**1. Report of the Standing Committee on Finance on the determination of remuneration of members of the Financial and Fiscal Commission, dated 12 February 2019.**

On 6 December 2018 the notice from the President on the determination of remuneration of members of the Financial and Fiscal Commission (FFC), dated 26 October 2018, was referred to the Standing Committee on Finance. This referral was a correction to the previous referral of this matter to the Standing Committee on Appropriations, dated 13 November 2018.

The 22 August 2018 the Chairperson of the Independent Commission for the Remuneration of Public Office Bearers (Commission), Judge C J Musi, made recommendations to the President as contemplated in section 9(1) of the Financial and Fiscal Commission Act No. 99 of 1997, attached as an annexure to this report.

Section 9(1) provides that members of the FFC are entitled to such remuneration, allowances and other benefits as determined by the President taking into consideration the recommendations from the Commission. The determination by the President must be approved by the National Assembly. Furthermore, the Commission must consult with the Minister of Finance when investigating or considering the remuneration, allowances and other benefits of members of the FFC. The Committee noted that the Commission complied with these provisions.

Remuneration of members of the FFC was last adjusted in 2012. Given the important advisory function of the FFC, the Commission made an initial proposal that National Treasury found unaffordable and unsustainable. Hence, the Commission based its final recommendations for the full-time Chairperson and the part-time Deputy Chairperson and other members of the FFC on the salary scales determined by the Department of Public Service and Administration for senior managers in the public service.

The determination applies retrospectively from 1 April 2018.

The Standing Committee on Finance, having considered the notice, reports that it supports the determination of remuneration of members of the Financial and Fiscal Commission.

The Democratic Alliance (DA) reserve their position.

Report to be considered.