ANGUILLA

ALLOWANCES (TEMPORARY) REDUCTION ACT, 2023

Published by Authority

I Assent

Perin A. Bradley
Governor (Acting)

29/Dec/2023
Date

ANGUILLA

NO. 25/2023

ALLOWANCES (TEMPORARY) REDUCTION ACT, 2023

[Gazette Date: 29th December, 2023] [Commencement: under section 9]

An Act to provide for the temporary reduction of certain allowances paid out of the Consolidated Fund.

ENACTED by the Legislature of Anguilla

Interpretation

1. In this Act—

"allowances" means the emoluments provided in the Estimates of Revenue and Expenditure of Anguilla and paid to the Premier, Ministers of Government, Speaker, Parliamentary Secretary, and all Elected Members of the House of Assembly and includes, but is not limited to, allowances payable by virtue of being a member of the Legislature, inclusive of telephone, travel, entertainment and constituency allowances;

Application

2. This Act applies to the persons referred to in Schedule 1.

Validation of the decisions of the Governor in Council

3. The decisions of the Governor in Council to reduce allowances within the period commencing on 1 July 2009 and ending on 28 February 2013 are declared to be as valid as they would have been if this Act had been in force when the decisions were taken.

Suspension of allowances

4. The allowances payable as at June 2009 to all persons in section 2 shall be suspended, shall be of no effect and shall not be payable from 1 March 2013 to a date to be appointed by the Governor in Council, but the allowances calculated in accordance with section 5 shall be payable instead.

Reduction of allowances

5. Notwithstanding anything in any Act, contract or agreement in effect on the day of the commencement of this Act, from 1 March 2013 to 31 December 2017, the allowances payable to a person who is a holder of an office referred to in the definition of "allowances" in section 1 shall be reduced in the manner set out in Schedule 2.

Pensions not to be affected

6. Notwithstanding section 6 or the provisions of any other Act, pensions, gratuities and any other entitlements payable under the Legislators Pensions Act to any person who held an office referred to in Schedule 1 shall be calculated based on the allowances that would have been payable if this Act had not been enacted.

Repeal

7. The Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013) is repealed.

Savings

8. (1) On the commencement of this Act any deferred salaries or allowances that was assessed or is still assessable and payable under the relevant provisions of the repealed Act, shall, remain due and payable;

(2) Notwithstanding the repeal of the Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013) the annual payment of increments is suspended for the 2024 Financial year.

Citation and commencement

9. This Act may be cited as the Reduction of Allowances (Temporary) Act, 2023 and shall come into force on 1 January 2024.

Barbara Webster-Bourne
Speaker

Passed by the House of Assembly this 20th day of December, 2023.

Lenox J. Proctor
Clerk of the House of Assembly

SCHEDULE 1

(Section 2)

PERSONS TO WHOM THIS ACT APPLIES

1. The Premier and Ministers of Government
2. The Speaker, Parliamentary Secretary, and elected members of the House of Assembly

SCHEDULE 2

(Section 5)

RATE OF ALLOWANCE REDUCTION

1. (1) The allowances payable as at June 2009 to a person holding an office set out in Column 1 shall be reduced by the percentage set out opposite in Column 2.

(2) The allowances payable after application of the reduction referred to in subsection (1) to a person holding an office set out in Column 1 shall be further reduced by the percentage set out in Column 3.

COLUMN 1	COLUMN 2	COLUMN 3
(a) Premier, other Ministers of Government and Elected Members of the House of Assembly	15%	7.5%
(b) Speaker, Parliamentary Secretary	5%	2.5%

OBJECTS AND REASONS

(The Objects and Reasons do not form part of this Bill)

This Bill repeals the Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013) that validated the reduction in the public service salary scale in 2009 and 2010 following the worldwide economic recession in 2009. The primary purpose of the repealed Bill was to curb the growing debt owed to the Public Service by way of deferred salary and allowance payments.

This year the Government made the decision to reinstate the public service salary to pre-June 2009.The salaries of Public Servants were reduced in effect from June 2009 and took place over a period of two years in two rounds. The first cuts were staggered by type of office holder, by up to 15% in the first round and up to 7.5% in the second round of cuts. These cuts were validated by the Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013).

In July 2023, an amendment to the Public Service Salaries (Temporary) Reduction Act, 2013 reversed the second round of the salary cuts made in 2010. This reversal was made effective from 1 January, 2023.

This Bill now seeks to reverse the first round of cuts made in June 2009 by repealing all the provisions in relation to the reduction and suspension of Public Service Salaries thus reinstating the Public Service Salaries to pre-June 2009 levels but retain the provisions providing for the suspension and reduction of allowances for Ministers and other members of the House of Assembly.

Clause 1: sets out the definition of relevant terms.

Clause 2: indicates that the Act will apply only to persons holding the offices set out in Schedule 1.

Clause 3: acknowledges and confirms the 2009 and 2010 decisions of the Governor in Council to reduce allowances.

Clause 4: suspends the allowances that were payable as at June 2009. It is proposed that this suspension be temporary and that it comes to an end on a date appointed by the Governor in Council.

Clause 5: reduces the allowances paid to members of the House of Assembly by virtue of being a member of the Legislature.

Clause 6: provides that pensions will continue to be calculated based on the June 2009 salaries.

Clause 7: repeals the Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013).

Clause 8: provides that any deferred salaries or allowances that remain payable under the repealed Act remains due and payable. In addition, clause 8 states that notwithstanding the repeal of the Public Service Salaries (Temporary) Reduction Act, 2013 (Act No. 2/2013), the annual payment of increments is suspended for the 2024 Financial year

Clause 9: addresses citation and commencement.