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CABINETTOP SALARIES REVIEW BODY:
REPORT NUMBER 15 ON THE PAY OF
MEMBERS OF PARLIAMENT AND MINISTERS

Memorandum by the Chancellor of the Duchy of Lancaster

1. The Fifteenth Report of the Top Salaries Review Body (TSRB) was delivered to the Prime Minister on 20 June. It recommends new rates for the salary and secretarial allowance of Members of Parliament (MPs), the salaries of Ministers, and Peers' expenses allowance. We need to decide whether to accept these recommendations, wholly or in part.
2. A copy of Report No. 15 is at Annex A.

SALARIES OF MEMBERS OF PARLIAMENT

3. The last TSRB Report on MPs' pay (Report No 12) recommended a salary for MPs of £12,000 per annum with effect from 13 June 1979, an increase of 74 per cent over the salary then in payment. At Cabinet on 20 June 1979 (CC(79) 7th Conclusions, Minute 4) we accepted the TSRB rate but agreed that because the increases were so large, the new salary should be introduced in three equal stages in June 1979, June 1980 and June 1981. The reaction of the House was so hostile that unless some concession was made there was a serious danger of our proposal being defeated. We therefore agreed (CC(79) 8th Conclusions, Minute 5) that 50 per cent of the increase should be paid in 1979 and the remainder in two equal stages in 1980 and 1981. This gave the following rates:

13 June 1979	13 June 1980	13 June 1981
£9,450	£10,725	£12,000
	(currently in payment)	

4. We also agreed, and I told the House on 11 July, that the 1980 rate should be updated in the light of recommendations by TSRB, and it was agreed that the TSRB recommendations would be implemented by the Government. Our intention to update MPs' pay in 1980 has been restated twice: in a letter of 30 July 1979 from the Prime Minister to Lord Boyle asking TSRB to review MPs' and Ministers' salaries in 1980, and in a statement I made to the House on 4 March 1980, following a discussion in Cabinet (CC(80) 5th Conclusions, Minute 6), in which I said that the Government were committed to implementing the updating from this summer. This commitment was the basis on which negotiations were carried out with the Chairman of the 1922 Committee and representatives of the other Parliamentary parties.

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5. TSRB Report No 15 gives the Review Body recommendations on updating. It proposes new salary levels of:-

13 June 1980

13 June 1981

£12,300

£13,750

This represents an increase of 14.6 per cent on each stage which is well below the increase in the retail price index (RPI) (over 20 per cent) and in outside salaries in the relevant range (about 20 per cent) over the same period.

6. Our commitment to update is quite clear. Furthermore the size of the increase recommended by TSRB is comparatively modest and broadly in line with the 14 per cent we allowed for in cash limits for increases in public sector pay generally. There are some backbenchers who are anxious that Members should not award themselves a big pay increase this year, but given the size of the recommended increase it is probably realistic to suppose that the majority, including many of our own supporters, will wish to see this increase implemented. If we attempt to avoid this I believe that even though we may not face as great difficulties as we had with the House last year, there is a very real risk of doing so and there is the certainty of losing the goodwill of some of our own supporters for a negligible gain.

7. The normal way to announce our decision would be for me to make a statement at the time of the publication of Report No 15. A resolution setting out the proposed new salary level would be subsequently laid before the House and debated. Whatever our conclusions on the pay increase, the final decision must be taken by the House.

8. Our decisions on TSRB Report No 14 on Top Salaries have implications for the handling of MPs' pay, particularly as regards timing. Although there are good grounds, both in terms of our differing commitments and of the differently sized increases involved, for treating the two groups differently, I think it would be invidious to announce first that MPs would be permitted this increase and only later to do something more restrictive for the TSRB 14 people. Either both announcements should be at the same time or that on TSRB 14 should come first.

9. We have already decided and announced to the House (Hansard, 4 March 1980, cols 266/7) that TSRB should be formally asked to undertake annual reviews of Parliamentary pay and that it is the Government's intention, save in the most exceptional circumstances, that any recommendations made by the Review Body will be implemented. I propose that I should confirm this decision when giving the Government's views on TSRB 15.

MINISTERS' AND OTHER OFFICE HOLDERS' SALARIES

10. TSRB Report No 12 recommended substantial increases for Ministers and other office holders for payment from mid-1979. The increases ranged from 50 per cent to well over 200 per cent on the salaries then in payment. We decided that these increases like those for MPs should be staged over three years and that the 1980 stage should be updated for Ministers not in the Cabinet and other office holders but not for Cabinet Ministers. TSRB 15 gives recommendations on the updating. The increases in this year's full recommended rates over last year's full recommended rates are around 14-15 per cent, comparable with the increase for MPs. However, the position is complicated by staging. Unlike MPs, Ministers' second stage (mid-1980) salary increase resulting from the staging of TSRB 12 recommendations is not yet in payment (an Order is required), though we have decided (CC(80) 24th Conclusions, Minute 4) to accept and implement it. Unless therefore we decide to make no further payment this year to some or all Ministers (see below) there are likely to be two distinct increases for Ministers this year (no doubt to be provided for in a single Order). A table showing the salary levels for the main groups of Ministers is attached at Annex B. Previous incomes policies have led to slight differences in the rates for Ministers in the Commons and the Lords. The Review Body recommends removing this anomaly.

11. We have given no public commitments on increasing Ministers' pay. We are therefore free to consider the following options:

- i. to pay Boyle in full to Cabinet and junior Ministers;
- ii. to pay nothing in excess of the second stage which we have already agreed;
- iii. to make a partial payment of the same amount (but significantly lower than option i.) to both groups of Ministers;
- iv. to make no additional payment to Cabinet Ministers but a partial payment to junior Ministers;
- v. to make a small partial payment to Cabinet Ministers but a larger one (or pay Boyle in full) to junior Ministers.

12. Option ii. is the toughest practicable, and this would give increases on current rates of just under 14 per cent for Cabinet Ministers, and 16-18 per cent for other Ministers. At the other end of the scale we could pay the full updated rates (option i) - giving increases of 30 per cent or more. This would be difficult to defend publicly. I suggest therefore that we should go for a half-way house and for this purpose urge strongly that we should deal more generously with our junior colleagues than with ourselves

(ie reject option iii). The practical options therefore seem to me to be iv. and v. above. There is much room for argument about appropriate percentages if we are not to implement Boyle in full; but as a basis for discussion I suggest the following:

iv. Nil for Cabinet Ministers and 10 per cent for junior Ministers; and

v. 7 per cent for Cabinet Ministers and 13-15 per cent for junior Ministers (ie slightly less than Boyle, or the full amount).

13. For junior Ministers there would need to be adjustments to remove the anomaly of different salaries for Commons and Lords Ministers. Other office holders should be treated similarly to junior Ministers. Annex C shows for the main groups of Ministers what these options mean in terms of rates of increase.

14. Ministers in the House of Commons also receive a Parliamentary salary. Because of the effects of the previous Government's incomes policy, there are currently three rates (all of which include the second stage): £6,130 for Cabinet Ministers, £6,325 for Ministers not in the Cabinet; and £6,410 for junior Ministers. TSRB 15 recommends a unified rate. Taking account of the staging of last year's increase, the rates recommended are:

13 June 1980	13 June 1981
£7,325	£8,000

I propose that we treat this salary in exactly the same way as we decide to treat MPs' pay.

PENSIONS

15. If we decide to pay something less than the TSRB recommended rates, then I propose that we should follow past practice and promulgate the full rate for pension purposes.

ALLOWANCES

16. TSRB consider that the current rate of £6,750 for MPs' secretarial and research assistance allowance is no longer enough to provide for a full-time secretary and a part-time research assistant. They recommend a new rate of £8,000 per annum - an 18 per cent increase. They also recommend the following increases in the daily rates for Peers' expenses allowance:

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- i. overnight subsistence: from £18.50 to £23.00;
- ii. day subsistence and incidental travel: from £9.00 to £11.00;
- iii. secretarial costs, postage, etc: from £8.50 to £10.00.

Finally they recommend that the amount Ministers and other paid office holders in the House of Lords may claim for secretarial expenses should increase from £1,000 to £1,175 per year.

17. Increases in these allowances are unlikely to be controversial and they are justified by increased costs. I propose that we accept TSRB's recommendations. I also propose that we invite TSRB to review annually the secretarial allowance for MPs. This allowance has in fact been increased annually since 1974 and asking TSRB to examine it each year merely regularises the position.

CONCLUSIONS

18. I invite the Cabinet to consider whether:

- i. the recommendations in TSRB Report No 15 on MPs' salary should be accepted by the Government and, subject to the views of the House of Commons, implemented;
- ii. the Government's views should be made public when Report No 15 is published and at the same time an announcement of annual reviews of Parliamentary pay by TSRB should be made;
- iii. the pay of Ministers and other office holders should be increased according to one of the options set out in paragraphs 12 and 13 of this paper;
- iv. where we decide that any salary should be paid at less than the TSRB recommended rates, the full rate should be promulgated for pension purposes;
- v. the TSRB recommendations on MPs' secretarial and research assistance allowance, Peers' expenses allowance and the secretarial allowance for Ministers and other paid office holders in the House of Lords should be accepted and implemented;
- vi. TSRB should be invited to review annually the secretarial allowance for MPs.

N St J S

Privy Council Office

27 June 1980

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ANNEX A

REVIEW BODY ON TOP SALARIES

REPORT NO 15

MINISTERS OF THE CROWN

AND MEMBERS OF PARLIAMENT

AND THE PEERS' EXPENSES

ALLOWANCE

Chairman:

THE RT HON LORD BOYLE OF HANDSWORTH

Presented to Parliament by the Prime Minister
by Command of Her Majesty
1980

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REVIEW BODY ON TOP SALARIES

On 30 July 1979, the Review Body on Top Salaries was invited by the Prime Minister to bring up to date the second stage payment due to be paid to Members of Parliament and to Ministers and other paid office holders as part of the process of implementation of the 1979 salaries recommended in Report No 12. We were asked to do so "by the usual Review Body process".

The members of the Review Body are:

The Rt Hon Lord Boyle of Handsworth, Chairman

Sir Harold Atcherley¹

Sir George Coldstream, KCB, KCVO, QC

Lord Hirshfield

Andrew Leggatt, QC

Lord Flowden, KCB, KBE

Baroness Seear

The Secretariat is provided by the Office of Manpower Economics.

¹ Also Chairman of the Review Body on Armed Forces Pay.

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MINISTERS OF THE CROWN AND MEMBERS OF PARLIAMENT

Introduction

1. In 1979 we carried out our third review of the remuneration of Members of Parliament and Ministers and other paid office holders. Report No 12¹ contained our recommendations on the salary of Members and the salaries of Ministers and other office holders, and our views on the closely related issue of salary 'linkage'. It also covered the Peers' expenses allowance and included an interim recommendation on the amount against which claims could be made against the MP's secretarial allowance. In Report No 13² we completed our review of the maximum of the secretarial allowance and dealt with a number of other allowances and facilities, including the maximum of the allowance for research assistance and the Parliamentary pension scheme.
2. The levels of the salaries and allowances recommended in Report No 12 were accepted by the Government as appropriate at 13 June 1979, but the salaries (Appendix A) are being introduced in three stages: one half of the increase was implemented with effect from 13 June 1979 and the remainder in two equal instalments, the first from 13 June 1980 and the second from 13 June 1981³. The other recommendations were accepted, but in some cases in a significantly modified form. Report No 13 had recommended two allowances with separate maxima to enable Members to employ both full-time secretarial assistance and part-time research assistance. These maxima have been combined to provide an allowance with a single maximum, against which claims may be made for expenditure incurred on secretarial assistance and on research assistance. Parliament decided that a further amount should be made available to Members for payments into an approved scheme to provide pensions for secretaries and research assistants. Another departure from our recommendations affected the severance payments for MPs. We recommended a scale of payments designed to assist the older and longer-serving Member; in the event, the payments that we recommended have been doubled. These changes were made by resolution of the House when Report No 13 was debated on Tuesday 4 March 1980⁴.

¹ Review Body on Top Salaries, Report No 12: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd 7598.

² Review Body on Top Salaries, Report No 13: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd 7825.

³ One half of the increase recommended for Ministers and other paid office holders was paid from 26 July 1979, the date when the requisite Order in Council was made. When the two remaining instalments, due in 1980 and 1981, are to be paid has not yet been decided.

⁴ Hansard, 4 March 1980, Columns 265-382.

The current review

3. On this occasion we have been asked to bring up to date by the usual Review Body process the second stage payment of our 1979 recommendations on the salaries of Members, Ministers and other paid office holders. We have not been asked specifically to bring up to date any of the Parliamentary allowances but we consider some adjustments are desirable. Although the recommendations in Report No 13 on the maxima of the secretarial and research allowances were put forward in January of this year, they were calculated in June 1979 terms. In passing, we would explain that the maximum recommended for the research assistance allowance was intended to provide part-time assistance. We always envisaged that both would need to be brought up to date in future reviews and we have in consequence considered it right now to review again what is now the single maximum for secretarial and research assistance. We have also brought up to date the maxima of the elements within the Peers' expenses allowance and the maximum of the allowance for secretarial expenses available to Ministers and other paid office holders in the House of Lords.

The salary of Members of Parliament

4. We have given a great deal of thought to the level of salary that would be appropriate to Members of Parliament in the light of developments since our last review. In Report No 12 we recommended a salary of £12,000. The second stage salary actually being paid is £10,725. The question we have to answer is by how much the figure of £12,000 should now be increased, as the basis of calculation for the revised salary that would be appropriate with effect from 13 June 1980.

5. During the period June 1979 to June 1980, the Retail Price Index has risen by over 20 per cent. We have not, however, seen our task in terms of any form of direct index link. Our evidence of the increases in salaries in the relevant range is that they have also risen during this period by about 20 per cent. But it does not seem to us that increases in MPs' remuneration should necessarily follow salary increases generally, bearing in mind (as we have remarked in earlier reports¹) the lack of any real correspondence between the work of an MP and any job outside.

¹ Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd 4836 (paragraph 35).

Review Body on Top Salaries, Report No 7: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd 6136 (paragraph 26).

Review Body on Top Salaries, Report No 12: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd 7598 (paragraph 67).

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6. However we would urge that it would be equally mistaken to set the present increase too low, and to lay up fresh problems for the future. In our judgment, after taking all relevant factors into account, the salary appropriate at 13 June 1980 is £13,750, and on this basis the second stage salary would be £12,300 with effect from that date. The figure of £13,750 represents an increase of 14.6 per cent above our 1979 recommendation of £12,000; an increase substantially below both the increase in the RPI and in relevant salaries elsewhere.

The Parliamentary salary of Ministers and paid office holders in the House of Commons

7. Ministers and other office holders in the House of Commons receive a Parliamentary salary in recognition of their responsibility to their constituents as distinct from their Ministerial or other responsibilities. In Report No 12, we recommended that it should be increased to £7,000. We now recommend that the Parliamentary salary appropriate at 13 June 1980 should be £8,000 and that it should again be brought up to date on 13 June 1981. Because of the way in which previous increases have been implemented, there are currently three different levels in payment: £6,130, £6,325 and £6,410. We recommend that, with effect from 13 June 1980, the Parliamentary salary for all Ministers in the House of Commons should be £7,325.

Secretarial allowance and research assistance allowance

8. We recommended in Report No 12 that the maximum for the secretarial allowance should be increased to £5,500 to enable those Members who need to employ a full-time secretary to do so. We also recommended a separate maximum for an allowance to provide for the employment of a part-time research assistant. On the initiative of Parliament these recommended maxima have since been combined to provide a single maximum sum, at present £6,750, which is available for both secretarial and research costs, together with general office expenses. This combined maximum is in our view no longer enough to provide both for the employment of a full-time secretary, including the national insurance contributions payable by the Member, and also the employment of a part-time research assistant. On the assumption that Parliament wishes to continue to provide a single maximum we recommend that this should be increased to £8,000.

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The remuneration of Ministers and other office holders

9. The Prime Minister invited us (30 July 1979) to "undertake an updating review of the salaries of Ministers and office holders for next summer". We have thought it right in this report to update these salaries so as to maintain their present relationship with the salary of Members of Parliament, and the details of the salaries that we now recommend as appropriate are set out below, together with the corresponding 'second stage' salaries due to be paid in 1980. We have not, as has been our practice in previous reports, indicated the proportion of the salaries of the Prime Minister and Mr Speaker that, in our view, should be free of tax. We understand that, in recent years this has been established direct with the Board of Inland Revenue.

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Office	Recommended salaries			
	Fully updated as at 13 June 1980		Second stage due to be paid in 1980	
	Excluding Parliamentary salary	Including Parliamentary salary(a)	Excluding Parliamentary salary	Including Parliamentary salary(a)
	£	£	£	£
Prime Minister	38,000	46,000	34,825	42,150
Lord Chancellor(b)	43,000	43,000	38,700	38,700
Speaker	28,500	36,500	25,450	32,775
Cabinet Ministers	28,500	36,500	25,450	32,775
Ministers in charge of a Department outside the Cabinet	23,000	31,000	20,250	27,575
Ministers of State	19,500	27,500	17,000	24,325
Parliamentary Secretaries and Under Secretaries of State	15,000	23,000	13,000	20,325
Attorney General	30,500	38,500	27,475	34,800
Solicitor General	24,000	32,000	21,450	28,775
Lord Advocate(c)	24,000	32,000	21,450	28,775
Solicitor General for Scotland	20,500	28,500	17,800	25,125
<u>House of Commons</u>				
Leader of the Opposition	25,000	33,000	21,725	29,050
Parliamentary Secretary to the Treasury (Chief Whip)	23,000	31,000	20,250	27,575
Deputy Chief Whip	19,500	27,500	16,200	23,525
Opposition Chief Whip	19,500	27,500	17,000	24,325
Government Whips	12,500	20,500	10,625	17,950
Opposition Deputy Chief Whip	12,500	20,500	10,625	17,950
Chairman, Ways and Means	19,500	27,500	16,750	24,075
Deputy Chairman, Ways and Means	17,000	25,000	14,475	21,800
<u>House of Lords</u>				
Chief Whip	19,500	19,500	16,850	16,850
Deputy Chief Whip	15,000	15,000	13,000	13,000
Government Whips	12,500	12,500	10,950	10,950
Opposition Chief Whip	12,500	12,500	10,300	10,300
Chairman of Committees	19,500	19,500	16,925	16,925
Principal Deputy Chairman of Committees	17,000	17,000	14,625	14,625
Leader of the Opposition in the House of Lords	15,000	15,000	12,525	12,525

- (a) Including for those Ministers and office holders who are Members of the House of Commons, the recommended Parliamentary salary of £8,000 for fully updated salaries and £7,325 for second stage salaries.
- (b) Including £5,750 in the fully up to date salary and £5,100 in the second stage salary to be paid in recognition of the Lord Chancellor's function as Speaker of the House of Lords. The salary figure has been slightly revised upwards to preserve parity with the Lord Chief Justice.
- (c) The present Lord Advocate is not a Member of Parliament and therefore does not receive a Parliamentary salary.

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10. As a result of the impact of past restraint measures, in many cases the salaries of Ministers in the House of Lords and in the House of Commons differ marginally. We recommend that this anomaly should be removed in 1980 by the payment to all Ministers of the 'second stage' salaries recommended in this report.

Peers' expenses allowance

11. In Report No 12¹ we recommended that the Peers' expenses allowance should cover three main categories of expenditure, each with an individual daily maximum: overnight subsistence, £18.50; day subsistence and incidental travel, £9.00; secretarial costs, postage and certain additional expenses², £8.50. We do not propose any change in this system but, having regard to increases in the relevant costs since our last review, we recommend that the individual daily maximum for each group should now be:

- (i) Overnight subsistence - £23.00
- (ii) Day subsistence and incidental travel - £11.00
- (iii) Secretarial costs, postage and certain additional expenses - £10.00

Ministers and other paid office holders in the House of Lords - allowance for secretarial expenses

12. In Report No 13³ we recommended that Ministers and other paid office holders in the House of Lords should be able to claim up to £1,000 a year for secretarial expenses unconnected with departmental correspondence subject to production of evidence of expenditure. We recommend that this maximum should be increased to £1,175 with effect from 13 June 1980.

¹ Review Body on Top Salaries, Report No 12: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd 7598 (paragraph 60).

² Broadly, expenditure on personal briefing and on additional domestic costs - for example, where a Peer sets aside part of the house as an office for Parliamentary purposes. (Review Body on Top Salaries, Report No 9: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part III - Cmnd 6749 (paragraph 33).)

³ Review Body on Top Salaries, Report No 13: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd 7825 (paragraphs 82-89).

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Conclusion

13. We were asked by the Prime Minister to bring up to date "by the usual Review Body process" the second stage of the increases that we recommended last year. We are aware that it has been argued publicly that Ministers and Members of Parliament should set an example in the battle against inflation by accepting increases in single figures in percentage terms, or possibly by forgoing any further increases at present. We have always recognised the political sensitivity of increases in MPs' and Ministers' salaries, but it is our function to recommend appropriate salaries bearing in mind the nature and responsibility of the work. In making these recommendations we have had in mind the same considerations as in previous Parliamentary reviews. To go further would in our view be unjustified in itself, would extend well beyond our terms of reference and indeed would encroach upon the prerogative of Government and Parliament.

BOYLE OF HANDSWORTH

HAROLD ATCHERLEY

GEORGE COLDSTREAM

HIRSHFIELD

ANDREW LEGGATT

PLOWDEN

SEEAR

OFFICE OF MANPOWER ECONOMICS
20 June 1980

APPENDIX A
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LEVELS OF SALARY RECOMMENDED IN REPORT NO 12
AND SECOND STAGE SALARIES DUE IN 1980

A. Members of Parliament

Salary recommended in Report No 12: £12,000

Salary now in payment: £10,725

B. Ministers and other paid office holders

Office	Salaries recommended as appropriate at 13 June 1979		Second stage salaries due in 1980	
	Excluding Parliamentary salary	Including Parliamentary salary (a)	Excluding Parliamentary salary	Including Parliamentary salary (b)
	£	£	£	£
Prime Minister	33,000	40,000	(30,250) (c)	(36,380) (c)
Deputy Chancellor	37,000 (d)	37,000 (d)	(33,307) (c)	(33,307) (c)
Speaker	25,000	32,000	22,325	28,650
Cabinet Ministers	25,000	32,000	22,325 (e)	28,455
Ministers in charge of a department but outside the Cabinet	20,000	27,000	17,612	23,937
Ministers of State	17,000	24,000	14,812 (f)(g)	21,137 (h)
Parliamentary Secretaries and Under Secretaries of State	13,000	20,000	11,262 (i)	17,587
Attorney General	26,500	33,500	23,862	30,187
Comptroller General	21,000	28,000	18,775	25,100
Chief Advocate	21,000	28,000 (j)	18,775	25,100 (j)
Director General for Scotland	18,000	25,000	15,631	21,956
<u>House of Commons</u>				
Leader of the Opposition	22,000	29,000	19,112	25,437
Parliamentary Secretary to the Treasury (Chief Whip)	20,000	27,000	17,612	23,937
Deputy Chief Whip	17,000	24,000	14,125	20,535
Opposition Chief Whip	17,000	24,000	14,812	21,137
Government Whips	11,000	18,000	9,350	15,675
Opposition Deputy Chief Whip	11,000	18,000	9,350	15,675
Chairman, Ways and Means	17,000	24,000	14,606	20,931
Deputy Chairman, Ways and Means	15,000	22,000	12,762	19,087
<u>House of Lords (k)</u>				
Chief Whip	17,000	17,000	14,680	14,680
Deputy Chief Whip	13,000	13,000	11,268	11,268
Government Whips	11,000	11,000	9,630	9,630
Opposition Chief Whip	11,000	11,000	9,062	9,062
Chairman of Committees	17,000	17,000	14,749	14,749
Principal Deputy Chairman of Committees	15,000	15,000	12,905	12,905
Leader of the Opposition in the House of Lords	13,000	13,000	10,850	10,850

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Notes:

- (a) The Parliamentary salary recommended in Report No 12 was £7,000.
- (b) There are currently three different levels of Parliamentary salary in payment: £6,130, £6,325 and £6,410.
- (c) The salaries shown are notional. The Prime Minister and the Lord Chancellor decided to forgo an increase in Ministerial salary in 1979. The salaries actually in payment are £22,000 and £22,228 respectively.
- (d) Including £5,000 in recognition of the Lord Chancellor's function as Speaker of the House of Lords.
- (e) £22,382 in the case of the Lord President of the Council and the Leader of the House of Lords.
- (f) £14,955 for those who are Members of the House of Lords.
- (g) £15,362 for those paid at the maximum of the former range for Ministers of State.
- (h) £21,687 for those paid at the maximum of the former range for Ministers of State.
- (i) £11,405 for those who are Members of the House of Lords.
- (j) The present Lord Advocate is not a Member of Parliament and does not therefore receive a Parliamentary salary.
- (k) No Parliamentary salaries paid.

	(1)	(2)	(3)	(4)	(5)	(6)
	Actual rates in payment	Second stage due to be paid in 1980	Updated Second stage as recomm- ended by TSRB 15	Percentage increase from (1) to (3)	Final stage due in 1981	Updated final stage as reco- mmended by TSRB 15
	£	£	£		£	£
Cabinet Ministers *	19,650	22,325	25,450	30%	25,000	28,500
Ministers of State (Commons)	12,625	14,812	17,000	35 %	17,000	19,500
Ministers of State (Lords)	12,911	14,955		32%		
Parliamentary Secretaries (Commons)	9,525	11,262	13,000	36%	13,000	15,000
Parliamentary Secretaries (Lords)	9,811	11,405		33%		

All salaries excluding Parliamentary salaries

* Except Prime Minister, Lord Chancellor, and Lord President

	<u>Actual rates in payment</u>	<u>Option 4</u> (Second stage only for Cabinet Ministers; Second stage + 10% for others)	<u>Option 5</u> (Second stage + 7% for Cabinet Ministers; Second stage + 13-15% for others)	<u>Effect of each additional 1% increase on second stage</u>
	£	£	£	£
Cabinet Ministers*	19,650	22,325	23,890	223
Ministers of State (Commons)	12,625	16,375	16,820-17,000	149
Ministers of State (Lord)	12,911	16,375	16,820-17,000	149
Parliamentary Secretaries (Commons)	9,525	12,475	12,810-13,000	113
Parliamentary Secretaries (Lords)	9,811	12,475	12,810-13,000	113

All salaries excluding Parliamentary salaries

* Except Prime Minister, Lord Chancellor and Lord President