



**REPORT  
OF THE  
Royal Commission  
Upon Parliamentary Salaries  
and Allowances**

**1973**

*Presented to the House of Representatives by Command of  
His Excellency the Governor-General*

BY AUTHORITY:

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*Royal Commission to Inquire Into, and Report Upon, Parliamentary Salaries and Allowances*

ELIZABETH THE SECOND, by the Grace of God of the United Kingdom, New Zealand and Her Other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith:

To Our Trusty and Well-beloved JOHN DENIS McGRATH, Esquire, Commander of the Most Excellent Order of the British Empire, of Wellington; DOUGLAS JOHN EWERT, Esquire, of Rotorua; and LAURENCE HOUGHTON STEVENS, Esquire, of Auckland:

GREETING:

WHEREAS by section 27 of the Civil List Act 1950 it is provided that the Governor-General, on the recommendation of a Royal Commission appointed in that behalf, may from time to time, by Order in Council, fix the salaries and allowances to be paid to the Prime Minister and other Ministers of the Crown or Members of the Executive Council, to Parliamentary Under-Secretaries, and to the Speaker and Chairman of Committees and other Members of the House of Representatives:

And whereas by subsection (1A) of the said section 27 it is provided that a Royal Commission shall be appointed for the purposes of that section within 3 months after the date of every general election of Members of Parliament, and a general election was held on the 25th day of November 1972:

Now know ye, that We, reposing trust and confidence in your impartiality, integrity, and ability, hereby nominate, constitute, and appoint you the said

JOHN DENIS McGRATH,  
DOUGLAS JOHN EWERT, and  
LAURENCE HOUGHTON STEVENS

to be a Commission to inquire into and report upon the salaries and allowances paid to our Prime Minister and other Ministers of the Crown or Members of the Executive Council, to Parliamentary Under-Secretaries, to the Speaker and Chairman of Committees, and to the Leader of Our Official Opposition, and to other Members of the House of Representatives; and if it be reported that it is necessary or desirable to alter those salaries and allowances or any of them, then to recommend to His Excellency the Governor-General the nature and extent of the alterations that should be made:

And generally to inquire into and report upon any other matters arising out of or affecting the premises which may come to your notice in the course of your inquiries and which you may consider should be investigated in connection therewith:

And We do hereby appoint you, the said

JOHN DENIS McGRATH

to be Chairman of the said Commission:

And for the better enabling you to carry these presents into effect you are hereby authorised and empowered to make and conduct any inquiry under these presents at such time and place as you deem expedient,

with power to adjourn from time to time and place to place as you think fit, and so that these presents shall continue in force, and the inquiry may at any time and place be resumed although not regularly adjourned from time to time or from place to place:

And you are hereby strictly charged and directed that you shall not at any time publish or otherwise disclose save to His Excellency the Governor-General in pursuance of these presents or by His Excellency's directions, the contents of any report so made or to be made by you or any evidence or information obtained by you in the exercise of the powers hereby conferred upon you except such evidence or information as is received in the course of a sitting open to the public:

And we do further ordain that you have liberty to report your proceedings and findings under this Our Commission from time to time if you shall judge it expedient so to do:

And using all due diligence, you are required to report to His Excellency the Governor-General in writing under your hands not later than the 31st day of July 1973 your findings and opinions on the matters aforesaid, together with such recommendations as you think fit to make in respect thereof:

And, lastly, it is hereby declared that these presents are issued under the authority of the Letters Patent of His late Majesty King George the Fifth, dated the 11th day of May 1917, pursuant to section 27 of the Civil List Act 1950, and under the authority of and subject to the provisions of the Commissions of Inquiry Act 1908, and with the advice and consent of the Executive Council of New Zealand.

In witness whereof we have caused this Our Commission to be issued and the Seal of New Zealand to be hereunto affixed at Wellington this 19th day of February 1973.

Witness Our Right Trusty and Well-beloved Cousin, Sir Edward Denis Blundell, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Excellent Order of the British Empire, Governor-General and Commander-in-Chief in and over New Zealand.

DENIS BLUNDELL, Governor-General.

By His Excellency's Command—

NORMAN KIRK, Prime Minister.

Approved in Council—

P. G. MILLEN, Clerk of the Executive Council.

## Report of the Royal Commission on Parliamentary Salaries and Allowances

To His Excellency Sir Edward Denis Blundell, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Most Excellent Order of the British Empire, Governor-General and Commander-in-Chief in and over New Zealand.

MAY IT PLEASE YOUR EXCELLENCY:

We, the undersigned members of the Royal Commission constituted by virtue of section 27 of the Civil List Act 1950, to inquire into and report upon parliamentary salaries and allowances, respectfully submit our report as follows:

The order of reference authorises and instructs the Commission to inquire into and report upon the salaries and allowances payable to:

1. The Prime Minister;
2. Other ministers or members of the Executive Council;
3. Parliamentary Under-secretaries;
4. The Speaker;
5. The Chairman of Committees;
6. The Leader of the Opposition;
7. Other members of the House of Representatives;

and if it is necessary or desirable to alter these salaries and allowances or any of them, then to recommend to Your Excellency the nature and extent of the alteration that should be made;

and generally to inquire into and report upon any other matters arising out of or affecting the premises which may come to the Commission's notice in the course of its inquiries and which the Commission may consider should be investigated in connection therewith.

### I. INTRODUCTION

We have read the reports of previous Commissions, and considered the principles that have been established for the determination of salaries and allowances for members of Parliament. We are happy to adopt in large measure the position which has been generally accepted in the past. There are some aspects of our deliberations, however, on which we have taken a different view. First, in relation to salaries, the attitude expressed in earlier reports, even as recent as that of 1968, that the member's remuneration should reflect a measure of self-sacrifice is, in our view, no longer tenable and has not yet been completely overcome. There has been a tendency, followed both by parliamentarians themselves and by earlier Commissions, to depress the member's salary level as a gesture aimed at curbing inflation. We repeat and

accept the four fundamental propositions established by previous Commissions, namely—

- (a) That the occupation of a member of Parliament should be regarded as virtually full-time and professional in nature;
- (b) That it should be assumed that a member of Parliament has no other income;
- (c) That it should be accepted that members are married with family commitments;
- (d) That regard should be had to the sacrifices a member and his wife (or husband) have to make in respect of their enjoyment of leisure and family life.

We would add that in our view members of Parliament, of whatever degree, are entitled to a fair reward for their services. We consider circumstances over recent years have militated against due attention being given to this factor. Our recommendations are intended to correct this situation.

Secondly, in relation to the provision of research services, we have felt it necessary to consider the extent of our responsibility. Our order of reference empowers us "to inquire into and report upon the salaries and allowances paid to . . . Members of Parliament. . . . And generally to inquire into and report upon any other matters arising out of or affecting the premises which may come to your notice in the course of your inquiries and which you may consider should be investigated in connection therewith." While we think it has been a proper exercise of the previous Commission's functions to recommend, in general terms, the establishment of research units for each party, we believe that the examination of further requests for the extension and servicing of these units calls for special expertise. Accordingly we recommend that the Government should direct this matter to its more appropriate advisers.

We have also received submissions regarding the typing and secretarial services provided for members. We take the view that these should be regarded as matters of administration, and we refrain from making any recommendation in detail.

The members of the Commission are particularly indebted to Mr C. P. Littlejohn who acted as the Commission's secretary; during a part of this time he was under heavy pressure as Acting Clerk of the House of Representatives.

## II. RECOMMENDATIONS IN RESPECT OF PARLIAMENTARY SALARIES

We have given above an indication of the approach we have taken in determining the extent of the recommendations we propose to make regarding salaries. We have observed that on four occasions in recent years the amount of the salaries payable to members of Parliament has been affected by transitory pressures. In 1967 the Commission, considering the circumstances then prevailing, deferred its report for 1 year and then, in 1968, despite the fact that the general salary movement was acknowledged to be between 15 percent and 20 percent, it recommended an increase of only a little over 7½ percent. The 1970 Commission recommended a procedure for the annual review of

parliamentary salaries and this was put into effect by the enactment of the Civil List Amendment Act 1970. As a result of this provision the Government Statistician, in 1971 and 1972, prepared a certificate indicating the percentage movements in pay scales required by the provision. However, at that time increases in salaries and wages were under the control of the Remuneration Authority and the Government submitted the certificates from the Government Statistician to that authority for its recommendation. In the result the amount of the increase to which members of Parliament were entitled was reduced, in 1971 from 19.1 percent to 12 percent, and in 1972, in the case of Ministers, on a sliding scale from 11.3 percent to 9.1 percent.

The recommendation of the Commission in 1968 was made in deference to the policy of the Government of the day to restrain increases in salaries and wages so as to combat the current economic conditions. As far as we can see this gesture was without effect. It is greatly to the credit of members of Parliament that they accepted that restraint without demur. Of their own volition, in 1971 and 1972, they submitted their proposed salary increases to the Remuneration Authority, and again suffered a reduction in the amount of salary increase to which they were entitled.

In our view there is no justification whatever for perpetuating these reductions. They represent a temporary and voluntary sacrifice which, in equity, should now be restored.

We are satisfied from the evidence we have heard that there has in the past 3 years been a substantial increase in the work load of members, especially in regard to the work of select committees and caucus committees. This is a trend which has been referred to by a number of earlier Commissions. We have noticed a growing tendency towards a new approach in determining the salaries of parliamentarians. The old attitude that there should be an element of sacrifice inherent in the discharge of public duty and service is, in our view, no longer acceptable in view of the long hours of work and the pressures and strains to which a member of Parliament is now subjected. We have made the decisions reflected in the tables that follow on the basis that a member of Parliament, like anybody else, is entitled to a fair remuneration for the job.

One other matter to which we have given attention is the question of relativity. We have heard suggestions that members' salaries should be aligned with a particular step on the State Services scale, with magistrates, and with other proposed datum points, but it seems to us that the nature of the work of a member of Parliament cannot readily be compared with any other field of employment. His hours of work, the pressures to which he is subjected, the many and varied motivations which affect him, together with the necessity to resubmit himself to the electorate every 3 years give his position a special character. We consider that the movement in members' salaries should be related to the broad basic movement of wages and salaries and not directly tied to any particular sector.

We accordingly recommend the following salary increases for Your Excellency's approval.

Position	Present Salary	Recommended
	w.e.f. 1 April 1972	salary w.e.f. 1 April 1973
	\$	\$
Prime Minister	20,773	27,500
Deputy Prime Minister	15,336	21,000
Minister with portfolio	13,827	18,000
Minister without portfolio	11,894	15,500
Parliamentary Under-secretaries	10,444	13,500
The Speaker	12,316	16,500
Chairman of Committees	9,598	14,000
Leader of the Opposition	12,921	18,000
Deputy Leader of the Opposition	8,511	13,500
Chief Whips	8,209	12,500
Junior Whips	7,967	12,000
Members	7,604	11,000

### III. RECOMMENDATIONS IN RESPECT OF ALLOWANCES AND PRIVILEGES OF MEMBERS

We have studied the recommendations of earlier Commissions carefully, and note the various elements which have been included from time to time in the basic expense allowance payable to members. We agree with the general principle stated in past reports that it is fundamental that expense allowances be fixed at a level to ensure as far as possible that they involve no element of income.

In the 1970 report the previous Commission stated that it was satisfied that the serious inadequacies in respect of salaries did not extend to the sphere of tax-free allowances and privileges. We now find that this is no longer the case. The march of inflation and the increasing pressure of work to which members are subjected throughout the year have added greatly to those costs for which a member should be reimbursed.

#### (a) Basic Allowance

The present allowance of \$1,250 per annum is expected to provide for car running, typing services in the electorate, and certain other expenses, such as donations, hospitality, extra clothing, and domestic expenses which a member is obliged to meet because of his position. In our opinion this sum falls short of what is now required by the average member for car running alone. Not only have running and maintenance costs increased considerably, but also, we find, members are finding it necessary to cover somewhat higher mileages.

We have also received submissions relating to a number of other problems, some of general application and some relating to specific electorates. We are of the opinion that the position can best be met by a substantial increase in the basic allowance. Accordingly we recommend an increase to \$2,350. We do not propose to designate the proportion of the allowance which is to be attributed to each function but simply remark that a substantial part of the increase now provided relates to car running costs.

We now turn to a consideration of certain new matters which we have seen fit to deal with by an increase in the basic allowance.



### *Charter Air Travel*

It was strongly argued that in respect of many of the larger electorates members would find it more economical of both time and money to use light aircraft on a charter basis rather than to use their car and perhaps have to meet accommodation costs. We considered the possibility of giving a limited right to members in some electorates to use charter aircraft at State expense, but we have concluded that if such travel is to be used as an alternative to car travel it should be paid for in the same way. If it is indeed more economical, the member for whom it is appropriate can use it when it suits him.

### *Taxis*

A number of submissions were received relating to taxis which we shall deal with in their turn.

First, it was proposed that members should have the right to taxis for transport to their lodgings when the House rises at 10.30 p.m. We have considered carefully all the evidence on this matter which has been placed before us, and have concluded that this problem also can best be met by an increase in the basic allowance.

Secondly, we were asked to authorise the use of taxis, as an alternative to the mileage allowance, for travel between the member's home and the airport. Since we have had regard to the use of the member's own car for this purpose we do not propose to authorise an allowance for the use of an alternative.

Thirdly, we were asked to authorise the use of taxis between airport and railway station if a member is using a mixed form of travel, and fourthly, it was proposed that members should be entitled to taxis when carrying out official duties throughout New Zealand. We consider that reasonable provision has been made through the increased basic allowance to meet these requests.

### *Official Cars for Former Ministers*

It has been put to us that former ministers who are now members of the Opposition have a need for transport in carrying out their responsibilities, including speaking engagements, in various parts of the country. We consider it would be of assistance if such members could have the right to use official cars, paid for by deduction from their allowances, and we recommend accordingly.

### *Secretarial Services in Electorates*

This is a matter which has been raised on many occasions. The previous Commission found it appropriate to incorporate a sum in the basic allowance which would go some part of the way to meet the cost of such services. Having in mind the fact that we have proposed a major change in the use of dictation equipment in the typing services, which could well result in an improvement in the handling of correspondence in the recess, we do not propose to make a change at the present time, but we have taken this into account in fixing the basic allowance.

### *Car Ownership*

The special nature of a member's travel requirements was made clear to us. We accept that many members find that it is necessary

to have an extra car—one for family use and one for the member which can be left at the airport during the week. The mileage covered each year by members is substantial, but we accept that it is necessary in order to provide the service to the electorate which is now required.

### (b) Electorate Allowance

We have also considered the amounts provided as additional allowances depending upon the classification of electorates. These range from \$90 to \$1,150 for the European electorates, and to \$1,325 and \$1,500 for the Maori electorates. These sums are intended to meet the differential requirements of electorates arising from causes which are mainly geographical.

These are matters to be taken into account by the Representation Commission when it fixes the classification of electorates, and accordingly we have not disturbed the relativity of this scale. We consider that the position will be suitably met by the increase in the basic allowance, together with the following changes in electorate allowances—

	Old Rate \$	New Rate \$
(a) Electorates which are wholly urban ..	90	110
(b) Electorates which are substantially urban	230	275
(c) Electorates which are partially urban and partially rural .. .. .	520	625
(d) Electorates which are ordinary rural ..	920	1,100
(e) Electorates which are predominantly rural	1,150	1,380
Special additional allowance for Southern Maori	350	420
Special additional allowance for each of the other Maori electorates .. .. .	175	210

### (c) Sessional Allowance

We have had regard to the representations made to us concerning the day and night allowances payable to members. We consider that the day allowance should be increased to \$4 per day and the night allowance to \$10.

### (d) Air Travel for Wives and Families of Members

A member's wife or husband is at present entitled to 12 single trips between the constituency and Wellington, to free travel within the electorate up to \$120 per annum, and to unrestricted free travel up to \$100 per annum. Certain anomalies which follow from these restrictions have been pointed out to us. We now recommend that a member's wife or husband should be entitled to unrestricted air travel between the constituency and Wellington, and to air travel elsewhere in New Zealand up to a maximum of \$300 per annum.

It has been submitted to us that a member with a young family, who is required to spend so much of his time away from his home, should be able to bring his family to Wellington occasionally, so that they may see him in the context of his work and gain some understanding of its nature and importance.

We feel there is some merit in this proposal. It is not really a new one. We are aware of the rule of very long standing which permits a member to bring his children to Wellington by rail for a visit during the parliamentary session for half the normal fare. When this privilege was first authorised rail was the principal form of transport. Now air travel is almost universally used by members from distant electorates and we see no reason why the rail privilege should not be extended to the modern means of travel. We think it preferable to extend the privilege in this way, rather than to provide for a limited number of free journeys.

The problems of a minister with a young family have also been drawn to our attention. If the minister and his wife return to the electorate at the weekend, as so often they must, some arrangement must be made for the children or the minister is faced with expensive travel costs. We think it reasonable in these circumstances that a proportion of the cost of the children's travel should be borne by the State.

We accordingly recommend that dependent children of members be permitted return travel between their home and Wellington—and, in the case of ministers, between Wellington and the electorate—by air, at half the normal fare.

#### (e) Tolls and Stamps

We recommend that the value of stamp vouchers issued to members be increased from \$18 to \$23. In the case of the members for Lyttelton and Southern Maori, their entitlement has been at the rate of \$20 per month. The electorate of Lyttelton includes the Chatham Islands, and the increased allowance is provided on that account. The Western Maori electorate also includes the Chatham Islands. We therefore consider that Lyttelton, Southern Maori, and Western Maori should carry the increased entitlement, which should now be \$25 per month.

#### (f) Setting-up Allowances

We heard evidence from a number of members relating to the cost of establishing an office and obtaining the equipment necessary to enable a newly elected member to carry out his duties. Even the provision of a small desk and a filing cabinet in his own home is likely to add to the financial burdens of a new member, who will also be facing the costs of a substantial change in his way of life. We think it reasonable that a proportion of this establishment cost should be borne by the State, and accordingly recommend the payment of a grant of \$100 for this purpose to each member on his election to Parliament for the first time.

#### (g) Extended Period of Payment to Defeated Members

Provision was made in 1961, in respect of members standing at a general election but defeated, for payment to them of salary only for the period from the day of the election to the end of the calendar month next after the month in which the general election is held. It has been drawn to our attention that general elections are usually held in November and, as a consequence, the unsuccessful candidates may be forced to seek new employment, or to return to their previous employment, during the holiday period. We are satisfied that the

present provision is less than adequate and recommend the payment of salary only for a period of 3 months from the date of the election. We also recommend that such defeated members should be entitled to two return air trips to Wellington to enable them to clear their offices.

#### (h) Travelling Expenses of Caucus Committees

##### *Meetings Outside Wellington*

Members are required to travel about the country, to an increased extent, as members of a committee of caucus, carrying out investigations which are properly the responsibility of members of Parliament. The cost of accommodation in these cases has in the past been met by the members concerned as a personal charge. It seems to us that in many of these cases this travel is in the public interest, and the cost should then be borne by the State, though in other cases the travel will be rather in the interests of the political party concerned.

We understand that when select committees are travelling the members are paid an accommodation allowance at the rate approved for statutory boards. If a member of the committee lives in the area being visited by the committee he is paid the daily allowance under the Parliamentary Salaries and Allowances Order. Select committees are entitled to use official cars when necessary in connection with the official business of the committee. We consider that these provisions should apply in appropriate cases to caucus committees.

We accordingly recommend that, when the leader of the party concerned approves of the travel as being in the public interest, the members of a caucus committee or subcommittee should have their accommodation expenses met by the State in the same manner as select committees. We feel that such expenditure should be subject to public scrutiny, and accordingly recommend that a schedule of all such travel and expenditure should be laid on the Table of the House each session.

##### *Meetings in Wellington*

Previous Commissions have recommended payment of the sessional allowance to members attending, *inter alia*, a properly notified meeting of a select committee or a caucus committee. We wish to make it clear that in order to qualify for the allowance such a meeting should be properly constituted and with a quorum of three.

#### IV. RECOMMENDATIONS IN RESPECT OF ALLOWANCES AND SERVICES FOR MINISTERS AND OTHERS

##### (a) Expense Allowance

We recommend the following changes in the expense allowance:

- Prime Minister, from \$4,000 to \$5,000
- Deputy Prime Minister, from \$1,625 to \$2,150
- Ministers with portfolio, from \$1,500 to \$2,000
- Ministers without portfolio, from \$1,275 to \$1,600
- Parliamentary Under-secretaries, from \$1,275 to \$1,600

Mr Speaker, normal allowance as a member, plus \$1,500 instead of \$1,300, plus the day allowance  
 Chairman of Committees, normal allowance as a member, plus \$900 instead of \$700, plus the day allowance  
 Leader of the Opposition, from \$1,500 to \$2,000  
 Deputy Leader of the Opposition, normal allowance as a member, plus \$800 instead of \$575  
 Minister of Foreign Affairs, an allowance of \$2,000 in addition to the above allowance, whether or not that office is held by the Prime Minister.

**(b) Travel Allowances for Prime Minister, Ministers, Under-secretaries, and Their Wives**

The present rate of daily travelling allowance is \$14 per day. We consider that this daily rate should be increased to \$21.

**(c) Leader of the Opposition**

In addition to the allowance, previously \$1,500, which we have considered above, the Leader of the Opposition receives an allowance of \$1,275 to provide for expenses incurred in travelling outside his electorate, and an allowance of \$1,100 to provide for official car travel outside Wellington. He also receives a stamp allowance of \$35 per month, and the day and night allowances applicable to an ordinary member.

Previous Commissions have considered the advisability of placing the Leader of the Opposition in the same position as a minister, at least as far as the use of official cars is concerned, but have felt that the step could not be justified at that stage. We also have given the matter careful consideration, and have decided that the time has now arrived for this step to be taken, not only in relation to car travel, but also in respect of certain other matters of office administration.

We therefore recommend that the Leader of the Opposition should have the right to unrestricted use of official cars on the same basis as a minister, and also that his telephone and postal privileges should be extended to include free toll calls from his office and from his residence. His stamp allowance should as a consequence be reduced to \$23.

With regard to the day and night allowances, we note that before 1970 the Leader of the Opposition received a house allowance as for a minister. The change was made in 1970 because the Leader of the Opposition lived out of Wellington and was at a serious disadvantage in receiving the ministerial allowance. The situation has changed again, and the Leader of the Opposition is again resident in Wellington. We accordingly recommend that the ministerial house allowance should again apply.

**(d) Whips**

We have heard evidence from both parties concerning the burden of work which now falls on the whips. With the growing demands on parliamentarians, the whips, who have the task of managing their parties' affairs, will continue to have increasing pressures, and we have recognised this in fixing their salaries. The necessity for more frequent attendance in Wellington is an important element in the increased work

load which can be provided for more effectively by an allowance. This was recognised by the 1964 Commission, who recommended that where the senior whips are required to be in Wellington a day before or a day after Parliament sits in any week they should receive the appropriate sessional allowance. It is clear to us that the requirement to be in Wellington is by no means confined to the sitting week. Much of the work of Parliament is now done by committees during recesses, and similarly much of the work of the whips must also be done in recess periods. These burdens, we are informed, fall upon the junior whip as well as upon his senior colleague.

We accordingly recommend that the appropriate day and night allowances should be paid to the whips whenever they are in Wellington on parliamentary business.

We also recommend that the whips be provided with free telephones in their Wellington accommodation, and that their toll calls originating in Wellington be free of charge.

## V. RESEARCH, TYPING, AND SECRETARIAL SERVICES

The provision of suitable typing services for members has been dealt with to an increasing extent by previous Commissions. The party research units were established on the recommendation of the Commission of 1970 with a view to meeting the needs of the private member for background information. They should now be examined in the light of the experience of their 3 years' operation. A substantial part of the submissions we have heard has related to the provision of these services. We feel, however, that the proposals which have been placed before us by members and by other witnesses involve considerations of such detail, and the determination of such technical questions, that we should not decide them. The principle is established that the respective parties should have assistance of this nature. We think that the further development of these services should be dealt with as a matter of administration. We make certain comments below on each of these services which we hope will serve as a guide to the direction their development ought to take, but we feel strongly that the provision of such things as sophisticated and expensive equipment for research units ought to be based on a more detailed technical investigation than we are able to give, while the provision of minor items of office equipment, subscriptions to periodicals, etc., should not require the attention of this Commission, but rather should be the subject of a departmental policy established in the usual way.

### (a) Research

The submissions we have heard include requests for equipment ranging from a microfilm recording system to radio earpieces, and for a reassessment of staffing in some detail, covering both salary scales and qualifications. We see some merit in all the proposals. A compact and efficient system of storing and retrieving information is a very desirable piece of equipment for a research unit. Relevant information must be gathered for storage and processed by competent staff. An organisation of this nature must be able to establish its systems at an early stage,

with a view to growth. It is of particular importance to the Opposition, since they do not have access to the services of Government departments, but must develop their own facilities.

We have been assured that the research units have been of great value to members. The experiment has been a success. Nevertheless, we have gathered that there is an increasing tendency for the main efforts of the units to be directed towards the needs of the party rather than towards those of the private member for whom they were primarily established. We consider that both these functions are important and for this reason we listened with great interest to the submissions of the Chief Librarian of the General Assembly Library. He made certain proposals for the improvement of research and information services of the library which, we think, would prove useful to members and also to select committees—more so than would a comparable increase in the party units. We understand that these proposals have been placed before the Library Committee. Such a development was foreseen by the Commission of 1970.

We suggest that the enlargement of research and information services, both in the party units and in the General Assembly Library, is a matter for favourable consideration, but that it should first be fully investigated, either by a select committee, or by a special committee appointed for the purpose.

#### (b) Typing Services

The recommendation of the 1970 Commission was that the typing services for private members should be on the basis of one typist for each four members, in separate pools for each party, during the session, and one for nine during the recess. We are now informed that this is not flexible enough to meet present needs, and that a further increase in numbers is required, together with an authorisation to appoint staff for filing and secretarial duties. This latter point is dealt with below.

The question of equipment has also been referred to, especially the provision of electric typewriters and dictaphones. We do not wish to comment on the use of electric typewriters—that is rather a matter of departmental policy. We do wish to comment on the use of dictaphones, since that question has been canvassed before previous Commissions. The suggestion made in 1964 that dictaphones should be provided for those members who desired them was not adopted. We understand that the standard of convenience and the cost of machines at that time made the proposal rather unattractive. That is no longer the case. We are now informed that the equipment in current use is simpler to use and much less expensive. Many members would find it very convenient, enabling them to clear their dictation as time permits. We recommend that consideration be given to the provision of dictation equipment for each pool.

The provision of dictation equipment, if it is effectively used, will very likely affect the number and qualifications of the typists required in each party pool. We consider it undesirable to fix an upper limit to the number, or to decide upon the qualifications of typists appointed to assist members. Reasonable requirements should be met, so that members can have their typing done without undue delay. We regard it as an administrative responsibility to see that this is done.

### (c) Secretarial Services

We have suggested above that the number of typists in the party typing pools should be increased to meet reasonable requirements. It has been submitted to us that typists should handle not only the dictation and typing, but also should look after the mail, filing, and appointments of the members to whom they are responsible. This seems to us to be a straightforward arrangement, which can, and indeed has been put into effect without a recommendation from us. We also see no objection to the engagement of staff for less skilled occupation—such as filing—if there is sufficient need. As we have said above, we think the time has now arrived where the typing and secretarial services for members should be supplied to meet a reasonable need.

## VI. FORMER PRIME MINISTERS

In 1964 the Commission for the first time gave consideration to a practice which had been established in other parts of the Commonwealth of giving special recognition to the services a Prime Minister gives to his country. They recommended the payment of an annuity and the provision of the limited free use of official cars. This recommendation was based on a consideration of four principles. First, they thought it inevitable that the office of Prime Minister attracts to it obligations of a social nature which do not disappear entirely with retirement, but continue to involve him in extra expense. Secondly, it was their conviction that the country should give tangible recognition of the great services a Prime Minister renders. Thirdly, they thought that the wife of a Prime Minister shares his political life so fully that some recognition should be given her as well; accordingly they recommended the continuation of payments and privileges to her in the event of her widowhood. Fourthly, they considered the matter of qualification, recommending, in regard to the annuity proposal, that it should apply to every person who had held the office of Prime Minister for 2 years, and had either retired or become an ordinary member.

We respectfully agree with these principles, and have accordingly reviewed the recommendation, having in mind that the Right Honourable Sir Keith Holyoake has now become a private member, and so qualified for these privileges, and that no alteration to the payments has been made since the proposal was adopted in 1964.

Sir Keith Holyoake has given his services as a member of Parliament for a period of 36 years. He was Prime Minister in 1957, and from 1960 to 1972. In addition, he held major portfolios from 1949 to 1957, and for greater part of 1972. This is service of a magnitude which ought to be recognised.

At the present time members of Parliament have the right to free unrestricted air travel throughout New Zealand. Ex-members also have travel facilities, depending on their length of service as members. It is no great extension of these privileges to grant to a former Prime Minister the right to unrestricted air travel for life and we recommend accordingly. We think he should also have the right to use official cars without restriction.



We recommend—

- (a) That the amount payable by way of annuity to a former Prime Minister, as provided in section 7A of the Civil List Act 1950, be at the rate of \$1,000 for each full year he has held office as Prime Minister but a maximum of \$5,000, and in the event of his death that the amount payable in respect of his widow should be at one half of that rate.
- (b) That a former Prime Minister should have the right to free air travel on the same basis as a member of Parliament and to the free use of official cars, these travel privileges to extend to his wife, and in the event of his death to enure for his widow.
- (c) That the typing and secretarial services provided for members should be made available to a former Prime Minister.
- (d) That these provisions should enure for a former Prime Minister qualifying for any of them in the future until reviewed.
- (e) That in relation to the widow of a former Prime Minister who receives an annuity pursuant to section 7A of the Civil List Act 1950, the amount should be increased in accordance with recommendation (a) above.

## VII. PARLIAMENTARY SUPERANNUATION SCHEME

We have received certain requests for improvements in the Parliamentary superannuation scheme. In our view they do not take sufficiently into account the change provided for by the previous Commission relating to annual salary adjustments which has given a substantial advantage to members in respect of their superannuation. Under these circumstances, it is considered that the superannuation scheme should be left untouched by this Commission.

## VIII. EFFECTIVE DATE

We recommend that all the foregoing variations in salaries and allowances be made effective on and from 1 April 1973.

We have the honour to be Your Excellency's obedient servants.

DENIS McGRATH, Chairman.

D. J. EWERT, Member.

L. H. STEVENS, Member.

Wellington, 18 July 1973.

## IX. SUMMARY OF RECOMMENDATIONS

## Annual Salaries and Allowances

<i>Executive</i>	\$
Prime Minister—	
Salary .....	27,500
Expense allowance .....	5,000
Deputy Prime Minister—	
Salary .....	21,000
Expense allowance .....	2,150
Minister with portfolio—	
Salary .....	18,000
Expense allowance .....	2,000
Minister of Foreign Affairs. An additional allowance of .....	2,000
Ministers without portfolio—	
Salary .....	15,500
Expense allowance .....	1,600
Parliamentary Under-secretaries—	
Salary .....	13,500
Expense allowance .....	1,600
 <i>Officers of the House</i>	
Mr Speaker—	
Salary .....	16,500
Expense allowance, normal allowance as a member plus (NOTE—Residential quarters and certain services are provided in Parliament House for Mr Speaker.)	1,500
Chairman of Committees—	
Salary .....	14,000
Expense allowance, normal allowance as a member plus .....	900
(NOTE—Residential quarters provided in Parliament House.)	
Leader of the Opposition—	
Salary .....	18,000
Expense allowance .....	2,000
Deputy Leader of the Opposition—	
Salary .....	13,500
Expense allowance, normal allowance as a member plus	800
Members—	
Salary .....	11,000
Salary for Government and Opposition Whips:	
Chief .....	12,500
Junior .....	12,000

## Allowances of Members

## 1. Basic and Electorate Allowances—

(a) The basic expense allowance to be increased from \$1,250 to \$2,350.

(b) The additional allowance depending on classification of electorates to be:

- (i) Electorates which are wholly urban, \$110.
- (ii) Electorates which are substantially urban, \$275.
- (iii) Electorates which are partially urban and partially rural, \$625.
- (iv) Electorates which are ordinary rural, \$1100.
- (v) Electorates which are predominantly rural, \$1,380.

(c) Special additional allowance for Southern Maori electorate of \$420 and of \$210 for the other Maori electorates.

#### 2. *Sessional Allowance*—

The daily allowance to be increased to \$4 and the night allowance for members entitled thereto to be increased to \$10.

#### 3. *Air Travel for Wives and Families of Members*—

(a) Existing limit of 12 single trips between constituency and Wellington removed.

(b) Maximum of \$300 for air travel elsewhere in New Zealand.

(c) Half fares for dependent children between electorate and Wellington.

#### 4. *Tolls and Stamps*—

Existing monthly allowance to be increased from \$18 to \$23. Members for Lyttelton, Southern Maori and Western Maori to receive \$25 per month.

#### 5. *Setting-up Allowance*—

Grant of \$100 to each member on election to Parliament for first time.

#### 6. *Defeated Members*—

(a) Payment of salary only for 3 months from date of election.

(b) Two return trips to Wellington.

#### 7. *Travelling Expenses of Caucus Committees*—

Allowances to be paid for approved travel.

### Travelling Allowance of Ministers

Daily rate payable to ministers, under-secretaries and their wives to be increased from \$14 to \$21.

### Leader of the Opposition

- (1) Unrestricted use of official cars.
- (2) Free toll calls from office and residence.
- (3) Stamp allowance reduced to \$23 per month.
- (4) House allowance of \$600 in lieu of sessional allowance.

### Whips

(1) Day and night allowances to be payable to the Whips whenever they are in Wellington on parliamentary business.

(2) Free telephones in Wellington residences.

(3) Toll calls originating in Wellington free of charge.

**Former Prime Ministers**

- (1) Annuity increased to \$1,000 for each full year with maximum of \$5,000.
- (2) Free air travel and official cars.
- (3) Use of typing and secretarial services.

**Effective Date of Implementation**

All changes of salaries and allowances to be effective on and from 1 April 1973.

Members entitled thereto to be increased to \$10. The daily allowance to be increased to \$4 and the night allowance for

the travel for Wives and Families of Members—  
(a) Existing limit of 12 single trips between constituency and Wellington removed.

(b) Maximum of \$300 for air travel elsewhere in New Zealand.  
(c) Half fares for dependent children between electorate and Wellington.

Existing monthly allowance to be increased from \$18 to \$23. Members for Lyttelton, Southern Maori and Western Maori to receive \$25 a month.

Grant of \$100 to each member on election to Parliament for first time.  
Defeated Members—

(a) Payment of salary only for 3 months from date of election.  
(b) Two return trips to Wellington.

Traveling Expenses of Cabinet Ministers—  
Allowance to be paid for approved travel.

**Traveling Allowance of Ministers**

Daily rate payable to ministers, under-secretaries and their wives to be increased from \$14 to \$21.

**Leader of the Opposition**

- (1) Restricted use of official cars.
- (2) Free toll calls from cars and residences.
- (3) Camp allowance reduced to \$25 per month.
- (4) House allowance of \$600 in lieu of seasonal allowance.

**Wives**

(1) Day and night allowance to be payable to the Wives whenever they are in Wellington on Parliamentary business.

BY AUTHORITY: