

**Reprint
as at 3 November 2016**



**Parliamentary Salaries and Allowances Determination
(No 2) 2015
(LI 2015/316)**

Parliamentary Salaries and Allowances Determination (No 2) 2015: revoked (after expiring on 30 June 2016), on 3 November 2016, by clause 7 of the Parliamentary Salaries and Allowances Determination 2016 (LI 2016/252).

Pursuant to section 8 of the Members of Parliament (Remuneration and Services) Act 2013 and to the Remuneration Authority Act 1977, the Remuneration Authority makes the following determination (to which is appended an explanatory memorandum).

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Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.
Note 4 at the end of this reprint provides a list of the amendments incorporated.

Determination

1 Title

This determination is the Parliamentary Salaries and Allowances Determination (No 2) 2015.

2 Commencement

This determination is deemed to have come into force on 1 July 2015.

3 Expiry

This determination expires on 30 June 2016.

4 Interpretation

In this determination,—

party means a parliamentary political party whose members in the House of Representatives include at least 1 member elected as a constituency or list candidate for that party

select committee means a committee that is established by, or in accordance with,—

- (a) Standing Order 184(1) or (2) of the Standing Orders of the House of Representatives (with effect on 15 August 2014); or
- (b) the corresponding provision of those Standing Orders (with effect on an earlier or a later date).

5 Salaries

- (1) The salaries payable under section 8 of the Members of Parliament (Remuneration and Services) Act 2013 are set out in Schedule 1.
- (2) No member of Parliament may be paid more than 1 salary at any one time under any of the provisions of Schedule 1 and, if a member holds 2 or more offices, the salary payable to that member is that payable for the office for which the highest salary is payable.

6 Allowances

- (1) The allowances payable under section 8 of the Members of Parliament (Remuneration and Services) Act 2013 are set out in Schedule 2.
- (2) An allowance is paid to the recipient for the purpose of reimbursing the recipient for expenses that arise from that recipient's official and parliamentary duties and that are not otherwise covered by the determinations made under the Members of Parliament (Remuneration and Services) Act 2013.

7 Revocations

The following determinations are revoked:

- (a) Parliamentary Salaries and Allowances Determination 2015 (LI 2015/41);
- (b) Parliamentary Salaries Determination 2015 (LI 2015/129).

Schedule 1
**Salaries payable under section 8 of Members of Parliament
(Remuneration and Services) Act 2013**

cl 5(1)

Office	Yearly rate of salary payable on and after 1 July 2015 (\$)
<i>Members of the Executive</i>	
Prime Minister	448,569
Deputy Prime Minister	318,760
Each member of the Executive Council who is a Minister of the Crown holding 1 or more portfolios and who is a member of Cabinet	281,881
Each member of the Executive Council who is a Minister of the Crown holding 1 or more portfolios, but who is not a member of Cabinet	237,917
Each other member of the Executive Council	207,288
Each Parliamentary Under-Secretary	185,098
<i>Officers of the House of Representatives</i>	
Speaker of the House of Representatives	281,881
Deputy Speaker	199,475
Each Assistant Speaker	171,137
<i>Leader of the Opposition</i>	
Leader of the Opposition	281,881
<i>Other party leaders</i>	
Each member of Parliament who is the leader of a party—	
Base salary	171,137
<i>plus</i>	
For each additional member of the party in the House of Representatives up to a maximum of 5	2,036
<i>plus</i>	
For each additional member of the party in the House of Representatives over 5 up to a maximum of 23	1,361
<i>plus</i>	
For each additional member of the party in the House of Representatives over 23	676
<i>Deputy leaders</i>	
Each member of Parliament who is the deputy leader of a party whose members in the House of Representatives number not less than 25—	
Base salary	196,766
<i>plus</i>	
For each additional member of the party in the House of Representatives over 25 up to a maximum of 35	676

Office	Yearly rate of salary payable on and after 1 July 2015 (\$)
<i>plus</i>	
For each additional member of the party in the House of Representatives over 35 up to a maximum of 45	390
<i>Whips</i>	
In respect of each party whose members in the House of Representatives number not less than 4—	
One Whip	
Base salary	171,137
<i>plus</i>	
For each member of the party in the House of Representatives over 6 up to a maximum of 24	1,361
<i>plus</i>	
For each member of the party in the House of Representatives over 24 up to a maximum of 35	676
<i>plus</i>	
For each member of the party in the House of Representatives over 35 up to a maximum of 45	390
Senior Government Whip	
If a Whip referred to in one of the provisions under the heading Whips is also the Senior Government Whip, an additional sum is added	4,864
In respect of each party whose members in the House of Representatives number not less than 25—	
One Junior Whip (separate from, and additional to, that party's One Whip)	171,137
In respect of each party whose members in the House of Representatives number not less than 45—	
One Additional Junior Whip	171,137
<i>Chairpersons of select committees</i>	
Each member of Parliament who is the chairperson of a select committee	171,137
<i>Deputy chairpersons of select committees</i>	
Each member of Parliament who is the deputy chairperson of a select committee	160,928
<i>Other members of Parliament</i>	
Each other member of Parliament	156,136

Schedule 2
Allowances payable under section 8 of Members of Parliament
(Remuneration and Services) Act 2013

Office	Yearly rate of expenses allowance payable on and after 1 July 2015 (\$)	cl 6(1)
Prime Minister	22,140	
Speaker	20,700	
Each other member of Parliament	16,630	

Dated at Wellington this 2nd day of December 2015.

Angela Foulkes,
Member.

Diane Morcom,
Member.

Explanatory memorandum

This memorandum is not part of the determination, but is intended to indicate its general effect.

- 1 The Remuneration Authority (the **Authority**) is required to set remuneration for members of Parliament by—
 - reference to the change in ordinary time weekly earnings for full-time equivalent (**FTE**) employees in the public sector as determined by the Quarterly Employment Survey (**QES**); and
 - the amount of any change in the personal benefit or potential personal benefit that the Authority is required to take into account under section 16(2)(b) of the Members of Parliament (Remuneration and Services) Act 2013.

The formula to be used is set out in section 18B of the Remuneration Authority Act 1977 as inserted by the Remuneration Authority (Members of Parliament Remuneration) Amendment Act 2015.

- 2 The change in the ordinary time weekly earnings for FTE employees in the public sector between 2014 and 2015 was 2.62%. This is calculated by comparing—

- the average ordinary time weekly earnings for FTE employees in the public sector as determined by the QES for each of the 4 quarters of the period ending 30 June 2014, added together and divided by 4 (\$1,325.14); and
- the average ordinary time weekly earnings for FTE employees in the public sector as determined by the QES for each of the 4 quarters of the period ending 30 June 2015, added together and divided by 4 (\$1,359.81).

3 In September 2014, the Authority issued its first determination on services for members and ministers under the Members of Parliament (Remuneration and Services) Act 2013. At the same time, new directions on other services were issued by the Speaker and the Minister Responsible for Ministerial Services.

The changes in amounts of personal benefit or potential personal benefit arising from any changes in entitlements as a result of a determination made by the Authority, directions issued by the Speaker, or a determination made by the Minister Responsible for Ministerial Services under the Members of Parliament (Remuneration and Services) Act 2013 have been assessed as follows:

(a) *Members' and Executive New Zealand travel*

Apart from some minor changes to the definitions of parliamentary business, New Zealand travel services have not been changed by the 2014 Determination. Therefore there has been no change in entitlement.

There have been changes in usage and a change to the proportion of cost that the Inland Revenue Department assesses to be of personal benefit, but because there has not been a change in entitlement those changes do not trigger any adjustment to take into account when setting salaries.

(b) *Executive self-drive cars*

Included in this heading are self-drive cars for the Speaker, Deputy Speaker, and Leader of the Opposition.

There have not been any material changes to the conditions surrounding the use of self-drive cars nor to the allowable purchase price of those cars.

Therefore there has not been any change in entitlement and so nothing to take into account when setting salaries.

(c) *Chauffeur-driven cars*

There have not been any material changes to the provision of, or access to, chauffeur-driven services for members and so nothing to take into account when setting salaries.

(d) *Spouses' and partners' New Zealand travel*

There have been changes to the provision of New Zealand travel services for spouses and partners that are viewed as material changes in en-

itlement. Where previously there was an unlimited travel entitlement for spouses and partners of members and Ministers, the new determination sets limits on the amount of personal travel and a requirement that the travel be connected to the member's parliamentary or ministerial business.

The unlimited nature of the previous entitlement required the Authority to make a practical assessment of its potential personal benefit to members. It has assessed the actual cost of usage per member in the 2-year period 2012/14 as being a reasonable estimate of potential benefit per member under the old provisions.

The Authority has assessed the potential personal benefit, per member, of the entitlements under the new provisions by having regard to the average cost of trips, the maximum entitlements, and the Inland Revenue Department's assessment of the proportion of partner travel costs that is subject to fringe benefit tax. That amount of change in personal benefit is assessed at \$2,590 per member and is used in the salary determination.

(e) *Dependants' New Zealand travel*

The maximum number of trips has not changed under the new rules.

The only change to dependants' travel entitlements is that, instead of the travel being limited to travel to Wellington, it is now limited to joining or accompanying the member whilst the member is on parliamentary or ministerial business. This could be viewed as a change in entitlement with a greater personal benefit but, on balance, it is viewed as being effectively no change in entitlement, so nothing to take into account when setting salaries.

(f) *Members' Wellington accommodation*

There have been some changes to the way that this entitlement is paid for (an allowance replacing a reimbursement of costs for most members) and some minor changes in what the allowance is intended to cover.

There has, however, been no change in the basic entitlement, which is to provide a reasonable level of accommodation in Wellington, reasonably close to Parliament, which recognises that members outside of the Wellington commuter district need to have accommodation in Wellington in order for them to carry out their jobs, and that members should not be expected to meet the costs of that accommodation from their own pockets.

Therefore it is assessed that there has not been any change in entitlement and so nothing to take into account when setting salaries.

(g) *Members' accommodation outside Wellington*

There have been some changes to the maximum levels of reimbursement to reflect changing costs and some minor changes in what the allowance is intended to cover.

There has, however, been no change to the basic entitlement, which is to reimburse reasonable costs of accommodation incurred by a member when on parliamentary business and where the member could not reasonably be expected to travel to his or her home base by conventional methods or safely.

Therefore it is assessed that there has not been any change in entitlement and so nothing to take into account when setting salaries.

(h) *Home base security*

There have not been any material changes to entitlements for Ministers or members.

Therefore it is assessed that there has not been any change in entitlement and so nothing to take into account when setting salaries.

(i) *Information and communications technology*

There have not been any material changes to entitlements with respect to home telephone and internet services, or to cell phone services.

Therefore it is assessed that there has not been any change in entitlement and so nothing to take into account when setting salaries.

4 The change in QES and change in personal benefit of entitlements have been applied according to the formula in the Remuneration Authority Act 1977. This results in salary increases between 3.12% and 4.06%.

5 Since 2002, members have been entitled to a tax-free allowance intended to cover out-of-pocket expenses incurred in the pursuit of parliamentary business, which may include—

- (a) the entertainment of visitors, staff, constituents, and officials; and
- (b) memberships, sponsorships, and fees; and
- (c) koha; and
- (d) donations and raffle tickets; and
- (e) gifts and prizes; and
- (f) flowers (excluding wreaths for public commemorative events); and
- (g) passport photos; and
- (h) briefcases and luggage; and
- (i) meals.

This allowance has, as in previous years, been increased by the New Zealand Consumers Price Index movement to 30 June 2015 (0.4%).

- 6 This determination is effective from 1 July 2015 and expires on 30 June 2016. The determination could not be finalised earlier because of the preparatory work that the Authority was required to undertake, notably on the assessment of personal benefit, before making the determination.

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 10 December 2015.

Reprints notes

1 *General*

This is a reprint of the Parliamentary Salaries and Allowances Determination (No 2) 2015 that incorporates all the amendments to that determination as at the date of the last amendment to it.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Parliamentary Salaries and Allowances Determination 2016 (LI 2016/252): clause 7

Parliamentary Salaries and Allowances Determination (No 2) 2015 (LI 2015/316): clause 3