held senior management positions with regional tourist organisations, airlines and cruise companies.

Remuneration policy

Staff salaries are consistent with job performance and are comparable to rates being paid for similar work in the community. There is recognition of the importance of equitable pay differentials for varied types of work and for outstanding contributions to the organisation.

During 2003-04 the Audit Committee approved a draft policy in regard to the salary process for members of the executive and management team. This process includes alignment to Mercer Human Resource Consulting supplied market based pay grades, and support through a robust performance management system that includes mid-cycle reviews.

All other staff are covered by a certified agreement which includes lump sum payments in the case of outstanding performance or where the individual salary is at the critical point allowed for the position.

Commercial Division staff have been eligible for incentive payments based on individual sales performances.

No performance based bonus schemes were in place in 2003-04.

Code of Conduct

The Code of Conduct is intended to give all staff a framework to assist in the continued projection of a professional image of the organisation. It sets the standards expected of all staff. It provides information to assist in the understanding of the ethical values and standards of behaviour that apply in all our daily business activities. Adherence to these values is fundamental to building a relationship of trust between industry, government and the community.

The code applies to all staff, including the Chairman and board members. It also includes contractors and their employees, representatives from external entities appointed to board committees, and staff based in the Brisbane head office, the travel centres and international offices. If the code is not followed, performance feedback will take place, with the outcome of this feedback ranging from counselling to termination, depending on the severity of the breach.

The code covers a wide range of areas including commissions, payment arrangements, and the management and declaration of conflicts of interest.

Risk management

During 2003-04, Tourism Queensland undertook an organisation-wide risk management project. This included the formulation of a risk management policy and the implementation of a risk register. The Audit Committee regularly reviews the relevance and completeness of the risks identified in the register. It is also monitored and confirmed by the board on a quarterly basis.