

## A maximum wage

Published: January 14, 2026, 2:07 am

---

[Prem Sikka](#) is arguing for a maximum wage:

*We should limit the maximum remuneration (salary, bonus, share options, pension, perks) for executives at public companies to 10 times the median remuneration in the same company. The proposal would mean that if executives want more they will have to raise workers' remuneration too. This is equitable since workers have helped to create wealth.*

*The median annual pre-tax income for the UK is about £25,000. If a company mirrored that, then the maximum its executives should be able to collect is about £250,000 - more than enough for a comfortable lifestyle.*

It has a lot to commend it.

Enforcement would, of course, be an issue:

*If directors violate the norms then the cost of the entire executive remuneration should become ineligible for tax deduction, ie companies will have to pay a higher tax bill. There should also be an equivalent fine on the offending directors. These penalties could create incentives to behave responsibly.*

That should deal with that.

And have no doubt: this could over-write all those abusive pay contracts at the stroke of a pen.

Why is it some of us can work out how to do this stuff when the Treasury can't?