

Independent Review Panel

Re:

Financial Support for Assembly Members

Public Meeting

held at:

The Celtic Suite, UWIC, Colchester Avenue, Cardiff

On

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Panel Members:

Sir Roger Jones (Chair)

Rt Hon Dafydd Wigley

Nigel Rudd

Jackie Nickson

Presentations by:

DR JONATHAN BRADBURY (p. 4)

SUSIE SQUIRE (p. 15)

SIR JOHN OSMOND (p. 23)

Followed by Public Discussion (p. 30)

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SIR ROGER JONES: Good morning. Thank you all for coming here this morning. A couple of quick points: those of you with mobiles, please could you switch them off. They might interfere with some of the stuff we've got here and, besides, it's a bit annoying when we hear some of these ring tones. We also have translation facilities here. If you require or want to speak in Welsh, put your hand up and we'll make sure we get the equipment. The listening equipment is already down there.

My name is Sir Roger Jones and I chair this Independent Panel established by the National Assembly Commission to review the system of financial support available for Assembly Members and, of course, this includes pay and allowances. I am ably assisted in this by other members of the Panel. To my left, we have Nigel Rudd, who you may not have heard of before, but lots of invaluable experience coming through. Jackie here -- also a name you may not have heard before -- she's an HR professional. I have left until last the introduction of Dafydd Wigley because you all know him very well indeed. Dafydd has vast experience of Westminster and at the Assembly and, again, is able to help in a very positive way.

The Panel has a very broad remit and wants to hear evidence from the general public as well as organisations in the public, private and, of course, voluntary sectors. We've received an awful lot of written communication from the general public, but, in case people want to tell us their views, then we also have these public sessions.

This is our tenth meeting since being established last September. Most of the meetings have been in private, but there has been one other public meeting in Llandudno.

We've received evidence from all four main political groups in the Assembly and also from individual Assembly Members and, of course, their staff.

After I have finished these introductory remarks, I'll ask other members of the Panel to introduce themselves. Further information about the Panel can be found on the National Assembly's web-site.

We've adopted a number of principles to guide us in our work. One of these is that our recommendations must be based on evidence. So, what you tell us constitutes evidence. The main role of the Assembly Member is to represent your interests when passing laws that will affect the lives of everyone living in Wales. We are determined, therefore, that you should have your say. This is an opportunity for you to submit your views. With your help, we'll get this right to ensure not only that any new system of pay and allowances is fair and

transparent, but also that it recognises and rewards those AMs with the skills and that it provides value for money.

I will now ask my fellow Panel members to introduce themselves and say a few words about what they bring to this. We'll start off with Nigel, I think.

NIGEL RUDD: Morning, everybody. Thank you, Chair. My name is Nigel Rudd. Previously, I was the Regional Assembly Chief Executive of the East Midlands and, prior to that, had been a Local Authority Chief Executive across various Councils in England. I'm also a former member of the Centre for Public Scrutiny. So, one of the issues that I hope to bring to the Panel when considering the evidence received in these sessions is an external perspective in relation to what is said and how things are happening and the possibilities of looking at how things are done on a benchmarking sense with standards elsewhere in the UK. I am very interested in hearing the views, and that is what the Panel is essentially here for this morning, and I will be happy to pick up questions later on in the day as we go. Thank you, Chair.

JACKIE NICKSON: Hello. I'm Jackie Nickson. I have worked all my career in human resources management, both in Wales and in London. I suppose what I'm hoping to bring to the Panel is a perspective from private industry. I'm very interested to hear your views here today and, I think, like the rest of the Panel, I am also interested in value for money aspects. I am also a member of the Chartered Institute of Personnel Development and I also do some work for the Police Authority as well. Thank you.

RT HON DAFYDD WIGLEY: (*In Welsh*) Thank you very much. Good morning, everyone. My name is Dafydd Wigley. I was working in the world of industry before going into Parliament. I was Head of Finance for Hoover at Merthyr Tydfil and I was an MP for Caernarfon for 27 years and, for 4 years, I was in the Assembly again as an Elected Member for Caernarfon. I am currently chairing the Management Centre for Business in Bangor University and also President of the National Library, and I hope that what I can bring to the Panel is the background within the House of Commons and the Assembly from the perspective of knowing what the pressures are on Members, but also what is the necessity for ensuring they're accountable for the monies that they receive and that the money is relevant and sufficient for achieving the work that the public expresses. Thank you.

SIR ROGER JONES: Thank you. We will now proceed to hear evidence from Dr. Jonathan Bradbury from Swansea University, and with us we have Susie Squire who is the Campaign Manager of the Taxpayers' Alliance, and someone you probably know quite well, Sir John Osmond, Director of the Institute of Welsh Affairs. Each will make a presentation of about 10 minutes and this will be followed by questions. We'll then take a refreshment break, so you'll have an opportunity after that to have your say. Please indicate that you want to speak by putting your hand up and wait for the travelling microphone to reach you. Once the microphone has arrived, please speak clearly stating your name and, if relevant, the organisation which you represent. You've got a bilingual leaflet in front of you with some basic facts and figures about the National Assembly Members. If you require any further information, speak to the Clerk during the coffee break or after the meeting. I emphasise that we, the Panel, are here to listen to your views, but not to answer questions. We have not heard all the evidence yet, so we will not be able to impart information to you because our conclusions are not yet available.

Dr. Bradbury has to leave early to attend another appointment, so we'll start off straight away with him. Dr. Bradbury, fire away.

DR JONATHAN BRADBURY: Good morning and thank you for inviting me to speak today.

My particular expertise comes from a research project I did a few years ago after devolution occurred, a research project asking the question, "What impact did devolution have on local representative work both by MPs and Constituency and Regional List Assembly Members?" Forgive me if I'm a little bit stale on that because it was work done a few years ago, but I'm aware the findings from that work are still relevant to the considerations before the Panel and that is really what I've come to talk to today. Mr. Wigley may remember me interviewing him during that project and he certainly got the Stackanovite award for the period when he was both an MP and Assembly Member for how much local representative work he did.

I think in what I have to say I want to address three positions, if you like, in relation to the issues covered by this Panel. One position is the public's position on elected representatives that they are over-paid and over-resourced; it is part of the common cynicism -- criticism -- of elected politicians and that is what a lot of members of the public come to this kind of issue with -- that's the kind of baggage they come to

this with -- a critical air.

A second common perspective in this is the view amongst Constituency Assembly Members in Wales that they actually have a bigger casework load at the local level than Welsh MPs, and, yet, Welsh MPs get better financial support than they do. They should have their resourcing improved. There is a good deal of resentment about that and desire for an improvement in their lot. At the same time, Constituency Assembly Members, since devolution occurred, have been critical of the fact that Regional List Assembly Members are resourced on equal terms with them. Of course, there is a strong party political dimension to that -- there has been a strong party political dimension to that. Nevertheless, it's been a critique that it is wrong that they should be resourced on the same terms.

The third perspective is agreement with the notion of equal formal and legal status between Constituency and Regional List AMs that in the Assembly that requires equal salaries and equal financial support and that that principle should not be done away with.

I suppose the gist of what I am going to say is to annoy everybody (which is possibly not a bad thing; it's the role of academics to do that.) In addressing those common perspectives, from the data we collected between 2002 and 2005, I've supplied two tables (and I hope everybody has got this handout) which I think are particularly relevant.

On the first issue of public criticism of how much their elected representatives are interested in representing them, of dealing with their problems, the first two tables, I think, well-illustrate the high degree of orientation of elected representatives, both MPs and Assembly Members in Wales, to carrying out this role. Table 1 shows it's 100 per cent amongst Regional List AMs, but a very, very large majority of elected representatives consider helping their constituents to solve their problems as a very important part of their work. If you compare that -- there is other data about their other roles -- it comes pretty well top of the list amongst the majority of Members of considering this role very important.

Table 2 shows you the number of hours that elected Members devote to this kind of work and we're talking one and a half to two days' a week is devoted, in practice, to the business by themselves, individually, to dealing with constituents' problems. So, it's a very high degree of orientation to constituent casework. It's very much of a piece with research going back quite a while in Britain, research in other mixed member proportional and simple parrallity electoral systems where there is a

strong notion of a local representative and constituents take problems to them and they deal with them.

I think the real problem, actually, in this area, is that the provision of that constituency representation, it's always struck me, is done in a sort of private way, that elected Members are required to go and find their own offices, which can be any old place, really. It can be a room in a trade union building, a room in a Conservative Association building; it can be a shop-fronted building, whatever, but, it reduces respect for the position of the local elected representative and it adds to the cynicism about how much they actually do. I think it would be actually addressed by making the office of local representation a public office. There was a wonderful report done a few years ago in Canada called "The Low Road to Democratic Reform," which actually focused on the enormous change in public perceptions that would result from getting away from this myriad of covered-type constituency offices and a move towards a public office of a local representative. I think, then, you would get a better fit between the reality of representatives' orientation to this work and the public's recognition of it.

Okay. That's the public done in.

The second issue is of Constituency AMs' views that they're under-resourced. Table 3, I think, is important here. What we see in Table 3 is the mean number of contacts (average number of contacts) that elected representatives receive from constituents, figures both for 2002 and 2004. Of course, around the time of devolution, MPs to the House of Commons got their financial support increased and, actually, what is a good illustration of why they got it increased is English MPs in these figures. You can see in both 2002 and 2004 an average of well over 200 individual constituent contacts per week. I've compared between English Labour MPs and Welsh Labour MPs because that provided a meaningful comparison when I did this data. Welsh Labour MPs, at the time, were the vast majority of MPs, but you can see that following devolution the number of constituent contacts to MPs in Wales very considerably dropped. By 2004, it's well below half the constituent contact that an English MP got. That actually raises a question as to whether Welsh MPs should get their financial support reduced, but that's a matter for another panel and another inquiry; but, there certainly isn't a case, on that kind of data, for saying that Welsh constituency AMs should get their financial support increased to the level of Westminster MPs.

On the other hand, the Constituency AMs' views vis-a-vis List AMs seems well-justified. You can see both in

2002 and 2004 -- although Regional List AMs, as you can see from Tables 1 and 2, are very orientated to offering representation, they're keen to be local representatives and it's part of the DNA, really, of a politician to want to represent the people in the area that they're from -- the fact is that the demand on them is considerably lower and, when I conducted interviews on this, List AMs acknowledged that. They commonly acknowledged that they felt that the demand on them was lower and you can see in 2004 it was about half the level.

Of some interest -- this was before dual candidacy was abolished -- in 2004 there was a small number of Regional List AMs who had not stood in the 2003 National Assembly elections. So, you could call them pure List AMs. They didn't have a constituency interest, as it were, and their contact rates were down by 40 a week. So, they were lower, even, than the average for Regional List AMs. That does give some justification for the notion that there ought to be differential financial support between Constituency and Regional List AMs.

It takes you on to the third perspective from the sort of equal formal and legal status issue that you shouldn't do this and you shouldn't differentiate financial support. I suppose one looks around for precedents on this and New Zealand, which has a mixed member of proportional electorate system, has had from the beginning differential allowances for Constituency and List AMs for their constituency work. It's NZ\$60,000/70,000 for Constituency Members and around NZ\$45,000 for List Members. So, there is quite appreciable difference in the level of resourcing.

Interestingly, in the Scottish Parliament, from the beginning, there has been a differential resourcing of Constituency and Regional List MSPs as well, in two ways, one in terms of the office. I think I'm still right in saying that all List AMs in Wales have a resource to open a local office. In Scotland, that's not been the case from the start. There has been a focus on the idea of each party that's represented in a region has a single party office in that region. You don't have a proliferation of individual Regional List MSP offices. You just have one party office for the region, but with some extra provision if a party has, say, three or four getting on for a majority of the Regional List MSPs, but that's a sort of reduced funding in terms of the number of offices and, equally, a differential on the amount of staff resourcing in those offices has been in there from the start. I found it very interesting when I did my research that there was a perception that this had been done in a highly party political climate, that it was really done because Labour MSPs, back in 1999, felt the

competition from Scottish National Party List Members and they wanted to do in their level of financial resourcing. However, last year I read with a great deal of interest the report of the Independent Committee looking into financial resourcing of MSPs and, in many ways, what had started off in a party political climate had come to be accepted as regional, and, in their interviewing of List MSPs in Scotland, there was an acknowledgement that they had a lower caseload, that they didn't feel any particular disadvantage from having single party office provision in regions and it had settled down, and the recommendations of that Commission in Scotland was that whereas each Constituency MSP should continue to be resourced to fund one office, you should stick at the single party office for a region for List Members and, equally, in terms of staff support, you should operate on the basis of 2 to 2.5 staff support members for a Constituency Member and 1.5 to 2 staff support for a List Member.

So, the precedents, in fact, are there and one might simply state, or offer the idea for debate, that on this basis List AMs in Wales have been over-resourced from the beginning and there is a basis for doing something about that now.

I do take very seriously the idea of equal status in the Assembly. It's very important. One has got to keep hold of that notion of equal status. It seems to be the case in the Scottish Parliament that they have kept hold of the idea of equal status despite differential financial support for local work. I think that if one addressed this in a Welsh context, it's very important to make a distinction between different resourcing for their local work back in their region, back in their constituency, and equal status and resourcing for the work that they do as legislators inside the Assembly, to make that distinction clear and really copper-bottom the notion of equal status still of Constituency/List Members within their work, within the legislature.

I suppose the final issue to say on that is that an issue from the beginning has been, "Well, what roles should Constituency and List Members do and what should they be resourced to do?" One of the views in the literature is that List Members ought to think about playing a more legislative-based role rather than a local representative-based role and that they would enhance the capacity overall of Assembly Members working in the Assembly if they did differentiate their role somewhat from Constituency Members, and it might be that a measure of reducing or producing a differential in the financial support between Constituency and Regional List Assembly Members may provide a financial prod towards List Members

playing a more legislative role rather than local representative role.

I'll stop there. Thank you.

SIR ROGER JONES: Thank you very much indeed. I learned quite a lot there. Thank you very much. I'm going to ask Dafydd now to ask you a few questions.

RT HON DAFYDD WIGLEY: Thank you very much indeed, Chair. Can I first of all prod a little bit about these figures that you've produced? What was the size of the sample of the MPs' analysis of their workload, and AMs, and how did you differentiate for the fact that the constituencies in England are 20 per cent larger in population terms, therefore, than the number of constituents that will want help? Did you take that into account?

DR JONATHAN BRADBURY: The business of getting elected Members to reply to surveys is not easy, so the response rate for English MPs, as I recollect, was around 29 per cent, which is low, but, actually, comparative to other House of Commons' surveys, it's fine; it's actually historically fine. The Welsh figures, in both 2002 and 2004, I managed a 50 per cent. I basically surveyed all MPs and AMs and got a 50 per cent response rate and basically a similar response rate across the parties, so there was no particular problem in any party being represented. So, you always treat these figures with caution -- always -- and what they mean you treat with caution -- but, as representative surveys go, those figures are quite high. On the second issue of English constituency -- those figures don't take into account different populations for constituencies.

RT HON DAFYDD WIGLEY: So, if you knocked 20 per cent off the English Labour MPs, the 15.8 comes down to 12 point something, or whatever, so perhaps one shouldn't read too much into that differential.

DR JONATHAN BRADBURY: Yes, I'm not here to make a case that English representatives work harder than Welsh representatives.

RT HON DAFYDD WIGLEY: No, fine. Can I pick up one point which has been very close to my heart and which has been raised on other occasions? The point that you make about the provision of a private office (whatever that may be) is a mixed way of handling constituents and may reduce respect, to use your own words. Do you believe that it's practical for the Assembly Members to have

their constituency office as part of some public offices in Wales, whether it's associated with Local Government or the Mayor or whatever, so it is always the same office whoever is the incumbent, and is it possible for AMs to do that if MPs are not doing so?

DR JONATHAN BRADBURY: To answer a different question first-----

RT HON DAFYDD WIGLEY: Good politician!

DR JONATHAN BRADBURY: Yes. The Scottish report last year was interesting because it investigated the idea of whether the staff ought to be, as it were, independently employed, that they shouldn't be employed by the Member, and they concluded that that just wasn't on because in terms of management and review of staff performance, the elected representative is the meaningful employer and, in practical terms, it doesn't make sense to try and shift the staff part of the support to the state, as it were. Interestingly, they didn't consider the idea of the office and it seems to me that there is no similar problem in terms of who provides the office. In theory, there is no problem with the state providing the constituency office rather than the poor old elected Member being sent off to find somewhere to provide that office. Also, it becomes a fixed asset rather than something that's rented in a financially rather silly way. It's dead money, isn't it? It's money being spent on renting property which could be a fixed asset of the state. It seems to me absolutely right that, if you do that, that it is in a highly visible public building connected with the Council, some sort of Council premises of that kind. When I have interviewed elected Members on this issue, the only real set of arguments that are put forward against this is that, actually, it's against their party political interests. They would like to locate their constituency office in a part of the constituency which is most focused towards their core support. That's basically a common answer of elected Members and it's a logical answer; but, in terms of the state funding constituency provision to all Members of a constituency, that is not a reasonable argument to put up for the elected Members still having control over where they locate their office. So, you're only left, really, with the argument about, "Well, perhaps you shouldn't do it if MPs aren't doing it," and that might pose practical problems, but it might be a case where the Assembly takes the lead.

SIR ROGER JONES: Thank you. Nigel?

NIGEL RUDD: Dr. Bradbury, can I ask you a couple of questions? One is going to be about magic numbers, but the first question is about the use of public office and looking from a bottom up perspective. Do you think it reasonable for Constituency Members, for example, Councillors, also to be looking to share accommodation across constituencies with AMs and MPs for those relevant areas?

DR JONATHAN BRADBURY: There must be a lot of sense in that because if you look at (I was going to say the postbag) the email inbox as well as the postbag of both MPs and Assembly Members, a lot of the work they're still getting is to do with their local Council and, therefore, it must make a lot of sense to put in close proximity representative offices of Councillors, MPs and Assembly Members. I mean, one of the advantages in many ways of devolution for constituents -- I'm not sure they're aware of this -- is that they're being given a marketplace of local representatives. They don't have just one person they can go to. They've got several they can go to. If they don't like the first guy or woman, they can go to another one. However, it can lead to rather wasteful duplication of effort between representatives and I think if you did focus on the idea of how you might link up better representation across the three levels so that constituents' problems were more frequently dealt with by the people directly responsible for them, then that might be an improvement generally of public representative provision.

NIGEL RUDD: Can I ask you a supplementary on that? Do you perceive, were such an arrangement established, that there would be a possibility for resource efficiency by effectively housing support staff that may be shared across different levels of enquiry?

DR JONATHAN BRADBURY: Aren't there data protection problems in that?

NIGEL RUDD: There would clearly be data protection issues.

DR JONATHAN BRADBURY: Yes. One of the most efficiently run operations was actually a Scottish MP and MSP who seemed to me to have the most streamlined system of letting each other know of issues that were really relevant to the other's jurisdiction. It was not in any sense a shared office and staff weren't shared, but it was two offices which were very closely working together to make sure that resources were used efficiently and it

was in a constituency where they were very heavily loaded with work and it made sense to do it, but I'm not sure how you could share staff easily.

NIGEL RUDD: Okay. Could I ask you the magic numbers question? Do you believe that there is a magic formula or ratio that an MP, AM or Regional List AM, as opposed to Constituency AM level, might exist in order to best serve the needs of the public or the constituency? In other words, is there a split number that ought to apply between number of constituents and number of representatives representing those constituents?

DR JONATHAN BRADBURY: Sorry? Right; this is areas and population?

NIGEL RUDD: If you go through the tables of enquiry and the volume of cases being dealt with, do you believe there is a number that we ought to seek to achieve in Wales that is a better balance between number of enquiries and representatives available?

DR JONATHAN BRADBURY: I do think that's difficult to do. I was very aware when I did my research that some elected Members operated very much as response made type representatives and they got the enquiries that any Member would get in that area. Others were extremely pro-active and would do street surgeries, would do all sorts of supplementary surgeries to build up the work. I think that's particularly true in 2002 when you had a whole load of first-term Assembly Members trying to build their profile and build the profile of the Assembly. I think it was less true in 2004 when things had settled down more. You're going to get that with new cohort Members that they're going to go out looking for work to build their profile locally. So, I think it's difficult, actually, to find. I wouldn't like to go down that road of trying to find a magic number, no.

NIGEL RUDD: Okay. Thank you.

SIR ROGER JONES: Jackie, would you like to ask some questions?

JACKIE NICKSON: I have got a few questions. Thank you. It's very interesting. I would like at some point to see the whole report because I dare say there are some other issues in there that might be relevant to our considerations. My specific questions are: looking at Table 1, it's acknowledged that AMs and MPs see constituency work as very important. As part of your

paper, did you look at what else they consider is important in their role?

DR JONATHAN BRADBURY: Yes. I could get my table out. Yes, we looked at the importance of holding Government to account, working on Westminster or Assembly Committees, providing leadership to their local party, contact with local interest groups, promoting business and Government funded projects in their constituency or electoral region, attending local community meetings and functions. All of those fair pretty well, but, in the second place, as it were, what came second -- providing leadership to their local party for MPs was 75 per cent; work on Assembly Committees came second at 70 per cent for Constituency AMs and, for List AMs, 90 per cent; holding Government to account, which you would assume it would be the case seeing as, at the time we did the survey, all List AMs were in the opposition, so that would be their other big function. I think, to answer the question you were asking, helping to solve constituent problems is first; it is the top priority.

JACKIE NICKSON: Is first, followed by the work in the Assembly.

DR JONATHAN BRADBURY: Holding Government to account, work on Committees. I mean, promoting business and Government funded projects is an issue. It's not surprising that it's often very closely related to constituents' problems that arose. They will feed off problems of local companies.

JACKIE NICKSON: Was this a free choice or were they given a list of things that they had to rank?

DR JONATHAN BRADBURY: It wasn't a ranking. They were asked "not very important" right through to "very important." So, they weren't asked to choose.

JACKIE NICKSON: Okay. I'm interested in the fact that you've compared workload between Westminster MPs and Assembly Members. Did you look at all at the workload of locally elected Councillors?

DR JONATHAN BRADBURY: No.

JACKIE NICKSON: Because in a way they're doing a similar role with far less support.

DR JONATHAN BRADBURY: I agree. It's an issue that deserves some research. I am not aware of anything

systematic that's been done on Welsh Councillors to show that.

RT HON DAFYDD WIGLEY: Can I come back on one thing? You mentioned a figure of the staff you deemed to be required, two to two and a half for Constituency Members, one and a half to two for Regional Members; was that for all their work or just for constituency work?

DR JONATHAN BRADBURY: Those are figures from the Scottish Independent Report last year and that is something which, I agree, is of interest, but, when you read through these reports, it seems to indicate this is all their support staff. It is both support staff covering their local work and their work in the institution, but, of course, they also get staff connected to party group support in the institution, so I guess this is where other research staff come in.

RT HON DAFYDD WIGLEY: This is what I'm coming to. At present, the Assembly Members have the right of three support staff. There appear to have been four functions that have been drawn to our attention for these three posts: that of secretary or PA (who often runs a constituency office,) researcher (doing the work more and more with a legislative background now,) case worker (to deal in-depth with constituency cases arising) and press officer. Of those, are there any you regard as being more important than some that are, perhaps, questionable?

DR JONATHAN BRADBURY: It's interesting. Those are very defined headings, aren't they, for staff? I'm sort of aware that Members work in such different ways and use their staff in such varied ways and, I think, in practice, depending on the people they've employed, they can mix their roles as well, that people will, in practice, do mixed research and casework roles; some will be better at the publicity work. It seems to me, of those, the press function could be the function that could be combined in with one of the other functions.

RT HON DAFYDD WIGLEY: Thank you.

SIR ROGER JONES: Thank you. I'm very grateful to you, Dr. Bradbury. I am now going to move on and ask Susie Squire, the Campaign Manager at the Taxpayers' Alliance. Susie, take us forward.

SUSIE SQUIRE: Hi, everyone. I'd firstly, like Dr. Bradbury, like to thank you again for letting me speak today. For those of you who aren't familiar with my

organisation, I'm the Campaign Manager at the Taxpayers' Alliance. We campaign for lower taxes and better Government, which is quite a broad umbrella, and we have over 20,000 grassroots members. The TPA led the campaign for transparency and restraint last year in Westminster on MPs' expenses. We're very happy to be part of this process and to engage in it.

There are a few things to say. The first is, unlike my two co-presenters, I actually spoke in the meeting in Llandudno, so the Panel have heard what I'm going to say before. Everything I put forward is in a spirit of co-operation, so do feel free to ask me any questions about it. The third thing is that a lot of what I say is best practice. So, basically, I'm going to give you some ideas of what we found have been problems and how to change them. So, I'm more than happy to take questions or comments during the public session from you guys as well as the Panel.

I've split my presentation up into three broad areas. The first is pay and pay-offs. Now, the first point to make here is there is no good evidence that AMs receive too little pay. The current Assembly Members are doing a great job on the salaries they receive and, from this, we can conclude they don't need further pay rises. Last year, Welsh AMs received an 8.3 per cent pay rise. This is over four times the salary cap recommended by Central Government. Plaid Cymru opposed this, calling it unjustified. This destroys the argument that AMs are badly paid which is often linked to arguments about generous expense claims, which I'll get on to in my next section. Further, the main benefits of being an Assembly Member are intangible. You don't go into it for financial gain. There are no doubt a number of very talented people in the Assembly who could be doing any number of other things. They're not. I used the example last time that I could be an actuary. I don't. I work in politics. I'm never going to make as much money, but I enjoy my job. No one says, certainly my boss doesn't say, "Poor you. You are not an actuary. You can have more money." I made that choice. In fact, no one says, "Poor you. You're not an actuary." It's purely to serve your community, on a very serious note, and money should not be a strong motivating factor for PWACs. After all, there is clearly very strong competition for seats. There are about 24 overall applications for each seat. So, there is no need to use financial incentives to increase the level for applications, in my opinion.

As a side point, probably slightly more controversial, I don't think politicians should be taking any pay rises at this time. We're in the grip of a recession. We've got massive public debt. I think there

are a couple of things. Firstly, it becomes very difficult to negotiate with unions and others if you're taking massive pay rises. Secondly, a lot of what I deal with in the media and in PR terms is frontline public service people. So, we'll often do studies on public sector rich lists and who's getting a lot of money at the top of public sector institutions. The important thing here, as I mentioned earlier, is that Central Government recommends frontline public service people don't get more than a 2 per cent pay rise. So, if you've got people at the top taking a lot of money, you very much lose that high ground and I think solidarity now is very important and I think that's a key point to make on the whole pay thing. Also, it sends a bad message during tough financial times to the public at large. Everyone is struggling at the moment to just make ends meet and I think we should call for restraint on the pay.

So, that's kind of pay.

The resettlement grants is the second thing I'd like to talk about. I think these are too large by far. If you look at the Welsh Assembly guidelines on allowances and pay, you can receive quite a lot of money even if you're not returning to the Assembly. Many of these payments are 100 per cent of annual salary in a lump sum upon departure. To me, this is potentially rewarding failure. You've not got re-elected, so I don't understand why you need over a year's pay-off. Related to that is additional pay-offs that are in the guidelines. AMs who at any time during their service held a salaried position, for example Presiding Officer or Committee Chair, will receive an additional pay-off upon their leaving. So, even if they held this position 5 years before leaving the Assembly, they'll still receive additional monies on top of their standard pay-off. To me, that's a problem. I'm going to quote from the guidelines: "If a Member held more than one office during that period, the amount of salary on which this payment is based will be the higher or highest amount payable for an office," and I can give you the link to that if you'd like to go and read that.

I think this needs to be reformed. I think there should be no additional pay-off for those not returning to office and certainly no additional payments for offices held in addition to their primary role. Getting voted out is a risk they take in public office. Being able to vote them out is an important part of people's ability to hold their representatives to account. To remove this, in my view, would be to damage the democracy of the system. There should be no padded landing in the way of pay-offs when you lose your office. It goes with the territory. You know when you stand for office, if

you are in public office, that you will at some point have to be voted for, or not, as the case may be again, so I don't think there is any need to pad that landing. As I said, we have many talented people as representatives. They can go on and do any number of other jobs.

The next section, which I'm sure you're all very familiar with and which we speak about a lot, is expenses, and, since we last met in Llandudno, we've had "iPodgate" and there has been another publication of the AMs' expenses. I think our advice (and, again, the TPA does a lot of work on this) is transparency is the best way to go. It's the best way to prevent scandal. In Westminster, as I'm sure you know, there are large scandals due to perceived opacity. I mean, the Government has gone as far as trying to exempt FOI requests on MPs' expenses, which is an absolute disgrace. That will get beaten and has got beaten. In Scotland, there is much less of a scandal due to the level of disclosure. All expenses are published on the internet. The public can go there. It's "Google Government." It's what George Osborne is also speaking about at the moment. You can go on and see what taxpayers' money is being spent on and you can decide if you are getting value for money. That increases accountability, which I think is really good. I would encourage you here to go all the way, not just category totals, but every detail of every expense. These details should not have to be dragged out by FOIs by the media or campaign groups such as my own.

The other point to make here is that transparency also ensures politicians get a fair hearing as well. In reality, most AMs, MPs, MSPs are doing a very good job and are totally sticking within the rules, but the problem with an opaque system is it tars everyone with the same brush. So, if you are honest and here I could -- I spent a lot of time in Brussels and MEPs can be pretty bad on this, but if you look at their expenses, they're under no obligation to publish what they're spending of taxpayers' money, but you've got the Conservative MEP Chris Heaton-Harris who, for years, everything he's spent he's published on his web-site. So, when the time came to have any inquiry into that, he said, "Hey, guys, you can go on my web-site; you can see what I've been spending," and that totally diffused the scandal around what he'd been spending. So, I think it works for everyone, the expenses thing, if people are just open and accountable and transparent. Nick Bourne's iPod -- these examples get cherry-picked by the media and that's problematic in itself, but I think receipts should be provided for every expense and they should be published completely and openly. Linked to my earlier

section on pay, expenses shouldn't be used as a mechanism to push up pay, as it has been in Westminster, as Ed Balls admitted, actually, last year. As I said earlier, AMs receive sufficient salary -- it's certainly far above the average salary -- and the culture of claiming everything from an "i" to an iPod, I think, must come to an end.

Linked to that, furnishing of Assembly Members' accommodation, I think, should be abolished. This is about providing AMs with a base. It's obviously most important that Assembly Members and MPs are allowed to represent their constituencies and be in the Senedd and do what they need to do, but if they wish to turn their pad in Cardiff into a home from home, I think that should be done at their own expense. We've had many high profile and deeply egregious examples of taking the mick, if you will excuse me. We've had £2,000 leather sofas, plasma screen televisions and various other issues. I think that having a base and being able to represent is one thing; wanting to have five-star lifestyle is quite another. I do not think taxpayers should be footing the bill for that. You would hope with the increased transparency will come accountability and, therefore, encourage caution when spending taxpayers' money.

The next thing is food. I don't think that any groceries should be claimed. Presumably, if Assembly Members were at home, they would have to eat. It's understandable that they must have an allowance for costly dinners and that is something that very much goes with the territory, but, again, I'd encourage restraint here. Further, from my understanding, there is a subsidised canteen. AMs shouldn't be able to charge this money back. These meals are already subsidised by the taxpayer. You can see the problem there.

I think a full audit must be carried out of all AMs' expenses according to private sector standards. This will engender trust, encourage a culture of transparency and it sends a good message to the public, so: "We've got nothing to hide. Let's be open about this. You can see what we're doing with your money."

Lastly, and we definitely had a lot of talking about this up in Llandudno, the employment of family members. I think this should be discouraged where possible. Again, many MPs I speak to, both in Westminster and in Brussels, say, "Look, my wife works for me, or my child. They're far better than anyone I could find on the labour market. They care personally. The nature of my work is such that I need someone who invests in it personally, who cares a lot more." I absolutely take that point and I'm not saying to go out there and sack everyone's wife or child who's working for

them, and, maybe, you could find someone who is better than you found on the labour market, but the point is that because of the Conways and, again, one or two very high profile cases, I think this has become such a tarnished issue and there is so much public distrust around it that I think where, if possible, one should try and avoid this. That is as far as I'm going to go on that. We're talking about best practice here. I'm not going to go in and suggest everyone should be sacked.

The last section of my talk I'd like to give is additional cost allowance, which is the second home allowance, and, again, this is something that's been very controversial, I think, in Scotland, England, Wales, Brussels. We would say (the Taxpayers' Alliance) that anyone within a short train ride -- approximately an hour commute altogether, if you like -- shouldn't be allowed to claim this. I'm from Newport, but my understanding is that even people who live in Newport can claim a second home allowance. I really just don't understand that at all. I think that needs reforming. I know it's within the rules, but, again, it comes back to the point: you're on a good salary; you can afford a house; you should be paying for it; you don't need your house in Newport subsidised if you are just travelling into Cardiff. As I said earlier, it's of the utmost importance that those who wouldn't otherwise be able to represent their constituencies can stay in Cardiff and attend Assembly sittings, but the aim should be to provide them with somewhere to stay, not an asset. Why do Assembly Members get to keep their second home at the end of their service? What I hear a lot is people saying, "If you work for Citibank and you get moved to Singapore, you get a company flat, so you can live there and do your job." This has to be the only job where you get to keep the flat when leaving the job. I think that the problem here is we're paying people's mortgages. We had a long discussion last time, I remember, with the Panel about it could be cheaper in some cases to pay someone's mortgage rather than to rent them a flat or for the Assembly to own a block of flats. There are all kinds of issues here and all kinds of options here that need to be looked at, both in terms of cost-effectiveness, but also in terms of public perception, and I think that will link on to my conclusion.

I'm not going to tread over all the ground I've covered. I have covered quite a lot. Again, it's best practice suggestions. There are steps that can be taken for reform and the Panel is doing a fantastic job by even having these meetings and doing this inquiry, but ultimately, and this is what links to the mortgages, the problem with a lot of these allowances and special

treatment is not that people resent MPs or AMs or MSPs; they don't mind them receiving benefits. The larger problem in terms of political best practice is that many of these benefits insulate them from the issues that ordinary people, and, indeed, people in their own constituencies, are facing. So, if you are not paying your own rent or mortgage, you're not affected by the vagaries of the housing market. If you don't pay for your own meals, you're not aware of what's going on with food prices. If you don't pay council tax, you can't talk about getting value for money from public services. For me, there is a bigger democratic issue here and the most pertinent one, which has been a total flop (thank God) was the bin tax where many MPs were willing to vote that in, but which they were entitled to charge to their expenses under legislation; therefore, they would be voting in something the cost of which they would be totally immune to. For me, that's a big problem. That's fundamentally wrong and should be of concern to all those who love freedom, democracy, fair representation -- all the things we ultimately strive for. I think reforming expenses, which is the main focus of mine -- I spoke a little about pay; expenses is the main focus -- should be about making things better for everyone: a better system for Assembly Members, a better deal for taxpayers and a better representation of democracy.

Thank you very much.

SIR ROGER JONES: Thank you very much indeed. We very nearly overstepped our time there, but that was good. Nigel, would you like to say something or ask a question?

NIGEL RUDD: Susie, a couple of questions for you again. The first question is: do you believe that the example given by Chris Heaton-Harris in the declaration of expenses on-line on his transparency page should be promoted, encouraged, required of all AMs, for example, or other democratic representatives in general?

SUSIE SQUIRE: Do you mean voluntarily publishing them or do you mean----

NIGEL RUDD: Either option would apply.

SUSIE SQUIRE: Yes, depending, again, because it's on staff time, as we've spoken about briefly after Dr. Bradbury's presentation. Ultimately, taxpayers pay for the staff of Parliamentarians, so you don't want someone necessarily going through every receipt every day and having to spend the staff time typing it up on the web-site, but, in his case, because there was no open

publishing of it (and that's just not going to happen at the moment in Brussels,) he wanted to appear transparent. I think if it's getting published and it's in the public domain, as it is now, as most AMs' expenses and MPs' expenses are, I don't think there is necessarily a need for each MP to go and do it on their own website or their own party page, no, but I do think the information, however you go about that, needs to be available to the public, so that taxpayers can go on-line and decide for themselves if they're getting value for money.

NIGEL RUDD: The second question relates to the employment opportunities for AMs. Do you believe that all AMs' support posts should be openly advertised and, secondly, do you believe that all recruitment to AM support posts should follow a formal recruitment process in an open and transparent way?

SUSIE SQUIRE: Yes, I think preferably they should be. I think it should be open to the market. I don't think you should necessarily -- yes, I think everyone should have an equal opportunity to work in Government and I think if you can advertise it, then that would be best practice for us, yes.

NIGEL RUDD: Thank you.

RT HON DAFYDD WIGLEY: A couple of points for clarification: when you said that there shouldn't be any pay rises, was that for everyone in the public sector?

SUSIE SQUIRE: No, I think politicians should lead by example at this stage, just like Plaid did last year; say, "Look, we're not sure that an 8.3 per cent pay rise right now is the best idea. Is it justified?" I don't know what happened with that in the end, but I think that many ordinary people right now are facing redundancy and pay cuts and I think we need to be very careful, when you've got a lot of job loss in the private sector, from growing and rewarding the public sector too much because economics tell us if you've got a shrinking private sector paying the tax and a growing public sector, that's financially unsustainable, and, of course, one person's pay rise probably isn't going to tip the scales, but to lead by example, I think, would be ideal at this stage.

RT HON DAFYDD WIGLEY: Clarification on another point. You mentioned the resettlement grants. Are you of the opinion that these could be terminated now for those who are already in jobs, who have accepted jobs with that as part of the conditions?

SUSIE SQUIRE: I don't know what the legal implications of that are. I think, yes, in terms of best practice, we should be doing away with them altogether because you are aware of the risk in getting voted out. I don't know if you sign a contract and it's part of it. I don't know what the implications are of that. I wouldn't want to comment. In terms of if it could possibly be done, yes, I think it should be.

RT HON DAFYDD WIGLEY: On the question of auditing, and you suggested there should be a full audit, is that a full audit of every Member and have you given any consideration to the cost of such a detailed-----

SUSIE SQUIRE: No, no, no, I appreciate the cost would be high. Yes, I think there should be an audit, if possible, of every Member, and I really think that would cut -- because I think the efficiency savings in terms of waste would presumably pay for it because you've got to have private sector standards when it comes to expenses.

RT HON DAFYDD WIGLEY: Would you say that is a better use of money than a random audit of, say, 10 Members out of the 60 each year?

SUSIE SQUIRE: Probably not. A random audit to start off with. Any audit, to be honest, would be a good start. I suppose, yes, you could certainly trial it with a random audit and, if you were coming across a lot of problems and a lot of malpractice -- I don't think a full audit should be ruled out purely on the basis of expense.

RT HON DAFYDD WIGLEY: Finally, you raised the question of whether or not Members should be able to have their own flats. Did I understand you correctly that you believed it would be all right to rent, but not to buy, basically?

SUSIE SQUIRE: Yes, I don't think we should be paying people's mortgages in that sense. I think they need to be provided with a base, so they can represent, and, as I say, I think this came up last time and we spoke about perhaps the Assembly owning a block of flats or renting on the open market, but, yes, I don't think we should be paying people's mortgages.

RT HON DAFYDD WIGLEY: So, you think the Assembly itself should be doing the renting as opposed to the Members doing the renting?

SUSIE SQUIRE: Yes, I do, and there should be a cost cap on that, can I just say.

SIR ROGER JONES: Okay. I think we will move on. I'm delighted to have with us John Osmond who is the Director of the Institute of Welsh Affairs. John, would you set the scene for us?

SIR JOHN OSMOND: Thank you for inviting me. I'm not quite sure what my provenance in this discussion is. I'm not a campaigning organisation in relation to Members' circumstances, as the lady on my right is. I have to say I rather took issue with her tone and I would like to strike a slightly different tone on that. My experience, I suppose, is having knocked around politicians for more than 30 years as a journalist, and so on, and now with the Institute of Welsh Affairs. I should declare an interest that I am an aspirant politician myself and I've actually stood for the National Assembly.

I would like to put the emphasis rather the other way than we've just heard. Indeed, it is quite correct that all politicians make choices to do what they do, and so on, but, nonetheless, I think those who have not been involved directly in political activity -- and that might include some of the Panel, but not all of them, I know, and maybe many in the audience, but, I think, for overwhelmingly the number of people I've known in all the parties, the motivation is one of public service, and I think that should be acknowledged and applauded, for, after all, what is the alternative to a democracy and having politicians? It is a dictatorship of one kind or another. I'm an ardent supporter of democracy in all its forms and, therefore, I'm an ardent supporter of politicians because you can't have democracy without having politicians. So, therefore, I think the tone of this debate we've got wrong, actually -- spectacularly wrong -- in my view. The press, in particular, feed off these stories and go in pursuit of different politicians in a rather holier than thou attitude of trying to hold these people to account. Yes, of course, they have a role in doing that, and, yes, I support wholeheartedly the whole issue of transparency and disclosure and all those things which no doubt you will come to, and this in itself will probably be helpful to the political role, but I think it's a question of where you start from. We've just heard, the last 20 minutes or so, starting from a position of general antagonism, I would say, rather than starting from a position of support, and I would encourage you to start from a position of support. That's what I would like to stress.

I know that all political activity is a question of

choice and people who tend to go into it tend to be rather anoraks, but these are human beings too and we need what they do. I have done a bit of it and it is not for the faint-hearted and the hours are extremely long. The lifestyle is really not to be recommended from the point of view of family life, I would suggest. I don't see any way round this. You can say that these people ought to behave in a normal way, but it's not a normal job. It is not a normal job. It is a bit like journalism itself. There are jobs which are not normal and if you were trying to apply normal kind of approaches of a kind of nine to five Civil Service kind of job and so on, you are not applying like with like. So, it is a question of being reasonable, really, and being reasonable from both ends of the argument. That's all that I would say as a general point.

The only other thing I would like to make some remarks upon is this question in relation to the National Assembly itself, the distinction between AMs, between Constituency and List AMs. My own view is I don't think this is a good system. I thought by and large the Richard Commission got it right when they said that AMs, in terms of their electoral process, should come from the same. I don't think it works awfully well. By and large, it has sort of worked okay in a general sense, but there are these tensions, and I would caution you when you enter this minefield, as you must, because it is one and it is a highly political one. So, if you are looking at the differential role, say, between List AMs and Constituency AMs, the fact of the matter is, in our political culture in Wales anyway, the List AMs tend to come from the opposition and the Constituency AMs tend to come from the Government and that is an issue because the Government is in a strong position. So, you have had this situation where the Government in relation to this has legislated quite wrongly, in my view -- egregiously wrongly -- to prevent people standing both on the constituencies and the list for all reasons you know about. So, therefore, if you were to consider varying the remuneration in terms of expenses, and so on, between List and Constituency AMs, you would be entering into that political minefield and you may consider that is worth while to do, but if you were considering -- and there is a case -- we heard it this morning -- because List AMs have a different sort of casework list, that their constituency offices and so on should be treated differently -- I would suggest that if you were to go down that road, you might consider that they should be remunerated more for their other role in terms of having more research support, for example, within the Assembly itself, in terms of holding the Government to account in

terms of their growing legislative role. However, if you were to do that, you would be making a statement, wouldn't you, about the differences in roles between the two categories of AM and you may not wish to or you may not think that is part of your role to do that. I'm not sure. That just, in a sense, illustrates the issue, I think, of what I'm trying to say.

The other point about comparing AMs with MPs, and AMs with MSPs, is you are not comparing like with like. In the first place, as the Richard Commission itself said, we don't have sufficient number of AMs, actually, now. As the Assembly will accrue more powers in the future, as it inevitably will (who knows when, but at some point in the future it will,) I think we'll need more AMs and possibly fewer MPs. There again, when you are comparing the case loads, as we have done this morning, of AMs with MPs, the fact of the matter is it's completely understandable when you think about it that AMs should have a larger casework than MPs because they're dealing with those issues that people tend to come to their representatives about. I'm thinking, in particular, of health, health-related issues, which are totally devolved now, health and social services. Those are the areas where, I think, representatives tend to get representation -- and also education and those two things. I think a lot of MPs get representation on those questions for which they are not directly administratively responsible. So, this will take time to work through, but there is a difference because of the actual numbers of AMs. So, it is difficult to make comparisons with MPs and also with MSPs.

I think I've said enough.

SIR ROGER JONES: John, thank you. Jackie wants to ask you a few questions and I will, eventually, as well. Jackie?

JACKIE NICKSON: If I could start off by asking you whether you feel that what we have -- the status quo -- is about right?

SIR JOHN OSMOND: Probably not. I mean, that transparency disclosure was as a consequence of journalists having to use the Freedom of Information Act. I think it would be helpful all round if there were clearer guidelines and rules. Having said that, I think the kind of detailed itemisation of spending a few quid here and a few quid there seems to me unreasonable, but I think there should be a broad sense in which it is understood that representatives -- AMs, in this case -- are transparent and do disclose their expenditure along

broadly agreed lines. That, it seems to me, would be a reasonable approach, which would be a change, as I understand it, to some extent, to what we have now. There are guidelines, but there are a lot of grey areas between what people can and cannot charge for. I think there ought to be broadly -- I hate to use this term "common sense," but there is a common sense approach to this, but, as is often said, it's the least common of the senses, isn't it?

JACKIE NICKSON: So, is your view that the dissatisfaction within the press just exists within the press and isn't a widely held view amongst the public?

SIR JOHN OSMOND: I'm sure it's a widely held view, but I think it is partly stimulated by particular obviously kind of silly examples. I mean, the iPod is a clear-cut. What you have to understand is that in terms, I think, of the public mind, their eyes glaze over when you talk about millions of pounds of which £25 billion is being spent on renewing Trident, for example, which I personally would think is a nonsensical approach. £25 billion, people's eyes glaze over, but if you think of £150 to buy an item of furniture or whatever, people can readily understand that and that seems to be, in some sense, worse. So, there is no relationship of scale to all of this, it seems to me, and that is journalistic territory; that is what sells newspapers. It's not a way we should organise our democracy, in my view.

SIR ROGER JONES: John, I want to take issue with you slightly over your being offended by the tone that we have set.

SIR JOHN OSMOND: I wasn't saying the tone that you had set. I was referring to the tone-----

SUSIE SQUIRE: I can reply to that later, by all means.

SIR ROGER JONES: Okay; but, in a week when we have seen a deliberate attempt to suppress the Freedom of Information Act and, not only that, where we understand that Wales was invited to join in with that legislation as well, I think we are justified in querying the status quo.

SIR JOHN OSMOND: I don't disagree with the tenor of what you are saying, but I thought you were investigating the National Assembly, not Westminster.

SIR ROGER JONES: I made a very careful point there to link the two. It didn't happen, but I understand that there was a contact made that the Welsh Assembly should be covered by the same exemptions.

SIR JOHN OSMOND: I think it is to the entire credit of the Commission in the Assembly that they quite rightly rejected that approach.

SIR ROGER JONES: So do I.

SIR JOHN OSMOND: I hasten to add that my remarks were not directed at your Panel; they were directed at the campaigning organisation on my right.

SIR ROGER JONES: In that case, I'll hand you over to Nigel.

NIGEL RUDD: John, can I pick you up on the role of the press? There has been some discussion about press reflecting public opinion, potentially informing public opinion. How much regard should the Panel take of the press in its deliberations when looking at the way forward for Welsh AMs?

SIR JOHN OSMOND: It obviously should take account of the press and the media in general in terms of that. When the press highlights these concerns, it does because it knows it is doing it. It does, actually, both reflect and stimulate a basic attitude amongst ordinary people. That is plain. On the other hand, I think when the press adopts a particular kind of pursuit -- for example, let's put it on the table: it's very difficult to defend the Leader of the Opposition in the National Assembly, but I think the campaign that's been waged against him on this issue is not something you should take account of.

NIGEL RUDD: Could I pick up on a comment you made earlier in your evidence which concerned the fact that we start from the basis that most politicians work very long hours and their lifestyle is not recommended for family life and similar. How do you trade off that vision that politicians may have of themselves, as you say, against the potential public view of politicians, which a number of other people have referred to, which is perhaps less praising in its opinion?

SIR JOHN OSMOND: People have contradictory outlooks. I think, by and large, ordinary people think that politicians are all in it for themselves, they're doing it just for what they can get out of it and they're

basically innately corrupt. That would be a common sort of view, but, on the other hand, I think the public would also think that democracy was a good thing, being able to vote was a good thing and holding the Government to account was a good thing. In a similar way -- the opinion polls have done this; they're there to be seen -- if you ask people's attitude to the National Assembly in general, they think they're doing a lousy job: "It's crap at the economy; it's rubbish at doing the health; it wants to close all our hospitals; education is declining; everything is worse." But, at the same time, they'd like the Assembly to have more powers. You might think there was a contradiction in those views, but that's what people tend to hold. So, you are wading through waters which are not rational.

NIGEL RUDD: Is there anything as a Panel that we might do to help the various interest groups wade their way through such waters, John?

SIR JOHN OSMOND: I think take a common sense approach really and be reasonable. I'm not sure that's very helpful.

RT HON DAFYDD WIGLEY: John, you emphasised your belief that the role of the Assembly Members was to hold the Government to account. Would you accept it is equally the right of the public to hold the elected Members to account?

SIR JOHN OSMOND: Absolutely, yes, of course. They do so, don't they? They kick them out from time to time.

RT HON DAFYDD WIGLEY: To do that, there needs to be total openness and transparency with regard to the use of public money, whether it's in regard to the Assembly Members' use of it, or, indeed, the Government's use of it.

SIR JOHN OSMOND: Yes, I do. I tried to make that point, but what I'm trying to do in some ways is to counteract the balance of this discussion, if you see what I mean. I think that in these discussions we should start from the point of view of wanting to support our politicians and our democracy, as opposed to attack them.

RT HON DAFYDD WIGLEY: Can I pick up a point that was made by Dr. Bradbury earlier and have your take on it? When I asked him which of the four functions of paid jobs he regarded as the least required by AMs -- that between secretary, on the one hand, researcher, case worker and

press officer -- he said press officer. As an ex-press person yourself, is that something that you would agree with or disagree with?

SIR JOHN OSMOND: I broadly agree with that. There are three positions they could appoint and I would have thought the Assembly Member is, by and large, his or her own press member, I would suggest.

RT HON DAFYDD WIGLEY: Thank you. With regard to the capacity of the Assembly, you touched on that when you referred us to the Richard Commission (an all party commission) which had recommended that there should be a greater number of AMs. That, of course, is outside our remit, but with regard to the capacity to do the job and, particularly, the increased powers under the 2006 Government of Wales Act and the primary legislative function that has now come in, do you believe that a change in the resources available to Members can help increase their capacity to do that job of overseeing the legislative function?

SIR JOHN OSMOND: 60 Members is just too small because you've got to take into account that the Government side of that, together with the Presiding Office, is 15 or 16. Then, you are left with (so-called) 45 Backbenchers, of whom some are Leaders of their parties in the Assembly, some are chairs of Committees, and so on, and are remunerated to reflect that extra role. So, the numbers of Backbenchers who have got this role of holding the Government to account are very small. You are talking of about 30 or so people and it is a very small pool from which to draw expertise. I put it to you, another common sense point of view, that in any organisation whether it's a school, whether it's a business, you look at the personnel who are working in that organisation and you will know from your experience that some of those people shouldn't be there. Some of those people are capable of leadership positions. Some of those people are capable of just doing an everyday job of work. You could say it's a third, a third, a third, or something of that order. Who knows? Always, in every organisation, you have that. If you've got just a very small pool to draw from, of 30, compare that with the House of Commons where you've got 600. It's a different order of magnitude. Therefore, I would say that as we move towards acquiring greater responsibility in relation to legislation, there needs to be greater capacity, both, I would say, in terms of actual numbers of AMs, but also in terms of the research capacity to support them.

RT HON DAFYDD WIGLEY: Can I press you further on that one, Chair? Finally, before I shut up on it, given that the Assembly measures will have exactly the same force in law as Acts of Parliament from Westminster and, therefore, need to have gone through the same degree of scrutiny and assurance of robustness, otherwise they will be challengeable in the courts, do you believe that the research capacity that is currently available as back-up for AMs is anything like adequate, or would you believe that of the resources now available more should be switched in that direction?

SIR JOHN OSMOND: Yes.

RT HON DAFYDD WIGLEY: Thank you.

SIR ROGER JONES: If there are no further questions from the Panel, I am going to suggest we break and have a coffee. Then, we can get on proper to what you want to have, which is the public session. So, we'll get on and do that. Thank you very much.

(Refreshment Break)

SIR ROGER JONES: Can I invite you all, please, to come back to your seats? Here we are, spot on time, ready to start the public session. I just remind you that you are free to present us with opinions and information, but this is not going to be a question and answer session, so we won't be answering questions, but we are most anxious to have your views and to understand them and get them properly recorded. So, who is going to start? Before we do that, I want to give Susie the right of reply. She is the Campaign Manager for the Taxpayers' Alliance. She asked me could she make a few remarks before we start. So, Susie, please start.

SUSIE SQUIRE: Just to Mr. Osmond, thanks very much for your input. The first thing I'd like to say is I don't particularly think that I've taken any tone other than that of co-operation, as I said in my introduction. I think the Panel will tell you that, both in Llandudno and here today, I'm just here, as both Mr. Bradbury and presumably yourself, to speak to my experiences and that's what I've done in the Commons and that's what I'm doing here. So, hopefully, I've done that to some degree. I think no one is saying, as you set out, that we should do away with politicians or that we should have any kind of dictatorship. I think we are simply here -- and Sir Roger and the rest of the Panel are here, and we applaud them for that -- to look at reforming the system

and that's what this discussion is about. I think, as I pointed out in my presentation, we are here to support and help Assembly Members so that the system doesn't make victims of them all. That's the problem up until now, that the system actually doesn't allow them to be open and transparent and, with some rather more controversial claims, people have thrown their hands up and said, "Well, we're working within the system," and that goes right to the heart of why we're here today, which I think is to reform the system so that we can support the AMs, say they're doing their job, they're doing it right and spending the correct amount of taxpayers' money and no one is taking advantage of taxpayers' generosity.

I think that when you said you can't compare Assembly Members, MSPs and MEPs in terms of political systems and numbers, you are right, but the important point to make here is that they all receive public money and, in that sense, you can look at the systems and see what's worked and what hasn't worked, and, you are right: as someone who deals with the media a lot, the media do sensationalise things. The best way to neutralise it is to make the system transparent and accountable, in my opinion, and to look at best practice, and that links back to what you were saying about the tone being negative. I don't think it's negative and you say people come to it with an assumption that politicians are generally corrupt and I think the best way to combat that is to be open and transparent. I think that is possibly something where we might agree, Mr. Osmond.

The last point I would like to make is slightly more what I took issue with when you say the public's eyes glaze over when there is talk about spending millions of pounds of public money. I think now more than ever when people are struggling to pay their rent and put their kids through school because they're looking at a very difficult economic situation, you cannot separate the amount of money that's being spent in the public sector with ordinary people, and, yes, they do relate more to a £2,000 settee or plasma screen television; that's because they can relate it to their own lives. They're not funding Trident. They can actually look and say, "My council tax has gone up. My council tax has gone up 50 per cent in the last 10 years and what's it going on? Where is my value for money?" I think that their eyes don't necessarily glaze over. I understand what you're talking about, particularly now with the bank bail-outs and company bail-outs where we're talking about billions. I don't know what £50 billion looks like (I never will,) but I do understand that if my local representatives are spending too much of my money on the wrong things, I'm going to take issue with that. So, I just find it a

little bit patronising when you say people's eyes glaze over because, dealing with our members and also talking to MPs in the Commons and that, that's one thing that certainly their constituents' eyes don't glaze over. They want to know where their money is being spent, and I think that's a big part of why we are here today. Thanks very much, Sir Roger.

SIR ROGER JONES: There we are. Right of reply given. Opinions? Please, you, sir. This gentleman here.

PETER COLLIER: My name is Peter Collier. I am here on, basically, one issue, to which I wrote to the Assembly. The question of the expenses of Members, in particular to the iPod situation. I personally think it's obscene for any Members to contemplate claiming for such items; after all, their salary is sufficient to be able to buy those themselves, and I agree and applaud Susie fantastically for everything that she has said. I think the important thing from my point of view is -- I am retired, by the way, so it is my pension against the money for an iPod, and Mr. Osborne made out that MPs are a cross between Superman and the Archangel Gabriel and Gareth Edwards. I think that that's quite, quite wrong. I don't think MPs should be like that and I think it's what we perceive as the public. We perceive AMs in these cases not as Honourable Members, but as sportsmen who play right up the edge of the rules, right at the edge of the line, pushing the ball over to make a try and all that. I just feel that whatever is done, whatever is done to the expenses -- I don't mind about their salaries, but, whatever is done, they should be held accountable and properly accountable, not just slapped on the wrist or whitewashed. Thank you very much.

SIR ROGER JONES: Thank you for that view. I think we all understand that; very clearly stated. Sir?

RAY WELSBY: My name is Ray Welsby and I come from Swansea and I have to agree with the young lady what she said because I worked in politics all my life. I've been in the Armed Forces for 26 years. I've also served as a City Councillor on the City and Council of Swansea. I also stood in the last elections as an AM and I agree entirely with what Susie has said and to be open to the public. All accounts should be open to the public because I received the accounts for 2006/7, 2007/8 and I've only been able to carry out work on the 2006/2007 account and there is a lot of discrepancies there in claimants. So, obviously, they haven't been looked at properly by the Assembly before paying these people out,

otherwise the discrepancies would have been picked up, and I am just an ordinary people off the street who can pick up these discrepancies, so surely this could have been done before these were put in the public domain. Also, what really gets to me is AMs claiming expenses for travel for their families. We elected AMs, not their families, to travel. Also, I see that one AM has spent over £6,000 on car hire of taxpayers' money. I find this disgraceful. Also, with the buying of settees, iPods, this is another disgrace and this is why the people of Wales cannot put trust in their local MPs or the Assembly itself because of the way they're spending money; but, in saying that, I also notice big discrepancies in train tickets from Cardiff to London, a matter of hundreds of pounds on some tickets. Surely this should all be done through the Assembly. When you talk about research, the Assembly has got researchers there who inform their Ministers and also the elected representatives of what is going on. They pay these researchers and if they're not up to the standard, they should be dismissed, but, as of usual, these researchers are employed through their Labour Party, Conservative Party, and so on and so forth. I think this is disgraceful and, as has been mentioned, it should be put into the public domain so people can see what vacancies are available within the Assembly. Also, I agree with what's been said this morning by the gentleman who's left that Local Government should be centralised completely with AMs and MPs using the Local Authority offices in order that the remuneration from the Government can go back into local Councils and can be used in those constituencies.

SIR ROGER JONES: Thank you very much for making that clear point.

RT HON DAFYDD WIGLEY: Can I ask for a point of clarification, Chair? On the matter that you referred to that there were payments made by the Fees Office at the Assembly that you believe shouldn't have been and there were these discrepancies there, if you are in a position to give us any written information on this, I'm sure it would be helpful for us. Thank you.

RAY WELSBY: Thank you. Can I mention another thing, please? Sorry about this. It was also mentioned in the expenses of one AM claiming for a traffic offence in a hire car. That is also shown on the claim expenses and, the way I read it, this is being paid by the Assembly, so this should be looked at.

JACKIE NICKSON: Could I clarify one point, which was: what was it you were saying about researchers and appointing researchers?

RAY WELSBY: Assembly Members have all got research workers. I know this because I was in Local Government, as I stated, and I know of one AM Councillor who was employing Councillors to be his researchers working in his office, so, therefore, they have got researchers working for them.

SIR ROGER JONES: That point you made over the traffic offence is an important one. Thank you. Yes, sir?

DR RUSSELL DEACON: My name is Dr. Russell Deacon. I'm a Reader in Welsh Governance and Politics at this university, the University of Wales Institute Cardiff. I'd like to make a number of points, some of which are historical as well. Prior to the payment of salaries to MPs, in Wales, what the system was was you had an independent kind of financial people like barristers, solicitors, businessmen, aristocrats who represented the parliamentary system. The working-class man or even some of the middle-class people weren't able to go into the system at all. So, prior to a system of allowances that enabled them to go in, that meant representative democracy was for a set layer. So, you have to understand that as well. So, the more you reduce it, the more that reduces the ability of the working-class person to actually go for those positions and posts because they don't have the financial resources that wealthier people do. That caused all sorts of problems in itself, corruption problems -- people are aware of David Lloyd George; they might be aware of the Marconi affair -- particularly where they're at a set level where they're mixing with very wealthy people and there is a set standard of life and, all the time, they've got to generate that money themselves by some other means. So, that meant that politicians of the time were dealing with businessmen or lobbyists or being paid to do particular things because their salary was insufficient.

What I suggest you look at is to see a minimum level for an independent Member. What you have at the moment is that all of the politicians tend to be supported by party political parties or they can group together and they can support each other, so this gives them additional resource. So, if you are setting a level, you want to know what the minimum level is. I think you have to set one without any party political support at all and use that as the base.

I noted the points on housing allowance. I would

agree with that. I've written several books on devolution across the United Kingdom and I would say that the housing allowance and the ability that people have to buy a house when they live within commuting distance of the constituency and then see that considerably profit up as the market went up is one of the anomalies that should be overcome, and I agree with what other people were saying about perhaps the Assembly buying property and then renting that property to them and their families.

I also worked for the Assembly for a year when it was setting up and, coming across anecdotal evidence about problems with expenses, one thing I came across, which I'm not certain how true it is, is that Cardiff taxi drivers will tell you that they're always ferrying Assembly Members' families around to the cinema and to the pictures and things like that, and they talk about that. That seems to be quite a common thing if you speak to them.

What I did come across when I was there was there was privilege to certain events that the general public is not allowed into or not able to get access to, things like rugby tickets for international games that were sponsored by BT or something like that. Now, even if the Assembly Member said, "Well, I'll pay the cost of this ticket," it would not be available to members of the public anyway, so it was a perk and a privilege. That was widely used. I don't know the extent it is done now.

We talked about pay increases. Where I've seen some of the best systems of representative democracy is where they actually limit the pay to the lowest paid members of that institutional body, so they're only able to go so many times above the lowest paid worker. So, it might be the administrative assistant. They're only able to go seven times the salary above an administrative assistant, so it locks them into that so they don't go too high up, and that's used as a benchmark.

As for pay-offs, I understand that doesn't apply to support staff, so that's an anomaly as well. It's the discretion of the Member whether they're actually paid and I don't see how that would fit into employment rights as well because, as the Assembly increases, you will have support staff that will have been there 10 years and how they can be suddenly stopped without any redundancy or anything like that -- I'm not certain about the employment rights there.

I know it sounds like Assembly Members shouldn't get pay-offs, but I've seen experience from Members of Parliament that found it very difficult to get employment afterwards and that's because they've got a party political badge sometimes as well and there are instances where they've been stopped from getting jobs because

they're in a constituency and the party that's won the constituency doesn't want them to be in there continuing to work in the constituency with the objective of getting back and they've actually prevented them from getting employment in that constituency.

You talked earlier on -- Susie did -- about paying for furnishings at the taxpayers' expense and it should be paid for by the Assembly Member, but can I remind Susie that that's all taxpayers' expense because the salary is taxpayers' expense as well, so, getting them not to pay expenses and the salary, it's the same thing.

SUSIE SQUIRE: Salary should be enough. Don't worry; I'll come back.

DR RUSSELL DEACON: It's still taxpayers' expense, isn't it? Again, you've got a problem that once the salary goes down, there is topping up by others, which is trade unions, lobbyists; all sorts of groups will top up Members' office support, share offices, allow them to do things like that. So, by reducing the expenses, it doesn't mean to say that it makes it any cheaper, but people always find ways around it. So, it's whether it's clear and transparent, whether you know that you're paying for it or whether somebody else is. So, you have to consider those things as well.

The other thing is about competition. It's seen that, you know, there is plenty of competition for Assembly seats and that if one person doesn't stand there will be plenty of other people who want to do it instead. There is not plenty of competition for Assembly seats. There is plenty of competition for maybe a third of the Assembly seats, but, in most of the constituencies, there is not much competition at all; there is not even much Parliamentary competition, and you can very much predict the incumbent person is going to be in there until they decide to step down.

Those are my points, thank you.

SIR ROGER JONES: Thank you. There are several points there very well made and they have been noted. Thank you very much indeed. Who else? Yes, sir.

ROY NICHOLAS: I think that there are dangers in-----

SIR ROGER JONES: Your name, please?

ROY NICHOLAS: Roy Nicholas. I think there are pitfalls in creating too much reliance on evidence-based. Mr. Wigley, for example, quickly challenged the statistics and he reminded me, actually, of the

accountant who was reading his Financial Times and his 6 year old said, "Daddy, what's 5 and 6?" And he said, "Are they buying or selling?" Yes. Then, Miss Nickson, I thought, made a very salient point to what we were discussing. It would have been better to have evidence in Wales from Community Councillors and County Councillors as to the number of hours they put in and the involvement they have and it's all done with the minimum of expenses or no expenses whatsoever. I think we should also note what happened in the White House last week. All the staff there had been told there would be no review this year. They will be on existing salaries. In view of the economic situation at the moment, I think there is a danger in the Assembly -- if we give increases at this juncture, there is a danger that the AMs will become alienated or there could even be antagonism, and I am quite sure that those who listened to the Welsh news yesterday will agree with me and it is the silent majority that we should be considering along with the statistics. I am not all that interested in what happened in New Zealand, for example. It would be far better to know what's happening locally. Thank you.

SIR ROGER JONES: Mr. Nicholas, thank you very much indeed. Now then, who is next? Ladies, have you any comment to make? Not at the moment. Yes, over here?

KAREN ROBERTS: I should declare an interest. My name is Karen Roberts and I actually work as AM research staff at the Assembly. Some very, very interesting points going around, but one I'd like to pick up on is a comment Susie made earlier which says AMs are doing okay, so we don't need to put their salary up, and, also, one Russell has already picked up on, your comment about competition for seats. As Russell has already said, there isn't a huge competition for seats. Any political party will tell you they are struggling and most are panicking in the case there is a general election in April because they won't be able to fill the number of vacancies that are out there. They won't be able to stand people in every seat. What we are failing to do is attract anybody new. There are lots of people out there who simply will not take the salary cut involved to even consider becoming a politician. At the end of the day, these people, whether you like it or not, are running the country. You've got head teachers out there. A head teacher of a secondary school can pick up £70,00/£80,000. You expect people to run this country for considerably less money than that and, as I say, you're not attracting -- I wouldn't say the right calibre of people because I certainly don't believe anybody should be excluded, but

there are people out there who say, "I'm not interested in standing. I'd have to take a salary cut in order to do it," and they're walking away and I think we're losing a lot of talent in Wales because of that.

SUSIE SQUIRE: What I would say to that -- that is really good to learn; I was going to thank you when we speak after, about letting me know about that situation with the seats when there is high demand and very sparse demand on others. I think, would financial incentive necessarily turn that around, do you think, and, if it did, do you think that would necessarily attract the right people who are going into it because it's got a high salary? We all spoke about the public service motivation of standing and I think that's really key. So, if you're going into it for the money, I think that's a terrible idea, and I don't think that salary is to be sniffed at either, to be perfectly honest. I think it's actually quite high, and I also think would it be the right incentive if we considerably increased the salaries of AMs, in your opinion?

KAREN ROBERTS: No, I'm certainly not saying we should overly inflate the salaries. I'm trying to put some perspective to this. I often show groups of youngsters around the Assembly and one of the questions that's inbred through the media is, "Oh, these AMs get paid a huge fortune," and that's the comparison I usually make, that, compared to their head teacher, they're not getting paid a fortune. I'm certainly not suggesting it should be put up higher, because I'm also a politician -- I've been a candidate myself -- and that's not what drives me to be involved. It's not the salary. So, I'm certainly not suggesting it should be over-inflated. Just let's just stop pretending and let's stop giving people the impression this salary is huge and they're vastly overpaid because they certainly aren't.

SUSIE SQUIRE: I think that's a really important point. We're seeing it in other parts of the public sector, but I think if you talk to a lot of MPs -- and that's why it's really important to have the balance, which I think the Panel has really tried to get with having people from both sides of the argument, because people who are from the public sector and MPs and AMs would say, "We're very underpaid and we actually receive less than most people in the private sector." That is actually not true on research and data that we've collected and other organisations have collected. Your average public sector wage is now actually in excess of your average private sector wage and that's before things like final salary

pensions and perks and other perks that public sector employees would receive and certainly that AMs would receive. So, I absolutely take your point and I think it's important to strike a balance on that, which I'm sure the Panel will do, but I still stand by my point that I don't think that financial incentive and increasing the wages is the right step and, particularly, as I said earlier, not now; I don't think we can divorce the two things. But, thank you very much for your input; that's fantastic.

SIR ROGER JONES: Thank you for making that point.
Sir?

RAY WELSBY: Having listened to the point that the lady has just mentioned now as she does research for the AMs and she mentions heads of schools, I sit on the Board of Governors. Now, isn't it a wise thing to have the correct person in the job to teach our youngsters and take them through life and educating them properly and pay them a proper salary? Bear in mind these elected AMs are through political parties. Whether they can do the job or not, they are selected by their party to do that job. Therefore, when they go into it, they know exactly the amount of money that they are going to get and they are servants of the public and the public are not the servants of them and they must realise this when they apply for the job because applying is only applying through their political body who decides which one to put up for nomination. The people elect. So, therefore, if they've put a person up in a ward or in a constituency, that person has only got that person to vote for, so, therefore, they are restricted and they do not necessarily get the right person because some of these political parties make the wrong choice.

RT HON DAFYDD WIGLEY: Can I get some clarification on that? On the regional list system of the National Assembly -- it is what is called "a closed list" and the parties put the candidates in the order that the parties choose -- would you prefer to see, therefore, a system that would be an open list where the public could choose from within the lists?

RAY WELSBY: Yes, I would.

SIR ROGER JONES: John, you wanted to come in?

SIR JOHN OSMOND: Just to support what the lady over there was saying, really, about the nature of the salary, which is obviously by a lot of people's standards good,

but it's not huge, and I just draw your attention, which you will be aware of, that it's often complained that amongst Assembly Members -- I don't think there is one person whose background comes from the private sector; not one, as far as I know (I may be wrong) at the moment. There was when Mr. Wigley was there. Certainly, not one, for example, with substantial experience in business. You have to ask yourselves would it be desirable to have at least some people who had direct experience of life in relation to the Welsh economy and the business world? I think it is common sense to say, yes, that would be a desirable thing to have, but the fact of the matter is the overwhelming numbers, 100 per cent of existing members of the Assembly, their background is one way or another in the public sector. This seems to me a distortion. When you ask yourselves why is this the case, it's not very hard to look for the reason and the reason is probably twofold. First of all, the kind of person whose experience would be valuable from the private sector is earning at least twice or three times what they would earn as an AM. Not only that, they know that if they were to become an AM, they would be subject to the kind of debate that we're having here today about what is the cost of the settee they bought, what their family members are doing; these kind of things. What person in their right mind, quite frankly, would want to subject themselves to that and take a pay cut of three or four times? I'm arguing that we should have transparency and disclosure and so on, but I think we ought to be reasonable as well.

SIR ROGER JONES: Point well made. Yes, sir, please come back.

DR RUSSELL DEACON: On my long list of points, I forgot about two things. That was, you talked about Assembly support or researchers, that they had four roles. There is also a fifth role that they are actually Parliamentary candidates and Assembly candidates in waiting and that's not the case for all of them, but it's the case for quite a substantial number of them. So, that's forgotten, but don't believe that's a recent thing because as soon as they had special advisors in the Welsh Office, as soon as they came in, they also fulfilled the same roles and virtually every special advisor was also a Parliamentary candidate as well. So, that's another thing. That links on to the second point that they are political posts often and the reason that they're different from the normal civil servants comes down to a number of things, but one is that the Assembly Member has to feel they can trust them and that they are politically aligned to them

and support them because the problems of having someone that was opposed to you politically is very difficult when you are in that place, or can leak information or that will want to do something which will make you lose the seat. It's a party political game and they need to have people in. One of the problems, again, when you get newly elected is that you need to hit the ground running and you need support staff instantly. So, that's one of the difficulties and that's why it tends to be this case that family members get in because they're actually trying to get anyone in to support them and they don't go through the proper processes at the start. One of the ways around that might be that they have to go through the processes within 2 months, or something, to set a deadline. So, they could have temporary staff in, but, within a 2 month period, they have to go through the proper HR processes.

SIR ROGER JONES: Could I comment on that? The spending of public money on salaries, you're encouraged by Lord Nolan's directives that there are procedures to be followed for the employment of staff. Are we convinced that these processes are being followed on the appointment of publicly paid staff in support of AMs? Looking around, is there anyone with specific information here? No, okay. It's a fair question to ask.

KAREN ROBERTS: Can I just point out that our jobs are advertised widely and the only restriction we lay down is they're not a member of another political party because, for reasons Russell points out, that would be possibly quite a disaster, but "Work for an MP" is a web-site we usually use because it also saves the Assembly money because you try to advertise in the Western Mail and you know how much that costs. We use "Work for MP" and "Electus" and we like to advertise our vacancies and there is one up there at the moment if anyone wants to have a look.

SIR ROGER JONES: Thank you.

RT HON DAFYDD WIGLEY: Could I come back to our colleague who was speaking a moment ago? Picking up the direction you were moving in, are you suggesting that there is a need for more training of AMs when they first come into the job? Anyone going into a new job in industry, wherever, would probably expect to have some training and induction period. Do you have any view on that?

DR RUSSELL DEACON: Yes, having been involved in the training of some of them where they'd actually arrive there and didn't know anything about the system at all and then been able to support them in the first instance, I think you are very much right. I think what would be useful would be if they had some sort of impartial mentor, somebody they could go to feeling they could get confidential advice, that they wouldn't be looked down upon, again, because with all those things, as I said, you get elected as an Assembly Member and, instantly, from day one, you are expected to be an expert on everything, or perceived to be, and the other thing is your colleagues often don't have time to spend going through things because they're in very busy portfolios themselves.

SIR ROGER JONES: Thank you. The gentleman we had before.

RAY WELSBY: By stating a person should not be a member of any other political party when looking for the job, wouldn't that be discriminating under the Employment Act because I, as an independent person, might want to apply for that job and have my own view on politics, but I can't apply for it because I'm not a member of the Labour Party/Conservative Party/Plaid Cymru Party or any other party? Therefore, I'm sure that would be discrimination under the Employment Act.

KAREN ROBERTS: Could I briefly respond?

SIR ROGER JONES: Please.

KAREN ROBERTS: Could I just briefly respond? I think you are arguing from a different point there. We don't stipulate that they have to be a member of the Welsh Liberal Democrats. We only say they shouldn't be a member of anything else. You, as an independent person, would be perfectly entitled to apply.

RAY WELSBY: There again, you are stipulating a point of what you say they shouldn't be a member of; therefore, it's not open to any member of the public unless they follow that guideline, that political group.

SIR ROGER JONES: I think I started a few hares running there by talking about Nolan, didn't I? I should keep my big mouth shut. I will in future. Anyone else? We're anxious to hear from you. Is there anyone else? No.

I think in that case, then, it's up to me to say a

few concluding words. I think the points that I've picked up this morning are that Members' pay seems to be reasonable. No one has given me any information that a pay rise is justified in the current economic climate. That is something that we will be looking at amongst all the rest of the evidence we've received.

The issue also cropped up about the differences between the support for AMs who are List Members and those who are Constituency Members. That seems to be something that has exercised some of you.

Another point that's come to me is we need to attract a more diverse range of candidates to become AMs. That point has been made. The point was made that very few have a background in wealth creation, although the balance seems to be on wealth spending. It is much more fun to spend the wretched stuff; it's quite hard to generate it. So, I think we've seen that reflected.

People don't work just for the money. That's another point that's comes across here. There is a public service ethos and it's one which I think we all in this room would applaud the AMs we've got for that public service ethos. No one is saying it's an easy job; in fact, it can be quite a thankless job at times, I suspect, and we thank them for doing it. Politicians are, of course, essential for the democratic process. Without AMs, you can't have democracy. I was having a conversation over Christmas where somebody pointed out to me that democracy is expensive and I said, "Yes, but no one should make a career of making it unaffordable," which I think was a fair point to make.

Additional cost allowance. The purchase of second homes is something we have to look at very carefully and we had some views on that, particularly where commuting is a perfectly reasonable option. We all know people whose circumstances mean that they commute half an hour a day to their work by train or public transport or by car. I don't think that we have a class of society that are beyond commuting. So, I think that point has come across.

Training for new AMs. Training for AMs is probably something that there is not much of an appetite for. I guess that once you've been appointed to become an AM, there is a danger that one is starting to receive direct messages from God and the need for training is not that great. Training is something that I would like to think is an essential part of our lives. Coming from the private sector, for someone doing a key job in one of my companies I am spending 5 per cent, 10 per cent sometimes, 15 per cent of their salary every year on making sure that they are working as effectively as we possibly can make them. That is not something, I think,

that comes across to our AMs at the present time.

Finally, I think you all have got a feeling that you all share the need for transparency, accountability, and the need for an audit process that's robust, that the numbers are what we say they are and it is clarity. I think where the public unease happens now is because we don't know. We suspect the thing, but no one can tell us what's going on. I think once you shine light into these dark places, then we all start to feel better then, don't we? So, I think that shining light into dark places is one of the things, I think, that you were telling me that you require.

If anything else occurs to you as a result of this morning -- you, your friends, or when you are talking in the pub -- write to us because this process is not going to close for another couple of weeks at least, so we are anxious to have your views. If you want them confidential, we'll be very happy to maintain the confidentiality of that information. Also, come on the website, those of you who while away the evenings on the keyboard. Please, we want to hear from you.

So, thank you very much indeed for coming here today. You, as good citizens, have made a contribution. You are not just sitting there tut-tutting that things are wrong. You have all taken a major step into fixing it, getting it done right. So, for that, you are to be applauded and I thank you very much indeed.

(Meeting Closed)

[I certify that I produced this transcript to the best of my skill and ability. H Maclean, MBIVR]