



# Remuneration Authority (Members of Parliament) Amendment Act 2002

Public Act 2002 No 54  
Date of assent 18 December 2002  
Commencement see section 2

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## The Parliament of New Zealand enacts as follows:

### 1 Title

- (1) This Act is the Remuneration Authority (Members of Parliament) Amendment Act 2002.
- (2) In this Act, the Higher Salaries Commission Act 1977 is called “the principal Act”.

### 2 Commencement

This Act comes into force on 1 April 2003.

### 3 Amendments to principal Act

- (1) After the commencement of this Act, the principal Act is called the Remuneration Authority Act 1977.
- (2) The provisions of the principal Act listed in Schedule 1 are amended in the manner indicated in that schedule.
- (3) All references to the Higher Salaries Commission or to the Higher Salaries Commission Act 1977 in any Act, regulation,

order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever must, unless the context otherwise requires, be read as references to the Remuneration Authority or to the Remuneration Authority Act 1977, as the case may be.

#### **4 Amendments to other Acts**

- (1) The Acts listed in Schedule 2 are amended in the manner indicated in that schedule.
- (2) The amendments to sections CB 7 and CI 1 of the Income Tax Act 1994 set out in Part 1 of Schedule 2 apply on and after 1 April 2003.
- (3) The amendments to section OB 1 of the Income Tax Act 1994 set out in Part 1 of Schedule 2 apply on and after 1 April 2002.

#### **5 Review of services in respect of members of Parliament**

- (1) The Parliamentary Service Commission must, as soon as practicable after the commencement of this Act, review the travel, accommodation, attendance, and communications services in respect of members of Parliament.
- (2) The Commission must consult with the Minister who has, with the authority of the Prime Minister, for the time being assumed responsibility for Ministerial services and with the Commissioner of Inland Revenue.
- (3) The Parliamentary Service Commission must, at the end of the review, make a recommendation to the Speaker of the House of Representatives.
- (4) The Speaker must, as soon as practicable,—
  - (a) consider the recommendation and make a determination under section 20A of the Civil List Act 1979; and
  - (b) present a copy of the recommendation and a copy of the determination to the House of Representatives.

#### **6 Review of services in respect of Executive**

- (1) The Minister who has, with the authority of the Prime Minister, for the time being assumed responsibility for Ministerial services must, as soon as practicable after the commencement of this Act, review any additional or alternative services in respect of Executive travel, accommodation, attendance, and communications.

- (2) The Minister must consult with the Parliamentary Service Commission and with the Commissioner of Inland Revenue.
- (3) The Minister must, as soon as practicable after the review,—
  - (a) make a determination under section 20A of the Civil List Act 1979; and
  - (b) present a copy of the determination to the House of Representatives.

## **7 Transitional provision**

- (1) This section applies if the Remuneration Authority makes a determination that supersedes the Parliamentary Salaries and Allowances Determination 2001 (2001/392) at any time before the Speaker of the House of Representatives has determined travel, accommodation, attendance, and communications services in respect of members of Parliament under section 5.
  - (2) The provisions of the Parliamentary Salaries and Allowances Determination 2001 relating to the travel, accommodation, attendance, and communications services in respect of members of Parliament continue in force—
    - (a) to the extent that the Speaker so specifies by notice in the *Gazette*; and
    - (b) for a period specified in the notice, which period may begin not earlier than 1 April 2003 and end not later than 30 June 2003 or the date on which the Speaker determines those services, whichever first occurs.
  - (3) Subsection (2) applies despite the earlier revocation or expiry of the Parliamentary Salaries and Allowances Determination 2001.
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s 3(2)

## **Schedule 1**

### **Amendments to principal Act**

#### **Long Title**

Repeal.

#### **Section 1**

Omit from subsection (1) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”

#### **Section 2**

Insert in their appropriate alphabetical order:

“**allowance**, in relation to a member of the House of Representatives, means a basic expense allowance and an office-holder allowance

“**Authority** means the Remuneration Authority established by section 4(1)”.

Repeal the definition of **Commission**.

#### **Section 4**

Omit from subsection (1) and the heading to section 4 the words “Higher Salaries Commission” and substitute in both places the words “Remuneration Authority”.

#### **Section 12**

Insert in subsection (1), after paragraph (ba):

“(bb) to determine issues about how any provision of a determination is to be interpreted or applied or is to operate:”.

#### **Section 12A**

Repeal subsection (3).

#### **Section 12C**

Repeal subsection (3).

#### **Section 14**

Repeal and substitute:

##### **“14 Implementation of determinations**

“(1) Every determination of the Authority has effect according to its tenor and, despite anything in any other enactment, an Order in Council is not required in order to fix the rates or scales of any salary or allowances that are determined by the Authority in a determination.

**Section 14**—continued

“(2) It is unlawful for any person to act contrary to a determination under this Act or to fail to observe the criteria or limits specified in a determination.”

**Section 16**

Omit from the heading the word “pay” and substitute the word “salary”.

**New section 17A**

Insert, after section 17:

**“17A Obligation to consult before making determinations about Parliamentary salaries and allowances**

Before making a determination under section 12(1)(a)(i), the Authority must—

- “(a) consult with the Commissioner of Inland Revenue about the taxation consequences of the Authority’s proposed determination; and
- “(b) consult with the Speaker of the House of Representatives and the Minister who has, with the authority of the Prime Minister, for the time being assumed responsibility for Ministerial services, about the services for which they have jurisdiction.”

**Section 24**

Add as subsection (2):

“(2) This principle does not apply to any change in remuneration arising from the Remuneration Authority (Members of Parliament) Amendment Act 2002.”

**Section 26**

Repeal.

**Section 30**

Omit the words “Higher Salaries Commission” and substitute the word “Authority”.

Omit the words “that Commission” and substitute the words “that Authority”.

**General**

Omit the word “Commission” in every other place where it appears in the Act (except in the Schedules and in the reference to a Commission of Inquiry in section 25(1)) and substitute in each case the word “Authority”.

**Schedules**

Omit from the headings to the First and Fourth Schedules the words “**Higher Salaries Commission**” in every place where they appear and substitute in each case the word “**Authority**”.

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## Schedule 2

### Amendments to other Acts

s 4(1)

#### Part 1

#### Amendments to other Acts relating to remuneration and expenses of members of Parliament

##### **Civil List Act 1979 (1979 No 33)**

Add to section 20 as subsection (2):

“(2) No expenses are payable in respect of any sitting day for which a deduction is made under this section.”

Insert, after section 20:

##### **“20A Travel, accommodation, attendance, and communications services for members**

“(1) The Speaker of the House of Representatives must determine, in respect of members of Parliament, travel, accommodation, attendance, and communications services.

“(2) Before making the determination, the Speaker must take into account any relevant advice and any relevant recommendation given or made by the Parliamentary Service Commission under the Parliamentary Service Act 2000.

“(3) The Minister who has, with the authority of the Prime Minister, for the time being assumed responsibility for Ministerial services must determine, in respect of members of the Executive, any additional or alternative services in respect of Executive travel, accommodation, attendance, and communications.

“(4) That Minister determines, in his or her sole discretion, which office holders are members of the Executive for the purpose of subsection (3).

“(5) Before making a determination under this section, the determining body must—

“(a) consult with the Commissioner of Inland Revenue about the taxation consequences of the proposed determination; and

“(b) consult with, as the case may be, the Speaker or the Minister about the services for which they have jurisdiction.

“(6) A determination under this section may be made jointly by the Speaker and the Minister, or may be a separate determination

Part 1—*continued***Civil List Act 1979** (1979 No 33)—*continued*

made by one of those persons for services for which that person has jurisdiction.

“(7) **Travel, accommodation, attendance, and communications services**, in this section, include—

“(a) the payment of money or allowances for those things; and

“(b) provision for any member of the family (as referred to in section 25(1)(f) of a member of Parliament for those things; and

“(c) any other means of meeting the travel, accommodation, attendance, and communications needs or obligations of members of Parliament.

“(8) A determination under this section is deemed to be a regulation for the purposes of the Acts and Regulations Publication Act 1989 but not for the purposes of the Regulations (Disallowance) Act 1989.

“20B **Different ways in which services may be determined and funded**

“(1) A determination under section 20A may determine services by doing all or any of the following:

“(a) fixing services or providing a method by which services can be calculated or ascertained:

“(b) providing for any monetary amounts to be adjusted according to any percentage movements in any index or survey published by Statistics New Zealand:

“(c) incorporating by reference all or part of any other document that sets out—

“(i) any services to be provided to members of Parliament under the Parliamentary Service Act 2000:

“(ii) any funding entitlements for parliamentary purposes to be provided under that Act:

“(iii) any matters referred to in section 25 of this Act.

“(2) Material incorporated into the determination by reference under subsection (1)(c) (as it existed on the date of the inclusion but with any additions or variations (if any) as are specified in the determination) forms part of the determination for all purposes.



Part 1—*continued***Civil List Act 1979** (1979 No 33)—*continued*

- “(3) The Speaker of the House of Representatives must ensure that a copy of all material incorporated in a determination by reference under subsection (1)(c)—
- “(a) is available for inspection free of charge, or for purchase at a reasonable price, at Parliament House in Wellington and at any other place or places that he or she appoints; and
  - “(b) is published on the Internet.
- “(4) The services determined under section 20A are,—
- “(a) in the case of matters incorporated by reference under subsection (1)(c), payable out of money appropriated by Parliament; and
  - “(b) in the case of other services, payable out of public money without further appropriation than this section.”

Repeal section 21.

Insert in section 25(1)(f), after the word “husband,”, the word “partner,”.

**Income Tax Act 1994** (1994 No 164)

Add to section CB 7:

- “(d) any travel, accommodation, attendance or communications services—
- “(i) that are referred to in section 20A of the Civil List Act 1979 or paid under section 25 of that Act; and
- “(ii) that are provided to a person to whom any paragraphs (b) to (e) of section 25(1) of that Act applies or to any member of the person’s family.”

Insert in section CI 1, after paragraph (g):

- “(ga) any travel, accommodation, attendance or communications services—
- “(i) that are referred to in section 20A of the Civil List Act 1979 or paid under section 25 of that Act; and
- “(ii) that are provided to a person to whom any paragraphs (b) to (e) of section 25(1) of that Act applies or to any member of the person’s family; and
- “(iii) to the extent to which the services are exempt income because of section CB 7(d):”.

Part 1—*continued***Income Tax Act 1994** (1994 No 164)—*continued*

Insert in section CI 1, after the words “a contribution to a superannuation scheme,” (which appear in the words that follow paragraph (h)), the words “a service referred to in paragraph (ga),”. Add to the definition of **employment** in section OB 1 the following paragraph:

“(d) in this Act, includes the activities of the office of a member of Parliament which, when performed by the member of Parliament, give rise to an entitlement to the receipt of a source deduction payment in respect of that office.”

Insert in the definition of **salary or wages** in section OB 1, after paragraph (e), the following paragraph:

“(ea) all payments of salary or allowance made to a member of Parliament under a determination of the Remuneration Authority; and”.

Omit from the definition of **specified office holder** in section OB 1 the words “, or a Member of Parliament”.

## Part 2

## Amendments to Acts relating to change of name of Higher Salaries Commission to Remuneration Authority

**Civil List Act 1979** (1979 No 33)

Omit from section 3(1)(a) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

Omit from section 4(1)(a), (b), (2)(a), and (b) the words “Higher Salaries Commission” and substitute in each case the words “Remuneration Authority”.

Omit from section 16 the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

Omit from section 22 the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

Repeal section 26(3).

**Civil List Amendment Act 1985** (1985 No 48)

Repeal sections 7 and 9.

Part 2—*continued***Civil List Amendment Act 1987** (1987 No 132)

Repeal.

**Clerk of the House of Representatives Act 1988** (1988 No 126)

Omit from section 8(1) the words “Higher Salaries Commission pursuant to the Higher Salaries Commission Act 1977” and substitute the words “Remuneration Authority under the Remuneration Authority Act 1977”.

Omit from section 32(7) the words “Higher Salaries Commission Act 1977” and substitute the words “Remuneration Authority Act 1977”.

**Commerce Act 1986** (1986 No 5)

Omit from section 10(2) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**Defence Act 1990** (1990 No 28)

Omit from section 45(4) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**Disputes Tribunals Act 1988** (1988 No 110)

Omit from section 8A(1) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**District Courts Act 1947** (1947 No 16)

Omit from sections 6 and 11G the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Electoral Act 1993** (1993 No 87)

Omit from sections 37 and 38(1)(a)(ii) and from clause 1 of the First Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Employment Relations Act 2000** (2000 No 24)

Omit from sections 171(1), 206(1), and 207(7) the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Environment Act 1986** (1986 No 127)

Omit from section 9(1) the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

Part 2—*continued***Fees and Travelling Allowances Act 1951** (1951 No 79)

Omit from section 3 the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**Films, Videos, and Publications Classification Act 1993**

(1993 No 94)

Omit from clause 4 of the First Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Health and Disability Commissioner Act 1994** (1994 No 88)

Omit from clause 3 of the Second Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Human Rights Act 1993** (1993 No 82)

Omit from clause 5 of the First Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

Omit from clause 5 of the Second Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Income Tax Act 1994** (1994 No 164)

Omit from the definition of **specified office holder** in section OB 1 the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**Judicature Act 1908** (1908 No 89)

Omit from sections 9A, 26F, and 26G the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Law Commission Act 1985** (1985 No 151)

Omit from clause 1(1) of the First Schedule the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**Local Government Act 1974** (1974 No 66)

Omit from sections 101ZZF, 101ZZH, 101ZZI, 101ZZJ, 101ZZL, and 101ZZM the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

Part 2—*continued***Local Government Amendment Act 1989** (1989 No 1)

Omit from section 25 the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Maori Language Act 1987** (1987 No 176)

Omit from clause 9 of the Second Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**New Zealand Security Intelligence Service Act 1969**

(1969 No 24)

Omit from section 5(2) the words “the Higher Salaries Commission Act 1977” and substitute the words “the Remuneration Authority Act 1977”.

**Official Information Act 1982** (1982 No 156)

Omit from the First Schedule the item relating to the “Higher Salaries Commission” and insert in its appropriate alphabetical order the item “Remuneration Authority”.

**Ombudsmen Act 1975** (1975 No 9)

Omit from section 9(1) the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Parliamentary Service Act 2000** (2000 No 17)

Omit from clause 3(1) of Schedule 1 the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Police Complaints Authority Act 1988** (1988 No 2)

Omit from section 9(1) the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Privacy Act 1993** (1993 No 28)

Omit from clause 3 of the First Schedule the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

Part 2—*continued***Public Audit Act 2001** (2001 No 10)

Omit from clause 5(1) of Schedule 3 the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Residential Tenancies Act 1986** (1986 No 120)

Omit from section 69(1) the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Retirement Income Act 1993** (1993 No 148)

Omit from section 12 the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Securities Act 1978** (1978 No 103)

Omit from section 14(1) the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

**State Sector Act 1988** (1988 No 20)

Omit from section 15 the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Statutes Drafting and Compilation Act 1920** (1920 No 46)

Omit from section 6A the words “Higher Salaries Commission” in both places where they appear and substitute in each case the words “Remuneration Authority”.

**Te Ture Whenua Maori Act 1993** (1993 No 4)

Omit from section 13 the words “Higher Salaries Commission” in every place where they appear and substitute in each case the words “Remuneration Authority”.

**Treaty of Waitangi Act 1975** (1975 No 114)

Omit from clause 3(1) of the Second Schedule the words “Higher Salaries Commission” and substitute the words “Remuneration Authority”.

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**Legislative history**

11 June 2002	Introduction (Bill 229-1)
28 August 2002	First reading and referral to Standing Orders Committee
2 December 2002	Reported from Standing Orders Committee (Bill 229-2)
10 December 2002	Second reading
11 December 2002	Committee of the whole House
12 December 2002	Third reading
18 December 2002	Royal assent

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This Act is administered in the Department of Labour.

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