

29th May, 1972

Hon. Michael Manley
Prime Minister
Jamaica House
Kingston

Dear Prime Minister,

We were appointed by your letter dated 9th March, 1972, to be members of a Committee to investigate and make recommendations to the Government in respect of Parliamentary salaries.

The above terms were extended by your letter dated 7th April, 1972, to include in our recommendations, terms and conditions of service to be attached to the Office of the Attorney General.

Very close and careful consideration was given to all the proposals placed before us, and the conclusions we have reached are set out in our Reports which is submitted herewith.

Yours truly,

L. E. Ashenheim – Chairman,

Gerald L. Mair – Member,

P.H.A. Rosseau – Member,

Barclay Ewart - Member

REPORT OF THE COMMITTEE ON PARLIAMENTARY SALARIES AND REMUNERATIONS

INTRODUCTION

Prior to 1944, Members of the then Legislative Council did not receive any salary. They were reimbursed for travelling expenses, After the coming into force of the 1944 Constitution, which was based on universal adult suffrage it was decided to pay salaries and certain allowances to elected Members and to the President and certain nominated Members of the Legislative Council. Since 1944 the salaries of Ministers and Members of Parliament have been reviewed six times. Four of these reviews were between 1944 and 1954, one in 1961 and the last increase in 1964. A Schedule of these salary changes over the period is attached as Appendix

A

2. During the same period there were certain changes made to the Allowances of Members. After Independence in 1962, it was decided that the Prime Minister should be furnished with an official residence, and this facility was subsequently extended to the Minister of Finance.
3. In 1964, the principle of providing official residences was extended to all Ministers, including Ministers Without Portfolio, the view being taken that Ministers should enjoy a certain standard of accommodation. It should be noted that the policy of providing official residence to persons holding high office in the administration of Government has been long standing, and prior to Independence, the Governor, the Colonial Secretary and certain Senior Civil Servants were provided with official residences.

4. Immediately after the recent General Elections and the advent of the new Government, we were commissioned by the Prime Minister, the Honourable Michael Manley, to investigate and make recommendations to the Government in respect of Parliamentary Salaries and to include in our recommendations the terms and conditions of service which should be attached to the Office of Attorney General.
5. We have sought to obtain information and assistance from a number of persons now or formerly holding the positions of Ministers, Senators, Members of Parliament, including the Prime Minister, the Deputy Prime Minister and Minister of Finance, the former Leader of the House of Representatives the former Speaker of the House, a former Minister without Portfolio, the present Minister of Health and Environmental Control, the Governor of the Bank of Jamaica, the Financial Secretary, the Senior Assistant Attorney General, and the Commissioner of Income Tax; and we express our gratitude to these persons for their help. The Leader of the Opposition, Mr. Hugh Shearer and the former Minister of Finance, Mr. Edward Seaga, were requested by us to attend and give evidence but declined to do so.
6. We also obtained, with the help of our Secretary information on the remuneration of Ministers and Parliamentarians in certain other countries, and we obtained advice and assistance from a firm Pension Consultants, and from the Institute of Chartered Accountants of Jamaica. To these parties we convey our sincere thanks.

Part I

The Present Situation

7. Apart from salaries, the present position as to allowances and facilities granted to Parliamentarians is highly complicated and in some respects illogical. In one form or another, they are entitled to various allowances for entertainment, travelling on Cabinet business and within constituencies, (including commuted mileage allowances, motor car upkeep allowances, chauffeur allowances) subsistence, constituency office expenses, and also residential facilities. The details of these allowances are set out in Appendix B. We understand that these allowances are all free of Income Tax.

8. Apart from these allowances, the facilities available are few, and of little actual value. Free stationery is available at the Parliament House, free postage and telegram are allowed throughout the island, free passes are provided on the Jamaica Government Railway for all Ministers and Member of both Houses, and free passes (for Ministers only) are issued by Air Jamaica between Kingston and Montego Bay. The facilities provided at the Parliament House are so poor that they merit a chapter of their own. They are, in short,, a disgrace to any civilised count.
9. It appears to be a fact that only a very small proportion of the public has any knowledge of the extent of parliamentary salaries, allowances and facilities. Nor is there any readily available record from which the public can inform themselves on this important matter. Furthermore, the procedure for fixing parliamentary remunerations in general has, in the past, been haphazard and semi-private. Parliament has indeed, from time to time fixed these remunerations by resolution of the House, but various changes in allowances have been made at-different times over the years by inter-departmental minutes and decisions of which the public do not- appear to have been informed. We shall be including at a subsequent part of this Report suggestions as to machinery for fixing publicizing and recording of parliamentary remunerations and changes therein from time to time. Details Of Ministerial and parliamentary salaries at the present time will appear from the succeeding Part of this Report.

Part 11

The Work, Functions and Remunerations Of Members of Parliament

10. Throughout this Report the expression "M.P." is used to mean an elected member of the House of Representatives, and where the context so admits, include elected Ministers. The House of Representatives contains 53 M.P.'s representating a wide variety of private occupations including legal, medical, teaching, farming, trade union activity, business, insurance engineering, land surveying, accountancy and industrial; and the first

question which has presented itself for our consideration is how far the obligations of an ordinary M.P. can properly be said to involve a whole-time occupation which entirely or almost entirely precludes the earning of additional remuneration from the pursuit of the Members normal avocation. It is undoubtedly true that in recent years the actual work in Parliament has been extremely light; the House has sat on an average no more than 40 days per year, and little use has in the past been made of ordinary M.P.'s in the way of Committee work. It is clear, therefore, that a number of members who are self-employed will find it possible to augment their parliamentary incomes from the pursuit of their normal avocations. On the other hand, it seems highly desirable (and the Government will be calling for very many more sittings of the House than have been required in the past. In addition the work of the M.P. does not begin and end with sittings of the House. He must of necessity keep in touch with his constituents, and has to service a considerable load of constituency work and maintain a constituency office in the intervals between actual sittings of the House. Finally, it should be noted that it is virtually impossible for a member who is not self-employed perform the duties of an office of private employment, while still remaining an M.P.

11. On balance therefore, taking all the above into consideration, we have concluded that it is reasonable to regard the office of M.P. as a whole-time avocation requiring salary and remuneration sufficient to provide a standard of living commensurate with the importance of the position, and any attempt to differentiate between the pay of different M.P.'s on the basis of their respective involvement in other occupations, earnings from other sources or amount of parliamentary work undertaken would, in our view, be neither practicable nor desirable.
12. In determining what is a fair and reasonable salary for ordinary M.P., a number of factors have to be taken into consideration. We believe that it will be generally accepted that M.P.'s have a strong motivation outside of the financial rewards for seeking and holding their office. They are wishful to give service to the country and they are attracted by the honour, prestige and power, even glamour, which goes with the position. They are

therefore satisfied to receive by way of salary and remuneration substantially less in money than they could in many cases command in the private sector. It is, however, right and necessary in the public interest that their remuneration should be comparable with (though perhaps at a somewhat lower level than) outside scales of remuneration and should be sufficient to enable them to maintain standards of living compatible with their position in the community and sufficient to ensure their independence of outside pressures of all kinds.

13. At the outset, we are confronted with the problem created by the high rates of income tax and surtax which will, under our present system of taxation, be applicable to all or most of the increases which we would wish to make to salaries. In many cases the recipient would actually receive only a small proportion of the increase, and there is a limit (which is rigorously applied by the Income Tax Department in the case of the general taxpayer) to the extent to which tax-free allowances can be increased. We are persuaded that it would not be acceptable to have one set of tax rules and obligations for parliamentarians and a less favourable set for the general public, and we think it will be generally accepted that it would be neither proper nor desirable to insulate parliamentarians, who are responsible for imposing the tax rates, too completely from the rigours of the income tax legislation. We think, in short, that it is but right that parliamentarians should share with their constituents in the hardships and deprivations which are inseparable from any high scale of taxation.
14. The foregoing comments in relation to tax-free allowances and taxation are applicable with even more force to Ministers, Parliamentary Secretaries, and other paid officers in the Parliamentary system.
15. The present salary of the ordinary M.P. is \$3,600 per annum subject to tax plus tax free allowances for entertainment, office expenses and travelling. We believe that no one will disagree with our clear opinion that in view of the increased costs of living, the range of salary now being paid in the private sector, and the modern and more enlightened ideas of the status and work of an M.P., a complete revaluation of the position is overdue. We consider and recommend that the salary of an ordinary M.P. should be increased to \$7,000 per annum together with revised allowance which we shall later set out.

With respect to Senators (other than the President) who are not Ministers of State, Ministers without Portfolio or Parliamentary Secretaries they do not at present receive any remuneration except a travelling allowances and a subsistence allowance as hereafter set out. We regard their office as an Office of honour and we do not recommend any change.

Part III

The Work, Functions and Remunerations of Ministers and other paid Office Holders

16. It should be stated at the outset that we are in no doubt that the positions of Prime Minister, full Ministers, Minister of State, Ministers without Portfolio (in all but exceptional cases), Parliamentary Secretaries, Speaker and the Leader of the Opposition in the modern independent parliamentary system involve important and highly demanding activities requiring hardwork, whole-time attention, and considerable talent. Correspondingly, they call for a compatible level of remuneration.
17. Neglecting, for the moment the allowances attaching to the offices, the present basic salaries are set out below, and it should be noted that such of these office holders or Ministers as are elected M.P.'s do not receive the M.P.'s salary in addition.

PRESENT SALARIES:

| | | |
|-----------------------------|---|---------------|
| Prime Minister | - | \$12,000 p.a. |
| Minister of Finance | - | 6,500 p.a. |
| Other full Ministers | - | 6,000 p.a. |
| Ministers of State | - | 5,500 p.a. |
| Ministers without Portfolio | - | 4,500 p.a. |
| Parliamentary Secretaries | - | 5,000 p.a. |
| Speaker | - | 5,000 p.a. |
| Deputy Speaker | - | 3,800 p.a. |
| Leader of the Opposition | - | 4,500 p.a. |
| President of the Senate | - | 2,000 p.a. |
| Leader of the House | - | 200 p.a. in |

addition to
salary as M.P

18. We have found the problem of determining the amount of salary which should be paid to Ministers and the other office holders mentioned above to be one of considerable difficulty. A comparison with the salaries of senior Civil Servants is not, in our opinion, helpful. They fall into quite distinct groups with different roles and functions, and their remuneration should be determined independently of each other.

19. The Office of Prime, minister is, by any standard, one which transcends in difficulty, complexity, and responsibility that of the highest paid executives in the private sector, and the other offices under consideration are in varying degrees no less arduous and demanding of time and talent than senior and highly rewarded positions in industry and commerce. We have felt on the other hand that a somewhat lower level of remuneration is for the reasons stated in paragraph 12 appropriate and acceptable, and we have done the best we could in what is at best a valuation exercise on which different opinions are easy to come by. We hope it will be generally felt that we have arrived at a level which is not unduly burdensome on public funds while at the same time offering a reward which can be felt by the office-holders to be reasonable and to provide (with the tax-free allowances hereafter recommended) a recognition of the work and responsibilities involved and a standard of living which will enable them to provide comfortably for themselves and their family and maintain their positions in the community with pride and independence.

20. We now set out our recommendations for new salary scales, and those officers who are also M.P.'s should not draw the M.P.'s salary as well:

| | |
|----------------------|---------------|
| Prime Minister | \$20,000 p.a. |
| Minister of Finance | 14,000 p.a. |
| Other full Ministers | 13,000 p.a. |
| Ministers of State | 11,000 p.a. |

| | |
|-----------------------------|--------------------------------------|
| Ministers without Portfolio | 11,000 p.a. (if wholetime |
| Minsiters without Portfolio | 9,000 p.a. (if not whole-time) |
| Parliamentary Secretaries | 10,000 p.a. |
| Speaker | 11,000 p.a. |
| Deputy Speaker | 8,000 p.a. |
| Leader of the Opposition | 10,000 p.a. |
| President of the Senate | 3,000 p.a. |

The Leader of the House of Representatives should receive \$800 a year additional to any other remuneration to which he is entitled and the Opposition Member who undertakes similar duties for the Opposition should receive a salary of \$400 added to any other remuneration to which he is entitled.

21. All the above salaries are of course subject to income tax and surtax, and as a rough guide, we have included at Appendix C a table showing the approximate balance of salary retained by the taxpayer at income between \$4,000 and \$20,000.

The calcuations in the table have been made on the assumption of a typical case of a Legislator with a wife and two children and Life Insurance premium amounting to \$500 p.a. These premiums of course have to be paid by the Legislator out of the net retained income shown. If the Legislator has ny outside earnings or income of any kind, the rate of tax is further increased.

Part IV

Allowance and Facilities

22. We have found it extremely difficult to suggest any real simplification of the complicated allowances now existing. The recipients have become accustomed to the existing structure, and we are informed by the relevant authorities that they do not

present too much of a problem to the paying machinery. On the other hand, some of the allowances are manifestly insufficient to meet their intended objects and we have, after due consideration and labour decided to recommend that the allowances should in the future be as follows:-

- (1) Entertainment Allowance:
- (a) \$4,000 p.a. - Prime Minister
 - (b) \$2,000 p.a. - (Full Ministers, Ministers of State, Minister without Portfolio (if employed full time), Speaker and Leader (of the Opposition)
 - © \$1,500 p.a. - (Ministers without Portfolio (if not employed full-time), Parliamentary Secretaries, (and President of the Senate
 - (d) \$1,000 p.a. - Deputy Speaker and all other M.P.'s

Note: All the above allowances, except in the case of ordinary M.P.'s are intended to cover minor entertainment only. Major entertainment, with the same exception, should be paid by Government direct upon being vouched by the officer concerned.

(2) Travelling Allowances:

(a) The Prime Minister should be provided with two official cars and two Government paid Chauffeurs. He should not therefore receive any allowance for official travelling or Chauffeur overtime allowance, and we have dropped these allowances in his case. He should, however, retain Motor Car Depreciation Allowance, his Constituency Travelling Allowance, and Chauffeur's Allowance in respect of his privately owned constituency car.

(b) We do not recommend the provision of official cars for Ministers other than the Prime Minister. We gather that most Ministers would

prefer to own their own cars and receive an Allowance for travelling on official business.

- | | | |
|-----|---|---|
| (c) | Travelling on official Business \$1,000 a year \$1,500 a year | All Ministers(except the Prime Minister, Ministers of State, Minister without Portfolio, Parliamentary Secretaries and Leader of the Opposition |
| (d) | Travelling within constituency - \$1,300 a year - \$1,950 | All Members of the House of Representatives |
| (e) | Motor car Depreciation Allowance - \$1.000 a Year - \$1,500 a year | The Prime Minister Full Ministers, Ministers of State, Ministers without Portfolio, Parliamentary Secretaries, Speaker and All other M.P.'s |
| f) | <u>Commuted Annual Mileage Allowance</u> For travelling to and from Parliament calculated (on the basis of 52 journeys back and forth each year) at the number of miles between the Parliament House and the chief town (if an M,P.) or the residence of the person concerned (if not an M.P.) multiplied by 104 multiplied by 8.70 13 p.m. | All Ministers, Ministers of State, Ministers without Portfolio, and Parliamentary Secretaries (if M.P.'s) they represent a constituency outside the Kingston area or (if not M.P.'s) they reside outside the Kingston area. |
| (g) | <u>Commuted Annual: Mileage Allowance:</u> For travelling to and from Parliament, calculated (on | All M,P,'s representing constituencies outside |

the basis of 22 journeys back and forth each year) at the number of miles between Parliamentary House and the chief town of the constituency multiplied by 44 multiplied by 13 with a proportionate increase if the House sits more than 22 weeks in the year in question.

- | | | |
|-----|---|--|
| (h) | Mileage allowance of 24.3 per mile when travelling on Parliamentary business (each journey to be separately vouched | the Kingston area who do not come under (f). All Senators include President, who reside outside the Kingston and are not Ministers State, Ministers without Portfolio or Parliamentary Secretaries. |
| f) | Chauffeur Allowance \$40 per week | All full Ministers the Prime Minister, Ministers of State Ministers without Portfolio, Parliamentary Secretaries, the Speaker, the Leader of the Opposition and the President of the Senate, provided a chauffeur is employed (full-time). |
| (j) | Chauffeur Allowance \$35 per week | All M.P.Is not covered by (i) above, provided a Chauffeur is employed (full-time), |
| (3) | <u>Subsistence Allowance</u> | |
| (a) | Allowance (commuted) \$2,600 per year In respect of the extra cost of having to maintain two residences, one in Kingston another in the constituencies | All Ministers,* (except the Prime Minister) and all Ministers of State, Ministers without Portfolio, and Parliamentary Secretaries provided (if M.P.'s) they represent a constituency outside Kingston area and (if not M.P.'s) |

they normally reside outside Kingston area.

- | | | |
|-----|---|--|
| (b) | Allowance (commuted) \$1,320 per year, plus and are not \$15 per night in respect of each week in excess of 22 in which the House sits in any one year. | All M.P.'s who represent outside the Kingston area covered by (a) above. |
| (c) | Senatorial Allowance of \$30 in respect of attendance at each one-day sitting of the Senate | All Senators who reside outside the Kingston area and are not covered by (a) |

*We understand that the cost of maintaining Jamaica House is entirely borne by Government.

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|-----|---|--|
| (d) | Commuted Allowance for Chauffeur's Subsistence of \$300 p.a. plus payment by Government of vouched hotel expenses for Chauffeur outside of the Kingston area. | Prime Minister, all full Ministers, Ministers of State, Ministers without Portfolio, Parliamentary Secretaries, the Speaker, the President of the Senate and the Leader of the Opposition, provided a full-time Chauffeur is employed. |
| (e) | Commuted Allowance for Chauffeur's subsistence of \$200 per year. | All other M.P.'s provided they represent a constituency outside the area and provided a full-time chauffeur is employed. |

- f) Constituency Office Expenses Allowances:
- | | | |
|-----|------------------|---|
| (a) | \$6,000 per year | Prime Minister |
| (b) | \$5,000 per year | Leader of the Opposition |
| © | \$4,500 per year | All other Members of the House of Representatives who are Ministers, Ministers of State, Ministers without Portfolio, or Parliamentary Secretaries and the Speaker. |
| (d) | \$3,000 per year | All other M.P.'s. |
- g) Residential Facilities and Allowances:
- | | | |
|-----|---|---|
| (a) | Provision and maintenance of free official residence at Jamaica House | Prime minister |
| (b) | Provision (if desired) of furnished or unfurnished residence in Kingston on payment of subsidised rent of \$30 a month plus 3% per annum of value of furniture; or alternatively, if preferred, a Housing Allowance of \$350 a month which will however be subject to Income Tax. | Minister of Finance (Vale Royal) all other Ministers, Ministers of State, Ministers without Portfolio, Parliamentary Secretaries and the Speaker. |

Note: For the purposes of this Part, the expression “the Kingston area” means the Corporate Area of Kingston and St. Andrew (Urban and Suburban.

23. The recommending foregoing level of allowances, we have endeavoured to relate them to the actual expenses normally faced by parliamentarians. We have given special normally consideration to the actual costs falling upon those whom we interviewed, and have endeavoured to relate these to the allowances and experiences of commercial firms in the areas

were comparisons were meaningful. We have also taken into account the importance of the position of the Leader of the Opposition, and the considerable expenses which have to be incurred by him in properly carrying out his duties. We have attempted to eliminate the anomalies and to simplify where possible the allowances.

Part V

Pensions and Retiring Allowances

24. In this Part we shall deal with pension and retiring allowances for Parliamentarians. There is a special Act, No.24 of 1965, which provides a pension for ex-Prime Ministers. Under this Act every person who having been appointed Prime Minister on or after 6th August, 1962 ceases at any time after such appointment to be Prime Minister, shall be paid a pension from the date on which he ceases to be Prime Minister, at an rate of \$6,000. If he is appointed Governor-General or is again appointed Prime Minister, his pension ceases to be payable during the period in respect of which he holds the Office of Governor-General or again holds the office of Prime Minister. It is also provided that if a person to whom a Prime Minister's pension is payable is in receipt of a retiring allowance payable to him as a Legislator, only so much of the when the as Prime Minister's pension will be paid to him as will, when added to his retiring allowance, amount to two-thirds of the highest annual rate of salary paid to him at any time as Prime Minister. The Act further makes provision for Widowl's and Children Allowances.

25. Retiring allowances for legislators are established by Law 51 of 1961, and are applicable to all members of the House of Representatives, to non-elected Ministers (and members of the Cabinet), to Parliamentary Secretaries, and to the Speaker, the Deputy Speaker, the Leader of the Opposition, and the President of the Senate.

26. From the commencement of the Law all persons named above (in the Law and herein called "legislators") are required to contribute 6% of their basic salary, and are entitled to make additional contributions in respect of service prior to the commencement of the Law. On ceasing to be a legislator, and subject to the attainment of age 60 (or age 55 if in the event of serious infirmity) and to the completion of two full parliamentary terms (or an aggregate of

not less than nine years services) an annual retiring allowance is payable to the legislator for life equal to his total contributions, but subject to a maximum of two-thirds of the highest annual rate of salary received as a legislator. There is also provision for an annual allowance of two-thirds of the legislator's retiring allowance to be paid to the widow of a deceased legislator during her lifetime and while unmarried, and it is also provided that if a legislator who made contributions ceases to be a legislator and is not then eligible for a retiring allowance, he may apply for a refund of his contributions.

27. Based on the Report of the pension Consultants who are kind enough to give us the benefit of their experience and knowledge, we make the following comments on the foregoing schemes:

(1) The legislators' retiring allowances appear very generous scale. The Consultants point out that a very substantial liability is being built up which will have to be met by a future generation of taxpayers, and that, for example, for legislator who retires at age 60, entitled to a pension of two-thirds of his basic salary, the capital value of the liability at that date which will have to be met from the Consolidated Fund is of the order of seven times his basic salary, assuming that the money is invested at 8%. The Consultants are further of the opinion that under average conditions and making a number of reasonable assumptions, they would consider that a contribution by the Government of 33% of the basic salary roll, would be required in addition to the members' 6% of basic salary, to provide a viable pension scheme. We do not, however, make any recommendation on this point.

f) Under both statute, the Widow's allowance is payable to the person who was the wife of the deceased on the date of his death. Such an open arrangement leaves considerable scope for death bed marriages and possibly to young women. Government might wish to give consideration to amending the law to require that a widow to be entitled to her allowance must have been married to the

deceased for some period of time, say three years, before his death, and that the quantum of her allowance should be reduced by some factor, say 2 ½ %, for each year more than five that she be younger than her deceased husband.

(3) The legislator's retiring allowance to his widow but not the Prime Minister's pension for his widow, ceases on the widow's re-marriage. It is in accordance with our opinion and, we believe, with modern tendencies that it is wrong to put a widow in a position where she must choose between re-marriage and a pension, and we recommend that the legislators' Retiring Allowance Law be amended accordingly

(4) It may possibly be implied, but it is certainly not clearly provided in the Legislators' Retiring Allowance Law, that a person who ceases to be a legislator and has completed the service qualifications but has not at the date of his retirement attained the age qualification may (if he does not wish to take an immediate refund of his contributions) wait until he has attained he does not wish to take an immediate refund of his contributions) wait until he has attained the required age, and then claim the retiring allowance to which he would be entitled. We recommend that the Law be amended to make this clear.

(5) Under the present Legislation, a former Prime Minister who is still a legislator can apparently draw both his Prime Minister's pension and his legislative or ministerial emoluments at

the same time. We think this is wrong and that Laws should be amended so as to provide that where

a former Prime Minister continues to be or becomes a legislator he should be entitled to draw either

his Prime Minister's pension or his legislative emoluments" **whichever is greater**, but not both; and

that whenever he ceases to be a legislator (permanently or temporarily), he will of course continue to

be entitled to his pensions.

(6) With the increased scale of remuneration now recommended for the Prime Minister's salary, the

statutory provision of \$6,000 per annum for the Prime Minister's pension seems unreasonably low. We

think that the Act should be amended so as to provide for a Prime Minister's pension of not less than

\$10,000 per annum.

(7) Our attention has been called to Ministry Paper No. 3 of 1961, making proposal for improvements in the retiring benefits for legislators. This Ministry Paper was apparently never approved by the House, and our Consultants are of the opinion that the proposed amendments "would be extravagant in their generosity, and would by their nature discriminate excessively in favour of short service legislators".

(8) Although not strictly coming under the heading of retiring allowances, we point out that no provision is made to assist members who suffer financial loss on losing their seats. General Elections sometimes occur with little notice, and in any event, members are often not in a position to forecast the results of the polls. As their salary ceases from the date of dissolution, members may suddenly find themselves without any regular source of income, and in view of the uncertainties attached to the holding of a

parliamentary seat, and the difficulties in many cases of obtaining alternative earnings immediately, we recommend that a Severance Payment should be available to all members who lose their seats at a general election. This should take the form of a terminal grant equivalent to one-quarter of the annual salary fixed for an M.P., and should be payable immediately after polling day to those members who wish to claim it. We think also that members should continue to be paid throughout the period of dissolution.

Part VI

The Attorney General

f) The position of the Attorney General who is constitutionally the principal legal adviser to the

Government is clearly one of great weight and importance. It is an office created and recognised, by Section 79 of the Constitution, and is removed from the Civil Service by the same Section which declares that it is not to be regarded as a “public office”. The remuneration for the office must take account of the status of 'the office the

constitution, the position of the officer as the leader of the legal profession and the need to attract persons, of competence and integrity in the profession for the efficient discharge of the duties of the office. He must be an-Attorney-at-Law, and his duties are wide and far-ranging and fall into the areas of both domestic and international affairs. He is moreover required in some cases to dissociate himself from any identification with the Government in such areas as lending his name to litigation brought by members of the public for the enforcement of public rights. Here, once again, we are met with the twin problems of the level of earnings which fall to leading private attorney-at-law, and the heavy taxation which is incurred, especially at the higher levels of salary. The present salary of the Attorney General is \$12,000 per year which is far below what he could earn in private practice if he previously been (as it is desirable

that he should have been if the position is to be properly filled) one of the leading Attorneys-at-Law in private practice. It is a difficult task to suggest the right salary in the light of the prevailing civil service levels, the salaries of the Chief Justice and Judges of the Supreme Courts, the salaries paid to the heads of such public corporations as the Bank of Jamaica and the Jamaica Development Bank, and the salaries now being recommended for the Prime Minister and other Ministers of the Crown. We have finally decided after careful consideration to recommend that the Attorney General should receive a salary of \$16,000 per year together with the following allowances (tax free) which should be similar to corresponding allowances (as shown) recommended for Parliamentarians in Part IV.

| | Reference number in Part IV | Amount or nature of Allowance |
|--|-----------------------------|---|
| 1. Entertainment Allowances (Minor Entertaining) | (1) (b) | \$2,000 p.a. |
| g) Motor Car Depreciation Allowance | (2) (e) | \$1,000 p.a. |
| 3. Chauffeur's Allowance | (2) (i) | \$40 per week |
| 4. Chauffeur's Subsistence | (3) (d) | \$300 p.a. |
| 5. Travelling Allowance | - | 8.70¢ per mile |
| 6. Subsistence while travelling on official business | - | \$30 per night |
| 7. Residential Facility or Allowance | (5) (b) | Provision of residence at subsidised rent or (if preferred) Housing Allowance of \$350 per month, Income |
| | | this allowance being subject to Tax. |

- h) The fact that the Attorney General is now a political office means that he loses his position if his party is defeated at the polls. He inevitably, therefore, faces a period of reduced earnings while he rehabilitates his private practice. We do not suggest any pension or retiring allowance in his case, but, provided he does not come from the Civil Service or is not a legislator entitled to a retiring allowance, we think it would be reasonable to provide a terminal gratuity (similar to that grant to contract officers) of 25% of his highest basic salary for each year of service provided that he has served at least three years in the office.
- i) Finally, if the Attorney General is also a Minister or a Minister of State or a Minister without Portfolio or a Parliamentary Secretary or an M.P.; provision should be made to avoid a duplication of remuneration in his case.

Part VII
The Parliament Building

- j) Inherent in the consideration of the remuneration of Parliamentarians is a review of the conditions under which they work, and this brings us to the facilities provided in the Parliament Building at Gordon House. The conditions are in many respects deplorable, due, we are told, to the fact that it was conceived and constructed some twelve years ago as a temporary home for the Legislature, pending the provision of a satisfactory permanent home. With the exception of the actual Chamber, which is quite acceptable, the rest of the accommodation falls far short of a tolerable standard. For example, there is no office accommodation for the Leader of the

Opposition, and the offices provided for the Prime Minister, the Speaker, the Leader of the House

and the President of the Senate are small and have no separate accommodation for a secretary.

There are no conference rooms for the use of Ministers and Members, other than one room for all

Government members and another room for all Opposition members. There are no committee

rooms for use by Select Committees, there is no accommodation for secretarial assistance to M.P.'s

and Senators, and the accommodation for the Clerk of the Parliament and his staff, including the

Marshall and Orderlies, leaves much to be desired. The Library and its accommodation and

contents are far from adequate, and the facilities for the Hansard staff and for the press and other

publicity media leave much to be desired. No provision is made for Members who may be taken ill,

and the visitors' accommodation is far too restricted.

32. The restaurant and bar facilities require a paragraph of their own. They are unbelievably bad. The restaurant consists of a dingy little room with two wooden tables covered with dirty oil cloth, the crockery and cutlery would be out of place in a third-class eating house, and we were unable to find any accommodation that could properly be called a bar or rest area. It is not too much to say that if such accommodation were provided by a private company for the lowest class of its workers it would have the trade unions threatening the most drastic action in default of immediate improvement.

33. We do not know what, if anything, can be done to improve the conditions at Gordon House, but drastic improvement is urgent and necessary. In our opinion, the Parliament

House for Jamaica should incorporate the following as minimum requirements, in addition to a dignified, comfortable and well equipped legislative chamber:-

- (1) enlarged visitors accommodation;
- f) good sized and well equipped private offices for the Prime Minister, the Leader of the Opposition, the Speaker, the Leader of the House and the President of the Senate, each with an adjoining office for the accommodation of a Secretary;
- (3) two large and well equipped lounges and meeting rooms, one for Government Members, and one for Opposition Members;
- (4) four or five smaller private conference rooms for use by Ministers and Members in interviewing members of the public;
- (5) a good sized room for use by Select Committee
- (6) proper office accommodation for the Clerk of Parliament and his staff, Marshall and Orderlies;
- (7) adequate Library accommodation with an adequate supply of books and a library staff;
- (8) proper reserved accommodation in close proximity to the Chamber for the Hansard staff and for press and other publicity media, and a press room with adequate telephonic communications;
- (9) greatly improved lavatory facilities;-
- (11) a well equipped room for use in the event of illness;
- f) a commodious and pleasant restaurant with acceptable furniture and equipment including crockery and cutlery, with good kitchen facilities attached and a proper staff of cooks and waitresses for the use of members, staff, and visitors;
- (13) The provision of bar facilities of adequate standards;
- (14) adequate parking accommodation for members, staff, and visitors.

Part VIII
Methods of Recording and Review

34. It is highly desirable,, in our opinion,, that the salaries and allowances payable to Parliamentarians should be clearly recorded at all times in a form which is readily accessible to members of the public and that all modifications or changes should be approved by Parliament and similarly recorded.

f) We are not in a position to recommend any exact machinery for achieving these objectives. The method adopted by the Prime Minister in the present case seems to have a great deal to recommend it. Periodic review by an independent non-Parliamentarian body and recommendations by that body to the House will help to relieve the House of the undesirable public reaction to the idea of Parliamentarians fixing their own salaries. It might be a good procedure to establish that such a reference should be made, say every five years, and the question of remunerations considered by Parliament at the expiration of each five-year period after obtaining the recommendations of the independent body.

36. A permanent and readily accessible record of the results of each review could perhaps be ensured by publication on each occasion in the Gazette.

Part IX
Summary and Recommendation

f) Conditions today have made it inevitable that we should find it necessary to recommend substantial increases in salaries and allowances, and we believe that it is of great importance that these recommendations should now be implemented in full with as little delay as possible.

38. We summarise below the main recommendations in our Report:

SUMMARY OF RECOMMENDATIONS

Salaries and Allowances to members of Parliament:

- f) The salary of Members of Parliament should be increased to \$7,000 a year, (see Paragraph 15).
- b) Entertainment, Travelling (including motor car depreciation, constituency travelling and chauffeur's allowance) Subsistence and Constituency Allowance should be increased - (see Part IV, paragraph 22).

Allowance to Senators:

- f) Senatorial Allowance should be increased to \$30.00 per night for attending sittings of the Senate (see paragraph 22, 93) ©
- g) The Prime Minister should be paid a salary of \$20,000.00 a year – (see paragraph 20).
- e) Ministers other than the Prime Minister should be paid the following salaries a year – (see paragraph 20) -

| | | |
|-----------------------------|---|---|
| Minister of Finance | - | \$14,000 p.a. |
| Other Full Ministers | - | 13,000 p.a. |
| Ministers of State | - | 11,000 p.a. |
| Ministers without Portfolio | - | 11,000 p.a. (if wholetime) \$ 9,000 p.a. (if not whole-time) |

- f) The following salaries should be paid to the following officers:-

| | | |
|---------------------------|---|---------------|
| Speaker | - | \$11,000 p.a. |
| Deputy Speaker | - | 8,000 p.a. |
| Parliamentary Secretaries | - | 10,000 p.a. |

Leader of the Opposition - 10,000 p.a.

President of the Senate - 3,000 p.a.

g) Entertainment Travelling (including motor car depreciation, constituency travelling, and chauffeur's allowances) Subsistence and Constituency Allowance should be increased, and two official cars be provided for the Prime Minister's use.

Severance Arrangements:

h) Members should continue to be paid throughout the period of a dissolution, and in the event of losing their seats after a General Election should be entitled to claim a terminal grant equivalent to one-quarter of the annual salary fixed for an M.P. (see paragraph 27 (8)).

Residential Facilities and Allowances:

i) Optional housing arrangements for all full Ministers, Ministers of States, Ministers without Portfolio, Parliamentary Secretaries and the Speaker for furnished or unfurnished residence in Kingston on payment of subsidised rent of \$30.00 a month Plus 3% per annum of furniture or alternatively Housing Allowance of \$350.00 per month.

Pensions:

j) We have made some comments for consideration in relation to the Retiring Allowances of Members at Part V of the Report.

The Prime Minister should be paid a Pension of not less than \$10,000.00

– (see paragraph

27 (6)).

Salary and Allowances of Attorney General:

k) The Attorney General should be paid a salary of \$16,000.00 together with allowances as

shown at Part VI of the Report.

Optional housing arrangement for furnished or unfurnished residence on payment of

subsidised rent of \$30.00 a month Plus 3% per annum of value of furniture, or alternatively Housing Allowance of \$350.00 per month. Provided he does not come from the Civil Service or is not a legislator entitled to a retiring allowance, he should receive a terminal gratuity of 25% of his highest basic salary for each year of service provided he has served at least three years in the office.

Parliament Building:

1. We have criticised the conditions and amenities existing at the Parliament Building, and made recommendations for their improvement as set out at Part VII of the report.

Future Reviews:

- m) We have expressed the view that for the future, an independent non-Parliamentary body could be set up for periodic reviews of parliamentary salaries, and we have further recommended that consideration be given to these reviews being undertaken at the expiration of each five year term of the House and to proper arrangements being made for the publication of the results of these reviews
39. We desire to close by acknowledging the invaluable assistance which we have received in our deliberations from our Secretary, Mr. Edley Deans, and to repeat our thanks to the numerous gentlemen and organisations who found the time to send memoranda in reply to our advertisement and to appear before us and give evidence.

.....
L. E. Ashenheim - Chairman

.....
Barclay Ewart – Member

.....
P.H.A. Rousseau – Member

.....
Gerald Mair - Member

Dated this 26th day of May, 1972

ALLOWANCES AND FACILITIES

In the following Table “the Kingston area” means the Corporate Area (Urban and Suburban); and “M.P” means an elected Member of the House of Representatives.

PRESENT ALLOWANCES

1. Entertainment allowances:

| | | |
|------------------|---|--|
| \$4,000 per year | - | Prime Minister |
| \$1,000 per year | - | Full Ministers and Attorney General |
| \$800 per year | - | Minister of State |
| \$600 per year | - | Ministers Without Portfolio, Parliamentary Secretaries, Speaker, Deputy Speaker, Leader of the Opposition and all Other M.P.’s |
| \$400 per year | - | President of the Senate |

Note: All the above Allowances are intended to cover minor entertaining only. Major entertaining (except in the case of ordinary M.P’s) is paid by Government direct upon being vouched by the officer concerned.

2. Travelling Allowances:

- a) On Cabinet Business \$1,000 per year – Prime Minister, Full Ministers, Ministers of State and Parliamentary Secretaries.

On Cabinet Business - \$800 per year – Ministers Without Portfolio

- b) Within Constituency - \$1,000 per year – All M.P.'s representing Constituencies outside the Kingston Area, including Prime Minister, Ministers, Parliamentary Secretaries, Speaker, Deputy Speaker and Leader of the Opposition.

Within Constituency - \$800 per year – same as above, but representing constituencies in the Kingston area.

- c) Motor Car Upkeep allowance of \$572 per year (said to be in respect of wear and tear or depreciation of Motor Car). – All members of the Cabinet (except Ministers Without Portfolio), Parliamentary Secretaries, all other M.P.'s and the Attorney General.
- d) Free pass on Air Jamaica for domestic travel between Kingston and Montego Bay – Prime Minister, other members of the Cabinet and Leader of the Opposition.
- e) Free passes on Jamaica Government Railway – All Senators and M.P.'s (hardly ever made use of).
- f) Commuted Annual Mileage Allowance when traveling to and from parliament calculated (on the basis of 52 journeys back and forth each year) at the number of miles between the Parliament House and the chief town of the constituency (if an M.P.) or the residence of the person concerned (if not an M.P.) multiplied by 104 multiplied by 8.7 cents. – All Members of the Cabinet (except Ministers without Portfolio) and Parliamentary secretaries provided (if M.P.'s) they represent constituencies outside the Kingston Area and (if not an M.P.) wherever resident.
- g) Commuted Annual Mileage allowance when traveling to and from Parliament calculated (on the basis of 22 journeys back and forth each year) at the number of miles between the chief town of the constituency and the Parliament House multiplied by 44 multiplied by 8.7 cents subject to proportionate increase if there are more than 22 weeks in the year in which the House sits. – All M.P.'s representing Constituencies outside the Kingston Area who do not come under (f) above.
- h) Mileage Allowance of 16.2 cents per mile when traveling on parliamentary business (each journey to be separately vouched). – All Senators (including the President) who reside outside the Kingston Area and are not Ministers Without Portfolio or Ministers of State or Parliamentary Secretaries. Note that those who receive this allowance do not receive any other traveling allowance.
- i) Chauffeur Allowance - \$27.75 per week – All Members of the Cabinet, Parliamentary Secretaries, Speaker, Leader of the Opposition, President of the Senate and Attorney General. Provided a chauffeur is employed.

Chauffeur Allowance - \$22.50 per week – All M.P.'s not covered by the foregoing. Provided a chauffeur is employed.

- j) Chauffeur Overtime allowance \$312 per year – Prime Minister
- k) Provision of two free official Motor Cars and one chauffeur – Prime Minister

3. Subsistence Allowances

- (a) Allowance (commuted) of \$5,200 per year – Prime Minister if he represents a constituency outside the Kingston Area.
- (b) Allowance (commuted) of \$2,600 per year - All other Ministers except Ministers Without Portfolio, and all Ministers of State, and Parliamentary Secretaries provided (if M.P.'s) they represent constituencies outside the Kingston Area and (if not M.P.'s) they reside outside the Kingston Area.
- (c) Allowance (commuted) of \$880 per year plus \$10 per night in respect of all weeks in excess of 22 in a year in which the House sits. – All M.P.'s who represent constituencies outside the Kingston Area and are not covered by (a) or (b) above.
- (d) Senatorial Allowance of \$20 in respect of attendance at each one day sitting of the Senate – All Senators who reside outside the Kingston Area and are not covered by (b) above.
- (e) Commuted Allowance for chauffeurs of \$150 per year – All Ministers, Ministers of State, Parliamentary Secretaries, Speakers, President of Senate and Leader of Opposition provided (if M.P.'s) they represent constituencies and (if not M.P.'s they reside outside the Kingston Area and provided a full-time chauffeur is employed.

Commuted Allowance for chauffeurs of \$100 per year. – All other M.P.'s provided they represent constituencies outside the Kingston Area and provided a full time chauffeur is employed.

4. Constituency Office Expenses Allowances

\$300 per year - Prime Minister

\$1,600 per year - Minister of Finance, other full Ministers who represent constituencies in the Kingston Area and Leader of the Opposition

- \$1,400 per year Full Ministers who represent constituencies outside the Kingston Area, Parliamentary Secretaries (elected) and other M.P.'s who represent constituencies in the Kingston Area.
- \$1,200 per year Ordinary M.P.'s who represent constituencies outside the Kingston Area.

5. Residential Allowances

- a) Provision and Maintenance of free Official Residence at Jamaica House – Prime Minister
- b) Provision (if desired) If furnished residence in Kingston on payment of subsidised rent of \$30 per month plus 3% per annum of value of furniture – Minister of Finance (Vale royal all other Ministers, Ministers of State, Speaker and Attorney General.

Early Report on Parliamentarian's Salaries:

| POST | 1944/46 | 1946/47 | 1950/51 | 1952/53 | 1953/54 | 1958/59 | 1960/61 | 1961/62 | 1964/65 | 1967/68 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| PRESIDENT | £600 | 600 | 600 | 600 | 600 | - | - | 600 | 800 | |
| SPEAKER | 800 | 900 | 1000 | 1300 | 1,500 | | | 2,000 | 2,500 | |
| CHIEF MINISTER/PRIMIER | 800 | 1100 | 1100 | | 2,500 | | | 3,500 | 6,000 | |
| MINISTER OF FINANCE | 800 | 1100 | 1100 | 1500 | 2,500 | | | 2,750 | 3,250 | |
| MINISTERS | 800 | 1100 | 1100 | 1500 | 2,000 | | | 2,500 | 3,000 | |
| LEADER OF OPPOSITION | 550 | 550 | 650 | | 1,300 | | | 1,750 | 2,250 | |
| MEMBERS OF PARLIAMENT | 550 | 550 | 650 | 850 | 850 | | | 1,200 | 1,800 | |
| NOMINATED MEMBERS} | | | | | | | | | | |
| MINISTER WITHOUT PORTFOLIO} | 600 | 600 | 600 | 900 | 900 | | | | | |
| DEPUTY SPEAKER | | | | | | | 1,000 | 1,300 | 1,900 | |
| PARLIAMENTARY SECRETARIES | | | | | | | 1,800 | 2,000 | 2,500 | |
| MINISTER OF STATE | | | | | | | | | | 2,500 |
| MINISTER WITHOUT PORTFOLIO | | | | | | 1,500 | | 1,750 | 2,500 | |