

## **Government appoints members to Review Body on Higher Remuneration in the Public Sector**

The Government today appointed Mr Tony O'Brien as chairperson and Mr John Doherty as a member of the Review Body on Higher Remuneration in the Public Sector. Mr O'Brien is Chairman of C&C Group plc. He is also a Non-Executive Director of CRH plc and a member of the Civil Service Committee for Performance Awards. He was formerly Chairman of Anglo Irish Bank Corporation, plc and a Past President of IBEC. Mr Doherty is an employers' member of the Labour Court.

The Government has asked the Review Body to carry out the next general review of the levels of remuneration of the top public service posts covered by its terms of reference and to report thereon to the Government in the second half of 2007, to coincide with the report of the Public Service Benchmarking Body which will be reporting on the remuneration of the rest of the public service. The Review Body is to liaise closely with the Benchmarking Body.

The Government has also asked the Review Body to examine whether the remuneration of the groups covered by its terms of reference has fallen out of line with the remuneration of comparable jobs in other employments since the Review Body last reported and, if satisfied that serious anomalies or inequities exist, to recommend an interim increase to rectify them and to report thereon before the end of June 2005.

### **The role of the Review Body**

The Review Body on Higher Remuneration in the Public Sector is a standing body which makes recommendations to the Government on the remuneration of political office-holders, the judiciary, civil servants from Assistant Secretary level upwards, top local authority and health service posts, the Commissioner ranks in the Garda Síochána, the general ranks in the Defence Forces, the chief executive officers of non-commercial state-sponsored bodies and other top public service posts.

Since 1991, the Review Body has had instructions to carry out reviews every four years (the review due in 1995 was in fact deferred for a year to 1996). The Review Body started its work on the most recent general review in January 2000 and reported in September 2000 (Report No. 38). Its recommendations were implemented on a phased basis on various dates from September 2000 to April 2002. In the normal course the next general review would have been completed in 2004.

*Sustaining Progress* contained a commitment to discussions with the public service unions on future benchmarking, in the context of the discussions on whatever arrangements on pay and conditions were to be put in place on the expiry of the initial eighteen month pay agreement under *Sustaining Progress*. Accordingly the general review was deferred pending these discussions. Under the new pay agreement (second

half of *Sustaining Progress*) it was agreed that the report on the next benchmarking exercise will be made in the second half of 2007. In the light of the need for closer alignment of the timing of the two exercises, the then Minister for Finance decided that the next Review Body report should be finalised about the same time as the Benchmarking Body's report. This will set the pattern for the future with the two exercises moving in the same cycle. In addition the Review Body and the Public Service Benchmarking Body should liaise closely with each other in carrying out their respective examinations.

The Review Body is now being asked to begin its work preparatory to making a full report in the second half of 2007.

### **An interim examination**

Since by the time the Review Body completes that report seven years will have elapsed since the last general review was completed, rather than the four that was provided for in the Review Body's terms of reference, the Government decided that the Body should be asked to examine whether an interim increase was warranted. This was what was done in 1986 when seven years had elapsed since completion of the preceding review.

12 April 2005

### **Membership of the Review Body**

The members of the Review Body as now constituted are

#### **Tony O'Brien (Chairperson)**

Chairman of C&C Group plc. Non-Executive Director of CRH plc. Member of the Civil Service Committee for Performance Awards. Former Chairman of Anglo Irish Bank Corporation, plc and a Past President of IBEC

#### **John Doherty**

Employers' member of the Labour Court

#### **Brian Hillery**

Chairman of Independent News and Media plc, UniCredito Italiano Bank (Ireland) plc and Providence Resources plc. Commissioner, National Pensions Reserve Fund Commission. Former TD and Senator. Former Professor, Graduate School of Business, UCD

**Vivienne Jupp**

Global managing partner for Accenture Service Lines. Member of the Broadcasting Commission of Ireland. Board member of the UCD Smurfit Graduate School of Business. Chaired the Information Society Commission from 1996 to 2000.

**Peter Malone**

Director and former CEO of Jurys Doyle Hotel Group plc. Chairman of National Roads Authority, Hibernian Insurance, Business Tourism Forum and Gunne Auctioneers. Director, Ulster Bank.

**Noel O'Neill**

Workers' member of the Labour Court.

**Previous general reviews**

There have been six previous general reviews by the Review Body on Higher Remuneration in the Public Sector – two each chaired by Liam St J Devlin (reporting in 1972 and 1979), Dermot Gleeson (1986 and 1991) and Michael Buckley (1995 and 2000). The last general review was completed in September 2000.

**Public Service Benchmarking Body**

Discussions are underway between public service employers and trade unions on arrangements for the second benchmarking review by the Public Service Benchmarking Body which is also to be completed in the second half of 2007. The final instalment of one quarter of the increases under the first benchmarking exercise is due to be paid on 1 June 2005.