

No 389

House of Representatives

**Supplementary
Order Paper**

Tuesday, 12 November 2013

**Members of Parliament (Remuneration
and Services) Bill**

*Proposed amendments for the consideration
of the Committee of the whole House*

Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill

Key:

- **this is inserted text**
- **~~this is deleted text~~**

Note: This Supplementary Order Paper shows amendments to the Bill that are being proposed by the Minister for the purposes of consideration in Committee of the whole House. This document does—

- **NOT have official status in terms of unamended text**
 - **NOT have the status of an as-reported version of the Bill.**
-

Explanatory note

This Supplementary Order Paper makes various amendments to the Members of Parliament (Remuneration and Services) Bill. The SOP—

- makes a change to *new section CW 31(a)(i)* of the Income Tax Act 2007 (which provides that amounts paid for certain services for members and former members of Parliament are exempt income and therefore, under section CX 12 of the Income Tax Act 2007, has the effect that a fringe benefit arises in respect of those amounts). The change (*see* amendments relating to the Income Tax Act 2007 in *Schedule 3* of the Bill) clarifies that this provision also applies to the following:
 - amounts paid for Ministers' travel services, within New Zealand, that are additional or alternative to the travel services determined by the Speaker for all members of Parliament (as determined by the Minister Responsible for Ministerial Services under *clause 27A*):
 - an amount paid for a travel or an accommodation service for a member of Parliament or a Minister as a result of that member or Minister (under *clause 28 or 32*) converting an entitlement to a travel or an accommodation service (under *clause 18, 24, 27A, or 31*) to the right to receive some other travel or accommodation service costing a lesser amount:
 - an amount paid for a communications service for a member of Parliament as a result of that member converting (under *clause 28*) an entitlement under *clause 24* to a right to receive some communications service costing a lesser amount:
- defers the commencement of the Bill's provisions concerning the travel entitlements of certain former members of Parliament until 1 July 2014 and provides for the existing law concerning those entitlements to continue until that date (*see clauses 2(2), 67A, and 67B*). The main purpose of the change is that former members have an opportunity to enter into commitments knowing what the new statutory framework is that will apply to them. This will provide a smoother transition from the regime set out in the Speaker's directions

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

to the slightly different regime under the Bill because both regimes use 1 July of the relevant year as the date for the annual limitations.

The Supplementary Order Paper also includes minor or technical changes (to correct cross-references and make additional consequential amendments) and changes to improve drafting.

Departmental disclosure statement

The Department of Prime Minister and Cabinet considers that a departmental disclosure statement is not required to be prepared for this Supplementary Order Paper.

The Honourable Minister, in Committee, to propose the amendments shown in the following document.

Rt Hon John Key

**Members of Parliament
(Remuneration and Services)
Bill**

Government Bill

Contents

		Page
1	Title	9
2	Commencement	9
Part 1		
Preliminary provisions		
3	Purposes	9
4	Overview of this Act	10
5	Interpretation	11
6	Act binds the Crown	13
8	Application of certain provisions of Remuneration Authority Act 1977 to certain functions of Remuneration Authority	14
Part 2		
Salaries and allowances of members of Parliament		
9	Remuneration Authority to determine salaries and allowances	14
10	How salaries and allowances determined	14
11	Period for which salaries and allowances of members of Parliament payable	15
12	Additional salary payable for 3 months if member does not stand or is not re-elected at general election	15
13	Salaries and allowances payable in case of election petition	17

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

14	Deductions from payments if member absent from House of Representatives	17
14A	Deductions from payments if member suspended from service of House of Representatives	18
15	No payments for period that person receives salary as head of post or head of mission	19

Part 3

Services for members of Parliament

17	Principles	19
	<i>Services determined by Remuneration Authority</i>	
18	Services to be determined by Remuneration Authority	21
19	Procedure for Remuneration Authority's determinations	22
20	Remuneration Authority may require information and obtain independent advice	23
21	Publication of Remuneration Authority's determinations	23
22	Resolution of issues about Remuneration Authority's determinations	24
23	Permanent appropriations for services determined by Remuneration Authority	25
	<i>Services and funding subject to Speaker's directions</i>	
24	Services and funding subject to Speaker's directions	25
25	Procedure for Speaker's directions	26
26	Publication of Speaker's directions	26
27	Resolution of issues about Speaker's directions	27
	<i>Services determined by Minister Responsible for Ministerial Services</i>	
27A	Services to be determined by Minister Responsible for Ministerial Services	27
27B	Procedure for Minister's determination	28
27C	Publication of Minister's determination	28
27D	Resolution of issues about Minister's determinations	28
	<i>General provisions relating to services</i>	
28	Conversion of entitlements	29
29	Frequency of adjustments	30
30	Quarterly reports on travel and accommodation expenses	31
	<i>Services in respect of official inter-parliamentary relations programme</i>	
31	Services in respect of official inter-parliamentary relations programme to be determined by Speaker	32

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

32	Conversion of entitlements	32
33	Publication of determinations	33
34	Quarterly reports on travel and accommodation expenses	33
	<i>Consultation requirement in relation to certain services not under this Part</i>	
35	Minister must consult about taxation consequences of certain services for Ministers	33
 Part 4 Entitlements of former members and others and miscellaneous matters		
Subpart 1—Entitlements of former members, former Prime Ministers, and others		
<i>Former members' entitlements</i>		
36	Travel entitlements of former members of Parliament	34
37	Disqualification from receiving former member travel entitlements	35
38	Issues concerning former member travel entitlements to be determined by Remuneration Authority	37
39	Reporting on expenses for travel entitlements of former members of Parliament	37
<i>Former Prime Ministers' entitlements</i>		
40	Annuity of former Prime Minister and spouse or partner of former Prime Minister	38
41	Travel entitlements of former Prime Ministers	39
<i>Member of Parliament dying in office: entitlements of family members</i>		
42	Payments to spouse, partner, or dependent children of member of Parliament dying in office	39
<i>Resolution of conflicting claims to entitlements</i>		
43	Conflicting claims	40
Subpart 2—Amendments to Parliamentary Service Act 2000		
44	Parliamentary Service Act 2000 amended	41
45	Interpretation	41
46	Meaning of funding entitlements for parliamentary purposes	41
47	New section 3E substituted	42

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

	3E Interpretation of determinations and directions under Members of Parliament (Remuneration and Services) Act 2011	42
48	Purposes of this Act	43
49	Principal duties of Parliamentary Service	43
50	New section 8 substituted	43
	8 Services and administration of funding in accordance with Members of Parliament (Remuneration and Services) Act 2011, determinations and directions, etc	44
51	Sections 9A to 9D repealed	44
52	Principal responsibilities of General Manager	44
53	Functions of Parliamentary Service Commission	45
54	Establishment of committee to review appropriations	45
55	Work of review committee	46
	Subpart 3—Amendments to Remuneration Authority Act 1977	
56	Remuneration Authority Act 1977 amended	46
58	Functions of Authority	46
59	Publication of determinations fixing Parliamentary salary and allowances	47
60	Obligation to consult before making determinations about Parliamentary salaries and allowances	47
61	Remuneration of existing holder not to be reduced	48
	Subpart 4—Repeal, revocations, consequential amendments, and review	
62	Civil List Act 1979 repealed	48
63	Determinations and order revoked	48
64	Consequential amendments to other enactments	48
64AA	Review of Act	49
	Subpart 5—Validations, savings, and transitional provisions	
64A	Validation of salary payments to list members declared elected under section 137 of Electoral Act 1993	49
65	Validations and savings concerning salaries and allowances of members of Parliament and annuities and travel services for former Prime Ministers	50
66	Transitional provision concerning services entitlements	51
67	Transitional provision concerning section 23	52

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 1 cl 3

67A	Transitional provision concerning ongoing travel entitlements of former members	53
67B	Transitional provision concerning tax-treatment of ongoing travel entitlements of former members	53
	Schedule 1	55
	Qualifying electoral candidates	
	Schedule 2	57
	Travel entitlements of former members of Parliament	
	Schedule 3	61
	Consequential amendments to other enactments	

The Parliament of New Zealand enacts as follows:

- 1 Title**
This Act is the Members of Parliament (Remuneration and Services) Act **2011**.
- ~~**2 Commencement**
This Act comes into force on 1 November **2013**.~~
- 2 Commencement**
- (1) This Act (except **sections 36 to 39**) comes into force on **16 December 2013**.
- (2) **Sections 36 to 39** come into force on **1 July 2014**.

**Part 1
Preliminary provisions**

- 3 Purposes**
- (1) The primary purpose of this Act is to ensure that the House of Representatives and its members are properly supported in a way that maintains confidence in the integrity of Parliament.
- (2) To that end, the other purposes of this Act include—
- (a) providing for the remuneration of members of Parliament; and

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 1 cl 4

- (b) ensuring that members of Parliament are provided with the services that they require to enable them to carry out their roles and functions; and
- (c) establishing an efficient and effective system for determining the services to be provided to members of Parliament; and
- (d) providing for travel services for family members of members of Parliament.

4 Overview of this Act

- (1) **Part 1** deals with preliminary matters, including the purposes of the Act, interpretation, and the application of the Act to the Crown.
- (2) **Part 2** deals with the salaries and allowances of members of Parliament.
- (3) **Part 3** deals with support services for members of Parliament, and, in particular,—
 - (a) services that must be determined by the Remuneration Authority, namely,—
 - (i) all accommodation services for members of Parliament and qualifying electoral candidates (except certain international accommodation services funded from party and member support funding, accommodation services for members of Parliament nominated to participate in the political exchange programme, and accommodation services for members of Parliament participating in the official inter-parliamentary relations programme); and
 - (ii) in respect of Ministers, accommodation services within New Zealand that are additional or alternative to the accommodation services determined for members of Parliament; and
 - (iii) all travel services for family members of members of Parliament; and
 - (ab) directions that must be issued by the Speaker in respect of the entitlements to travel services of members of Parliament and qualifying electoral candidates; and

- (b) directions that must be issued by the Speaker in respect of other services and funding, namely,—
 - (i) administrative and support services that must be provided to support the parliamentary operations of members of Parliament, parties, and qualifying electoral candidates; and
 - (ii) communications services for members of Parliament and qualifying electoral candidates; and
 - (iii) funding appropriated as party and member support funding for members of Parliament, parties, and qualifying electoral candidates; and
 - (iv) travel services in respect of members of Parliament participating in the political exchange programme; and
 - (c) travel and accommodation services that must be determined by the Speaker in respect of members of Parliament participating in the official inter-parliamentary relations programme; and
 - (d) services that the Minister Responsible for Ministerial Services must determine in respect of Ministers, namely travel services within New Zealand that are additional or alternative to the entitlements of members of Parliament to travel services provided for in directions issued by the Speaker.
- (4) **Part 4 and Schedules 2 and 3** deal with entitlements of former members of Parliament and former Prime Ministers and with miscellaneous matters, including amendments to other enactments, the repeal of the Civil List Act 1979, and savings and transitional provisions.
- (5) This section is only a guide to the general scheme and effect of this Act.

5 Interpretation

In this Act, unless the context otherwise requires,—

accommodation services, in relation to a person, include—

- (a) the payment of money or an allowance for those services; and
- (b) any other means of meeting the accommodation needs or obligations of the person; and

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 1 cl 5

- (c) additional costs that are associated with, or incidental to, accommodation of the person that are not provided for as part of any other entitlement of the person (whether under **Part 2 or 3** or any determination or directions issued under one of those Parts)

allowance has the meaning given to it by section 2 of the Remuneration Authority Act 1977

Assistant Speaker means a person who holds the office of Assistant Speaker in accordance with the Standing Orders of the House of Representatives

authorised person has the meaning set out in **section 43**

corrupt practice has the meaning set out in **section 37**

declaration day has the meaning set out in **section 37**

department responsible for Ministerial Services means the department that is, with the authority of the Prime Minister, for the time being responsible for the administration of Ministerial Services

dependent child, in relation to a person, means a child—

- (a) who is being maintained as a member of the person's family; and
- (b) in respect of whom the person either is the sole or principal provider of ongoing daily care or shares ongoing daily care substantially equally with another person; and
- (c) who is under 18 years of age; and
- (d) who is not living with another person in a marriage, civil union, or de facto relationship

Deputy Speaker means the Deputy Speaker of the House of Representatives

electioneering has the same meaning as in section 3 of the Parliamentary Service Act 2000

family member, in relation to a person, means—

- (a) a spouse or partner of the person;
- (b) a child or stepchild of the person, if that child or stepchild is under 18 years of age;
- (c) a dependent child of the person

General Manager means the General Manager of the Parliamentary Service

Minister includes every member of the Executive Council

Minister Responsible for Ministerial Services means the Minister of the Crown who is, with the authority of the Prime Minister, for the time being responsible for Ministerial Services

ordinary member of Parliament means a member of Parliament who is not an office holder

partner means a civil union or de facto partner

party means a political party for the time being recognised for parliamentary purposes under the Standing Orders of the House of Representatives

polling day means the day appointed in the writ for a general election or a by-election to take place

publicly available, in relation to a document, means that the document is available, at all reasonable times, on the Internet site of Parliament

qualifying electoral candidate means a person described in **Schedule 1**

Remuneration Authority means the Remuneration Authority established by section 4(1) of the Remuneration Authority Act 1977

Speaker means the Speaker of the House of Representatives

term of Parliament has the meaning given to it by section 17 of the Constitution Act 1986

travel services, in relation to a person, include—

- (a) the payment of money or an allowance for those services; and
- (b) any other means of meeting the travel needs or obligations of the person; and
- (c) additional costs that are associated with, or incidental to, travel by the person that are not provided for as part of any other entitlement of the person (whether under **Part 2 or 3** or any determination or directions issued under one of those Parts).

6 Act binds the Crown

This Act binds the Crown.

8 Application of certain provisions of Remuneration Authority Act 1977 to certain functions of Remuneration Authority

Sections 8(3) to (7), 9, 21(1), 25(1) and (3), and 29 of the Remuneration Authority Act 1977 apply to the functions of the Remuneration Authority under **Part 3** and **sections 38 and 41** of this Act.

Part 2
Salaries and allowances of members of Parliament

9 Remuneration Authority to determine salaries and allowances

- (1) The Remuneration Authority must determine the salaries and allowances to be paid to members of Parliament.
- (2) The salaries and allowances may differ according to—
 - (a) the office that the member of Parliament holds; or
 - (b) the electorate the member represents; or
 - (c) any other considerations that the Remuneration Authority may determine.
- (3) This section must be read in conjunction with **section 17(2)**.
- (4) Expenses may be incurred, without further appropriation than this section, to meet the salaries and allowances determined under this section and payments under **section 42(2) and (3)**.
Compare: 1979 No 33 s 16

10 How salaries and allowances determined

- (1) The salaries and allowances under **section 9** must be determined under section 12 of the Remuneration Authority Act 1977, and the relevant sections of that Act apply accordingly (*see*, for example, sections 16 and 17A to 19).
- (2) The General Manager must ensure that a copy of the Remuneration Authority's determination under **section 9** is publicly available as soon as practicable after the General Manager receives it from the Remuneration Authority in accordance with **section 16(1)(a)(iv)** of the Remuneration Authority Act 1977.

11 Period for which salaries and allowances of members of Parliament payable

- (1) The salary and allowance of each member of Parliament are payable for the period—
 - (a) starting on the day after polling day for the election at which the member is elected; and
 - (b) ending on the earlier of the following days:
 - (i) polling day for the next general election of members of Parliament;
 - (ii) the day on which the member's seat becomes vacant.
- (2) **Subsection (1)(a)** does not apply if—
 - (a) a member is returned at a by-election that is not contested; or
 - (b) a person is declared to be elected to fill a vacancy in the seat of a member elected from a party list.
- (3) The salary and allowance of a member elected in either of the circumstances referred to in **subsection (2)** are payable starting on the day that the Electoral Commission publicly declares the member to be elected in accordance with the Electoral Act 1993.
- (4) This section is subject to **section 12**.
Compare: 1979 No 33 s 18(1), (2)

12 Additional salary payable for 3 months if member does not stand or is not re-elected at general election

- (1) This section applies to a person who—
 - (a) is a member of Parliament immediately before the dissolution of a Parliament; and
 - (b) is not a candidate at the next general election or is an unsuccessful candidate at that general election.
- (2) A salary is payable to a person to whom this section applies, starting on the day after the day on which the person's salary ceases to be payable under **section 11** and ending—
 - (a) on the day that is 3 months after polling day; or
 - (b) if the person sooner dies, on the date of the death; or
 - (c) if the person is sooner declared to be elected as a member of Parliament following a by-election or a vacancy in the seat of a member elected from a party list, on the

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 2 cl 12

day before the day that the Electoral Commission publicly declares the member to be elected in accordance with the Electoral Act 1993.

- (3) The salary is payable at the following rate:
- (a) if the person held office as Speaker or Deputy Speaker on polling day,—
 - (i) for the period starting on the day after polling day and ending on the day of the first meeting of the House of Representatives after the general election, at the rate at which the salary determined under **section 9** was payable to the holder of that office as at polling day; and
 - (ii) for the period starting on the day after the first meeting of the House of Representatives and ending on the day 3 months after polling day, at the rate at which the salary determined under **section 9** was payable to an ordinary member of Parliament as at polling day:
 - (b) if the person was a Minister or a Parliamentary Under-Secretary,—
 - (i) for the period starting on the day after polling day and ending on the day that the person ceases to hold that office, at the rate at which the salary determined under **section 9** was payable to the holder of that office as at polling day; and
 - (ii) for the period starting on the day after the person ceases to hold that office and ending on the day 3 months after polling day, at the rate at which the salary determined under **section 9** was payable to an ordinary member of Parliament as at polling day:
 - (c) if **paragraph (a) or (b)** does not apply to the person, at the rate at which the salary determined under **section 9** was payable to an ordinary member of Parliament as at polling day.

Compare: 1979 No 33 s 18(3)

13 Salaries and allowances payable in case of election petition

- (1) **Subsections (2) and (3)** apply if there is a trial of an election petition and at the end of the trial the High Court or the Court of Appeal determines—
 - (a) that a person elected or returned was not duly elected or returned; or
 - (b) that the election at which a person was elected or returned was void.
- (2) If this subsection applies, the person elected or returned must be paid the salary and allowance that he or she would have been entitled to if he or she had been duly elected or returned as a member of Parliament.
- (3) The salary and allowance are payable for the period—
 - (a) starting on the day after polling day; and
 - (b) ending on the earlier of the following days:
 - (i) the day on which the House of Representatives gives directions under section 246(2) of the Electoral Act 1993 for the altering of the return:
 - (ii) the day on which the seat becomes vacant.
- (4) **Subsection (5)** applies if,—
 - (a) at the end of the trial of an election petition, the High Court or the Court of Appeal determines that a person other than the person who was elected or returned was duly elected; and
 - (b) the return is altered in accordance with section 246(2) of the Electoral Act 1993 to carry out that determination.
- (5) If this subsection applies, the person declared elected or returned must be paid the salary and allowance that he or she would have been entitled to if that person's name had been endorsed on the writ or return when it was first returned.

Compare: 1979 No 33 s 19

14 Deductions from payments if member absent from House of Representatives

- (1) The payment of salaries to members of Parliament under this Act is subject to this section and **section 14A**.
- (2) If the number of sitting days in a calendar year that a member of Parliament has been absent from the House of Representa-

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 2 cl 14A

tives since the start of that year totals 3 (calculated from the beginning of the first day of the calendar year), then for the fourth and each subsequent sitting day on which the member is absent during the calendar year, an amount calculated in accordance with the following formula must be deducted from the member's gross salary:

$$a \times b$$

where—

a is 0.2%

b is the gross yearly salary payable to that member as at the date of the member's absence.

- (2A) Before a deduction is made, the Speaker must certify that—
- (a) the circumstances described in **subsection (2)** apply to a member; and
 - (b) the member's gross salary may be deducted in accordance with that subsection.
- (3) Subject to **subsection (2A)**, the deduction must be made as soon as practicable after the sitting day on which the member is absent.
- (4) A member is not to be treated as being absent on any day on which the member is absent in accordance with the rules of the House of Representatives.

Compare: 1979 No 33 s 20

14A Deductions from payments if member suspended from service of House of Representatives

- (1) If the House of Representatives suspends a member from the service of the House, an amount must be deducted from the member's gross yearly salary for each day that the member is suspended.
- (2) The amount to be deducted must be calculated in accordance with the following formula:

$$a \times b$$

where—

a is 0.2%

b is the gross yearly salary payable as at the date of each day that the member is suspended.

- (3) Before a deduction is made, the Speaker must certify that—
- (a) a member has been suspended from the House; and
 - (b) the member is suspended for a specified period (which must be stated in the certificate); and
 - (c) the member's gross salary may be deducted in accordance with **subsections (1) and (2)**.
- (4) Subject to ~~subsection (4)~~ **subsection (3)**, the deduction must be made as soon as practicable after the day that the member is suspended.

15 No payments for period that person receives salary as head of post or head of mission

Despite anything in this Part, if a person receives a salary as head of mission or head of post (within the meaning of the Foreign Affairs Act 1988) in respect of any period, that person may not also receive a payment under this Part or **Part 3** in respect of the same period.

Compare: 1979 No 33 s 21A

Part 3

Services for members of Parliament

17 Principles

- (1) In making a determination or issuing directions under this Part, the Remuneration Authority, the Speaker, and the Minister Responsible for Ministerial Services must have regard to the following principles:
- (a) that the entitlements of members of Parliament and Ministers to support services should be determined in a way that—
 - (i) recognises the need for public understanding of the work of those persons and their parties and the services they require to enable them to carry out their roles and functions; and
 - (ii) facilitates the delivery of support services in an efficient and effective manner; and
 - (iii) recognises the need to be fair to the taxpayer; and
 - (iv) promotes transparency in relation to the allocation and use of public money to provide the sup-

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 3 cl 17

- port services necessary for members of Parliament, Ministers, and parties to carry out their respective roles and functions; and
- (v) maintains confidence in the integrity of Parliament; and
 - (vi) maintains the independence of the Remuneration Authority:
- (ab) that entitlements to services should be determined in a way that has regard to the particular requirements of any members of Parliament with physical or sensory impairments:
 - (b) that, if services provided include an element of remuneration or result in any other private benefit, the value of that benefit should be taken into account by the Remuneration Authority in determining relevant salaries and allowances under **Part 2**:
 - (c) that entitlements to services should be—
 - (i) clearly defined so that decisions about whether a person or party is eligible for an entitlement can easily be made; and
 - (ii) determined in a way that is consistent with the objectives of efficient and effective delivery of services; and
 - (iii) simple to administer.
- (2) If an entitlement to a service under a determination made by the Remuneration Authority under **section 18**, directions issued by the Speaker under **section 24**, or a determination made by the Speaker under **section 31** or by the Minister Responsible for Ministerial Services under **section 27A**, results in an element of personal benefit or potential personal benefit for members of Parliament, Ministers, or their family members,—
- (a) the Remuneration Authority, the Speaker, or the Minister Responsible for Ministerial Services, as the case may be, must—
 - (i) consult the Commissioner of Inland Revenue about the taxation consequences of that entitlement; and
 - (ii) assess the value of the benefit; and

- (b) the value must be taken into account by the Remuneration Authority in determining the salaries and allowances of the relevant members of Parliament or Ministers under **section 9**; and
- (c) the Remuneration Authority must include in its determination of the salaries and allowances under **section 9** a statement that sets out how it has taken that value into account in determining the relevant salaries and allowances.

Services determined by Remuneration Authority

18 Services to be determined by Remuneration Authority

- (1) The Remuneration Authority must determine—
 - (a) the entitlements of members of Parliament and qualifying electoral candidates to all accommodation services within New Zealand; and
 - (b) the entitlements of Ministers to all accommodation services within New Zealand that are additional or alternative to the accommodation services determined for members of Parliament under **paragraph (a)**; and
 - (ba) the entitlements of family members of members of Parliament, Ministers, and qualifying electoral candidates to travel services within New Zealand; and
 - (c) the extent (if at all) to which services may continue to be provided under **paragraphs (a) to (ba)** after a member of Parliament vacates his or her seat or, in the case of a Minister, ceases to be a member of the Executive Council, for 1 or more of the following purposes:
 - (i) enabling the member to attend to matters associated with leaving Parliament;
 - (ii) enabling the Minister to attend to matters associated with passing on his or her ministerial responsibilities;
 - (iii) ensuring the efficient and effective use of public resources.
- (2) The accommodation services that the Remuneration Authority must determine under **subsection (1)** do not include—
 - (a) accommodation services in respect of members of Parliament participating in the political exchange pro-

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 3 cl 19

- gramme (*see* **section 24(1)(e)** in respect of these services); and
- (b) international accommodation services in respect of members of Parliament travelling for parliamentary purposes where the costs of those accommodation services are met from the party and member support funding appropriated in respect of the party of the member undertaking the travel and are a charge against the leadership funding allocation (*see* **section 24(3)** in respect of these services); and
 - (c) accommodation services in respect of the official inter-parliamentary relations programme (*see* **section 31** in respect of these services); and
 - (d) international accommodation services in respect of Ministers.
- (3) A determination made under this section is a legislative instrument for the purposes of the Legislation Act 2012, but is not required to be presented to the House of Representatives under section 41 of that Act and is not a disallowable instrument for the purposes of that Act.

19 Procedure for Remuneration Authority's determinations

- (1) Before making a determination under **section 18**, the Remuneration Authority must—
- (a) seek advice from the Speaker about—
 - (i) the accommodation services to be provided for members of Parliament and qualifying electoral candidates; and
 - (ii) the entitlements of family members of members of Parliament, or of family members of qualifying electoral candidates, to travel services within New Zealand; and
 - (b) seek advice from the Minister Responsible for Ministerial Services about the additional or alternative—
 - (i) accommodation services within New Zealand to be provided for Ministers; and
 - (ii) travel services within New Zealand to be provided for family members of Ministers; and

- (c) after complying with **paragraphs (a) and (b)**, prepare a draft determination; and
 - (d) give members of Parliament and Ministers a reasonable opportunity to consider the draft determination and be heard on it; and
 - (e) consult the Commissioner of Inland Revenue about the taxation consequences of the proposed determination.
- (2) The Authority must have regard to, but is not bound by, any advice given by the Speaker or the Minister under **subsection (1)**.

20 Remuneration Authority may require information and obtain independent advice

The Remuneration Authority may, at any time in the course of preparing a determination under this Part,—

- (a) require the Clerk of the House of Representatives, the General Manager, the chief executive of the department responsible for Ministerial Services, any party, or any member of Parliament to provide information that it considers necessary for the purposes of making its determination;
- (b) obtain advice from any professional adviser or other person whose background or experience the Authority considers may assist it in making its determination.

21 Publication of Remuneration Authority's determinations

- (1) The Remuneration Authority must give a copy of every determination made by it under **section 18** to each of the following persons:
- (a) the Prime Minister;
 - (b) the Speaker;
 - (c) the Leader of the Opposition;
 - (d) the Minister Responsible for Ministerial Services;
 - (e) the chief executive of the department responsible for Ministerial Services;
 - (f) the General Manager.
- (2) The General Manager must ensure that a copy of every determination made under **section 18** is publicly available as soon as practicable after the General Manager receives it.

22 Resolution of issues about Remuneration Authority's determinations

- (2) The Remuneration Authority must prescribe procedures for resolving issues that arise about how any provision of a determination made under **section 18** is to be interpreted or applied or is to operate, including—
- (a) procedures that provide for the participation of the General Manager, in respect of issues concerning entitlements of members of Parliament, qualifying electoral candidates, or family members of those persons; and
 - (b) procedures that provide for the participation of the chief executive of the department responsible for Ministerial Services or the person nominated by the chief executive as his or her representative for the purposes of this section, in respect of issues concerning entitlements of Ministers or family members of Ministers; and
 - (c) procedures that are required to be followed before any issue may be referred to the Authority for final determination under **subsection (2B)**.
- (2A) If it is not possible to resolve an issue by agreement under the resolution procedures prescribed under **subsection (2)**, that issue may be referred to the Remuneration Authority for final determination.
- (2B) On receiving a referral under **subsection (2A)**, the Remuneration Authority must—
- (a) ~~on receiving a referral under **subsection (2A)**~~, satisfy itself that all procedures for resolving that issue have been followed in accordance with **subsection (2)** and that it has not been possible to resolve the issue by agreement under those procedures; and
 - (b) make a final determination on the issue about how the provision of the determination is to be interpreted or applied or is to operate; and
 - (c) as soon as practicable, communicate that determination to the General Manager.
- (3) This section is subject to **section 3E** of the Parliamentary Service Act 2000.

Compare: 1977 No 110 s 12(1)(bb)

23 Permanent appropriations for services determined by Remuneration Authority

- (1) Expenses may be incurred, without further appropriation than this subsection, to provide the services determined by the Remuneration Authority under **section 18** that are administered by the Parliamentary Service.
- (2) Expenses may be incurred, without further appropriation than this subsection, to provide the services determined by the Remuneration Authority under **section 18** that are administered by the department responsible for Ministerial Services.

Services and funding subject to Speaker's directions

24 Services and funding subject to Speaker's directions

- (1) The Speaker must issue directions that set out—
 - (aa) the entitlements of members of Parliament and qualifying electoral candidates to travel services; and
 - (a) the administrative and support services that must be provided to members of Parliament, parties, and qualifying electoral candidates to support their parliamentary operations; and
 - (b) the entitlements of members of Parliament and qualifying electoral candidates to communications services (other than services including electioneering), including the extent (if at all) to which communications services may continue to be provided after a member of Parliament vacates his or her seat for either or both of the following purposes:
 - (i) enabling a member to attend to matters associated with leaving Parliament;
 - (ii) ensuring the efficient and effective use of public resources; and
 - (c) how each appropriation made by Appropriation Acts for party and member support funding is allocated; and
 - (d) how party and member support funding must be administered, including what party and member support funding may be used for and the requirements that must be met before payments may be made against claims to entitlements to that funding; and

- (e) the entitlements to travel services of members of Parliament and employees of the Parliamentary Service nominated to participate in the political exchange programme.
- (2) The Speaker's directions must not allow for accommodation services for a member of Parliament to be provided from party and member support funding or to be provided as services under **subsection (1)(a)**, except as provided in **subsection (3)**.
- (3) The Speaker's directions may allow for the costs of international travel and international accommodation services for a member of Parliament travelling for parliamentary purposes, and the costs specified in **subsection (4)**, to be met from the party and member support funding appropriated for that member's party as a charge against the leadership funding allocation.
- (4) The specified costs for the purposes of **subsection (3)** are the costs of international travel and international accommodation services for a spouse or partner of a party leader who accompanies the party leader when he or she is travelling for parliamentary purposes.

25 Procedure for Speaker's directions

Before issuing directions under **section 24**, the Speaker must—

- (a) take into account any relevant advice given by the Parliamentary Service Commission under **section 14(1)** of the Parliamentary Service Act 2000; and
- (b) consult the Minister Responsible for Ministerial Services; and
- (c) consult the Remuneration Authority; and
- (d) consult the Commissioner of Inland Revenue about the taxation consequences of the proposed directions.

26 Publication of Speaker's directions

The General Manager must ensure that a copy of all directions issued by the Speaker under **section 24** are publicly available as soon as practicable after they are issued.

- 27 Resolution of issues about Speaker's directions**
- (2) The Speaker must prescribe procedures for resolving issues that arise about how any provision of the directions issued under **section 24** is to be interpreted or applied or is to operate, including—
- (a) procedures that provide for the participation of the General Manager; and
 - (b) procedures that are required to be followed before an issue may be referred to the Speaker for final determination under **subsection (2B)**.
- (2A) If it is not possible to resolve an issue by agreement under the resolution procedures prescribed under **subsection (2)**, that issue may be referred to the Speaker for final determination.
- (2B) On receiving a referral under **subsection (2A)**, the Speaker must—
- (a) ~~on receiving a referral under **subsection (2A)**~~, satisfy himself or herself that all procedures for resolving that issue have been followed in accordance with **subsection (2)** and that it has not been possible to resolve the issue by agreement under those procedures; and
 - (b) make a final determination on the issue about how the provision of the directions is to be interpreted or applied or is to operate; and
 - (c) as soon as practicable, communicate that determination to the General Manager.
- (3) This section is subject to **section 3E** of the Parliamentary Service Act 2000.

*Services determined by Minister Responsible
for Ministerial Services*

27A Services to be determined by Minister Responsible for Ministerial Services

The Minister Responsible for Ministerial Services must determine the entitlements of Ministers to all travel services within New Zealand that are additional or alternative to the entitlements to travel services for members of Parliament set out in the directions issued by the Speaker under **section 24**.

27B Procedure for Minister's determination

Before making a determination under **section 27A**, the Minister Responsible for Ministerial Services must—

- (a) consult the Speaker; and
- (b) consult the Remuneration Authority; and
- (c) consult the Commissioner of Inland Revenue about the taxation consequences of the proposed directions.

27C Publication of Minister's determination

The chief executive of the department responsible for Ministerial Services must ensure that a copy of every determination made under **section 27A** is publicly available as soon as practicable after it is made.

27D Resolution of issues about Minister's determinations

- (1) The Minister Responsible for Ministerial Services must prescribe procedures for resolving issues that arise about how any provision of a determination made under **section 27A** is to be interpreted or applied or is to operate, including—
 - (a) procedures that provide for the participation of the chief executive of the department responsible for Ministerial Services or the person nominated by the chief executive as his or her representative for the purposes of this section; and
 - (b) procedures that are required to be followed before any issue may be referred to the Minister for final determination under **subsection (3)**.
- (2) If it is not possible to resolve an issue by agreement under the resolution procedures prescribed under **subsection (1)**, that issue may be referred to the Minister Responsible for Ministerial Services for final determination.
- (3) On receiving a referral under **subsection (2)**, the Minister must—
 - (a) ~~on receiving a referral under **subsection (2)**~~, satisfy himself or herself that all procedures for resolving that issue have been followed in accordance with **subsection (1)** and that it has not been possible to resolve the issue by agreement under those procedures; and

- (b) make a final determination on the issue about how the provision of the determination is to be interpreted or applied or is to operate; and
- (c) as soon as practicable, communicate that determination to the chief executive of the department responsible for Ministerial Services.

General provisions relating to services

28 Conversion of entitlements

- (1) This section applies if, in respect of a particular activity,—
 - (a) a member of Parliament is entitled to an accommodation service under a determination made by the Remuneration Authority under **section 18(1)(a)** or a family member of a member of Parliament is entitled to a travel service under a determination made by the Authority under **section 18(1)(ba)**; and
 - (b) the cost of doing the activity in a different way is less than the cost of the entitlement under that determination.
- (2) If this section applies, the General Manager may, at the request of the member of Parliament, approve the conversion of the entitlement into a right to receive a service costing a lesser amount.
- (3) Before granting approval under **subsection (2)**, the General Manager must be satisfied that the service costing the lesser amount is for a parliamentary purpose and that the cost of the service represents a fair value for the service provided.
- (4) The General Manager must inform the Remuneration Authority in writing of any conversion relating to a service determined by the Authority under **section 18(1)(a) or (ba)** that the General Manager approves under this section.
- (5) **Subsections (1) to (4)** apply, with all necessary modifications, to—
 - (a) entitlements to accommodation services of Ministers and travel services of family members of Ministers under a determination made by the Remuneration Authority under **section 18(1)(b) or (ba)** and entitlements to travel services of Ministers under a

- determination made by the Minister Responsible for Ministerial Services under **section 27A** as if, for every reference to the General Manager, there were substituted a reference to the chief executive of the department responsible for Ministerial Services or the person nominated by the chief executive as his or her representative for the purposes of this section; and
- (b) entitlements to services under directions issued by the Speaker under **section 24**.

29 Frequency of adjustments

- (1) The Remuneration Authority must make a determination under **section 18** once in each term of Parliament.
- (2) The Authority must consult the Speaker and the Minister Responsible for Ministerial Services at the beginning of each term about the proposed timing of its determination for that term.
- (3) A determination continues in force until it is superseded by another determination made in accordance with **subsection (1)**.
- (4) The Remuneration Authority may amend a determination at any time while it is in force—
- (a) to remedy a defect or remove an ambiguity; or
 - (b) to deal with a new matter that was not dealt with at the time the determination was made; or
 - (c) if the Authority is satisfied that in all the circumstances there are particular and special reasons that justify amending the determination.
- (5) **Subsections (1) to (4)** apply, with all necessary modifications, to directions of the Speaker issued under **section 24** and a determination made by the Minister Responsible for Ministerial Services under **section 27A**.
- (6) However, in addition to the powers of amendment in **subsection (4)**, the Speaker may amend directions issued under **section 24** and the Minister Responsible for Ministerial Services may amend a determination made under **section 27A** at any time—

- (a) to deal with matters arising from changes that occur from year to year in the amounts appropriated in Appropriation Acts for services and party and member support funding; or
- (b) to ensure the adequacy of the travel, administrative, and support services for members of Parliament, parties, and qualifying electoral candidates, or, as the case may be, travel services for Ministers.

Compare: 1977 No 110 s 19(3), (4)

30 Quarterly reports on travel and accommodation expenses

- (1) The General Manager must, as soon as practicable after the end of each quarter, prepare and make publicly available a report setting out, in respect of each member of Parliament and each party,—
 - (a) the total expenses incurred against the appropriation in **section 23(1)** to provide each category of travel service and accommodation service determined by the Remuneration Authority under **section 18**; and
 - (ab) the total expenses incurred to provide each category of travel service directed by the Speaker under **section 24(1)(aa)**; and
 - (b) the total expenses incurred to provide the travel services directed by the Speaker under **section 24(1)(e)**; and
 - (c) the total expenses incurred to provide the international travel and international accommodation services directed by the Speaker under **section 24(3)**.
- (2) The chief executive of the department responsible for Ministerial Services must, as soon as practicable after the end of each quarter, prepare and make publicly available a report setting out, in respect of each Minister,—
 - (a) the total expenses incurred against the appropriation in **section 23(2)** to provide each category of accommodation service determined by the Remuneration Authority under **section 18**; and
 - (b) the total expenses incurred to provide each category of travel service determined by the Minister Responsible for Ministerial Services under **section 27A**.

*Services in respect of official
inter-parliamentary relations programme*

31 Services in respect of official inter-parliamentary relations programme to be determined by Speaker

- (1) The Speaker must determine the entitlements to travel and accommodation services in respect of members of Parliament participating in the official inter-parliamentary relations programme.
- (2) Before making a determination under this section, the Speaker must consult the Commissioner of Inland Revenue about the taxation consequences of the proposed determination.
- (3) A determination made under this section may be made or amended at any time.
- (4) In this section and **section 32, travel and accommodation services** includes—
 - (a) the payment of money for those services; and
 - (ab) additional costs that are associated with, or incidental to, travel or accommodation that are not provided for as part of any other entitlement (whether under **Part 2**, this Part, or any determination or directions issued under one of those Parts); and
 - (b) provision for those services for the spouse or partner of a member of Parliament participating in the programme who accompanies the member; and
 - (c) any other means of meeting the travel and accommodation needs of a member of Parliament in order for the member to be able to travel as a participant in the programme.

32 Conversion of entitlements

A determination made under **section 31** may provide for a member of Parliament participating in the inter-parliamentary relations programme to convert an entitlement under the determination into a travel or accommodation service that costs a lesser amount for any purpose related to the member of Parliament's professional development that the Speaker is satisfied is appropriate in relation to the member's participation in the inter-parliamentary relations programme.

33 Publication of determinations

The Clerk of the House of Representatives must ensure that a copy of every determination made under **section 31** is publicly available as soon as practicable after it is made.

34 Quarterly reports on travel and accommodation expenses

The Clerk of the House of Representatives must, as soon as practicable after the end of each quarter, prepare and make publicly available a report setting out, in respect of each member of Parliament and each party, details of the expenses incurred to provide the travel and accommodation services determined by the Speaker under **section 31**.

Consultation requirement in relation to certain services not under this Part

35 Minister must consult about taxation consequences of certain services for Ministers

The Minister Responsible for Ministerial Services must consult the Commissioner of Inland Revenue about the taxation consequences of the following services for Ministers whenever there is any significant change in the nature or extent of those services:

- (a) international travel and international accommodation services:
- (b) communications services (additional or alternative to the communications services for members of Parliament set out in directions issued by the Speaker under **section 24(1)(b)**).

Part 4

Entitlements of former members and others and miscellaneous matters

Subpart 1—Entitlements of former members, former Prime Ministers, and others

Former members' entitlements

36 Travel entitlements of former members of Parliament

(1AAA) This section applies to—

- (a) a person who was a member of Parliament before the 1999 general election and, on the date of commencement of this Act, is no longer a member of Parliament; and
- (b) a person who was a member of Parliament before the 1999 general election and, on the date of commencement of this Act, is still a member of Parliament.

(1AA) On and after the commencement of this Act, a person described in ~~section subsection (1AAA)(a)~~ will continue to receive the travel entitlements set out in **Schedule 2** at all times while the person is no longer a member of Parliament.

(1A) After the commencement of this Act, a person described in **subsection (1AAA)(b)** will receive the travel entitlements set out in **Schedule 2** when, and at all times subsequently while, the person is no longer a member of Parliament.

(2) No travel entitlements may be paid to a person, in his or her capacity as a former member,—

- (a) ~~who~~ if the person was elected as a member of Parliament for the first time at or after the 1999 general election; or
- (b) in respect of any period ~~as~~ during which the person was a member of Parliament after 3 October 2008.

(3) Nothing in **subsection (2)**—

- (a) prevents a person from receiving any entitlement that continues in respect of a member of Parliament in accordance with a determination of the Remuneration Authority under **section 18(1)(c)**; or

- (b) prevents a person from receiving any entitlement in the capacity of former Prime Minister or spouse or partner of a former Prime Minister in accordance with a determination of the Remuneration Authority under **section 41**.
- (4) This section is subject to **section 37**.

37 Disqualification from receiving former member travel entitlements

- (1) None of the travel entitlements set out in **Schedule 2** applies to a former member, or the spouse or partner of a former member, if, at the date that the travel is taken,—
 - (a) the former member has been convicted of either of the following, committed during any of the periods specified in **subsection (2)**:
 - (i) an offence punishable by imprisonment for a term of 2 years or more; or
 - (ii) a corrupt practice; or
 - (b) the former member has been reported by the High Court in its report on the trial of an election petition to have been proved guilty of a corrupt practice and that corrupt practice was committed during any of the periods specified in **subsection (2)**.
- (2) For the purposes of **subsection (1)**, the specified periods are—
 - (a) when the former member was a member of Parliament;
 - (b) when the former member was a candidate for initial election or a candidate for re-election, in the period between polling day and declaration day;
 - (c) after the former member left Parliament.
- (3) None of the travel entitlements in **Schedule 2** applies to the spouse or partner of a former member if, at the time that the travel is taken,—
 - (a) the spouse or partner has been convicted of either of the following, committed after the former member left Parliament:
 - (i) an offence punishable by imprisonment for a term of 2 years or more; or
 - (ii) a corrupt practice; or

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 37

- (b) the spouse or partner has been reported by the High Court in its report on the trial of an election petition to have been proved guilty of a corrupt practice and that corrupt practice was committed after the former member left Parliament.
- (4) In this section,—
- corrupt practice** means a corrupt practice within the meaning of the Electoral Act 1993
- declaration day**, in relation to a person,—
- (a) if the person is a candidate for a seat in the House of Representatives representing an electoral district but not on a party list, means the day on which a person (whether that person or some other person) is declared, under section 179 of the Electoral Act 1993, to represent an electoral district; and
 - (b) if the person is a candidate whose name is specified in a party list but not a candidate for a seat representing an electoral district, means the day on which the Electoral Commission declares, under section 193(5) of the Electoral Act 1993, candidates on the party list to be elected; and
 - (c) if the person is both a candidate for a seat representing an electoral district and a candidate whose name is specified in a party list, means the earliest of the following days:
 - (i) the day on which the person is declared, under section 179 of the Electoral Act 1993, to represent the electoral district;
 - (ii) the day on which the person is declared, under section 193(5) of the Electoral Act 1993, elected from the party list;
 - (iii) the first day on which both of the following apply:
 - (A) another candidate has been declared, under section 179 of the Electoral Act 1993, to represent the electoral district; and
 - (B) the Electoral Commission has declared, under section 193(5) of the Electoral Act

1993, the candidates entitled to be elected from the party list and the person is not one of those candidates.

38 Issues concerning former member travel entitlements to be determined by Remuneration Authority

- (1) The Remuneration Authority must prescribe procedures for resolving issues that arise about a person's eligibility for travel entitlements under **section 36** or how any provision of **Schedule 2** is to be interpreted or applied or is to operate, including—
 - (a) procedures that provide for the participation of the General Manager; and
 - (c) procedures that are required to be followed before any issue may be referred to the Authority for final determination under **subsection (3)**.
- (2) If it is not possible to resolve an issue by agreement under the resolution procedures prescribed under **subsection (1)**, that issue may be referred to the Remuneration Authority for final determination.
- (3) The Remuneration Authority must,—
 - (a) on receiving a referral under **subsection (2)**, satisfy itself that all procedures for resolving that issue have been followed in accordance with **subsection (1)** and that it has not been possible to resolve the issue by agreement under those procedures; and
 - (b) make a final determination on the issue about the person's eligibility for travel entitlements or how the provision of **Schedule 2** is to be interpreted or applied or is to operate; and
 - (c) as soon as practicable, communicate that determination to the General Manager.

39 Reporting on expenses for travel entitlements of former members of Parliament

A statement setting out, in respect of each former member of Parliament and his or her spouse or partner, the total expenses incurred to provide each type of travel entitlement set out in **Schedule 2** must be included in the annual financial state-

ments of the Parliamentary Service, in addition to the requirements of section 45B(2) of the Public Finance Act 1989.

Former Prime Ministers' entitlements

40 Annuity of former Prime Minister and spouse or partner of former Prime Minister

- (1) If a person has held the office of Prime Minister for not less than 2 years (whether before or after the commencement of this Act, and whether the office was held for a continuous period or for periods totalling 2 years),—
 - (a) that person must be paid an annuity, until he or she dies, at a yearly rate for each year of service up to and including 5 years of service; and
 - (b) the surviving spouse or partner of that person must be paid an annuity, until he or she dies, at half the yearly rate at which an annuity would have been payable to the person under **paragraph (a)** had that person not died.
- (2) An annuity is payable under **subsection (1)** whether or not—
 - (a) the former Prime Minister has died before or after the commencement of this Act; and
 - (b) the surviving spouse or partner remarries or re-partners.
- (3) However, no annuity may be paid to a person under **subsection (1)** in respect of any period during which he or she—
 - (a) receives an additional salary under **section 12** (other than where the person, on the day before that additional salary started to be payable, was receiving the salary of an ordinary member of Parliament under **section 11**); or
 - (b) holds an office for which a salary (other than the salary of an ordinary member of Parliament) is payable under this Act or the Governor-General Act 2010.
- (4) The yearly rate under **subsection (1)(a)** must be determined by the Remuneration Authority.
- (5) A determination made under this section is a legislative instrument for the purposes of the Legislation Act 2012, but is not required to be presented to the House of Representatives under section 41 of that Act and is not a disallowable instrument for the purposes of that Act.

- (6) Expenses may be incurred, without further appropriation than this section, to provide the annuities under this section.

Compare: 1979 No 33 s 22

41 Travel entitlements of former Prime Ministers

- (1) The Remuneration Authority must determine the entitlements (if any) to travel services within New Zealand of former Prime Ministers and their spouses or partners.
- (2) An entitlement of a spouse or partner determined under **subsection (1)** continues after the death of the former Prime Minister, regardless of whether the surviving spouse or partner remarries or re-partners.
- (3) If an issue arises about how any provision of a determination made under this section is to be interpreted or applied or is to operate, that issue must be determined by the Remuneration Authority.
- (4) Expenses may be incurred, without further appropriation than this section, to provide the travel entitlements under this section.
- (5) A determination made under this section is a legislative instrument for the purposes of the Legislation Act 2012, but is not required to be presented to the House of Representatives under section 41 of that Act and is not a disallowable instrument for the purposes of that Act.

*Member of Parliament dying in office:
entitlements of family members*

42 Payments to spouse, partner, or dependent children of member of Parliament dying in office

- (1) This section applies if a member of Parliament dies while in office.
- (2) If the member is survived by a spouse or partner, the surviving spouse or partner must be paid as income a sum of money equivalent to the salary payable to an ordinary member of Parliament for the 3-month period starting on the day after the date of death.
- (3) If the member is not survived by a spouse or partner, but is survived by 1 or more dependent children, that child is to be

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 43

paid as income, or those children are to be paid in equal shares as income, a sum of money equal to the sum referred to in **subsection (2)**.

- (4) In a case where a sum of money is payable under this section to a person who is under the age of 18, the sum of money may be paid, by direction of the Speaker, to—
- (a) that person; or
 - (b) a guardian of, or person caring for, that person to be applied for the maintenance, education, advancement, or benefit of that person.
- (5) The receipt of the guardian or person to whom payment is made is a complete discharge for the payment.
- (6) **Section 9(4)** provides an appropriation for any payments under this section.

Compare: 1979 No 33 s 23(1)–(4)

Resolution of conflicting claims to entitlements

43 Conflicting claims

- (1) If more than 1 person claims to be entitled to an annuity under **section 40(1)(b)** or to a payment under **section 42(2) or (3)**, an authorised person must decide—
- (a) whether more than 1 person is entitled to the annuity or payment; and
 - (b) if so, the proportion of the annuity or payment payable to each person entitled to it.
- (2) In this section, **authorised person** means,—
- (a) in relation to an annuity under **section 40(1)(b)**, a person who has been authorised to make decisions under this section by the Minister Responsible for Ministerial Services; and
 - (b) in relation to a payment made under **section 42(2) or (3)**, the General Manager.
- (3) An authorised person must pay, or arrange for the payment of, an annuity or payment referred to in this section in accordance with any decision made by the authorised person under **subsection (1)**.
- (4) If more than 1 person is entitled to an annuity or payment, the total annuity or payment paid to the persons entitled to it must

not exceed the amount that would have been paid if only 1 person were entitled to it.

- (5) If a person who claims to be entitled to an annuity or payment referred to in this section is dissatisfied with a decision made by an authorised person under **subsection (1)**, he or she may appeal against the decision to the High Court.
- (6) The High Court Rules and sections 74 to 78 of the District Courts Act 1947 apply, with all necessary modifications, to an appeal under **subsection (5)** as if it were an appeal under section 72 of that Act against a decision of a District Court.
- (7) The provisions of the Judicature Act 1908 relating to appeals to the Court of Appeal against a decision of the High Court apply to an order or a decision of the High Court on an appeal under **subsection (5)**.

Compare: 1979 No 33 s 27

Subpart 2—Amendments to Parliamentary Service Act 2000

- 44 Parliamentary Service Act 2000 amended**
Sections 45 to 55 amend the Parliamentary Service Act 2000.
- 45 Interpretation**
Section 3 is amended by inserting the following definitions in their appropriate alphabetical order:
“**qualifying electoral candidate** has the same meaning as in **section 5** of the Members of Parliament (Remuneration and Services) Act **2011**
“**Remuneration Authority** has the same meaning as in **section 5** of the Members of Parliament (Remuneration and Services) Act **2011**”.
- 46 Meaning of funding entitlements for parliamentary purposes**
 - (1) Section 3B(1) is amended by repealing paragraphs (c) to (f) and substituting the following paragraphs:

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 47

- “(c) the provision of accommodation services for members of Parliament and qualifying electoral candidates and travel services for family members of those persons in accordance with a determination made by the Remuneration Authority under **section 18(1)** of the Members of Parliament (Remuneration and Services) Act **2011**:
 - “(ca) the provision of travel services for members of Parliament and qualifying electoral candidates in accordance with directions issued by the Speaker under **section 24(1)(aa)** of the Members of Parliament (Remuneration and Services) Act **2011**:
 - “(d) the provision of communications services (other than services including electioneering) in accordance with directions issued by the Speaker under **section 24(1)(b)** of the Members of Parliament (Remuneration and Services) Act **2011**:
 - “(e) the provision of travel services in accordance with directions issued by the Speaker under **section 24(1)(e)** of the Members of Parliament (Remuneration and Services) Act **2011**:
 - “(f) the provision of services and resources to qualifying electoral candidates in accordance with directions issued by the Speaker under **section 24** of the Members of Parliament (Remuneration and Services) Act **2011**.”
- (2) Section 3B(2)(d) is amended by—
- (a) omitting “section 20A of the Civil List Act 1979” and substituting “**section 31** of the Members of Parliament (Remuneration and Services) Act **2011**”; and
 - (b) omitting “travel programme” and substituting “relations programme”.

47 New section 3E substituted

Section 3E is repealed and the following section substituted:

“3E Interpretation of determinations and directions under Members of Parliament (Remuneration and Services) Act 2011

Every determination made by the Remuneration Authority under **section 18** of the Members of Parliament (Remuneration and Services Act) **2011** and all directions issued by the

Speaker under **section 24** of that Act must be interpreted consistently with sections 3B and 3C of this Act.”

48 Purposes of this Act

Section 4 is amended by repealing paragraph (d) and substituting the following paragraph:

“(d) to provide for regular and independent reviews of the amounts appropriated in Appropriation Acts for services and funding to support the parliamentary operations of members of Parliament, parties, and qualifying electoral candidates:”.

49 Principal duties of Parliamentary Service

Section 7 is amended by repealing paragraph (b) and substituting the following paragraphs:

“(b) to administer the payment of funding entitlements for parliamentary purposes, except those funding entitlements for parliamentary purposes that the Speaker and the Minister who is, with the authority of the Prime Minister, for the time being responsible for Ministerial Services agree should not be administered by the Parliamentary Service; and

“(c) to administer the entitlements of members of the Executive under **Part 3** of the Members of Parliament (Remuneration and Services) Act **2011** that the Speaker and the Minister who is, with the authority of the Prime Minister, for the time being responsible for Ministerial Services agree should be administered by the Parliamentary Service; and

“(d) to administer the payment of the travel entitlements of former members of Parliament.”

50 New section 8 substituted

Section 8 is repealed and the following section substituted:

“8 Services and administration of funding in accordance with Members of Parliament (Remuneration and Services) Act 2011, determinations and directions, etc

- “(1) In carrying out its duties under **section 7(a) to (c)**, the Parliamentary Service must act in accordance with—
- “(a) **Part 3** of the Members of Parliament (Remuneration and Services Act) **2011** and the determinations made, directions issued, and procedures prescribed under that Part; and
 - “(b) directions issued by the Speaker under **subsection (3)** in respect of services to be provided to the House of Representatives.
- “(2) In carrying out its duties under **section 7(d)**, the Parliamentary Service must act in accordance with **sections 36 to 39** of the Members of Parliament (Remuneration and Services) Act **2011** and determinations made by the Remuneration Authority under **section 38** of that Act.
- “(3) The Speaker must, in each financial year, issue directions to the Parliamentary Service as to the nature of the administrative and support services to be provided to the House of Representatives and the objectives to be achieved by the Service in providing those services.
- “(4) The Speaker must take into account any relevant advice and any relevant recommendation of the Parliamentary Service Commission given under section 14(1) before issuing directions under **subsection (3)**.”

51 Sections 9A to 9D repealed
Sections 9A to 9D are repealed.

52 Principal responsibilities of General Manager
Section 11 is amended by adding the following subsections as subsections (2) and (3):

- “(2) In addition to the responsibilities in **subsection (1)**, the General Manager must—
- “(a) ensure that information is provided in accordance with **section 20** of the Members of Parliament (Remuneration and Services) Act **2011**; and

“(b) perform the functions conferred on the General Manager by that Act, and under any procedures prescribed by the Remuneration Authority in accordance with that Act.

“(3) The General Manager is responsible to the Remuneration Authority for the matters referred to in **subsection (2)**.”

53 Functions of Parliamentary Service Commission

(1) Section 14 is amended by repealing subsection (1) and substituting the following subsection:

“(1) The Parliamentary Service Commission has the following functions:

“(a) to advise the Speaker on the nature of the services to be provided to the House of Representatives, members of Parliament, parties, and qualifying electoral candidates (other than services in respect of members participating in the official inter-parliamentary relations programme):

“(b) to advise the Speaker on proposed directions relating to the allocation and administration of funding appropriated in Appropriation Acts to support the parliamentary operations of members of Parliament, parties, and qualifying electoral candidates:

“(c) to nominate members of Parliament for participation in the political exchange programme.”

(2) Section 14(4) is amended by adding “; or” and also by adding the following paragraph:

“(c) any matter for which the Clerk of the House of Representatives has responsibility.”

54 Establishment of committee to review appropriations

(1) The heading to section 20 is amended by inserting “**annual**” after “**review**”.

(2) Section 20 is amended by repealing subsection (1) and substituting the following subsection:

“(1) The Speaker may from time to time, and must at least once during every term of Parliament, establish a review committee of

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 55

up to 3 persons to review the amounts of money appropriated in Appropriation Acts for the following purposes:

- “(a) administrative and support services provided to support the parliamentary operations of members of Parliament, parties, and qualifying electoral candidates:
- “(b) communications services provided to members of Parliament and qualifying electoral candidates:
- “(c) party and member support funding.”

55 Work of review committee

Section 21 is amended by repealing subsection (1) and substituting the following subsection:

- “(1) In carrying out its work, the review committee must consider—
 - “(a) whether the amounts of money appropriated are being used efficiently; and
 - “(b) whether the amounts of money appropriated are adequate to enable members of Parliament, parties, and qualifying electoral candidates to effectively perform their respective functions; and
 - “(c) the need for fiscal responsibility.”

Subpart 3—Amendments to Remuneration
Authority Act 1977

56 Remuneration Authority Act 1977 amended

Sections 57 58 to 61 amend the Remuneration Authority Act 1977.

58 Functions of Authority

- (1) Section 12(1)(a)(i) is amended by omitting “Civil List Act 1979” and substituting “Members of Parliament (Remuneration and Services) Act **2011**”.
- (2) Section 12 is amended by inserting the following subsection after subsection (2A):
 - “(2AB) For the avoidance of doubt, the superannuation subsidy may only be paid in accordance with subsection (2A)(a) if a member makes a contribution in the actual year to which the subsidy relates, and a member may not, in any year, make a lump

sum payment of contributions in respect of past years and claim an entitlement to a subsidy in respect of the contributions paid in that year that relates to past years.”

59 Publication of determinations fixing Parliamentary salary and allowances

- (1) Section 16(1)(a)(iii) is amended by omitting “; and” and substituting “:”.
- (2) Section 16(1)(a) is amended by adding the following subparagraph:
 - “(iv) the General Manager of the Parliamentary Service; and”.

60 Obligation to consult before making determinations about Parliamentary salaries and allowances

Section 17A is amended by repealing paragraphs (a) and (b) and substituting the following paragraphs:

- “(a) consult the Speaker of the House of Representatives and the Minister who is, with the authority of the Prime Minister, for the time being responsible for Ministerial Services about the services for which they have jurisdiction, including, for the purposes of **section 17(2)** of the Members of Parliament (Remuneration and Services) Act **2011**, about—
 - “(i) whether any element of personal benefit or potential personal benefit for members of Parliament, Ministers, or their family members arises under an entitlement to a service; and
 - “(ii) in the case of any such benefit arising under directions issued by the Speaker under **section 24 or 31** of that Act or a determination made by the Minister Responsible for Ministerial Services under **section 27A** of that Act, the value of any such benefit assessed by the Speaker or the Minister; and
- “(b) consult the Commissioner of Inland Revenue—
 - “(i) about the taxation consequences of the Authority’s proposed determination; and

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 61

“(ii) as required under **section 17(2)(a)** of the Members of Parliament (Remuneration and Services Act **2011**).”

61 Remuneration of existing holder not to be reduced

Section 24(2) is amended by adding “or **section 17 or 18** of the Members of Parliament (Remuneration and Services) Act **2011**.”

Subpart 4—Repeal, revocations,
consequential amendments, and review

62 Civil List Act 1979 repealed

The Civil List Act 1979 (1979 No 33) is repealed.

63 Determinations and order revoked

(1) The following determinations are revoked:

(a) Parliamentary (Official Inter-Parliamentary Travel Programme) Travel and Accommodation Determination 2007 (SR 2007/117):

~~(b) Parliamentary Travel, Accommodation, Attendance, and Communications Services Determination (No 3) 2010 (SR 2010/491):~~

(ba) Parliamentary Travel, Accommodation, Attendance, and Communications Services Determination 2012 (SR 2012/155):

(c) Executive Travel, Accommodation, Attendance, and Communications Services Determination (No 2) 2009 (SR 2009/323):

(ca) Executive Travel, Accommodation, Attendance, and Communications Services Determination (No 2) 2009 Amendment Determination 2010 (SR 2010/187).

(2) The Civil List (Pay Periods) Order 1982 (SR 1982/240) is revoked.

64 Consequential amendments to other enactments

The Acts specified in **Schedule 3** are amended in the manner set out in that schedule.

64AA Review of Act

- (1) The Parliamentary Service and the department responsible for the administration of Ministerial Services must, within the time specified in **subsection (3)**,—
 - (a) review the operation of this Act, since the date of its commencement, in so far as it relates to—
 - (i) services for members of Parliament, Ministers, qualifying electoral candidates, and family members of those persons; and
 - (ii) in relation to the determination of salaries and allowances of members of Parliament, the operation of **section 17(2)** and **Part 3**; and
 - (b) prepare a report on the review for the Speaker and the Minister Responsible for Ministerial Services.
- (2) The review must include recommendations to the Speaker and the Minister Responsible for Ministerial Services on whether any amendments to the Act are necessary or desirable.
- (3) The review must be completed—
 - (a) as soon as practicable after the Remuneration Authority, the Speaker, and the Minister Responsible for Ministerial Services complete the determination and directions in accordance with **section 29(1) and (5)** for the second complete term of Parliament after this section comes into force; and
 - (b) not later than the end of the second complete term of Parliament after this section comes into force.
- (4) As soon as practicable after receiving the report, the Speaker must present a copy of that report to the House of Representatives.

Subpart 5—Validations, savings, and
transitional ~~provision~~ provisions

64A Validation of salary payments to list members declared elected under section 137 of Electoral Act 1993

- (1) This section applies to every payment that, before the commencement of this Act, has been made to a person declared to be elected as a member of Parliament in accordance with section 137 of the Electoral Act 1993 by way of salary or al-

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 65

allowance for the period or any part of the period beginning on the day that the person was declared to be elected as a member of Parliament and ending on polling day for the next general election of members of Parliament (or, if applicable, on the earlier day on which the member's seat became vacant).

- (2) Every payment to which this section applies must be taken to be, and to always have been, as lawful as if **section 11(3)** of this Act were in force, and applied in respect of the payment, when it was made.

65 Validations and savings concerning salaries and allowances of members of Parliament and annuities and travel services for former Prime Ministers

- (1) Nothing in this Act affects the validity of—
- (a) a determination made by the Remuneration Authority under section 16 or 22 of the Civil List Act 1979; or
 - (b) an agreement made before the commencement of this Act for a former Prime Minister and his or her spouse or partner or surviving spouse or partner to be provided with specified travel services.
- (2) Despite anything in this Act,—
- (a) every salary and allowance in respect of which a determination by the Remuneration Authority has been made under section 16 of the Civil List Act 1979 must continue to be paid at the rate applicable at the commencement of this Act until the determination relating to that salary or allowance has been superseded by a determination of the Remuneration Authority under **section 9** of this Act; and
 - (b) every annuity in respect of which a determination by the Remuneration Authority has been made under section 22 of the Civil List Act 1979 must continue to be paid at the rate applicable at the commencement of this Act until the determination relating to that annuity has been superseded by a determination of the Remuneration Authority under **section 40** of this Act.

66 Transitional provision concerning services entitlements

- (1) **Subsections (2) to (4A)** apply for the transitional period starting on the day on which this Act comes into force and ending on the date of the next general election (the **transitional period**).
- (2) The entitlements of members of Parliament, Ministers, and qualifying electoral candidates to accommodation services, and the entitlements of family members of those persons to travel services set out in the following documents are deemed to have been determined by the Remuneration Authority, in accordance with **section 18**, to be the entitlements of those persons:
 - (a) the document entitled “Directions by the Speaker of the House of Representatives 2011” (the **2011 directions document**) incorporated by reference in the Parliamentary Travel, Accommodation, Attendance, and Communications Services Determination 2012:
 - (b) the document entitled “Travel, Accommodation, and Communications Services Available to Members of the Executive” (the **Executive Services document**) incorporated by reference in the Executive Travel, Accommodation, Attendance, and Communications Services Determination (No 2) 2009.
- (3) The directions of the Speaker set out in the 2011 directions document relating to travel services, administrative and support services, communications services, and funding and referred to in **section 24** are deemed to be directions of the Speaker issued in accordance with that section.
- (4) The entitlements of members of Parliament participating in the official inter-parliamentary relations programme set out in the document entitled “Specification for Travel, Accommodation, and Related Services Available to Members of Parliament Participating in the Official Inter-Parliamentary Travel Programme” incorporated by reference in the Parliamentary (Official Inter-Parliamentary Travel Programme) Travel and Accommodation Determination 2007 are deemed to have been determined by the Speaker, in accordance with **section 31**, to be the entitlements of those persons.

- (4A) The entitlements of members of the Executive to travel services set out in the Executive Services document are deemed to have been determined by the Minister Responsible for Ministerial Services in accordance with **section 27A**.
- (5) Despite **section 29**,—
- (a) the Remuneration Authority must, before 1 September 2014 or the end of the transitional period, whichever is the earlier, make a determination under **section 18** that comes into force at the end of the transitional period; and
 - (b) the Authority may make a determination amending any entitlement referred to in **subsection (2)** at any time before it makes a determination in accordance with **paragraph (a)**; and
 - (c) the Speaker must, before 1 September 2014 or before the end of the transitional period, whichever is the earlier, issue directions under **section 24** and make a determination under **section 31** that come into force at the end of the transitional period; and
 - (d) the Speaker may issue directions amending any directions referred to in **subsection (3)**, or make a determination amending any entitlement referred to in **subsection (4)**, at any time before the Speaker issues directions or, as the case may be, makes a determination in accordance with **paragraph (c)**; and
 - (e) the Minister Responsible for Ministerial Services must, before 1 September 2014 or before the end of the transitional period, whichever is the earlier, make a determination under **section 27A** that comes into force at the end of the transitional period; and
 - (f) the Minister Responsible for Ministerial Services may make a determination amending any entitlement referred to in **subsection (4A)** at any time before the Minister makes a determination in accordance with **paragraph (e)**.

67 Transitional provision concerning section 23

During the transitional period referred to in **section 66(1)**, **section 23** does not apply, regardless of whether the Re-

muneration Authority makes a determination under **section 66(5)(b)**.

67A **Transitional provision concerning ongoing travel entitlements of former members**

Despite the repeal by this Act of the Civil List Act 1979 and the revocation of the Parliamentary Travel, Accommodation, Attendance, and Communications Services Determination 2012, during the period beginning on **16 December 2013** and ending on the close of **30 June 2014**,—

- (a) subpart 3 of Part 6 of the document entitled “Directions by the Speaker of the House of Representatives 2011” (which provides for ongoing travel entitlements of certain former members of Parliament) (the **Speaker’s directions**), as in force on **15 December 2013**, continues to apply; and
- (b) the provisions of that subpart must be interpreted, and the entitlements under it must be administered, in accordance with the Speaker’s directions as if this Act had not been enacted.

67B **Transitional provision concerning tax-treatment of ongoing travel entitlements of former members**

Despite the repeal and substitution, by this Act, of sections CW 31 and CX 12 of the Income Tax Act 2007, during the period beginning on **16 December 2013** and ending on the close of **30 June 2014**,—

- (a) those sections, as in force on **16 December 2013**, do not apply to the travel entitlements of former members paid under **section 67A** of this Act; and
- (b) those sections, as in force on **15 December 2013**, continue to apply to those entitlements.

68 **Transitional provision concerning sections 18(3), 40(5), and 41(5)**

Until subpart 1 of Part 2 and Part 3 of the Legislation Act 2012 come into force, **sections 18(3), 40(5), and 41(5)** are deemed to provide that “A determination made under this section is a regulation for the purposes of the Acts and Regu-

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Part 4 cl 68

lations Publication Act 1989 but not for the purposes of the
Regulations (Disallowance) Act 1989”.

Schedule 1

s 5

Qualifying electoral candidates

The persons in the first column, at the times specified in the second column, are qualifying electoral candidates.

Person	Time
1 A person who vacates the office of member of Parliament under section 54(1)(b) or (2)(b) of the Electoral Act 1993 at the close of a polling day and is a candidate in the general election concerned.	Between the close of the polling day and,— (a) if the person is a candidate for a seat in the House of Representatives representing an electoral district, the day on which a person (whether that person or some other person) is, under section 179 of the Electoral Act 1993, declared elected to represent the district; or (b) if the person's name is specified in a party list, the day on which, under section 193(5) of the Electoral Act 1993, the Electoral Commission declares candidates to be elected in the election.
2 A candidate at a by-election who is the former member of Parliament and whose vacation of the seat concerned caused the by-election to be required.	Between the close of the polling day and the day on which a person (whether that person or some other person) is, under section 179 of the Electoral Act 1993, declared elected to represent the district concerned.
3 A candidate at a general election for a seat in the House of Representatives representing an electoral district who did not vacate the office of member of Parliament under section 54(1)(b) or (2)(b) of the Electoral Act 1993 at the close of the polling day for the election, if the preliminary results made available by the Electoral Commission on polling day or the day after indicate that— (a) he or she received more votes than any other candidate for the seat; or	Between the close of polling day and the day on which a person (whether that person or some other person) is, under section 179 of the Electoral Act 1993, declared elected to represent the district.

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Schedule 1

Person	Time
(b) he or she is one of 2 or more candidates who received a number of votes that is equal, and greater than the number of votes received by any other candidate for the seat.	
4 A candidate at a general election whose name is specified in a party list and who did not vacate the office of member of Parliament under section 54(1)(b) or (2)(b) of the Electoral Act 1993 at the close of the polling day for the election, if the preliminary results made available by the Electoral Commission on polling day or the day after indicate that the Electoral Commission would, under section 193(5) of the Electoral Act 1993, declare him or her to be elected in the election if the results of the official count were the same as those preliminary results.	Between the close of polling day and the day on which, under section 193(5) of the Electoral Act 1993, the Electoral Commission declares candidates to be elected in the election.
5 A candidate at a by-election who is neither a member of Parliament nor the former member of Parliament whose vacation of the seat concerned caused the by-election to be required, if the preliminary results made available by the Electoral Commission on polling day or the day after indicate that—	Between the close of polling day and the day on which a person (whether that person or some other person) is, under section 179 of the Electoral Act 1993, declared elected to represent the district.
(a) he or she received more votes than any other candidate for the seat; or	
(b) he or she is one of 2 or more candidates who received a number of votes that is equal, and greater than the number of votes received by any other candidate for the seat.	

Schedule 2 **ss 36–39**
**Travel entitlements of former members of
Parliament**

Former members' air travel entitlements

- 1 Rebates for travel on scheduled air services payable to former members who were members before 1999 general election**
- (1) A former member of Parliament who was a member before the 1999 general election is entitled to a rebate for travel on scheduled air services undertaken by the former member in accordance with the following rules:
- (a) a rebate is payable in respect of expenditure incurred by the former member personally, and a rebate is not payable where the fare is paid from public funds or from any other source;
 - (b) no rebate is payable in respect of any travel undertaken by the former member for private business purposes;
 - (c) where a journey is undertaken for a mixture of personal and private business purposes, the rebate is payable in respect of any portion of the fare that is an additional cost to that which would have been incurred had only the business part of the journey been undertaken;
 - (d) the amount of rebate to which a former member is entitled is the appropriate percentage of the fare that applies to that former member as calculated in accordance with the table below:
 - (e) the fare—
 - (i) includes any tax and service fees payable in respect of the travel; and
 - (iii) does not include any amounts paid in respect of cancellation fees or accommodation;
 - (f) in the case of domestic travel,—
 - (i) the rebate is calculated on the economy or discounted fare used for the travel; and
 - (ii) if the former member travels premium economy, business class, or other class above economy (however that class may be described), the rebate

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Schedule 2

must be calculated on the equivalent economy-class fare for the journey undertaken:

- (g) in the case of international travel, the fare used may be an economy, a discounted, or a business-class fare and the rebate is calculated on the basis of whichever fare is used.

Table of rebates applicable

Number of complete Parliaments through which former member served	Percentage of fare payable (%)
Less than 2	Nil
2	If former member has served as a Speaker or as a Minister (not including Parliamentary Under-Secretary): 50 Other cases: nil
2 (and part of a third)	If former member has served as a Speaker or as a Minister (not including Parliamentary Under-Secretary): 50 Other cases: nil
3	60
3 (and part of a fourth)	60
4	75
4 (and part of a fifth)	75
5 or more	90

- (2) **Subclause (1)** is subject to **clauses 2 and 3**.

2 Limitations on rebates for former members' domestic air travel

- (1) A former member is entitled to a rebate for 12 return air trips between any 2 points within New Zealand in each year.
- (2) For the purpose of **subclause (1)**, a rebate for a one-way trip counts as one-half of a return trip.
- (3) Rebates are paid for open tickets only if the departure date for the first part of the trip is determined at the time the ticket is purchased and it is the date of the return flight that is left open.
- (4) Rebates are paid for travel in respect of the relevant year.

3 Limitations on rebates for former members' international air travel

- (1) The total amount paid to a former member by way of rebates for international air travel in each year must not exceed the amount of rebate to which the former member would have been entitled if he or she had flown between Auckland and London using the lowest-cost online business-class return air fare as at 1 July in the relevant year.
- (2) Rebates are paid for open tickets only if the departure date for the first part of the trip is determined at the time the ticket is purchased and it is the date of the return flight that is left open.
- (3) Rebates are paid for travel in respect of the relevant year.

Former members' rail, road, and ferry travel
entitlements

4 Rebates for travel on rail, road, and ferry services in New Zealand

- (1) A former member is entitled to a rebate on the following scheduled travel services within New Zealand in accordance with the same rules and limitations as set out in **clauses 1 and 2** in respect of scheduled air services:
 - (a) rail travel; and
 - (b) road travel; and
 - (c) inter-island travel on inter-island ferries.
- (2) The entitlement in **subclause (1)** does not extend to—
 - (a) suburban rail travel; or
 - (b) suburban road travel; or
 - (c) the carriage of a motor vehicle, or the use of a cabin, on an inter-island ferry.

Travel entitlements of former members' spouses
or partners

5 Application of clauses 6 and 7

- (1) **Clauses 6 and 7** apply to a spouse or partner of a former member who—
 - (a) was the spouse or partner of the former member at the time the former member ceased to be a member of Parliament; and

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Schedule 2

- (b) is the spouse or partner of the former member at the time of claiming an entitlement under **clause 6 or 7**.
- (2) The entitlements of a spouse or partner of a former member under **clauses 6 and 7** continue after the death of the former member, whether or not the surviving spouse or partner remarries or re-partners, provided that the spouse or partner was still the spouse or partner of the former member at the date of his or her death.
- (3) For the purposes of **clauses 6 and 7**, **former member** includes a member of Parliament who dies in office, and who becomes a former member on the date of his or her death.

6 Domestic and international air travel: spouse or partner entitlement

A spouse or partner to whom this clause applies is entitled to a rebate for travel on scheduled domestic and international air services at the same rate and subject to the same conditions as the former member.

7 Rail, road, and ferry travel: spouse or partner entitlement

A spouse or partner to whom this clause applies is entitled to the same rail, road, and ferry travel entitlements as the former member.

8 Entitlements in this schedule do not include travel for private business purposes

- (1) The entitlements to travel set out in this schedule do not include any entitlement to travel for private business purposes, and each provision of this schedule must be interpreted accordingly.
- (2) In this schedule, **private business purposes** means purposes on behalf of a person's own business interests, or on behalf of the business interests of any other person, trust, company, or organisation.

Schedule 3
**Consequential amendments to other
enactments**

s 64

Electoral Act 1993 (1993 No 87)

Paragraph (d)(i) of the definition of **public servant** in section 3(1): omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Finance Act 1988 (1988 No 107)

Section 6: repeal.

Goods and Services Tax Act 1985 (1985 No 141)

Section 6(3)(c)(i): omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Government Superannuation Fund Act 1956 (1956 No 47)

Definition of **member** in section 82(1): omit “section 16 of the Civil List Act 1979” and substitute “**section 9** of the Members of Parliament (Remuneration and Services) Act **2011**”.

Definition of **ordinary member** in section 82(1): omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Definition of **salary** in section 82(1): omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Income Tax Act 2007 (2007 No 97)

Section CW 31: repeal and substitute:

**“CW 31 Services for members and former members of
Parliament**

An amount is exempt income of a person to the extent that it is income of the person and is not exempt income of the person under another provision of subpart CW, if the amount is—

“(a) ~~travel, accommodation, and communications services~~
accommodation, or communication services, and is—

“(i) paid under **section 18, 24, or 31 section 18,
24, 27A, 28, 31, or 32** of the Members of Par-

Income Tax Act 2007 (2007 No 97)—continued

liament (Remuneration and Services) Act **2011**;
and

“(ii) provided to a member of Parliament (including in his or her capacity as a member of the Executive), a qualifying electoral candidate, or a family member of one of those persons:

“(b) ~~the travel entitlements of former members of Parliament (including the travel entitlements that apply in respect of a former member’s spouse or partner) and is paid under **section 36 or 41** of the Members of Parliament (Remuneration and Services) Act **2011**;~~

“(b) the travel entitlements of a former member of Parliament (including the travel entitlements that apply in respect of a former member’s spouse or partner) and is paid under **section 36** of the Members of Parliament (Remuneration and Services) Act **2011** after **30 June 2014**;

“(ba) the travel entitlements of a former Prime Minister (including the travel entitlements that apply in respect of a former Prime Minister’s spouse or partner) and is paid under **section 41** of the Members of Parliament (Remuneration and Services) Act **2011**;

“(c) international travel, international accommodation, and communications accommodation, or communications services provided to a member of the Executive.

“Defined in this Act: exempt income, family member, pay, qualifying electoral candidate”.

Section CX 12: repeal and substitute:

“**CX 12 Services for members and former members of Parliament**

“When fringe benefit arises

“(1) A fringe benefit arises when travel, accommodation, and communications services are exempt income under **section CW 31** (services for members and former members of Parliament).

Income Tax Act 2007 (2007 No 97)—*continued*

“Relationship with sections CX 5 and CX 28

“(2) This section overrides sections CX 5 (relationship with exempt income) and CX 28 (accommodation).

“Defined in this Act: exempt income, fringe benefit”.

Section CX 33B: omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act 2011”.

Section YA 1: insert in their appropriate alphabetical order:

“family member means a family member as defined in **section 5** of the Members of Parliament (Remuneration and Services) Act **2011**

“qualifying electoral candidate means a qualifying electoral candidate as defined in **section 5** of the Members of Parliament (Remuneration and Services) Act **2011**”.

Parliamentary Superannuation Determination 2003 (SR 2003/306)

Definition of **member** in clause 3: omit “section 16 of the Civil List Act 1979” and substitute “**section 9** of the Members of Parliament (Remuneration and Services) Act **2011**”.

Definition of **ordinary member** in clause 3: omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Definition of **salary** in clause 3: omit “Civil List Act 1979” and substitute “Members of Parliament (Remuneration and Services) Act **2011**”.

Petroleum Demand Restraint Act 1981 (1981 No 12)

Section 14(6): omit “and to sections 14 and 15 of the Civil List Act 1979”.

**Proposed amendments to the
Members of Parliament (Remuneration
and Services) Bill**

Stamp and Cheque Duties Act 1971 (1971 No 51)

Item relating to Civil List Act 1950 in Schedule 1: omit.
