

## Ministers' pay 'totally transparent', says DPM Teo

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There are no hidden components or perks in the salary structure for Singapore's ministers, Deputy Prime Minister Teo Chee Hean said in Parliament yesterday.

He explained that all the bonuses paid to an entry-level minister form part of his \$1.1 million annual salary norm and are not on top of the amount.

"The salary structure is totally transparent. There are no hidden salary components or perks," Mr Teo said in reply to a question from Mr Alex Yam (Marsiling-Yew Tee GRC) after falsehoods about the issue resurfaced.

Claims were made online recently that the Government was not upfront about how ministerial salaries are calculated.

There were also allegations that the prime minister's base salary of \$2.2 million a year could rise to \$4.5 million after factoring in bonuses.

Debunking this, Mr Teo explained that the annual salary comprises a fixed 65 per cent and a variable 35 per cent.

The monthly salary and 13th month annual allowance make up the fixed portion while the individual performance bonus, national bonus and annual variable component make up the variable amount.

Mr Teo said the components of the annual salary are set out clearly in a 2012 White Paper submitted by an independent committee after consultation with MPs and the public.

The norm level of \$1.1 million for an entry-level minister contains both the fixed and variable components, he clarified.

Mr Teo noted the PM's salary has no individual performance bonus because there is no one to assess his performance.

But in keeping with the principle of basing a significant part - 35 per cent - of the PM's total salary on performance, his variable pay has twice the national bonus compared to other ministers in place of the individual performance bonus.

In 2012, the independent committee recommended the PM's total norm annual salary should be two times that of an entry-level minister, or \$2.2 million.

Mr Teo's detailed explanation comes about three weeks after PM Lee Hsien Loong issued a written reply to Workers' Party Non-Constituency MP Leon Perera, who asked about the bonus paid to Cabinet ministers.

Mr Lee said political office holders of all grades received an average annual performance bonus of around four months' salary in the last five years, with each individual getting between three and six months of their pay each year.

The data was later used to spread online falsehoods about ministerial salaries, including Mr Lee's.

Pointing out that the issue of ministerial salaries is a difficult one to talk about, Mr Teo said: "It is an emotional one. There are misconceptions sometimes deliberately propagated. It is easily politicised."

Three analysts contacted by The New Paper yesterday agreed that ministerial pay is a hot-button issue.

While each had a different opinion, they agreed it was important for the Government to explain the rationale behind the ministerial pay structure to Singaporeans.

They also agreed it may be difficult, if not impossible, to reach a quantum that will please all Singaporeans.

Dr Gillian Koh, deputy director of research at the Institute of Policy Studies, said: "There is a clear rationale for the formula, and it is up to the Government to explain it to the critics."

Associate Professor Bilveer Singh, of the National University of Singapore's Department of Political Science, said the Government needs to send a signal that it understands the unhappiness and will develop a quantum people can be okay with.

But Singapore Management University's Associate Professor Eugene Tan said it was important not to move in the opposite direction where it becomes a race to the bottom.

Noting the Government is caught between a rock and a hard place, the law don added: "As long as the dominant view is that the pay is too high, I don't think that a better explanation will help much."