

“Scientific” benchmarking exercise preferable, says top civil servant

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The country's top civil servant told has said he would back the establishment of an independent, evidence-based and transparent process for looking at top-level remuneration in the public service, rather than the “ad hoc” arrangements in place at present.

Martin Fraser, the secretary general in the Department of An Taoiseach, acknowledged that no benchmarking exercise or international comparison was carried out before the pay level of the top civil servant in the Department of Health was increased by over €80,000 to €292,000.

The now disbanded Public Service Pay Commission – its term expired in 2019 – had proposed an “evidence based” system be put in place, but this recommendation wasn’t taken up by government.

Mr Fraser explained that the decision on the secretary general post had to be made in the midst of the current pandemic, and at a time when there was no public service body in place.

“The rationale [for the decision to opt for a higher pay rate] was that if we were to run an open competition based on the existing secretary general salary we were very likely to get serving assistant secretaries in the Civil Service or people at that level or lower in the private sector as remuneration in the private sector for those type of jobs is higher,” he said.

The secretary general was speaking at a joint meeting of the Oireachtas Committees of Finance and Public Accounts, which are examining the processes and procedures in place for determining the remuneration of senior public servants.

He explained that he had presented four options for filling the position, with the Minister for Public Expenditure Michael McGrath choosing to increase the remuneration package as long it didn’t exceed €300,000. “It was not more scientific than that,” he said.

Robert Watt, former secretary general of the Department of Public Expenditure Robert Watt was appointed to the post in the Department of Health in April. He has waived the €81,000 pay increase for the time being. He had been in the post in an interim basis since January.

Mr Fraser also told Mairéad Farrell (Sinn Féin) that while he would rather “there was a much more scientific basis for all of these things but there isn’t; there isn’t a public service pay body”.

WOUND UP IN 2019

The former Public Service Pay Commission, whose mandate expired in the summer of 2019 had – in its final report - suggested that the Review Body on Higher Remuneration in the Public Sector should be reconstituted, as a way of addressing recruitment and retention issues affecting senior executive public servants.

The Commission also observed at the time that the pay cuts and restrictions imposed during the crisis years had a greater impact on the pay of those at very senior levels, compared to those lower down the pay ladder. In the context of pay cuts imposed post financial crash, it said that senior executive public servants had to wait much longer for full pay restoration than their colleagues.

The Commission also revealed at the time that it had been told by the by the Department of Public Expenditure and Reform (DPER) that attracting candidates for certain high-level posts was difficult because of constraints on remuneration. DPER had acknowledged “a continuing difficulty in attracting candidates for certain high-level posts due to constraints on remuneration”.

The Commission further observed that DPER was of the view that the current situation has resulted in a “policy deficit with pay rates being determined on an ad hoc basis ...”. The Commission supported the view that this approach is “nether desirable nor sustainable”.

The previous higher review body approach had, the Commission said, provided “objective, evidence-based assessments to inform pay policy via periodic reviews of the adequacy of remuneration for senior grades between 1969 and 2009”.

(See also: [Government's call as Commission backs return of Higher Review Body in IRN 37 - 17/10/2019](#) and [‘Top public service pay: Government continues to operate in a policy vacuum’ in IRN 06/2021](#))