

CHAPTER

7

Members of the Oireachtas and Political Office Holders

7.1 Our terms of reference require us to recommend (1) an appropriate civil service grade to which the pay of Dáil Deputies would be linked for the future and (2) the proportionate relationship that the remuneration of Senators should have to that of Deputies. Furthermore in the cases of members of the Oireachtas and office holders our terms of reference are confined to salaries (i.e. excluding allowances and superannuation arrangements).

I. Remuneration of TDs and Senators

7.2 The salary of a TD is not linked to that of any civil service grade. The salary level is similar to the ordinary maximum (excluding long service increments) of the scale for Assistant Principal (higher) and the salary of a Senator is approximately 63% of that of a TD. In the submission we received on behalf of members of the Houses of the Oireachtas it was suggested that the appropriate link for a Dáil Deputy would be Principal Officer (higher) and that the salary of a Senator should be set at 75% of that of a Dáil Deputy.

7.3 Our approach to setting the remuneration rates for members of the Houses of the Oireachtas had three dimensions to it. Firstly, we examined the way in which the pay of public representatives is determined in other countries. Secondly, we examined the extent to which there had been real changes in the nature of the role of a TD/Senator in the four years since the last review. Thirdly, we asked Hay Management Consultants to assess the relative weight of the job of a TD against a selection of civil service posts, and the role of a Senator against that of a TD. These considerations form the basis of our recommendations on the remuneration of TDs and Senators.

International Position

7.4 We examined the position in a total of 16 other countries — 11 EU, USA, Canada, Australia, New Zealand and Norway. This revealed that in a number of other countries the remuneration of parliamentarians is linked to positions in the public service although the nature of the link varies. In view of the different public service structures which exist it was difficult to draw direct parallels with the situation in Ireland.

The salary of a TD is not linked to any public service grade

..... however, such links are common in other countries.

Fundamental changes have been made in the Committee system ...

7.5 While our examination showed that links with public service grades are common in other countries, this does not, in our view, enable conclusions to be drawn about the appropriate link for parliamentarians in Ireland. As was indicated in Report No. 37, we have reservations about the validity of international comparisons in the case of groups coming within our remit. We are not convinced either that the remuneration of members of Parliament in other countries relative to groups in the public and private sectors can necessarily be used to give an indication of the appropriate relative positions in Ireland. Differences in factors such as electoral systems, the ratio of members of Parliament to population, the roles of members of Parliament and remuneration structures make comparison difficult.

Changes in the role of Dáil Deputies and Senators

7.6 In considering the appropriate level of remuneration for members of the Oireachtas we felt it was important to assess the extent to which the roles and functions of the members had changed since our last review. Our assessment of these developments have led us to conclude that fundamental changes in the Committee system have had a major impact on the role of Deputies and Senators.

... which place greater demands on TDs/Senators.

7.7 During *the 27th Dáil* (from 1992 to 1997) a number of Committees were established. Apart from the “housekeeping committees” (e.g. the Committees on Procedure and Privileges, the Joint Services Committee, Joint Committee on Standing Orders etc.), Committees were established to consider specific issues or subject areas. These Select Committees had little discretion in relation to the matters dealt with other than that they were empowered to take evidence on a Bill i.e. in the case of a major Bill referred for Committee Stage consideration it was open to a Committee to decide to advertise for submissions and take oral evidence on the content of the Bill.

7.8 The structure of Committees has changed in the present Dáil (*the 28th Dáil*). The system is now built around a core of Joint Committees consisting of both Deputies and Senators. Each has responsibility for one (or in some cases two) Government Department(s) and is empowered to deal with all aspects of scrutiny in relation to the Department(s) — in effect, to perform a “watchdog” role. Within each Joint Committee there also exists a Select Committee of the Dáil only, members of which exercise a role in relation to annual Estimates and Committee Stages of Bills. In addition to the “Departmental” Committees the Public Accounts Committee was re-established as was the Joint Committee on European Affairs (which has a statutory basis). Involvement in Committees affects the workload of non office holding

TDs and Senators to a major extent. Most TDs and Senators are members of more than one Committee.

7.9 The Orders of Reference of all the “Departmental” Joint Committees are virtually identical. Unlike the Committees of the 27th Dáil these Committees have a full right of initiative in that they are empowered to examine any matter (i.e. of their own choosing) which comes within the remit of the Department(s) for which they are responsible. They can require the attendance of Ministers, initiate proposals for legislative change and require Ministers to discuss proposed legislation with them. Since the Committees are Joint Committees, Senators participate fully in the work. In relation to the Public Accounts Committee, while its Orders of Reference in the 28th Dáil are largely the same as its Orders of Reference in the previous Dáil, it exercised specific powers in the DIRT Inquiry provided to it by the Dáil on foot of recommendations by the Committee itself.

7.10 In summary, the Committees of the present Dáil are distinguished from those of the previous Dáil by the right of initiative which they possess and the consequent wider ranging powers and discretion. This wider role we believe has materially increased the workload of the members of both Houses of the Oireachtas compared to the position at the time of our last review. This is particularly so in terms of the time which must be devoted to the activities of the Committees, the research required on the wider range of issues before those Committees, and responding to representations from lobby groups and stakeholders in legislation.

Salary of Dáil Deputies and Senators

7.11 In view of our conclusion that the role of TDs and Senators has expanded we consider that their remuneration should be improved. Our terms of reference require us to express the remuneration of TDs in terms of a link to a civil service grade. To assist us in our consideration we asked Hay Management Consultants to look at the job weight applicable to TDs and to compare this to the job weight of a sample post in each of the grades of Assistant Principal (higher), Principal Officer (standard) and Principal Officer (higher).

7.12 On the basis of the sample of TDs interviewed the consultants found a significant diversity in the complexity, responsibility and character of the functions performed. We were informed by the consultants that this was consistent with their experience in sizing parliamentary jobs in other jurisdictions such as Westminster and the

Consultants evaluated the job of a TD against a range of civil service posts.....

..... and found significant diversity in the functions performed.

newly constituted Assemblies for Scotland, Wales and Northern Ireland. The role of a TD includes elements of constituency representation and an input at national level arising from committee work, participation in debates, dealing with the media etc. There is a further dimension to the job in the case of a small number of TDs who act as opposition spokespersons on particular issues and members of small parties with specific policy responsibilities.

7.13 On the basis of the role of an “average” TD and by reference to a comparison with the sample civil service posts, the consultants suggested that the grade of Principal Officer (standard) was the most appropriate link for a TD. In relation to Senators we had regard to the fact that the changes in the Committee system which we refer to in 7.10 are fairly recent and we took a view on the long term impact of these changes on the role of Senators.

7.14 Based on our consideration as informed by the outcome of the comparison exercise, we recommend that

- the salary of a Dáil Deputy should be set at the ordinary maximum of the grade of Principal Officer (standard) in the civil service (i.e. at £46,506 in current terms); and,
- the salary of a Senator should be fixed as 70% of that of a TD and should be revised for the future on that basis. This gives a revised salary of £32,554.

These recommendations take account of the different superannuation arrangements applying to Dáil Deputies/Senators and civil service grades.

7.15 The submission on behalf of the members of the Oireachtas proposed that long service increments be payable. Long service increments are payable to Principal Officers in the civil service. One long service increment is payable after three years satisfactory service at the maximum of the scale and a second one is payable after six years satisfactory service at the maximum of the scale. A Principal Officer entering the grade at the minimum of the scale would have to serve seven years in the grade before becoming eligible for the first long service increment and ten years before becoming eligible for the second. We understand that the application of long service increments to TDs and Senators would be likely to require legislative change. Should the Government decide to introduce long service increments for TDs and Senators we would not regard this as incompatible with our view on a link with the grade of Principal Officer (standard) provided the service

The grade of Principal Officer (standard) is an appropriate link for a TD.

The salary of a Senator should be 70% of that of a TD.

as a TD or Senator required to qualify for long service increments is comparable to that required by Principal Officers.

7.16 Should the Government decide to introduce long service increments for TDs and Senators we consider that this should not result in a situation where different rates of remuneration apply to Ministers. This situation could come about because the remuneration of office holders is made up of an office holder's allowance plus the salary of a TD (or Senator). Accordingly, the application of long service increments could result in Ministers who are members of the same House being paid differently depending on whether they qualify as a TD for two, one or no long service increments. In our view, the principle that all Ministers are paid the same remuneration is an important one. If the Government decide to introduce long service increments for TDs and Senators we consider that the arrangements introduced should ensure that a common rate of remuneration continues to apply to Ministers (and, subject to 7.24, to Ministers of State). The common rates should be the ones recommended in Table 7.1 following. Likewise if long service increments are introduced, this should not result in other office holders being paid in excess of the rates recommended in Table 7.1.

7.17 We were also urged in the submission on behalf of members of the Oireachtas to recommend a mechanism to ensure that in the event of the future introduction of a performance-related pay element into the salary of the grade of Principal Officer any such element would be reflected in the salary of TDs and Senators. There are no specific proposals at present for the application of performance-related pay to the grade of Principal Officer. However, we do not accept that the application of performance-related pay to one group provides a basis for extending it to another on a relativity basis. In any case we do not believe that performance-related pay is appropriate to the role of TDs and Senators.

7.18 As our recommendations provide a basis for the future automatic review of the remuneration of Dáil Deputies and Senators we consider that their remuneration should no longer form part of our remit for general reviews.

Performance-related pay is not appropriate for members of the Oireachtas.

II. Office holders

7.19 In Report No. 37 we set out a number of principles which we believed should influence the remuneration structure for political office holders (paragraph 5.6 of Report No. 37 refers). On this occasion, we again applied these principles. We approached the determination of the remuneration of office holders by first deciding on the appropriate remuneration for Ministers.

7.20 We comment elsewhere in this report on the increasing demands on top public servants and on the growth in the complexity of their work. Clearly, the kinds of developments referred to in relation to top public servants have also resulted in greatly increased pressures on Ministers who are members of Government and accountable to the Oireachtas and the electorate. The business of Government is now more complex and demanding than ever before. The challenges posed by factors such as the growth of the economy, changes in the labour market, developments at EU level and the need to achieve consensus on the major issues facing the country have imposed enormous demands on Ministers. In our view the current salaries of Ministers provide very inadequate compensation for the workloads borne by them.

7.21 We have not changed our view, as set out in Report No. 37, that there should be a common salary rate for Ministers despite differences in the responsibilities of different portfolios. We still consider also that the principal benchmark in determining the remuneration of Ministers should be the salary of Secretaries General of Government Departments, having regard to their close working relationships.

7.22 In Report No. 37 we recommended a salary for Ministers which was above “Level III” Secretaries General but below that of some Secretary General posts. The outcome of the benchmarking exercise we undertook for Secretary General posts in this review was that a major gap was shown to exist between their pay and that of comparable private sector posts. We feel that rates applicable to senior posts in the private sector and differentials over other grades in the civil service structure must influence the level at which salaries of Secretaries General are set but these factors have less direct relevance to Ministers. However, we do not feel that it would be appropriate at this time in the Irish administration, as is the case in some other countries, to have a situation where the salary of the civil service head of a Department can be significantly in excess of that of a Minister.

7.23 Having regard to the considerations outlined in the preceding paragraphs we recommend that Ministerial salaries should be set at

All Ministers should be paid the same

..... and Ministerial salaries should be around the average for Secretaries General.

around the average for Secretaries General and that the remuneration of political office holders should be as outlined in Table 7.1 below.

Table 7.1
Recommended Salary Rates for Political Office Holders

| Post | Current Rate | Recommended Rate | % increase |
|-----------------------------------|--------------|------------------|------------|
| | £ | £ | |
| Taoiseach | 114,561 | 140,000 | 22.2 |
| Tánaiste | 98,512 | 120,000 | 21.8 |
| Minister | 91,427 | 110,000 | 20.3 |
| Minister of State | 62,650 | 75,000 | 19.7 |
| Attorney General | 91,428 | 110,000 | 20.3 |
| Ceann Comhairle | 91,427 | 110,000 | 20.3 |
| Leas-Cheann Comhairle | 62,650 | 75,000 | 19.7 |
| Cathaoirleach of the Seanad | 46,240 | 58,000 | 25.4 |
| Leas-Chathaoirleach of the Seanad | 36,439 | 47,000 | 29.0 |

An overall increase of 20.4% is recommended for political Office Holders.

These rates incorporate the relevant parliamentary salaries.

Ministers of State who attend Cabinet meetings

7.24 During the course of the review we were asked to consider the remuneration of Ministers of State who attend Government meetings. Two Ministers of State attend Government meetings — the Minister of State with special responsibility as the Government Chief Whip and the Minister of State to the Government. We are satisfied that these Ministers of State carry additional responsibilities which warrant remuneration additional to that payable to other Ministers of State. We consider that the Ministers of State in question should receive an allowance equivalent to that payable to the Chairperson of the Committee of Public Accounts and chairpersons of certain other Oireachtas committees — £10,692 at present.

Expense allowance for the Attorney General

7.25 General expense allowances are payable to Ministerial and Parliamentary office holders. The amount payable to Ministers and the Ceann Comhairle is £9,770 in current terms. This allowance is not payable to the Attorney General. The same overall salary is paid to a

Minister and the Attorney General and we consider that the two offices should be treated in the same way in relation to general expenses also. Accordingly, we recommend that the general expense allowance payable to Ministers should be payable to the Attorney General.

Chairpersons and other positions on Oireachtas Committees

7.26 In Report No. 37 we recommended revised allowances for chairpersons of Oireachtas Committees and expressed the view that these allowances should reflect the increased powers, duties and responsibilities of chairpersons. The Oireachtas (Allowances to Members) and Ministerial, Parliamentary, Judicial and Court Offices (Amendment) Act, 1998 introduced a new system of allowances for the chairpersons, vice-chairpersons and whips of specified Oireachtas Committees and Sub-Committees, as well as providing for annual amounts to be allocated to the chairpersons of Oireachtas Committees. Allowances are also paid in respect of certain other posts (e.g. party whips, Senators who act as Leader and Deputy Leader of the House as well as certain other positions in the Seanad).

7.27 Our recommendations on revised salary arrangements for TDs and Senators will result in significant increases in salary. In arriving at our recommendations on salary we have taken account of the expanded role of TDs and Senators in relation to Oireachtas Committees. In view of this and in the light of the increases in salary resulting from our recommendations, we do not consider that an increase is warranted in the allowances paid to the various positions on Committees or to other positions. Accordingly we are not recommending any increase in these payments.

Superannuation arrangements

7.28 We received submissions which asked us to recommend improvements in the superannuation arrangements applicable to members of the Oireachtas and their spouses. However, superannuation provisions do not come within our terms of reference.