

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

4th September 2019

Proposition No. P.2019/60

Policy & Resources Committee

Independent States Member's Pay Review Panel – Final Report

AMENDMENT

Proposed by: Deputy M H Dorey

Seconded by: Deputy M K Le Clerc

To replace Proposition 6 with the following Proposition:-

- "6. To endorse and confirm the following Resolutions of the States, numbered 6 and 8 on item X of Billet d'État No. I of 2016 entitled "REVIEW OF STATES MEMBERS AND NON-STATES MEMBERS PAY", made at their meeting held on 26th January 2016:-
- "6. That the remuneration of States Members, Non-States Members and attendance allowance for Alternative Alderney Representatives should be automatically adjusted annually on 1st May, based on any percentage change in median earnings, as published in March each year. In the event of a negative change, no adjustment should be made. Should a percentage increase occur in the year following a negative change, the award shall reflect the percentage change from the year preceding the negative change.
8. That at the beginning of a political term, any States Member or Non-States Member who chose to accept remuneration would be required to decide either to accept or reject any changes in such remuneration that might result from any changes in median earnings during the relevant political term.""

Rule 4(3) Information

The estimated cost of the amendment based on a median earnings increase of 2% per annum is £35,000 the second year, £71,000 the third year, and £108,000 the fourth year of the term.

Explanatory note

The amendment would replace Proposition 6 with a new Proposition 6 endorsing and confirming, for the avoidance of doubt, extant Resolutions that were approved by the States at their meeting held on 26th January 2016. See item X on Billet d'État No. I of 2016 entitled "REVIEW OF STATES MEMBERS AND NON-STATES MEMBERS PAY".

The panel's report includes the following:

"Any future Panels are likely to be sufficiently robust to deal with circumstances as they arise, impartially apply the six established principles of remuneration, and consider the benchmark link to median earnings as it stands at the time."

This implies that the fixed rate should significantly rise in 2024 by the increase in median earnings over the years 2020, 2021, 2022, 2023. This large increase would be similar to what occurred in 2012 which resulted in much public and media criticism.

If the amendment were to be approved and Resolutions 6 and 8 from Billet d'État No. I of 2016 as shown above in the amendment were also to be endorsed and confirmed, that would confirm the intention of the States that there should not be any such large "one-off" increase.