

Reprint
as at 18 October 2020



Parliamentary Salaries and Allowances Determination 2020

(LI 2020/113)

Parliamentary Salaries and Allowances Determination 2020: expired, on the close of 17 October 2020, by clause 3.

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 2020.

2 Commencement

This determination is deemed to have come into force on 1 July 2019.

3 Expiry

This determination expires at the end of polling day for the next general election.

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 23 August 2017); 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.

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

Office	<i>cl 5(1)</i> Yearly rate of salary payable on and after 1 July 2019 (\$)
<i>Members of the Executive</i>	
Prime Minister	471,049
Deputy Prime Minister	334,734
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	296,007
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	249,839
Each other member of the Executive Council	217,676
Each Parliamentary Under-Secretary	194,374
<i>Officers of the House of Representatives</i>	
Speaker of the House of Representatives	296,007
Deputy Speaker	209,471
Each Assistant Speaker	179,713
<i>Leader of the Opposition</i>	
Leader of the Opposition	296,007
<i>Other party leaders</i>	
Each member of Parliament who is the leader of a party—	
Base salary	179,713
<i>plus</i>	
For each additional member of the party in the House of Representatives up to a maximum of 5	2,138
<i>plus</i>	
For each additional member of the party in the House of Representatives over 5 up to a maximum of 23	1,430
<i>plus</i>	
For each additional member of the party in the House of Representatives over 23	709
<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	206,627
<i>plus</i>	
For each additional member of the party in the House of Representatives over 25 up to a maximum of 35	710
<i>plus</i>	
For each additional member of the party in the House of Representatives over 35 up to a maximum of 45	410
<i>Whips</i>	
In respect of each party whose members in the House of Representatives number not less than 4—	

Office	Yearly rate of salary payable on and after 1 July 2019 (\$)
One Whip	
Base salary	179,713
<i>plus</i>	
For each member of the party in the House of Representatives over 6 up to a maximum of 24	1,430
<i>plus</i>	
For each member of the party in the House of Representatives over 24 up to a maximum of 35	709
<i>plus</i>	
For each member of the party in the House of Representatives over 35 up to a maximum of 45	410

Office	Yearly rate of salary payable on and after 1 July 2019 (\$)
<i>Senior Government Whip</i>	
If a Whip referred to in one of the provisions under the heading <i>Whips</i> is also the Senior Government Whip, an additional sum is added	5,108
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)	179,713
In respect of each party whose members in the House of Representatives number not less than 45—	
One Additional Junior Whip	179,713
<i>Chairpersons of select committees</i>	
Each member of Parliament who is the chairperson of a select committee	179,713
<i>Deputy chairpersons of select committees</i>	
Each member of Parliament who is the deputy chairperson of a select committee	168,992
<i>Other members of Parliament</i>	
Each other member of Parliament	163,961

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 2019 (\$)
Prime Minister	22,606
Speaker	21,136
Each other member of Parliament	16,980

Dated at Wellington this 8th day of June 2020.

Fran Wilde,
Chairperson.

Geoff Summers,
Member.

Len Cook,
Member.

Explanatory memorandum

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

The Remuneration Authority (Members of Parliament Remuneration) Amendment Act 2019 (the **Amendment Act**) reversed the changes made in 2015 that established a formula for calculating the remuneration of members of Parliament (**MPs**). It also removed a spent provision that in 2018 was inserted into the Remuneration Authority Act 1977 (the **Act**) to freeze MPs' remuneration for the period 1 July 2018 to 30 June 2019 at the levels determined in the Parliamentary Salaries and Allowances Determination 2017.

The Amendment Act also restored the criteria-based discretion of the Remuneration Authority (the **Authority**) to determine the salaries and allowances of MPs and equipped the Authority with the flexibility to take into account changing economic circumstances.

The Amendment Act requires that, as soon as practicable after its commencement, the Authority must issue a determination covering salaries and allowances of MPs for the period 1 July 2019 to polling date for the next general election.

The criteria that the Authority must have regard to when making a determination are listed in sections 18 and 18A of the Act and include the criterion that the Authority must take into account prevailing adverse economic conditions, which is important at this time.

COVID-19 has created a rapidly changing environment that is having an immediate and unprecedented impact on the New Zealand economy, but the impact is difficult to measure at this early stage. The Treasury recently published scenarios showing the possible economic impacts of COVID-19 on New Zealand under different circumstances. It is likely that economic and labour market figures and statistics published for the March 2020 quarter will largely reflect conditions before New Zealand went into the COVID-19 Level 4 lockdown, so the Authority will not know the extent of the downturn until the figures for the June 2020 quarter are published.

Therefore, the Authority has decided to maintain the salaries and allowances of MPs at their 2017 levels until the expiry of this determination at the next general election.

However, the recently enacted Remuneration Authority (COVID-19 Measures) Amendment Act 2020 has changed the Act to enable the Authority to reduce parliamentary remuneration by up to 20% for a defined period of time. As a result of this, the Authority will issue an amendment to this determination in the near future.

Since 2002, MPs 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—

- the entertainment of visitors, staff, constituents, and officials; and
- memberships, sponsorships, and fees; and
- koha; and
- donations and raffle tickets; and
- gifts and prizes; and
- flowers (excluding wreaths for public commemorative events); and
- passport photos; and
- briefcases and luggage; and
- meals.

No change has been made to this allowance.

As required by section 17A of the Act, the Authority consulted the Speaker of the House of Representatives, the Minister responsible for Ministerial Services, and the Commissioner of Inland Revenue before finalising this determination.

This determination is effective from 1 July 2019 and expires at the end of polling day for the next general election.

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 11 June 2020.

Reprints notes

1 *General*

This is a reprint of the Parliamentary Salaries and Allowances Determination 2020 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 2020 (LI 2020/113): clause 3