

KMG5-FINAL REPORT OF THE TASK FORCE APPOINTED TO ESTABLISH CRITERIA
FOR AND THE EXTENT OF STATE AND PRIVATE SECTOR SUPPORT FOR
POLITICAL PARTIES AND TO
SALARIES AND REMUNERATIONS

On the basis of the request by the Honourable Dr. Kenneth McNeil, Minister Without Portfolio and Leader of the House of Representatives, the Terms of Reference of the Task Force which was appointed to establish Criteria for and the extent of State and Private Sector Support for Political

Parties, was expanded to include matters relating to Salaries and Emoluments of Parliamentarians.

I. This is therefore the Final Report of the Task Force following the Interim Report which was presented to the Honourable Prime Minister on 24th January, 1990.

2. The membership of the Task Force was as follows:

Honourable Douglas Fleteher, O.J., C.B.E. Chairman
Right Reverend Neville deSouza
Dr. Lloyd Barnett
Honourable Gloria Knight, O.J., C.D.
Mr. Justice O. D. Marsh, C.D.
Professor Carl Stone, C.D.
Mr. Ronald Thwaites
Mr. Peter J. C. Thwaites

Subsequently, the Honourable Leslie Ashenheim, O.J., P.C., was requested to join the Task Force.

3. Honourable Leslie Ashenheim was appointed Chairman of the Sub-Committee to deal with matters relating to Salaries and Emoluments of Parliamentarians which consisted of himself, Mr. Peter J. C. Thwaites and Dr. Carl Stone. This Sub-Committee held one meeting on Thursday 23rd November, 1989. Mr. Ashenheim subsequently fell ill and has been unable to continue as Chairman or a member of the Sub-Committee and the investigation was therefore referred to the Task Force.

Dr. Lloyd Barnett informed the Chairman of the Task Force that he would not be able to participate in this assignment by letter dated 14th February, 1990.

4. Discussions were held with Senator the Honourable Dr. Paul Robertson, Minister of Information and Culture and General Secretary of the Peoples National Party, Mr. Bruce Golding, M.P., and Chairman of the Jamaica Labour Party, Mr. Gordon Wells, C.D., Advisor on Public Service Reform and Mr. Edley Deans, C.D., Clerk to the Legislature.

5. Mr. Wells presented a paper entitled "Note on Parliamentary Salaries" (Appendix I) and Mr. Deans presented a paper giving details of Salaries and Allowances Paid to Parliamentarians (Appendix II) which dealt with the subject as follows:

- (i) page 1 - indicating the present salaries and emoluments;
- (ii) page 2 - indicating increases in salaries during the period April 1979.- April 1989;
- (iii) pages 3 & 4 - indicating increases per annum in Allowances to Members of Parliament over the period April 1980 March 1990.
- (iv) page 5 - indicating increases per annum in Allowances to Members of the Senate over the period April 1980 - March 1990.

6. Historically it appears that in the mid 70's it was established that the basic salary of Cabinet Ministers should be based on a formula whereby they would receive \$52.00 per annum more than the maximum basic salary of Permanent Secretaries. Other ministerial office holders were allotted salaries related on a percentage basis to the Cabinet Ministers' salary. The allowances of Parliamentarians were however different from those allotted to Permanent Secretaries.

The established formula which relates the salaries of Cabinet Ministers to that of Permanent Secretaries was not applied when Permanent Secretaries' salaries were increased in July 1989. Those salaries have been further increased with effect from 1st January, 1990.

7. In accordance with the current Administrative Reform Programme the Permanent Secretaries' salaries have been increased to a maximum of \$254,739.00 with effect from 1st January, 1990, and will be further increased to \$280,046.00 with effect from 1st August, 1990. These salaries will be subject to further negotiations with effect from 1st April, 1991. Implicit in that restructuring is that all previous allowances which were of a taxable nature are included as basic salary and only those allowances which were in the nature of reimbursement of expenses are treated separately.

The present basic salary of Cabinet Ministers is \$71,602.00 and taxable allowances amount to \$106,800 per annum. Allowances which are in the nature of reimbursement of expenses amount to \$92,673 per annum as follows:

	\$
Allowance for Office Expenses	28,500
Travelling on Official Business	45,000
Constituency Travelling	6,873
Subsistence	46,800
Motor Car Depreciation	<u>6,000</u>
TOTAL	92,673

It is concluded that if we are to keep the basic salaries of Cabinet Ministers related to the salaries of Permanent Secretaries on the basis of the formula established in the 1970s, then the recommended salary of Cabinet Ministers should be:

- a) \$254,739 plus \$52 per annum with effect from 1st January, 1990; and
- b) \$280,046 plus \$52 per annum with effect from 1st August, 1990

The above figures would be inclusive of what are currently taxable allowances but exclusive of the allowances which are in the nature of re-imburement of expenses.

8. During the deliberations it was suggested that all these allowances in the nature of reimbursement of expenses should be brought under the heading of basic salary and paid accordingly. It should be noted however that these allowances, having regard to their nature, are reviewed separately from time to time in the light of inflationary trends and appear now to be due for further revision.

9. Two further suggestions were made which can be considered:

- (i) that due to the difficulty which Parliamentarians experience in financing the purchase of motor vehicles, consideration should be given to establishing a Revolving Fund for that purpose;
- (ii) that the State establishes a constituency office in each constituency for the Members of Parliament and finance all the expenses of same in accordance with the Budget. This office should be clearly identified as the office of the sitting Member of Parliament for that constituency and not as the Party's political office.

10. The attached Table (Appendix III) sets out the proposed Emoluments for Parliamentarians effective 1st January, 1990. As from 1st August, 1990, these emoluments should be revised in keeping with the established formula vis-a-vis Permanent Secretaries.

11. We would like to express our appreciation to Messrs. Gordon Vells and Edley Deans for the time and effort spent by them in preparing and presenting the Reports at Appendices I, II and III and we are most grateful to Mrs. G. C. Harris, Secretary to our Committee and Mrs. Joan Jackson and Miss Beulah Senior who served as the Secretariat for the Task Force.

Dated this 23rd day of March 1990

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Douglas Fletcher
Chairman

Present Basic salary	\$71,602 p.a.	-	(Max. EMG	\$ 7 1 , 5 5 3 at 1/8/88)
Ministers of State	\$62, 652	-	8 7 . 5 %	of Cabinet Minister
Parliamentary Secretaries)				
Leader of the opposition)	\$53,700	-	75%	“ “
Speaker of the House)				

Deputy Speaker	\$ 48,336	- 67.5 %	“	“
Other Members of Parliament	\$ 44,760	- 62.5 %	“	“

HOUSING

Cabinet Ministers \$8,000 per month

Ministers of State \$6,000 “ “
Parliamentary Secretaries@

Houses owned and occupied by)
Ministers, Ministers of)
State and Parliamentary) \$5,000 “ “
Secretaries)

Parliamentarians w.e.f 1st July 1987 benefit from the following allowances:

Constituency Expenses \$28,500 per annum
Constituency Travel \$ 6,873 “ “

NEW SALARIES FOR PERMANENT SECRETARIES

<u>1/1/90</u>	<u>1/8/90</u>
\$203,977-254,739	\$224,375-,280,046

Includes 15% for Housing

APPENDIX I

NOTE ON PARLIAMENTARY SALARIES

Cabinet decided in September 1989 that the relations as in percentage terms established by the Sasso Committee in respect of Cabinet Ministers and other Parliamentarians should be restored with effect from the 1st of April 1989.

This had the effect of increasing the basic salaries of Ministers of State and other Parliamentarians as set out below. These salaries had not kept pace with the salaries of Cabinet Ministers which moved from \$40,000 as at the 1st April 1985 to the present level of \$71,602.

The intention was that Cabinet Ministers would receive \$52 p.a. more than the maximum of a Permanent Secretary. But this formula was not applied when Permanent Secretaries received an increase in July 1989. And they are presently to receive another increase of a much more substantial nature, with effect from the 1st January 1990.

Set out below are the present basic salaries of Parliamentarians, excluding the Prime Minister and Deputy Prime Minister, as well as Housing allowances and Constituency expenses and travel allowances.

The other allowances are set out on the attached sheets. It will also be observed from the information below that the maximum of the Permanent Secretary grade will move to \$280,046 with effect from the 1st of August 1990. This figure, however, will include all allowances except travelling.