

Ministers' pay review committee to submit report soon

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The committee to review ministerial salaries has not handed its report to Prime Minister Lee Hsien Loong as of yesterday, but will do so by the end of the year, said its chairman Gerard Ee.

As for when the highly anticipated recommendations will be released to the public, Mr Ee told The Straits Times yesterday that it was up to Mr Lee.

'After I hand him the report, my work is done,' said the National Kidney Foundation chairman, who heads the eight-man committee.

When asked for further details on the deliberations, including the overriding factors it eventually took into consideration, Mr Ee declined to comment, saying details about its work in the last seven months will be made public 'when the time comes'.

But during its public consultation exercise in June, it received over 500 e-mail messages and letters, Mr Ee had said in September.

It also received comments from retired and current politicians and had help from human resource consultancy Mercer Singapore for the review.

Observers interviewed say conflicting pressures have built over the past seven months in anticipation of the committee's recommendations.

Institute of Policy Studies senior research fellow Gillian Koh said the public is split on the issue: One group would like a straightforward deep cut while another would like pay to be tied to the Government's day-to-day performance.

When Mr Ee was appointed to head the committee in May, he told The Straits Times its 'final answer must include a substantial discount on comparable salaries in the private sector and people looking at it will say, 'these people are serving and making a sacrifice'.'

But, the committee must also weigh two factors, said Singapore Management University observer Eugene Tan. The first is that too deep a cut will disincentivise private sector talent to enter politics.

Secondly, 'if salaries are cut by a lot, this would be admitting that ministers have been grossly overpaid for 15 years', he said. 'It would mean undercutting the fundamental principles that the Government has always given for why salaries must be high.'

In 1994, when ministerial salaries were benchmarked to the incomes of top earners in the private sector, then Prime Minister Goh Chok Tong said such political salaries were necessary to get the best talent on board.

When contacted, People's Action Party MPs said they did not know when the report would be released to the public. PM Lee may decide to release it any time after Mr Ee's committee submits it.

But there are two important dates in January, which they believe could indicate when it will be made public.

A party caucus has been scheduled for Jan 3, and a parliamentary sitting for Jan 16.

MPs said they expect to be briefed on the pay recommendations for the President, Prime Minister, political office-holders and MPs, at the caucus on Jan 3.

At this monthly, closed-door meeting, party leaders will ask for MPs' reactions on the report. This will also help the MPs handle questions from residents later.

If the report is released around Jan 3, MPs will have two weeks to get feedback from constituents and stakeholders and it will inform their speeches for the parliamentary debate on the matter, likely to start on Jan 16.

The current benchmark for ministers' pay is two-thirds the median incomes of the top eight earners in each of six professions, including banking and law.

Latest official figures show the annual salary of an entry-grade minister was \$1.57 million in 2009. The Prime Minister's salary then was \$3.04 million.