

STATES OF JERSEY



STATES MEMBERS' REMUNERATION: RECONSIDERATION OF 2011 INCREASE AND REPEAL OF ARTICLE 44 OF THE STATES OF JERSEY LAW 2005 (P.127/2010) – COMMENTS

**Presented to the States on 18th October 2010
by the Privileges and Procedures Committee**

STATES GREFFE

COMMENTS

The Privileges and Procedures Committee strongly opposes paragraph (a) of Senator Shenton's proposition which suggests that the States Members' Remuneration Review Body (SMRRB) should be requested to review its 2011 recommendation in relation to the remuneration of elected members.

As stated in PPC's comments to the amendment brought by Senator Shenton on States members' remuneration at the time of draft Annual Business Plan debate, the whole purpose of establishing an independent SMRRB was to prevent debates on States members' remuneration on the floor of the Assembly. In 2003 the Assembly agreed that it was totally inappropriate for States members to continually discuss their own remuneration as had happened up to that time and PPC believes that the system of remuneration being fixed by an independent review body has worked extremely well ever since 2004. PPC is disappointed that Senator Shenton has, for the second time, sought to bring this matter back into the domain of political discussion in the States.

The terms of reference of the SMRRB as agreed by the States set out a number of different matters that the Review Body must take into account when making its recommendations. These include the economic situation prevailing in Jersey and the budgetary considerations of the States of Jersey but also require SMRRB to ensure that the level of remuneration available to elected members is sufficient to ensure that no person should be precluded from serving as a member of the States by reason of insufficient income. Although PPC has no involvement in the SMRRB's work, the Committee is fully satisfied that the SMRRB took due account of all the factors it is required to consider when making its recommendation for 2011 and PPC believes it is totally inappropriate to expect the members of the Review Body, who work on an honorary basis on this difficult task, to reconvene in response to a purely politically motivated proposition. PPC has consulted SMRRB and the exchange of correspondence is attached at the Appendix. As can be seen the Chairman of the Review Body has made it clear that SMRRB is unwilling to reconvene to reconsider its recommendation. PPC therefore urges all members to reject paragraph (a). PPC would again remind members that there is no requirement for members to claim the full amount of remuneration offered and any member who wishes to receive less or forego the agreed 2011 increase simply has to notify the States Treasury of his or her wishes.

PPC is aware that the issue of differential remuneration is an extremely controversial one and a previous attempt to repeal Article 44, as suggested in paragraph (b) of this proposition was rejected. PPC recognises that the issue of repeal is, at this stage, largely a political decision for each member but PPC does not support the repeal as the Committee considers that the introduction of any system of differential remuneration would be extremely divisive at a time when many members have expressed clear support for a more inclusive system of government in Jersey. PPC would nevertheless draw to members attention the letter from the Chairman of SMRRB at the Appendix in which he indicates that SMRRB would be willing to consider wider options if the States took a political decision to repeal Article 44.

Letter from Chairman of PPC to Chairman of SMRRB dated 6th October 2010

Dear Mr. Rogers,

At its meeting on Tuesday 5th October 2010 the Privileges and Procedures Committee considered the attached proposition lodged by Senator B.E. Shenton (P.127/2010) relating to States members remuneration. You will note that paragraph (a) requests PPC to request the SMRRB to reconsider its recommendation for 2011. Paragraph (b) relates to the repeal of Article 44 of the States of Jersey Law 2005 to remove the restriction on any form of differential remuneration.

PPC considers that paragraph (b) is, at this stage, a purely political decision for States members and we assume that the SMRRB would be willing to consider alternative systems of differential remuneration if the States agreed to repeal Article 44. I am nevertheless writing in connection with paragraph (a) of the proposition.

PPC believes very firmly that it is important to defend the total independence of the SMRRB and to defend the system put in place a number of years ago where States members do not need to have involvement in setting their own remuneration. PPC regrets that the recent amendment to the Business Plan brought forward by Senator Shenton, and this proposition, have once again opened up the issue of States members' remuneration to political discussion in the Assembly with all the attendant publicity and media comment that such an approach inevitably brings. PPC intends to present comments to the States opposing paragraph (a) of this proposition as the Committee feels that the SMRRB has already undertaken its work for 2011 and sees no reason why it should request you to reconvene and reconsider your recommendations. PPC is sure that your Review Body took all relevant factors into account when making your recommendation and that you were conscious not only of the current economic situation but also of the fact that States members had already had a one year pay freeze for 2010.

It would be extremely helpful to PPC to receive from you a preliminary indication of whether or not SMRRB would be willing in any circumstances to reconvene to reconsider its recommendation. I would stress most strongly that PPC considers that there is absolutely no valid reason why you would wish to reconvene and I understand from the Greffier of the States that you may already have given him this initial indication. My Committee nevertheless believes it would be helpful for States members to be formally aware of your stance before the debate and it would be helpful if we could give an indication of your views in the comments that we must present at some stage before the debate which is scheduled for 19th October 2010. I would add that my Committee noted in particular that the work of SMRRB is undertaken on an honorary basis and for that reason it would be all the more unreasonable to expect you to reconvene in response to a politically motivated request.

I look forward to hearing from you.

Yours sincerely,

Connétable de Ste Marie

Chairman, Privileges and Procedures Committee

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**Response from Chairman of SMRRB to Chairman of PPC dated
14th October 2010**

Dear Connétable Gallichan

Thank you for your letter of 6th October 2010 in connection with the proposition lodged by Senator B.E. Shenton (P.127/2010). I note that you are seeking an early indication from SMRRB of whether or not we would be willing in any circumstances to reconvene to reconsider our 2011 recommendation as suggested by Senator Shenton in his proposition.

The four current members of the SMRRB have considered your letter and are unanimous that we can see no reason to reconvene or reconsider our recommendation. In establishing the SMRRB the States set out a number of matters that we must consider when making our recommendations and we took great care to take account of all those matters when making our 2011 recommendation. We were aware of the difficult economic situation but also took account of matters such as the one year pay freeze for States members which means that members have had no increase in remuneration since 1st January 2009. We consider that nothing has changed since we made our recommendation and therefore we would not be willing to reconvene. States members are free at any time to debate and vary our recommendations if they wish but the members of SMRRB believe it is extremely important that we undertake our work in an independent and objective manner without taking into account political considerations.

We note from your letter that you consider that paragraph (b) of the proposition, relating to the repeal of Article 44 is, at this stage, a purely political decision for States members and we concur with that conclusion. If it is of assistance I would nevertheless point out that SMRRB would, of course, be more than willing to consider wider options if the States gave an indication, in agreeing the repeal of Article 44, that they wished the Review Body to do that.

The members of SMRRB will follow with interest the debate on the proposition of Senator Shenton and for the avoidance of doubt I am happy to confirm that we have no objection if you wish to publish this letter as an Appendix to your Committee's comments on the proposition.

Yours sincerely,

Julian Rogers
Chairman