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PRIME MINISTER OF SINT MAARTEN

Minister-President van Sint Maarten

Philipsburg, February 2, 2021

The President of the parliament of Sint Maarten Mr. Rolando Brison Wilhelminastraat #1 Philipsburg, Sint Maarten

Subject: Presenting the Note following the Final Report of Parliament on the Temporary National Ordinance on the amendment of the employment conditions of political authorities.

DIV# 11253/B

Honorable President of Parliament,

Please find attached the note following the final report on the above-mentioned draft temporary ordinance.

I trust to have informed you sufficiently.

Sincerely,

Silveria E. Vacobs Prime Minister of Sil

Minister of General Affairs



GOVERNMNT OF SINT MAARTEN

Prime Minister and Minister of Finance of Sint Maarten

January 26th 2021

NOTE FOLLOWING THE FINAL REPORT

Parliament in its meeting of the Central Committee has exchanged views with the Government on the Draft National Ordinance on the Temporary National Ordinance on the amendment of the employment conditions of political authorities.

Parliament considers the present draft to be sufficiently prepared if the questions asked below are answered in time for the public meeting so that the draft can be discussed in a public meeting.

In order for Parliament to consider the present draft to be sufficiently prepared, so that the draft can be discussed in a public meeting, Parliament is hereby provided with the answers to the questions stated in its final report.

The text of the questions as stated in the final report is expressed in black, while the text of the answers are provided in blue and brown.

Questions for PM

- 1. What is the difference between the recess from the teachers and the recess for parliament is not considered whereas for teachers recess is considered **ANSWER**: Teachers do not have a recess. They have their vacation during the time school are closed. They are now required to put in additional days in school preparation during school vacations. Members of Parliament on the other hand do not have a vacation regulation granting them vacation days. They are therefore not listed as a monetary benefit.
- 2. Indefinite period of time, a law without a timeline what is the legal basis? What is the legal basis used to make a law without a time-line.? **ANSWER:** A national ordinance is a decree that contains generally binding regulations, taken jointly by the government and Parliament, by a procedure as described in the Constitution of Sint Maarten. Generally laws are established for an indefinite period of time for example Civil Code, The criminal Code, the tax laws, etc. And can be amended and or revoked at any time by the body that establishes them. The difference lies in the intention of the working of the law as such the legal basis for a temporary law is the establishment of said law by the authorities mentioned above who may

enact it. And As I have stated before government is authorized in this draft to revoke it by national decree when it is ready to do so, which is when we are able to carry our own budget.

- 3. These laws are for all the countries and I cannot find this law passed from all countries. Because this is a law that had to be passed in order to have discussions on the third tranche which means that these laws should have been enacted? **ANSWER:** Of course I would have to have this checked myself but according to my understanding these laws have been either established or in the process of being established because as you indicated MP they had to make significant steps in the legislative process in order to continue discussions. Yes, Aruba passed theirs on a temporary basis and extended at the end of December 2020 until further notice, Curacao also passed theirs in December 2020.
- 4. How do these laws work exactly? The effectiveness of our laws with reference to the conditions. How on one hand do you tie the reductions to the salary scales and on the other not?

ANSWER: The salary scales for civil servants are not changed and there is no need for that. The 12.5% reduction for civil servants does not include a reduction in the amounts in the salary scales. The reduction is accomplished otherwise.

- 5. The Ombudsman role, when do their role kick in? The provision for review by the Ombudsman (6 weeks)? **ANSWER:** After the Law has been approved in Parliament and signed by the Governor it is published in the official publications. It is then to go into effect after 6 weeks, unless the Ombudsman starts a case with the Constitutional Court. In that case it goes into effect 3 weeks after the Constitutional Court has cleared it. It will not go into effect at all if the Constitutional Court deems it to be in conflict with the Constitution.
- 6. Scale 17 and up... Cut in the salaries of Ministers and Members of Parliament. **ANSWER:** MP Buncamper, thank you for your question, due to the reductions of salaries of Ministers and Parliament, some high-ranking civil servants, which amount to about 10, will indeed experience some reductions. These reductions are based on the secondary and tertiary benefits and this will be further explained in the presentation on the Agenda point 3.

Questions for MINFIN

MP Buncamper

- 1. What does this means financially for the reduction of the remuneration of the Members of Parliament and the Ministers regarding Vacation days: what is the difference between the recess days for Members of Parliament and the recess days of teachers:

 ANSWER:
 - a. PM:
 NAf 21,294.55 minus 10.652% of NAf 18,571.00 (NAf 1,972.43) = NAf 19,322.49.
 Yearly reduction on the remuneration of NAf 23,669.16

- b. Other ministers, the President of Parliament, Minister Plenipotentiary:

 NAf 20,368.70 minus 10.545% of NAf 18,571.00 (NAf 1,952.62) = NAf 18,416.08.

 Yearly reduction on the remuneration of NAf 23,431.44
- c. Other Members of Parliament:
 Naf 19,442.85 minus 10.428% of NAf 18,571.00 (NAf 1,930.95) = NAf 17,511.90.
 Yearly reduction on remuneration of NAf 23,171.40

With respect to these laws the difference or the similarity in the meaning of recess and vacation is not relevant. The Ministers enjoy vacation and Parliament members enjoy recess. The Cft advised that in neither case were these to be used towards the 25% reduction. Having said that, Ministers do have vacation regulated by law in Article 6, first section of the national ordinance remuneration political authorities determines that the ministers and the minister plenipotentiary have 30 vacation days.

MP GUMBS

1) Did Government surpass the Duncan motion to cut 5% of the Parliamentarians salaries: ANSWER: Yes.

MP Wescot – Williams

1 What are the savings for not having a Minister Plenepotentiary.:

ANSWER:

Remuneration NAf 20368,70
Representation Allowance 6% NAf 1.222,12
Transportation Allowance 500,--

Vacation Allowance 6% <u>1.222,12</u>

Rough calculation not including pension build up: NAf 23312.94 x12 NAf 279.755,28

2. CFT article 11, on amended budget 2020 or Draft Budget 2021?

ANSWER: Both article 11 advises have been received. The budget amendment 2020 is at the Council of Advice and the draft budget 2021 will be send them ASAP.

3. Rough general wage tax bracket for the civil servant. Can the MinFIN give an overview of the wage tax bracket of the highest paid Civil servants, Ministers and Members of Parliament?

ANSWER: A general overview: MP while you specifically asked not to give any general explanation of how wage tax work, I must mention that because of the level of the salaries of the top civil servants, ministers and MPs a portion of the salary is taxed with the highest tax percentage being 47.5 %.

If we take make a rough calculation of the new MPS salary of 196.000 per year. The Wage Taks based on the progressive bracket system is about NAf 64.052,04. This of course does

not take into consideration the 14% AOV/AWW or the AVBZ. In principal about half of the salary will be paid to taxes and premiums.

1. Fringe benefits and an amount?

ANSWER:

a. PM:

i.	Representation Allowance 6% Naf	1.277,67
ii.	Transportation Allowance	500,
iii.	Vacation Allowance 6%	<u>1.277,67</u>
iv.	Telephone and vehicle	

b. Other ministers, the President of Parliament, Minister Plenipotentiary:

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i.	Representation Allowance 6% Naf	1.222,12
ii.	Transportation Allowance	500,
iii.	Vacation Allowance 6%	1.222,12
iv.	Telephone and vehicle	
c. Oth	ner Members of Parliament:	
i.	Representtion Allowance 6% Naf	1.166,57
ii.	Transportation Allowance	500,
iii.	Vacation Allowance 6%	1.166,57

All these fall away after the laws are passed by Parliament.

MP: G. Pantophlet: Statements, no questions.

1. the member of parliament when she mentioned the saving that were made from June 2020?

These are temporary national ordinance, This parliament at any time can pull them back because in one of the article it said until further order but once we have reached the conditions then it rests in the hands of our government. I just wanted to make that clear it is still a temporary ordinance.

We are in difficult time and definitely those who earn more should offer up more. If we do what we need to do we may not need the assistance of the CFT or the COHO to handle in a responsible manner