

**ONE HUNDRED AND TWELFTH REPORT**

**OF THE**

**SALARIES REVIEW COMMISSION**

**OF THE**

**REPUBLIC OF TRINIDAD AND TOBAGO**

August <sup>12</sup>09, 2021

## ONE HUNDRED AND TWELFTH REPORT OF THE SALARIES REVIEW COMMISSION

### Determination of the salary and other conditions of service of the office of Assistant Director of Budgets, Budget Division, Ministry of Finance

By letter dated January 15, 2020, Her Excellency, the President of the Republic of Trinidad and Tobago, conveyed her approval for the Salaries Review Commission (SRC) “to include the re-designated position of Assistant Director of Budgets, Ministry of Finance under its purview with classification in Group 4A as recommended by the Minister of Finance.” The office was placed within the purview of the SRC by virtue of Legal Notice No. 354 dated December 05, 2019.

2. The main operational purpose or the core function of the Budget Division (BD) is derived from the responsibilities assigned to the Minister with responsibility for Finance under section 113 (1) of the Constitution of the Republic of Trinidad and Tobago and the Exchequer and Audit Act, Chapter 69:01. Section 113 (1) of the Constitution states:

*the Minister responsible for Finance shall cause to be prepared and laid before the House of Representatives before or not later than thirty (30) days after the commencement of each financial year, estimates of the revenues and expenditure of Trinidad and Tobago for that year.*

The Exchequer and Audit Act, Chapter 69:01 states:

*The Minister shall subject to the Constitution and this Act, have the management of the Consolidated Fund and the supervision, control and direction of all matters relating to the financial affairs of the State, which are not by law assigned to any other Minister.*

### Role and Function of the Budget Division

3. The BD is therefore directly responsible for the effective formulation, preparation, administration and control of the Annual Budget within the context of Government’s macro-economic objectives. As such, the BD undertakes the core analysis, management, implementation and provision of consultancy services on budgetary matters for the Executive and the wider Public Service. In addition, it has the responsibility for designing and implementing policies and procedures for Ministries and Departments to adhere to in the preparation, utilisation and reporting of their Expenditure and Revenue Estimates. This also includes providing technical and administrative support to Ministries/Departments and other Government Agencies in the management of funds on behalf of the Minister of Finance.

4. The preparation of the Annual Estimates of Expenditure and Revenue and the Administration of the Estimates of Expenditure entails a two (2) tier process which spans eighteen (18) months to complete a full Budget Cycle. The process also requires the preparation of five (5) Budget documents which must be laid in the Parliament on “Budget Day”. These are, Estimates of Revenue, Estimates of Expenditure, Details of Estimates of Recurrent Expenditure, Estimates of Revenue and Expenditure of the Statutory Boards and similar Bodies and of the Tobago House of Assembly (THA) and Estimates of Development Programmes.

### **Structure of the Budget Division**

5. The BD comprises of several Sections/Units as indicated hereunder:
- ***Revenue Section;***
  - ***Computer Section;***
  - ***Expenditure Section*** - This section is divided into three functional Units, as follows: -
    - Unit A-D
    - Unit F&G
    - Unit E
  - ***Finance Committee/FAC/ Funds Unit; and***
  - ***Training and Human Resources and Statistical Unit;***

### **Reporting Relationships**

6. The BD is headed by the Director of Budgets, who reports to the Permanent Secretary, Ministry of Finance, and is assisted and supported by the Deputy Director of Budgets in providing leadership and advice to the BD. The Expenditure and Revenue Sections are supervised by an Assistant Director of Budgets (ADB), while the Finance Committee/FAC/ Funds and the Training and Human Resources and Statistical Units are supervised by a Senior Budget Manager (SBM). In addition, the ADB, Revenue Section, and the SBM, Finance Committee/FAC/Funds and Training and Human Resources and Statistical Units, report directly to the Director of Budgets, while the ADB, Expenditure Section, reports to the Deputy Director of Budgets.

### **Duties and Responsibilities of the ADB**

7. The ADB assists the Director and Deputy Director of Budgets in providing strategic direction and guidance to top level officials and senior managers in all Government entities and authorities within the Republic of Trinidad and Tobago, thereby ensuring compliance with the Financial Regulations. The ADB also provides support to key stakeholders of client Ministries/Departments by rendering advice geared toward prudent fiscal management of their appropriated allocations.

8. The major duties and responsibilities of the office of ADB include the following:

- Directing and managing the work of the Expenditure and/or Revenue Sections in the preparation and presentation of the Draft Estimates of all Ministries/Departments, Statutory Authorities/ Boards and the Tobago House of Assembly (THA);
- Contributing to the formulation of the Budget Division's strategic and operational policies by reviewing, periodically, the functions and operations of implemented policies and, where necessary, making recommendations for adjustments in keeping with the strategic mission of the Division;
- Managing the activities of the respective Sections/Units to ensure the accuracy of data for the annual closing of accounts of the various Ministries and Departments and monitoring the preparation/certification of schedules in respect of the Supplementation and /or Variation of Appropriation;

- Monitoring and advising all Ministries/Departments, Statutory Authorities/Boards and the Tobago House of Assembly (THA) on the correct guidelines and procedures necessary to manage budgetary and expenditure controls and revenue administration in keeping with legislation and policy directives;
- Overseeing and reviewing the preparation of briefs in response to the submission of Draft Estimates of Expenditure and Revenue by Ministries and Departments and in order to address complex issues arising out of the submissions;
- Supervising the conduct of research on new budgetary concepts and providing advice to the Director of Budgets, the Permanent Secretary, Ministry of Finance and the Minister of Finance that would inform legislative policy on expenditure and revenue management;
- Visiting Government Ministries and Departments to clarify and resolve complex issues relating to expenditure control and revenue collection in order to ensure compliance with existing procedures; to have programmes and projects expedited; and to review processes for the maintenance and improvement of Government's Financial System;
- Convening and presiding over monthly meetings of Cabinet Appointed Committees for the determination of waivers with respect to applications received for the remission/refund of customs/stamp duty and various taxes, and guiding the deliberations to ensure that suggestions/ recommendations are within the framework of current legislation and policy guidelines;
- Preparing drafts and financial procedural documents such as Cabinet Notes, Comments and Reports for senior personnel to assist with the development of new systems and policies which would improve efficient utilization of public funds;
- Representing the Ministry of Finance on State Boards and Committees, such as Cabinet Appointed Committees and Tenders Selection Committees, as may be required, to provide sound counsel and recommendations on the proper management of expenditure and revenue;
- Assessing fiscal and economic global trends and issues as well as reviewing and analysing revenue data to facilitate policy formulation; and
- Monitoring and ensuring the timely collection and proper classification of revenue within the confines of the Tax Laws.

**Educational Qualifications and Training of the office of ADB**

9. The office holder is required to possess the following:
- a Bachelor's Degree in the area of Accounting or Economics or Business Management or Public Sector Management and/or Level III of a professional qualification in Accountancy, such as ACCA or CIMA; and
  - at least ten (10) years' experience in the preparation and implementation of National Budgets.

## Analysis

10. In our deliberation of an appropriate remuneration package for the office of ADB, we took into account that certain offices in the Top Managers in the Public Service Grouping carry out distinct and important functions that are unique to the Public Service and which have a national impact. As is customary, an examination of the duties and responsibilities of the office of ADB was conducted in relation to the hierarchy of offices in the Grouping, as well as other offices within the Budget Division.

11. Notably, the holders of offices within the purview of the SRC are required to perform duties of considerable responsibility involving policy formulation and implementation at the national level and are responsible for strategic planning and management of the operations of a Ministry/Department/Agency/Statutory Authority. Such offices are essentially top management positions, which, by the very nature of the duties and responsibilities attached thereto, are readily identifiable as being distinct from other offices which comprise the Bargaining Unit within the organization.

12. In this regard, we note that the ADB is responsible for the direct supervision of a Section and reports to the Deputy Director in the instance of the Expenditure Section and to the Director of Budgets in the instance of the Revenue Section. Further, we have examined closely the duties and responsibilities of the ADB as set out at paragraph 8 above, including the specific role of the office holder in the design and implementation of policies and procedures to be followed by Ministries and Departments in the preparation, utilization and reporting of their Expenditure and Revenue Estimates. In this context, we recognize the significant contribution of the ADB in providing strategic direction and guidance to senior public officials.

13. During our deliberations, we took account of the remit given by Her Excellency for the SRC to include the re-designated position of ADB, Ministry of Finance, under its purview with classification in Group 4A, as recommended by the Minister of Finance. As such, an examination was conducted of the duties and responsibilities, scope and function of the other offices placed within Group 4A, namely, the Assistant Commissioner of Valuations (ACOV) and the Assistant Commissioner of Inland Revenue (ACOIR).

14. The Valuation Division was established by the Valuation of Land Act, Chap. 58:03 to make provision for the valuation of land for taxation, rating and other purposes and for other matters connected therewith and incidental thereto. The Valuation Division is headed by the Commissioner of Valuations who provides the Government with valuation and land economy advice and technical expertise geared towards the formulation and execution of policy in respect of management of the country's land resources, land taxation and the State's real estate holdings. The ACOV provides support to the Commissioner in planning, organising and directing the activities of the Valuation Division.

15. The Inland Revenue Division serves as the principal tax collecting agency in Trinidad and Tobago and was established under Section (3) of The Income Tax Act Chapter 75:01 to facilitate the collection of government's revenue through taxation. In accordance with the Act, the Inland Revenue Division is managed by a Board of five (5) Commissioners, one of whom is appointed Chairman, who presides over meetings of the Board. The Board is charged with the responsibility of developing broad policies and programmes for the administration of the Tax Laws relating to nineteen (19) tax types and of directing, guiding, co-ordinating, and evaluating the activities of the Division. The Inland Revenue Division's mandate is guided by the Audit and Exchequer Act Chapter 69:01.

16. The ACOIR supports the Commissioner of Inland Revenue by collectively working to advance the Division's strategic direction through the development, implementation and evaluation of strategies, operational policies, processes and systems, within the framework of tax laws and statutes and adherence to both local and international standards, all of which ensures the appropriate and efficient administration and collection of tax revenue within Trinidad and Tobago. Essentially, the ACOIR is responsible for managing an assigned sub-unit of the Inland Revenue Division, which covers several areas of the tax administration system, and is thus required to ensure compliance with taxation laws, the collection of the appropriate taxes, proper auditing of taxable incomes and revenues and the maintenance of an effective taxation accounting system.

17. A comparison of the duties and responsibilities of the offices of ACOV and ACOIR with those of the ADB, revealed that the offices are similar, in that, they are all required to perform duties and responsibilities that are of a professional and administrative nature and as such, are responsible for planning, managing, directing and co-ordinating the operational activities of their respective Division/Section/Unit. The office holders are also required to monitor and review and make recommendations for adjustments to the operational policies of their respective organisations. As well, they are heavily engaged in the formulation and implementation of strategies and policies in order to:

- enable fair, consistent and competent advice, recommendations and decision making in respect of property transaction, property taxation and land management in Trinidad and Tobago, on the part of the ACOV;
- ensure and maximise taxpayers' compliance with taxation laws in Trinidad and Tobago, on the part of the ACOIR; and
- manage Budgetary and Expenditure and Revenue controls and administration in keeping with legislation and policy directives for ensuring the prudent management of financial resources in Trinidad and Tobago, on the part of the ADB.

18. Essentially, the above office holders are required to perform duties and responsibilities that have significant and direct impact on the citizenry, since, in the case of the ACOV and the ACOIR, they provide expert advice and guidance as to the generation and collection of revenue, in the form of taxes, while, in the case of the ADB, the office holder provides advice and guidance on the prudent management of financial resources, which contributes to accountability and transparency of the public purse.

19. Against this background, and taking into account that the Job Evaluation Exercise and Compensation Survey (the Exercise) of all offices within the purview of the SRC is currently underway, we anticipate that the results of the Exercise will provide a more rational, transparent and defensible evaluation of all jobs and reflect the relative worth of all of the offices, including that of the office of ADB. In the circumstances, we are of the view that, pending the outcome of the Exercise, the remuneration applicable to the office of ADB should be similar to that of the offices of ACOV and ACOIR in Group 4A of the Top Managers in the Public Service Grouping.

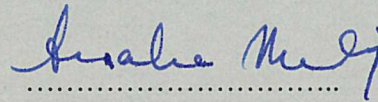
**Recommendation**

20. In light of the foregoing, it is recommended that the office of Assistant Director of Budgets be remunerated, on an interim basis, in Group 4A of the Top Managers in the Public Service Grouping. The recommended remuneration arrangements for the office are contained in the **Appendix**.

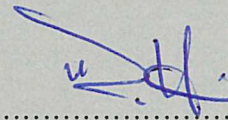
**Effective Date**

21. Except for the Motor Vehicle Loan Facilities, Tax Exemptions under the Transportation Facilities and Subsistence Allowance, it is recommended that the remuneration arrangements for the office of Assistant Director of Budgets should be effective from December 5, 2019, that is, the date on which the office was placed within the purview of the Salaries Review Commission. The Motor Vehicle Loan Facilities, Tax Exemptions and Subsistence Allowance should take effect from the date of the relevant memorandum/letter notifying of any revised remuneration arrangements to be applicable to the office.

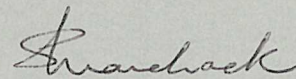
Dated this 09<sup>th</sup> day of August, 2021



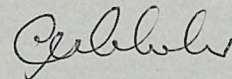
Amalia L. Maharaj  
(Chairman)



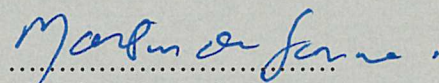
Howard Dottin



Sandra Marchack



Chrisendath Mahabir



Charles Martin de Gannes

**Recommended Remuneration Arrangements for  
the office of Assistant Director of Budgets**

<u>Salary</u>	<u>\$ per month</u>
Assistant Director of Budgets	\$23,000

**Transport Facilities**

- (i) A maximum loan of \$180,000 at a rate of interest of 6% per annum repayable over a period of six (6) years to facilitate the purchase of either:-
  - (a) a new motor vehicle with exemption from Motor Vehicle Tax limited to the amount payable on a vehicle with an engine capacity of 1799cc and exemption from Value Added Tax limited to the amount payable on a vehicle costing \$180,000; or
  - (b) a used motor vehicle with exemption from Special Motor Vehicles Tax limited to the maximum amount payable in respect of Motor Vehicle Tax on a vehicle at (a) above and Value Added Tax limited to the amount payable on a vehicle costing \$180,000.
- (ii) A loan to cover the cost of Motor Vehicle Insurance premium at a rate of interest of 6% per annum.
- (iii) A maximum loan of \$20,000 at a rate of interest of 6% per annum to effect repairs to a motor vehicle.
- (iv) A Transportation Allowance of \$3,480 per month.

**Subsistence Allowance**

- (i) \$200 per day when travelling on official business beyond a radius of sixteen (16) kilometres from official headquarters, and where it is necessary to purchase a meal(s).
- (ii) When assigned/transferred to Tobago (or to Trinidad where the office holder is stationed in Tobago), the following to be applicable:-
  - (a) **Official duty or assignment of one (1) month or less**

The office holder to be eligible for hotel accommodation and meals, as necessary. In the absence of the provision of any meal(s), to be paid \$200 per day. (The provision at (i) above shall not apply.)



**(b) Temporary assignments in excess of one (1) month and not exceeding six (6) months**

The office holder to be responsible for his/her accommodation and meals. However, the State may, at its option, provide accommodation only for the office holder.

- (i) Where accommodation only is provided by the State, to be paid a Tobago/Trinidad Duty Allowance of \$2,775 per month.
- (ii) Where accommodation is not provided by the State, to be paid a Tobago/Trinidad Duty Allowance of \$6,750 per month.

**(c) Permanent transfer to Tobago/Trinidad (periods in excess of six (6) months)**

The office holder to be responsible for his/her accommodation and meals.

- (i) Where the office holder is eligible for a Housing Allowance, to be paid, in addition to such allowance, a Tobago/Trinidad Duty Allowance of \$2,775 per month for a period not exceeding two (2) years.
  - (ii) Where the office holder is not eligible for a Housing Allowance, to be paid a Tobago/Trinidad Duty Allowance of \$6,750 per month for a period not exceeding two (2) years.
- (iii) For travel abroad on official business, the provisions of Minister of Finance Circular No. 2 dated March 17, 2017 or other relevant Circular to apply.

**Vacation Leave**

Thirty (30) calendar days per annum.

**Telecommunication Facilities**

\$300 per month.

**Medical Benefits**

Membership in and entitlement to medical benefits as provided under the UNIMED Group Health Plan.

**Pension/Gratuity**

Entitlement to superannuation benefits in accordance with the provisions of the Pensions Act, Chap. 23:52.