

Ministerial pay: Calibration matters, but also regular reviews

Singapore's system has many admirers but while the principles are clear, the pay proposal will be tough to sell politically.

Aaron Maniam

I recently returned to Singapore after three years teaching at the Blavatnik School of Government at the University of Oxford. Many students there are serving political leaders and officials from across the world, several with many years' experience. Singapore's approach to paying political and public service leaders came up often.

THE VIEW FROM OUTSIDE

It was striking how positively many students viewed Singapore's approach. Most noted, with some regret, that their own countries had failed to find a balance between paying enough that capable people are willing to do the job, but not so much that public office becomes indistinguishable from any other career. For many, Singapore's answer was carefully considered, with a transparent formula behind it and robust parliamentary debate around it.

This is rarer than we might think. Many systems value the human contribution to good governance through either administrative rules, or relying on people wealthy enough to serve. Singapore's deliberate, balanced and open approach is a unique governance competency we should not take for granted.

WHAT UNDERPAYMENT COSTS

Consider the country I just left. A British MP's basic salary rose to £98,599 (S\$168,837) from £93,904 in April 2026, a 5 per cent rise since the previous increase in 2025. The adjustment included a 3.5 per cent cost-of-living increase and a 1.5 per cent benchmarking adjustment.

Supplements for those with ministerial responsibilities have

been limited in cash terms since 2010. A Cabinet minister running a department with a budget of multiple billions earns roughly £166,000. This is a fraction of what the same person would command if they came from the private sector. The value of this pay has been shrinking in real terms for 15 years.

In 2022 alone, the United Kingdom had three prime ministers, four chancellors of the exchequer and five education secretaries. That was an extreme year, but part of a longer trend. According to a database from the UK think-tank, the Institute for Government, the average tenure of a UK Cabinet minister since 1997 has been under two years,

among the shortest in Western democracies. Ministers rotate out before they understand their briefs, officials learn to wait out the incumbent, and long-horizon problems like climate change, energy security and productivity are often tinkered with rather than solved.

Pay is not the only cause of this churn, which some friends in the British civil service describe as a growing "ungovernability" in their country. But pay exacerbates the flux. It narrows the political recruiting pool to those with private means, those treating office as a staging post to something more lucrative, or those who cannot command more elsewhere. None of this makes for good governance.

Britain understood this calculus once. In 1911, the House of Commons voted to pay its members for the first time, after a court ruling cut off trade union funding for Labour MPs. The reasoning was clear: An unpaid

Parliament would be a Parliament of the independently wealthy. Representation without remuneration was representation by a narrow class.

SOUND PRINCIPLES

The same principle applies to getting the level of pay right, as reflected in the three Cs underpinning the benchmark revision announced on Sept 8.

The first is Calibre. A benchmark left untouched for 15 years eventually risks deterring desirable candidates from stepping up to politics' weighty work. The new medium-term benchmark of \$1.8 million is not a policy innovation, but a restoration to a commensurate reference point. The second is Commitment. The benchmark involves a 40 per cent discount from the median income of the top 1,000 Singaporean earners.

This discount is critical – signifying that political office should cost its holders something, but not so much that only the wealthy, power-hungry or indifferent apply. Third, the wage is Clean, with no perks hidden in claims, accommodation provisions or other allowances, which countries like the United States and France offer their leaders.

CARE IN THE DETAIL

I would add a fourth C – Calibration. Singapore's reputation abroad rests as much on meticulous operationalisation as on bold headline decisions.

Start with the benchmark pool. The 1994 White Paper pegged ministerial pay to the top earners in six professions, a group of 24 people. A revision in 2000 widened it to 48. The 2012 framework, which this review retains, uses the median income of a far wider group, the top 1,000 Singapore citizen earners across

all occupations. This matters if we want political leaders drawn from more varied backgrounds than law, medicine, and banking.

The phasing matters too. Ministers will not move to the new benchmark immediately. The initial adjustment is capped at 9 per cent, so the largest increase for any minister who is holding an annual salary of \$1.1 million will be to \$1.2 million. Measured from 2011, when salaries were last set, this amounts to an annualised adjustment of about 0.6 per cent, well below inflation over the same period. In real terms, the salary will be worth less than it was 15 years ago. Even those who receive the full \$1.8 million benchmark in time will see an annualised adjustment of 3.6 per cent since 2011, below median income growth of 4.3 per cent or 4.6 per cent for the lowest fifth of earners.

The incentives are distributed and disciplined. Sixty-five per cent of the package remains fixed, while 35 per cent varies with individual performance and national economic conditions – the latter through a national bonus weighted equally across four indicators: real median income growth, real income growth of the lowest fifth of earners, citizen unemployment, and real GDP growth. A portion of a minister's pay therefore moves with how Singaporeans as a whole are faring. The performance targets for most of these indicators have also been tightened, holding ministers to higher standards even in a more challenging global environment.

PRINCIPLES AND POLITICS

While the principles are clear, this proposal will be tough to sell politically. Why lift the benchmark at all, and by an amount many Singaporeans will find high, when salaries are

already high compared to other countries' leaders? Why now, when workers are navigating disruption from increasingly capable artificial intelligence and an unstable global economy?

The frustration behind these questions is genuine. Answering them must move beyond emotion and involve scrutinising the numbers in the holistic package. The immediate increase is controlled, the real-term salary value since 2011 is downward, and a fifth of the package is exposed to the same challenging conditions affecting all Singaporeans.

Some answers also emerge when we take the long view. A benchmark signals to people who will enter politics five, 10, even 20 years from now, at the point where they weigh public office against alternatives. Set it too low for long enough, and the choice will become increasingly difficult for candidates with the experience and motivation Singapore needs for an increasingly challenging world.

THE CASE FOR MORE REGULAR REVIEWS

There is also a lesson about timing. The benchmark could rise by as much as \$700,000, from \$1.1 million to \$1.8 million, largely because it has remained unchanged since 2011. Fifteen years of income growth in the Singaporean labour market has accumulated into a single figure, the size of which would be hard to explain no matter how carefully it is phased.

But the reality is that the framework was designed for review every five years, not 15. The 2017 review found the numbers "relevant and sound" and suggested annual adjustment, but the Government decided not to make any changes then. The 2023 review was deferred, with good reasons at the time, given the uncertain external environment and downside risks in the global economy. But such deferral also stores up a correction that later has to be made in one, usually large, step.

More regular reviews would restore the framework's intended dynamism. More modest movements, on the five-year cycle or even annually, track the benchmark pool closely, and can cut both ways: If the median income of the top 1,000 earners falls, ministerial pay should fall with it. That discipline lies at the heart of this approach, even if it is not obvious in this instance.

My public policy students did not admire the size of Singapore's ministerial salaries for its own sake. They admired a system willing to value good government, argue for it openly, then implement it with care and attention to detail. We should ensure that this system always has the leaders it needs.

• Aaron Maniam is deputy director at the Institute of Policy Studies and professor of practice at the Lee Kuan Yew School of Public Policy, National University of Singapore. He served in the Singapore civil service between 2004 and 2023.



Many systems value the human contribution to good governance through either administrative rules, or relying on people wealthy enough to serve. Singapore's deliberate, balanced and open approach is a unique governance competency we should not take for granted, says the writer. ST PHOTO: SHINTARO TAY