

**THE PARLIAMENTARY SALARIES AND ALLOWANCES  
DETERMINATION 1995**

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PURSUANT to section 16 of the Civil List Act 1979 and to the Higher Salaries Commission Act 1977, the Higher Salaries Commission hereby makes the following determination (to which is appended an Explanatory Memorandum).

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DETERMINATION

**1. Title and commencement**—(1) This determination may be cited as the Parliamentary Salaries and Allowances Determination 1995.

(2) This determination shall be deemed to have come into force on the 1st day of July 1995.

**2. Expiry**—This determination shall expire on the 31st day of March 1996.

**3. Salaries**—(1) The salaries payable pursuant to section 16 of the Civil List Act 1979 shall be those set out in the First Schedule to this determination.

(2) The rates of salary fixed by this determination result from the review of salaries made as at the 1st day of July 1995.

**4. Allowances**—(1) The allowances payable pursuant to section 16 of the Civil List Act 1979 shall be those set out in the Second Schedule to this determination.

(2) Each allowance provided for in the Second Schedule to this determination shall be paid to the recipient for the purpose of reimbursing the recipient for expenses arising from that recipient's official and Parliamentary duties.

**5. Revocation**—The Parliamentary Salaries and Allowances Determination 1994\* is hereby revoked.

## SCHEDULES

## FIRST SCHEDULE

Cl. 3

## SALARIES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST ACT 1979

Office	Yearly Rate of Salary \$
<i>Members of the Executive</i>	
Prime Minister ... ..	185,500
Deputy Prime Minister ... ..	141,500
Each member of the Executive Council (other than the Prime Minister and the Deputy Prime Minister) who is a Minister of the Crown holding a portfolio or portfolios and who is a member of Cabinet ...	126,000
Each member of the Executive Council (other than the Prime Minister and the Deputy Prime Minister) who is a Minister of the Crown holding a portfolio or portfolios but who is not a member of Cabinet ...	120,000
Each other member of the Executive Council ...	97,000
Each Parliamentary Under-Secretary ... ..	97,000
<i>Officers of the House of Representatives</i>	
Speaker of the House of Representatives ... ..	126,000
Deputy Speaker (who also holds office as Chairman of Committees of the House of Representatives) ...	100,000
Deputy Chairman ... ..	77,500
<i>Leader and Deputy Leader of the Opposition</i>	
Leader of the Opposition ... ..	126,000
Deputy Leader of the Opposition ... ..	97,000
<i>Whips</i>	
Senior Government Whip ... ..	86,500
Senior Opposition Whip ... ..	86,500
Junior Government Whip ... ..	81,500
Junior Opposition Whip ... ..	81,500
<i>Members of Parliament</i>	
Each member of Parliament to whom none of the foregoing provisions of this Schedule applies ...	72,500

Cl. 4

## SECOND SCHEDULE

ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979*Members of the Executive*

**1. Expenses allowance**—There shall be paid to each member of the Executive Council and to each Parliamentary Under-Secretary an expenses allowance in accordance with the following table:

Office	Yearly Rate of Expenses Allowance \$
Prime Minister ... ..	29,500
Deputy Prime Minister ... ..	13,000
Each member of the Executive Council (other than the Prime Minister and the Deputy Prime Minister) who is a Minister of the Crown holding a portfolio or portfolios, whether or not a member of Cabinet	12,000
Each other member of the Executive Council	9,500
Each Parliamentary Under-Secretary ...	9,500

**2. Additional allowance for Minister of Foreign Affairs and Trade**—There shall be paid to the Minister of Foreign Affairs and Trade, in addition to that Minister's expenses allowance under clause 1 of this Schedule, an allowance at the rate of \$6,000 a year to provide for expenses incurred in connection with that Minister's official duties.

**3. Travelling allowance**—(1) There shall be paid to each member of the Executive Council and to each Parliamentary Under-Secretary a travelling allowance in respect of each occasion on which the member of the Executive Council or Parliamentary Under-Secretary is, in the course of travelling within New Zealand on public service, absent both—

- (a) From the Wellington commuting area; and
- (b) From the place where the member of the Executive Council or Parliamentary Under-Secretary normally resides when not living in a residence provided at public expense.

(2) Except where subclause (4) or subclause (5) of this clause applies, the travelling allowance payable in respect of each occasion on which the member of the Executive Council or Parliamentary Under-Secretary is absent from Wellington shall, subject to subclause (3) of this clause, be a sum equal to the actual and reasonable cost of the expenses incurred but not exceeding \$260 per day or part thereof.

(3) The travelling allowance payable under subclause (2) of this clause shall be a minimum of \$40 in respect of each occasion on which the period of absence is at least 6 hours.

(4) Where the occasion involves the attendance of the person entitled and the spouse of that person at an official function, being an official function—

- (a) Which the person entitled attends by reason of the duties of his or her office; and
- (b) Which the person entitled is invited to attend or is required to attend primarily because of the office that the person entitled holds; and

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

(c) Which the spouse of the person entitled necessarily attends,—the travelling allowances payable in respect of each such occasion shall, subject to subclause (5) of this clause, be a sum equal to the actual and reasonable costs of the expenses incurred but not exceeding the sum of \$390 per day or part thereof.

(5) The travelling allowance payable under subclause (4) of this clause shall be a minimum of \$50 in respect of each occasion on which the period of absence is at least 6 hours.

(6) In this clause “day” means a period of 24 hours.

**4. House allowance**—There shall be paid to each member of the Executive Council or Parliamentary Under-Secretary who is not provided at the public cost with a residence a house allowance at the rate of \$2,000 a year.

**5. House and grounds maintenance allowance**—(1) There shall be paid—

(a) To each member of the Executive Council or Parliamentary Under-Secretary who is entitled to a house allowance under clause 4 of this Schedule; and

(b) To each member of the Executive Council or Parliamentary Under-Secretary—

(i) Who represents an electorate outside the Wellington commuting area; and

(ii) Who retains a residence, for personal use or electorate purposes or both, in the electorate that the member of the Executive Council or Parliamentary Under-Secretary represents,—

a house and grounds maintenance allowance at the rate of \$1,500 a year.

(2) In this clause, and in clauses 3 and 4 of this Schedule, “residence” includes any flat or town house, whether or not occupied pursuant to a licence to occupy within the meaning of Part VIIA of the Land Transfer Act 1952.

*Officers of the House of Representatives*

**6. Speaker**—There shall be paid to the Speaker of the House of Representatives—

(a) A basic expenses allowance at the rate of \$12,000 a year; and

(b) An additional allowance at the rate of \$8,500 a year to provide for expenses incurred in connection with the office of Speaker; and

(c) A day allowance in accordance with clause 13 of this Schedule; and

(d) Except in the case of travel wholly within the Speaker’s electorate, the travelling allowance that would be payable to the Speaker under clause 3 of this Schedule if the Speaker were a member of the Executive Council; and

(e) The house and grounds maintenance allowance (if any) that would be payable to the Speaker under clause 5 of this Schedule if the Speaker were a member of the Executive Council.

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

**7. Deputy Speaker (who also holds office as Chairman of Committees)**—There shall be paid to the Deputy Speaker (who also holds office as Chairman of Committees of the House of Representatives)—

- (a) A basic expenses allowance at the rate of \$9,500 a year; and
- (b) An additional allowance at the rate of \$7,500 a year to provide for expenses incurred in connection with the office of Deputy Speaker or the office of Chairman of Committees of the House of Representatives; and
- (c) A day allowance in accordance with clause 13 of this Schedule; and
- (d) Except in the case of—
  - (i) Travel wholly within the electorate of the person who holds office both as the Deputy Speaker and as the Chairman of Committees of the House of Representatives; or
  - (ii) Travel wholly within the Wellington commuting area,—
 a night allowance in accordance with clause 14 of this Schedule.

**8. Deputy Chairman**—There shall be paid to the Deputy Chairman—

- (a) A basic expenses allowance at the rate of \$6,750 a year; and
- (b) An additional allowance at the rate of \$1,000 a year to provide for expenses incurred in connection with the office of Deputy Chairman; and
- (c) An electorate allowance at the appropriate rate specified in clause 12 of this Schedule; and
- (d) A day allowance in accordance with clause 13 of this Schedule; and
- (e) A night allowance in accordance with clause 14 of this Schedule.

*Leader and Deputy Leader of the Opposition*

**9. Leader of the Opposition**—There shall be paid to the Leader of the Opposition—

- (a) A basic expenses allowance at the rate of \$12,000 a year; and
- (b) Where the Leader of the Opposition resides in the Wellington commuting area,—
  - (i) A house allowance at the rate of \$2,000 a year; and
  - (ii) A house and grounds maintenance allowance at the rate of \$1,500 a year; and
- (c) Where the Leader of the Opposition does not reside in the Wellington commuting area,—
  - (i) A day allowance in accordance with clause 13 of this Schedule; and
  - (ii) A night allowance in accordance with clause 14 of this Schedule; and
- (d) The travelling allowance that would be payable to the Leader of the Opposition under clause 3 of this Schedule if the Leader of the Opposition were a member of the Executive Council.

**10. Deputy Leader of the Opposition**—There shall be paid to the Deputy Leader of the Opposition—

- (a) A basic expenses allowance at the rate of \$6,750 a year; and

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

- (b) An additional allowance at the rate of \$4,800 a year to provide for expenses incurred in connection with the office of Deputy Leader of the Opposition; and
- (c) A day allowance in accordance with clause 13 of this Schedule; and
- (d) A night allowance in accordance with clause 14 of this Schedule.

*Members*

**11. Allowances**—There shall be paid to each member of Parliament to whom the foregoing provisions of this Schedule do not apply—

- (a) A basic expenses allowance at the rate of \$6,750 a year; and
- (b) An electorate allowance at the appropriate rate specified in clause 12 of this Schedule; and
- (c) A day allowance in accordance with clause 13 of this Schedule; and
- (d) A night allowance in accordance with clause 14 of this Schedule.

*Particular Allowances*

**12. Electorate allowance**—(1) The electorate allowance payable under clauses 8 (c) and 11 (b) of this Schedule, in the case of a member for a General electorate, shall be,—

- (a) In the case of a member of an electorate listed in Group A in Schedule E to the report of the Representation Commission, \$7,600 a year;
  - (b) In the case of a member of an electorate listed in Group B in Schedule E to the report of the Representation Commission, \$10,900 a year;
  - (c) In the case of a member of an electorate listed in Group C in Schedule E to the report of the Representation Commission, \$13,100 a year;
  - (d) In the case of a member of an electorate listed in Group D in Schedule E to the report of the Representation Commission, \$16,500 a year.
- (2) The electorate allowance payable under clauses 8 (c) and 11 (b) of this Schedule shall be,—
- (a) In the case of the member for the Southern Maori electorate, \$18,600 a year;
  - (b) In the case of the member for any other Maori electorate, \$17,500 a year.
- (3) In this clause, “report of the Representation Commission” means the report of the Representation Commission dated the 16th day of December 1992 (Parliamentary Paper H. 1 of 1992).

**13. Day allowance**—(1) The rate of the day allowance payable under clauses 6 (c), 7 (c), 8 (d), 9 (c) (i), 10 (c), and 11 (c) of this Schedule shall be \$52 for each day on which—

- (a) The member attends a sitting of the House of Representatives; or
- (b) The member attends in New Zealand a meeting of a select committee of the House of Representatives of which the member is a member or which the member is required to attend

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

because of being in charge of a Bill or other matter under consideration by the committee or for any other valid reason relating only to the business of the committee; or

- (c) The member travels in New Zealand on Parliamentary business (other than Parliamentary business of a kind described in paragraph (a) or paragraph (b) of this subclause); or
- (d) The member attends, in the Wellington commuting area, any ceremony or official function or national or international conference as a representative of Parliament or with the authority of the House of Representatives; or
- (e) The member is in Wellington but is unable to attend a sitting of the House of Representatives or a meeting of a select committee because of sickness or some other reason accepted by the Speaker of the House of Representatives as sufficient; or
- (f) In the case of a Whip, the Whip is in Wellington on Parliamentary business.

(2) Where a member (in any case to which subclause (1) of this clause does not apply) is present at Parliament Buildings on any day for a period of not less than 4 hours, the rate of day allowance payable under clauses 6 (c), 7 (c), 8 (d), 9 (c) (i), 10 (c), and 11 (c) of this Schedule shall,—

- (a) Where the period is 6 hours or more, be \$52 for that day; and
- (b) Where the period is less than 6 hours but not less than 4 hours, be \$26 for that day.

(3) In this clause “day” means a period of 24 hours.

**14. Night allowance**—(1) The rate of the night allowance payable under clauses 8 (e), 9 (c) (ii), 10 (d), and 11 (d) of this Schedule shall be such sum, not exceeding \$125, as the member certifies is required to reimburse that member for actual and reasonable costs already incurred on each night the member is required to obtain overnight accommodation away from the member’s home for the purpose of—

- (a) Attending a sitting of the House of Representatives; or
- (b) Attending in New Zealand a meeting of a select committee of the House of Representatives of which the member is a member or which the member is required to attend because of being in charge of a Bill or other matter under consideration by the committee or for any other valid reason relating only to the business of the committee; or
- (c) Travelling in New Zealand on Parliamentary business (other than Parliamentary business of a kind described in paragraph (a) or paragraph (b) of this subclause); or
- (d) Attending, in the Wellington commuting area, any ceremony or official function or national or international conference as a representative of Parliament or with the authority of the House of Representatives; or
- (e) In the case of a Whip, attending in Wellington on Parliamentary business; or

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

- (f) Proceeding, by the ordinary means of transport available to the member,—
- (i) To attend any sitting, meeting, function, or conference described in paragraph (a) or paragraph (b) or paragraph (d) of this subclause; or
  - (ii) In the case of a Whip, to attend in Wellington on Parliamentary business.
- (2) The member for Kapiti, if resident not less than 40 kilometres by road from Parliament, shall—
- (a) If that member is not a Whip, be deemed to require to obtain overnight accommodation away from that member's home—
    - (i) For one night in each week during which the House sits; and
    - (ii) For every night on which the House sits under urgency; and
  - (b) If that member is a Whip, be deemed to require to obtain overnight accommodation away from that member's home on the night of each day on which that member attends in Wellington on Parliamentary business.
- (3) The maximum amount that may be paid to any member under this clause and clause 15 of this Schedule by way of reimbursement for overnight accommodation required by that member in the Wellington commuting area, in any period of 6 months beginning on the 1st day of July or on the 1st day of January shall not exceed—
- (a) In the case of a Whip, \$7,500; and
  - (b) In the case of any other member, \$6,875.

**15. Wellington accommodation allowance**—(1) A member of Parliament who—

- (a) Is entitled to be paid a night allowance under clause 8 (e) or clause 9 (c) (ii) or clause 10 (d) or clause 11 (d) of this Schedule; and
  - (b) Represents an electorate outside the Wellington commuting area; and
  - (c) Uses in the Wellington commuting area, when the member is in the Wellington commuting area for the purpose of carrying out that member's Parliamentary duties,—
    - (i) Accommodation owned by that member; or
    - (ii) Accommodation rented by that member on a continuous basis for use in lieu of overnight accommodation,—
- shall, if that member, by written notice to the General Manager of the Parliamentary Service, so elects, be paid a Wellington accommodation allowance which, subject to subclause (4) of this clause, shall be equal to the actual and reasonable costs that, as certified by that member from time to time, have already been incurred by that member in using that accommodation in lieu of overnight accommodation.

(2) A member who has elected to be paid a Wellington accommodation allowance shall cease to be entitled to be paid that allowance if that member, by written notice to the General Manager of the Parliamentary Service, revokes the election.



SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

(3) At any time while an election under subclause (1) of this clause is in force, the member by whom that election was made shall not be entitled to be paid a night allowance under clause 8 (e) or clause 9 (c) (ii) or clause 10 (d) or clause 11 (d) of this Schedule in respect of any occasion on which the member obtains overnight accommodation in the Wellington commuting area.

(4) The maximum amount that may be paid to any member under this clause and under clause 14 of this Schedule by way of reimbursement for overnight accommodation required by that member in the Wellington commuting area in any period of 6 months beginning on the 1st day of July or on the 1st day of January shall not exceed—

(a) In the case of a Whip, \$7,500; and

(b) In the case of any other member, \$6,875.

**16. Allowance payable to member travelling within New Zealand on public business**—A member of Parliament who, at the request of a Minister of the Crown, travels within New Zealand on public service shall (except where the travel is undertaken by the member wholly within the member's own electorate) be entitled to be paid—

(a) The travelling allowance that would be payable to the member of Parliament under clause 3 of this Schedule if that member of Parliament were a member of the Executive Council; and

(b) Where the member travels by public transport, an allowance equal to the amount of any fares paid by the member; and

(c) Where the member uses any other mode of transport that is reasonable in the circumstances, an allowance equal to the actual and reasonable cost to the member of using that mode of transport (which allowance shall not exceed in respect of the use by the member of a private motorcar, the allowance payable in accordance with the scale applied by the State Services Commission in relation to the use by persons employed in the State Services Commission of private motorcars on official business).

**17. Allowance for purchase of motor vehicle**—(1) A member of Parliament, following each election at which the member is elected or re-elected as a member of Parliament, shall be paid an allowance (to be applied in or towards the purchase by the member of a motor vehicle) if—

(a) The member is a member of Parliament to whom clause 8 or clause 11 of this Schedule applies; and

(b) The member, within two months after the date of the return of the writ for the election of the member, notifies the General Manager of the Parliamentary Service, in writing, that the member wishes to be paid an allowance under this clause.

(2) The allowance payable under this clause, in the case of a member for a General electorate, shall be,—

(a) In the case of a member for an electorate listed in Group A in Schedule E to the report of the Representation Commission, \$6,840;

SECOND SCHEDULE—*continued*ALLOWANCES PAYABLE PURSUANT TO SECTION 16 OF THE CIVIL LIST  
ACT 1979—*continued*

- (b) In the case of a member for an electorate listed in Group B in Schedule E to the report of the Representation Commission, \$9,810:
- (c) In the case of a member for an electorate listed in Group C in Schedule E to the report of the Representation Commission, \$11,790:
- (d) In the case of a member for an electorate listed in Group D in Schedule E to the report of the Representation Commission, \$14,850.
- (3) The allowance payable under this clause shall be,—
  - (a) In the case of the member for the Southern Maori electorate, \$16,740:
  - (b) In the case of the member for any other Maori electorate, \$15,750.
- (4) Where a member of Parliament to whom clause 8 or clause 11 of this Schedule applies elects to be paid an allowance under this clause, the member shall not be entitled to receive or to be paid an electorate allowance under clause 8 (c) or clause 11 (b) of this Schedule in respect of the period of 12 months beginning on the day after polling day for the election at which the member was elected.
- (5) In this clause, “report of the Representation Commission” means the report of the Representation Commission dated the 16th day of December 1992 (Parliamentary Paper H. 1 of 1992).

**18. Wellington commuting area**—For the purposes of this Schedule the Wellington commuting area comprises the Cities of Wellington, Lower Hutt, Upper Hutt, and Porirua and the Paraparaumu Ward of the Kapiti Coast District.

Dated at Wellington this 13th day of November 1995.

T. W. BLENNERHASSETT, Chairman.

R. J. McARLEY, Member.

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## EXPLANATORY MEMORANDUM

This determination results from a review by the Higher Salaries Commission as at 1 July 1995 of Parliamentary salaries and allowances.

**1. Background**

1.1 The previous determination of Parliamentary salaries and allowances provided for an expiry date of 30 June 1995.

1.2 The Commission met the Members Services Committee and considered submissions from a number of quarters. The Commission had available to it a wide range of survey and other material including the results of a remuneration survey conducted by the Commission itself. All this information has been taken into account for the purposes of the present determination, as well as in the wider context of all the positions under the Commission's jurisdiction.

**2. Preliminary and General**

2.1 The Commission is required by the Higher Salaries Commission Act 1977 to take into account several specific criteria. They include the need to achieve and maintain fair relativity with the levels of remuneration received elsewhere; the need to be fair, on the one hand, to the person whose remuneration it determines and, on the other, to the taxpayer; and the need to recruit and retain competent people. The criteria apply not only to the determination of Parliamentary salaries but to all the Commission's other determinative functions as well.

2.2 It is no part of the Commission's role to pass judgment on the performance of any member of Parliament. The task is to determine a rate for the job, no matter who happens to hold it. The evaluation of a politician's performance lies with the electors and is not to be usurped by the Commission.

2.3 Just on two years after the referendum favouring the adoption of the MMP electoral system, much of the preparation for the next general election has been done and the House itself is already, to a degree, in transition. So also, necessarily, are its members. But the notion that Parliamentarians this year are preoccupied with their own survival to the exclusion of all else is unfair to those many members who work extremely hard and tend to go unnoticed.

2.4 There has again been upward salary movement in the private sector this year, some of it considerable. Wage movement, on the other hand, has been comparatively small. Parliamentary salaries, as always, are below the market for positions of comparable workload and responsibility. The Commission, having weighed and balanced its statutory criteria in the circumstances now obtaining, has decided upon an adjustment of the order of 2 percent and has applied it to most, but not all, Parliamentary positions.

2.5 The Commission expects this to be the last annual determination of salaries and allowances applicable to the House of Representatives as we now know it. Accordingly this determination will expire on 31 March 1996 by which date the Commission intends to determine the salaries and allowances of the members who will be elected or re-elected at the next general election. The reasons for proposing the issue of a new determination before the next election are twofold. First, the Commission wishes to avoid entrenching in a new Parliament a structure of salaries and allowances designed for the present regime. Secondly, both constituency candidates and list candidates should be made aware in advance what the salaries and allowances will be. The difficulty is that, despite enquiry and consultation which began immediately after the 1993 referendum, there are still questions which cannot be confidently answered. It remains uncertain, for example, what the nature and scope of the role of a list member will prove to be.

**3. Salaries**

3.1 Two specific issues troubled the Commission in 1994 and have again occasioned much debate, and some perplexity, this year.

3.2 The first of these relates to the role, and its attendant responsibilities, of those members who lead minority parties in the House. A year ago there were two such parties (each comprising two members) and there was certainly a case, in the circumstances then obtaining, for providing some salary recognition to the leaders of both. Each had commanded considerable electoral support in 1993 and, even though this support was not reflected by numbers in the House, each was carrying a workload greater than that of most ordinary members. In deciding not to introduce a salary level specific to the role, the Commission was influenced partly by historical precedent and partly by a need to differentiate Parliamentary from party commitments. This year there are additional parties in the House, one of them comprising seven members and plainly influencing the business of Parliament. As against that factor, however, they are self-generated in the sense that they are not parties in the House by virtue of voter support.

**EXPLANATORY MEMORANDUM—continued**

3.3 The Commission is in little doubt that, in the context of an MMP Parliament, some recognition in salary terms, in addition to that already accorded to the Leader and Deputy Leader of the Opposition, will be justified in respect of minority party leaders—probably on a sliding scale related to party numbers in the House, and probably subject to a threshold. This year, however, no threshold can realistically be set in present circumstances, and the Commission has found difficulty in deciding whether greater injustice will be done by awarding a margin or by withholding it. The Commission has decided to adhere to its earlier decision rather than to move now into a salary structure appropriate to an MMP Parliament.

3.4 Secondly, much thought has again been given to the chairpersons of the select committees, some of whom carry a very heavy workload. The problem here has always consisted in the variable workloads and in the difficulty of drawing a line. The Commission is not insensitive to this issue and, again, is in little doubt that some recognition will be appropriate in the next Parliament when the role of select committees is widely expected to grow further in importance. It is likely that the Standing Orders of the House will shortly be revised in anticipation of the new regime and that the standing committee structure will alter. Against that background the Commission has concluded that this issue, like the other, should be dealt with in its next determination.

3.5 The Commission is aware of proposals to alter designations of presiding officers in the House and will deal with changes as they occur.

**4. Allowances**

4.1 The allowances for members determined by this Commission are reimbursement allowances related to the provision by members of the services expected of them by the electorate. The Commission has no involvement in the provision of administrative and support services to the House and its members by the Parliamentary Service.

4.2 The allowances for which the Commission has responsibility have remained generally unchanged since 1990. For the next Parliament some will need to be substantially overhauled by reason, for example, of a smaller number of more populous constituencies and an influx of list members not elected to represent a geographical constituency. In the meantime, the Commission has confined itself this year to an examination of the question whether any current reimbursing allowances ought to be altered.

**Details of Allowances****5. Members' Basic Expenses Allowance**

5.1 This is one of the two reimbursement allowances not required to be vouched on an "actual and reasonable" basis. It is a convenient and economical way of recognising the multitude of calls on a member's pocket which the work of a member entails.

5.2 Having frozen the amount for five years, the Commission has decided to adjust it, if only in partial recognition of cost increases over that period. Accordingly it has been increased from \$6,200 to \$6,750. Corresponding adjustments have been made in respect of the Deputy Leader of the Opposition and the Deputy Chairman.

**6. Electorate Allowance**

6.1 This is the other allowance not requiring to be vouched. It is essentially a car or travel allowance directed to the servicing of a member's electorate and varying in amount by reference to a classification of electorates by the Representation Commission. Again the amounts fixed in respect of the several classifications have remained unchanged for five years, but no alteration has been made this year. The classification applicable to the next Parliament will necessitate a complete revision.

**7. Members' Day Allowance**

7.1 This allowance is intended to reimburse costs of meals, hospitality, and the like incurred by members on Parliamentary business—that is to say attendance at sittings of the House, at select committee hearings, caucus committee meetings and other Parliamentary duties. It remains unchanged.

**8. Members' Night Allowance**

8.1 This allowance relates to overnight accommodation costs where members are required to be away from their homes on Parliamentary business.

8.2 In certain cases, members have purchased accommodation in Wellington. Provision is again made for these members and those who rent accommodation on a continuous basis to be reimbursed for such costs as rent, mortgage interest, rates, insurance, power and similar outgoings (but not capital payments) as an alternative to the nightly allowance reimbursement procedure.

EXPLANATORY MEMORANDUM—*continued*

8.3 Both the night allowance and the Wellington accommodation allowance are payable by way of reimbursement of actual and reasonable costs within prescribed limits. The limit per night has been moved from \$118 to \$125, and the overall cap per half year from \$6,500 to \$6,875 except in the case of the Whips where it becomes \$7,500 in recognition of the additional time in Wellington likely to be demanded of them.

**9. Allowance for the purchase of a motor vehicle**

9.1 This allowance remains as a matter of record although it is now unlikely to be availed of during the life of the present Parliament.

**10. Allowances for Members of the Executive and other office holders**

10.1 Ministers of the Crown, Parliamentary Under-Secretaries, the Speaker, the Deputy Speaker (who also holds office as the Chairman of Committees), and the Leader and Deputy Leader of the Opposition do not receive the electorate allowance payable to members. They have access to chauffeur-driven cars and are provided with self-drive cars. The expenses allowance they have received for many years remains unchanged.

10.2 The additional allowance to the Minister of Foreign Affairs and Trade remains payable as before.

**11. Ministerial Travelling Allowance**

11.1 The rates determined for this allowance, which is for travel and accommodation expenses incurred outside Wellington, remain as before.

**12. Ministerial House Allowance**

12.1 For many years, Ministers of the Crown have been provided with a house in Wellington, or, where a Minister is normally resident in Wellington, a modest house allowance. This allowance, together with a grant towards reimbursing a member of the Executive for expenses incurred in the maintenance of home and grounds in the member's electorate, is provided at the rate previously in force.

12.2 It should be noted that the provision of ministerial residences is not a function of the Higher Salaries Commission.

**13. Definition**

13.1 The term "Wellington commuting area" comprises the Cities of Wellington, Lower Hutt, Upper Hutt and Porirua and the Paraparaumu Ward of the Kapiti Coast District. Special circumstances applicable to the Kapiti electorate have been recognised in the provision of a limited night allowance.

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