STATES OF JERSEY



DIFFERENTIAL PAY FOR MINISTERS, SCRUTINY CHAIRS AND COMMITTEE CHAIRS (P.38/2025): COMMENTS

Presented to the States on 27th May 2025 by the Privileges and Procedures Committee

STATES GREFFE

2025 P.38 Com.

COMMENTS

Deputy Renouf has proposed the introduction of differential pay for elected States Members, whereby different salary levels would apply depending on the positions held by elected Members. The Privileges and Procedures Committee (PPC) has not taken a position on the Deputy's proposition.

The Deputy has himself provided some context for the consideration of this issue, highlighting that there have previously been recommendations that differential pay should be introduced or, if not, at least made a possibility –

- 1. In her determination of 2023 (R.157/2023), the States Members' Remuneration Reviewer noted that the Assembly is an outlier within the international community in not having differential pay and "strongly recommended" that the States of Jersey Law be amended to allow for this eventuality.
- 2. Under the previous regime for determining States Members' salaries, different iterations of the States Members' Remuneration Review Body (SMRRB) either recommended the introduction of differential pay or highlighted that consideration of its introduction would be beneficial: 2019 (R.89/2029), 2017 (R.16/2017), 2014 (R.122/2014), 2013 (R.125/2013), 2011 (R.105/2011) and 2009 (R.62/2009).

Articles 44 and 44A of the <u>States of Jersey Law 2005</u> provide that elected Members' remuneration must be determined in accordance with the recommendations of the States Members' Remuneration Reviewer, and that different elected Members cannot receive different amounts of remuneration or allowance.

This provision has always been part of the 2005 Law. It was included following the adoption in 2004 of an amendment proposed by then Senator Stuart Syvret. The amendment was adopted by 27 votes to 19 with 1 abstention. In the accompanying report, Senator Syvret explained that his amendment "protects the public interest from the potential abuse of the power of patronage. If higher rates of pay were available for say, Ministers or Assistant Ministers, this would build into the operation of the States of Jersey an inducement mechanism by which members may be tempted to be obedient and servile to those in a position to offer the higher paid jobs. This is manifestly counter to the public good."

In comments on the amendment, PPC of the day recommended that it be rejected, highlighting that the Committee "considers it would unduly restrict the ability of the States to take decisions in the future about Members' remuneration. Although the Committee has not yet taken any decision on whether or not any form of graduated remuneration would be appropriate, it believes that this issue needs to be investigated, particularly following the move to ministerial government, and this issue could initially be addressed in conjunction with the independent States Members Remuneration Review Body."

Since that initial decision, the Assembly has debated the question of differential pay on more than one occasion –

1. On 21st October 2010, the Assembly rejected a proposition of then Senator Ben Shenton (P.127/2010) that Article 44 of the States of Jersey Law should be

- repealed to allow for the introduction of differential pay. That part of the Senator's proposition was rejected by 31 votes to 13 with 2 abstentions.
- 2. On 20th May 2014, whilst debating an Amendment Law to the States of Jersey Law, the Assembly rejected an amendment from then Senator Philip Ozouf (P.33/2014 Amd.(8)) to repeal Article 44. The amendment was rejected by 23 votes to 20.
- 3. On 13th September 2017, the Assembly rejected a proposition from the PPC of the day (P.39/2017) that Article 44 should be removed to allow for the introduction of differential pay for the Chief Minister and for the consideration of other differential pay. There were 20 votes pour and 20 votes contre (with 2 abstentions) and the matter was therefore determined in the negative.
- 4. On 10th June 2021, the Assembly considered a proposition from the PPC of the day to establish a new means by which Members' remuneration would be determined (P.40/2021). It was the adoption of this proposition that led to the current regime set out in Articles 44 and 44A of the States of Jersey Law. The proposition included a proposal that would have allowed for differential pay to be considered and introduced (through the repeal of Article 44). However, this proposal was rejected on by 25 votes to 18.

If Deputy Renouf's proposition were adopted, an Amendment Law to the States of Jersey Law would be required in order to amend or remove those parts of Article 44 that specify elected Members must receive the same remuneration. This would then allow the next States Members' Remuneration Reviewer to consider whether (and how) differential pay should be introduced.

Article 44A sets out the process to be followed by the Remuneration Reviewer –

- 1. Following the elections of 7th June 2026, PPC will have 15 months to establish a panel for the purpose of recruiting and appointing the Remuneration Reviewer.
- 2. The panel will make a recommendation to PPC and PPC, if it accepts the recommendation, will present a report to the Assembly with the recommended appointment (the appointment taking effect once the report has been presented for two weeks).
- 3. PPC will direct the Remuneration Reviewer to provide a report within 12 months of the Reviewer's appointment. The Reviewer must consult the Minister for Treasury and Resources specifically and each other elected Member. The Reviewer's report must specify the amount of remuneration to be paid to elected Members and the date on which this is to take effect. The date on which the change takes effect, if an increase, can be backdated (but not to a date before the elections of June 2026). The Reviewer's report will explain the recommendations and address anything else relating to remuneration and allowances which PPC has required.
- 4. In accordance with Article 44(A1), the Reviewer's recommendations in respect of remuneration and allowances must be implemented.