

RESOLUTION OF THE MONTSERRAT LEGISLATIVE ASSEMBLY

For the June 2025 Sitting
Introduced by Hon Donaldson Romeo

CONSIDERATION OF AN INCREASE IN SUPPORT TO THE INCOME AND SALARIES OF THE VULNERABLE, THE WORKING POOR, PENSIONERS, PUBLIC SERVANTS AND OTHER AFFECTED PERSONS IN THE PUBLIC AND PRIVATE SECTOR

WHEREAS: the UK Government has acknowledged that it has an internationally binding legal obligation to “ensure” to the “utmost” our social, educational, economic and political well-being and advancement, and to “promote” “constructive measures of development”...

WHEREAS: all members of this Hon House, especially elected representatives, are expected to discuss and adopt legislation that positively addresses the well-being of the People of Montserrat.

WHEREAS: as detailed in the Appendix, part A,¹ the elderly, the working poor in the Public and Private Sector and other vulnerable people face the effect of cumulative inflation and grossly inadequate income base, ever since a DfID-funded study, about eleven years ago, indicated that the estimated needed support for healthy nutrition of an adult was EC\$ 1,200 - \$1,400/month.

WHEREAS: as detailed in the Appendix, part B, the ODG Compensation report (2021) and data from the Statistic Department, indicate that the estimated cost of living in Montserrat is currently \$2485 per month for a single person.

WHEREAS: there is and has been a manifest need to respond to the urgent basic needs of the vulnerable, working poor, pensioners in the public and private sector.

BE IT RESOLVED,

That this Honourable House now calls on the Government and relevant departments, **without imposing any obligation whatsoever on them without the approval of the Cabinet** under section 70 of the Montserrat Constitution Order 2010, **to discuss** an urgent adjustment to support for the vulnerable, pensioners and especially our working poor and their dependents in the public and private sector.

ATT: Explanatory note is attached

PLEASE NOTE THAT THESE NOTES DO NOT FORM PART OF THE RESOLUTION

PART A:
Further explanatory details

Where, about ten years ago, monthly support for golden agers and other vulnerable people here in Montserrat was increased from EC \$ 600/month to \$900/month, while many working poor, pensioners, public servants and other deserving persons received little increase in income. Even as, various local studies and a DfID-funded study at that time indicated that a minimally adequate support level was \$1,200 – 1,400 per month.

Similarly, subsequent to that time there has been considerable cumulative inflation for many basic necessities, especially since the period of the Covid-19 pandemic, the Ukraine War, war in the Middle East, disrupted and significantly increased the cost of shipping.

Thus, the ODG Compensation report (2021) and data from the Statistic Department, indicate that the estimated Living Wage (cost of living) in Montserrat is currently \$2485 per month for a single person, and clearly shows that many in the community including public servants, private sector workers, pensioners and welfare recipients fall well below that line and cannot afford basic needs such as adequate housing, healthcare and food.

Such cost of living pressures over the past decade have led to three, 3% increases in civil servant salaries (2017, 2023 and 2024).

Where also, economic insecurity has caused many to leave Montserrat and move elsewhere, mainly to the UK where, as British Nationals with the right of abode, their basic needs are better met; which leads to depopulation and destabilisation.

Given also, that it has been a long-established practice for inflationary times in the UK and elsewhere that salary, pension or social support levels must be regularly reviewed and regular cost of living adjustments are needed.

Failure to respond to the urgent basic needs of the vulnerable, working poor, pensioners in the public and private sector could be considered to be a breach of the UK Government's acknowledged internationally binding legal obligation to "ensure" to the "utmost" our social, educational, economic and political well-being and advancement, and to "promote" "constructive measures of development";

Thus, bearing in mind the upcoming budget process, significant further support is clearly needed and so Government, Departments, the FCDO and other relevant partners are duty-bound to consider and effect due relief.

MAY - JUNE 2013

SITUATIONAL ANALYSIS OF SOCIAL WELFARE IN MONTSERRAT

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Disclaimer, Acronyms, Abbreviations and Acknowledgements

Disclaimer

The **views** expressed here reflect **those** of the author(s) and **not** that of the Government of Montserrat or the UK Department for International Development

Abbreviations

CBO	Community Based Organisation
DfID	UK Department for International Development
GOM	Government of Montserrat
MALHE	Ministry of Agriculture, Lands, Housing and Environment
MOHSS	Ministry of Health and Social Services
MOW	Meals on Wheels
OPWA	Old Persons' Welfare Association
NGO	Non-governmental Organisation
SSF	Social Security Fund
SW	Social Welfare

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Without her organizational skills and knowledge the report would not be representative of a large number of people living and working in Montserrat.

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1. Executive Summary and Recommendations

The current level of support to elderly and disabled Montserratians who meet the means test has been set at EC\$600 since 2006. NGO's argue that the benefit level should be set at the Government calculated standard of \$1402 which is the cost of a "Nutritional Food Basket". The general public suggest that the benefit should be at least EC\$1000 per month.

The basic problem that the government will have to address is how to finance any increase in the social welfare benefit. Each EC\$100 increase in the social welfare benefit will cost the government a minimum EC\$ 300,000 per annum.

In addition to the elderly and disabled, Montserrat has to come to grips with an increasing number of working poor. Salaries and wages to civil servants have not been increased for a considerable period and as such even a civil servant with dependents is finding it increasingly difficult to make ends meet. The conundrum for the government is whether it is possible to address the need of one group of the population without addressing the needs of all the population. Personally I think the population acknowledges the need to protect the elderly and disabled.

The Government has in its 2020 Strategic Development Plan that an acceptable level of poverty will be 6% of the population. 6% of the population equates to roughly 300 people. This will be both individuals and families so it is possible that up to 150 children will be living in poverty with the Government's blessing.

Funding social welfare is a critical issue for the Government but it is not consistent in how it provides non-monetary benefits to welfare clients. Some people have to pay for government provided accommodation but the vast majority does not. The Government needs to adopt a policy and police that policy. If people cannot afford whatever cost is determined as being needed to be paid, then the government needs to protect its back by taking a charge over the person's assets.

The Government already has some partnerships with NGO's but this needs to be further developed. Montserrat has a high incidence of non-communicable diseases, often attributable to people having to take short-cuts with their diet. For example, the Older Persons' Welfare Association runs Meals on Wheels with financial assistance from the government. The program however only delivers meals to 43 persons, primarily due to funding limits. It is in the government's best interests that the Meals on Wheels program be expanded (by increasing its subsidy) to ensure the elderly get one good, hot meal a day to help meet their nutritional needs, thereby reducing the possibility of succumbing to a non-communicable disease which would add significantly to the government's health costs.

However the government can't just transfer its social responsibilities to the voluntary sector. The voluntary sector can deliver some social services more efficiently and effectively than the government sector. But to ensure a quality of service the voluntary sector needs to be adequately funded through a combination of own resources and government subsidies.

There are many easier to fix issues highlighted in this report that need to be addressed. Some of these are organizational issues, some of these are the result of the need to improve the enabling legislation and some of these are better meeting the public's information needs.

However everything boils down to two things. Firstly, there is a need to treat all persons in Montserrat equitably. The report focuses primarily on the elderly and disabled because this is where the current system focusses. However the Government cannot always turn a blind eye to the situation of others such as the working poor and children. The social protection strategy needs to focus on the needs of all members of society.

Secondly, policy advisors need to take into account the country's financial situation. Many people in the country work for the government. They have had wages frozen for many years so raising money through them paying additional taxation to fund increased benefits to the elderly is not an option. The Government will have to find some ways to minimize leakage from the current social security system and to get an appropriate reimbursement of the cost of providing certain services to the population.

The recommendations made in this report have, for ease of presentation, been divided into five categories – Policy, Legislation, Financing, Implementation and Administration.

Policy

1. Social protection needs to be broadened to take into account the needs of all poor – not just the elderly or the disabled. There needs to be an acknowledgement of, and policy developed to address, the needs of the working poor and children.
2. Social protection needs to be provided to all of the population through a combination of public and private sector service providers.
3. Social protection programs should be financed through a combination of direct government payments to beneficiaries, government support to private sector providers to deliver programs on behalf of the government and users meeting an agreed portion of costs that the government incurs in providing services to the public.
4. The Government should legislate that the monthly social welfare payment should be 80% of the cost of the Nutritional Food Basket for the previous 12 month period i.e. the social welfare benefit on 1 April of any year would be 80% of the value of the nutritional food basket on 31 August of the previous year.
5. The current threshold of under EC\$8,000 being the level at which a claim to social welfare exists should remain
6. Persons with cash assets in the bank should be required to use those assets as the first source of financing of one-off welfare payments.
7. Where a person who may be eligible for social welfare lives with their siblings, a separate assets and income test should be developed to take account of the number of dependent persons living at that residence.
8. Any able bodied person under “retirement age”, who is in receipt of a payment for financial hardship should be required to work or provide community service to the value of the social welfare payment.

9. The benefit payable to a foster-carer should be prescribed in regulations at the level of the social welfare benefit. There should be one amount for children aged to 10 and 50% more for children from 11 to 18. The age appropriate amount should be doubled where the foster-carer is the guardian of a child who has been certified as either mentally or physically challenged or with serious behavioural challenges.
10. The Government should develop, implement and adhere to a consistent policy regarding the recovery of costs for government provided accommodation and care services.
11. The policy under point 11 should be based on partial as opposed to full cost recovery and be capped at a life-long total of EC\$90,000

Legislative

12. There is a need to update and modernize the Social Welfare Act and to consolidate the regulations under which social welfare operates.
13. A procedural manual documenting the rules and processes for the determination of eligibility for, and calculation of benefits under, social welfare should be developed.
14. The current age of 60 as the threshold age for receiving an “elderly persons” social welfare benefit should be amended to correspond to the age requirements in the Social Security Act.
15. To ensure that any private rental accommodation that is used under the Rental Assistance Program is suitable for that purpose, the Government should proceed to adopt the draft Housing Code as soon as possible.

Financing

16. If moving immediately to a social welfare benefit of 80% of the Healthy Food Basket (recommendation 4) is not feasible, there should be a timetable for progressively increasing this benefit each year until it in 2016 it reaches the prescribed level.
17. A possible timetable is 1/4/2014 – EC\$800 – 1/4/2015 – EC\$100 – 1/4/2016 – 80% of Nutritional food Basket – likely to be in range of \$EC1200 – 1300.
18. As an alternative to the recommendations 4 and 16, if the cost of these measures proves to be beyond the financial resources of the government the following would be an acceptable short-term solution until the country’s economic development facilitated the implementation of the above proposal:-
 - a. From 1 April 2014 the social welfare benefit be increased to EC\$750.00 (EC\$ 600 adjusted by inflation since last adjustment plus 2013 estimate),
 - b. From 1 April 2015, this figure be adjusted for the previous year’s inflation, each year until the healthy food basket option is implemented plus
 - c. In 2014 EC\$300,000 be provided in grants to NGO’s to deliver community based services to the population to improve its social welfare plus
 - d. For each year until the full healthy food basket option is implemented the grant to NGO’s be increased by EC\$50,000.

19. The budget line item for one-off payments should be divided between medical expenses and other services with medical services having its own stand-alone budget
20. The average long-term cost of social security benefits over the next 40 years will be between 11.6% and 16.5%. The Government should consider options for moving to reduce these long-term costs through a change in the scheme design
21. The collection of social security contributions should be transferred to the Inland Revenue Office so as to reduce the cost of administering social security.
22. A business process review of the administration of social security should be carried out to see if there are further ways of reducing the current administration cost
23. To increase funds available to social security the Government could explore ways of making employee contributions to the Social Security Fund subject to taxation.
24. The Government could explore other possibilities for raising non-income taxes to fund social welfare

Implementation

25. If option 18 is implemented these projects should focus on all areas of the population including the elderly, disabled, working age and children
26. A precondition of NGO's receiving funds under points 18(c) and 18(d) should be that 50% of all additional staff are aged under 26 and that an extensive training program is conducted for all employees – this would be similar to the objectives of "HYPE".
27. In all instances where Government provides funds to NGO's there should be regular monitoring of the Service Level agreement between the Government and the NGO.
28. MOHSS will need to liaise with the Ministry of Labour and/or NGO's to implement point 9 and take action to stop any benefit if the recipient does not fulfill their obligation.
29. Meals on Wheels should be provided to all Social Welfare Beneficiaries unless they opt out of the scheme
30. Meals on Wheels should be provided every day of the week, weekends and public holidays and in return for this the cost paid for by recipients should rise to EC\$80 per month and be indexed each year by the percentage change in the Social Welfare Benefit.
31. A grant should be provided to an NGO to provide a mobility bus to provide transport for the elderly and the challenged around Montserrat
32. The actual cost of services provided by the Government to the elderly and disabled should reflect the cost of the service provided.
33. The Government should draw up financial instruments in order to be able to seize assets where a person defaults on any payments due to the government for the cost of residential care, medical care or other social care services provided to them by Government.
34. The Government should exercise control over the allocation of persons to government provided residential accommodation to maximize the best use of available accommodation resources.
35. Having reviewed and then allocated persons to Government provided accommodation, the Government needs to consider the long-term viability of the Golden Years' retirement

home by undertaking a cost benefit analysis of Golden Years providing the services vis a vis NGO's providing the current services to residents in their own homes with a government subsidy

36. The Government should examine the possibility of assisting a NGO to provide day care activities using the facilities of the Lookout Centre.

Administrative

37. MOHSS should assess client eligibility for Rental Assistance but responsibility for negotiating with landlords and executing contracts should be with the MALHE
38. Staff of the social welfare division should spend the majority of their time on professional services such as counselling, assessment, community and NGO liaison.
39. The physical determination of eligibility for a social welfare benefit should be transferred to the social security fund with social welfare staff deciding upon claims lodged and auditing beneficiaries on a regular basis.
40. The minimum social security benefit should be increased so that the total annual payment to Social Security Pensioners equals the annual amount paid to social Welfare Beneficiaries. Any additional funding needed to pay the benefit at that level would be transferred from the budget to the Social Security Fund
41. All social welfare records should be computerized so that the database can be used for analytical and modeling purposes
42. Social welfare staff should spend more time working with clients out of the office and should establish a strict regime for seeing people at the office in Brades
43. There is a need to upgrade the social work skills of staff working in the social welfare division.
44. MOHSS and SSF should work together to promote greater public understanding of the social welfare and social security systems
45. MOHSS and SSF should conduct pre-retirement seminars for persons who are soon to move to welfare or social security to educate them on issues they will need to face in retirement.
46. Ministry of Agriculture could provide extension services to those on welfare or social security to help them with producing their own food
47. The Government should promote family coverage for those who currently receive free health insurance so as to reduce the possibility of one off payments being made to dependents of persons with free health insurance

2. Objectives and Modus Operandi

The main objectives of this assignment are to:

- I. Review the policy framework for social protection, including the Social Welfare, Social Security and Pensions Acts
- II. Undertake a situational analysis of social protection mechanisms and coverage (including social welfare, social security and pensions and the use and compilation of the annual Cost of Living Reports); and links with regional initiatives;
- III. Consider the adequacy of targeting and definitions of vulnerability, as well as coherence and principles around eligibility criteria for the different benefits.
- IV. Provide recommendations for initial next steps that would lead to improvements in the social welfare system and any links to other social protection mechanisms
- V. Organise, design and deliver a workshop to discuss the initial findings and recommendations of the work in order to promote stakeholder engagement for taking forward agreed next steps.

The main outputs are:

- A Situational Analysis (this paper) that covers the above objectives (i) to (iv) for presentation at the workshop
- Preliminary recommendations and options for a revised social welfare programme and issues to be considered moving forward
- A brief paper on next steps.

The methodology used in producing the report was a combination of meetings with government ministers, senior civil servants, ngo's and other groups providing services to the community and public meetings which the public were invited to attend.

The full list of those who participated in the review is contained in Annex 2.

3. What Is Social Protection?

Defining Social Protection

Social protection can be broadly defined as public actions – carried out by the state or privately – that: a) Enable people to deal more effectively with risk and their vulnerability to crises and changes in circumstances (such as unemployment or old age); and b) Help tackle extreme and chronic poverty.

However, too wide a definition can make it difficult to distinguish social protection from development policy more broadly. Many activities that tackle chronic poverty or help people deal with their vulnerability to crises would not usually be regarded as social protection. For example, while flood defences help communities deal with the risk of flooding and immunisation prevents disease among the chronically poor, most people would not classify either as social protection. In effect, while many public actions may protect socially, it may be confusing to classify them all as social protection.

Therefore in terms of this paper I would suggest a narrower definition of social protection with four components:-

- Social insurance is the pooling of contributions by individuals and/or their employer in state or private organisations so that, if the individual suffers a shock or change in circumstances, they receive financial support. During the lifetime of an individual, social insurance will invariably include one or more of old-age pensions, a benefit on death or disability, benefits in the event of illness or pregnancy, benefits on becoming unemployed and benefits if a person is injured at work. (Medical/health insurance in some countries is included as part of social insurance but it is not conditional upon an individual suffering a shock)
- Social assistance comprises non-contributory transfers that are given to those deemed vulnerable by society on the basis of their vulnerability or poverty. These payments may or may not be predicated on a shock or change. Typical of these types of assistance are cash transfers (conditional or non-conditional), initial payments on the birth of children or on-going subsidies for children, subsidies for accommodation, utilities, school programs, transport subsidies and free or subsidized medical/health treatment. Public works programs whereby the unemployed work temporarily on public programs in return for cash or food payments are another form of social assistance.
- Social care where services are provided, on either an individual or institutional basis and either free of charge or subsidized by Governments, by Government bodies themselves or through the private or voluntary sectors and
- The setting and enforcing of minimum standards to protect citizens within the workplace (often called “Occupational Health and Safety”)

How do you define poverty?

Poverty is not simply the absence of financial resources. Amartya Sen contemplates that poverty “must be seen as the deprivation of basic capabilities rather than merely taking into consideration the income aspect which forms a standard measurement as to whether the person is poor or not.”(1)

Another approach considers the resources of a person to be the ultimate standard for the determination of his poverty. Its sole basis can be the calorie intake of a person which is pegged at a certain level for the rural and urban population respectively. As an example the Caribbean Food and Nutritional Institute (CFNI) publication “Food Composition Tables for Use in the English Speaking Caribbean” sets 2000 calories per day as the basis for computing the cost of the “minimum cost food basket”. This is the definition that many of whom I spoke to would like to see the Montserrat Government adopt.

The approach followed by the World Bank is even more instrumentalist because it merely recognizes \$ 1.25 per day as the uniform level for determining whether a person is poor or not. This approach is problematic since the value of this \$ 1.25 varies from country to country and from time to time because of fluctuating currency rates.

The UN defines poverty as a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, health, education, sanitation facilities, shelter, and information.” When people are unable to eat, go to school, or have any access to health care, then they can be considered to be in poverty, regardless of their income. (2)

Reality is that not everybody in society can provide all their living needs themselves. Some may have brought this situation upon themselves through reckless or imprudent actions, but many are unable to provide for themselves due to circumstances beyond their control. This includes, but is not limited to, the elderly and the disabled of any age. However, increasingly we are seeing those of working age who are finding it difficult to provide all their own living needs on account of natural or man-made issues.

Governments around the world have an obligation to prevent the most vulnerable from falling into abject poverty. The question therefore needs to be asked as to who are the vulnerable

The most recent poverty data on households and population considered poor was in 2009 showed:- (3)

2009 Poverty Estimate - Households and Population Considered Poor

	% of Households	% of Population
Indigent **	2	3
Poor but not Indigent	23	33
Vulnerable	19	20
Total Poor	25	36

** The poverty line was set at \$14,400 (US\$5,333) per individual p.a. and the indigence line was \$4,738, based on the Headcount Index.

(1) Sen Amartya, Development as Freedom, Oxford University Press, New Delhi, 2000.

(2) <http://www.un.org/documents/ga/conf166/aconf166-9.htm>

(3) Caribbean Development Bank Country Strategy Paper, Montserrat 2012-15

Under this method of determining “poor” the survey indicated that 36% of the population was poor. These figures were calculated in 2009. Since then there has been a continuation of the Government’s wages and benefits freeze and the impact of inflation. Therefore it is possible that some of those described as vulnerable may have since then fallen into the poor category.

The 2011 census shows Montserrat as having a population of 4922. Based on the above percentage, this translates as 1772 people being categorized as poor. Currently there are 1066 persons aged 61 and over.(4) Not all persons in this age bracket will be poor so it can be seen that there has to be a large number of people under 61 who are poor. These we refer to as the working poor.

- (4) Census 2011 - Montserrat At a Glance downloaded from <http://www.gov.ms/wp-content/uploads/2011/02/Montserrat-At-A-Glance.pdf>

4. Who are Social Protection's Potential Clients

In the same way as there are different types of benefits that could be paid under a social protection program, there are different types of beneficiary that could and should, if meeting the pre-requisites, benefit from a social protection program. These are:-

- The elderly – in Montserrat's case those over 60.
- The challenged – physically and mentally – of any age.
- Those of working age – normally defined as aged 16 to 60
- Children - normally defined as those from birth up to 15.

The elderly and the physically and mentally challenged are covered under social security or social welfare. We can argue about how well they are covered. That discussion is in other parts of the report.

Working age – the main protection for workers is in the Labour Code with the yet as un-proclaimed minimum wage, minimum standards for occupational health and safety and compensation for those who are injured because of an accident or illness as a cause of their employment. However there is only minimal further protection for those of working age, such as the payment for those who have no employment and are in hardship. This idea is explored in the section on “working poor”.

Children - the United Nations Convention on the Rights of the Child, amongst things, states that the Government should provide extra money for the children of families in need and that children have the right to a standard of living that is good enough to meet their physical and mental needs and the government should help families who cannot afford to provide this. There are food packages available to those experiencing hardship but generally speaking the current social protection package provides little protection for children. This is further enlarged in the section on “children”.

(Source - <http://www.unicef.org.au/Discover/What-we-do/Convention-on-the-Rights-of-the-Child/childfriendlycsrc.asp>)

Social protection in Montserrat has a bias towards the elderly and disabled. Whilst these groups are the biggest beneficiary groups by number, the welfare package does extend to those under retirement age who are not disabled through some programs although the number of beneficiaries is small.

Who are the Working Poor?

The Government is Montserrat's biggest employer. When all persons with a salary paid by Consolidated Revenue are counted the total number of “public” servants numbers about 1100(5). A base grade clerical officer receives \$20,304 per annum. From his or her wage the civil servant pays 4% to their pension arrangement, leaving EC\$19,500 as taxable income. Base salaries for teachers, nurses etc are slightly higher.

If we accept the annual poverty line at the 2009 value of EC\$14,400 per individual we can see that poverty is starting to reach into the civil service ranks. In a family situation with only one income and possibly children and/or a parent to feed, we can see that many working people will meet the definition of poor.

(5) Meeting with Financial Secretary, 6 May 2013

5. What Does The Current Social Protection Package In Montserrat Include?

The following is a summary of the current social welfare package, covering the benefit, the amount of benefit, who finances the benefit and who administers the benefit where the administrator is not the same body as that financing the benefit. (Questions of eligibility for the benefit are discussed later). These benefits are categorized as per the original categorization of social protection – social insurance, social assistance, social care and occupational health and safety.

(i) Social Insurance

Program	Authority to Pay Benefit	Amount of Benefit	Finance source and administrator where different
Benefits on age retirement, death before or after age retirement or disability before reaching age retirement	Social Security Act (Chapter 18.09) – for those being over the age of 16s and under the age of 60 who is gainfully occupied in an insurable employment Grandfathered provisions for civil servants who were pension participants prior to 2005	A minimum of EC\$3684 per annum to a maximum of 60% of pensionable salary topped up to 85% for those eligible under now closed Civil Service Pension Act	Social Security Fund
Benefit on disability or death caused by an illness or injury sustained at work	Section 27 of the Social Security Act (Chapter 18.09) – those referred to above		Social Security Fund

Montserratians receive benefits in the event of sickness, illness or maternity/paternity but these benefits are part of the Labour code and as such funded through social insurance. Similarly health insurance, where provided, is financed privately through premiums made by employers, in some cases in conjunction with employees.

(ii) Social assistance

Program	Authority to Pay Benefit	Amount of Benefit	Finance source and administrator where different
Social Welfare	<p>Social Welfare Act (Chapter 18.03)</p> <ul style="list-style-type: none"> -Over 60 with no means of support and not in full-time care -Unable to support themselves due to prolonged sickness and/or physical and /or mental disability -Unable to work but with dependent children but and no other means of support -Unable to work by the requirements of dependent family members and who have no other support financially or in kind. 	Maximum of EC\$600 per month plus EC\$350 for each additional member of the household. For those who are pensioners under social security the combined social security and social welfare benefit cannot exceed \$600 per month	<p>Eligibility determined by Social Welfare Division of Ministry of Health and Community Services.</p> <p>Benefit physically paid by Social Security Fund</p>
Rental assistance	Regulations under the Social Security Act		Social welfare fund
<p>One-off payments</p> <ul style="list-style-type: none"> -medical expenses -appliances -school requisites -utility bills - appliances - clothing - funeral assistance - groceries - household effects - travel 	Regulations under the Social Security Act		Social welfare fund
Hardship payment	Regulations under the Social Welfare Act	Maximum of \$600 per month for 6 months but reviewable	Social welfare fund

Subsidised school transport	Procedures under the Social Welfare Act	Bus fare for maximum of two children in a household	Social welfare fund pays EC\$ 2.50 per week primary and EC\$5 per week for secondary
Subsidised school lunches	Procedures under the Social Welfare Act - 30 children receiving subsidized meals		\$7.25 per week per child - \$2610 in total paid by Social Welfare Fund in year

(iii) Social Care

Benefit	Provider	Financing source
Subsidized meals on wheels	Old Persons' Welfare Association	Grant provided by MOHSS to sum of EC\$60,000
Subsidized home care service	Old Persons' Welfare Association	Grant provided by MOHSS to sum of EC\$60,000
Institutional care	Provided at Margetson, Golden Years (privately), Lookout or Oriole Villa	Free care is provided to some clients out of MOHSS resources – some clients at Golden Years are required to pay to a maximum of EC\$1500 per month At Lookout some clients are required to pay \$355 per month At Margetson the application form requires payment of \$400 per month but very few pay
Subsidy to Red Cross	Montserrat Red Cross Association	Red Cross receives a subsidy of \$6000 to provide services or payment in kind to some people not otherwise eligible for welfare.

(iv) Occupational Health and Safety

The recently adopted Labour Code requires employers to meet health and safety standards that are based on the ILO minimum standards. This is a new undertaking by the Government and initially the focus is likely to be on ensuring compliance with the minimum standards.

Eventually it is hoped that greater focus will be on accident prevention and rehabilitation of those workers who may have suffered an accident.

Financial assistance to those injured at the workplace is provided through the employment injury provisions contained in the Social Security Act.

The Labour Code also has provision for a minimum wage but at the time of writing the minimum wage has not been prescribed. When asked, the Ministry of Labour suggests a payment of EC\$10 to 12 per hour but there are frequent statements that this rate is not adhered to both in the formal and informal sectors. There is also a type of discrimination in the wages of migrants working in the informal sector. Males are much more likely to get the \$10 per hour suggested by the Ministry. Women are much more likely to work longer hours and at a much lower rate since they are often not in the position to refuse a work offer.

6. Official Pronouncements on Social Protection

Montserrat Sustainable Development Plan 2008-2020

The Montserrat Sustainable Development Plan 2008-2020 has as one of its 5 strategic goals that of Human Development. Under this goal there will be enhanced human development and improved quality of life of all people in Montserrat.

As part of this plan Medium Term Strategic Objective – 2008 -12 were developed. In areas relative to the review these medium term objectives included:-

1. the upgrading of the Social Welfare scheme by March 2009, develop/revise and then implement disability, social welfare and other policies to address the needs of the vulnerable and to have policies in at least three key areas implemented by September 2012,
2. improving services to the most vulnerable in child protection, juvenile programmes, support programmes in the area of domestic violence, social protection, youth development and the mentally challenged and after school programmes for children to be implemented by September 2010.

Under this development plan the outcome will be effective social protection and a target that not more than 6% of the population is living below the poverty line

The strategic focus is to incorporate poverty and vulnerability reduction issues in public policy programmes and amongst other things alleviate poverty through the creation and implementation of required legislation, regulations, policies and cost-effective programmes within the limits of available resources and to expand opportunities for the poor to engage in sustainable livelihoods and promoting greater responsibility of families for vulnerable family members.

Government of Montserrat Policy Framework 2013-16

Strategic Objective 2.3.1- Improve services to the most vulnerable through the development of effective institutional framework and resources to support vulnerable persons. This would be done by amongst other things:-

1. Improve the targeting, delivery and impact of the Social Welfare Scheme by reviewing the Social Welfare Act and operational procedures by December 2013.

Strategic Objective 2.5.3 - Develop and maintain sustainable schemes for pensions and social security.

1. Pension payments reduced to x% of the budget by March 2013
2. Reformed social safety net introduced by March 2013

2009 Organisation of Eastern Caribbean States (OECS) Stabilisation Programme

2.5 Social Safety Net

Given the fallout from the (Global Financial) crisis, the social protection systems are under pressure. There is therefore an urgent need for review of the Social Safety Net Programmes, in order to protect the poor and vulnerable as the international crisis deepens. The objective is not only to redress poverty, but also the creation of a path for advancement towards self-sufficiency for those persons in poverty.

This review will fulfill this policy statement

Caricom

The CARICOM Agreement on Social Security came into effect on April 1st, 1997. It protects all entitlements to long term benefits by providing for the totaling of all the contributions which were paid to the respective Social Security Organisations in Member States, where a national previously worked. As Montserrat is a signatory, the following provisions apply:-

A CARICOM National who is a wage earner, must be insured in the Member State where he or she is employed and must therefore make contributions to the respective social security organisation. (S)he is entitled to the same benefits as nationals of the host country. There are provisions for persons who are self-employed in a host country.

This entitlement relates only to social insurance entitlements on the basis of paying contributions. It does not apply to social welfare. The outworking of this agreement is that all contributory service a person has in any CARICOM state will be included in determining the total benefit they would receive.

However Montserratian Immigration Laws prohibit the payment of social assistance benefits to non-Montserrat citizens as in order to be able to remain in Montserrat non-nationals should be self-sustaining. This raises the question as to whether or not the CARICOM agreement overrides national legislation.

For example a Montserratian whose social security benefit is less than the social welfare benefit would have their social security benefit topped up by social welfare (currently) to EC\$600 per month. If a non-Montserratian received aggregate social security benefits from all employment in a CARICOM state and decided to retire in Montserrat, would he or she, under the CARICOM agreement be entitled to have the benefit brought up to EC\$600?

DfID support in the Area of Support to the Vulnerable

DFID's budgetary aid and development assistance to Montserrat includes support to the health and social welfare sectors aimed at introducing and facilitating reforms and improving the quality of service provision.

Its support and encouragement for the GoM to pursue this Social Welfare Review is aimed at improved targeting of support and ensuring that reasonable needs of the population are met.

Caribbean Development Bank Support to the Vulnerable

CDB's operations envision assisting GOM, on the one hand, to reduce income vulnerability at the household and firm level through the Bank's Basic Needs Trust Fund (BNTF) and Caribbean Technological Consultancy Services (CTCS) initiatives to:-

- (i) enhance the productive capabilities of the poor and improve their livelihoods through initiatives that will better equip them to mitigate the risk of falling into poverty;
- (ii) improve access by the poor to basic community infrastructure and services;
- (iii) enhance human development through more effective education and training systems; and
- (iv) facilitate the resilience of productive micro, small and medium-sized enterprises (MSME) to diversify the economy and boost employment by supporting strengthened operational and managerial skills at the enterprise level, and generally improving business environments. The other area of emphasis focuses on strengthening the country's capacity to safeguard its limited natural resources by improving natural hazard resilience and consolidating gains in disaster risk management (DRM)

(Source – Caribbean Development Bank – Montserrat Country Development Strategy 2012-15)

It is understood that BNTF is in the process of developing a Montserrat Poverty Reduction Strategy.

7. Basic data on Montserrat

A fuller analysis of the data relevant to the social protection sphere appears as Annex 1.

In this section the key issues are summarized.

Demographics

Total population as shown by the 2011 Census was 4,922 of whom 2,546 were male. 518 males were 61 or over as were 554 females. 314 people were aged between 56 and 60, so we could allow say 50 of these being aged 60 making a total population of at least 1100 who were of pension age.

Figures from social welfare and social security show 812 elderly persons receiving a benefit from one of these organisations. 30 get a part benefit from both so 782 elderly receive a benefit indicating that about 300 or about 30% of the elderly do not receive a benefit from either social welfare or social security.

Social Protection Beneficiaries

Social Welfare.

As at 30 April 2013 225 households covering 258 individuals received a social welfare payment.

<u>Category</u>	<u>Households</u>	<u>Individuals</u>	<u>Monthly amount (\$EC)</u>
Children in household	1	6	400.00
Disabled	80	83	47060.00
Elderly in Household	16	24	7665.00
Obligations to Others	5	13	2570.00
Elderly	123	132	65337.00
Total	225	258	123032 (monthly) 1476384 (annual)

Social Security Beneficiaries

(i) Government Pensions

<u>Benefit Type</u>	<u>Number</u>	<u>May 2013 Payment</u>	<u>Average (\$EC)</u>
Age	213	149376.31	701.30
Invalidity	4	5155.03	1288.76
Survivors'	11	2866.57	412.04
Widows	7	2947.26	421.04
Total	235	160,345.17	682.32

(ii) Regular Pensioners

<u>Benefit Type</u>	<u>Number</u>	<u>May 2013 Payment</u>	<u>Average (\$EC)</u>
Age	467	245818.87	526.38
Invalidity	20	6968.46	348.42
Survivors'	16	2756.96	172.31
Widows	28	7628.71	272.45
Total	531	263173.00	495.62

Note – Age Pensions includes all persons over the prescribed age including those who prior to age 60 may have been disabled or widowed.

One-off Assistance programs

Under the various assistance programmes payments are made regularly or as a once only payment.

Rental. In May 2013, 6 families received full monthly and 81 partial rental assistance (April 2013 – 78). The total cost was EC\$30,000. The peak was 97 families receiving some assistance in August 2010.

Medical Expenses (costs in \$EC)

<u>Year and Total Claims</u>	<u>Medical Treatment Cost</u>	<u>Medivac Cost</u>	<u>Non-medivac Cost</u>	<u>Amount Repaid</u>	<u>Nett Co</u>
<u>2009 – 62</u>	<u>244,871.20</u>	<u>14496.00</u>	<u>38323.22</u>	<u>40371.50</u>	<u>257318.92</u>
<u>2010 – 51</u>	<u>236091.83</u>	<u>21884.37</u>	<u>52928.16</u>	<u>26000</u>	<u>284904.36</u>
<u>2011 – 93</u>	<u>236091.83</u>	<u>21719.43</u>	<u>72454.07</u>	<u>9648.04</u>	<u>320617.29</u>
<u>68</u>	<u>392524.36</u>	<u>162415.12</u>	<u>25045.29</u>	<u>13102.06</u>	<u>566882.71</u>

One-Off Payments

2010 – 2012 Total	Code	Assistance Type	Male	Female	Amount
	A	Appliances	34	46	79,555.05
	C	Clothing	5	6	1,387.64
	F	Funeral	3	3	80,202.45
	G	Groceries	77	124	97,045.52
	H	Household Effects	19	12	23,713.48
	M	Medicals (Minor)	13	8	1,984.03
	R	Rent	1	3	65,525.00
	S	School Supplies	0	9	8,006.30
	T	Travel	3	6	7,028.40
	U	Utilities	18	20	20,139.66
	O	Other	1	4	1,569.97
		Total	174	241	386,157.50

Full details are in Annex 3. But briefly the number of claims for one off payments in 2012 was 15% lower in 2012 than in 2011

Working Age Population

2,666 people were in the working age population of 20 to 60, nominally those who would pay taxes and finance the social welfare benefits through taxation.

Life Expectancy

Life expectancy at birth was 76.1 years for males and 81.5 years for females although these were 2004 figures and probably are now slightly higher.

Budgetary Position.

The 2013-14 budget proposes that \$15.2 million will be spent on health and social welfare. This is 15.1% of the total recurrent expenditure. It is down in percentage terms from 16.6% in 2005.

The Value of the Social Welfare Benefit

The current social welfare benefit is \$600 per household per month. Had it been indexed by inflation from when last adjusted it would now be worth \$735.09.

By not being indexed by inflation the \$600 today is worth \$486.09 in values when it was last adjusted.

The Social Welfare Benefit is 40% of the Nutritional Food Basket

Cost of food basket

This acts as a de facto measurement of the poverty line in Montserrat.

MOHSS produces two figures for this measurement which have just been recalculated as at 30 April 2013.

The “Nutritional Food Basket” is calculated as \$1402.99 per individual per month and the minimum food basket is calculated as \$1182.68. Both these figures exclude the cost of utilities.

8. Analyzing the current Social Welfare Package.

In this section I will analyze the current social welfare package and make some recommendations on possible changes that could be introduced.

The section will use the initial social protection classifications – social insurance, social assistance and social care as the basis of breaking the discussion up into groups. Following these three discussions there will be a fourth discussion on issues that have been raised during the consultation that are not direct social protection issues but which do ultimately impact social policy.

Comments on Social Insurance Related Issues

The Interaction Between Social Welfare and Social Security

The current social security system has as its basic principle that all persons aged between 16 and 60 who are gainfully occupied in an insurable employment will participate in the system. These provisions are relatively new. Previously private sector employees were not mandated to participate in social security and even today the scheme does not cover those in the informal sector. In addition to social security there are public sector workers who participate in social security through their own, now grandfathered, pension arrangements.

The census showed that there were 2,666 persons of working age in the country. The Social Security Board states that there were around 2000 active contributors to social security i.e. those who made a contribution in the last month of the reporting period. This indicates that about 75% of persons of working age were participating in social security. Roughly 500 people seem to be either working in the informal sector or are unemployed. The Director of Social Security reported that there was a 95% compliance level by employers with social security obligations. The theory is that with everybody participating in social security the number of persons needing a social welfare payment will reduce significantly. Social welfare will only top up the social security benefit to the minimum level (currently \$600).

Persons retiring with a social security benefit will receive a maximum benefit of 60% of their final salary to the prescribed ceiling. (For those who had an entitlement to a civil service pension their benefit will be topped up to 85%). To do this they will have needed to contribute for 40 years. With age retirement set to increase to age 65 this will mean full-time employment basically from age 24. Whether this occurs or not is debatable, particularly for women who will have career breaks to bear and look after children. The chances of a woman having a full period of pensionable employment are not great. The government needs to consider whether years out of the workforce on account of child bearing/caring should be included in pensionable service. The same applies if a child has to cease employment to look after a parent. The UK State Pension System provides a credit in years of service to persons who have to become carers.

If the social welfare benefit were to be indexed by the same amount as wages increase (and therefore the rate at which social security benefits would increase) then it is likely that in 30 or so years' time there will be a reduction in the number of social welfare recipients. However the question is what happens in the interim period.

At 30 April 2013 there were 30 persons who were receiving a reduced social welfare benefit to top up their social security benefit. Again the theory is that this number should go down as more people have longer service in social security and therefore receive a higher benefit. However in

the foreseeable future it is more likely that this number will increase as retirees from social welfare/social security retire without the salary or contributory service needed to get a social security pension of at least \$600.

The Social Welfare Benefit – the Amount

With very few exceptions, everybody said that the current \$600 per month social welfare benefit was inadequate. Popular opinion was that the benefit should increase to somewhere in the range of \$1000 to \$1200.

Non-Governmental Organisations suggested that the welfare benefit should be pegged to the nutritional food basket (at the time of these discussions the \$1402.99 figure had not been made public) and should be adjusted each year in line with movements in the benchmark.

Other Reviews of the Welfare Benefit

On November 19, 2007 the then Minister (Dr John Osbourne) circulated an information paper on the “Hardship of Vulnerable Persons”.

In that report he stated that “benefit levels are falling short by between \$320 and \$510 per month”. He concluded “The situation of our elderly and vulnerable persons is worsening and the experience of hardship is extending to households with children and elderly members who do not qualify for welfare assistance and are struggling to manage. The need for further commitment to welfare provision cannot be denied especially in light of the social, health and other problems that will result from continued hardship and the even greater economical cost to the Government of Montserrat.”

The action that appears to have been taken as a consequence of the Minister’s paper was that a social welfare review was conducted by the Montserrat Association of Retired Persons in September 2008. That review recommended that “the monthly allowance given to (social welfare beneficiaries) should be based on the cost of the Nutritional Basket plus the cost of utilities”. At the time of writing their report the MARP calculated this figure as \$1022.77 for the food basket and \$188.62 for utilities – a total of \$1211.39. (Allowing for inflation this figure today would be EC\$1153.84 plus EC\$209.80 for utilities)

The Halcrow/ NAT, Montserrat CPA, Final Report of July 2012 used as the basis of its poverty line estimation, the minimum cost for an adult to achieve a diet of 2,400 calories per day taking into account local dietary preferences and the need for a balanced diet. This is known as the Minimum Cost Food Basket (MCFB). The figure calculated in their report is for an adult male in Montserrat aged 15-29 years based on costs in 2008. The amount was EC\$12.98 per day or just under EC\$400 per month.

The first point to make in respect of the MARP recommendation is that it is based on the “Nutritional Basket”. The Halcrow/NAT, Montserrat CPA, Final Report of July 2012 stated that “it should be noted that the approach used to obtain the Minimum Food Cost Basket is different from that used by the Social Welfare Department (SWD) to derive their ‘healthy food basket’ which is used in their annual Hardship Reports. The Minimum Cost Food Basket is designed to be exactly that, i.e. the minimum cost needed to achieve a healthy and balanced diet; this is the approach which has underpinned the derivation of poverty lines in all previous CPAs. In contrast, the SWD approach is based on identifying a healthy food basket based on the full range of foodstuffs available on the island and included in the Consumer Price Index (CPI). This approach generates an average rather than a minimum cost food basket, and therein lies the difference”.

But the Halcrow and MRPA reports calculated their figures at roughly the same time. There appears to be a big difference between even the two basic figures (MCFB). The Halcrow figure was EC\$394.81 whereas the MOHSS figure was \$747.61. No information has been given to explain the difference.

The Halcrow report recommended that:-

- (i) There be an increase in benefits to current social welfare beneficiaries since current benefits are below minimum living costs.
- (ii) Widen eligibility criteria to provide assistance to unemployed and working poor households since needy

The Halcrow report addressed the question of “the welfare state”. It said that there is an understandable concern that benefits should not be set so high as to promote a culture of welfarism. Given that current welfare benefits go almost entirely to the most destitute, and are generally considered to be inadequate, the creation of a welfarist culture appears unlikely. Nonetheless, applying some conditionality, e.g. through cash for (community) work approach, offers potential benefits and should be investigated. (6)

The Cost of Increasing the Social Welfare Benefit

Increasing the cost of the social welfare will have significant implications for GOM expenditure.

The first point is that the increased cost is not simply the number of social welfare beneficiaries multiplied by the cost increase. Depending upon where the social welfare benefit was set, there would be an increase in the number of social welfare beneficiaries on account of more social security beneficiaries becoming eligible for as top up from social welfare. This would be an incremental cost as social welfare would only pay a supplement. There are 27 persons who currently get a top up from social welfare for their SSF benefit and a further 3 whom SSF provides a top-up for.

(6) Government of Montserrat and the Caribbean Development Bank Final Report Montserrat Survey of Living Conditions, 2009 Volume 1. Main Report July 2012 (p147).

The following table is an estimation of increased costs based on a number of scenarios:-

Additional Cost

SW beneficiaries only	New SW benefit (EC\$ millions)							
	1400	1300	1200	1100	1000	900	800	750
195	1.87	1.64	1.40	1.17	0.94	0.70	0.47	0.35

SSF beneficiaries with top up	New SW benefit (EC\$ millions)							
	1400	1300	1200	1100	1000	900	800	750
30	0.39	0.36	0.32	0.29	0.25	0.21	0.18	0.16

New top-up for SSF beneficiaries	New SW benefit (EC\$ millions)							
	1400	1300	1200	1100	1000	900	800	750
25	0.24	0.21	0.18	0.15	0.12	0.09	0.06	0.045

Total Annual Additional Cost

	New SW benefit (EC\$ millions)							
All Beneficiaries	1400	1300	1200	1100	1000	900	800	750
225	2.51	2.21	1.91	1.61	1.31	1.01	0.71	0.56

Total SW Cost

Total Beneficiaries	New SW benefit (EC\$ millions)							
	1400	1300	1200	1100	1000	900	800	750
325	3.99	3.69	3.39	3.09	2.79	2.49	2.19	2.04

This table shows that every EC\$100 increase in the social welfare benefit is likely to cost the Government around EC\$300,000.

Should the Social Welfare Benefit be Increased?

The facts that the social welfare benefit has been fixed since 2006 and that there have been significant increases in the cost of the food basket are prima facie reasons for increasing the benefit. Another indirect influence on the decision would be the flow-on effect of keeping the figure at \$600. Montserrat has one of the highest incidences of non-communicable diseases in the region. A non-increase in the social welfare benefit is likely to lead to beneficiaries buying less healthy food. This is likely to exacerbate the non-communicable diseases situation with indirect increases in the cost of the country's health system and therefore the MoHSS budget.

There are already significant issues that the high level of non-communicable diseases will bring – there is likely to be a surge in the number of disability claimants as a result of diabetes, prostate cancer and blood pressure issues.

Hindsight is wonderful – in hindsight when the Welfare Benefit was first introduced it should have automatically been indexed in accordance with inflation. This would mean the benefit would now be \$735 and the cost of any increase would be significantly less today and therefore more affordable. One problem if the amount does not increase in the foreseeable future will be that the cost of any increase gets greater and greater each year making it harder and harder to finance. The step needed to bring the benefit up towards the minimum consumption level gets greater each year nothing is done.

The conundrum faced by the GoM in increasing the benefit hinges on three other factors.

This first is how would any benefit be financed. The budget deficit is negotiated annually with DFID, this includes looking at how GoM can make efficiencies and improve revenues across the board that would enable more flexibility in budget targeting. The second issue is whether such an increase could justifiably be paid to the elderly and disabled when civil servants also have not had a wage increase for a similar length of time (many of them are in the category previously described as “working poor”) and thirdly what about using whatever extra funds that may become available to fund an increase the number of beneficiaries (see section in paper on benefit eligibility).

It is my opinion that a process needs to start whereby the welfare amount begins to increase. It is not feasible to immediately bring the benefit up to the level being suggested by MARP or to the level being sought by the public (both around EC\$1200) but in the next breath the cost of an increase should not be used as the sole argument against an increase.

Some people have suggested that those on social welfare have the capacity to increase their income by either working or engaging in some agricultural activities to supplement their benefit. This is possibly true for some but not all social welfare beneficiaries. Only the strongest opponents of the welfare state would argue that a 90 year old pensioner should be out digging potatoes to bring in some extra income or that the same applies to those who are physically challenged.

The question of the mentally challenged always causes strong opinions one way or the other.

Some think they are abusing the system and others think they are discriminated against.

It could be possible to employ some people who are mentally challenged doing some form of paid employment. Some people interviewed suggested they be paid to clean gutters/collect rubbish.

There are least two costs here for the Government. First it would have to meet the cost of such employment. The payment would need to be consistent with an employer’s obligation under the labour code. Secondly the government would need to employ a number of overseers to supervise the work of these mentally handicapped people since many of them are on medication and would need to be checked to ensure that they were taking their medicine to ensure that there were no possible ramifications for the individual and/or the public.

Since these persons are receiving \$600 as their welfare benefit, in the current situation it may cost the government more to get these persons into employment than it costs to provide them with the social welfare benefit.

Those who are either mentally or physically challenged would be much better off if they were able to find some employment, sponsored by a NGO, in a sheltered workshop.

How Much Could the Welfare Benefit Be?

The EC\$ 600 benefit is clearly inadequate when the Healthy Food Basket is over EC\$1400. The question is how much should the benefit increase by and how to get there.

My belief is that the Government should establish a measurable benchmark as the figure that in the future would be the basis of calculating the Social Welfare Benefit. To me the Healthy Food Basket is the logical benchmark for this exercise.

I think that the population cannot expect the Government to fully fund the payment of the full Healthy Food Basket. Beneficiaries should make some contribution to their living through different means – using some savings, making some savings through their purchasing strategies or supplementing their purchases with some home-grown fruit or vegetables etc.

So, in my opinion, the physical amount paid by the Government as the Social Welfare Benefit should be a percentage of the Healthy Food Basket. My suggestion would be that the individual meets 20% of the cost and the Government meets 80% of the cost (on current values that would put the Social Welfare Benefit at EC\$1114).

The jump from today's \$600 to a possible EC\$1100 would cost the government a minimum of EC\$1.5 million (see table on page 29). It is only possible to estimate the minimum amount as a number of social welfare pensioners would also receive a part payment of the difference between their actual pension and 80% of the healthy food basket.

One possible argument against moving straight to this figure would be how to finance the extra EC\$ 1.5 million cost. But this is itself is not a justification for doing nothing.

Whilst government workers' gross salaries have been frozen for as long as the social welfare benefit, their net salary has recently gone up through a change in the personal income tax rate.

This has given civil servants more money in their pocket. However as those on social welfare and social security pay no tax, their "money in the pocket amount" has not changed. Therefore in terms of equity the government should look at some mechanism to increase the "money in the pocket" amount of the elderly.

If the Government says that the jump to EC\$1100 is too great in one step then the following options are recommended:-

- a. The legislation could prescribe a timetable for progressively increasing this benefit each year until it in 2016 it reaches the prescribed level (based on 1 January 2016 prices). A possible timetable is 1/4/2014 – EC\$800 – 1/4/2015 – EC\$100 – 1/4/2016 – 80% of Nutritional food Basket – likely to be in range of \$EC1200 – 1300.
- b. As an alternative to the above recommendation, if the cost of these measures proves to be beyond the financial resources of the government the following would be an acceptable short-term solution until the country's economic development facilitated the implementation of the above proposal:-
 - (i) From 1 April 2014 the monthly social welfare benefit be increased to EC\$750 (EC\$ 600 adjusted by inflation since last adjustment plus 2013 estimate),
 - (ii) From 1 April 2015, the previous year's monthly figure be increased by EC\$100 each year until the healthy food basket option is implemented

If option b was the path taken, then ,in 2014 in addition to the increase in the Social Welfare Benefit, the Government would provide a total of EC\$300,000 (inclusive of the current grants) in grants to NGO's and CBO's to deliver community based services to the population to improve its social welfare plus:-

for each year until the health food basket option is implemented the grant to NGO's and CBO's be increased by EC\$50,000.

If option b is implemented these projects should focus on all areas of the population including the elderly, disabled, working age and children. A precondition of NGO's receiving funds under point (b) should be that 50% of all additional staff is aged under 26, ideally in conjunction with the "HYPE" program and that an extensive training program is conducted for all employees

Previously some costs had been shown on the cost of different scenarios for increasing the benefit. The following estimate is based on paying a welfare benefit of EC\$750.00 per month.

Category of Beneficiary	Annual cost of benefit at \$750.00
Welfare only	351,000
Existing social security beneficiaries with top-up	160,000
New social security beneficiaries needing top-up	60,000
Total Additional Cost	571000

This would bring the total social welfare benefit cost to about\$2, 050,000 up from \$1,480,000.

Comments on Social Assistance Related Issues

Eligibility for a Social Welfare Benefit

a. The Means Test

One of the criteria for receiving the social welfare benefit is that a claimant should have less than EC\$8,000 in assets other than his or her residential property. This EC\$8,000 threshold was set in June 2000 and has not been adjusted since. The public view was that the threshold should be either increased or even abolished. If it was abolished social welfare would become universal for those who were not in receipt of social security.

The main reason for having an assets threshold on welfare benefits is to direct social welfare to the most needy. Means testing, as it is referred, to has its supporters for and against but personally I am not opposed to having a means test. In theory by having a means test the rich subsidise the benefit of the poor allowing the benefit to the poor to be higher than it would be if it was universal. In a scheme where there are multiple welfare benefits some may be means tested and others not. For example in the UK the State Pension is not means tested but as of 6 April 2013 child benefit is now means tested.

One issue is that the current situation is all or nothing – if you have EC\$7,999 you get the full EC\$600 in social welfare but if you have EC\$8,001 you get nothing (and presumably you spend something to get the figure below EC\$8,000).

Some would argue that it would be more equitable that, at whatever assets figure it was decided was appropriate, there was a gradual taper in the social welfare benefit until a certain point was reached where there was no social welfare benefit paid.

The current scenario does encourage people to spend, or give away to children, the necessary amount to get their assets below EC\$8,000. With a taper there would be less of an incentive to do this – for instance do you give away say EC\$1,000 to get a social welfare benefit of EC\$10 per month.

Those who would prefer to keep the current EC\$8,000 would argue that by increasing the threshold and/or introducing a taper more people will come into the system. This would in turn put more pressure on the financing of the system and provide less opportunity to increase the current benefit level to those who are the most in need.

Personally I am inclined to leave the ceiling at its current level since this would provide the opportunity to better support reducing the vulnerability of the very poor, as opposed to those who may be less vulnerable. If a person with a high level of assets really wants the EC\$600 from social welfare they will find means of reducing their assets. Therefore I would not recommend a system of tapering the social welfare benefit for those who have assets above the specified maximum.

Another question relating to looking at the situation for eligibility for a social welfare benefit covers elderly persons who are living with their family.

The general assumption is that if an elderly person is living with their family then the family is able to look after the elderly person. As such there can be a situation whereby an elderly person who has no assets him or herself can be denied a social welfare benefit on the basis of the family income.

I think this situation needs to be formalised so that a welfare benefit could be paid to an elderly person permanently residing with another family member. Under this circumstance I think that both the assets of all family members living together as well as their income should be taken into account in determining eligibility for the elderly person's social welfare benefit. Perhaps the asset limit could be EC\$4000 per dependent family member and the income limit could be \$EC500 per month.

b. Age at Which Social Welfare Payment Can be Paid

A recent amendment to the Social Security Act now sees the age at which a person can receive social security being step-increased to 65. This raises the question as to whether or not there should be consistency between the Social Security Act and the Social Welfare Act.

I can see no argument that can be advanced to justify a difference in the ages at which a person could receive social welfare to the age at which a person could receive social security.

If for any reason a person who, eventually, was aged between 60 and 65 once social security reached age 65, was in financial difficulty they would still be eligible to be considered for a benefit. They could possibly claim a benefit under the provision in the legislation relating to persons unable to work but who have dependent children and who have no other means of support.

Therefore I recommend that the current age of 60 as being the threshold for receiving an aged person's social welfare benefit be amended to correspond to the age requirements in the Social Security Act.

c. Means Test for One-Off Payments

Although the Social Welfare payment has a requirement that a household has less than EC\$8,000 in assets this does not apply to the other benefits that are determined and paid by MOHSS.

For instance a person can come to the Welfare Office seeking assistance for payments for example health costs. In such a circumstance the Welfare Office can only look at the person's current position for instance looking at the current cash position when having to pay a EC\$2000 health bill. Under this circumstance the Welfare Office cannot take into account the person's assets, including any savings they make.

I do not believe that it is right that a person who has assets in the bank can require the Government to pay for him or his family to receive a service without the need to use their own assets first. Certainly if the amount required to be paid exceeds the assets that the claimant has, then they Government should assist in paying the excess. But under no circumstances do I believe that the government should finance a one-off payment when the claimant has the assets to meet this cost.

d. Hardship Payments

Any person, who is in financial hardship, can request the government for financial assistance irrespective of their age. So for example a person who is able-bodied, is 25 and has no employment can request the government to provide him or her with financial assistance. Under the legislation persons unable to work but who have dependent children and who have no other means of support are eligible for a benefit.

In that case a benefit will usually be paid for 6 months and then reviewed and if circumstances have not changed then a further benefit can be paid.

One issue here is that if MOHSS agrees to pay the benefit, then it has no capacity for conditions to be put on the payment of benefit. For example it would seem logical that such a person could be required to provide some service in return for the payment of the EC\$600. However MOHSS does not have the capacity to require this of a beneficiary.

There needs to be cooperation between MOHSS and the Ministry of Labour so that a job can be found for this person - basically a “work for the dole” scenario. That employment could be some form of community/public service work that hopefully would provide the person with some skills that may help them in their search for long-term employment opportunities. I do not think that it is right that the person can sit at home and receive the EC\$600 per month without the need to make a contribution to the receipt of this amount.

The government would need to ensure that its obligations under the Labour code were fulfilled either by equating the EC\$600 to a monthly hours equivalent or by topping up the EC\$600 to the amount based on the monthly hours actually worked, paid at the minimum wage.

In the same way as there needs to be cooperation to bring people in receipt of financial hardship into the workforce, some of the elderly asked in there could be some sort of job exchange market created by the Government whereby persons who were receiving a social security/welfare benefit but who were physically able could be put in touch with persons who had small jobs to be done that could supplement the elderly person's benefit. Whilst this could be counter-productive to trying to stimulate the situation for those under 60 who are unemployed, it is highly likely that there are some people who would be willing to employ an elderly person at a reduced rate rather than a younger person if they had to pay the minimum wage.

e. Foster Care Benefit

A small number of cases of situations where children had been left in Montserrat while the parent worked overseas or the parents were not capable of looking after the child were highlighted. These children were left with parents who were not legally their guardian. In addition there are cases whereby children are legally in foster care with a guardian.

These children are the most vulnerable members of our society and the willingness of adults to take on a fostering role is often impacted by their financial status. It is in the state's interest that these children are not institutionalized. However looking after children is not cheap and it is even more expensive if the foster child is physically or mentally challenged. Unless some additional financial assistance is provided to adults they will be reluctant to take on the role of foster-carer, leaving that task to the government.

Currently in situations where there is a formal foster care arrangement social welfare provides a monthly benefit to the foster-carer of EC\$330. A 14 year old male needs a minimum of 50% more in calorie intake than that used in the Minimum Food Basket. A 14 year old female needs the 2000 calorie intake the minimum food basket is based on. Younger children require lower calorie levels.

This food requirement is before considering the other things that a young person needs – clothing, schooling etc. A challenged person would in addition lead to increased costs for modifying housing conditions, transport, medications etc.

Before considering any actual amount I would recommend that a principle be developed. That principle should be:-

- A. One amount for children aged to 10 and 50% more for children from 11 to 18.
- B. The age appropriate amount be doubled where the foster-carer is the guardian of a child who has been certified as either mentally or physically challenged.

As a base benefit I believe that an 11 to 18 year should receive the full social welfare amount with adjustments for younger children and the challenged

Comments on Social Care Issues

Meals on Wheels

Through the Old Persons' Welfare Association a meals on wheels programme is provided to selected elderly persons. This program provides a hot meal at lunchtime on weekdays only - not weekends or public holidays.

Currently persons who receive a meal pay EC\$30 per month. For those who are social welfare recipients, the cost is deducted from their monthly payment and remitted directly to OPWA. In addition to the direct payment from social welfare beneficiaries, OPWA receives an annual subsidy of EC\$ 60,000 per annum from the Government. Currently 43 persons are provided with meals – 27 of them are social welfare beneficiaries.

The actual cost incurred by recipients of meals on wheels of EC\$1.36 per meal bears no relationship to the cost that would be incurred by a person not on the program in preparing a meal. If a person was to buy the food needed for a similar meal you would be looking at a minimum of about EC\$10 per meal. A person on the MOW program is significantly better off financially than a person not on program.

The total cost to OPWA of the MOW program at the moment is estimated at around EC\$100,000 made up of about EC\$74,000 for actual meals and the rest for wages of the driver and the assistant. The income from recipients is around EC\$16,000. This together with the income and subsidies this means that there is a shortfall in the program of around EC\$24,000.

With Montserrat's high level of non-communicable diseases, introducing a less than optimal food program would be self-defeating. Therefore for OPWA has to increase the number of recipients or the days when meals are received, it has to do one or all of:-

- a. increase fundraising,
- b. the amount paid by recipients has to increase
- c. the government subsidy has to increase.

Frequency of Meals

There has been a change of modus operandi for MOW. Originally the program was more under the control of MOHSS which paid people to prepare the meals and others to deliver them. This appears to be the logic for not delivering meals on weekends or public holidays – the cooks and delivery staff would have to be paid at overtime rates. Now the meals are prepared in the kitchen of the Golden Years Home which operates 24/7 and has to prepare meals on the weekend. There would be no additional labour costs to have Golden Years to prepare the MOW meals on the weekend and on public holidays. The extra costs would be the meals themselves and the delivery cost.

Increasing meals to a daily delivery basis would add an extra EC\$34,000 per annum to the cost of food and about EC\$13,000 for the additional labour.

There is a further question which is not really within the scope of this report regarding further centralisation of the meals and some other services provided at Golden Years. There would seem to be economies of scale to have all meals for residential homes and MOW prepared at the hospital so that further economies could be obtained. Any savings could be put back into the MOW program.

Cost paid by beneficiaries

As shown by the Food Basket cost level and the issues raised at public forums, the cost of food is a very significant issue for Montserratians. The EC\$30 per month paid by MOW beneficiaries is very heavily subsidized. I would recommend that the cost of MOW met by the recipients be increased to \$80 per month. This is still extremely good value for money compared with buying and preparing the food yourself. As partial compensation for the increase, participants should receive a meal every day of the year.

I also believe that, in an ideal world, Meals on Wheels should be provided to every person who is in receipt of any level of social welfare payment and who wants the program delivered to him/her. However, this seems to be out of the question from a financial perspective. It would be my recommendation that any person who was in receipt of social welfare, and who wanted Meals on Wheels, should be provided with that service and should have first priority in participating. OPWA say that at the moment they do not decline a request from a person to participate in MOW. However the time may come in the future that if there had to be a choice of providing MOW to a person receiving a social welfare benefit over somebody who was not receiving a social welfare benefit, then the person receiving social welfare should get priority. When I met with elderly groups there were some complaints about the Meals on Wheels service. These complaints covered topics such as the quality of food, the variety and the fact that food was cold. These complaints may or may not be valid. Others were full of praise for MOW. There needs to be a mechanism to address the concerns of recipients. Any service level agreement needs to be revised and a monitoring process needs to be consistently carried out.

Transport for the Elderly

Again at meetings with the elderly there were comments about the high cost of transport around the island and requests that free transport be provided to the elderly. The main complaint was that the price was the EC\$3 per trip, irrespective of how far was travelled. The elderly often need to catch the bus just to go 200 yards as walking was too difficult. The suggestion was that they be issued with a bus pass that entitled them to free travel.

The bus pass concept is used for example in the UK where there is a central coordinating body for transport in each major city. In Montserrat with its system of private mini-buses it would be much more difficult to implement this system. It may also expose the government to fraudulent claims for services not rendered. Another problem is that the mini-buses in Montserrat are not accessible to those with mobility difficulties. For example OPWA has a van but it is not accessible to the physically challenged.

In the UK there is a system of transport for the less mobile. In London it is called "Dial-a-Ride". To "ride" a person with mobility difficulties contacts "Dial-a-Ride" to organize for transportation within the available locations. Dial-A-ride is physically challenged friendly. The service is provided under contract to Transport for London by the private sector.

If there was to be a similar system in Montserrat it could be used for dual purpose – for the physically challenged (whether they be elderly or not) and the elderly who are not physically challenged. The problem in Montserrat would be getting the actual vehicle. This is a service that could be provided by the private sector or voluntary sector on a long-term basis with or without a form of subsidy. If a long-term contract was provided by the government to the successful contractor perhaps as part of the contract the provider supplied the vehicle and as part of the subsidy the imported vehicle would not be subject to customs or other duties nor would petrol/diesel. This would reduce costs, perhaps allowing for the operation with little or only minimal further subsidy from the Government

Residential Care

GOM provides live-in accommodation for the elderly and disabled either through several government residences or some that are private. These are:-

Golden Years	-	Residential care for the elderly
Margetson Memorial Home		Residential care for the elderly, physically or mentally challenged

Lookout Point Community Centre - Residences for the elderly

Oriole Villa Residences for the Mentally Challenged

Most of these facilities do not require a resident to meet the cost. At Golden Years there are 9 persons who make a contribution to the cost and at Lookout Point 6 persons make a contribution to the cost. However the cost contribution made by these 15 people is a very small proportion of their proportional cost to run the facility.

The Chief Medical Officer, Dr Owen, at the annual general meeting of the Golden Years' Foundation estimated the cost per month of a resident in that facility as being EC\$3,300 per month (5)

At Golden Years, 9 residents pay for their accommodation and 10 of them have their cost fully met by GOM. (6). At Lookout Point 6 of the 44 residents pay. Lookout Point is different to the other two in that it provides for more independent residents and there is only two staff who look after the property and the residents. The Government meets this cost and some utilities.

Lookout Point is more a rental subsidy scheme than Golden Years or Margetson which provide residents with more services.

Residents at Golden Years have three standards of accommodation that they can choose to live in. The cost varies according to the standard of accommodation – EC\$800 for shared accommodation, EC\$1200 for semi-private and EC\$1500 per month for private accommodation. The EC\$3,300 quoted by Dr Owen is probably based on the current number of residents. If the number of residents went up the cost would go down proportionally as the centre requires a fixed number of employees, and therefore costs, to keep the home open, irrespective of the number of residents. But the number of residents at Golden Years is never at a high level so the EC\$ is probably representative of the long-term cost to GOM. So for 10 people at Golden Years the GOM subsidy is EC\$3,300 per month and even for those who do pay there is still a subsidy of about EC\$2,500 per month.

Since residents of Margetson require more specialist treatment and pay nothing, the Government subsidy there will be higher.

At Oriole Villa there is no cafeteria etc available to residents. As a priority all persons at Oriole Villa should go onto MOW.

The Government can't go on providing unlimited subsidies for residential care. From GOM perspective the fewer the number of persons in residential care, the less will be the government's cost. The welfare of the individual is much better provided for by them staying in their own home for as long as possible.

However, some (usually family members and sometimes family members living overseas) see the economics of putting the elderly into government provided residential care. With the person in government residential care they can asset-strip – pocket the profit from selling or renting the resident's home whilst at the same time incurring no cost, and having no responsibility, by putting the person into a residential home where it becomes the Government's responsibility to look after them. There is even anecdotal evidence that where the children agree, and even make the first couple of payments for the parent, these payments soon stop, leaving the Government to meet the full cost. (7)

(5) Dr Mike Owen, Chief Medical Officer, Feature Address, Golden Years' Foundation Annual General Meeting, Thursday May 16, 2013

(6) Mr Kenneth Scotland, Chairman Golden Years' Foundation, Golden Years' Foundation Annual General Meeting, May 16 2013.

(7) Mr Kenneth Scotland, op. cit.

The Government needs the capacity to both charge for the services it provides for residential care and pursue persons who fail to make these payments. This is discussed further in the section on "Maximising Government Provided Accommodation".

Rental Assistance

MoHSS pays assistance to persons who have difficulty in paying for their accommodation.

Previously the only accommodation that could be used for a person to receive this benefit was for accommodation in government provided accommodation. However the number of government provided premises available to be utilized for this purpose has been reduced and there is now a question of, if there is an entitlement, should private sector rentals be used.

GOM has an obligation to provide housing for those who are not able to provide for themselves. If there is no public housing available then it would not be acceptable to tell a claimant that (s)he will not be provided with accommodation until such time as government provided accommodation becomes available. Therefore as a default position, private housing should be allowed if no government housing is available. MALHE would need to manage the situation carefully. A situation where people were in private housing with public housing being vacant should only be tolerated for as short a time as possible.

This will inevitably lead to private accommodation having to be used for public housing. This has several issues. Firstly the price and therefore the subsidy will be higher in the private sector and secondly the quality of the housing may not be as good in the private sector as in the public, although there have been comments about maintenance at Lookout Point so there may be room for improving the quality of government housing. There is draft a draft Housing Bill on the legislative agenda. Enactment has been awaited since 2009. It includes issues related to minimum standards of housing in the public and private sector. This would apply to both public and private stock. If through necessity private housing was used for housing those who get a rental subsidy it would be critical that the government only rented private housing from owners who adhered to the minimum standards under the Housing Code.

There is also a question of the roles of MOHSS and MALHE in the rental assistance process.

MOHSS role in the process is to determine the eligibility of a claimant to rental assistance and once accommodation is provided for that person to reimburse the cost. There should be no role for MOHSS in finding location for the claimant, nor in negotiating with landlords on contract terms, price etc.

To ensure maximum efficiency of the operation, the process of finding and paying for accommodation for a person seeking rental assistance should be the responsibility of MALHE. The role for MOHSS should be restricted to advising MALHE of the eligibility for the claimant to receive the benefit. This would require the transfer of the allocation of funds from MOHSS to MALHE suggesting 1 April 2014 being the appropriate date to change the procedure completely. In the interim the two Ministries will have to work together with the clear responsibility for finding and approving what private housing is used being the responsibility of MALHE.

Maximising Government provided accommodation.

There are four types of government provided housing for social welfare beneficiaries. They are – Margetson for high care needs residents, Golden Years for those with some care needs but not high care, Lookout where residents are basically self-sufficient and public housing under the rental assistance program and Oriole Villa for physically challenged.

Currently Golden Years has only 19 residents with a maximum capacity of 50. Lookout and Margetson are close to full, if not full. I have not done an assessment of the needs of residents in these locations but it is stated for example that there are people in Margetson who don't need high care and who could possibly be relocated to Golden Year. Similarly it is stated that there are people in Lookout who would probably be better in Golden Years.

Logic would dictate that if there were vacancies at Golden Years then steps should be taken to fill those vacancies. Golden Years is a high cost facility that needs a minimum operating level and additional residents are unlikely to vary the operating expenses greatly. There is one bed ridden client at Golden Years who should presumably now be relocated to Margetson.

There should be a better scheme of managing scarce resources. And this is where the fourth group comes into play. If even 50% of the vacancies at Golden Years were filled by relocating residents from Lookout and/or Margetson that would free up vacancies at Lookout which presumably could be filled by those in receipt of rental assistance. In turn that would free up some government housing which would reduce the likelihood of having to use private accommodation for those needing rental assistance.

Why doesn't this occur? To me the main reason seems to be that the Government is inconsistent in its charging policy for government provided residences. Basically there is a perception that Margetson is free, Golden Years you have to pay and Lookout is somewhere in the middle.

However as we saw there are fewer paying clients at Golden Years than there are non-paying clients so the Government is using a discretion not to collect even the subsidized amount at Golden Years. The same is true at Margetson since the EC\$400 specified on the application form is not collected even from those in receipt of social security. And at Lookout only 6 people pay the EC\$355 cost and even then not the full cost as the Government meets the cost of the water supply.

All this is government provided accommodation and as such I think that the Government has a right to direct where a resident can reside, especially if it is being provided free of charge. The community services side of MOHSS needs to liaise with the managers of these residences to assess where clients should be located taking into account the desire to maximize occupancy at Golden Years and free up other residences that could provide better use of scarce financial resources. If this does not happen there has to be a question mark over the future of Golden Years given the current subsidy of , between EC\$ 30,000 to 40,000 for each resident.

On the question of charging, a policy decision would need to be made on whether there is full cost recovery or whether the government would continue to provide subsidized care. It would be feasible to have a different rate of cost recovery according to which institution the person lived in e.g. a different rate for Golden Years to Margetson to Lookout Point.

Alternatively there could be one rate for all in residential care. This would be a cross-subsidy from those in low needs' residences to those in high needs' residences.

I favour having a different rate per location.

There is a trade-off between full cost recovery and possibly taking all the residents' assets vis a vis what level of subsidy the Government would be willing provide. The greater the level of Government subsidy, the less would be its capacity to adjust other areas of the total social welfare package.

Using the cost at Golden Years of EC\$3,330 per month as an example this becomes nearly \$EC\$40,000 per annum. The question is how many could afford this sum. One advantage is that it would act as a significant incentive for the person to stay in their own home for as long as possible. This is in the best interests of both GOM and the individual.

Before looking at the quantum, it may be better to look at the mechanism of financing whatever amount is decided.

There are two basic approaches. These are not mutually exclusive.

The first approach is the pay as you go approach which means that the government receives the prescribed amount each month. Normally any welfare or pension payment would be the first item that was used to finance this payment – although governments normally don't take the full pension amount so as to provide some money for the resident for personal needs etc. The resident then pays for the outstanding amount usually by direct debit from their or another person's bank account.

The need here would be to protect the Government in the event of default. As stated previously there have been cases where overseas residents have promised to pay for a parent on Montserrat but those promises have not been fulfilled or have only been fulfilled for a short time.

Therefore GOM needs to have the capacity to put into place a charge over any assets either monetary or property, which it can exercise on the first occasion there is a default. The Attorney-General would need to advise on this type of charge – be it an unregistered mortgage, lien or some other appropriate legal instrument. In all likelihood the charge will be over a property as someone who had an intention to defraud the GOM would probably ensure that there were no cash assets available to be sequestered.

If there was no property available the GOM could require a significant cash bond to be deposited in a Montserrat bank account before agreeing to accept the person into residential care. This would overcome the possible issue of the family taking all assets out of Montserrat.

For example persons moving into residential care in Australia are required to lodge a bond, held in trust, for the resident. From the bond, the monthly cost of the accommodation is deducted. The bond accrues interest at a rate specified by the Government. Should the person cease to live in residential care the balance of the bond following monthly deductions is paid to the resident or his/her estate. If the bond is exhausted before the resident dies/moves out then the residential home suffers a loss. But the bond is a significant sum designed to minimize the likelihood of all funds being exhausted.

If the GOM received a property as part of the default process it could then decide to either to sell the property, rent it out privately or put a tenant into the property as part of its social housing program.

Another issue that would need to be resolved is whether or not there would be a cap on the cost recovered. Should the cost recovered by the GOM take all the person's assets or should there be a ceiling on the percentage the GOM can sequester?

There will be a possibility that the person has no assets that could be sequestered, either their own assets or those of their family. In that circumstance GOM is likely to have to provide subsidized accommodation as under human rights legislation the person cannot be denied care. However, if as many avenues to defraud the Government have been blocked as are feasibly practical, then the number of cases where GOM would have to pay would be minimized. (8)

This method brings forward the Government's income as opposed to the second approach such as imposing an inheritance tax or probate duty. Under these circumstances the Government would have to wait until the death of the resident to begin the recovery process. Such a situation would be likely to increase the chance that there were no assets to be used for recovery. The family would probably transfer them whilst the parent was in care.

What rate of recovery could the Government consider?

The UK example.

Currently if you live in your own home in England and are assessed as sufficiently disabled to qualify for "social care" – help with getting out of bed, washing, getting a meal and so on – the amount you pay towards that care depends on the value of your assets **not including** the value of your home.

Normally you can get free social care in your home if you have savings below £14,000. If you have between £14,000 and £23,250, you will have to contribute towards the costs on a sliding scale and, if you have more than £23,250 in savings you pay the total cost.

If you meet the disability criteria for going into residential care, what you pay towards the cost depends on a means-test of your assets **including** the value of your home if there is no dependant or spouse living in it.

If you have assets under £23,250, the local authority will cover the cost, though they will use your pension as a contribution. If you have assets of more than £23,250, you will pay the full cost of your residential care including both your personal-care costs and your bed and board, or what is known as "hotel" costs.

If your pension is not enough to cover the monthly bill, once you have used up any savings, you normally have no option but to sell your house to continue paying for your care.

The government is proposing legislation (currently before parliament) which will cap the cost of personal care in England from April 2017 at £72,000 pounds. The means-test threshold for residential care will be raised from £23,250 to £123,000. This means that the UK Government is not seeking full cost recovery.

(8) Meeting with Attorney General, Thursday May 16

For people receiving social care while living in their own homes, the amount that they actually pay towards the cost of that care will be added up. Once the total physically paid out hits the £72,000 ceiling, all social care provided thereafter – whether it's in their own home or later on in a care home – will be free, regardless of their financial circumstances.

For people who qualify under the disability criteria to go into a care home – and there will be a new national disability criteria rather than variations between local authorities – the costs of all the personal care they receive will again be added up and will count towards their £72,000 lifetime cap.

For a person in residential care the £72,000 is the maximum cost for services. People will still have to pay "hotel" costs for their board and lodging, which will have an annual ceiling expected to be £10,000.

The raising of the means-test threshold means that people entering a care home with less than £123,000, including the value of their home, will not have to pay the full cost of their care – a substantial increase from the current threshold of £23,250. Anyone with assets over the £123,000 threshold will have to pay the full costs but the care element of their costs will count towards their £72,000 lifetime cap.

The Government is suggesting that people could take out an insurance policy that would pay out the £72,000 when needed. However somebody who needed residential care would still need to pay their “hotel costs”. There is also the question of the transition period. Nobody close to the age where they need care will be able to insure for the £72,000.

The Government has said that the new system should result in no elderly people having to sell their homes to fund their care but this depends upon them taking up private health insurance to cover that initial £72,000 cost. There is also the question of funding the hotel costs if a person has to go into residential care.

As an alternative to taking out insurance, the government will be introducing a national deferred payments scheme for residential care where anyone can choose to build up an IOU for their care costs and defer them so they are paid on death.

There is no apparent link to the £72,000 figure. Originally the Government commissioned an independent report by Andrew Dilnot which recommended that the individual contribution to care be capped between £25,000 and £50,000, and the state support any care costs above this cap. The Commission said that £35,000 was the most appropriate and fair figure within this range. The Government ignored this recommendation and originally went to £75,000 but now revised to £72,000.

I believe that in Montserrat a similar provision to the UK should be made whereby the individual pays a significant part of the cost of care, but that sum has a cap to it below full cost recovery.

As this report has not done a full cost analysis of the cost of the four government facilities I would be reluctant to specify a maximum figure for the ceiling on cost recovery for social services provided.

A Possible Social Care Ceiling for Montserrat.

The situation in Montserrat is slightly different in the UK. In the UK there is both the social care cost which will be capped at £72,000 and the accommodation cost which will be limited but without a cap.

The distinction between care and accommodation costs is not so easy to make in Montserrat and is not worth the effort to differentiate.

If we take £72,000 in the UK as a possible benchmark there is a need to convert it across to a Montserratian equivalent. The £72,000 ceiling in the UK is equivalent to about 12.5 times the annual basic state pension (currently £110.15 per week). If we applied a similar approach in Montserrat of 12.5 times the basic social welfare benefit of EC\$600 per month this would make the ceiling EC\$90,000.

I would be willing to listen to other arguments but to start the discussion I would recommend that the ceiling on cost recovery for persons in government provided accommodation be EC\$90,000.

As in the UK the Government cannot expect elderly people to find this amount as a cash sum and it would need to develop a scheme whereby a person's assets (most likely property) upon the death of the individual and/or their spouse could be used to meet the outstanding liability to the government.

Should Golden Years Continue to Operate?

Golden Years has a history of being significantly underutilized. But because of the nature of the services provided at this facility there is a minimum staffing level that needs to be maintained regardless of the number of residents in the facility. The current operating expenditure figure quoted of EC\$3,300 per resident per month would put annual operating expenses at about EC\$750,000 per year.

One person currently at Golden Years is stated as being bed-ridden and should in all likelihood be transferred to Margetson.

Of the remainder the question is whether they need 24 hours assistance or whether they could be transferred to Lookout as residences there became vacant. At Lookout they may need some assistance in their day to day living. It would not be necessary for this to be provided by the Government. It could be provided by OPWA (who already provide this service to some people) with a government subsidy or some other NGO under contract.

There is a question about the viability/cost effectiveness of Golden Years. A review should be carried out to examine the long-term viability of Golden Years and what would be the consequences of any decision to close Golden Years and relocate the residents to other premises or have NGO's provide the services currently provided by Golden Years staff at the person's home.

If residents at Golden Years were able to be relocated into other care facilities thereby allowing it to be closed and the facilities to be used for other purposes, that would provide a savings of around EC\$750,000 that could be reallocated to other parts of the social services budget. That would allow a significant sum to be used to finance the activities of NGO's providing home care services, not just those who were previously in Golden Years but the broader community.

These NGO's would need staff with some professional training but a number of cleaning, cooking jobs etc could be undertaken by the unemployed i.e. school leavers or persons from the HYPE program.

Providing Day Care Activities.

It seems to me that many of the elderly are just sitting there waiting to die. There seems to be no day care activities provided by the government or any NGO to stimulate and even educate the elderly. Lookout is a classic case. There are more than adequate facilities there to provide day-time activities for the residents but during the day the facility is basically not utilized.

The problem at Lookout is that there is no staff to organize day care activities for the residents. It is neither the task of the two resident wardens, nor in all likelihood within their skills' capacity. What's really needed is some person with full or partial training in occupational therapy and some enthusiasm to develop and implement a training program for the elderly using the facilities at Lookout.

If the proposed "Dial-A-Ride Bus" goes ahead then there would be the capacity to bring people from their homes to the day care centre.

Again this facility could be provided by a NGO on behalf of the government. The NGO would employ an occupational therapist. With one person responsible for the whole program, there are probably many occupational therapists around the world who would gladly work in Montserrat on work experience if for example their basic needs such as accommodation and food were met.

Some accounting issues.

Once-only payments

There are a number of possible causes for a once-only payment to be made. These include hospital payments, food parcels, school fees etc. At the moment the line item in the budget for these payments combines all these possibilities together. One consequence of this can be that a number of payments can cause all the funds in this expenditure category to be utilized very quickly. For example if there are two claims to cover medical emergencies for hospital services off island, a very significant proportion of these funds will be exhausted meaning that claimants under the other categories are not able to be helped.

It has been recommended by other consultants previously that this line item in the budget be split if not between all possibilities certainly by separating out medical costs from the other subsidies. I would support such a recommendation.

On the question of medical subsidies it seems morally wrong to me that this subsidy could be paid to the spouse or children of civil servants. Civil servants themselves are provided with free health cover as part of their employment package. In addition they are able to cover their immediate family for EC\$ 60 per month. This is very heavily subsidized. But it is not mandatory to take out this cover and the person can select against the Government knowing that if there ever was a huge medical bill the cost would be picked up under the social welfare package.

Personally I would like to make it mandatory for civil servants to cover their family. This would mean that only the very vulnerable would be able to use the social welfare provisions for health care. However making this mandatory may breach the individual's rights. Perhaps in a future wage discussion the government could offer to meet this cost as part of a wages trade-off.

Rental assistance

The Ministry of Agriculture, Lands, Housing and Environment highlighted an apparent issue. It stated that MOHSS advises MALHE of their decision to recommend to the Social Welfare Board that a person be provided with rent assistance i.e. "in-principle" agreement for MOHSS to subsidise/meet a person's rental cost.

That in principle decision triggers MALHE providing accommodation for the person. However there can be a delay in obtaining formal Welfare Board approval for the person to become a recipient. MOHSS will only pay the rental assistance payment from the date of the formal Board approval so MALHE says that it is left with an interim period where it has to pay for the rental assistance, (for which it has no financing).

This is very much currently an accounting exercise as one Government agency or another would meet the cost. However if ever the private sector was used to provide accommodation (see earlier comments) then real money would be involved.

The Acting Director of Social Welfare says MOHSS will back date the payment of rent to the date a person eligible for rental assistance applied for the benefit and pay MALHE accordingly. However they will not reimburse any cost incurred before the date of the application.

9. Administering Social Welfare

The following thoughts are provided on ways to more efficiently and effectively administer social welfare.

Decision Making Processes/Procedural Manual

Personally I have considerable experience in working with social welfare and social insurance legislation including drafting legislation and interpreting it. However in Montserrat the legislation covering the various benefits has little to say on this topic. When I asked where the benefits were physically set out there was always a very vague answer about a policy decision or something similar.

This seems less than ideal as it does lead to the possibility of subjectivity coming into decisions, the possibility that wrong decisions will be taken and more importantly that when personnel change within that precedents etc will be lost.

There are some 40 Acts of Parliament that underpin the work of the Community Services department. Not all relate to Social Welfare. I would strongly suggest that as a matter of urgency all the legislation, normative acts, policy decisions etc. impacting on the payment of welfare and social security benefits should be consolidated and brought together into a single procedural manual that can be used by staff of the welfare division and staff of social security.

Interaction between Social Welfare and Social Security

Having sat in the Welfare Division office for 5 weeks I noticed that the staff was often required to explain the interaction between social security and social welfare. Most of the public who were asking questions on this issue thought that they would get EC\$600 in addition to their social security benefit – not having their social security benefit topped up to EC\$600 by a reduced social welfare benefit.

There is a clear need for a public education campaign to be mounted to inform the public of the actual process. Ideally Social Security should make it abundantly clear in their communication with a person who is coming up to retirement that social welfare will only top up the amount. The matter is complicated by social welfare making 12 payments and social security making 13 payments a year. I am sure that this adds to the confusion.

Currently the social welfare section calculates social welfare benefits and these benefits are physically paid to claimants by Social Security. That arrangement is much more effective than having social welfare pay the benefit itself.

I believe that this concept should be extended further in two ways.

To alleviate the problem described above whereby people on social security don't understand the top-up payment I would recommend that the minimum pension from social security be set at the social welfare benefit level. That means in effect there would be no top-up.

I am not suggesting that the social security fund meets the cost of the top-up – that would still come from consolidated revenue but instead of the funds being allocated to the MOHSS budget, these funds would be specifically earmarked to the social security budget.

There will still be the fact that these people would not get \$600 month. They would get EC\$553.85. This is because SSF makes 13 payments not 12. SSF has two options – either explain why their beneficiaries are getting EC\$553.85 when social welfare gets EC\$600 or change their system to 12 monthly payments instead of 13 four weekly payments. The latter seems more practical – there is no good reason why SSF makes 13 payments and as each payment costs SSF in bank charges making one less payment would reduce administration costs. There would be no need for Social Welfare to examine the pensions coming from SSF as they now do to determine if a top-up was needed. This would be done automatically by SSF.

A logical follow-up question is whether the whole process of determining and calculating social welfare payments should be transferred to SSF. It would be handling a significant number of social welfare payments and it would be feasible to transfer the whole calculation process to SSF. That would allow the social welfare staff to focus more on social service type provisions and to handle the claims for one-off payments. Social welfare staff would also act as auditors of the social welfare system from checking the correct procedures were used to determine entitlement, the correct payment was made and that beneficiaries continue to be eligible for a benefit.

I see no reason why SSF would need more staff to undertake this function. This would allow the existing welfare staff involved in this process to focus on more pressing activities.

Handling public enquiries in the Welfare Office.

Again having sat in the Social Welfare office for 5 weeks I note that Montserratians are not good at waiting in queues. Often people would come into the office while staff were dealing with issues of other beneficiaries or potential beneficiaries. Not wishing to offend, the staff would drop things to attend to the new person. This is not a criticism of the staff as I think there was an expectation of the person who came in that they would be served immediately.

But it is not very efficient, and no doubt very frustrating for the other person, as staff never knew if somebody would come into the office. I would suggest that there be public hours when the staff will allow people to come in off the street. These can be well promulgated and if the staff stick to these hours, even to the extent of telling people to come back on another day, then people will slowly get the message.

There is a need for welfare staff to travel out of the office to meet with clients or organize appointments etc. If it is widely publicized as to what days and when public enquiries will be attended to this would make it easier for staff to attend outside appointments. It would also remove potential frustration for the public coming to the office and finding no staff in attendance.

Social welfare staff need to be strong in telling a person who comes in when somebody else is being attended to that they should wait outside until they finish with the current client.

Reducing the administrative burden in the social welfare office would allow staff to spend the majority of their time on professional services such as counselling, assessment and community and NGO liaison.

Social welfare database

On a number of occasions I had to ask for data about the various aspects of the social welfare system. My request was either answered by me being given a book with handwritten entries to examine myself or waiting while a staff member went through handwritten lists to obtain the necessary data.

As a matter of urgency all records of claims lodged and payments made should be transferred onto a spreadsheet and backed up. This is not a criticism of staff, but the current system does rely very much on personal knowledge of cases or a staff member remembering about this or that. There needs to be a more formal system of recording data.

Capacity building within the Social Welfare Office

In addition to improving the database management within the social welfare office, there is a need for the staff in the division to have their skill levels enhanced.

Soon there will be a number of major new appointees taking up their positions within MOHSS to strengthen the quality of services that the Ministry delivers to the population. Some of these appointees will bring new skills to the country thereby offering greater scope in the services that could be provided to the population.

Staff in the Welfare Office, and more broadly in the Community Services Division, need to understand the changes that these new appointees will bring to the delivery of social protection to the island. They need to have the skills to be able to identify persons who could potentially benefit from the broader range of services that will be provided.

Communicating with the public

One issue that was consistently raised by the staff of MOHSS was that the general public did not understand the rules relating to social welfare. For example it was often stated that there was a belief across that island that there was an automatic entitlement to social welfare once a person reached age 60.

In addition to this public education about welfare entitlements there also seems to me to be a demand for providing persons as they come up to the age at which they could receive a social welfare or social

security payment with some skills in financial planning. The change from receiving a wage every month to having to live of welfare or social security can be a significant one. Moving to a fixed monthly income in retirement can turn out to be a challenge for many. Things that perhaps were not so important when working now become more critical as they erode into the funds a person has.

Therefore as part of the public education process I believe it would be worthwhile to develop an advisory program for people who say are 6 months from the age at which they would become eligible to receive a benefit – either social welfare or social security – it could be a joint program. Things covered could include social provisions but also issues such as budgeting skills, saving money through more careful use of electricity, water etc. as well as possibly including areas such as agricultural extension services to provide some information on supplementing social security/welfare funds.

This seminar could be run over one or two days say every three months with hopefully employers agreeing to pay their employees to attend this course.

10. Administering social security

Is the Social Security Fund Financially Viable

The social security benefit pays persons who meet the prescribed benefit a percentage of their salary for each year of contributory service. This is what is referred to as a “defined benefit” scheme.

All around the world both public and private sector pension funds (for this is what the social security fund is) are moving away from being a solely defined benefit scheme. Some schemes are moving totally away from defined benefit to what is known as defined contribution. Others are reducing the defined benefit component and supplementing it with a defined contribution scheme. Those keeping defined benefit the basis of calculation is changing significantly. For example 10 years ago most defined benefit schemes were based on the contributor’s final salary. Today most are averaged over a longer period. The most generous will average the salary over say 5 years whilst increasingly schemes are changing to “career average earnings” which averages the salary over the contributor’s full working career with the benefit being paid as a percentage of the average wage at the date of retirement.

The reason for the move away from defined benefit schemes is that under those schemes all the risk is with the government or employer in the case of a private fund. If there is a shortfall in the fund then the contribution rate needs to be increased or the shortfall financed by the government/employer. Some factors impacting the contribution rate are lower than expected investment returns and/or increased longevity. In a defined benefit scheme you pay the benefit for the life of the pensioner so if on average pensioner’s live longer than the actuarial assumption on life expectancy, then more money needs to be found to meet the cost of pensions.

On the other hand in a defined contribution scheme there is no promise of a pre-determined benefit at retirement. The contributor accumulates both contributions and interest in his or her personal account and at retirement this is converted into a regular monthly amount via a predetermined formula. In defined contribution schemes there is no risk for the government/employer – all the risk is with the individual. Some of this risk can be reduced if the government/employer provides a minimum pension. This is effectively what happens in Montserrat now with social welfare currently topping up the minimum pension from social security.

If the social security fund starts to get into an imbalance, this will cause problems for the government. Since it is the largest payer of employer contributions a shortfall in the scheme will mean an increase in the contribution rate needed which will mean more moneys need to be paid to the fund. This could also have an impact on the private sector as if the contribution rate went up they would have to pay more as well creating a possible disincentive for them to employ more labour.

The state of health of the Social Security Fund is analysed in its Actuarial Review. The latest review was for the period ending 31 December 2011. The Actuary's report amongst other things said:-

“Future contribution rate increases are inevitable. By design, the system was intended to have the rate increase gradually as it matured. However, a contribution rate increase is not among this report's recommendations. Instead, the Board is encouraged to pursue other steps aimed at enhancing financial sustainability – diversifying investments and reducing administrative costs”. The question of course is whether or not the Government will be able to finance any increased contribution rate when that becomes necessary. The report says “the average long-term cost of benefits over the next 40 years, often referred to as the general average premium, is between 11.6% and 16.5%.” That is up from the current 8%.

As has happened in many countries around the world, Governments have reviewed their social security obligations. Implementing a change takes time and can be politically difficult. The Government needs to consider whether it is better to act to change the system sooner rather than later when things may be a lot tougher.

Administration of the Scheme

Normally we would measure the efficiency and effectiveness of a social security administrator on the ratio of the number of staff it has to the number of scheme participants. Another measure is the cost of administration (excluding investment charges) as a percentage of assets or if you are generous a percentage of contributions.

Under any of these criteria the Montserrat Social Security Fund does not come out well. The basic problem is that the fund has a very small membership over which it can spread its administration costs. A stand-alone fund such as SSF has fixed costs that it needs to cover and it is only when the membership size starts to grow that these fixed costs will start to be able to reduce on a per member basis.

The 2011 Actuarial Review of the Social Security Fund said “Administrative costs continue to be very high at around 25% of contribution income and 10% of combined contribution income and benefit expenditure”.

Based on the 2011 Financial Report provided to me by the Fund, my calculation is that EC\$1.313 million was the cost directly related to administration and EC\$7.054 million was the contribution income. This puts the administration costs at 18.6% of contributions.

Although SSF is a scheme under the direction of the Minister of Finance, it is administered by staff who are outside of the civil service. If it was in the UK or another OECD country it would not be operating as a stand-alone scheme but would have been merged into another scheme or be in a master trust operated by an insurance or asset management company.

The cost of administration of SSF is borne directly by the payers of contributions, both employers and employees. They would be most anxious to reduce the administration costs which they ultimately will have to bear through higher than otherwise contribution rates.

If GOM carried out a business process review of the SSF there is little doubt that review would recommend merging the fund with another fund or at least putting the administration of the scheme into the private sector. The scheme could either piggy-back off another bigger government scheme in the Caribbean or

be administered by a third party administrator who was remotely located to Montserrat. (This one of the models being considered for the Health Insurance scheme).

I am not talking about the investment of the scheme assets. This would still be carried out by an externally appointed asset manager.

Another issue that could be considered is to adopt the model of many countries around the world (including the UK) and that promoted by the World Bank. This model sees the taxation body (Inland Revenue) collecting social insurance contributions together with employer deducted personal income tax and other employer paid taxes. This is referred to as the uniform social tax (UST).

UST would mean that there would be no need for any contribution or inspection staff within Social Security. This function would be carried out by Inland Revenue staff. Social security contributions would be credited directly into the Fund's bank account and the administrator would be provided with an electronic file on persons on whose behalf contributions had been paid. The task of policing avoidance and evasion would also be the responsibility of Inland Revenue. SSF would basically only be an information and payment agency with a small complement of staff accounting for the Fund's investments.

The Social Security Fund is a statutory body formed under the Social Security Act of 1985. The staff are not civil servants and as such any staff savings through rationalization of administration services would bring about a cost reduction.

11. Some Thoughts on Possible Expenditure Savings/Income Raising

In the course of this report some suggestions we made about some possible cost reductions and some possible sources of additional income that could be used as a possible means of offsetting the increase in social welfare expenditure. These are summarized below after one new fact has been introduced.

Taxation of Social Security Benefits

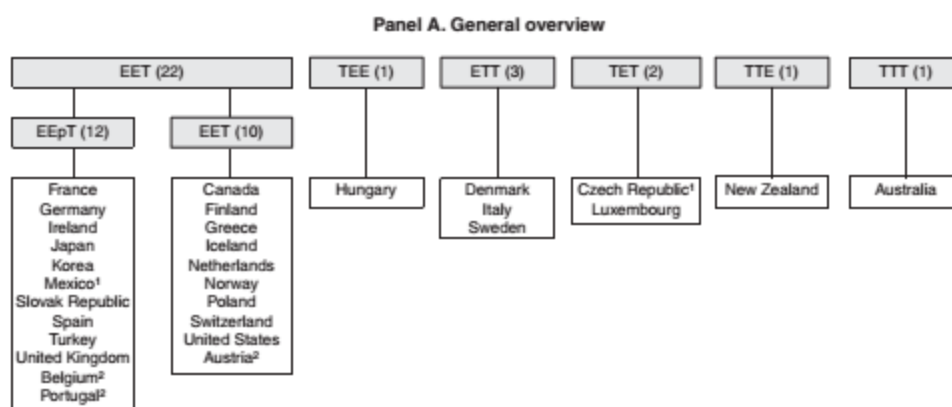
It was stated that no tax applies at all to the Social Security System. This is most unusual. There are three phases of a social security/pension system. These are contributions, investments and payout.

International convention on pension systems describes them as E meaning Exempt or T meaning Taxed – so contributions, investment income or pensions can either be taxed or exempt.

The most common methodology refers to pensions as being EET i.e. the contributions are paid from pre-tax earnings, the investment income is not subject to any taxation and the benefit at pay-out is subject to taxation i.e. it is treated as income under personal income tax provisions. That may still mean that a person may not pay tax – this would be the case if their income from their pension was below the tax-free threshold – currently EC\$15,000. For a government this delays the collection of income until the person reaches retirement age.

From an individual's point of view (provided they tax rates are the same) a TEE regime will lead to the same amount of money in the person's pocket once they retire. From a government's prospective TEE is better than EET as it brings forward some revenue.

Table 1. Country groupings according to the tax treatment of private pensions



Note: E = exempt; pT = partially taxed, only in the EET system; T = taxed.

1. Mexico and the Czech Republic provide a state subsidy to contributions.

2. The employee's contributions are partially exempt or receive tax credits in Austria, Belgium and Portugal.

Source - OECD Economic Studies No. 39, 2004/2 Tax Treatment Of Private Pension Savings In OECD Countries, Kwang-Yeol Yoo and Alain de Serr <http://www.oecd.org/tax/public-finance/35663569.pdf>

One option for the government to raise some income to pay for its social welfare program would be to make the contributions to social security payable from after tax income. This would affect the vast majority of the working population since their incomes would be over the tax-free threshold. Perhaps this step could be taken in conjunction with an adjustment in persona tax rates and/or the tax-free threshold.

Other Possible Income Sources

This is not an exercise in revenue raising but an example that could be pondered upon comes from the former Soviet countries which have very significant problems in balancing their social security systems. They for instance have put levies on mobile phones and foreign currency transactions. The revenue from these sources goes straight to the pension fund, the body responsible for paying welfare funds.

Maximising Existing Sources

I have previously made suggestions about increasing the payment made by individuals for receiving meals on wheels. Enforcing obligations to pay for services rendered by the government in residential care centres would bring in a small amount of money. The big opportunity for bringing in income is having enforceable agreements, particularly for those living overseas and who put their parents into government provided care.

Moving to a partial recovery cost basis for government provided care may bring in some short-term additional revenue but more likely this will bring in revenue only after once the government is able to claim off the estate.

A previous recommendation suggests that a review of the future role of Golden Years be carried out as part of considering the future roles of residential and home care on the island.

Annex 1 – Key Indicators

Total population as shown by the 2011 Census was 4,922 of whom 2,546 were male.

Of greatest interest in the question of social protection are those persons who are at or close to retirement. This is that part of the population that may be eligible or who soon may become eligible for financial assistance from one of the components of the social protection system.

Age Cohort (1)	Male	Female
55-60	181	133
61-65	165	110
66-70	130	101
Over 70	217	243
Total	693	687

At 31 December 2012 there were 680 persons who were in receipt of an age pension from the Social Security Fund.

225 households received a social welfare payment although not all recipients were aged over 60.

Category	Households	Individuals	Monthly amount
Children in household	1	6	400.00
Disabled	80	83	47060.00
Elderly in Household	16	24	7665.00
Obligations to Others	5	13	2570.00
Elderly	123	132	65337.00
Total	225	258	123032/ 1476384 (annual)

There are 512 males and 554 females over the age of 60 who might otherwise be eligible for a benefit from either social welfare or social security. The total number of social welfare and social security beneficiaries is 938 so a significant number of persons/households over the age of 60 who are not receiving either a pension or social welfare. The prime candidates for exclusion are those not participating in social security but who have assets of more than \$8000.

Not all of the 314 in the age 55-60 bracket will receive a social welfare payment. Anybody whose pension payment is higher than \$600 will not receive a social welfare payment although those whose payment is between the minimum, \$307, and \$600 will receive a part payment.

Working Age Population

2,666 people were in the working age population of 20 to 60, nominally those who would pay taxes and finance the social welfare benefits through taxation.

Life expectancy at birth was 76.1 years for males and 81.5 years for females although these were 2004 figures and probably are now slightly higher.

Budgetary Position

	2005 (2)	2013 (3)
Recurrent expenditure	93.67 mn.	100.5 mn.
Recurrent Expenditure on Health and Social Welfare	15.57 mn.	15.2 mn.
% of Recurrent Expenditure Spent on Health and Social Welfare	16.6%	15.1%

Current Price Inflation over the Same Period (4)

2007	2008	2009	2010	2011	2012
2.71	4.90	2.79	2.09	3.67	3.7

Amount needed today to have same purchasing power as \$600 in 2007

	2008	2009	2010	2011	2012	2013
\$600	\$583.74	\$555.17	\$539.65	\$524.00	\$504.77	\$486.09
\$600	\$616.26	\$646.46	\$664.79	\$683.76	\$708.86	\$735.09

The “food basket”.

The “Nutritional Food Basket” is calculated as \$1402.99 per individual per month and the minimum food basket is calculated as \$1182.68. Both these figures exclude the cost of utilities.

References

- (1)
- (2) Montserrat Sustainable Development Plan 2008-2020
- (3) Budget statement 2013-14 downloaded from <http://finance.gov.ms/wp-content/uploads/2009/01/2013-Budget-Statement1.pdf>
- (4) Regional Statistics, Caribbean Community Secretariat, downloaded from <http://www.caricomstats.org/Inflation%20Rates.html>

Annex 2 - List of Meetings Held As Part of the Review

Permanent Secretary, MOHSS
Acting Director, Social Services, MOHSS
Minister of Education, Health and Social Services
Staff of Social Services Division, MOHSS
Director of Social Security
Donaldson Romeo, MP
Rev Joan Meade, Social Welfare Board Member
Mrs Valerie Lewis, Social Welfare Board Member
Minister of Agriculture, Lands and Housing
Permanent Secretary, Ministry of Agriculture
Director of Housing
Permanent Secretary, Ministry of Education
Director of Education
Deputy Commissioner of Police.
Community Development Officer
Youth Officer
Minister for Labour, Works and Communication
Director, Montserrat Red Cross
Premier, Rueben Meade
Public Meeting, Look Out Point Community Centre Residents
Community Officer, Basic Needs Task Force
Permanent Secretary, Ministry of Finance
Attorney General,
Victor James, MP
AGM Golden Years Foundation
Laura Scotland, former Director of Social Welfare
Cabinet Secretary
President, Montserrat Association of Persons with Disabilities
AGM, Montserrat Association of Persons with Disabilities
Public Meeting Brades
Public Meeting Lookout
Spanish speaking Community, Salem

Annex 3 – One-off payments 2010-12

2010	Code	Assistance Type	Male	Female	Amount	
	A	Appliances	10	22	38,284.95	
	C	Clothing	4	3	964.00	
	F	Funeral	1	1	9,578.46	5 (M); 1 (F)
	G	Groceries	15	40	25,911.00	
	H	Household Effects	8	5	13,111.60	
	M	Medicals (Minor)	1	1	118.00	
	R	Rent	0	2	2,795.00	
	S	School Supplies	0	3	1,565.00	
	T	Travel	0	1	635.00	
	U	Utilities	3	2	2,681.92	
		Total	42	80	95,644.93	

2011	Code	Assistance Type	Male	Female	Amount	
	A	Appliances	11	10	17,723.55	
	C	Clothing	1	1	175.00	
	F	Funeral	1	1	43,385.04	11 (M);9 (F)
	G	Groceries	33	55	43,101.38	
	H	Household Effects	6	4	4,193.88	
	M	Medicals (Minor)	0	2	624.75	
	R	Rent	1	0	60,330.00	
	S	School Supplies	0	5	2,631.00	
	T	Travel	3	5	6,393.40	
	U	Utilities	7	12	10,820.90	
	O	Other	0	1	575.46	
		Total	63	96	189,954.36	

2012	Code	Assistance Type	Male	Female	Amount	
	A	Appliances	13	14	23,546.55	
	C	Clothing	0	2	248.64	
	F	Funeral	1	1	27,238.95	12 (M); 6 (F)
	G	Groceries	29	29	28,033.14	
	H	Household Effects	5	3	6,408.00	
	M	Medicals (Minor)	12	5	1,241.28	
	R	Rent	0	1	2,400.00	

	S	School Supplies	0	1	3,810.30
	T	Travel	0	0	0
	U	Utilities	8	6	6,636.84
	O	Other	1	3	994.51
			69	65	100,558.21

2010 - 2012 Total	Code	Assistance Type	Male	Female	Amount
	A	Appliances	34	46	79,555.05
	C	Clothing	5	6	1,387.64
	F	Funeral	3	3	80,202.45
	G	Groceries	77	124	97,045.52
	H	Household Effects	19	12	23,713.48
	M	Medicals (Minor)	13	8	1,984.03
	R	Rent	1	3	65,525.00
	S	School Supplies	0	9	8,006.30
	T	Travel	3	6	7,028.40
	U	Utilities	18	20	20,139.66
	O	Other	1	4	1,569.97
			174	241	386,157.50

RETURN TO SCHOOL SUPPORT

YEAR	AMOUNT\$	NUMBER
2010	7,447.50	20
2011	11,257.41	28
2012	8,649.71	33
	27354.62	81

Annex 4 – Suggested changes to the Social Welfare Act

Below there is an annotated version of changes I would recommend to the Social Welfare Act.

New text to be included is shown as **New Text** whilst words to be deleted are shown as ~~deleted~~.

Please note that these changes do not include any further changes that would be needed as a consequence of taking any policy decisions that are included in the text of the report.

LAWS OF MONTSERRAT
CHAPTER 18.03
SOCIAL WELFARE ACT
(Act 15 of 1999)

AN ACT TO PROVIDE FOR THE INSTITUTION OF A SOCIAL WELFARE SYSTEM TO CARE FOR THOSE IN NEED.

Commencement [17 January 2000]

Short title

1. This Act may be cited as the Social Welfare Act.

I would like to see in the Legislation a statement of intent by the government in respect of social welfare. Such a Statement could be:-
“The Government of Montserrat acknowledges that it has an obligation to improve the quality of life of Montserratians. Its social welfare system shall be prefaced on the concept that all Montserratians and those non-Montserratians living in Montserrat who have rights under the country’s various international obligations shall be kept out of poverty.”

The Fund

2. (1) There is hereby established a Social Welfare System to be administered by a Social Welfare Board appointed by the Governor in Council (hereinafter referred to as “The Board”).

(2) The benefits payable shall be disbursed from monies appropriated annually for that purpose from the Consolidated Fund by the Legislative Council.

(3) No monies shall be paid out of the Fund except—

(a) to meet grants made by the Board to pay the benefits payable under the Act; and

(b) to meet expenditures incurred in the administration of the Social Welfare System set up by this Act and chargeable to it.

Social Welfare Board

3. (1) There shall be a Board, to be known as the Social Welfare Board, appointed by the Governor in Council and consisting of seven members.

(2) The members of the Board shall be—

(a) the Permanent Secretary of the Ministry responsible for social welfare or his representative;

(b) the Financial Secretary or his representative;

Later it says that at all meetings of the Board the Permanent Secretary of the Ministry or representative must be present there to be a quorum. Does that mean there needs to be a process to temporarily

appoint a representative of the Permanent Secretary if he/she is unable to attend for whatever reason.
Can we suggest the person who from time to time is acting as the Permanent Secretary?

(c) Principal Community Development Officer; and

(d) four members appointed to represent Non Governmental Organisations with expertise in such fields as the Governor in Council shall consider to be useful in the work of the Board.

(3) The Permanent Secretary of the Ministry responsible for social welfare shall be the Chairman of the Board: Providing that if he is not personally present, the Financial Secretary shall, if he is present in person, act as Chairman, and if he too is not present the person representing the Permanent Secretary shall act as Chairman.

(4) The Principal Community Development Officer shall be a member of the Board but shall, **except as provided for in Article 8(4),** not sit as a member when the Board is sitting to hear appeals from decisions of the Assessment Panel.

(5) The quorum for a meeting of the Board shall be four of whom one shall be the Permanent Secretary of the Ministry responsible for social welfare or his representative.

(6) All decisions of the Board shall be made by a majority vote of those members present and voting:

What if the vote is tied? – if there is an appeal there is maximum of 6 who can vote

Providing that where the Chairman considers it necessary he may instead of calling a meeting of the Board, circulate a motion setting out the matter to be decided and request the members to signify their decision in writing thereon.

Duration of appointment

4. (1) Members other than the ex officio members shall be appointed for a term of two years at a time.

(2) Members whose appointment expires with the effluxion of time may be re-appointed.

(3) Where any vacancy arises through ill health, death or resignation in the number of appointed members of the Board, the vacancy shall be filled by the appointment of another person by the Governor in Council to complete the term of appointment of that member.

(4) The Governor in Council may terminate the appointment of any member of the Board other than the ex officio members, if he is satisfied that having regard to the usefulness and other circumstances of the case the termination of his appointment is in the public interest.

(5) The members appointed under section 3(2)(d) to the Board shall be paid an allowance to be determined by the Legislative Council for attending the sittings of the Board.

Do we need to say that an ex-officio member automatically ceases to be a Board member once they cease to occupy the position which makes them a Board Member?

Responsibility of the Board

6. The Board shall be responsible for—

To whom is the Board responsible – Government, Minister??

(a) the general management and supervision of the social welfare system set up under this Act;

(b) the periodic review of the basis upon which the benefits payable under the Act are to be paid;

(c) deciding when and what benefits are to be paid to the applicant;

Is deciding the right word? Should this be “recommend”?

(d) promoting schemes to encourage welfare recipients to seek employment and assisting them in such endeavours;

This presumably needs to be done in conjunction with and consistent with government policy that would be the responsibility of the Minister of Labour?

(e) advising government from time to time on the form of test to be applied to ascertain an applicant's eligibility for any particular benefit under the Act;

- (f) appointing two persons from the staff of the Community Services Department to sit with the Principal Community Development Officer as the Assessment Panel to entertain applications for welfare benefits;
- (g) reviewing random selections of welfare applications which were disallowed by the Panel and not appealed, so as to satisfy themselves that no injustice was done;
- (h) acting as the final arbiter, in deciding whether an application for benefit should be granted, by hearing appeals from the decisions of the Assessment Panel;

(i) Reporting annually to the Government on payments made under this Act and regulations thereto and providing the Government with a written report of the status of social welfare in the country and actions being implemented to improve that status – this is actually in the regulations but probably should be in the law.

Manager of social welfare

Responsibility to the Board for the Welfare System rests with the Permanent Secretary of the responsible Ministry.

6. (2) Under direction from the Permanent Secretary the Director of Social Services ~~Principal Community Development Officer shall be the manager and control~~ the Social Welfare System and ~~shall be responsible to the Board for the administration and control of the Social Welfare System~~ and its staff and shall act as Secretary to the Board except when the Board sits to hear appeals from the decisions of the Assessment Panel.

(2) The staff of the Social Welfare System shall be appointed from the public service by the Governor after consultation with the ex officio members of the Board.

Now presumably Deputy Governor but are these really Statutory Appointments

(3) The staff selected to serve in the Social Welfare System shall be given such training as they may require to deal with sensitivity ~~and confidentially~~ with applicants and the public in the administration of the Social Welfare System.

Application for benefit

6. (1) Any person in need may apply to the Board for any benefit available under this Act by completing the application form set out in the regulations made under this Act.

This says any person in need may apply – this is too broad. Perhaps write “A person who believes that they are eligible for assistance under the Social Welfare System can apply

(2) Where a person in need is unable to complete the application form by reason of any physical or mental disability, he may seek from and shall be granted assistance by an officer of the Social Welfare System to complete the form.

(3) Upon completion of the application form the applicant shall sign the declaration on the form that all the facts provided by him in answer to questions on the form are true to the best of his knowledge and belief.

There needs to be some action that can be taken if the person willfully signs an application that includes false statements. Should this be criminal act or just bar them from applying for benefit for x months?

(4) Upon receipt of the completed application form the social welfare officer shall satisfy himself that the form is duly completed and may for that purpose question the applicant to obtain such further information as may be required to assess the eligibility of the applicant to the benefit.

(5) Any additional information provided by the applicant under subsection (4) shall be taken down in writing either by the officer or by the applicant himself and shall be signed by the applicant as true and shall form part of the original application.

Again a penalty for making false verbal statements?

Assessment Panel

8. (1) There shall be an Assessment Panel consisting of two persons appointed from the staff of the Community Services Department and the Principal Community Development Officer who shall consider all applications for benefit and decide on the entitlement or otherwise of the applicant. The Principal Community Development Officer shall be the Chairman of the Assessment Panel.

The panel shall consider all applications for a benefit within 10 working days of the fully completed form being submitted. Where the form is not fully completed the claimant will be advised accordingly and the 10 day period for considering the claim shall restart.

(2) The Assessment Panel shall record its decision and the reasons for its decision in writing.

(3) Subject to the right of appeal under Article 10 the decision of the panel shall be final and where the Panel approves of the payment of a benefit under this act, that benefit shall become payable from the date of the Board's approval

4. Notwithstanding sub-section (3), the Panel may decline to decide upon a specific application and refer the decision on that application to the Board. Where the Panel decides to refer a matter to the Board, the Director of Social Services may vote as a Board member on this application.

~~(3) All decisions of the Assessment Panel shall be submitted to the Board for its approval.~~

Refusal of benefit

9. (1) Where the Assessment Panel decides against granting an application for benefit, other than account of incomplete information in an application, it shall inform the applicant of its decision and the reasons for its decision in writing and shall also inform the applicant of his right to appeal to the Board against the decision.

(2) As soon as possible thereafter and in any event within ten working days of its decision the applicant shall be given—

(a) a written copy of the decision of the Assessment Panel and its reasons for so deciding; and

(b) a printed notice in the prescribed form of the applicant's right to appeal to the Board, and be required to acknowledge receipt of the same by signing a copy of each:

~~Providing that the ten day limit shall not come into force until a date three months after the coming into force of the Act.~~

Appeal

10. (1) An applicant for benefit whose application is refused by the Assessment Panel may, within ten days of the receipt by him of the written decision of the Assessment Panel, appeal to the Board in the prescribed form.

(2) The Assessment Panel shall, where its decision has been appealed against, within ten days of the filing of the appeal, forward to the Board a copy of the original application, the notes of the hearing along with the decision and the reasons for the decision and the relevant appeal form.

(3) (a) The Board shall consider and determine the appeal within ten days of the submission to the Board by the Assessment Panel.

(b) The appellant may be represented by his next friend at the hearing.

(4) The Board may, however, summon the appellant and hear his submission if it deems it necessary, and in such a case the appeal shall be determined within four weeks of its submission by the Assessment Panel.

(3a) and (4) don't appear to be consistent. In one case it says 10 days and another 4 weeks. I would have thought that as part of the process of natural justice the board should summon the appellant. This is implied by (3b) so I don't see the purpose of (4).

(5) The Board shall in all cases have the power to grant such temporary relief as it may consider appropriate to an appellant who the Board is satisfied is suffering real hardship while awaiting the outcome of the appeal.

(6) The temporary relief referred to in subsection (5) above is the payment of such sum as the Board considers sufficient to keep the appellant until such time as his appeal is finally determined.

Appeals out of time

11. The Board may, where an appeal is made out of time, consider the reason for the delay and if it is satisfied that the delay was not caused by any negligence or carelessness on the part of the applicant but was due to reasons beyond his control, the Board may accept the appeal and proceed under section 10 above.

Re-application

12. (1) An applicant for benefit whose application has been refused may not apply for benefit for a period of six months after his application is finally determined, unless he is able to show that his circumstances have materially changed for the worse.

Does "materially" add anything? If it is to apply then it really needs to be defined. It is also used in subsection 2

(2) Where an applicant re-applies within six months and the Assessment Panel concludes that—

(a) his condition has in fact materially worsened, it shall proceed to hear and determine his application under section 9; or

(b) his condition has not changed at all or not materially worsened, it shall refuse his application and in such a case he shall not be entitled to appeal or to re-apply for a further period of six months from the date of that refusal.

Confidentiality

13. Members of the Board, the Assessment Panel and the staff of the Community Services Department shall not disclose to any person who is not himself a member of those groups any information of which they become aware in the course of carrying out their duties under this Act.

I think this is too broad. If for instance the Panel found out the applicant was schizophrenic should they not report this to the appropriate authorities? What if the panel finds out that somebody is acting unlawfully or is withholding information to the authorities?

Immunity

14. Members of the Board and the Assessment Panel shall not, so long as they have acted with bona fides, be personally liable for any decision made by them in their capacity as members of the Board or the Panel.

I think that there needs to be a clause that allows the Board to recoup, or even sue for, any moneys that have been paid in error or have been paid on account of information provided that is subsequently found to be wrong. The Board needs to be able into a scheme of arrangement where it can agree to regular repayments over time as opposed to a lump sum

Regulations

15. The Governor in Council may by regulation prescribe—

(a) the benefits that may be paid under the Act and the circumstances in which each shall be payable;

(b) the test to be applied to ascertain an applicant's eligibility to a benefit under the Act;

- (c) such forms as may be required under the provisions of the Act;
- (d) the criteria for ascertaining entitlement to any benefit under the Act;
- (e) the benefits payable and the manner in which they are to be calculated;
- (f) the conditions that may be attached to the grant of a benefit under the Act;
- (g) the duration for which a benefit may be granted;
- (h) all such other matters as may be necessary to give effect to the provisions of the Act.

LAWS OF MONTSERRAT SOCIAL WELFARE REGULATIONS

SOCIAL WELFARE REGULATIONS – SECTION 15

(S.R.O. 1/2000)

Short title

1. These Regulations may be cited as the Social Welfare Regulations.

Application for the benefit

2. Every applicant shall be required to complete an application in the form set out in Schedule 1 hereto. Any applicant who fails to fully complete the form without an acceptable reason for failing to do so shall not be eligible for consideration for the grant of any benefit under the Act.

Assistance

3. (1) Applicants may obtain assistance from another person to complete the application form.
 - (2) Any social welfare officer requested by an applicant shall assist the applicant in completing the form by faithfully recording the applicant's responses to questions in the form.
- This implies that the Social Welfare Officer should fill the form out – it is also not consistent with Section (7)(2) of the Act.

Verification

4. (1) A social welfare officer to whom an application form is tendered may, if he thinks it necessary for a proper completion of the form, question the applicant and record the applicant's answers on the form.
- (2) Where an applicants answers are recorded by the social welfare officer, he shall require the applicant to sign against each such answer and if the applicant refuses to do so, he shall make a note to that effect in the application before submitting it to the Assessment Panel.
- (3) The social welfare officer shall not in any event reject an application but shall submit it to the Assessment Panel for a decision.

Key word is "reject" but social welfare officer should be able to decline to accept an application e.g. if information is missing

Assessment Panel

5. (1) The Assessment Panel shall sit as often as may be necessary providing it is not less often than once a week.

Does the Assessment Panel need to sit once a week? Suggest change to as often as needed to fulfill its obligations under Section 8 of the Act

- (2) The Assessment Panel shall decide on the applications before it at each sitting or adjourn the matter for sufficient reason as defined in paragraph (3) hereof.

(3) The only reason for adjourning an application without a decision shall be for want of further information and the required information shall be particularised in a contemporaneous record made by the Chairperson and shall be essential to the Panel's ability to make a just decision.

Social Welfare Board

6. (1) The Board shall sit as often as necessary to ensure that an application is dealt with by the Board within a week of the date when that application was made.

(2) If for any reason the Board consider that it will not be able to deal with an application within a week of it being made, the Board shall—

(a) state the reasons for its inability to do so on the record; and

(b) make an interim grant sufficient to keep the applicant until the Board is able to make a decision.

(3) Decisions of the Board shall be made by a majority of the members present and voting.

Annual report

7. (1) The Board shall make an annual report to the Minister setting out—

(a) the number of applications made over the past year and the number allowed;

(b) recommendations as to changes that should be considered either to the forms or the procedures or to the law relating to social welfare;

(c) the Board's opinion on the adequacy of welfare payments and payments to ex officio members of the Board:

Providing that the report shall not set out facts from which the identity or circumstances of any applicant can be ascertained.

(2) The Board may, in addition to its annual report, commission members of the Board or staff members of the Community Services Department to inquire into and report to the Board any issues such as the cost of foodstuffs, accommodation and any related matters relevant to the Minister on the changes that may be required to the social welfare system.

Procedures

8. (1) The Board shall ensure that there are comprehensive and efficient practices and procedures for the working of the Assessment Panel and the Board.

(2) The Board may recommend to the Minister such changes as the Board considers necessary either to the composition of the Assessment Panel or to the procedures followed in the social welfare system.

(3) The Governor in Council shall set out in Schedule 3 hereof the forms applicable to the procedures to be followed in the social welfare system.

Appeals

9. The Board may draw up rules for the conduct of appeals and submit them to the Minister for implementation.

Eligibility criteria

10. (1) The Assessment Panel and the Board shall be bound by the eligibility criteria, set out in Schedule 2 hereof, in deciding an application for benefit.

(2) Wherever possible, either the forms set out in Schedule 3 hereto or forms similar to them shall be used, where anything is to be submitted in writing.

Access to information

11. Applicants shall be entitled to be informed of the progress of their applications at every stage if they should request it.

Penalty for misinformation

12. Any applicant guilty of supplying inaccurate or misleading information or refusing to supply material in their custody, or to which they have access, that is relevant to a decision of their eligibility to benefit shall be refused benefit and may then be disqualified from applying again within six months.

Annex 5 - Comparison of Montserrat System with other Regional Systems

As part of the project's work a questionnaire was sent to 13 regional social security/welfare organisations asking them to provide information that would allow a comparison of the social welfare package in Montserrat with that country's package.

Once all replies have been received this section will be updated to provide the information needed to make a meaningful comparison

ANNEX B



GOVERNMENT OF MONTSERRAT

SALARY REVIEW

CONTENTS

1. BACKGROUND AND PURPOSE

2. REVIEW OF SALARIES & IMPACTING FACTORS

- 2.1 Salary Comparison of ECCU & BVI Public Services
- 2.2 Public and Private Sector Salary Comparison
- 2.3 Cost of Living Regional Comparison
- 2.4 Cost of Living on Montserrat
- 2.5 Impact of Inflation
- 2.6 Domestic Consumer Price Movement
- 2.7 Montserrat's Tax Comparison with other ECCU Member States
- 2.8 Attraction and Retention of Staff Issues
- 2.9 Conclusion and Recommendations
- 2.10 Matters for Future Advancement

3. REVIEW OF GOVERNMENTAL COMMITTEES AND BOARDS

- 3.1 Objectives
- 3.2 Findings
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4. APPENDICES

- Annex 1: Salary Comparison of ECCU & BVI Public Services
- Annex 2: Present and Proposed Salary Scales for Nurses
- Annex 3: Present and Proposed Salaries for Ministry of Education Staff

1. BACKGROUND AND PURPOSE

According to the information provided by GoM HRMU Insync, as at November 12, 2021 the Government of Montserrat Public Service employed a total of 978 officers which is approximately 35% of Montserrat's labour force. The Salary/Wage/Allowances Bill for 2020/21 was EC\$47.5 million representing 33.5% of the government's recurrent budget of \$142.5 million; Her Majesty's Government (HMG) finances 65% of government's recurrent operations with the balance funded from local revenues. The annual increase in the wage bill has been marginal as Public Servants have not had any meaningful increase in salaries over the past fifteen (15) years. The majority of the allowances which forms part of the remuneration for some two hundred and fifty (250) civil servants has also been kept constant for the past ten (10) years.

The deficiency in human capital on island has created serious issues surrounding attraction and retention of employees within the Public Service, particularly in key positions across some professions. Government has therefore had to resort to engaging technical consultants to provide services in a number of areas throughout the Public Service. To date, governments has contracted just about thirty (30) Technical Co-operation Officers (TCs) along with eleven (11) ongoing consultancies. The current Technical Co-operation Budget is approximately \$7.5 million.

The Public Service Reform Programme (PSR) first Job Evaluation exercise was undertaken on Montserrat in June 2006 and has delivered a number of changes in the operations of Government. This initiative to re-design the Job Evaluation Scheme arose primarily as a result of grading anomalies within the Public Service and its effect on the retention, recruitment and motivation of staff.

Other factors which were considered as part of that exercise included:

- The need to resolve perceived anomalies and inconsistencies in the current grading of Civil Service jobs, through application of an analytical process of evaluation,
- The need for the preparation of valid, updated job descriptions for all posts, in a standard format and incorporating details of the standard job criteria being used in the evaluation process,
- The need to recognise the relative value of jobs at different levels throughout the Civil Service, using a process and methodology that is *understood* and *accepted*.
- The need to align with the performance management and development system

The Job Evaluation scheme had the following outputs:

- Comprehensive and detailed job descriptions, prepared for jobs throughout the Civil Service, involving a team of trained Job Analysts and thorough review of the content of jobs. All job descriptions prepared were 'signed off' with the job holders and their managers.
- A points-based, analytical method of evaluation was developed during an initial pilot exercise. This methodology involves the scoring of jobs by a *Job Evaluation Committee*

using a set of weighted criteria, and involving detailed discussion of each job description by the Committee before a decision on the score and grade was reached.

Following completion of the exercise in 2007/8, the recommendation and the proposals made by the consultants managing the process were not fully implemented.

A second phase of modernisation (PSR 2) was approved in November 2010 and ended in December 2017. The Public Sector Reform (PSR) programme is core to the Government of Montserrat's (GoM) ability to achieve one of the four long term Strategic Goals in the Sustainable Development Plan, "An efficient, responsive and accountable system of governance and public service". Phase 3 of the reform focusses on a more defined set of activities of which the Human Resource transformation is a major function.

In September 2016 Cabinet approved the Empowering Excellence Programme (EEP) through Human Resource Transformation with the appointment of the CCEE and later (March 2017) the establishment of the Public Sector Task Force (PSTF) and the Private Sector Advisory Committee (PSAC) to further support the initiative, and identified this project as a key action to be undertaken.

More recently, in 2019, A-Z Information Jamaica Limited undertook Job Evaluation and Pay Review Technical Consultancy which analyzed the existing structures and reported on a proposed re-aligned and re-classified job evaluation and pay exercise.

The purpose of the Salary Review is to:-

- Address issues of attraction and retention relating to pay;
- Address existing anomalies;
- Consider case for cost of living salary increase;
- Report on any further work on restructuring of salary/pay
- Examine the consistency and value for money of the payments made to persons serving on governmental boards/committees

2. REVIEW OF SALARIES & IMPACTING FACTORS

2.1 Salary Comparison of ECCU & BVI Public Services

A salary comparison was undertaken for Public Servants. Appendix 1 present the salaries for approximately two hundred (200) posts within the Public Sector of Eastern Caribbean Currency Union (ECCU) members states namely Montserrat, Nevis, St. Lucia, Grenada and Antigua. Salaries for the British Virgin Islands (BVI) Public Service was also considered in the analysis. All figures are in Eastern Caribbean dollars (EC\$) with the exception of BVI for which the salary is recorded in United States dollars (US\$).

The allowances attached to the various post for Montserrat were included in the figures presented in Appendix 1, however those for the other territories were not readily available. In Montserrat, some 17% of the total salary, wages, and allowances budget is spent in allowances, this figure is lower than that of Antigua and St. Lucia at 21.6% and 25% respectively but much higher than Nevis, Grenada and BVI which is 1.5%, 5% and 7% respectively. It is therefore reasonable to assume that any allowance provision is incorporated into the salaries for Nevis, Grenada and BVI. Montserrat, St. Lucia and BVI has over forty different allowances whereas Nevis, Grenada and Antigua have a much smaller number of allowances.

Main Findings:

1. There is a variance +/-15% between the salaries of posts within the Montserrat Public Service salaries and those within the public sector of the ECCU member states considered and BVI.
2. Salaries in the BVI are at least twice those in Montserrat when compared in EC\$ but are slightly below those for Montserrat when compared on a dollar for dollar (US\$1=EC\$1) basis.
3. In general, salaries in St. Lucia and Antigua are higher than those in Montserrat, moreso those for the higher-level jobs in the Antigua Public Service.
4. In general, salaries in Montserrat are higher than those in Nevis and Grenada.
5. Salaries for some key posts in Montserrat, such as Permanent Secretaries, Directors, Budget Director, Registered Nurse, Ward Nurse, Nurse Anesthetist, Police Commissioner and Police Superintendent are low when compared to most other territories.
6. Salaries for the junior level staff, such as clerical officers, postman, cashiers, data entry clerk, compare favorably with the other territories.
7. Salaries for Montserrat medical specialist (Chief Medical Officer, Pediatrician, Surgeon Specialist) are on par or above the regional average.
8. The disparity in salary of the Police Commissioner and that of the Police Superintendent, Inspector and Sergeant is very wide, approximately \$50,000 per annum. The gap between the salary of a Permanent Secretary and a Director is just about \$30,000.
9. In the case of Montserrat salaries for post at Director level and above are fixed at a point on the salary scale. This means that a senior Director or Permanent Secretary or one in post for ten years is paid the same as a junior Director or junior Permanent Secretary or one just appointed. It also means that if an Officer is appointed and in such a post for a period of ten (10) years that their salary will be fixed for this extended period. This can be demotivating for such senior professionals within the Montserrat Public Service. The

salaries of senior professionals in all the territories reviewed, with the exception of St. Lucia are paid on a sliding scale which allows for some measure of upward mobility in salary.

10. The Pay Ratio for the Montserrat Public Service is calculated at 5:1 which is very modest when compared to the (UK)FTSE 100 which is over 100:1. The GoM's pay ratio is calculated using the data for the Cleaner (who is at the bottom of the salary scale) earning \$20,388 compared to the Permanent Secretary (who is at the top of the salary scale) earning at \$118,280. The Pay Ratio for the Antigua calculated on the same basis is 12:1 and for St. Lucia 8:1. GoM's last salary increase which averaged about 3%, rewarded persons at the top of the salary scale with a 1.74% increase in salary and officers at the bottom of the salary scale with a 10% increase in salary. Such regressive approach to awarding salaries tend to result in a reduction in the Pay Ratio and a narrowing of the salary bands.

In the Montserrat Public Service where from the Director level or R7 and above Officers are placed at fixed point as opposed to being placed on a sliding scale. The band between the points at the top of the salary scale are very narrow, i.e. between \$155 to \$250.00. Therefore if, based on performance, a Director at R7 is to be offered a salary increase then it means placing that Director almost on the same level as the PS or above. The narrowness of the bands and non-existence of scales at the top of the salary scale creates a problem in offering performance-based pay increases at senior levels in the Public Service. Highlighting the need for making major adjustments to the salary scale and for broadening of the bands.

2.2 Public and Private Sector Salary Comparison

Table 1. below present data on jobs of similar worth or on similar levels in the Public Sector and Private Sector. The salary of officers engaged by Bank of Montserrat, Montserrat Utilities Limited and Montserrat Port Authority were compared with those of the Public Sector. It is noticeable that the salaries for most of the equivalents jobs/posts in the Private Sector is higher than those in the Public Sector.

Table 1. PUBLIC AND PRIVATE SECTOR SALARIES

PUBLIC SERVICE		BANK OF MONTSERRAT		M'RAT UTILITIES L'TED		M'RAT PORT AUTHORITY	
Post	Max Salary	Equivalent Job Title	Max Salary	Equivalent Job Title	Max Salary	Equivalent Job Title	Max Salary
Permanent Secretary	118,260	General Manager	264,000	Managing Director	120,943	Manager	94,740
Accountant	88,680	Accountant	93,840	Accountant	92,307	Accountant	54,144
Senior Assistant Secretary	74,832	Principal Assistant Secretary	102,000				

Assistant Secretary	78,080	Assistant Secretary	84,720				
Executive Officer	50,976	Executive Officer	66,000	Executive Officer	62,963	Executive Officer	52,560
Senior Clerical Officer	40,248	Senior Clerk	43,080	Senior Clerical Officer	54,406		
Clerical Officer	33,504	Junior Clerk	54,000			Clerk I	44,784
Office Attendant	23,316	Office Attendant	24,660			Office Attendant	33,504

2.3 Cost of Living Regional Comparison

A cost of living comparison was undertaken for the same territories of Anguilla, St. Kitts & Nevis, St. Lucia, Antigua, BVI, Montserrat and Grenada. The cost of basic items of goods and services were captured and recorded in Table 2. Below.

Table 2.

COST OF LIVING COMPARISON							
All prices in EC\$	Anguilla	St. Kitts	St. Lucia	Antigua	BVI	Montserrat	Grenada
Restaurants							
Meal, Inexpensive Restaurant	\$ 32.43	\$ 35.00	\$ 13.75	\$32.50	\$67.56	\$ 25.00	\$ 20.00
Markets							
Milk (Regular), (1 liter)	\$ 5.50	\$ 9.83	\$ 8.40	\$ 5.00	\$ -	\$ 8.95	\$ 4.58
Rice (white), (1kg)	\$ 6.00	\$ 6.00	\$ 6.12	\$ 3.50	\$ -	\$ 4.68	\$ 3.45
Eggs (regular) (12)	\$ 6.00	\$ 2.68	\$ 7.76	\$ 10.67	\$ -	\$ 13.00	\$ 10.38
Banana (1kg)	\$ 5.51	\$ 9.46	\$ 5.14	\$ 5.50	\$ -	\$ 11.02	\$ 6.95
Transportation							
One-way Ticket (Local Transport)	\$ -	\$ 3.00	\$ 2.55	\$ 2.50	\$ -	\$ 3.00	\$ 2.50
Taxi Start (Normal Tariff)	\$ 25.00	\$ -	\$ 15.00	\$ -	\$ -	\$ 20.00	\$ 25.00
Gasoline (1 liter)	\$ 4.28	\$ 6.60	\$ 3.81	\$ 3.20	\$ 2.21	\$ 4.02	\$ 4.08
Utilities (Monthly)							
Basic (Electricity, Heating, Cooling, Water, Garbage) for 85m2 Apartment	\$ 608.07	\$ 414.93	\$ 192.50	\$ 526.67	\$ 324.31	\$ 227.50	\$ 210.00

Rent Per Month							
Apartment (1 bedroom) in City Centre	\$ 800.00	\$ 1,635.76	\$ 1,350.00	\$ 1,025.00	\$1,500.00	\$ 1,025.00	\$1,793.64
Salaries and Financing							
Average Monthly Net Salary (After Tax)	\$ 4,053.82	\$ -	\$ 4,055.56	\$ -	\$5,405.10	\$ 3,500.00	\$ 3,000.00

Source: www.numbeo.com

In comparing the cost of living for the seven (7) territories is noticeable that the total cost of staple products such as milk, rice, eggs and bananas is much higher, on average by 50%, in Montserrat than all the other six territories. Importantly also is the fact that, the average monthly net salary for Montserrat is considerably much lower in Montserrat than the other states, with the exception of Grenada. The figures for the countries average net monthly salaries presented in Table 2 above are consistent findings for the salaries of countries compared in Appendix 1 and also with the average net salary for the Montserrat Public Service as shown in Table 4 below.

2.4 Cost of Living on Montserrat

The increased cost of living over the period 2006-2015, has caused Government of Montserrat in the past to look at ways to provide some relief to civil servants and private sector in general. A 2012 review of the tax-threshold was undertaken, which provided a \$100 increase on the monthly income of workers across Montserrat.

In 2014 a one-off half month's salary bonus was paid to every civil servant. In 2017/18, civil servants received an increase in salary which averaged about 3% and ranged from 10% for those at the bottom of the scale to a maximum of 1.74% for those at the top of the scale. The nominal/monetary value of these increases were minimal. For example, a clerical officer on R45 would have received an extra \$155 per month (before tax). An assistant secretary on R18 received an extra \$132 per month (before tax). No one received an increase in excess of \$200. Therefore between 2006 and 2021 Public Servants only received an increase in salary averaging about 3%.

The Montserrat Public Service constitute significant proportion, more than one-third, of the Montserrat labour force. Currently, the Government of Montserrat (GoM) employs 978 officers. Government Services or the Public Sector is a major contributor to economic activity, contributing more than 40% to national Gross Domestic Product (GDP). Total remuneration for the 978 public officers amount to \$47.5 million (an average monthly cost of \$4,047 per officer), of which an amount of approximately \$7.0 million is apportioned to allowances and the balance to salaries and wages. In addition to the \$47.5 million, a further \$6.5 million spent is spent on engaging some thirty (30) Technical Cooperation (TC) Officers (at an average monthly cost of \$18,055 per officer).

Some 715 or 73% of public officers are between the ages of 30-59. It means that 73% of the workforce are most likely heads of household and/or have dependents which carries additional financial obligations. Table 3. below shows the number of officers within the different salary

bands. It is noticeable that some 60% of government employees is earning less than \$4,000.00, and only about 25% of public servants are earning in excess of \$5,000.00. In effect almost 75% of Public Servants are taking home \$3,640 or much less, this is because an Officer earning \$5,000.00 ends up with a take home pay/net salary of \$3,640 (£984) after \$1,200 is deducted in Personal Income Tax plus a \$160 deduction for Social Security payment. In comparison an Office earning \$4,000 takes home \$3,248 (£877) following deductions of \$600 and \$154 for income tax and social security respectively.

Table 3. SALARY RANGE FOR PUBLIC OFFICERS

Annual Monthly Salary EC\$	Monthly Salary EC\$	Total # of Officers	% of Officers
\$5,000 - 14,999	\$417 - 1,250	11	1%
\$15,000 - 24,999	\$1,250 - 2,083	127	13%
\$25,000 - 29,999	\$2,083 - 2,500	116	12%
\$30,000 - 39,999	\$2,500 - 3,333	144	15%
\$40,000 - 49,999	\$3,333 - 4,167	183	19%
\$50,000 - 59,999	\$4,167 - 5,000	138	14%
\$60,000 - 69,999	\$5,000 - 5,833	90	9%
\$70,000 - 79,999	\$5,833 - 6,667	48	5%
\$80,000 - 89,999	\$6,667 - 7,500	43	4%
\$90,000 - 99,999	\$7,500 - 8,333	6	<1%
>\$100,000	> \$8,333	74	8%

Source: Human Resources Management Unit

Based on the ODG Compensation report (2020) and data from the Statistic Department, the estimated cost of living in Montserrat is currently \$2485 per month for a single person. The current average monthly salary within government is \$4,047 before tax. For the sake of this analysis R23 (\$4,116) will be used as the closest R point to this figure. That figure is the equivalent to the salary of an Executive Officer level post within GoM. The other typical workers within the government are Clerical Officers at R45.

The model in Table 4. below provides an insight into the finances of two average public officers. Clerical Officers are earning well below a liveable wage and as already explained, are currently noted to be “working poor”. While the Executive Officers fare slightly better, what needs to be stressed is that these approximate costs are based on a single person and 2020 prices. In reality, many public officers have dependents on and off-island who they are required to support. While Executive Officers may be able to barely manage the basic necessities with their income, they would not be able to do so with a dependent.

TABLE 4. TYPICAL HOUSEHOLD BUDGET

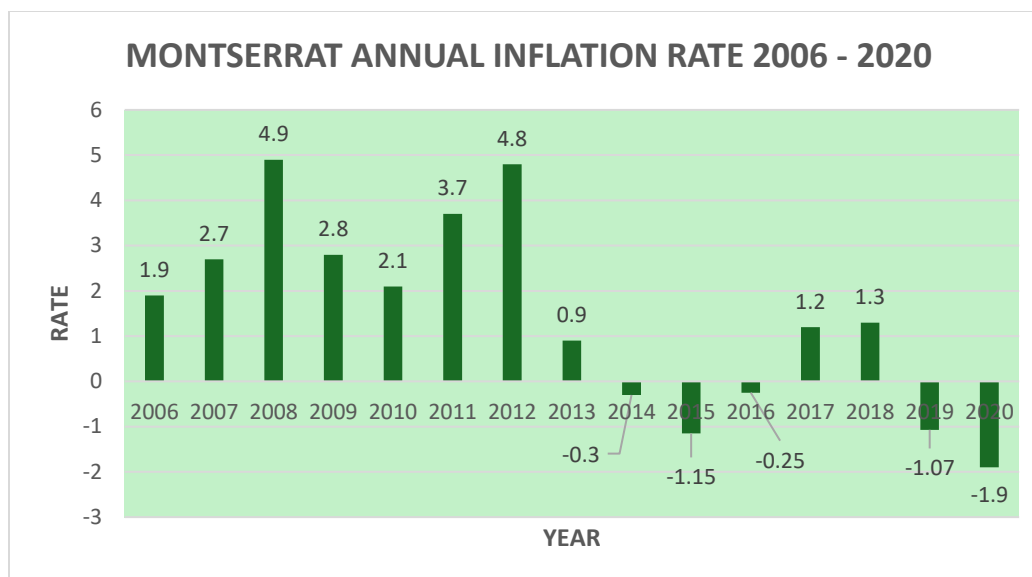
	Sample Worker No. 1		Sample Worker No. 2	
	Executive Officers Salary point – R23		Clerical Officer Salary Point – R45	
Basis Salary	\$4,112.00/£1,111		\$1,943.00/£525	
Deductions				
Tax		\$624.00		\$51.00
Social Security		\$150.00		\$77.72
CSA Subscription		\$10.00		\$10.00
Net Salary	\$3,328.00/£900		\$1,804.28/£488	
Rent		\$610.00		\$610.00
Electricity & Water		\$310.00		\$310.00
Gas		\$45.00		\$45.00
Internet		\$110.00		\$110.00
Groceries		\$800.00		\$800.00
Telephone		\$120.00		\$120.00
Child Care		\$200.00		\$200.00
Transportation		\$300.00		\$300.00
Balance after basic commitments	\$843.00/£228		-\$690.72/£186	

According to the Estimated Cost of Living of \$2485 depicted above, approximately 40% of those employed within the government do not earn enough to cover the basic cost of living. Therefore, around 40% of workers currently do not earn a liveable wage. Women are also over-represented within this percentage of workers as they account for 60% of those who do not earn a liveable wage.

2.5 Impact of Inflation

Figure 1 below displays the inflation rates for the fifteen-year period 2006-2020. Despite a few years of deflation in recent years. Montserrat has experienced an accumulated inflation rate of 21.6% over the fifteen-year period. This has caused a serious erosion in the spending power of public servants. What this, in effect means is that the basket of goods that public servants was able to get in 2006 with their income, that level of income can only by 80% of those goods. Put differently, an item which cost \$1,000.00 in 2006 a public officer now has to \$1,216.00 for that same item. This severe erosion in the pending power has caused increased hardship for most officers. Economic activity is also being impacted by the sustained reduction in real income workers limited level of disposable income which has led to low levels of consumption and demand.

Figure 1.



Source: Eastern Caribbean Central Bank

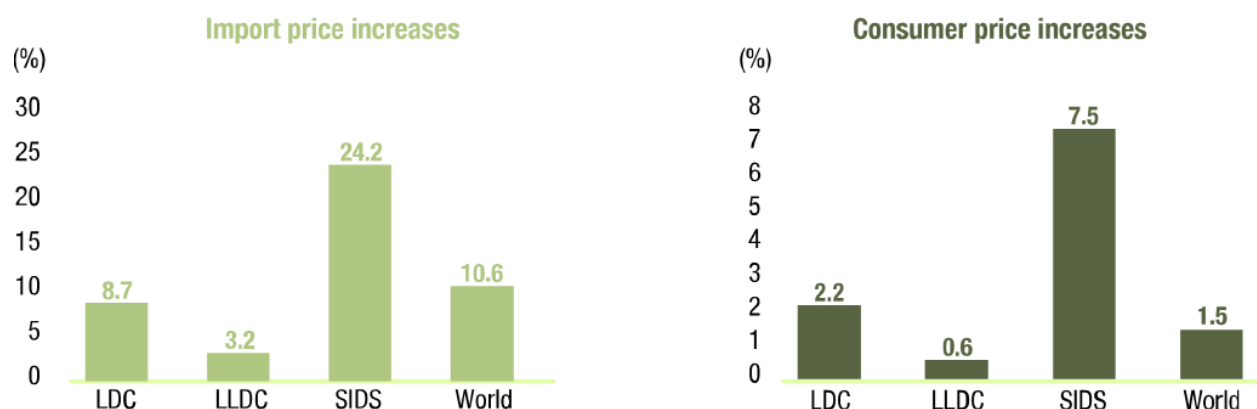
Impact of Global Inflation on Montserrat Economy

Montserrat imports over 80% of the goods consumed therefore it is not surprising that once there is a rise in inflation globally or impacting the island's main suppliers, that this inflation would be imported. The Secretary General for the United Nation Conference on Trade and Development (UNCTAD) - Rebeca Grynspan signaled that "The current surge in freight rates will have a profound impact on trade and undermine socioeconomic recovery, especially in developing countries, until maritime shipping operations return to normal. "Returning to normal would entail investing in new solutions, including infrastructure, freight technology and digitalization, and trade facilitation measures." This we do not expect will happen overnight.

UNCTAD in its 18th November 2021 report, **High freight rates cast a shadow over economic recovery**, warned that global consumer prices will rise significantly in the year ahead until shipping supply chain disruptions are unblocked and port constraints and terminal inefficiencies are tackled. It was further stated that the impact of the high freight charges will be greater in small island developing states (SIDS) like Montserrat, which could see import prices increase by 24% and consumer prices by 7.5%. These impacts are depicted in figures 2a and 2b below.

Figure 2a.

Figure 2b.



Source: UNCTAD

Already for 2021, Montserrat consumers are experiencing sharp (in excess of 10%) increases on basic commodity prices in the supermarkets. This we expect to continue well into 2023 according to the economic prognosis. Public servants are therefore now realizing even greater erosion in their spending power than the cumulative 21.6% mentioned earlier up to 2020.

2.6 Domestic Consumer Price Movement

Table 5. below captures the price for a three-year period as at October 2019 to 2021 for over thirty (30) food items which would form part of the normal/basic diet of consumers. These products include sugar, flour, rice, milk, eggs, chicken, meats, fruits and vegetables. The prices for these items were somewhat stable over the period 2019 to 2020 (this is consistent with the inflation rate for 2019 and 2020 depicted in Figure 1. above), however there was a marked increase in the 2021 prices when compared with 2020. The average price rise for the 2020 to 2021 period is 16.92%. This is a major cause for concern understanding that prices are sticky upwards i.e. once the prices of goods rise that they rarely fall even if the cost of producing/delivering the goods fall.

The prices for petroleum products of gasoline, diesel and LPG were also collected and analyzed. There is an even more acute increase in the price of these products when the 2020 to 2021 figures were compared with food items, in this case the average price increase is 34.03%.

Table 5.

Average Prices of Selected Commodities for October from 2019 to 2021				
Product & Variety	October Prices (EC\$)			% Price Increase 2021/ 2020
	2019	2020	2021	
Rice/RICE/5 LB Bag	9.99	10.95	12.11	10.59%
Other cereals, flour and other products/FLOUR/WHITE (2KG)	9.02	9.28	8.68	-6.47%
Other cereals, flour and other products/CORNMEAL/PLASCTIC (400g-800g)	6.94	6.00	6.48	8.00%

Pasta products/PASTA/Macaroni Elbows Bag (250g-800g)	3.99	4.00	4.50	12.50%
Lamb, mutton and goat/GOAT (PER LB)	18.50	22.70	28.00	23.35%
Poultry/WHOLE CHICKEN (PER LB)	5.61	5.98	6.14	2.68%
Poultry/OTHER WHOLE POULTRY/TURKEY NECK (PER LB)	4.50	5.50	7.62	38.55%
Poultry/POULTRY PARTS/TURKEY WINGS (PER LB)	5.00	5.25	6.51	24.00%
Poultry/POULTRY PARTS/DRUMSTICKS (PER LB)	11.32	11.32	9.65	-14.75%
Poultry/POULTRY PARTS/THIGHS (PER LB)	7.63	8.65	10.23	18.27%
Poultry/POULTRY PARTS/WHOLE LEG (PER LB)	7.97	7.60	8.52	12.11%
Delicatessen and other meat preparations/BACON AND RELATED PRODUCTS//PORK BACON (16oz)	15.92	17.00	18.53	9.00%
Delicatessen and other meat preparations/BACON AND RELATED PRODUCTS/TURKEY BACON (12oz)	13.95	12.95	15.40	18.92%
Fresh, chilled or frozen fish and seafood/FISH/TILAPIA (PER LB)	15.92	15.92	16.09	1.07%
Fresh, chilled or frozen fish and seafood/FISH/KING FISH (PER LB)	21.69	23.96	23.39	-2.38%
Preserved or processed fish and seafood/CANNED FISH AND SEAFOOD/TUNA - In Water (100g-250g)	3.80	4.09	4.18	2.20%
Preserved or processed fish and seafood/CANNED FISH AND SEAFOOD/SARDINE (80g-200g)	3.98	4.03	4.50	11.66%
Preserved milk and other milk products/EVAPORATED MILK (200g-500g)	3.57	3.59	3.98	10.86%
Eggs and egg-based products/EGGS IN SHELL (BY THE DOZEN)		14.38	15.55	8.14%
Butter/BUTTER (Box of 4 sticks/16oz)	8.02	7.94	8.20	3.27%
CORN OIL (48floz-100floz/0.5L-1.2L)	17.42	17.42	19.98	14.70%
VEGETABLE OIL (48floz-100floz/0.5L-1.2L)	18.20	21.98	34.79	58.28%
Fresh or chilled fruit/APPLES (LOOSE SINGLE)	2.32	2.36	2.33	-1.27%
Fresh or chilled fruit/BERRIES/GRAPES (PER LB)	13.07	12.81	12.88	0.55%
Cabbages and cruciferous vegetables/CABBAGE (PER LB)	5.52	5.47	5.94	8.59%
FRUIT VEGETABLES/TOMATOES (PER LB)	9.99	9.36	11.64	24.36%
POTATOES/ WHITE POTATOES (PER LB)	3.59	3.58	3.77	5.31%
POTATOES/SWEET POTATOES (PER LB)	7.21	7.22	7.21	-0.14%
Sugar/WHITE SUGAR (PER LB)	1.83	1.80	3.00	66.67%

Sugar/BROWN SUGAR (PER LB)	1.56	1.56	2.76	76.92%
FRESH HERBS AND SPICES/ONION (PER LB)	4.40	4.00	4.29	7.25%
Mayonnaise and sandwich spreads/MAYONAISE (200g-800g)	10.53	9.30	14.51	56.02%
Food products n.e.c./Baby Food/ POWDER (300g-600g)		15.98	23.90	49.56%
Average Price Increase October 2020-October 2021				16.92%

Source: Montserrat Statistics Department

Gasoline (regular) per gallon retail	14.04	12.47	16.11	29.19%
Gasoline (premium) per gallon retail	14.86	12.69	16.47	29.78%
Diesel per gallon (retail)	12.49	9.85	13.65	38.58%
Liquid Propane Gas (LPG) 100 lbs. cylinder	153.00	154.00	210.00	36.36%
Liquid Propane Gas (LPG) 20 lbs. cylinder retail	30.56	30.88	42.07	36.24%
Average Price Increase October 2020-October 2021				34.03%

Source: Montserrat Wholesale/Retail Outlets

The recent price hikes will see public officers experiencing an even greater reduction in their real income to that realized by the 21.6% cumulative inflationary impact for the period 2006-2020. This will lead to many public servants not having sufficient income to meet their basic needs, more so for discretionary purposes such as savings and investment. More public sector workers are now likely to approach social welfare for assistance in the form of medical support and book grants and school lunch for their children.

2.7 Montserrat's Tax Comparison with other ECCU Member States

Table 6 below provides information on the range of taxes applicable in Montserrat, Antigua, St. Lucia and Dominica. The main findings are that:-

- Montserrat has the lowest tax threshold imposed of the three countries which pay Personal Income Tax. The tax threshold for Montserrat is \$15,000 compared to \$30,000 for Dominica and \$20,000 for St. Vincent.
- Montserrat personal income tax rate is the highest at 40% whereas for Dominica and St. Vincent it is 35% and 30% respectively
- Antigua and St. Lucian employees are not required to pay Personal Income Tax.
- Montserrat has the highest level of indirect taxes. The consumption taxes applicable for Montserrat range from 5% to 65% whereas for St. Vincent which is the next highest it ranges 6% to 60%.

Table 6. TAXES APPLICABLE IN ECCU MEMBER STATES

Tax/Levy	Montserrat	Antigua	St Lucia	Dominica	St Vincent
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Individual/ Personal Income Tax Rates	<ul style="list-style-type: none"> • Personal allowance- \$15,000 • Next \$5,000 at 5% • Next \$5,000 at 15% • Next \$5,000 at 25% • Next \$120,00 at 30% • Any earnings above chargeable income of \$135,000 which is over a total income of \$150,000 per year is charged at \$40% 	N/A	N/A	*Personal Allowance - \$30,000 *Next \$20,000 at 20% *\$20,001 - \$50,000 at 25% * Chargeable Income greater than \$50,000 at 35%	*Personal Allowance - \$20,000 *Next \$5,000 at 10% *Next \$5,000 at 20% * Chargeable Income greater than \$30,000 at 30%
VAT - Rates	N/A	N/A	The standard VAT rate is 12.5 % of CIF (of imported goods) plus Import Duty, Service Charge and Excise tax - (if applicable). Please note that there is a 0 % rate charged on some goods.	<ul style="list-style-type: none"> • VAT is charged at the rate of 15% on goods and services • Accommodation in a hotel or similar establishment and dive activity is charged at the rate of 10% 	16%
Service/ or Sales Tax - Rates	N/A	Antigua and Barbuda Sales Tax is charged at the rate of 15% on goods and services.	Service Charge of 6.0 % of CIF is applicable to Imported goods.	N/A	
Property Tax- Rates – personal residential	<ul style="list-style-type: none"> • Residential – 0.50 land & 0.25% building • Agricultural – 0.2% land • Commercial - 1% land & 0.5% building 			N/A	
Social Security- Rates - Employed person	Rate of 4% of insurable earning up to a maximum of \$4,000 per month or \$923.00 per week calculated to the nearest Dollar.			6.25% Employee 10.75 Employer	
Customs Duties - Range	Use of CARICOM Harmonized Customs Rates	Use of CARICOM Harmonized Customs Rates	Use of CARICOM Harmonized Customs Rates including that of Article 164.	Use of CARICOM Harmonized Customs Rates	CARICOM Harmonized CET rates as stipulated by COTED taking into consideration List A & List C
Customs Consumption Tax Rates	5% to 65% of CIF		N/A	n/a	
Any other direct or	N/A	(1) Motor Vehicle (new) \$1000.00	Excise Tax is applicable to various imported goods either in the form of a percentage and/or an amount in EC dollars based on weight, quantity, volume or age.	VAT 15%	Applicable to specific category of goods such as Petroleum, Cigarettes, alcohol, vehicles.

indirect Tax or Levy- Rates		<p>(2) Motor Vehicle (used) \$4000.00</p> <p>(3) Motor-vehicles used tyres \$ 10.00</p> <p>(4) New motor vehicle tyres \$ 10.00</p> <p>(5) Bicycle tyres \$ 5.00</p> <p>(6) Electric accumulators and parts as specified under the Customs</p>	<p>weight tobacco has an Excise Tax of EC \$125.60 per kilogram.</p> <p>cigarettes, cigars, and cigarillos of tobacco or substitute attract an Excise Tax of \$ 176.00 per thousand sticks.</p> <p>Beer, Stout, Wine and Spirits attract an Excise Tax based on liters ranging from (EC) \$0.37 to (EC) \$ 12.50 per liter.</p> <p>Motorcycles range from 10 % to 27 % of CIF. Excise tax on motorcycle parts is 23 % of CIF</p> <p>Excise Tax on motor vehicles comprises of an excise tax percent that ranges from 0 % to 56 % of CIF plus Excise tax in EC Dollars based on the age of the motor vehicle which is as follows;</p> <p>(a) New vehicles –(EC) \$ 1000.00</p> <p>(b) Used vehicles up to five years old- (EC) \$ 4000.00</p> <p>(c) Used vehicles over five years old – (EC) \$ 6000.00</p> <p>Bureau of Standards Fees on Imported Goods under the Compulsory Standards Compliance Programme</p> <p>The rates are as follows;</p> <p>Consignments of new tyres - .5 % of CIF value</p> <p>Consignments of used tyres</p> <p>(a) Trucks - \$ 9.00 per tyre</p> <p>(b) Machinery - \$ 12.00 per tyre</p> <p>(c) Other - \$ 6.00 per tyre</p> <p>Other Consignments</p> <p>(a) Below a CIF Value of \$ 10,000.00 - \$ 30.00</p> <p>(b) With a CIF Value of \$ 10,000.00 but less than \$ 50,000.00 - \$ 60.00</p> <p>(c) With a CIF Value of \$ 50,000.00 but less than \$ 100,000.00 - \$ 100.00</p> <p>(d) With a CIF Value of (EC) \$ 100,000.00 but less than (EC)\$ 500,000.00 - \$ 175.00</p> <p>(e) With a CIF Value of (EC)\$ 500,00.00 and above- \$250.00</p>		<p>Some are ad valorem and range from 6% - 60%.</p> <p>Others are specific for eg. \$2.75 per 100 sticks of cigarettes or \$7.20 per litre for some alcohols.</p>
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Environmental Levy	N/A		N/A	4%	\$0.50 deposit per bottle or can imported for beers, stout, malt, ale, aerated drinks, juices and water. This amount is refunded if the bottles or cans are re-exported under Customs control or disposed of in a manner approved by and witnessed by Customs. Vehicle surcharge for vehicles over four (4) years old based on the type of vehicle and its engine capacity. The range is from \$3950 - \$6200.
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2.8 Attraction and Retention of Staff Issues

With respect to the recruitment and retention challenges faced, the Ministry of Health with a compliment of around 50 nurses and nursing assistants reported that, *“In recent times, there has been an escalation in the attrition rate among nursing staff as a direct consequence of mass outward migration. Over the period August/September 2019 to September 2020, ten (10) nurses exited the service for different reasons to include salaries, opportunities for specialization among others.”* A further five nurses left the service so far in 2021. This represents an average staff turnover rate of 15% over the past two years.

The wide disparities between the salary scales within the nursing department and the rest of the public service was also highlighted as an important issue of concern, and this is borne out by the following:-

Nursing Managers are paid at different levels. The Hospital Nursing Manager (HNM) is paid at R 20 – R 18/ R17 – R13, while the Community Nursing Manager (CNM) and Nurse Tutor/Nurse Educator are paid at R18 – R16 and R20 – R16 respectively. Nursing Managers pay package should not only be standardized but also increased to reflect the job responsibilities when compared with that of Social Worker at R22 – R16 and the Senior Health Information Officer at R17 – R13.

Advanced Practice Nurses such as the Family Nurse Practitioner (FNP), Nurse Anesthetist (NA) and Community Psychiatric Nurse (CNM)/Community Mental Health Nurse Practitioner are also paid at different salary scales. FNP: R17 - R13, NA: R22-R18 and CPN/CMHNP: R22-R18. Standardization is recommended for these categories and payments increased when compared with the Environmental Health Officer at R 22-R16 and the Graduate Teacher at R 22- R16/R14-R12.

There is also overlapping of salary scales between different categories. For example, the specialized Ward Sisters/Departmental Managers are paid within R24-R20; and the Staff Nurses

are paid at R28-R22. This means that in some instances a Staff Nurse may be paid at a higher level than the Ward Sister who is their supervisor. An Assistant Social Worker who has not received formal training is remunerated at R28-22 when compared with the Ward Sisters and Staff Nurses.

Other disparities/anomalies include, a Registered Nurse after undergoing a period of training spanning 3-4 years is remunerated at R37-30; when compared with the Snr. Clerical Officer at R33-29. The Enrolled Nursing Assistants are required to have at least three (3) O' levels to include Mathematics and English A, successfully complete an 18-month training programme are paid at R46-R34 when compared with the Drivers and Orderlies at R48-38.

Should the issue surrounding the levels and disparity in Nurses remunerations persist the following will continue to be the consequences:

- 1.Shortage of staff due to continued outward migration.
- 2.Disruptions and/or reductions in services provided. These issues will erode the public's confidence in the health services.
- 3.Increase frequency and overall cost for overseas referrals.
- 4.Increase payouts for sessions to meet shortfalls in the duty roster.
- 5.Increase cost to the Government of Montserrat to recruit skilled nursing personnel externally; and there is still uncertainty whether or not recruited persons will remain for the periods contracted.
- 6.Experience, by nurses, of caregiver fatigue and burn-out from working long hours. Such conditions are detrimental to the occupational health and wellbeing of staff and contravenes ILO recommendations for the work life of nurses.
- 7.Increase potential to compromise patient care and safety thereby posing further liability to the Government of Montserrat.
- 8.Challenges associated with filling vacant positions, especially so, since there is only one (1) post on the nominal roll for some specialist posts for example the Nurse Anesthetist, FNP and CPN/CMHNP.
- 9.Reduction in Ministry of Health's ability to achieve its stated objectives as per the Strategic Plan as well as the agreed targets within the timelines with FCDO.
10. Jeopardization of Montserrat's progress to achieve Universal Access, Universal Health Coverage and Sustainable Development Goal # 3 which speaks to "Ensuring healthy lives and promoting wellbeing for all at all ages" and the associated targets.
11. Inadequate operational Infection Prevention and Control Programme which means that public safety and the occupational health of staff will be negatively impacted. Research has shown that hospital acquired infections can cause severe illnesses that are not only difficult and costly to treat but can cause pre-mature death and severe disability.
12. Demotivated and frustrated staff does not augur well for team work; nor does it foster the kind of care environment that patients need when they are ill.
13. Unattractiveness of current salary levels to School Leavers
14. Current salary levels remain significantly below par when compared to other islands in the OECS as well as the high cost of living in Montserrat.

In the Education Sector, at the Secondary level some five (5) teachers, of a complement of forty-eight (48) resigned and took up jobs overseas in the 2019/20 academic year. The Montserrat Secondary School at the start of the 2021/22 academic year was short some nine (9) trained and suitably qualified teachers, which is 19% of the staff complement. Being able to attract graduate and trained specialist teachers at the secondary level has been an ongoing challenge for the Ministry of Education for several years now. on year. The situation may not be resolved unless the salaries for teaching and learning professionals are made more competitive/attractive and to compensate for the changes in the professional minimum standards requiring increased compensation, and the increase in expectation and liability within the profession of teaching

The Royal Montserrat Police Service (RMPS) has also struggled to maintain its full staff complement of sixty-nine (69) officers for some time now. Over the last six (6) years some thirty-four (34) officers has left the RMPS. The officers exiting the RMPS are chiefly at the level of constable. There are factors other than compensation accounting for the level of turnover, to include limited scope for advancement within the service and Montserrat being seen as a training ground and opportunity for career fulfillment outside Montserrat. There is also concern over the significant disparity (\$50,000 per annum) in salary of the Police Commission and that of the Police Superintendent, Inspector and Sergeant. Further the gap between the top of the salary scale for a Constable and the bottom of the scale for a Sergeant is just one R-point or \$126.00. This is much more pronounced in the Montserrat case than in the cases reviewed regionally and therefore ought to be given attention. The salaries for constables are higher in Montserrat than in all the other territories for which a comparison was done, whereas the salary for a Sergeants in Montserrat is lower than in all the other territories compared.

The professions mentioned above are the one noted for the highest levels of turnover. These are also areas of highly essential services provision.

2.9 Conclusions and Recommendations

The review of the salaries of public servant in Montserrat, Nevis, St. Lucia, Grenada, BVI and Antigua did not reveal any significant variance or disparity, except for a small number of key positions, and except for BVI where the currency is in United States dollars. For the majority of the post Montserrat public officers are paid less than their counterparts in BVI, St. Lucia and Antigua but are paid slightly higher than their counterparts in Grenada and Nevis.

Montserrat citizens are subjected to the highest level of taxes of the ECCU Member States both direct taxes and indirect taxes. Further, although Montserrat Government employee salaries compare favourable with a few ECCU member states, the cost of living or price of basic goods and services in Montserrat is much higher than the member states. Montserrat public servants are at a disadvantage as it relates to financial sustainability when compared with their counterparts of the other ECCU territories and BVI. The foregoing are some of the main factors why Montserrat is viewed as being unattractive for persons to live and work; and have partly accounted for the

challenges experienced in attracting and retaining skilled employees within the Public Sector, as evinced in key sectors like teaching and nursing.

Recommendations for Immediate Implementation

Based on the evidence presented on how public servants are impacted by ongoing and cumulative inflation without counterbalancing adjustment in salary, the high level of taxes, the high cost of goods and services, the difficulty in attracting and retaining staff in the Public Service; and to address issues of parity, the following are recommended for immediate implementation:

1. A seven percent (7%) salary increase for all public servants to take effect April 01, 2022. The nominal cost to GoM for awarding this increase salary is \$2.8 million. The effective cost to GOM will however be \$2.24 million as approximately 20% of the \$2.8 million will directly return to GoM in personal income tax. There will be additional benefits to the economy and to GoM from offering a salary increase as an increase in public servants' disposable income will increased domestic consumption which will in turn result in increased consumption taxes for GoM.
2. The upgrade of all Nursing Posts with the exception of Director of Nursing, the creation of two new positions – Critical Care Coordinator and Infection Control Coordinator and the upgrade of four Enrolled Nursing Assistant posts to Staff Nurse Critical Care posts, as outlined in Table 7. below. The full details on the salary adjustments are included as Appendix 2. These adjustments which amount to an additional \$633, 024 are recommended to become effective April 01, 2022.

Table 7. PROPOSED UPGRADE TO NURSING POSTS

Name of Posts	# in Post	Presents Scale	Proposed/ New Scale	Increase Cost/Budget
Director of Nursing	1	R7-7	R7-7	-
Nursing Managers - Hospital Nursing M'ger/Community Nursing M'ger)	3	R20-13	R9-9	33,696.00
Advanced Practice Nurse - (Nurse Anaesthetist/Family Nurse Practioner/Community Psychiatric Nurse), Educator	3	R22-18/16	R10-10	19,008.00
Departmental Managers - (Ward Sister/Public Health Nurse/Home Care M'ger)	6	R24-20	R15-11	60,192.00
Critical Care Coordinator - New Post	1		R24-20	62,064.00
Infection Coordinator - New Post	1		R24-20	62,064.00

Staff Nurse (SN)	17	R28-22	R19-15	135,216.00
Staff Nurse Critical Care - New posts created by upgrading 4 vacant ENA posts	4		R19-15	88,696.00
Registered Nurse	9	R37-30	R22-16	110,160.00
Senior Enrolled Nursing Assistant	2	R33-31	R28-27	8,660.00
Enrolled Nursing Assistant	12	R46-34	R33-29	24,204.00
Senior Geriatric Aides	1	R48-38	R37-36	5,952.00
Geriatric Aides	21	R51-45	R45-41/38	14,868.00
Community Aides	6	R51-45	R45-41	8,244.00
Total Posts/Cost	87			633,024.00

3. An upgrade in salary of all teaching posts at the Secondary and Primary Levels, with provision made for the appointment of Heads of Department at the Secondary Level. The details of the proposed adjustments are presented at Appendix 3. The cost for implementing the proposed enhancement of salaries at the Secondary and Primary Levels is \$1,051,902. All posts that require a degree/teacher training are aligned with the Public Service baseline of R22-14. The proposed adjustments also include general nomenclature updates. The nomenclature and salary adjustments will facilitate attraction and retention of qualified and trained teachers, better succession planning and professional growth. Salary scale will include increments and ranges for graduate, trained and untrained staff. Table 8. below gives a summary of the major changes proposed.

The adjustments at the Early Childhood level will be relinked for phasing in over two to five-year period commencing in 2023/24 as teachers acquire the necessary training and qualifications for the posts.

Table 8.

Name of Posts	Present Scale	Proposed/New Scale
Principal MSS	R8	R8

Vice Principal MSS	R12-9	R12-9
Heads of Departments MSS		R12
Head Teacher/Principal Primary	R22-14	R12-9
Deputy Head Teacher/VP Primary		R14-10
Graduate Trained	R22-14	Secondary R16-12 Primary R18-14
Graduate Untrained	R22-16	R22-19
Trained Teacher	R33-21	R22-17
Personal Assistant/Teacher Assistant	R38-31	R38-36
Teaching Assistant/Untrained Teacher	R38-36	R38-36

4. To address the issue of parity in other areas across the Public Service, it is recommended that adjustments be made to twenty-five posts in the Royal Montserrat Police & Fire Service and the Ministry of Communications, Works & Labour amounting to a total cost of \$79,452.00. These are outlined in Table 9. below.

Table 9.

Name of Posts	# in Post	Presents Scale	Proposed/New Scale	Increase Cost/Budget
Deputy Commissioner	1	Fixed at R11	Fixed at R7	6,288.00
Police Superintendent	1	R17-13	Fixed at R11	3,240.00
Inspector	4	R22-18	R17-13	12,672.00
Sergeant	9	R27-23	R22-18	28,512.00
Chief Fire Officer	1	R17-13	Fixed at R11	3,240.00
Deputy Chief Fire Officer	1	R22-18	R17-13	3,168.00
Fire Officer	6	R27-23	R22-18	19,009.00
Airport Manager	1	R12-8	Fixed at R7	1,740.00
Chief Security Officer	1	R28-22	R22-18	1,584.00
Total Posts/Cost	25			\$ 79,452.00

5. It is recommended that a more robust performance management system be enforced. Currently the award of increment seems almost automatic. Work objectives needs to be SMARTER (See Figure 3 below) and the bar or score to be attained for the award of increments raised. Performance Management must be seen as the system through which organizations sets goals, determines performance standards, assign and evaluate work,

provide performance feedback, determines training and development needs and distribute rewards. Therefore, officers should be rewarded fairly, equitably and consistently in line with their value to the organization or the extent to which they help the organization to achieve its organizational goals.

Figure 3.

S	Specific
M	Measurable
A	Achievable / Attainable / Assignable
R	Realistic / Relevant / Resourced
T	Timebound / Time-Related
E	Evaluated / Extending Skills
R	Reviewed / Rewarding

The overall cost to Government of Montserrat for implementing the above recommendations amounts to \$4.56 million. Government will deduct 20% or \$913,000 of the \$4.56 million in personal income taxes therefore the real cost to Government will be \$3.65 million.

Of a Government Establishment of 1030 employees there are some 56 (5.4%) vacant post. It will cost approximately \$2.2 million to fill these vacant positions. Government may want to take the decision not to fill half of the post for a period of two years and use the funds assist in financing the increased cost of implementing the recommendations. GoM will also be realizing an increase in revenues as a direct result of the increase in the cost of goods, some of this additional revenue can be used to finance the remaining cost.

2.10 Matters for Future Advancement

The application of such a large number (44) of allowances has resulted complications in the administration of the allowances, such as issues surrounding transparency in award and issues of parity.

Government of Montserrat may wish to look at the consolidation/Amalgamation of salary and allowances. This will require a revamping of the existing scale. To effect such a change it will mean broadening the scales at the top and creation of additional scales.

The scales would be made broad enough to allow proper fit of any post within any profession/level even where the salary variances for certain professions such as Health Professionals are very large. The New Salary Scales will also cater for Technical Cooperation officers. TCs can be placed on special scale e.g. TC level I, TC Level II, TC Level III on Salary Scale X, Y and Z respectively. Scales will be designed so that posts which are currently fixed at the top of the scale, like a Permanent Secretary and Directors can be placed on a sliding scale. The work on consolidation of the allowances and development of a new salary scale can be undertaken over the period 2022/23 to become effective April 01, 2023.

3. REVIEW OF GOVERNMENTAL COMMITTEES

3.1 Objective

This investigation is aimed at determining whether the committees and boards that are in existence are functioning as intended and are providing value for money. Also, it is intended to determine whether there are possibilities for amalgamation of one or more of the committees or boards. The review benefited from the work undertaken by the Internal Audit Unit.

3.2 Findings

Administration and Governance

1. There is no recruitment process for any of the boards/committees that fell within the assignment's remit.
2. As per field work observations, it is noted that there are 67 committees/boards that falls within GoM's remit. The breakdown is as follows; See Annexure 6
 - Legislated but not established – 23
 - Established and functioning – 29
 - Established and not functioning – 11

- No Information received - 4
3. There is no system in place to track or monitor the varying committees/boards as well, as their members across the GoM. Save and except for the MICA Board, members are not appointed on a time-sensitive basis. Their appointments all expire at the same time.
 4. 35% of survey respondents noted that their skills were not utilized to its full potential as a board/committee member.
 5. 45% of survey respondents noted that there was no orientation session on their appointment to their respective committee/board.
 6. 29% of boards under review have regular board meetings. These mainly consist of commercial statutory bodies to include MUL, MPA and MICA and one government-based board; the Social Welfare Board.
 7. Save and except for the minutes of meetings for the MUL Board, MPA Board and the MICA Board, the minutes of meetings were sometimes missing information such as, the number and type of the meeting, name of the company, day, date, venue, time of commencement and/or conclusion.
 8. It was observed that 94% of the minutes were limited. It was difficult to gage the substance of the matter discussed, since, the minutes were not written taken into consideration an external audience. The other 6% with the exception of the PSC the others were statutory bodies or commercial organisation whose minutes were acceptable.

3.3 Analysis of Findings

Administration and Governance

There is not a formal and documented process in place for filling board/committee vacancies. Members are selected on the discretion of ministry/department Heads. Whilst this is good that HoD's are involved within the process, established guidelines enables consistency and continuity within the process. Best practice states that seasoned board/committee members should mentor newer members on how to appropriately cultivate interest in the board as a means of identifying potential candidates.

The challenge lies in the current selection pool and therefore GoM may need to buy-in or upskill members that fit the requisite skill sets needed as becoming a board/committee member is a critical leadership role. Therefore, a structured application and review process is necessitated to have members who can effectively carry out the functions of the board/committee. This ensures

that members understand their roles and responsibilities as well as a good governance framework which enables an effective oversight function.

Currently, committees/boards are depending solely on the responsibilities set out within legislation which most times gives a broad overview of their function which leaves room for [mis]interpretation. This [mis]interpretation can lead to strained relationships between the board/committee and management. This is evidenced within the survey as a respondent noted that the committee was getting involved in operational matters. The implementation of terms of references would therefore clearly state what is expected. GoM therefore need to create a governance framework that supports the board/committee's decision-making process.

Having a clear governance framework as well as recognition of the limitations within the selection pool aids the GoM in ensuring that members selected are best prepared to ensure the oversight function operates effectively. Training and orientation will fill the gaps identified in the selection process. It is clear based on, the number of issues currently existing in the performance of these boards/committees and the responses from persons responsible, that there is necessity for a structured process. The roles and responsibilities are not clearly understood based on members' response to request for information and also the documentation received. It is imperative that members selected are aware of increased scrutiny of the oversight function whether by regulators or assurance providers.

Financials

Historically, board members were expected to fulfil their fiduciary responsibilities to the organization whilst balancing full time jobs, families and their busy professional lives. It is, however, recognized that an honorarium is reasonable as they are holders of an esteemed role that requires them to use their expertise for the benefit of the organization and are also responsible for making high level decisions. There are no criteria for recognizing or awarding fees to members for their input on boards/committees. It is also noted that the responsibilities vary across departments/ministries and the statutory bodies along with the skillsets that are required to fulfil the role. The fees currently do not reflect the assigned roles and responsibilities of board/committee members. This can impact persons' attitude towards their fiduciary responsibility.

The average board member spends at least 10 hours a month on board-related activities per board served on. As a result, it is believed that a maximum of four (4) boards for any one director is sufficient as it would allow for them to fulfil their fiduciary responsibilities. It is, therefore, anticipated that persons understand the constraints on their time and resources and are able to appropriately assess their capabilities in serving on these boards and therefore decline additional membership offers.

However, in some instances the prestige and financial reward may incentivize persons to accept more responsibility than they can handle. Therefore, policies limiting the number of boards that any one person can service may need to be implemented to limit instances of over-boarding as well mandating all (prospective) members declares their interest in other board as this may also limit potential conflict of interests.

The Board of Directors have significant oversight responsibilities with respect to executive management and for the overall direction of the company. Directors play a critical role in setting the appropriate tone at the top, are expected to be guardians of the company's assets and are relied upon by both shareholders and public interest. Therefore, the appointment of Directors needs to be done on a timely basis as it's nonexistence can impact the organization's operations. Boards/Committees whose members do not have a definite length of service may witness members who are fatigued and have widespread apathy. Alternately, replacement of members should not all be at once but be staggered to allow for continuity. A definite length of service allows for a fresh perspective as well as new skills, talents and abilities to be brought to the board/committee's function which enhances its overall functionality.

Definite terms of service will also allow for the replacing of members who are less than adequate in the performance of their duties as a result of their own self evaluations.

Boards/committees are charged with providing oversight over activities and affairs of their corresponding organization. Members are therefore expected to discharge these duties with good faith and in a manner that is believed to be of best interest to the organization. Their failure to attend or host regular meetings likely signals [a] member's inability or unwillingness to meet their fiduciary responsibilities.

Furthermore, attendance at meetings ensures that meetings are productive and provides organizational value. It is integral that boards/committees have a capable chair who can effectively preside over meetings. This will require the chairperson to allow for all points of views to be discussed on issues whilst avoiding repetition. Discussion should be pertinent to the matter under consideration and should not be allowed to digress into other areas. A good chair will promote good relations with all Directors and Senior Managers whilst encouraging them to use their skills to provide a forum to set and monitor strategies, create value and ensure accountability.

Amalgamation

Amalgamation is the combination of one or more of the committees/boards into a new committee/board. It should occur between two boards/committees that are engaged in the same line of activity or has some synergy in their operations.

However, we observed there are some laws that have committees with similar purpose but different subject matter on the same sector. We recognized the need to comply with

international regulations and best practice however, we need to take into consideration existing legislations which may have synergies to upcoming or recommended laws with the intent to fulfil requirements by looking at combinations or solutions that best fit our purpose mainly due to size and resources.

For example, the Education Advisory Committee (EAC) and the Higher Education Board (HEB) of the University and Colleges Licencing Act has similarities all advising the minister on educational matters. The key persons are members of both bodies however, the composition differ slightly but the focus is on education.

10. There should be a general legislation covering committees and board.

3.4 Recommendations

1. A recruitment and selection process for potential members of boards/committees.

1. GoM should implement a Remuneration Policy that includes, but is not limited to the following:

- i. A remuneration established criteria. This would entail the grouping of boards/committees based on assets, responsibilities, specialists' skills required and/or frequency of meetings.;
- ii. A note that GoM officials are restricted from any form of remuneration;
- iii. A set criteria based on attendance at meetings;
- iv. A criterion for the reimbursement of expenses incurred in relation to the discharge of the function; and
- v. Any criteria established for compensation needs to take into consideration the ability of the entity to make the payments.
- vi. The need for the consideration of tax

3. GoM should implement a Board Membership Agreement, which should include:

- i. A resignation clause for missing a certain number of meetings (2/3).
- ii. Expectation of members
- iii. Declaration of membership on other boards

4. GoM should have a policy document governing the formation of board/committees, which should include:

- i. On-going training of board/committee members;
- ii. A minimum number of meetings that should be held annually;
- iii. An orientation program that emphasizes the need of members to be a committed ambassador and advocate for the organization's mission;
- iv. Terms of Reference;

- v. Time sensitive appointments and the staggering of membership appointments;
 - vi. Restrictions on the number of boards that persons are eligible to serve on;
 - vii. Conflict of Interest policies;
 - viii. Probity checks and declaration of private interest be mandatory; and
 - ix. Establish a rolling schedule of appointments;
 - x. A monitoring clause for short term committees with set deliverables.
5. General legislation and/or structure to guide boards and committees.
6. Training for members and potentials in these specific areas;
- i. Minute taking;
 - ii. Conducting meetings;

APPENDICES

Appendix 1 Salary Comparison of ECCU & BVI Public Services

MONTserrat				NEVIS		ST. LUCIA		GRENADA		BVI		ANTIGUA	
Post	Min Salary	Max Salary	Total Allowances	Min Salary	Max Salary	Min Salary	Max Salary	Min Salary	Max Salary	Min Salary	Max Salary	Min Salary	Max Salary
Permanent Secretary	79,620	79,620	38,640	93,840	106,740	153,972	153,972	68,676	91,956	78,043	107,071	93,996	207,264
Director	74,760	74,760	13,920	69,120	93,840			63,768	81,780	51,069	100,744	42,168	122,028
Senior Assistant Secretary	58,896	65,232	9,600	83,220	83,220							41,052	134,316
Assistant Secretary	50,976	60,480	9,600	69,120	75,720					47,371	83,436	38,604	42,000
Executive Officer	41,760	50,976	-	44,820	52,020	35,601	39,042	24,468	42,048	21,287	33,827	27,648	32,419
Senior Clerical Officer	34,812	40,248	-	34,680	43,080					18,367	27,471	12,438	26,240

Clerical Officer	22,608	33,504	-	20,640	33,000			20,160	33,672	17,435	23,915	16,739	24,876
Office Attendant	20,388	23,316	-	20,640	24,660			10,500	18,372	16,643	22,835	14,400	38,220
Chief Fire Officer	58,896	65,232	15,960			80,741	82,708			55,772	83,436		
Fire Officer	43,272	49,392	5,820							24,485	38,906		
Firefighter	27,272	41,760	4,320			27,241	30,192			22,770	36,184		
Commissioner, Police	79,620	79,620	48,840			117,936	117,936	79,236	91,392	68,764	100,744	103,764	103,764
Superintendent, Police	58,896	65,232	18,120			72,480	75,135	53,352	61,872	47,371	75,282	74,784	74,784
Inspector	50,976	57,312	18,120			56,351	59,499	39,372	48,192	34,634	55,040	56,458	56,458
Sergeant	43,272	49,392	6,780			47,697	50,844	32,640	41,904	31,523	50,086	57,763	57,763
Constable	27,396	41,760	7,392			27,241	30,192	18,360	31,488	26,492	42,091	25,182	40,824
Attorney General	94,740	94,740	127,800	109,920	109,920	153,972	153,972	68,676	91,956	88,794	116,324	120,000	120,000
Senior Crown Counsel	66,852	73,020	58,320	57,720	83,220	103,194	103,194	63,768	81,780	51,069	81,146	79,980	79,980
Legal Assistant	41,760	50,976	24,000	53,940	60,600	43,763	46,517	36,204	53,880	62,900	92,150	60,408	60,408
Chief Magistrate	76,620	76,620	67,800			76,512	79,167	68,676	91,956	68,764	100,744	79,980	79,980
Registrar	63,648	70,092	58,320	69,120	75,720	103,194	103,194	68,676	91,956	62,900	92,150	79,980	79,980
Bailiff	41,670	50,976	9,600	34,680	43,080	27,241	30,192	13,980	26,208	21,287	33,827	24,264	37,260
Court Reporter	41,670	50,976	-			47,697	50,844	20,160	33,672	31,523	50,086		
Clerk of Assembly	74,760	74,760	23,520	44,820	52,020			68,676	91,956	62,900	92,150		
Leader of the Opposition	65,232	65,232	42,600	46,560	45,560							72,000	72,000
Auditor General	94,740	94,740	38,640					68,676	91,956	68,764	100,744	110,820	110,820
Audit Manager	58,896	65,232	9,600	53,940	66,300					42,486	67,509	50,532	50,532
Accountant	50,976	65,232	-	53,940	66,300	56,351	59,499			28,818	45,785	50,124	50,124
Senior Auditor	50,976	60,480	4,800	53,940	66,300			53,880	70,320	34,634	55,040	47,436	47,436
Auditor	34,812	50,976	-	34,680	43,080	56,351	59,499	36,204	53,880	31,523	50,086	44,772	44,772
Deputy Governor	94,740	94,740	162,048	132,120	132,120					101,254	129,505		
Facilities Manager	37,428	41,760	10,320			60,679	63,039			42,486	67,509	67,500	67,500
Chief Human Resources Officer	79,620	79,620	38,640	93,840	93,840					68,764	100,744	67,200	67,200
Superintendent, Prison	63,648	70,092	23,040					43,764	62,148	55,772	83,436	58,380	58,380
Prison Officer	27,396	36,120	720					16,620	31,488	22,770	36,184	25,692	25,692

Cleaner	20,388	22,608	-	20,640	27,900					16,643	22,835	18,018	18,018
Director, Public Prosecution	81,540	81,540	80,640			153,972	153,972	68,676	91,956	78,043	107,071	187,116	187,116
Public Relations Officer	63,648	70,092	13,920	5,940	66,300			24,468	42,048	34,634	55,040	44,768	44,768
Monitoring & Evaluation Officer	58,896	65,232	9,600	34,680	43,080	60,679	63,039			42,486	67,509	48,780	48,780
Broadcast Manager	58,896	70,092	10,320							34,634	55,040	108,000	108,000
Audio-Videographer	22,608	33,504	-					20,160	33,672	24,485	38,906	45,600	45,600
Programmer	50,976	65,232	-							34,634	55,040	32,908	32,908
Systems Engineer	50,976	65,232	-			64,416	67,071					66,000	66,000
Systems Analyst	50,976	65,232	9,600	53,940	66,300			43,764	62,148			56,496	56,496
IT Technician I	26,856	33,504	9,600	44,820	52,020			24,468	42,048			10,650	19,800
Systems Administrator	26,856	33,504	24,720			72,480	75,135	36,204	53,880	28,818	45,785	84,000	84,000
Principal Trade & Quality Infrastructure Officer	58,896	70,092	10,320	69,120	75,720					42,486	67,509	88,980	88,980
Financial Secretary	94,740	94,740	132,600	106,740	106,740	153,972	153,972	68,676	91,956	88,794	116,324	134,228	134,228
Chief Procurement Officer	74,760	74,760	10,320	53,940	66,300			63,768	81,780	47,371	75,282	45,360	45,360
Procurement Officer II	58,896	65,232	9,600			64,416	67,071	43,764	62,148				
Senior Procurement Officer	58,896	65,232	9,600					53,880	70,320	38,269	60,803		
Procurement Officer I	41,760	50,976	-			56,351	59,499	27,108	44,640	28,818	45,785	23,676	23,676
Budget Director	74,760	74,760	13,920	83,220	83,220	117,936	117,936			51,069	81,146	110,817	110,817
Senior Economist	58,896	65,232	9,600	69,120	75,720			53,880	70,320	38,269	60,803	66,856	66,856
Senior Policy Analyst	58,896	65,232	9,600	53,940	66,300	103,194	103,194	53,880	70,320	62,900	92,150	59,712	59,712
Development Planner	58,896	65,232	9,600	53,940	72,420					42,486	67,509		
Project Officer I	50,976	65,232	9,600	53,940	66,300	56,351	59,499	43,764	62,148	38,269	60,803	50,400	50,400
Budget Analyst	50,976	65,232	9,600	53,940	66,300	56,351	59,499			42,486	67,509	52,608	52,608
Head of Statistics	76,620	76,620	31,920	69,120	69,120			63,768	81,780	68,764	100,744		
Chief Statistician	74,760	74,760	13,920	53,940	66,300			53,880	70,320	42,486	67,509	89,808	89,808

Statistician	50,976	60,480	9,600	53,940	66,300	56,351	59,499	43,764	62,148	38,269	60,803	53,911	53,911
Accountant General	74,760	74,760	33,120	69,120	75,720	117,936	117,936	68,676	91,956	62,900	92,150	122,028	122,028
Comptroller	76,620	76,620	33,120	69,120	75,720	117,936	117,936	63,768	81,780	62,900	92,150	210,924	210,924
Valuation Officer	50,976	60,480	24,000	34,680	43,080	56,351	59,499	53,880	70,320			59,100	59,100
Senior Customs Officer	50,976	57,312	-	50,160	57,720					31,523	50,086	48,780	48,780
Customers Officer III	41,760	50,976	-	41,400	48,360	43,763	46,517			26,492	42,091	41,376	41,376
Inspector of Taxes II	41,760	50,976	9,600	34,680	43,080	40,026	42,780			34,634	55,040		
Cashier	34,812	40,248	-	20,640	33,000							27,648	27,648
Customs Officer I	21,720	33,504	-	20,640	33,000	27,241	30,192	27,108	44,640	19,440	29,088	32,804	32,804
Inspector of Taxes I	34,812	40,248	-	20,640	33,000	35,601	39,042	32,016	48,864	28,818	45,785		
Data Entry Clerk	22,608	33,504	-	20,640	33,000			20,160	33,672	18,367	27,471	23,964	23,964
Filing Clerk	20,388	23,316	-	20,640	33,000							44,580	44,580
Postman	21,720	28,596	-	20,640	33,000	19,767	22,717			19,440	29,088	21,847	21,847
Chief Internal Auditor	74,760	74,760	13,920					63,768	81,780	47,371	75,282	110,817	110,817
Audit Manager	50,976	65,232	9,600	69,120	75,720					42,486	67,509	40,698	47,162
Internal Auditor	41,760	50,976	9,600			76,512	79,167	63,768	81,780	34,634	55,040	52,608	52,608
Security Officer	25,440	30,996	-	20,640	27,900			13,980	26,208	19,440	29,088	25,128	25,128
Maintenance Officer / Handyman	25,440	30,996	-	34,680	43,080			13,980	26,208	17,435	23,915	24,255	24,255
Chief Veterinary Officer	66,852	73,020	29,520			76,512	79,167	53,880	70,320	42,486	67,509	77,544	77,544
Chief Fisheries Officer	58,896	70,092	10,320			80,741	82,708	53,880	70,320	47,371	75,282	70,560	70,560
Veterinary Officer	58,896	65,232	26,520	53,940	72,420	64,416	67,071	53,880	70,320	42,486	67,509	53,064	53,064
Principal Agricultural Officer	58,896	70,092	10,320	53,940	60,600					42,486	67,509		
Agricultural Officer	50,976	60,480	9,600	44,820	52,020			46,812	53,880	34,634	55,040	41,376	41,376
Extension Officer	41,760	50,976	9,600	34,680	43,080							53,064	53,064
Fisheries Technician	22,608	33,504	-			27,241	30,192	20,160	33,672	21,287	33,827	20,299	36,630
Chief Surveyor	63,648	70,092	13,920			103,194	103,194			51,069	81,146	97,020	97,020
Registrar of Lands	58,896	73,020	-	69,120	75,720	103,194	103,194			62,900	92,150	76,164	76,164

Land Officer	50,976	60,480	-					36,204	53,880	28,818	45,785	24,876	29,040
Surveyor	50,976	60,480	9,600	53,940	66,300	56,351	59,499	32,016	48,864	38,269	60,803	57,600	57,600
Chief Physical Planner	63,648	70,092	10,320	69,120	75,720	103,194	103,194			62,900	92,150	48,870	48,870
Physical Planner	58,896	65,232	9,600	53,940	69,120	56,351	59,499	43,764	62,148	34,634	55,040		
GIS Systems Manager	50,976	65,232	9,600	69,120	72,420					28,818	45,785	57,780	57,780
Senior Building Inspector	50,976	60,480	10,320	53,940	69,120					38,269	60,803	43,980	43,980
Building Inspector	41,760	50,976	10,320	53,940	66,300			36,204	53,880	31,523	50,086	41,184	41,184
Electrical Inspector	41,760	50,976	10,320	53,940	66,300			36,204	53,880	28,818	45,785	41,484	41,484
GIS Officer	41,760	60,480	-	53,940	66,300					24,485	38,906		
Principal Environmental Officer	58,896	65,232	9,600	53,940	69,120			53,880	70,320	51,069	81,146	44,100	44,100
Environmental Officer	50,976	60,480	-	53,940	66,300			43,764	62,148	31,523	50,086		
Forest Ranger	34,812	40,248	9,600			35,601	39,042	16,620	31,488			49,622	49,622
Housing Officer II	50,976	60,480	-			64,416	67,071						
Storekeeper	41,760	50,976	-	20,640	33,000	43,763	46,517			19,440	29,088	14,652	27,648
Civil Engineer	71,712	71,712	48,120	53,940	66,300	72,480	75,135	53,880	70,320	38,269	60,803	48,516	48,516
Government Architect	71,712	71,712	48,120	53,940	66,300	72,480	75,135	53,880	70,320	38,269	60,803	84,000	84,000
Quantity Surveyor	70,092	70,092	48,120	53,940	66,300	64,416	67,071	43,764	62,148	38,269	60,803	78,000	78,000
Energy Officer	50,976	65,232	9,600	69,120	75,720	56,351	59,499	36,204	53,880			63,000	63,000
CAD Operator	50,976	60,480	26,520							26,492	42,091		
Clerk of Works	50,976	65,232	10,320	53,940	60,600					26,492	42,091	40,020	40,020
Group Foreman	50,976	57,312	26,520							22,770	36,184		
Electrician	41,760	50,976	-	44,820	52,020	31,175	34,617	20,160	33,672	21,287	33,827	29,976	29,976
Lab Technician	41,760	50,976	-	20,640	33,000			20,160	33,672	28,818	45,785	43,200	43,200
Plant Superintendent	58,896	65,232	9,600	53,940	60,600			27,108	44,640	22,770	36,184		
Heavy Equipment Operator	41,760	60,480	-	34,680	43,080					21,287	33,827	40,710	49,439
Mechanic II	34,812	40,248	-	34,680	43,080	31,175	34,617			22,770	36,184	29,992	29,992
Airport Manager	66,852	73,020	10,320									54,672	54,672
Operations Manager	63,648	70,092	-	53,940	75,720			64,416	67,071			53,064	53,064
Labour Commissioner	63,648	70,092	10,320	53,940	72,420	103,194	103,194	63,768	81,780	62,900	92,150	67,200	67,200

Labour Inspector	41,760	57,312	9,600	53,940	66,300					31,523	50,086	24,595	24,595
Education Officer	66,852	73,020	9,600	53,940	72,420	68,448	71,103	43,764	62,148	42,486	67,509	66,432	68,544
Education Planner	66,852	73,020	9,600	69,120	75,720							66,432	66,432
Computer Technician	41,760	50,976	9,600			43,763	46,517			22,770	36,184	25,480	46,092
Head Teacher	50,976	63,648	9,600	69,120	69,120					42,486	67,509	59,100	59,100
Teacher (Graduate)	50,976	63,648	-	48,360	66,300	56,351	59,499	36,048	53,592			48,780	48,780
Guidance Counsellor	50,976	60,480	-	48,360	66,300	56,351	59,499						
Teacher (Trained)	34,812	52,560	-	39,720	52,020							61,735	61,735
Personal Assistant / Janitors	28,596	37,428	-	20,640	27,900					17,435	23,915	21,840	21,840
Teacher (Untrained)	28,596	33,504	-	20,640	33,000							33,048	33,048
Groundsman	20,388	28,596	-	20,640	27,900			10,500	18,372	17,435	23,915	25,116	64,584
Principal	73,020	73,020	9,600	69,120	75,720	72,480	75,135	53,592	70,032	51,069	81,146	63,504	63,504
Principal (Vice)	66,852	71,712	9,600	69,120	72,420	64,416	67,071	43,572	61,848	42,486	67,509	59,100	59,100
Lab Assistant	22,608	33,504	-	20,640	33,000			20,160	33,672	22,770	36,184	24,255	24,255
Librarian	50,976	65,232	9,600	53,940	66,300	52,024	55,172	36,204	53,880	55,772	83,436	46,452	46,452
Sports Officer	58,896	65,232	10,320	53,940	66,300	60,679	63,039	20,160	33,672				
Sports Coach	34,812	50,976	9,600	53,940	66,300			24,468	42,048			33,548	33,548
Chief Medical Officer	86,220	86,220	147,754	83,220	83,220	103,194	103,194	68,676	91,956	68,764	100,744	126,000	126,000
Health Information Officer	41,760	50,976	-	53,940	72,420	47,697	50,844	43,764	62,148				
Dental Surgeon	66,852	76,620	53,520	53,940	72,420	68,448	71,103	53,880	70,320			88,336	88,336
Medical Officer	66,852	76,620	82,320	53,490	75,720	68,448	71,103	63,768	81,780	68,764	100,744	169,746	169,746
Pediatrician	66,852	73,020	88,320	83,220	83,220	76,512	79,167	63,768	81,780			90,312	90,312
Health Promotion Coordinator	58,896	65,232	9,600	53,490	72,420					47,371	75,282	44,784	44,784
Public Health Nurse	50,976	57,312	11,220			56,351	59,499			38,269	60,803	28,586	28,586
Staff / District Nurse	41,760	50,976	5,700	60,600	63,360	47,697	50,844	32,016	48,864			40,152	40,152
Registered Nurse	29,796	38,736	5,700	57,720	60,600			24,468	42,048	31,523	50,086	21,252	21,252
Community Health Aides	20,388	23,316	2,520			19,767	22,718	20,160	33,672			21,978	21,978

Surgeon Specialist	84,420	84,420	170,220	83,220	83,220			63,768	81,780				
Physician Specialist	66,852	76,620	142,320					63,768	81,780				
Nutrition Officer	58,896	65,232	10,320	53,940	66,300			43,764	62,148			54,588	54,588
Senior Pharmacist	58,896	65,232	720	53,940	69,120	60,679	63,039	36,204	53,880	55,772	83,436	51,456	51,456
Senior Radiographer / Sonographer	58,896	65,232	720	53,940	69,120	56,351	59,499	36,204	53,880				
Nurse Tutor	54,144	60,480	11,220					43,764	62,148			54,588	54,588
Physiotherapist	50,976	60,480	9,600	53,940	66,300	56,351	59,499	43,764	62,148				
Nurse Anesthetist	50,976	57,312	1,620	60,000	63,360	60,679	63,039	43,764	62,148				
Biomedical Engineer	50,976	60,480	1,420	53,940	66,300	47,697	50,845	27,108	44,640				
Pharmacist	50,976	60,480	720	53,940	66,300	52,024	55,172	32,016	48,864			48,780	48,780
Ward Sister	47,808	54,144	720	72,420	72,420	56,351	59,499			55,772	83,436	46,092	46,092
Radiographer	50,976	60,480	720	53,940	66,300	47,697	50,845	32,016	48,864				
Orderly	21,720	28,596	1,420	20,640	33,000			13,980	26,208	21,287	33,827	25,427	25,427
Counsellor	58,896	65,232	-	53,940	66,300			53,880	70,320			54,588	54,588
Senior Probation Officer	58,896	65,232	10,320	53,940	66,300					38,269	60,803	44,772	44,772
Senior Social Worker	50,976	65,232	10,320	53,940	66,300			43,764	62,148	38,269	60,803	50,124	66,432
Probation Officer	50,976	60,480	10,320	34,680	43,080	56,351	59,499	36,204	53,880	34,634	55,040	40,536	40,536
Social Worker	41,760	60,480	10,320	53,940	66,300			27,108	44,640	31,523	50,086	50,124	66,432
Environmental Health Officer	50,976	60,480	9,600	53,940	69,120	47,697	50,845	32,016	48,864	31,523	50,086	56,954	56,954
Vector Control Leader	27,396	33,504	1,420	34,680	43,080					22,770	36,184		

Source: Countries 2020/21 Budget Estimates

Appendix 2: Present and Proposed Salary Scales for Nurses

Name of Post	Present 'R' Point	Present Salary (\$)	Proposed New Scale	Proposed New Salary (\$)	Difference (\$)	Requirements 2022/23 (\$)	Requirements 2023/24 (\$)
Director, Nursing	R 7	74,760	-	0	0	0	
Nurse Managers	R20-R13		R 9 Fixed				
HNM							
CNM	R 15	60,480		71,712	11,232		
Educator	R 16	60,480		71,712	11,232	33,696	0
	R 16	60,480		71,712	11,232		
SUB-TOTAL						33,696	0
Advanced Practice Nurses	R22-18/16		Fixed R10				
Nurse Anaesthetist							
FNP	R22-18				6,336		
CPN	R22- 16	57,312		63,648	6,336	19,008	
	R22-18				6,336		
SUB-TOTAL						19,008	0
Departmental Managers			R15-11				
Ward Sisters							
X3	R24-20	54,144		62,064	23,760	23,760	4,752
Public Health Nurses x 2	R 22	50,976		62,064	22,176	22,176	3,168
Home Care Manager	R 24	47,808		62,064	14,256	14,256	1,584
ESTABLISH – New Post –Critical Care Coordinator	R 22	0		62,064	62,064	62,064	1584

New Post – Infection Control Coordinator	R 22	0		62,064	62,064	62,064	1,584
SUB-TOTAL						184,320	12,672
Staff Nurses (SN)x 17	R28-22		R 19- 15				
Staff Nurse 1	R 25	46,296		55,728	9,432	9,432	1,584
Staff Nurse 2	R 22	50,976		55,728	4,752	4,752	1,584
Staff Nurse 3	R 24	47,808		55,728	7,920	7,920	1,584
Staff Nurse 4	R24	47,808		55,728	7,920	7,920	1,584
Staff Nurse 5	R24	47,808		55,728	7,920	7,920	1,584
Staff Nurse 6	R23	49,392		55,728	6,336	6,336	1,584
Staff Nurse 7	R25	46,296		55,728	9,432	9,432	1,584
Staff Nurse 8	R23	49,392		55,728	6,336	6,336	1,584
Staff Nurse 9	R 26	44,784		55,728	10,944	10,944	1,584
Staff Nurse 10	R 28	41,760		55,728	13,968	13,968	1,584
Staff Nurse 11	R 26	44,784		55,728	10,944	10,944	1584
Staff Nurse 12	R 28	41,760		55,728	13,968	13,968	1,584
Staff Nurse 13	R 23	49,392		55,728	6,336	6,336	1,584
Vacant SN1	R 22	50,976		55,728	4752	4,752	1584
Vacant SN2	R22	50,976		55,728	4752	4,752	1584
Vacant SN3	R22	50,976		55,728	4752	4,752	1584
Vacant SN4	R22	50,976		55,728	4752	4,752	1584
Upgrade 4 vacant ENA to 4 SN/Critical Care	R34	33,504		55,728x4	22224x4	88,896	6,336
SUB-TOTAL						224,112	33,264

Name of Post	Present 'R' Point	Present Salary \$	Proposed New Scale	Proposed New Salary (\$)	Difference \$	Requirements 2022/23 \$	Requirements 2023/24 \$
Registered Nurses (RN) x 9	R37-30		R 22- 18				
Registered Nurse 1	R 30	38,736		50,976	12,240	12,240	1,584
Registered Nurse 2	R 30	38,736		50,976	12,240	12,240	1,584
Registered Nurse 3	R 30	38,736		50,976	12,240	12,240	1,584

Vacant x 6 RN	R30	38,736x6		50,976 x 6	12,240x6	73,440	9,504
SUB-TOTAL						110,160	14,336
Senior Enrolled Nursing Assistant ((SENA) x 2			R 28 - 27				
SENA 1	R 31	37,428		41,760	4,332	4,332	1,512
SENA 2	R 31	37,428		41,760	4,332	4,332	1,512
SUB-TOTAL						8,664	3024
Enrolled Nursing Assistant (ENA) x 12			R33-29				
ENA 1	R34	33,504		34,812	1,308	1308	1,308
ENA 2	R35	32,196		34,812	2,616	2,616	1,308
ENA 3	R35	32,196		34,812	2,616	2,616	1,308
ENA 4	R38	28,596		34,812	6,216	6,216	1,308
ENA 5	R36	30,996		34,812	3,816	3,816	1,308
ENA 6	R37	29,796		34,812	5,016	5,016	1,308
Vacant x 2	R34	33,504		34,812 x 2	2,616	2,616	2,616
SUB-TOTAL						24,204	10,464
Geriatric Aides	R48-38 and R51-45		R 37-36 R45-41/38				
Senior Geriatric Aide x 1	R44	24,024		29,976	5952	5,952	1020
Geriatric Aides x 21	R 45	23,316		24,024	14,868	14,868	14,868
SUB-TOTAL						20,820	15,888
Community Health Aide (CHA) x 6			R45-41/38				
CHA 1	R 49	21,276		23,316	2040	2040	708
CHA 2	R49	21,276		23,316	2040	2040	708
CHA 3	R49	21,276		23,316	2040	2040	708
CHA 4	R45	23,316		24,024	708	708	708
CHA 5	R45	23,316		24,024	708	708	708
CHA 6	R45	23,316		24,024	708	708	708
SUB-TOTAL						8,244	4,248

OVERALL TOTAL						633,228	93,896
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**Appendix 3. CURRENT AND PROPOSED SALARIES FOR MINISTRY OF
EDUCATION STAFF**

Current Scales				Proposed Adjustment				
POST	SCALE MIN	SCALE MAX	2021-2022		POST	SCALE MIN	SCALE MAX	2022-2023
401 - PRIMARY EDUCATION								
Education Officer	R12	R8	\$ 67,662.00		Education Officer	R8	R8	\$ 73,020.00
Teacher (Graduate)	R22	R14	\$ 58,104.00		Head Teacher	R12	R9	\$ 66,852.00
Head Teacher	R22	R14	\$ 63,648.00		Head Teacher	R12	R9	\$ 66,852.00
Head Teacher	R22	R14	\$ 61,272.00		Deputy Head Teacher	R14	R10	\$ 65,232.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Deputy Head Teacher	R14	R10	\$ 65,232.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Teacher (Graduate)	R22	R14	\$ 60,480.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 62,064.00
Guidance Counsellor	R22	R16	\$ 50,976.00		Guidance Counsellor	R22	R14	\$ 54,144.00
Dance Teacher	R28	R16	\$ 54,144.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 44,028.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00

Teacher (Trained)	R33	R21	\$ 44,028.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 52,560.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 50,976.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 47,052.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 47,808.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 54,144.00
Teacher (Trained)	R33	R21	\$ 42,516.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 43,272.00
Teacher (Trained)	R33	R21	\$ 38,082.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 43,272.00
Personal Assistant / Janitors	R38	R31	\$ 27,396.00		Teaching Assistant	R38	R22	\$ 27,396.00
Personal Assistant / Janitors	R38	R31	\$ 22,164.00		Teaching Assistant	R38	R22	\$ 22,164.00
Teacher (Untrained)	R38	R34	\$ -		Teaching Assistant	R38	R22	\$ 22,164.00
Teacher (Untrained)	R38	R34	\$ 33,504.00		Teaching Assistant	R38	R22	\$ 22,164.00
Teacher (Untrained)	R38	R34	\$ 33,504.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 52,560.00
Teacher (Untrained)	R38	R34	\$ 33,504.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 52,560.00
Teacher (Untrained)	R38	R34	\$ 30,996.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 52,560.00
Teacher (Untrained)	R38	R34	\$ 28,596.00		Graduate Teacher (Untrained/Trained)	R22	R14	\$ 52,560.00
Clerical Officer	R46	R34	\$ 24,378.00		Clerical Officer	R46	R34	\$ 33,504.00
Clerical Officer	R46	R34	\$ 24,024.00		Clerical Officer	R46	R34	\$ 33,504.00
Groundsman	R51	R38	\$ 28,596.00		Groundsman	R51	R38	\$ 28,596.00
Cleaner / Helper	R51	R46	\$ 21,735.96		Groundsman	R51	R38	\$ 28,596.00
Substitutes			\$ 48,048.00		Substitutes			\$ 48,048.00

Previous Salaries			\$ 1,498,500.00		New Salaries	Updated Salaries		\$ 1,829,772.00
402 - SECONDARY EDUCATION								
Principal	R8	R8	\$ 73,020.00		Education Officer	R8	R8	\$ 73,020.00
Principal (Vice)	R12	R9	\$ 69,282.00		Principal	R8	R8	\$ 73,020.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 58,104.00		Principal (Vice)	R12	R9	\$ 69,282.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 63,648.00		Head of Department-Science	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 63,648.00		Head of Department-English	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 63,648.00		Head of Department-Modern Language	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 63,648.00		Head of Department-Business/ICT	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 63,648.00		Head of Dep't-Vocational/Technical	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00		Head of Department-LEAP/SSS	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00		Head of Department-Humanities	R12	R12	\$ 66,852.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 62,064.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 62,064.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 59,688.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 59,688.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 54,936.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00

Teachers (Graduate Untrained/Trained)	R22	R14	\$ 54,144.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 53,352.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 53,352.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 53,352.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 52,560.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 51,768.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 51,768.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 51,768.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 47,808.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Teachers (Graduate Untrained/Trained)	R22	R14	\$ 44,784.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 55,728.00
Guidance Counsellor	R22	R16	\$ 56,520.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Physical Education Teacher	R22	R16	\$ 56,520.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
SEN Teacher	R22	R16	\$ 58,896.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Drama Teacher	R22	R16	\$ 58,104.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Guidance Counsellor	R22	R16	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Head, Pupil Support Unit	R28	R16	\$ 58,896.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 60,480.00
Technical II	R28	R22	\$ 60,480.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 62,064.00
Technical II	R28	R22	\$ 60,480.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 62,064.00
Music Teacher	R28	R22	\$ 55,728.00		Guidance Counsellor	R22	R16	\$ 62,064.00
Technical II	R28	R22	\$ 50,976.00		Guidance Counsellor	R22	R16	\$ 56,520.00

Communication Liaison Officer	R28	R22	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Technical II	R28	R22	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
School Safety Officer	R28	R22	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Executive Officer	R28	R22	\$ 48,600.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Technical II	R28	R22	\$ 47,808.00		Teachers (Graduate Untrained/Trained)	R22	R16	\$ 57,312.00
Technical II	R28	R22	\$ 41,760.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
School Safety Officer	R28	R22	\$ 22,164.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Teacher (Trained)	R33	R21	\$ 54,144.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Teacher (SEN Support)	R33	R21	\$ 50,976.00		Teachers (Graduate Untrained/Trained)	R22	R14	\$ 57,312.00
Teacher (Trained)	R33	R21	\$ 50,976.00		Technical II	R28	R16	\$ 57,312.00
Teacher (Special Education / LEAP)	R33	R21	\$ 50,976.00		Technical II	R28	R16	\$ 57,312.00
Teacher Assistant	R38	R36	\$ 50,976.00		Technical II	R28	R16	\$ 50,976.00
Teaching Assistant	R38	R36	\$ 32,196.00		Technical II	R28	R16	\$ 50,976.00
Teacher Assistant	R38	R36	\$ 30,996.00		Technical II	R28	R16	\$ 50,976.00
Safety Officer	R38	R36	\$ 22,164.00		Technical II	R28	R16	\$ 50,976.00
Lab Assistant	R46	R34	\$ 25,794.00		Teacher Assistant	R38	R36	\$ 30,996.00
Clerical Officer	R46	R34	\$ 24,378.00		Teaching Assistant	R38	R36	\$ 30,996.00
Groundsman	R51	R38	\$ 28,596.00		Teacher Assistant	R38	R36	\$ 30,996.00
Office Attendant	R51	R45	\$ 21,942.00		Communication Liaison Officer	R28	R22	\$ 50,976.00
Substitutes			\$ 79,572.00		Lab Assistant	R46	R34	\$ 33,504.00
					School Safety Officer	R28	R22	\$ 50,976.00

					School Safety Officer	R28	R22	\$ 50,976.00
					School Safety Officer	R28	R22	\$ 50,976.00
					Executive Officer	R28	R22	\$ 50,976.00
					Snr. Clerical Officer	R33	R29	\$ 40,248.00
					Clerical Officer	R46	R34	\$ 33,504.00
					Groundsman	R51	R38	\$ 28,596.00
					Office Attendant	R51	R45	\$ 22,164.00
					Substitutes			\$ 79,572.00
Previous Salaries			\$ 2,962,344.00		New Salaries			\$ 3,682,974.00
<u>404 - EARLY CHILDHOOD EDUCATION</u>								
Education Officer	R12	R8	\$ 71,712.00		Education Officer	R8	R8	\$ 73,020.00
Nursery Head	R28	R16	\$ 47,808.00		Nursery Head	R14	R10	\$ 70,092.00
Nursery Head	R28	R16	\$ 46,296.00		Nursery Head	R14	R10	\$ 70,092.00
Nursery Head	R28	R16	\$ 41,760.00		Nursery Head	R14	R10	\$ 70,092.00
Senior Nursery Nurse	R33	R29	\$ 40,248.00		Daycare Head	R14	R10	\$ 70,092.00
Senior Nursery Nurse	R33	R29	\$ 33,504.00		Daycare Head	R14	R10	\$ 70,092.00
Senior Nursery Nurse	R33	R29	\$ 32,196.00		Daycare Head	R14	R10	\$ 70,092.00
Nursery Nurse	R38	R34	\$ 30,996.00		Daycare Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Nurse	R38	R34	\$ 30,996.00		Daycare Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00

Nusery Nurse	R38	R34	\$ 30,996.00		Daycare Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Nurse	R38	R34	\$ 29,196.00		Daycare Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 33,504.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 32,196.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 32,196.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 32,196.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 30,996.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 30,996.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 29,196.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Cook	R46	R36	\$ 27,996.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 26,502.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Nursery Teacher	R46	R36	\$ 25,440.00		Nursery Teacher (Untrained/Trained)	R22	R16	\$ 63,648.00
Cook Helper	R46	R36	\$ 24,378.00		Nursery Cook	R33	R29	\$ 40,248.00
Helper	R46	R36	\$ 24,024.00		Nursery Cook	R33	R29	\$ 40,248.00
Helper	R46	R36	\$ 23,670.00		Nursery Cook	R33	R29	\$ 40,248.00
Nursery Teacher	R46	R36	\$ 20,832.00		Cook/Helper	R46	R34	\$ 33,504.00
Nursery Cook	R51	R45	\$ 23,316.00		Cook/Helper	R46	R34	\$ 33,504.00
Nursery Cook	R51	R45	\$ 21,720.00		Cook/Helper	R46	R34	\$ 33,504.00
Substitutes			\$ -		Substitutes			
Salaries			\$ 874,900.00		New Salaries			\$ 1,605,900.00

