
STATES OF JERSEY



STATES MEMBERS' REMUNERATION REVIEW BODY: RECOMMENDATIONS FOR REMUNERATION BEYOND THE 2022 GENERAL ELECTION

Presented to the States on 22nd July 2019
by the Privileges and Procedures Committee

STATES GREFFE

REPORT

The States Members' Remuneration Review Body has submitted a report to the Privileges and Procedures Committee (PPC) on States Members' remuneration, which PPC is required to present forthwith to the States. The report is published with this document as an **Appendix**.

The Review Body's recommendations on Members' pay – not including the introduction of differential pay – will be implemented automatically unless a States Member brings a Proposition within the next month to annul or vary a recommendation and that Proposition is adopted by the States.

PPC had already agreed that a pension scheme for Members is long overdue and funding for a pension scheme has been included in the States Assembly's budget for 2020 in the forthcoming Government Plan. Support for this position from SMRRB is welcome.

The recommendation that the Chief Minister, Ministers and the President of the Chairmen's Committee should receive an additional allowance cannot happen without a change to the primary legislation which currently requires all States Members to be paid the same.

Although there are aspects of the Review Body's report we welcome, we continue to have questions about the methodology used by the Review Body. We also think that the time is ripe to consider whether the current arrangements for setting States Members' pay are in tune with international best practice. We therefore intend to commission a review of how States Members' pay is determined and the report before us. We will provide further details of this review in due course.

The report does represent a shift on the part of the Review Body from the prescribed course it inherited and which would have prolonged an unreasonable and damaging stagnation. For this and for their care and attention and time and effort, PPC records its grateful thanks to the members of the Review Body.

STATES MEMBERS REMUNERATION REVIEW BODY

Recommendations for States Members' Remuneration
beyond the 2022 General Election

Executive Summary

The States Members' Remuneration Review Body is the independent, objective and impartial body established to make recommendations on any matters relating to the remuneration of States Members, as it considers appropriate. Its recommendations are presented to the States through the Privileges and Procedures Committee.

The SMRRB's recommendations on base remuneration and expenses are to be implemented automatically, unless a proposition seeking a debate is lodged 'au Greffe' within one month of the date of their presentation to the States. Recommendations on other matters require the specific agreement of the States.

The SMRRB is presenting this report recommending changes to the remuneration of States Members, predominantly to follow the 2022 general election.

The SMRRB's terms of reference require it to have particular regard to, but not be bound by:

1. Entry-level remuneration for those considering standing for election to the States: *"...the level of remuneration available to elected members should be sufficient to ensure that no person is precluded from serving...by reason of insufficient income..."*
2. Affordability including considerations of: *"...the economic and fiscal position prevailing in Jersey, any budgetary restraints...and the States' inflation target..."*

In formulating its recommendations, the SMRRB has taken account of relevant pay levels in Jersey, international practice for politicians' remuneration, the outcomes of opinion surveys, and the views of current and former States Members. It has struck what it considers to be an appropriate balance between solutions that it might consider ideal and solutions that it considers affordable in the prevailing financial climate.

Summary of Recommendations

	Current level	Recommendation	Rationale for Recommendation
Base Remuneration	£46,600 <i>(set in 2014)</i>	£50,000 <i>(£48,000 from 1.6.20)</i>	70 th to 75 th percentile (%tile) of local earnings distribution
Allowance for Ministers and Head of Scrutiny	£0	£7,500	80 th to 85 th %tile locally and international norms
Allowance for Chief Minister	£0	£15,000	85 th to 90 th %tile locally and international norms
Pension	None	Up to 10% of base remuneration	Local professional practice and international norms
Social Security	-	Compensatory Payment	Correction of Tax Anomaly
Failure to secure re-election	One month's salary	Statutory redundancy framework principles	Equity

Money values are per year; recommendations are to be effective from 1st June 2022 unless otherwise stated

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Introduction

The States Members' Remuneration Review Body (SMRRB)

The SMRRB is the independent, objective and impartial body established by the States of Jersey Assembly (**the States**) to recommend on any matters relating to the remuneration arrangements for elected members of the States (**States Members**).

The SMRRB was set up in 2004, establishing a process whereby States Members could no longer be seen to directly determine their own pay. Its members are selected through a process supervised by the Jersey Appointments Commission, and appointed by the Privileges and Procedures Committee (**PPC**) following referral to the States. SMRRB members responsible for this report are Gerald White (chair), Ian Black, Louise Read, Nicola Santos-Costa and Andrew Wicks.

The SMRRB's terms of reference (Appendix 1) are those of a wide-ranging and free-thinking body. They empower the SMRRB to recommend on any matters relating to the remuneration arrangements for States Members as it considers appropriate. They require it to have particular regard to, but not be bound by:

1. Entry-level remuneration for those considering standing for election to the States: *"...the level of remuneration available to elected members should be sufficient to ensure that no person is precluded from serving...by reason of insufficient income..."*
2. Affordability including considerations of: *"...the economic and fiscal position prevailing in Jersey, any budgetary restraints...and the States' inflation target..."*

The SMRRB's recommendations are submitted to the States through the PPC. Recommendations on base remuneration and expenses are to be implemented automatically, unless a proposition seeking a debate is lodged 'au Greffe' within one month of the date of their presentation to the States. Recommendations on other matters require the specific agreement of the States.

Implementation of the recommendations in this report for allowance payments to Members appointed as Chief Minister, Ministers, and the President of the Scrutiny Chairs Committee, require the rescindment of Article 44 of the States of Jersey Law 2005, which states that all States Members must receive the same amount of remuneration.

Previous SMRRB Recommendations

Recent recommendations of the SMRRB and their outcomes include:

- In 2017, the SMRRB recommended that States Members' pay should remain unchanged at £46,600 per annum during the 2018 – 2022 States' electoral term. No proposition seeking a debate on this recommendation was lodged 'au Greffe' and therefore, in accordance with the SMRRB's terms of reference, the recommendation was implemented automatically.
- Also in 2017, the SMRRB recommended that the role of Chief Minister should receive a supplementary payment of £7,500 per annum, in recognition of its additional scope and responsibilities. This recommendation required the rescindment of Article 44 of the States of Jersey Law 2005, which states that all States Members must receive the same amount of remuneration. Following a tied vote in the States Assembly this recommendation could not be implemented.
- In 2015, the SMRRB recommended that States Members should receive a matched contribution to a pension scheme, at a cost of up to 10% of their remuneration. PPC applied for funding of this proposal through the States budgeting process. The funding application was debated in the States Assembly but denied by a vote of 39 to 1. Therefore the recommendation could not be implemented.

The values of States Members' remuneration and expenses allowances for the years 2005 to 2022 are listed at Appendix 2.

The SMRRB's Approach to this report

Frequency of Reporting

The SMRRB, prior to submitting its 2017 report, decided that it should produce one comprehensive report during each 4-year States electoral term, with recommendations to take effect for the following term.

This decision was taken on the basis of the benefits that would result, notably:

- Politicians would need to be re-elected before any revisions to their remuneration arrangements were implemented.
- Anyone considering standing for election would be clear as to the level of remuneration that would apply should they be elected.
- The publicity often associated with any proposal to increase politicians' pay would be restricted to one occasion per 4-year electoral term.

In adopting this approach, the SMRRB anticipated the continuation of a low inflation environment, and of pressure on public finances, during 4-year electoral terms. It acknowledged that were these not to be the case, or in other exceptional circumstances, it would consider reviewing its recommendations during the course of an electoral term.

This report follows the approach adopted in 2017, in recommending changes to remuneration arrangements for States Members predominantly to follow the 2022 general election.

Guiding Principles

Following its failure to secure States Assembly agreement to some of its recent recommendations, the SMRRB has approached this report afresh, from an objective and impartial perspective, unconstrained by previous SMRRB recommendations or States decisions.

The SMRRB has adopted three guiding principles in its approach to this report:

- Wide-ranging
- Data-driven
- Opinion-tested (not opinion-driven)

Organisation of Work

The SMRRB has organised its work on this report into distinct work-streams:

Local Comparators

- Pay movement by sector, median, mean, living and minimum wage, and Jersey RPI, since States Members' pay was last increased in 2014
- Placement of States Members' current pay of £46,600 as a percentile within Statistics Jersey's individual employment earnings database
- Comparison against percentiles within the available local data

International Comparators

- Comparator selection based on population and economic activity of each jurisdiction
- Comparison of the relative value that each jurisdiction places on politicians' work
- Comparison of components and features of remuneration and expense packages

Opinion Surveys (by local firm 4insight)

- Focus Groups - to inform Public Opinion Survey design
- Public Opinion Survey

States Member Engagement

- States Greffe 2017 survey
- States Greffe 2018 survey of retirees from the States
- States Greffe 2019 survey of new Members to the States
- Opinion Survey of States Members by 4insight.

Recommendations

In formulating its recommendations, the SMRRB has taken account of relevant pay levels in Jersey, international practice for politicians' remuneration, the outcomes of opinion surveys, and the views of current and former States Members.

The SMRRB has struck what it considers to be an appropriate balance between solutions that it might consider ideal and solutions that it considers affordable in the prevailing financial climate.

Thanks

The SMRRB would like to take this opportunity to thank all those who have contributed to its work, either directly or through responding to the opinion surveys.

The Role of a States Member

The role of a States Member is different from most other roles. States Members are elected as individuals. Once elected, they do not have a “boss”, nor are they set formal achievement objectives. The role has no agreed job description and no stated threshold requirements for qualifications, skills or experience.

The role of a States Member includes work in the States Assembly, work in States committees and advisory bodies, policy work, constituency work and other commitments. While States Members have fixed demands in their diaries, they have discretion as to the amount of the remainder of their time that they dedicate to States business.

In order convey the SMRRB’s understanding of the role of a States Member, we have identified key components of the role which seem important to us. To help in this task, we have taken into account a proposition lodged by PPC on 29th March 2018, discussion with States Members, views of SMRRB members, and matters discussed at focus groups conducted in March 2019. We have attempted to identify at high level the most important components and accountabilities of a States Member’s role. Our objective has been to capture its essence, and to provide a basis for focus and prioritisation across the multiplicity of inputs faced by States Members and by anyone seeking to more fully appreciate the nature of the role.

We have sought to identify components applicable to an elected Member of the States Assembly. We have not addressed responsibilities conferred by appointments to government, scrutiny, or other States’ functions, nor the parish responsibilities of States Members who are parish Connetables.

Member of the States Assembly: Key Components of the Role

1. Identify and engage available channels of influence in government, to further the development of policy in favour of the personal or party manifesto promises against which the Member sought election to the States.
2. Represent, defend and promote the interests of the people of Jersey, with particular focus on the interests of residents of the constituency which the Member represents in the States.
3. Play an active and constructive role in the governance of the Island, strategically, tactically and operationally, at all times acting in good faith, whether appointed to a Government role or to a Scrutiny panel or other committee, or as a back-bencher.
4. Work to ensure that the States Assembly functions effectively and efficiently as the Island's legislature and gives voice to the diverse interests of people in Jersey.
5. Initiate, seek to amend and review legislation to help maintain a continually relevant and appropriate body of Jersey law.
6. Hold the Government of Jersey to account for policy and spending decisions, within the formal processes of Scrutiny or otherwise, by surfacing and highlighting areas of concern, with particular focus on achieving good value, efficiency, relevance and appropriateness in the deployment of financial and other resources.
7. Provide direct assistance to individual constituents, to progress and help resolve their issues and problems, using knowledge of Jersey's governmental and other institutions to connect individuals with relevant service providers and sources of professional help and guidance.
8. Identify apparently adverse impacts on individuals of, or inadequacies in, government policy or service provision, and engage with the relevant policy development or service review processes to secure improvement.
9. Continuously develop own knowledge, skills and network of contacts in the Island, and proper knowledge of its characteristics, to identify and understand issues currently or potentially affecting Jersey, and to contribute effectively to Assembly debates and other proceedings on those issues.
10. Further the best interests of the Island generally, defending its justified reputation and acting as an ambassador for Jersey, its people, and the States Assembly, when presented with the opportunity to do so.
11. Undertake the duties of a States Member with particular regard to the most vulnerable members of the community, including the Island's children and other people for whom the States of Jersey has a duty of care.

States Members' Current Remuneration

Basic Remuneration

States Members' current basic remuneration is £46,600 p.a., an amount unchanged since 2014.

All States Members receive this same amount, irrespective of their role, an arrangement mandated in Law (Article 44 of the States of Jersey Law 2005).

Pension

No pension provision is made for States Members.

Social Security

States Members are neither employees nor self-employed in law; by concession they pay "employee" Social Security contributions as if they were employees and the States pays each Member's "employer" contribution on their behalf.

Expenses

States Members' expenses incurred on States business are reimbursed in the same manner as those of States employees.

States Members may claim income tax relief for office and similar personal expenses incurred in discharging their role as a Member; by convention the Comptroller of Taxes automatically accepts such claims up to £3,650 p.a.

Until 2014, States Members received an amount of basic remuneration supplemented by a fixed personal expenses allowance. This no longer applies, because from 2014 the two amounts were merged into a single sum of "remuneration" – Appendix 2.

Other Benefits

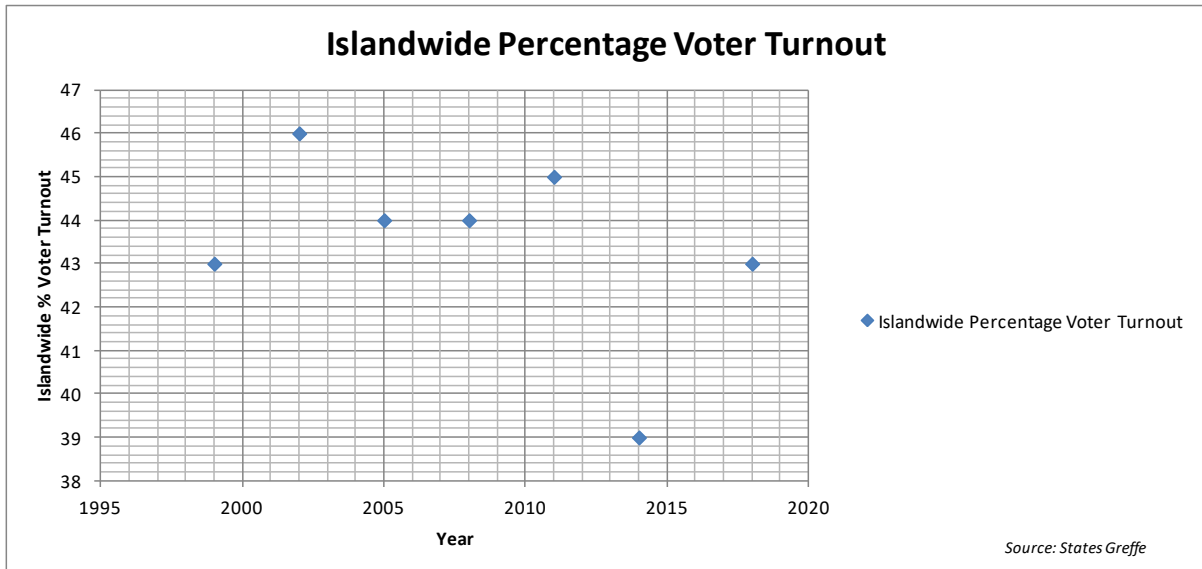
States Members may apply for a free permit, enabling them to park in any States public car park, for their sole use in conjunction with their official duties.

On ceasing to hold office States Members are entitled to receive a payment of one month's remuneration as compensation for loss of office.

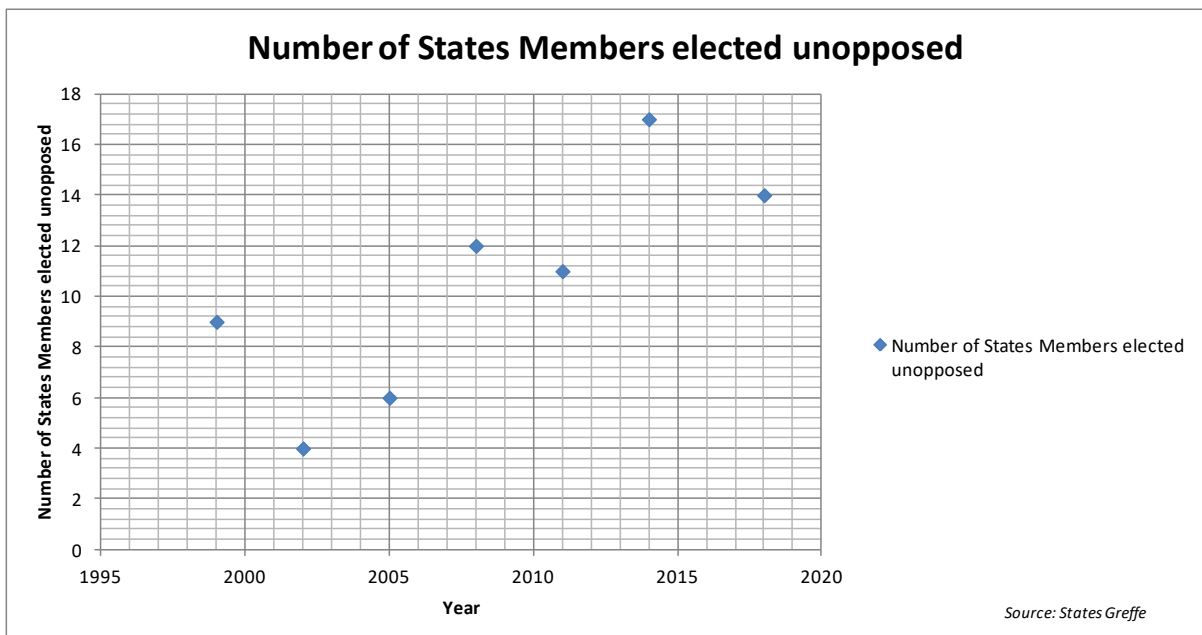
Research and Findings

Recent Election Trends – Voter Turnout and Unopposed Elections

Island-wide voter turnout remains below 50%, a matter of concern highlighted in the ComRes report commissioned by the States and published in November 2018.



The number of States Members elected unopposed has increased.



The SMRRB is concerned that these trends risk the development of a “democratic deficit” in Jersey, whereby:

- Insufficient candidates with the necessary skills may put themselves forward for election.

- Unopposed elections may lead to the presence in the States of Members lacking democratic legitimacy.
- The population may become apathetic towards and disengaged from politics.

Findings

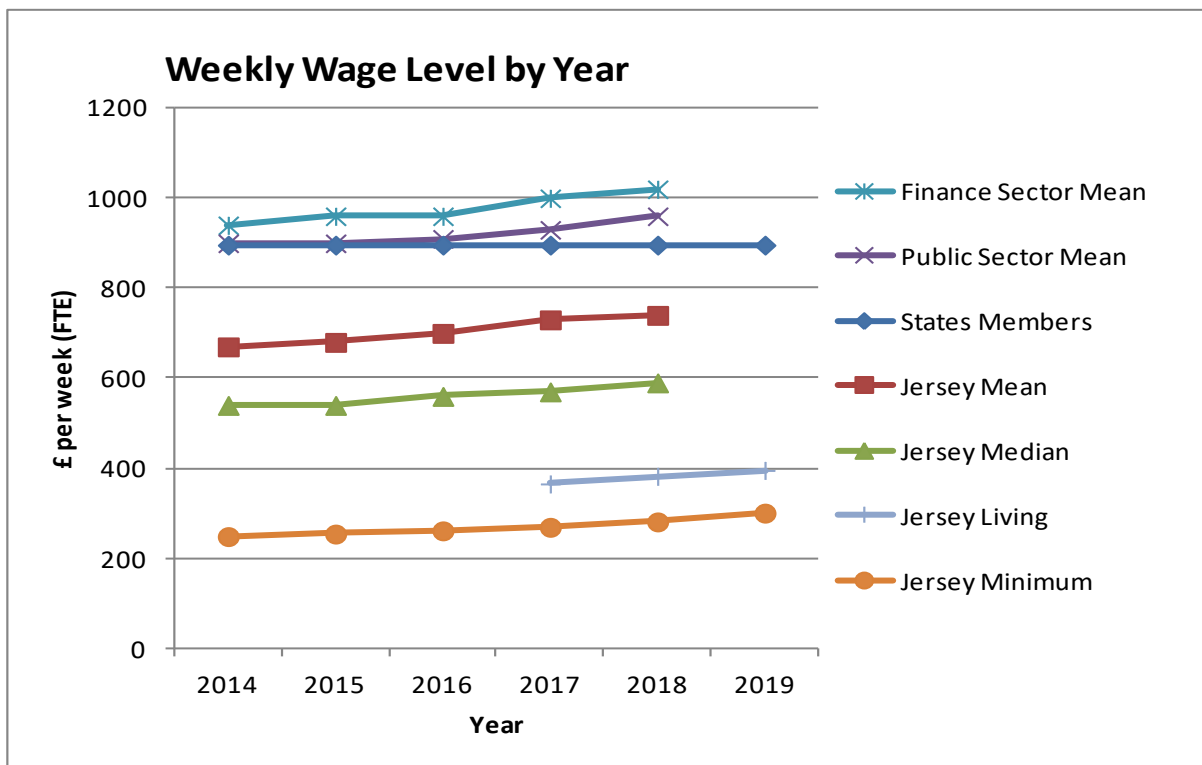
It is an open question as to whether an increase in the remuneration available to States Members, or a more stepped approach to Members’ remuneration, could help address these issues through encouraging more people with the necessary skills to stand for election (or re-election).

Local Comparators

Comparison against pay movements within sectors of Jersey’s economy, and of published benchmark levels, is possible, as is the positioning of States Members’ pay within the local individual earnings database compiled by Statistics Jersey. It is not feasible to attempt any form of like-for-like local benchmarking analysis given the unique nature of the role of a States Member in Jersey.

Pay and Index Movements

Movements in local indices since States Members last received a pay increase in 2014 indicate the extent to which States Members pay has fallen relatively in that period:



Jersey RPI at end-March increased from 157.9 to 177.3 between 2014 and 2019 (12.3%).

Positioning within the Jersey individual earnings database

Analysis of information on individual employment earnings in Jersey, extracted from the Jersey Income Distribution Survey database compiled by Statistics Jersey (last surveyed in 2014/15 but statistically updated since), shows the following percentile levels for individual annual employment earnings in Jersey as at June 2018:

	Percentile	Annual Income
	50 th	£30,680
	66.7 th	£42,000
	70 th	£44,900
Current States Members Pay:	72nd	£46,600
	75 th	£49,800
	80 th	£54,600
	85 th	£62,500
	90 th	£76,200

Explanation A “percentile” is a way of describing the rank of a number within a set of numbers:

- The 50th percentile (also “median”) is the middle value: 50% of the values in the set of numbers are higher than the 50th percentile, 50% are lower;
- The 75th percentile (also “upper quartile”) is the three-quarter value: 75% of values in the set of numbers are lower than the 75th percentile, 25% are higher;
- The 25th percentile (also “lower quartile”) is the one-quarter value: 25% of values in the set of numbers are lower than the 25th percentile, 75% are higher.

Percentiles (in particular the median and quartiles) are used as a standard basis for comparison against remuneration databases in commercial remuneration surveys. The arithmetic mean is rarely used – it is considered an inappropriate measure for a distribution that is naturally skewed, and it is subject to excessive influence from “outlier” data – unusually high or low data points.

Statistics Jersey advises, in relation to its Jersey Income Distribution Survey data:

“The distribution of income is unequal (skewed) due to a few households having very high incomes, so the median is a particularly meaningful average measure as it is not influenced by extreme values.”

Findings

Using the percentile basis, States Members’ pay was at the **72nd percentile** of individual employment earnings in Jersey in 2018. That means that in 2018 it was higher than 72% of individual employment earnings in Jersey.

International Comparators

The primary purpose for comparing Jersey States Members' remuneration arrangements against international comparators is not to compare absolute values, but to understand the relative value that each jurisdiction places on its politicians, in relation to its community as a whole. The validity of this approach rests on an assumption that the role of a politician across jurisdictions is broadly similar.

The SMRRB has identified a comparator group of jurisdictions that it considers appropriately similar to Jersey, most having a substantial financial services sector:

- Bermuda
- Gibraltar
- Guernsey
- Ireland
- Isle of Man
- Luxembourg
- Scotland
- Singapore
- UK
- Wales

The key points of comparison for the purposes of this report are:

- Member pay vs. local Minimum Wage
- Member pay vs. local Median Wage
- Minister (or equivalent) pay vs. Member pay
- Chief Minister (or equivalent) pay vs. Member pay

Findings

The findings from these comparisons have been analysed in both **rank order** terms and **quartile** terms. They are summarised below, with more detail provided in the tables at Appendix 3.

Base Remuneration

- Jersey States Members' basic remuneration in relation to Jersey Minimum Wage is **in the lower half** of the international comparator group, **close to lower quartile*** in value.

**an explanation of quartiles, median and percentiles is provided on the previous page.*

- Jersey States Members' basic remuneration in relation to Jersey Median Wage is **in the lower half** of the international comparator group, **below lower quartile** in value.

- Jersey is the **only** jurisdiction in the international comparator group that does not pay its Ministers (or equivalent) more than its Members, placing Jersey **last in the group** on the value of remuneration received by a Minister on top of his/her pay as a Member.
- Jersey is the **only** jurisdiction in the international comparator group that does not pay its Chief Minister (or equivalent) more than its Members, placing Jersey **last in the group** on the value of remuneration received by a Chief Minister on top of his/her pay as a Member.
- If the cost of pension and fixed allowances are added to basic remuneration, **Jersey's position falls** relative to the comparator group on all of the above measures.

Pensions

- Jersey and Guernsey are the **only** jurisdictions in the international comparator group that make no pension provision for elected politicians, placing them **last in the group** on this feature of remuneration (employment pensions are not normal in Singapore or Luxembourg due to generous mandatory state arrangements).

Expenses

- The international comparator data revealed widely differing practices relating to the availability and rules for fixed expense allowance (which was merged with “remuneration” in Jersey from 2014 – Appendix 2), reimbursable expense categories, and provision of “tools of the trade” for elected politicians. Some are applicable only to large jurisdictions, where a parliament is located beyond commuting distance from a politician’s home. The data is insufficient to support a change to Jersey’s current arrangements in principle; in practice the SMRRB would expect that the basis for the acceptability of categories of reimbursable expenses claims by States Members will be kept under regular review by PPC and the States Greffe, along with the provision of support services for States Members.

The SMRRB has found these international comparators helpful to informing its recommendations, but has adopted a cautionary approach to their interpretation. Each jurisdiction’s history, laws, practices, culture, and expectations for political service, have developed separately one from the other, and the SMRRB has tailored its recommendations accordingly.

Rationale for Recommendations

Member Basic Remuneration: Increase from £46,600 p.a. to £50,000 p.a. from 1st June 2022 (with an interim increase to £48,000 p.a. from 1st June 2020)

The terms of reference of the SMRRB (Appendix 1) require it to consider in particular the entry-level remuneration for those considering standing for election “*...to ensure that the level of remuneration available to elected Members should be sufficient to ensure that no person is precluded from serving as a Member of the States by reason of insufficient income and that all elected Members should be able to enjoy a reasonable standard of living*”.

In relation to **local comparators**, it is clear that **States Members’ basic pay has fallen, relative to other groups and local indices**, since 2014 when States Members’ pay was last increased - although that in itself would not be sufficient justification for an increase from 2022.

The SMRRB has determined that the most appropriate approach by which to address its terms of reference is to identify a broadly fair level for the role of a States Member within the distribution of individual employment earnings in Jersey.

This approach has the benefit of linking States Members’ pay to something over which they have a degree of control: their success or otherwise in protecting and developing the Island’s economy. If the economy prospers, the States will collect more in taxes to support spending on public services, incomes generally will rise, and States Members’ pay should be increased to maintain its position within the employment earnings distribution; if the economy declines, the reverse will be the case.

The SMRRB’s view is that **States Members’ pay should sit no lower than that of 70% of individual employment earnings in Jersey, and no higher than 75%**. We believe that this positioning, being a rate of pay higher than 70% to 75% of individual employment earnings, meets the requirement of our terms of reference for those entering elected service that “*no person is precluded from serving as a Member of the States by reason of insufficient income and that all elected Members should be able to enjoy a reasonable standard of living*”.

In 2018 the 70th and 75th percentiles of the individual employment earnings distribution stood at £44,900 and £49,800 respectively. We judge that the 75th percentile will have increased to above £50,000 by June 2022 (the start of the next States electoral term). **We recommend an increase in States Member’s basic remuneration to £50,000 from 1st June 2022.**

The SMRRB would expect that during a four-year States electoral term, a pay level set near the 75th percentile at the beginning of the term will often not have fallen below the 70th percentile by the end of the term; if it drifts too close to that level, a mid-term review of States Members’ pay may be appropriate.

States Members' pay is currently £46,600, which places it at the 72nd percentile of the 2018 individual employment earnings distribution. We judge that it is likely to fall below the 70th percentile before the end of the current electoral term in 2022. **We recommend an interim increase in States Member's basic remuneration to £48,000 from 1st June 2020**, being the half-way point of the current term.

In relation to **international comparators**, there is a need, when drawing conclusions, to respect local cultural fit, especially Jersey's historic tradition of honorary service, and to acknowledge the relative scale of Jersey relative to some of the international comparator group. Having taken these factors into account, the SMRRB has concluded that the relative value placed by Jersey on its States Members' remuneration has nevertheless **fallen too far behind international comparator practice for comfort**.

Our recommendations, while based primarily on local comparators, will correct this shortfall against international comparators to an extent. Jersey will still fall below the middle of the ranked sequence of the international comparator group, and States Members' pay in relative terms will remain below median practice in all cases, and in some cases below lower quartile (Appendix 3).

Ministers and President of Scrutiny Chairs Committee: as per Members plus an allowance of £7,500

The SMRRB's view is that Ministers should be paid more than States Members, to reflect the impact of their decisions on the Island and on Islanders, their duties of public accountability, and the demands of the role on their time. **This approach is consistent with practice in all jurisdictions in the international comparator group, and mirrors employment practice locally.**

It follows that it is necessary to identify a broadly fair level for the role of Minister within the distribution of individual employment earnings in Jersey. The SMRRB's view is that **Ministers' pay should sit no lower than that of 85% of individual employment earnings in Jersey, and no higher than 90%**, between the 85th and 90th percentiles of the Jersey individual employment earnings distribution (these percentiles were £62,500 and £76,200 respectively in 2018). This degree of uplift on top of States Members' pay would place Jersey at the low end of international comparator practice. It would create headroom, between the pay levels for Members and for Ministers, sufficient to inform consultations in the future about differential pay levels for States roles that sit between the two.

The SMRRB's terms of reference (Appendix 1) require it to have particular regard to ... ***"the economic and fiscal situation prevailing in Jersey, any budgetary restraints on the States of Jersey, and the States' inflation target, if any, for the period under review."***

In consideration of this requirement, we have limited our recommendation for Ministers from 2022, on grounds of affordability, to between the **80th and 85th percentiles** of the individual employment earnings distribution (£54,600 and £62,500 respectively in 2018).

We recommend an increase in Minister's pay to £57,500 from 1st June 2022, to be delivered in the form of a non-pensionable allowance of £7,500 p.a. in addition to their basic pay of £50,000 as a

States Member, for the duration of their appointment. This should also apply for the role of President of the Scrutiny Chairs Committee.

This uplift of 15% on top of States Members' pay will be the **lowest % uplift from Member to Minister in the international comparator group** (Appendix 3).

Chief Minister: as per Members plus an allowance of £15,000.

The SMRRB's view is that the Chief Minister should be paid more than Ministers, to reflect the greater scope of the role. **This approach is consistent with practice in all jurisdictions in the international comparator group, and mirrors employment practice locally.**

As we have for Ministers, we have limited our recommendation for Chief Minister on grounds of affordability. **We recommend an increase in the Chief Minister's pay to £65,000 from 1st June 2022**, to be delivered in the form of a non-pensionable allowance of £15,000 p.a. in addition to his/her basic pay of £50,000 as a States Member, for the duration of his/her appointment.

This uplift of 30% on top of States Members' pay will place the Chief Ministers' pay between the **85th and 90th percentiles** of the Jersey individual employment earnings distribution (£62,500 and £76,200 respectively in 2018). It will be the **lowest % uplift from Member to Chief Minister in the international comparator group** (Appendix 3).

Patronage

The SMRRB is aware of persisting reservations within the States Assembly about the concept of differential pay.

Some of these reservations stem from concern about patronage: a Minister might feel pressured, for fear of losing his/her appointment and the additional pay that goes with it, not to argue as strongly as he / she otherwise might against the views of the Chief Minister, or against the prevailing view within the Council of Ministers.

The SMRRB's view is that arguments against differential pay, based on concern about patronage, no longer carry the weight they may have done in the past, having largely been overtaken by events:

- Ministers are elected by the States Assembly, substantially limiting the potential for acts of patronage by the Chief Minister
- Ministers who have been relieved of their duties are not precluded from standing for re-election for the same ministerial post
- Adherence to collective responsibility is no longer a pre-requisite for remaining in a Ministerial role.

Pensions: provision to be made at a cost of up to 10% of a States Member’s basic remuneration

The SMRRB most recently recommended the introduction of pension provision for States Members in 2015.

There followed a PPC-led consultation with States Members, after which PPC requested a growth item of £100,000 annually through the States budgetary process. The SMRRB's understanding is that this figure derived from an estimate by PPC, having taken into account the projected take-up rate among States Members for a voluntary scheme comprising Members’ contributions and States’ contributions each up to 10% of a Member's remuneration. The growth request was not agreed by the States - by 39 votes to 1.

Pension provision was not subject to an explicit recommendation in the SMRRB's 2017 report, following the strength of the States vote against the funding of its 2015 recommendation on pensions.

The lack of any pension provision for States Members is an anomaly when compared against:

- international practice for the remuneration of elected politicians;
- local practice in professional employment.

The SMRRB is persuaded that lack of pension provision for States Members acts as a disincentive for people with appropriate skills, who enjoy pension provision in their current employment, to stand for election to the States. Pension provision is classed as deferred remuneration, therefore **this outcome undermines the intent of the SMRRB’s terms of reference** in relation to entry-level remuneration for those considering standing for election: *“...to ensure that the level of remuneration available to elected Members should be sufficient to ensure that no person is precluded from serving as a Member of the States by reason of insufficient income”*.

The SMRRB’s view is that this anomaly should be corrected. **We repeat the SMRRB’s 2015 recommendation that pension provision be introduced for States Members**, up to a cost of 10% of States Members’ basic remuneration. This level is common in local professional employment practice, and sits below the median cost of 12.5% for pension provision in the international comparator group.

Taxation of the “employer” contribution on States Members’ remuneration as a “benefit in kind” to be compensated retroactively to 1st June 2018.

States Members are office-holders; they do not ‘work’ for the States and are not employees in law. For Social Security purposes States Members are classed as self-employed, but they receive reimbursement of the “employer” element of self-employed Social Security contributions. This, together with the “employee” element (deducted from their monthly pay) is paid to Social Security on their behalf as if they were employees.

The reimbursement of the “employer” element has recently been clarified as taxable in States Members’ hands as a “benefit in kind”.

The obvious intent in reimbursing the “employer” element was to put States Members in as similar a position as possible to that of employees regarding Social Security, an intent that has been frustrated by the recent tax clarification. The SMRRB’s view is that this intent should be restored.

We recommend that States Members receive a supplementary monthly sum of 20% of the “employer” element of Social Security, calculated on their earnings as States Members, applied retroactively from 1st June 2018 (to coincide with the start of the current States electoral term).

This payment should not be considered an additional cost, as it is funded within the States overall budget by income from the recently clarified “benefit in kind” taxation.

Loss of Office Compensation: calculation to be amended consistent with the principles of Jersey’s statutory redundancy framework, and be limited to Members who stand for but fail to secure re-election.

On ceasing to hold office, for whatever reason, States Members are presently entitled to receive compensation of one month’s pay.

The SMRRB’s view is that it is not appropriate to compensate States Members who have planned not to seek re-election, as they have effectively resigned their position with notice.

The SMRRB considers that a one month payment is insufficient compensation for a long-serving Member who has sought but not achieved re-election. It amounts to inequitable treatment when compared to the statutory framework that applies for Islanders in permanent or fixed-term employment of at least two years (being one week’s basic pay - currently capped at £740 - per year of service).

We recommend that the calculation of loss of office compensation for States’ Members be consistent with the principles of Jersey’s statutory redundancy framework and be set at one month’s basic remuneration per 4 years’ continuous service from 2022 (subject to a minimum of two years’ service and pro-rated as necessary). Entitlement to loss of office compensation should be restricted to those Members who stand for but fail to secure re-election at a general election.

Affordability

The terms of reference of the SMRRB (Appendix 1) require it to have particular regard ***“to the economic and fiscal situation prevailing in Jersey, any budgetary restraints on the States of Jersey, and the States’ inflation target, if any, for the period under review”***.

When considering affordability, it is important to relate the cost of doing something to the merits of the arguments for doing it. If those arguments are sound, then the relevant balance is between the cost of taking the action, and the cost of the opportunity foregone by not taking the action.

If fully justified, an additional cost represents an investment in the future, not a burden.

The additional annual cost of the SMRRB’s recommendations from 2022 would be:

Basic Pay increase from £46,600 to £50,000 x 49 States Members	£166,600
Ministers and President of Scrutiny Allowance, £7,500 x 11	£82,500
Chief Minister Allowance, £15,000 x 1	£15,000
Pension, 10% x £50,000 x 49 States Members = £245,000 x 60% estimated take up rate	£147,000
Total	£411,100

The benefits foregone by not implementing these recommendations include:

- States Members will not receive the increased remuneration which the SMRRB considers justified by both local and international benchmarks.
- Jersey will remain an isolated example among its international peers in not rewarding those Members bearing the most responsibility with higher pay.
- Jersey will remain in a small minority of jurisdictions that make no pension provision for its politicians, creating a significant barrier to entry for some potential election candidates who enjoy pension provision in their current employment.
- The relative unattractiveness of a career in Jersey politics for some potential election candidates, especially those who earn more than States Members’ basic pay, will remain unchanged.

The SMRRB has derived its recommendations in accordance with its terms of reference from the available reference data, interpreted in the relevant context. It considers the recommendations to be appropriate, necessary and an affordable investment in the Island’s future.

Surveys

The terms of reference of the SMRRB require it to “...**take any steps it considers necessary to gauge public opinion on the matters within its purview**” and to “...**seek the opinion of members of the States from time to time as it considers appropriate**”.

Public Opinion Survey

4insight Public Opinion Survey

The SMRRB engaged 4insight, a Jersey based, professional and independent research company, to test the public’s understanding and acceptance of a number of potential approaches to States Members’ remuneration.

4insight conducted two focus groups in March 2019, designed to elicit a range of opinion to inform the content of a succinct but representative public opinion survey, to be delivered primarily on-line in May 2019. The focus groups each comprised 8 contributors, selected to broadly represent Island demographics, drawn from 4insight’s standing panel. Each focus group met for around 90 minutes.

The executive summary from 4insight’s public opinion survey is at Appendix 4. The full results are published on the States Greffe website, and the SMRRB encourages readers of this report to review the separately-published public opinion survey results alongside this report.

Findings drawn from the 1,215 responses to the public opinion survey are:

- 50% believed that States Members’ basic pay should remain unchanged from 2022, and 30% that it should be increased
- 40% believed that all States Members’ should be paid the same as each other, and 50% do not
- After deeper questioning, 56% believed that States Members’ pay should be higher for those with more responsibility, and 37% that it should continue to be the same for all Members
- 39% believed that pension provision should be made for States Members, and 51% do not

The on-line public opinion survey, intended to provide a sense of the direction and extent of the public’s views about States Members’ pay, was designed to capture pre-existing opinion, not to solicit a considered view based on an understanding of all of the data and argument presented in this report.

States Members Surveys

4insight States Members Opinion Survey

4insight's May 2019 on-line public opinion survey was open to States Members, and advertised to them by the States' Greffier. Their responses were segregated and analysed separately from those of the general public.

Findings drawn from the 15 responses (out of 49 States Members) are:

- 13% believed that States Members' basic pay should remain unchanged from 2022, and 80% that it should be increased
- 33% believed that States Members' pay should be higher for those with more responsibility, and 67% that it should continue to be the same for all Members
- 64% believed that pension provision should be made for States Members, and 36% do not

Other surveys recently conducted by the States Greffe include:

Motivation to stand for election to the States

In late 2017, the States Greffe interviewed or surveyed seven sitting States Members about why they stood for election, the difficulties they encountered, and their views on why people chose not to participate in politics in Jersey.

Survey of new States Members

Thirteen people of the sixteen first elected to States Membership at the 2018 elections responded to a request from the SMRRB via the States Greffe to complete a short questionnaire about their reasons for seeking election.

Survey of retiring States Members

Seven people of the sixteen who retired as States Members at the 2018 elections responded to a request from the SMRRB via the States Greffe to complete a short questionnaire about their reasons for standing down.

The SMRRB's conclusions from these surveys are:

- remuneration was not the primary motivator for people seeking election to the States
- remuneration was a mid-rank concern in prompting retirements from States' service
- Acceptance of a particular level of remuneration by current or prior States Members does not provide insight as to its acceptability to people who might have considered standing for election but chose not to do so.

Please refer to Appendix 5 for more detail on these surveys.

Appendix 1: Terms of Reference of the SMRRB

1. The Review Body will make recommendations to the States, through the Privileges and Procedures Committee, on any matters relating to the remuneration and expenses of elected members as it considers appropriate.
2. The Review Body shall take any steps it considers necessary to gauge public opinion on the matters within its purview. Equally, the Review Body shall seek the opinions of members of the States from time to time as it considers appropriate.
3. In forming its recommendations the Review Body will take account of any matters that it considers to be relevant and will have particular regard to, but not be bound by, the following matters –
 - (i) the principles that the level of remuneration available to elected members should be sufficient to ensure that no person is precluded from serving as a member of the States by reason of insufficient income and that all elected members should be able to enjoy a reasonable standard of living, so that the broadest spectrum of persons are able to serve as members of the Assembly;
 - (ii) the economic and fiscal situation prevailing in Jersey, any budgetary restraints on the States of Jersey and the States' inflation target, if any, for the period under review.
4. The Review Body shall consist of 5 members, none of whom shall be a member of the States.
5. The members shall be appointed for a period of 5 years and shall be eligible for re-appointment for one additional 5 year term.
6. The members shall be appointed by the Privileges and Procedures Committee following requisite consultation with the Jersey Appointments Commission. Before making any appointments the Committee shall nevertheless be required to present a report to the States setting out the names of the proposed appointees and the appointments shall not be confirmed by the Committee until at least 15 days after the presentation of this report.
7. The Review Body shall appoint one of its members as Chairman.
8. The quorum of the Review Body is 3. Recommendations
9. The Review Body shall report its recommendations to the Privileges and Procedures Committee which shall present them to the States forthwith. R.18/2015 7
10. The Review Body's recommendations on the actual level of remuneration and expenses payable to elected members shall be implemented automatically unless a proposition seeking a debate on the recommendations is lodged 'au Greffe' within one month of the date of presentation.
11. The Review Body may make recommendations on other matters within its terms of reference to the Privileges and Procedures Committee but any such recommendations shall not be implemented until they have been agreed by the States.

Appendix 2

States Members' Remuneration and Expenses Allowances since 2005

As implemented (or recommended in this report):

Year	Remuneration	Expense Allowance	Total Available
2005	£36,568	£3,650	£40,218
2006	£37,486	£3,650	£41,136
2007	£38,422	£3,650	£42,072
2008	£39,382	£3,650	£43,032
2009	£40,382	£3,650	£44,032
2010	£40,382	£3,650	£44,032
2011	£41,182	£3,650	£44,832
2012	£41,182	£4,000	£45,182
2013	£42,000	£4,000	£46,000
2014	£42,600	£4,000	£46,600
2015	£46,600	£0	£46,600
2016	£46,600	£0	£46,600
2017	£46,600	£0	£46,600
2018	£46,600	£0	£46,600
2019	£46,600	£0	£46,600
2020 (recommended)	£48,000	£0	£48,000
2021 (recommended)	£48,000	£0	£48,000
2022 (recommended)	£50,000	£0	£50,000

Appendix 3/1 International Comparator Data Analysis - Rank Order

Member uplift vs. Minimum Wage	
BASIC PAY only	
Ireland	395%
UK	383%
Bermuda	340%
Wales	318%
Scotland	288%
I o M	251%
Jsy Rec	220%
Jersey	198%
Luxembou	196%
Gibraltar	153%
Guernsey	148%
Singapore	n/a

Member uplift vs. Minimum Wage	
BASIC + ALLOWANCES + PENSION	
UK	491%
Ireland	427%
Wales	401%
Bermuda	393%
I o M	367%
Scotland	338%
Jsy Rec	252%
Luxembou	239%
Jersey	198%
Gibraltar	178%
Guernsey	148%
Singapore	n/a

(Sing & Lux excl. pension)

Member uplift vs. Median Wage	
BASIC PAY only	
Singapore	294%
Ireland	172%
UK	162%
Wales	153%
Scotland	112%
I o M	85%
Bermuda	76%
Jsy Rec	63%
Jersey	52%
Luxembou	51%
Guernsey	20%
Gibraltar	n/a

Member uplift vs. Median Wage	
BASIC + ALLOWANCES + PENSION	
Singapore	524%
UK	220%
Wales	203%
Ireland	189%
I o M	146%
Scotland	140%
Bermuda	97%
Jsy Rec	79%
Luxembou	73%
Jersey	52%
Guernsey	20%
Gibraltar	n/a

(Sing & Lux excl. pension)

Minister uplift vs. Member	
BASIC PAY only	
Singapore	633%
Gibraltar	186%
Luxembou	146%
UK	90%
Ireland	79%
Wales	56%
Bermuda	50%
Scotland	47%
I o M	38%
Guernsey	35%
Jsy Rec	15%
Jersey	0%

Chief Minister uplift vs. Member	
BASIC PAY only	
Singapore	1043%
Gibraltar	273%
Luxembou	247%
Scotland	145%
Wales	119%
Ireland	111%
UK	101%
Bermuda	100%
Guernsey	76%
I o M	62%
Jsy Rec	30%
Jersey	0%

Jersey Current = Member £46.6k; Minister £46.6k; Chief Minister £46.6k; no pension

Jersey Recommendation = Member £50k; Minister £57.5k; Chief Minister £65k; 10% pension cost

Appendix 3/2: International Comparator Data Analysis – Quartile Analysis

Member uplift vs. Minimum Wage		Member uplift vs. Minimum Wage		Member uplift vs. Median Wage		Member uplift vs. Median Wage		Minister uplift vs. Member		Chief Minister uplift vs. Member	
BASIC PAY only		BASIC + ALLOWANCES + PENSION		BASIC PAY only		BASIC + ALLOWANCES + PENSION		BASIC PAY only		BASIC PAY only	
UK	383%	UK	491%	UK	162%	UK	220%	UK	90%	UK	101%
Bermuda	340%	Bermuda	393%	Bermuda	76%	Bermuda	97%	Bermuda	50%	Bermuda	100%
I o M	251%	I o M	367%	I o M	85%	I o M	146%	I o M	38%	I o M	62%
Scotland	288%	Scotland	338%	Scotland	112%	Scotland	140%	Scotland	47%	Scotland	145%
Guernsey	148%	Guernsey	148%	Guernsey	20%	Guernsey	20%	Guernsey	35%	Guernsey	76%
Luxembou	196%	Luxembou	239%	Luxembou	51%	Luxembou	73%	Luxembou	146%	Luxembou	247%
Wales	318%	Wales	401%	Wales	153%	Wales	203%	Wales	56%	Wales	119%
Ireland	395%	Ireland	427%	Ireland	172%	Ireland	189%	Ireland	79%	Ireland	111%
Gibraltar	153%	Gibraltar	178%	Gibraltar	n/a	Gibraltar	n/a	Gibraltar	186%	Gibraltar	273%
Singapore	n/a	Singapore	n/a	Singapore	294%	Singapore	524%	Singapore	633%	Singapore	1043%

(Sing & Lux excl. pension)

Comparator Markets Positions (taken from available data excluding Jersey)

Upper Quartile	340%	401%	162%	203%	132%	222%
Median	288%	367%	112%	146%	67%	115%
Lower Quartile	196%	239%	76%	97%	48%	100%

Jersey Current (Member £46.6k; Minister £46.6k; Chief Minister £46.6k; no pension)

Jersey Current	198%	198%	52%	52%	0%	0%
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Jersey Proposal (Member £50k; Minister £57.5k; Chief Minister £65k; 10% pension cost)

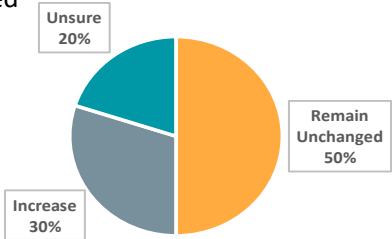
Jersey Recommendation	220%	252%	63%	79%	15%	30%
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Appendix 4: 4insight Public Opinion Survey – Executive Summary


The executive summary from 4insight’s public opinion survey is summarised below. The full survey report is published on the States Greffe website, and the SMRRB encourages readers of this report to review the separately-published public opinion survey alongside this report.

Executive Summary

When asked what they believed should happen, in principle, to the States Members basic pay package following the next election in 2022, **50%** of respondents believed that it should remain **unchanged**, whilst 30% believed that it should increase.



56% of people believed that States Members pay should be higher for those with more responsibility, with **76%** of those who thought that pay should be based on responsibility, believing that the **Chief Minister** should receive higher pay.




For those who believed that pay should be based on responsibility, the mean suggested pay for **Ministers** was **£60,583**.

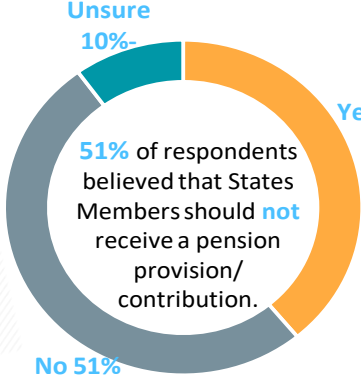
For those who believed that pay should be based on responsibility, the mean suggested pay for **ordinary States Members** was **£47,547**.

For those who believed that pay should be based on responsibility, the mean suggested pay for the **Chief Minister** was **£70,851**.

For those who believed that pay should be based on responsibility, the mean suggested pay for **Scrutiny Chairs** was **£58,156**.


For those who did not believe that there should be differential pay, the mean suggested pay (excl. suggestions of £0) for **ordinary States Members** was **£42,354**.







51% of respondents believed that States Members should **not** receive a pension provision/contribution.

Half of all respondents believed that States Members should **not** all be paid the same, whilst **40%** believed that they should.





Only 3% believed that pay should be higher for Members with more experience.



Appendix 5

States Members Surveys

4insight's May 2019 on-line public opinion survey was open to States Members, and advertised to them by the States' Greffier. Their responses were segregated and analysed separately from those of the general public.

Findings drawn from the 15 responses (out of 49 States Members) are:

- 13% believed that States Members' basic pay should remain unchanged from 2022, and 80% that it should be increased
- 33% believed that States Members' pay should be higher for those with more responsibility, and 67% that it should continue to be the same for all Members
- 64% believed that pension provision should be made for States Members, and 36% do not

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Motivation to stand for election to the States

In late 2017, the States Greffe interviewed or surveyed seven sitting States Members about why they stood for election, the difficulties they encountered, and their views on why people chose not to participate in politics in Jersey.

The summary results were as follows:

- one respondent had always voted. Two of the others had role models in the Assembly (or who stood as candidates) that inspired them to come forward.
- two felt a 'calling' to stand; one was approached by parishioners; one had lots of family in the district which helped them get names etc; two thought the Assembly looked old and stale and they could change it; two were coming towards retirement and felt they had time to contribute; one wanted to 'make a difference'.
- the main difficulties mentioned were 1) all the logistical work, done at short notice, and not easy to understand how to sequence if you haven't done it before; 2) hustings; 3) need for candidates to find money; 4) writing a readable manifesto.
- candidates need mentors to show them the ropes, explain the process etc; mock hustings; help / advice with the logistics; advice on using social media; allow candidates to buy address labels for each household in district; put candidates in touch with each other for moral support; join a political party; research the needs of the constituency.
- one or two argued that States Members' pay deterred potential candidates from coming forward.

Survey of new States Members

Thirteen people of the sixteen first elected to States Membership at the 2018 elections responded to a request from the SMRRB via the States Greffe to complete a short questionnaire about their reasons for seeking election.

Five questions were scored from 1 (most important) to 5 (least important). The responses, in descending order of importance, were:

Importance	Score to total 163	Reason for seeking election
1 st	27	You wish to serve your community
2 nd	31	You would be proud to be part of the government in Jersey
3 rd	33	You believe that you have the experience and knowledge required
4 th	36	You believe that you will be adequately compensated for the work you will do
5 th	37	You have particular issues that you wish the States to legislate upon

The scores against each question are quite close, but it is clear that **remuneration was not the primary motivator** for these thirteen respondents to seek election to the States.

Three of the thirteen respondents offered specific comments about remuneration:

- “Current salary levels do not reflect the amount and types of work undertaken by States Members”.
- “The remuneration package is not adequate for political activity at this level...”.
- “The reality of adequate compensation is if you can afford to live as you did before being elected”.

Survey of retiring States Members

Seven people of the sixteen who retired as States Members at the 2018 elections responded to a request from the SMRRB via the States Greffe to complete a short questionnaire about their reasons for standing down.

Ten questions were scored from 1 (most important) to 10 (least important). The responses, in descending order of importance, were:

Importance	Score out of 55 per question	Reason for Retiring
1 st	21	Too much time gets wasted in States' sittings
2 nd	27	I wish to pursue other interests
3 rd	28	The climate of personal criticism in the press and social media is unacceptable
4 th	36	The level of remuneration is insufficient
5 th	40	The work I was elected to perform is largely complete
6 th	40	I wish to retire
7 th	41	The processes of government have precluded achievement of my objectives
8 th	47	The facilities / administrative support provided to Members are inadequate
9 th	50	The workload required of a States' member is too high
10 th	55	Other

The SMRRB's conclusion is that **remuneration was a mid-rank concern** in prompting the 7 respondents to retire from States' service (a mid-rank response would score 38.5 on the methodology used).



**Research Report for the States Members
Remuneration Review Body**

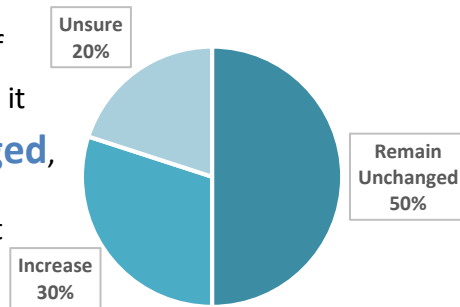
June 2019

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Executive summary

When asked what they believed should happen, in principle, to the States Members basic pay package following the next election in 2022, **50%** of respondents believed that it should remain **unchanged**, whilst 30% believed that it should increase.



Half of all respondents believed that States Members should **not** all be paid the same, whilst **40%** believed that they should.



56% of people believed that States Members pay should be higher for those with more responsibility, with **76%** of those who thought that pay should be based on responsibility, believing that the **Chief Minister** should receive higher pay.



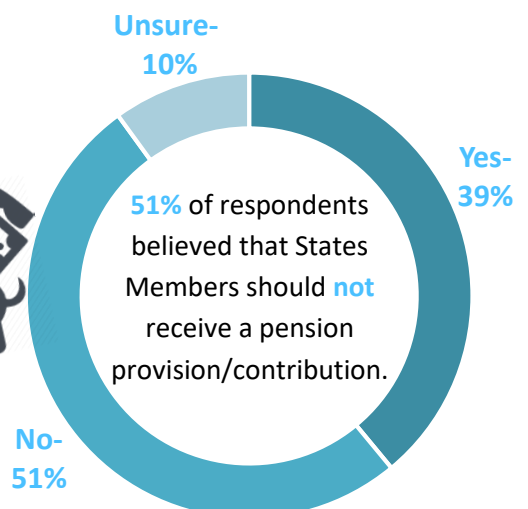
For those who believed that pay should be based on responsibility, the mean suggested pay for **Ministers** was **£60,583**.

For those who believed that pay should be based on responsibility, the mean suggested pay for **Scrutiny Chairs** was **£58,156**.

For those who believed that pay should be based on responsibility, the mean suggested pay for the **Chief Minister** was **£70,851**.

For those who believed that pay should be based on responsibility, the mean suggested pay for **ordinary States Members** was **£47,547**.

For those who did not believe that there should be differential pay, the mean suggested pay for **ordinary States Members** was **£42,354**.



When asked what they believed should happen, in principle, to the States Members pay package following the next election in 2022, 50% of survey respondents believed that the pay package should remain unchanged, whilst 30% believed that it should increase.

Half of all respondents believed that States Members should not all be paid the same, whilst 40% believed that they should.

56% of Islanders believed that States Members pay should be higher for those with more responsibility, with 76% of those who thought that pay should be based on responsibility, believing that the Chief Minister should receive higher pay.

Only 3% of respondents believed that pay should be higher for those who have been Members for longer.

For those who believed that pay should be based on responsibility;

- The mean suggested pay for the Chief Minister was £70,851.
- The mean suggested pay for Ministers was £60,583.
- The mean suggested pay for Scrutiny Chairs was £58,156.
- The mean suggested pay for ordinary States Members was £47,547.

For those respondents who had believed that there should be no differential pay, and so believed that all States Members should be paid the same, the mean suggestion for ordinary States Members pay was £42,354.

51% of respondents believed that States Members should not receive a pension provision/contribution.

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Background

The States Members Remuneration Review Body (SMRRB) is tasked with advising the States on the remuneration that should be received by Senators, Connétables or Deputies in their capacity as members of the States of Jersey.

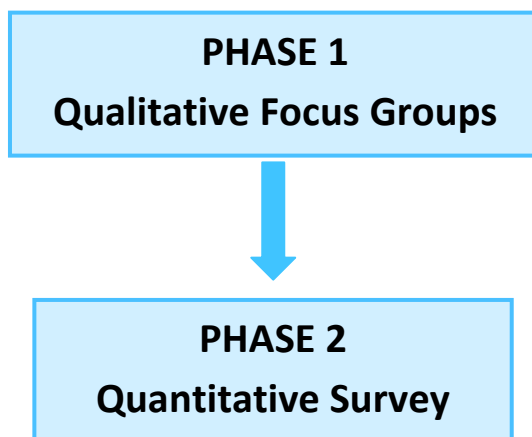
The SMRRB wished to research a range of different issues relating to the structuring approach, to be used, in their next review, by taking the views of Islanders, in respect to States Members' remuneration and commissioned 4insight to conduct a survey to gain their views.

Specific objectives of the research included exploring views on:

- the current remuneration arrangement and levels of pay for States Members
- whether any differential structure should exist and upon what basis this should be
- how any differential structure, identified, should be organised, in practice
- the basic level of remuneration paid to States Members, and any relativities
- any other connected issues, such as pension

Scope, Sample and Methodology

The **scope** of this research was with those living in Jersey aged 16 or above.



16 individuals took part in the 2 qualitative focus groups, all were resident Islanders with mixed demographics such as income, employment, age and gender. These were invited to take part through 4insight's panel, of over 2600, and screened to meet agreed criteria, eg a mix of whether they had voted or not in the last election. The focus groups were conducted to an agreed discussion guide in 4insight's professional observation studio to allow live viewing. Each group took 90-100 minutes and utilised stimulus materials describing The States Assembly and Members' roles, after eliciting awareness levels and perceptions, plus utilised projective techniques to explore emotional views and individual exercises.

The focus groups informed the design of an online survey. The survey was 'open' in that the link was available to all to complete once, with invitations to take part delivered via email, social media, as well as local news through media activity. Additionally, after 800 responses were received the demographics were reviewed to target some street interviews utilising Computer Assisted Interviewing, CAPI on iPads, for under-responding groups.

In total **1439 responses** were received from the survey. Following data cleaning (removing short partial results, any repeats, flat-lining answers and exclusions), **1215** total responses were captured and analysed with cross tabulations being conducted to explore any differences by demographic segment. Of these total responses, 15 (1.2%) identified themselves as a current Senator, Connétable or Deputy and were analysed and compared.

Survey demographics

The survey received responses from a range of individuals from differing demographic backgrounds. Whilst in comparison to Jersey's population there appears to be a lower proportion of young respondents (aged 16 to 29) and Portuguese/Madeiran respondents, these demographics are representative of the voting statistics, and thus reflect political engagement. All other demographic variables are reasonably representative, other than sector of employment where we have a slightly greater proportion of respondents working in the public sector. Differences in views according to demographics have been highlighted throughout this document as relevant. Detail of the demographics are in the Appendix.

States Member Pay Package

Respondents were asked what they thought should happen to States Members' pay package following the next election in 2022. Whilst 20% of respondents were unsure, 50% of all respondents thought that States Members pay package should remain unchanged following the election in 2022, and 30% believed that it should increase following the next election.

Q. States Members' pay package has not increased since 2014

Q. Should this in principle...

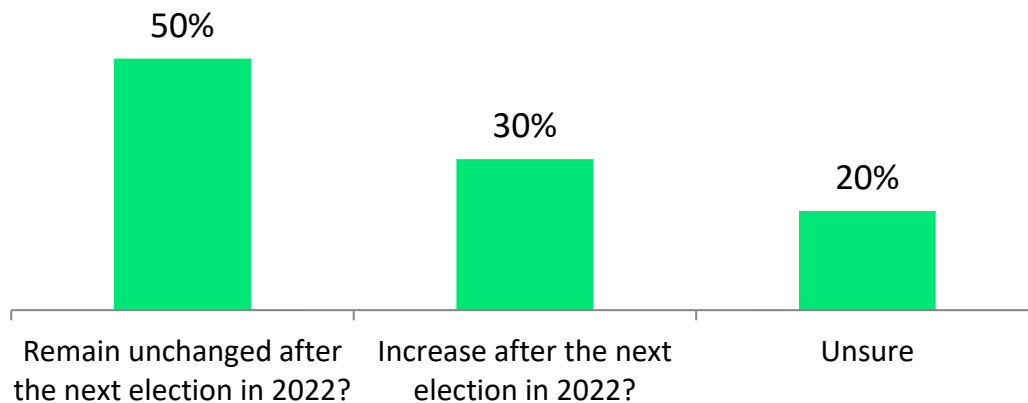


Fig 1. Opinion on change in pay package (1215 people responded)

There were some differences in the beliefs of Jersey born respondents and respondents who had lived in Jersey for under 10 years. Specifically, a greater proportion of Jersey born respondents believed that States Members' pay should remain unchanged, whilst a greater proportion of those who had lived in Jersey for under 10 years believed that the pay package should increase.

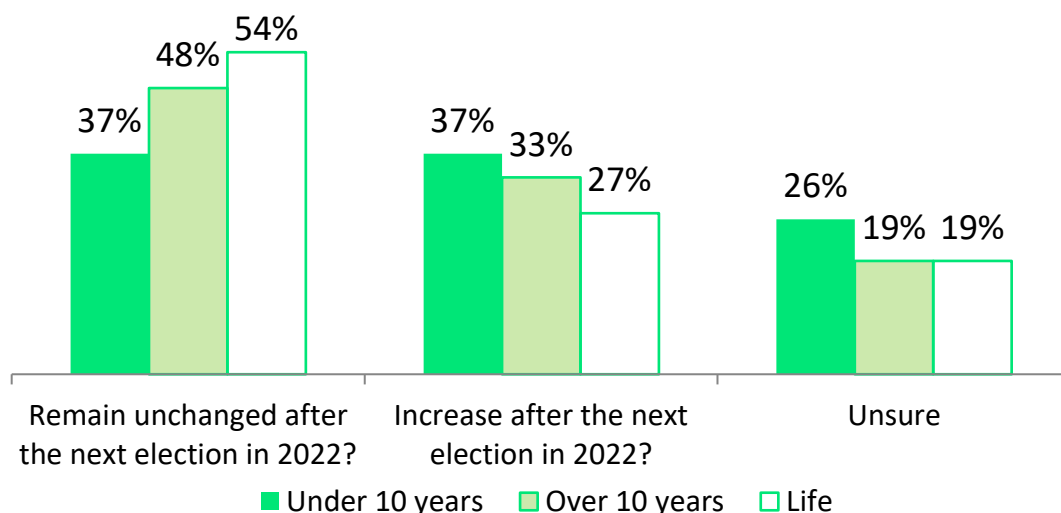


Fig 2. Opinion on change in pay, by time spent on Island
659 respondents were born in Jersey
123 respondents had lived in Jersey for under 10 years
433 respondents had lived in Jersey for over 10 years

Additionally, a smaller proportion of respondents who had not voted in either the 2014 or 2018 elections believed that pay should rise after the next election (19%), compared to respondents who had voted in one, or both, previous elections (29% and 33% respectively).

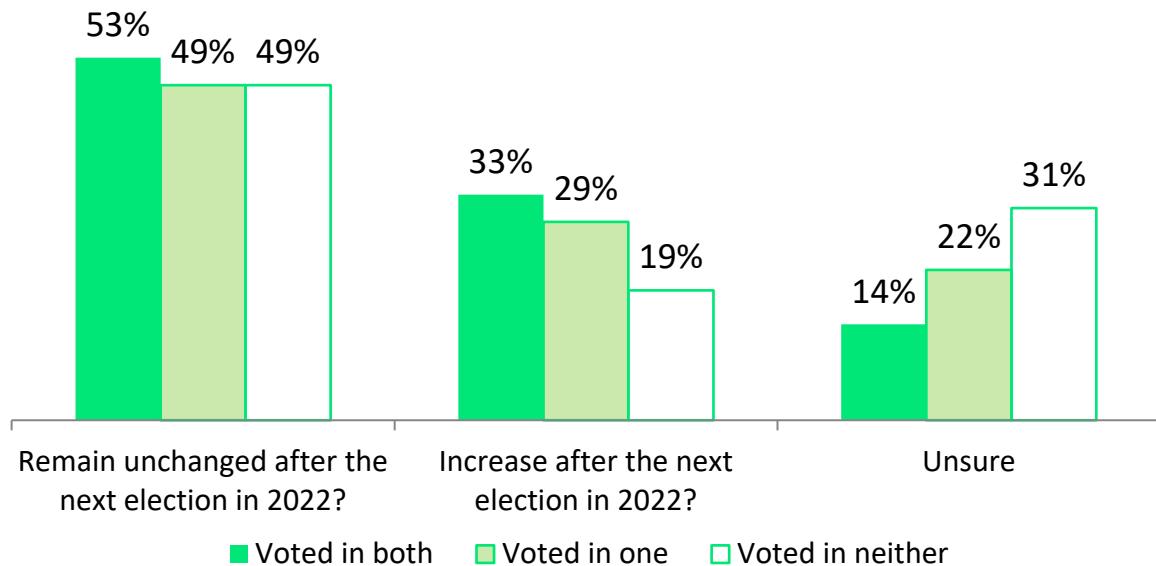


Fig 3. Opinion on change in pay, by voter engagement
 702 respondents had voted in both elections
 232 respondents had voted in one of the elections
 217 respondents hadn't voted in either election

Moreover, a slightly smaller proportion of respondents from the North East of the Island (Trinity and St Martin) believed that States Members pay should remain unchanged after the next election in 2022, compared to other parts of the Island.

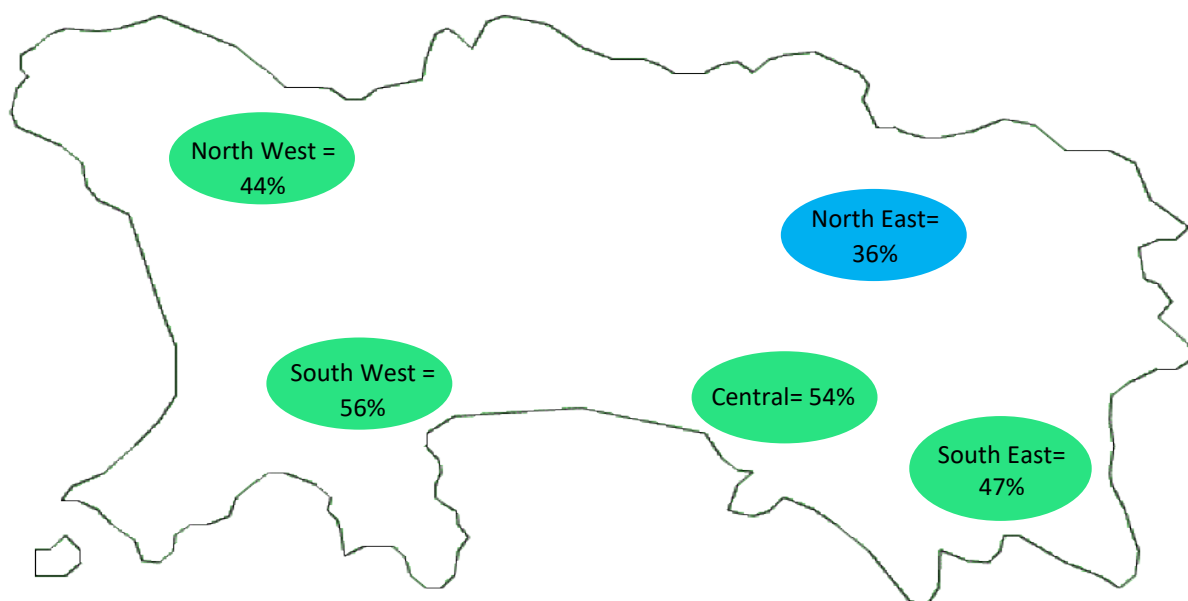


Fig 4. Opinion on change in pay, by grouped parish
 109 respondents lived in the North West
 184 respondents lived in the South West
 557 respondents lived in the Central parishes
 100 respondents lived in the North East
 191 respondents lived in the South East

% of respondents answering 'Remain unchanged after the next election in 2022', by sector of employment

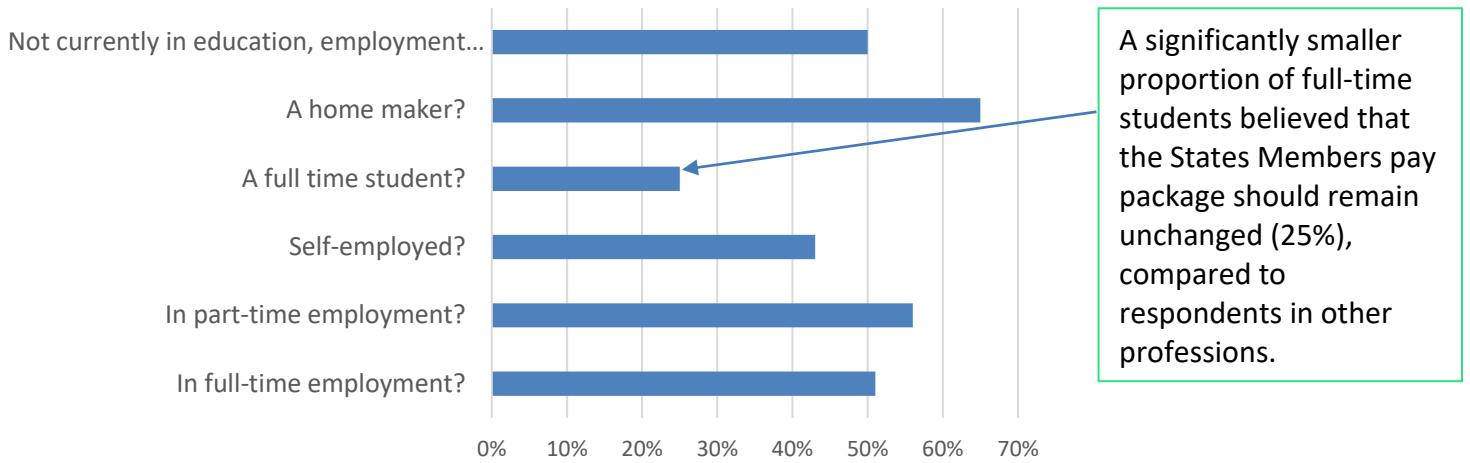


Fig 5. Opinion on change in pay, by employment
 153 respondents were not currently in education or training
 54 respondents were Home makers
 32 respondents were full time students
 111 respondents were self-employed
 122 respondents were in part-time employment
 647 respondents were in full-time employment

As respondent’s annual household income increased, the proportion of individuals believing that the States Members pay package should increase following the election in 2022 increased, and the proportion believing that it should remain unchanged decreased.

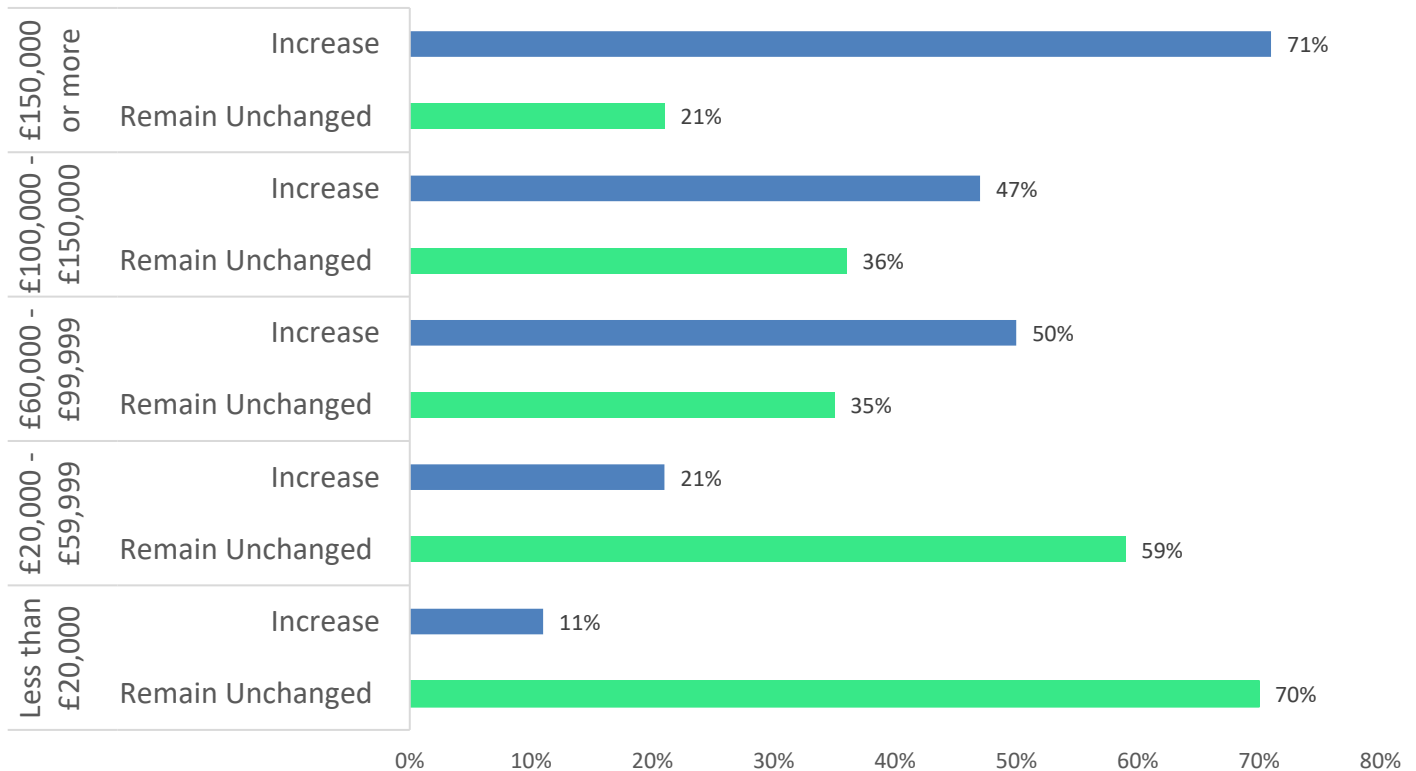


Fig 6. Opinion on change in pay, by annual household income
 107 respondents had an annual household income of less than £20,000
 485 respondents had an annual household income of £20,000 to £59,000
 228 respondents had an annual household income of £60,000 to £99,000
 115 respondents had an annual household income of £100,000 to £149,000
 48 respondents had an annual household income of £150,000 to £199,000

Differential Pay

In order to understand whether respondents believed that there should be differential pay amongst different States Members roles, respondents were then asked if they thought that all States Members should be paid the same as each other. Responses revealed that only a small proportion of respondents were unsure whether all States Members should be paid the same (10%), with 50% of respondents believing that they should not be paid the same, and 40% believing that they should be paid the same.

Q. Should all States Members be paid the same as each other?

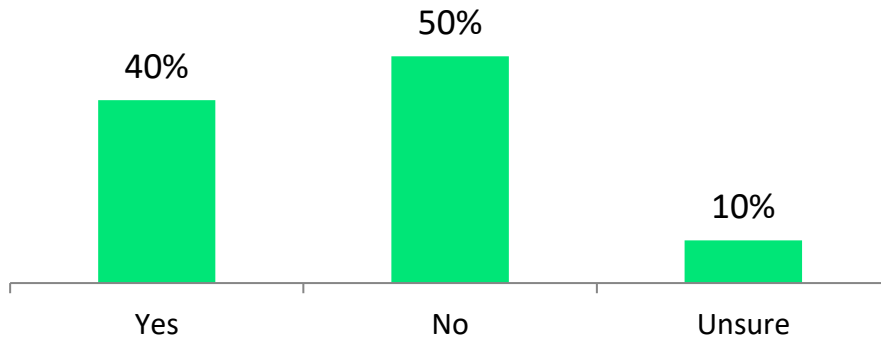


Fig 7. Differential Pay (1215 people responded)

The proportion of respondents believing that all States Members should be paid the same was significantly higher for Jersey born respondents (43%), compared to non-entitled respondents who had lived on the island for less than 10 years (29%).

Q. Should all States Members be paid the same as each other?

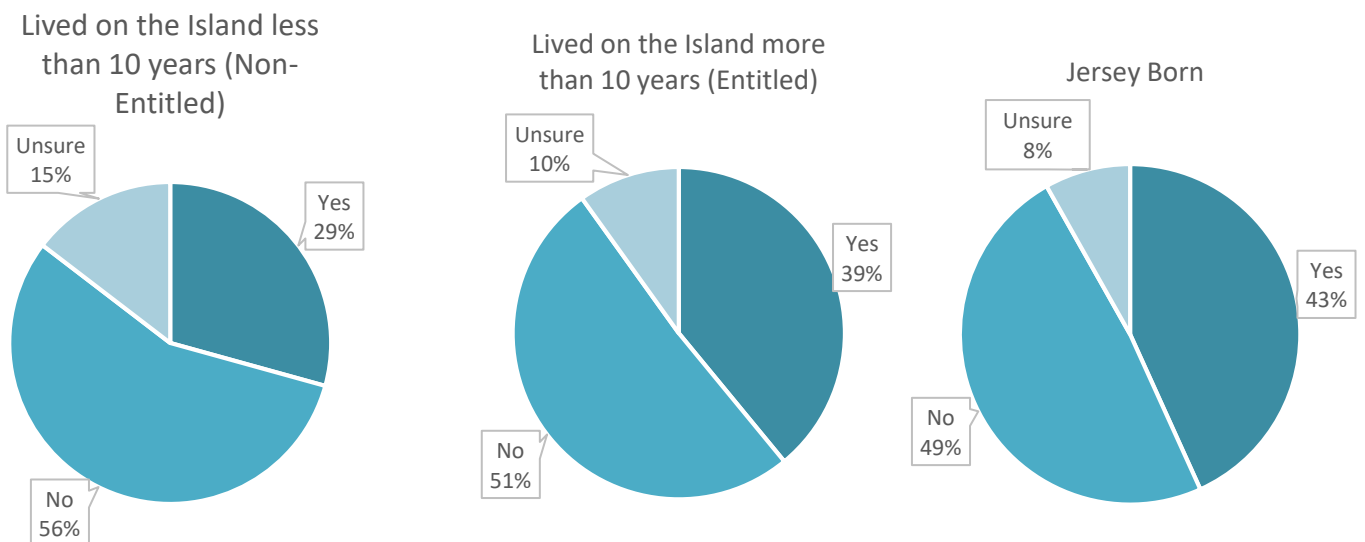


Fig 8. Differential Pay, by entitlement
 659 respondents were Jersey Born
 123 respondents were non-Entitled
 433 respondents were Entitled

Moreover, the proportion of those believing that States Members *should not all* be paid the same was significantly higher for the higher income groups, with 77% of respondents with an annual household income of £150,000 or more believing that all States Members *should not* earn the same as each other, compared to only 23% of respondents with an income of less than £20,000.

Q. Should all States Members be paid the same as each other?

By Annual Household Income

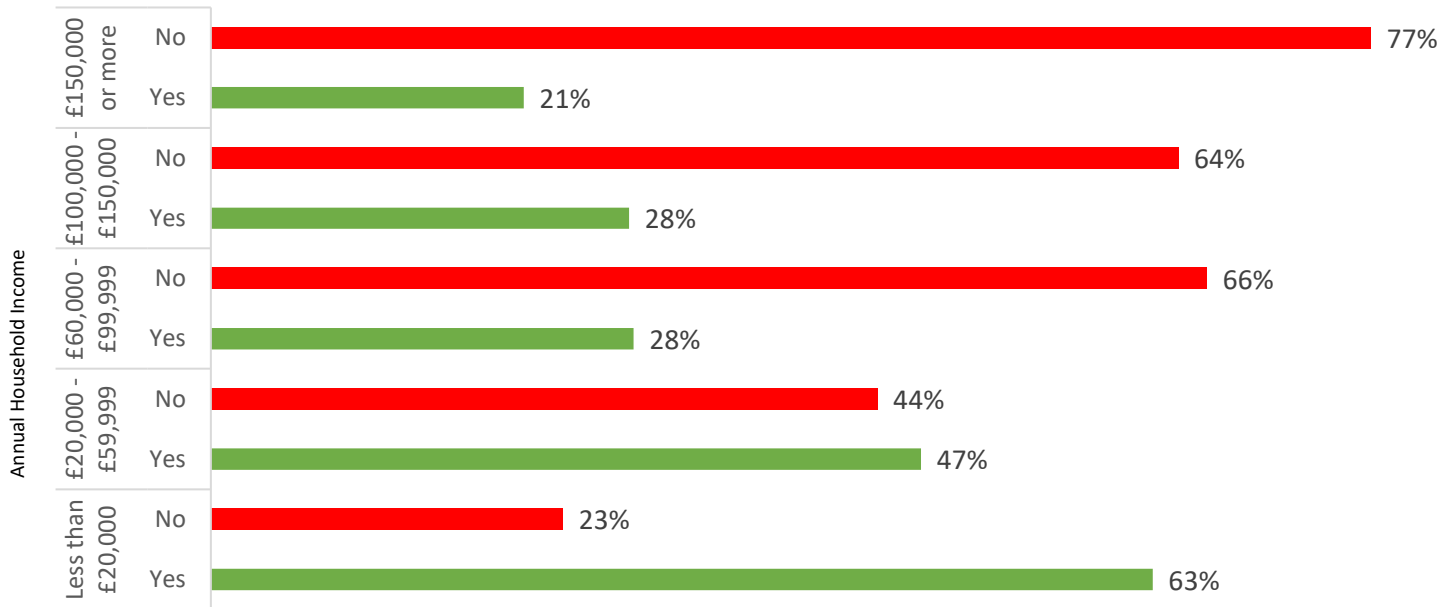


Fig 9. Differential Pay, by annual household income
 107 respondents had an annual household income of less than £20,000
 485 respondents had an annual household income of £20,000 to £59,000
 228 respondents had an annual household income of £60,000 to £99,000
 115 respondents had an annual household income of £100,000 to £149,000
 48 respondents had an annual household income of £150,000 or more

How Pay Should be Differentiated

Following this question, we then investigated respondents' beliefs regarding *how* States Member pay should be differentiated, discovering that just over half of respondents (56%) believed that pay should be higher for those with more responsibility, with 37% of respondents again answering that it should continue to stay the same. A small minority of respondents believed that pay should be higher for those who have been a States Member for longer (3%) or were unsure (6%).

Q. Currently all States Members receive the same pay of £46,600, should States Members' pay: *Able to multi tick*

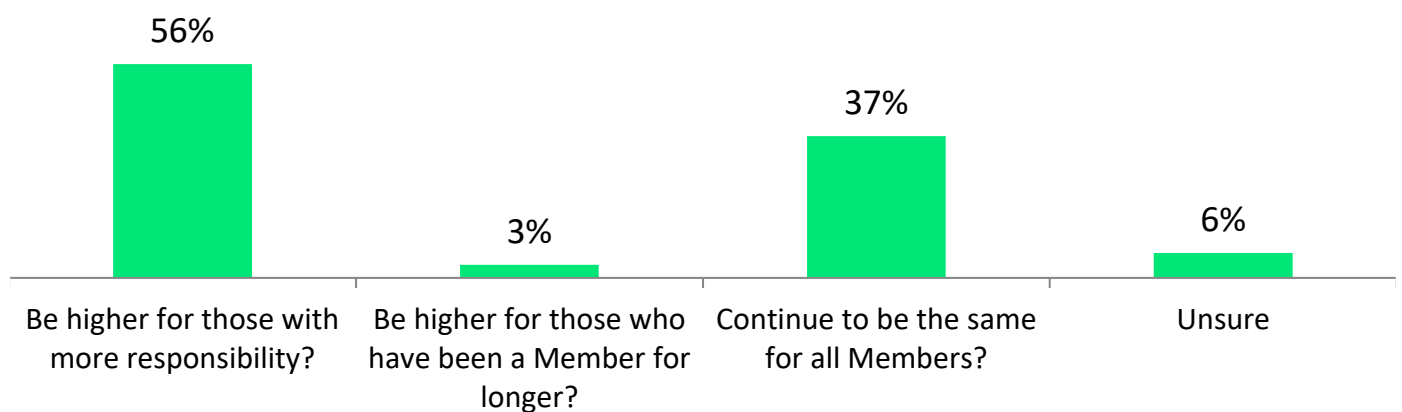


Fig 10. How Pay is Differentiated (1210 people responded)

These results are in-line with the qualitative research, where a differential pay structure based on responsibility was the preferred option.

"They should definitely be paid differently; you wouldn't ask someone to take on extra responsibility if you are not going to pay them for their responsibility"

"Suppose it's like any role, if you are applying for a managerial role, you know there's going to be more responsibility involved, you will demand a higher salary that's just the nature of it"

A greater proportion of non-entitled respondents who had lived in Jersey for less than 10 years (71%) believed that pay should be higher for those with more responsibility, compared to a smaller proportion of respondents who had lived in Jersey for more than 10 years (57%) and Jersey born respondents (52%).

Higher pay for those with more responsibility

Of the 56% of respondents who believed that pay should be higher for those with more responsibility (674 individuals), 78% felt that the Chief Minister should be paid more, 60% felt that Ministers should be paid more, and 36% felt that Scrutiny Chairs should be paid more.

Q. If pay was based on responsibility, which roles should be recognised with higher pay? *Able to multi tick*

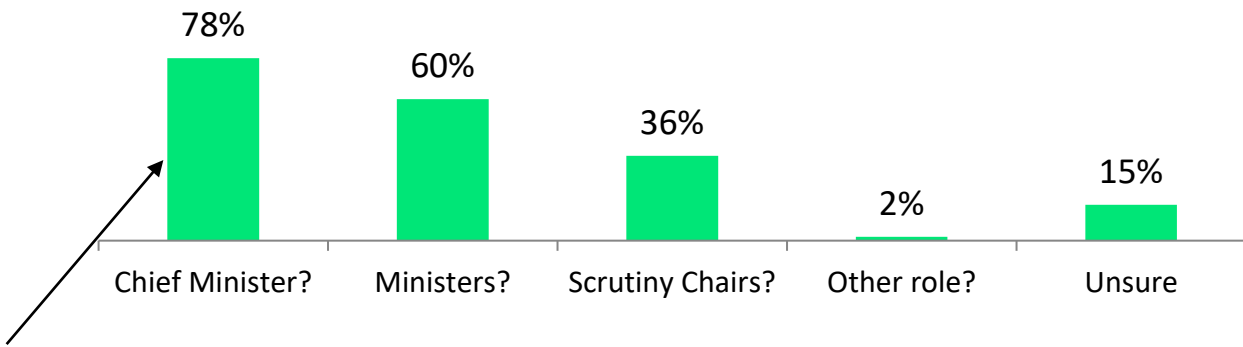


Fig 11. Pay based on responsibility (666 people responded)

As the age of the respondents increased, the proportion of them believing that the Chief Minister should be recognised with higher pay also increased. Whilst only 59% of 16 to 29 year olds (81 respondents) believed that the Chief Minister should be paid more, a vast 90% of 70+ year olds (48 respondents) believed this.

This question was presented to respondents as a multi-tick question, meaning that they were able to select more than one response. The following graph displays a breakdown of the different response combinations received. The modal opinion was that all three roles (Chief Minister, Ministers and Scrutiny Chairs) should be recognised with higher pay, with 27% of respondents believing this.

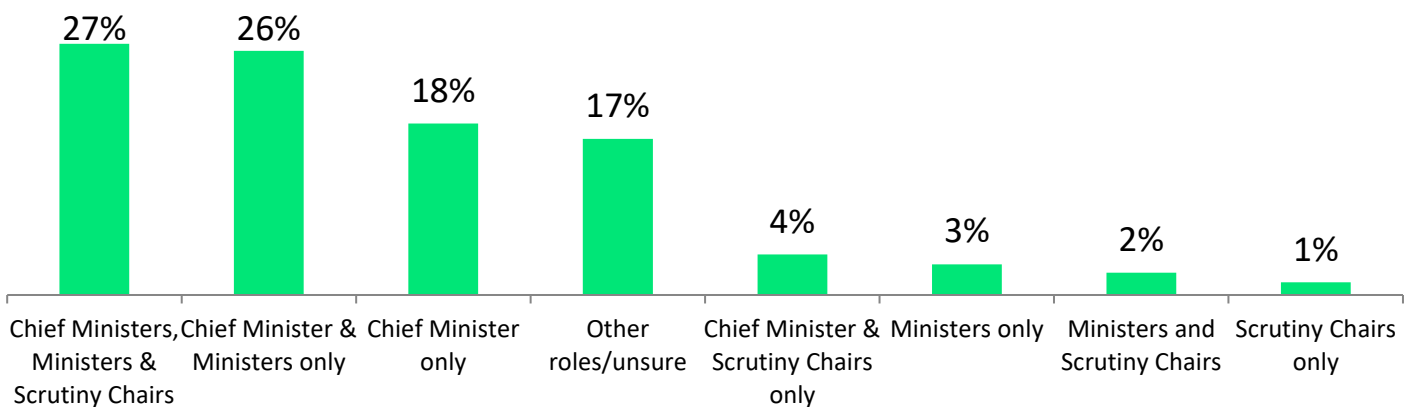


Fig 12. Pay based on responsibility breakdown (666 people responded)

Once respondents had indicated which roles they thought should be recognised with higher pay, they were then asked to suggest how much each of these selected roles should receive.

Chief Minister: Suggestions for how much the Chief Minister should be paid ranged from £25,000 to £300,000, with a mean suggestion of **£70,851** (modal suggestion=£60,000).

Ministers: Respondents suggestions for how much Ministers should be paid ranged from £25,000 to £200,000, with a mean suggestion of **£60,583** (modal suggestion=£50,000).

Scrutiny Chairs: Suggestions for how much Scrutiny Chairs should be paid ranged from £30,000 to £200,000, with a mean suggestion of **£58,156** (modal suggestion=£50,000).

Ordinary States Members: Respondents suggestions for how much Ordinary States Members should be paid ranged from £0 to £120,000, with a mean suggestion of **£47,547** (modal suggestion=£46,600).

Role	Mode	Mean
Chief Minister	£60,000	£70,851
Ministers	£50,000	£60,583
Scrutiny Chairs	£50,000	£58,156
Ordinary States Member	£46,600	£47,547

These salary suggestions varied between the genders, as well as between respondents with different annual household incomes:

By Gender

On average, female respondents suggested a lower salary for each States Members role than male respondents did. This was seen most clearly with the Chief Minister pay suggestions, where females mean suggested pay was £64,420 compared to male respondents mean suggestion of £75,828.

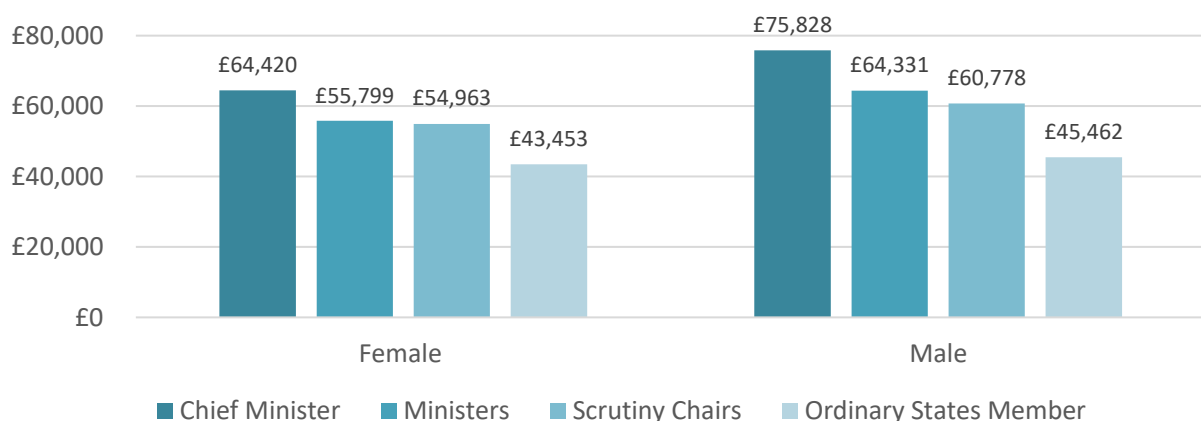


Fig 13. Pay suggestions, by gender
556 respondents were female
535 respondents were male

By Annual Household Income

As the respondent's annual household income increased, their suggested salary for each of the States Members roles also increased.

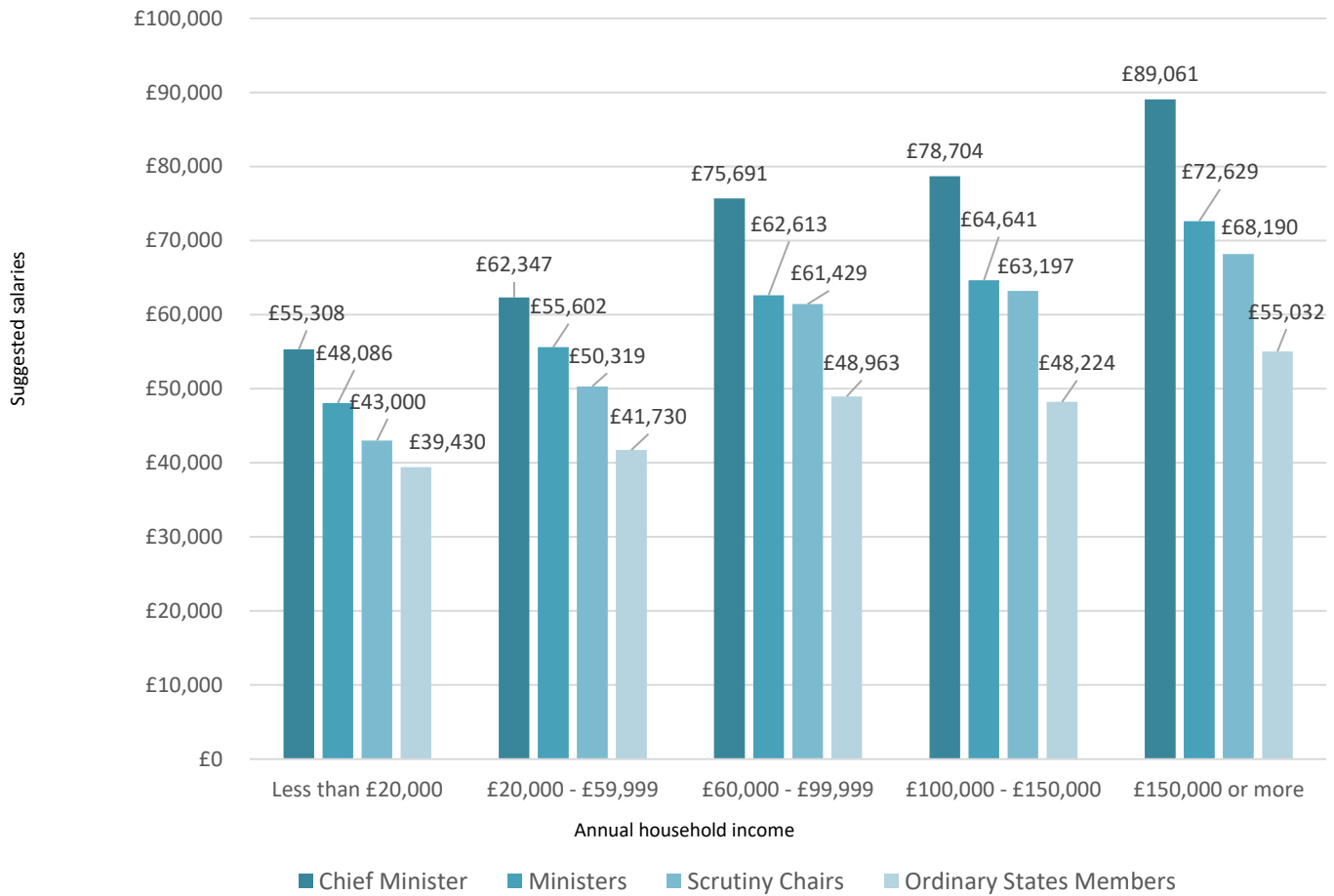


Fig 14. Pay suggestions, by income

- 107 respondents had an annual household income of less than £20,000
- 485 respondents had an annual household income of £20,000 to £59,000
- 228 respondents had an annual household income of £60,000 to £99,000
- 115 respondents had an annual household income of £100,000 to £149,000
- 48 respondents had an annual household income of £150,000 or more

Higher pay based on experience

Alternatively, of those respondents who felt as though pay should be based on experience (only 3%, 41 individuals), half of these respondents believed that pay should be higher for States Members re-elected by voters for second or subsequent terms, and 28% believed that pay should be higher for each year as a States Member. The use of another unspecified way of determining experience was preferred by 12.5% of respondents. The remaining 10% of respondents were unsure.

Q. If pay was based on experience as a States Member would this be higher for:

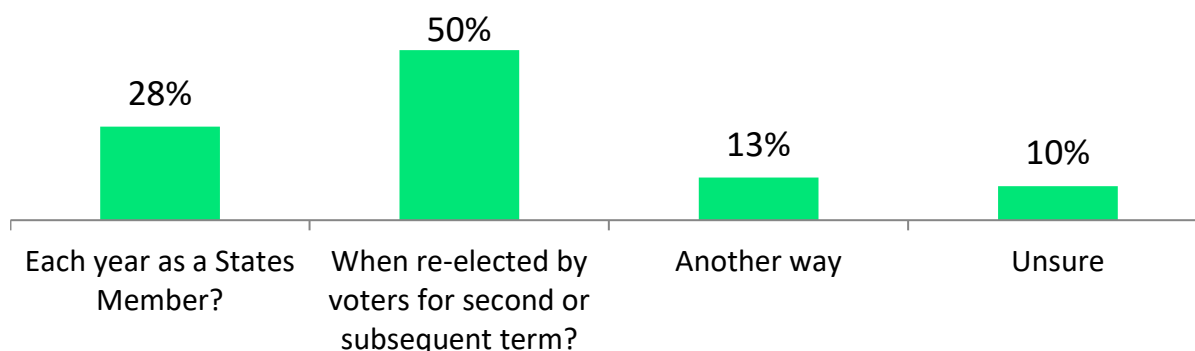


Fig 15. Pay based on experience (41 people responded)

Opinions on the method by which pay by experience should be determined varied according to residential entitlement. A significantly greater proportion of Jersey born respondents believed that pay should be higher when members were re-elected by voters for second or subsequent terms (61%), compared to entitled respondents not born in Jersey (43%) and non-entitled respondents (38%).

For those respondents who selected “Another way”, various suggestions were given including “What they contribute - how many states sittings they attend, how many questions they ask” and “According to their qualifications to do the job which they have applied for”.

Pay should continue to be the same

For those respondents who had selected that pay should continue to be the same for all members, a range of £0 to £120,000 was given for Ordinary States Members. After removing £0 responses, a range of £10,000 to £120,000 was found, with a mean of **£42,354** (Modal suggestion=£46,600).

Role	Mode	Mean
Ordinary States Member	£46,600	£42,354

Pension Provision/Contribution

Respondents were then asked whether they believed that States Members should receive a pension provision/contribution. The results of this question revealed that just over half of respondents believed that States Members should *not* receive a pension provision/contribution (51%), with 39% believing that they should, and 10% of respondents being unsure.

Q. States Members do not receive a pension provision / contribution. Do you think that they should?

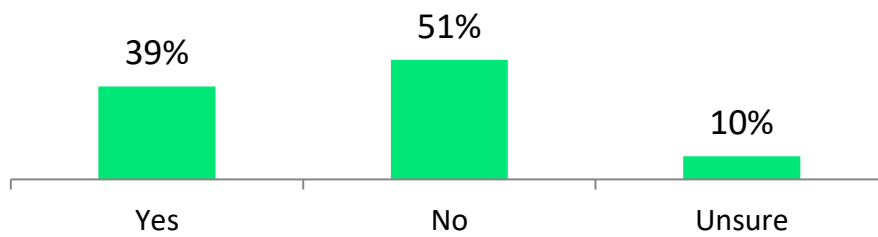


Fig 16. Pension beliefs (1168 people responded)

Responses to this question varied according to respondents age, residential entitlement status and voter engagement:

By Age of Respondent

When respondents were separated into different age groups, a trend was revealed where the proportion of respondents calling for States Members to receive a pension provision/contribution was significantly higher for the younger age groups, and the proportion of those calling for States Member to not receive a pension provision/contribution was significantly higher in the older age groups.

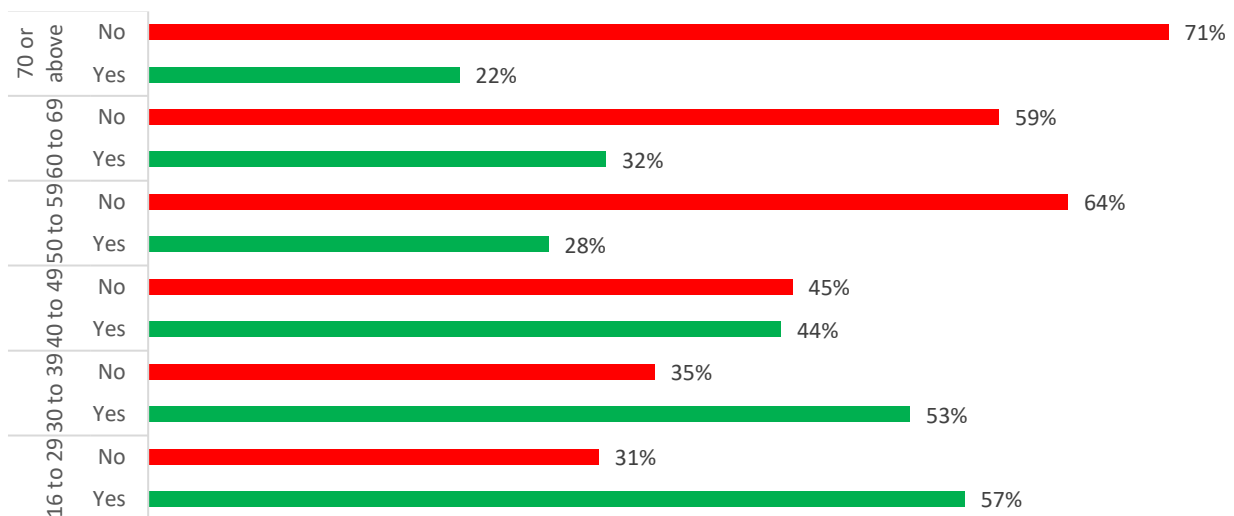


Fig 17. Pension beliefs, by age
 137 respondents were aged 16 to 29
 207 respondents were aged 30 to 39
 247 respondents were aged 40 to 49
 290 respondents were aged 50 to 59
 204 respondents were aged 60 to 69
 83 respondents were aged 70 or above

By Entitlement

Non-Entitled= Lived on the island for less than 10 years

Entitled= Lived on the island for more than 10 years

Jersey Born= Born on the island

A greater proportion of non-entitled respondents believed that States Members should receive a pension provision/contribution (58%), compared to entitled respondents (39%) and Jersey born respondents (36%).

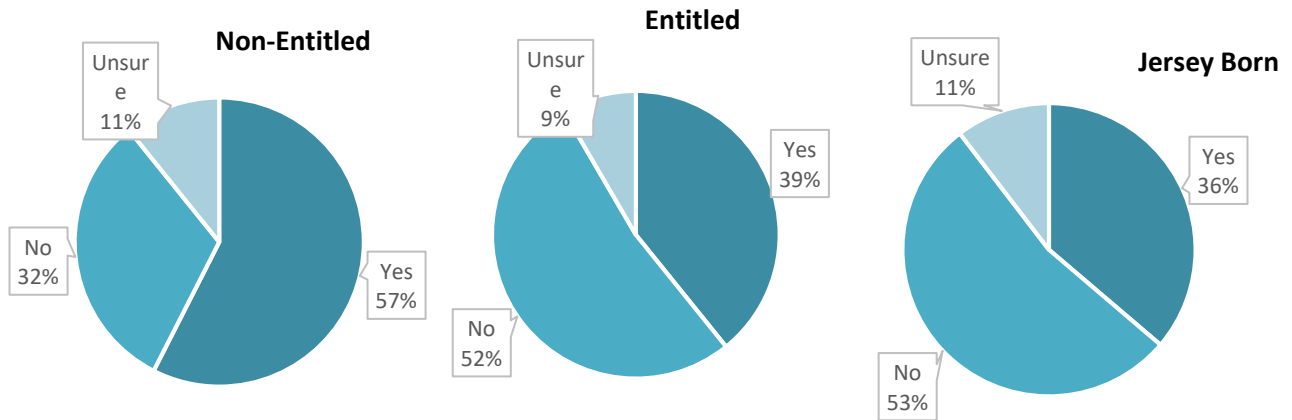


Fig 18. Pension beliefs in entitled, non-entitled and Jersey born respondents

120 respondents were non-entitled

416 respondents were entitled

632 respondents were Jersey Born

By Voting Engagement

As voting engagement increased (respondent voted in the last two elections, rather than only one, or not at all), the proportion of respondents believing that States Members should receive a pension provision/contribution decreased, and the proportion believing that they shouldn't receive a pension increased. 34% of respondents who voted in both elections answered yes, compared to a larger 41% of those who voted only once, and an even greater 49% who didn't vote at all.

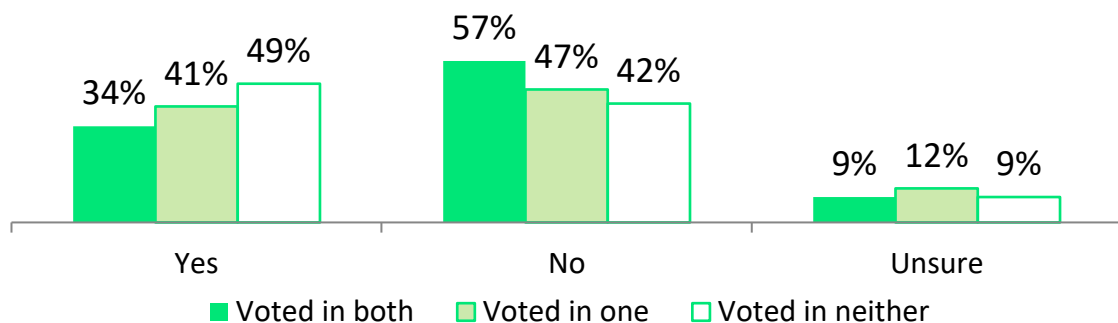


Fig 19. Pension beliefs in politically engaged and unengaged respondents

702 respondents had voted in both

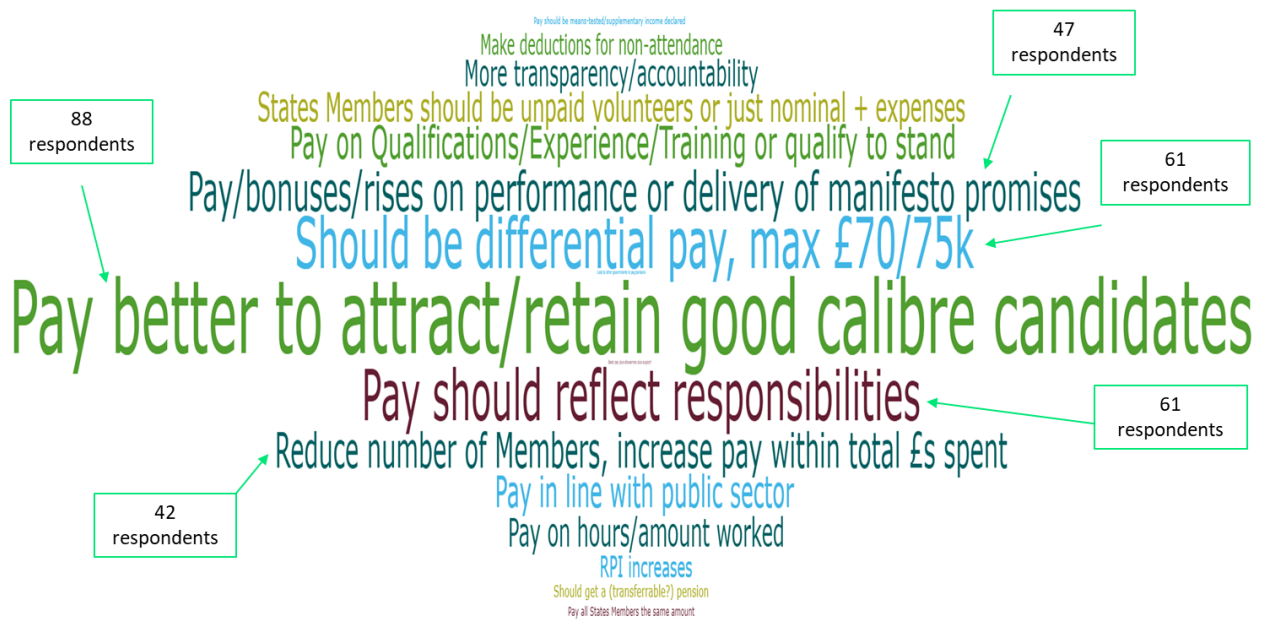
232 respondents had voted in only one election

217 respondents hadn't voted in either election

Additional Comments

Respondents were asked if they had any further comments that they would like to make with regard to States Members pay that may improve fairness and help support good government.

570 respondents made comments, some very comprehensive. The comments were reviewed and coded then a 'word cloud' produced, as below, which visually shows the essence of the comments and highlights how many respondents made which comments.



Current States Members Views

Respondents of the survey were all self-selected and we did not attempt to secure a group representative of current States Members. Nevertheless, 15 respondents indicated that they were Current States Members and this gives a 31% sample.

To discover whether there was a divergence in the views of current States Members and general Islanders, we compared the responses of respondents within our sample who had indicated that they were a current States Member (n=15), to the rest of the respondents (n=1,200).

One significant difference seen in this comparison was that 80% of current States Members believed that the States Members pay package should increase following the next election in 2022, compared to only 30% of general Islanders. Furthermore, whilst only 13% of current States Members thought that the pay package should remain unchanged after the next election, 51% of general Islanders felt this.

States Members' pay package has not increased since 2014

Q. Should this in principle...

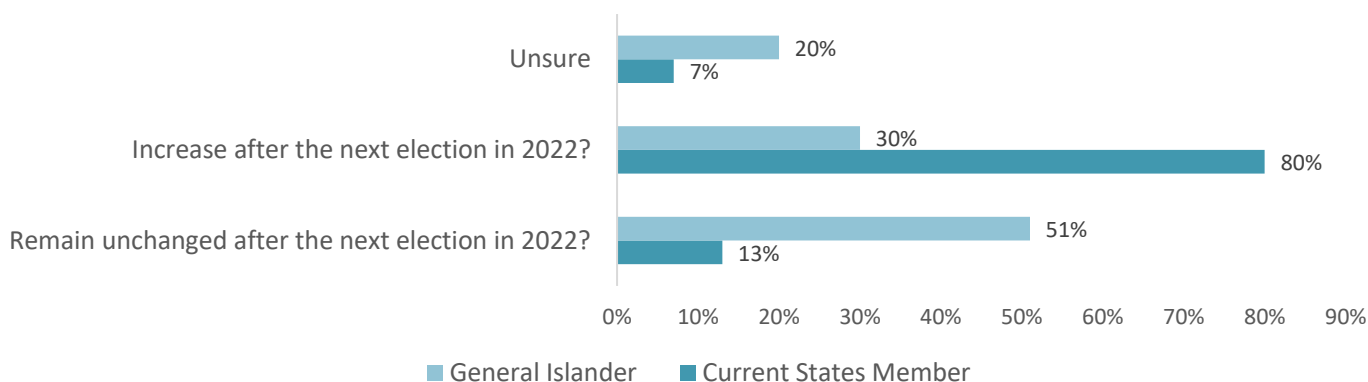


Fig 20. Opinion on change in pay package, Current Member vs. general Islander
15 respondents were current States Members
The remaining 1200 respondents were General Islanders

When asked whether they believed that all States Members should be paid the same, a larger proportion of current States Members believed that all States Members should be paid the same (67%), compared to general Islanders (40%).

Q. Should all States Members be paid the same as each other?

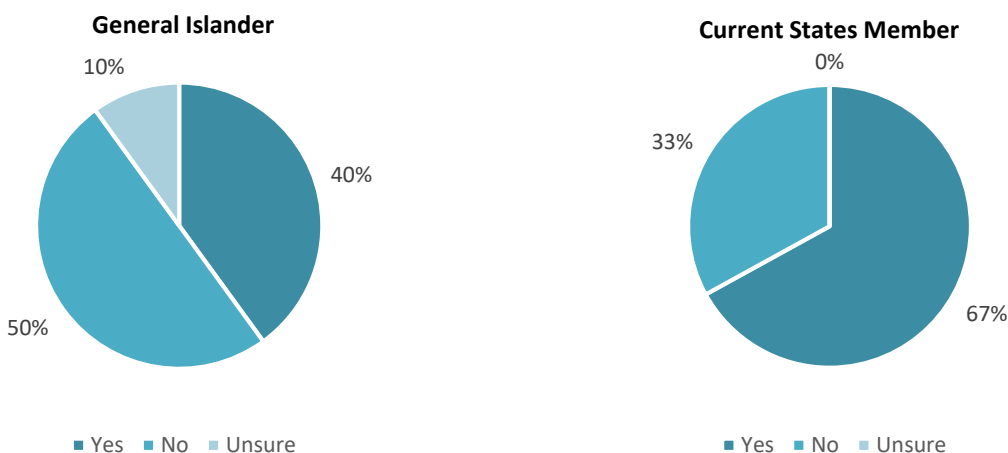


Fig 21. Differential pay, Current Member vs. general Islander
15 respondents were current States Members
The remaining 1200 respondents were General Islanders

Of those respondents who believed that there should be differential pay, 33% of current States Members felt that pay should be higher for those with more responsibility, compared to 56% of general Islanders. Additionally, whilst all current States Members thought that if pay was based on responsibility, the Chief Minister should be recognised with higher pay, only 77% of general Islanders who believed that pay should be based on responsibility felt this. Furthermore, a greater proportion of current States Members thought that Ministers and Scrutiny Chairs should be recognised with higher pay.

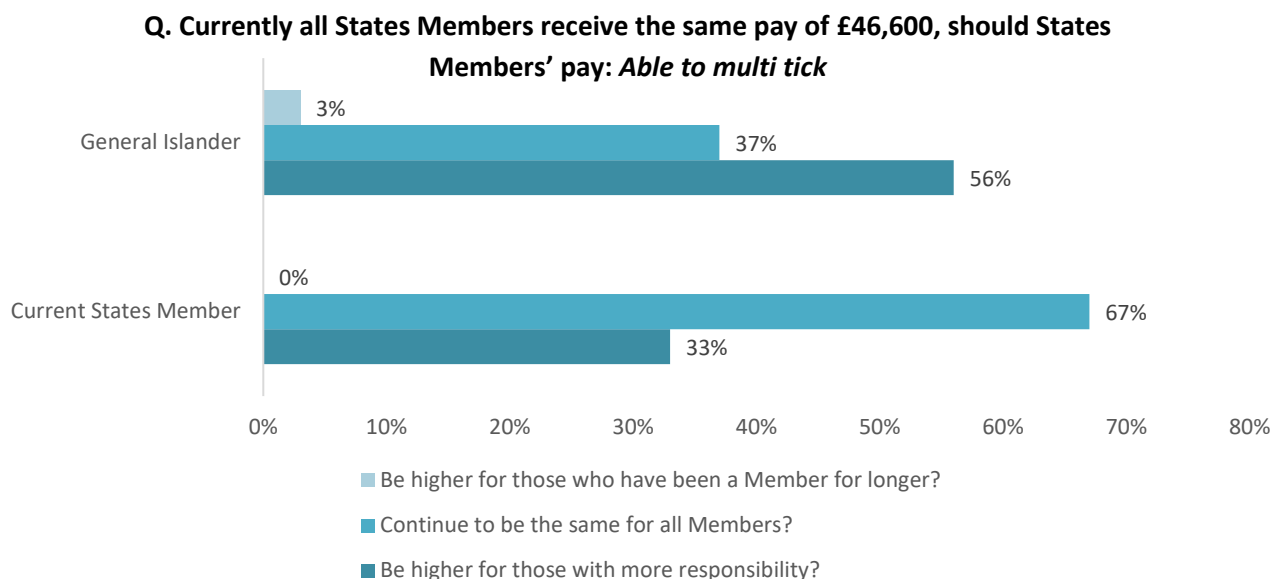


Fig 22. How pay should be differentiated, Current Member vs. general Islander
 15 respondents were current States Members
 The remaining 1195 respondents were General Islanders

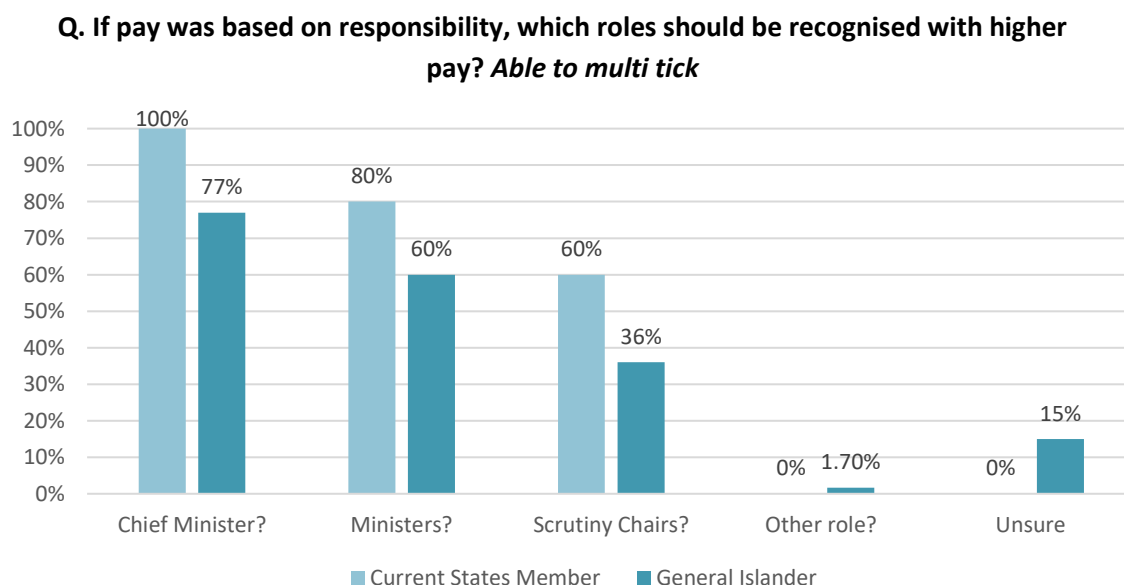


Fig 23. Which roles should receive higher pay, current Member vs. general Islander
 5 respondents were current States Members
 The remaining 661 respondents were General Islanders

Finally, we looked at how the view of current States Members differed from general Islanders in terms of States Members receiving a pension provision/contribution. This comparison discovered that a greater proportion of current States Members (64%) felt as though States Members should receive a pension provision, compared to general Islanders (39%).

Q. States Members do not receive a pension provision / contribution. Do you think that they should?

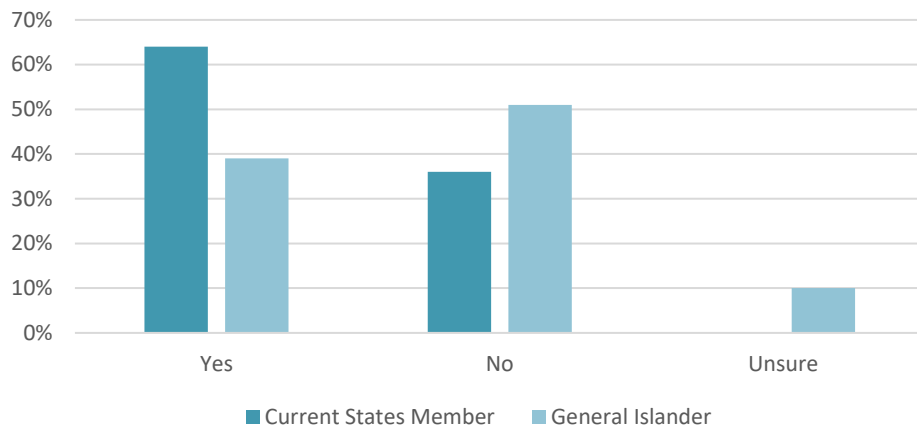


Fig 24. Pension beliefs, Current Member vs. general Islander
14 respondents were current States Members
The remaining 1154 respondents were General Islanders

Conclusions

The income level, Parish lived in and if Island born significantly impacted views.

Higher income level respondents feel stronger that States Members pay should increase and that they should not all be paid the same.

More Jersey born respondents believe that all States Members should be paid the same.

For those who believe that all States Members should NOT be paid the same, the vast majority think it should be higher for those with more responsibility. Stating that the Chief Minister (78%) and Ministers (60%) roles should be recognised with higher pay, versus 36% for Scrutiny Chairs.

The suggested pay for the Chief Minister had a mean of £70,851, with Ministers having a mean of £60,583 and Scrutiny Chairs having a mean of £58,156.

51% felt that States Members should not receive a pension or pension contribution, versus 39% felt they should.

Appendix

Demographics

Q. Are you aged....

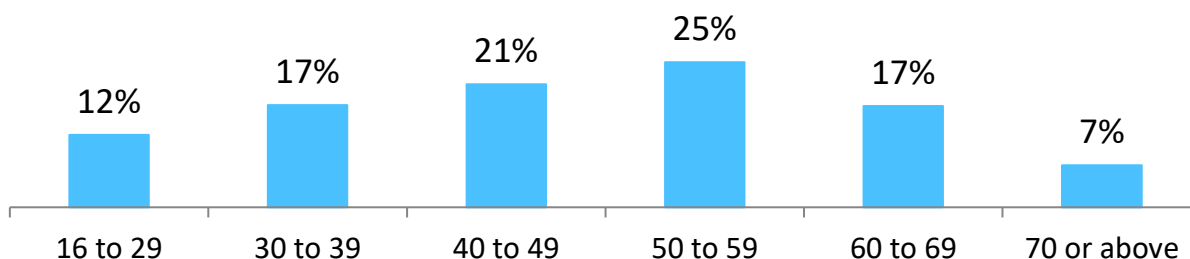
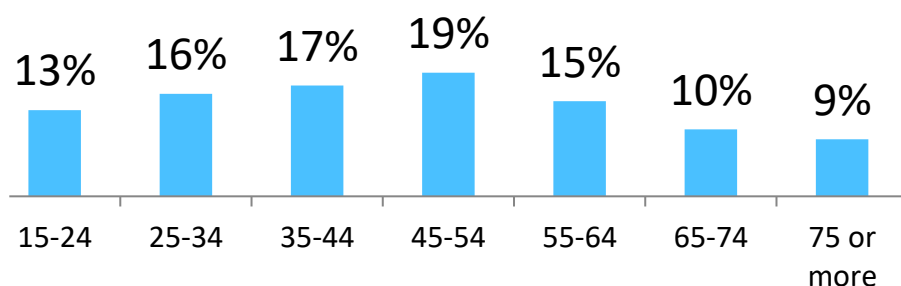


Fig 25. Age (1215 people responded)

At a first glance, the 16 to 29 years old age group appears low when compared to the overall population, however, when reviewed against the voters statistics from 2018, the proportion of 16 to 29 year olds is **exactly the same at 12%**. Thus, our respondent sample represents islander engagement.

Jersey Population 2015



Source: Stats Unit 2015

Nationality *able to multi tick*

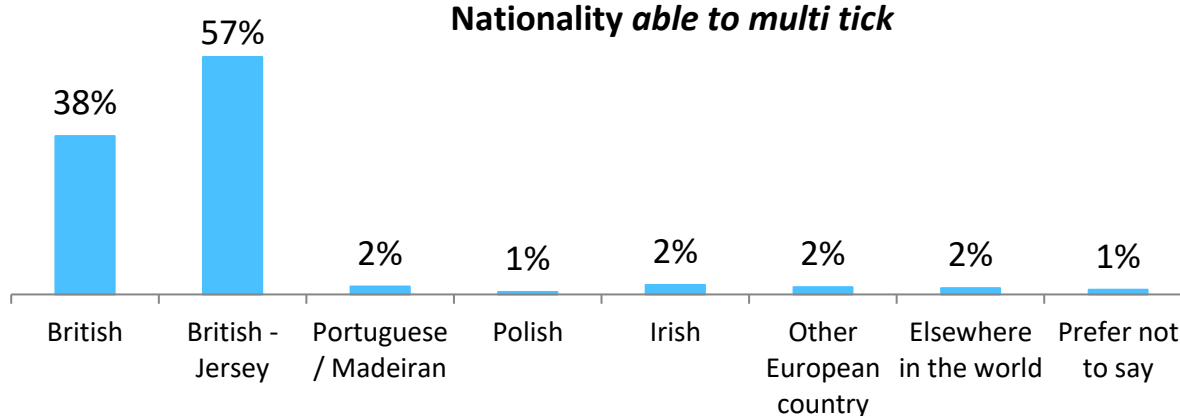


Fig 26. Nationality (1140 people responded)

The Portuguese/ Madeiran and Polish respondent numbers appear low compared to the population, however, only one in six Portuguese/Madeiran Islanders voted in 2018. Thus, **this sample is representative of Islander political engagement.**

Time Spent Living in Jersey

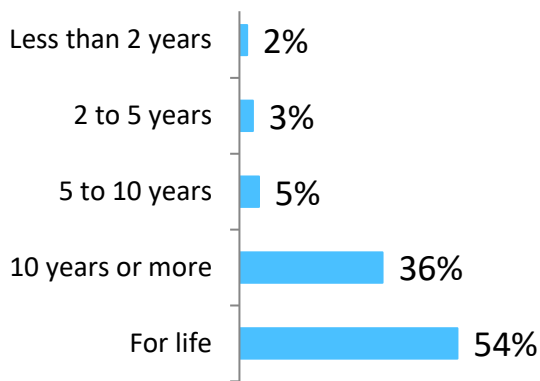


Fig 27. Time Spent Living in Jersey (1215 people responded)

By Gender

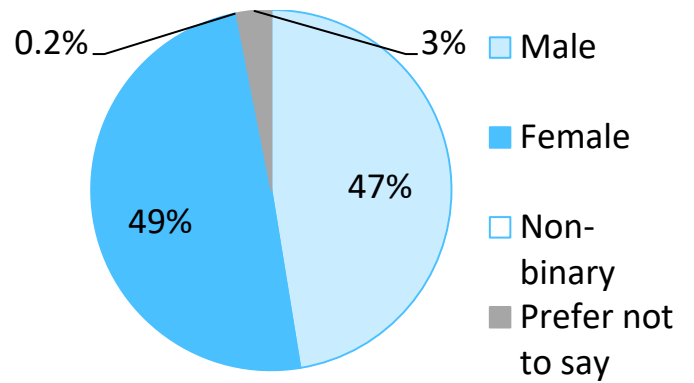


Fig 28. Gender (1128 people responded)

Parish

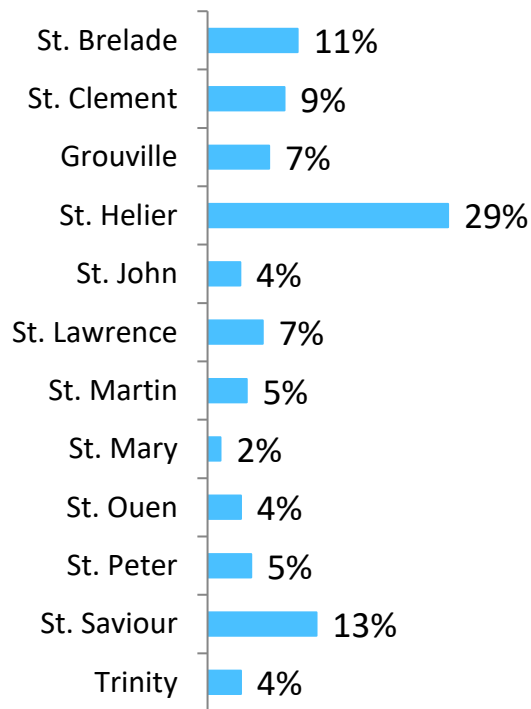


Fig 29. Parish (1141 people responded)

Employment

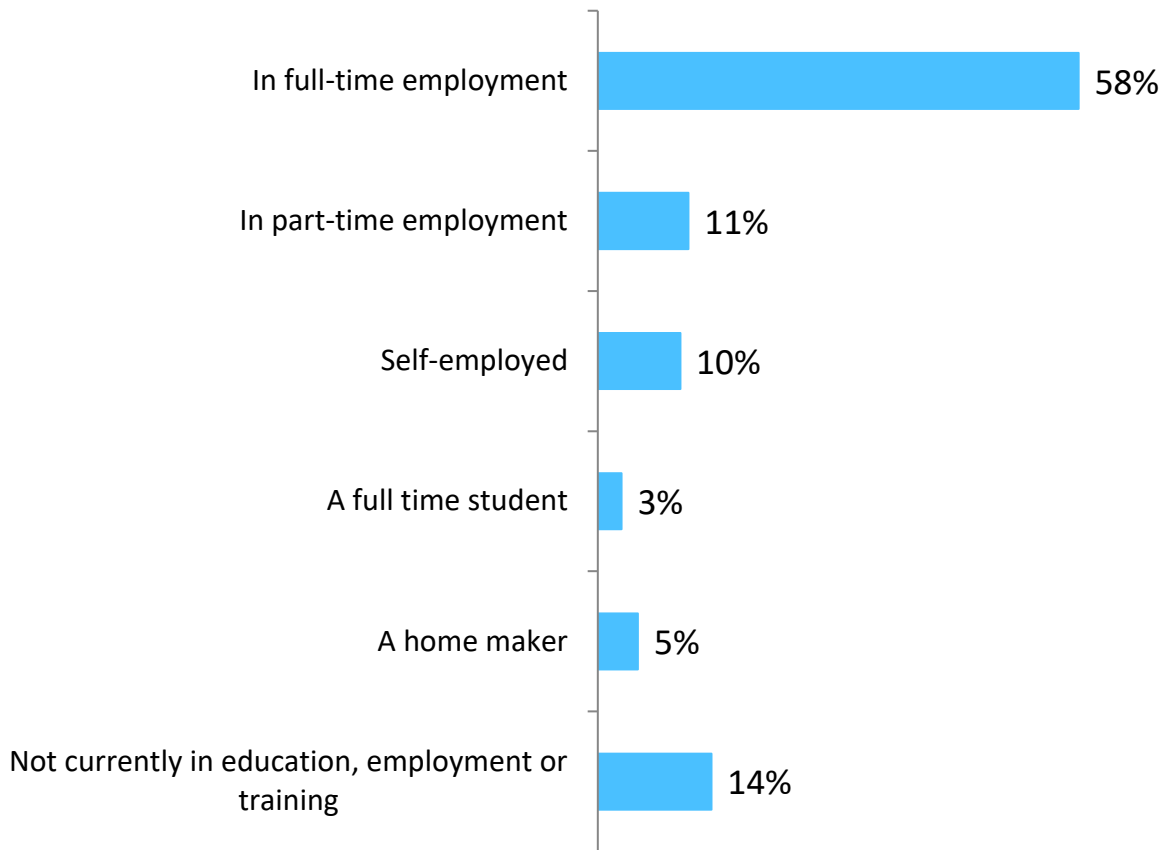


Fig 30. Employment (1119 people responded)

Annual Household Income

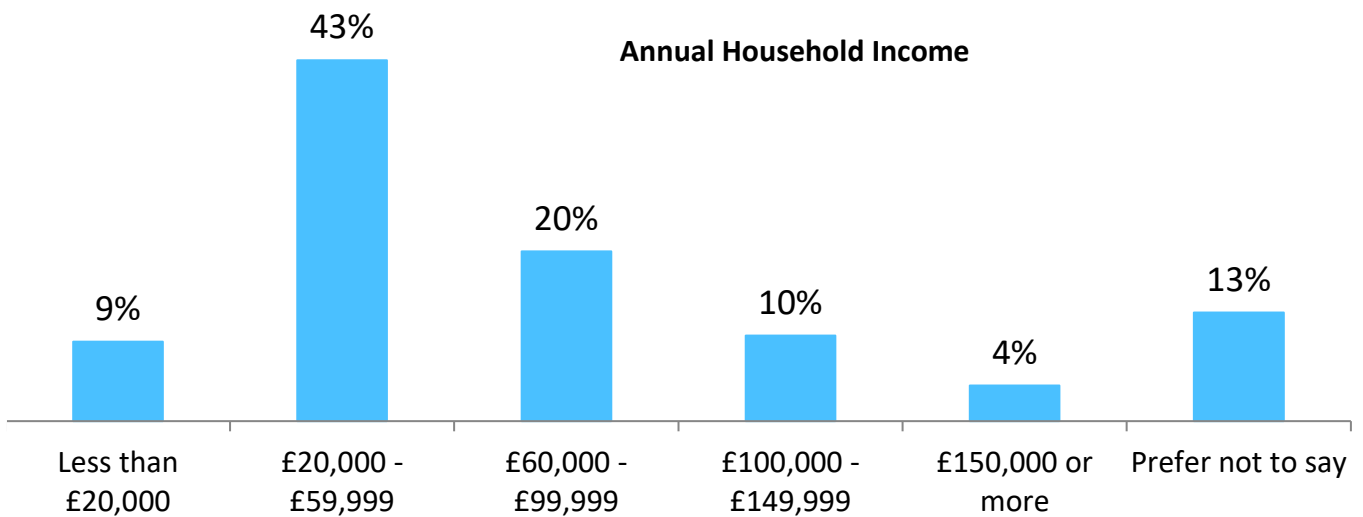


Fig 31. Income (1129 people responded)

Q. Did you vote in the 2014 general election?

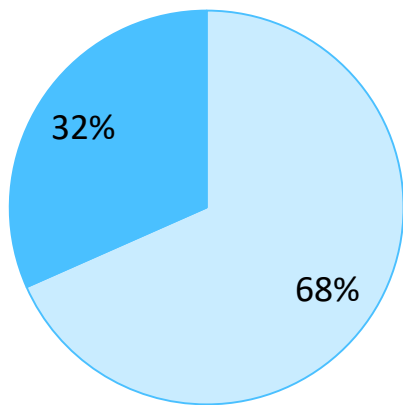


Fig 32. 2014 election (1151 people responded)

Q. Did you vote in the 2018 general election?

□ Yes
■ No

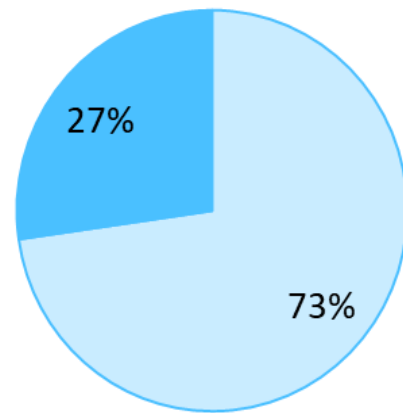


Fig 33. 2018 election (1192 people responded)