



## Members' pay and allowances – arrangements in other parliaments

Standard Note: SN/PC/05050

Date: 23 April 2009

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This Note sets out brief details of the system of pay and allowances in several European and Commonwealth countries, the European Union, and the House of Lords. It also includes information on the employment of relatives by Members of Parliament in other countries.

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## 1 Comparison of salaries

In its most recent review of pay and allowances, the Senior Salaries Review Body (SSRB) included an Appendix “Comparison of salaries of members of Parliament in selected countries”. The salary quoted for Members of the UK Parliament is the one that applied on 1 April 2007, before the House agreed to stage a further increase recommended by the SSRB on 24 January 2008. It increased Members’ pay to £61,181 in April 2007 and then to £61,820 from 1 November 2007. The SSRB provided the following comparative data.

**Table 1: Comparison of salaries of members of Parliament in selected countries**

Country and currency	Annual salary in national currency	Purchasing Power Parity (PPP)	Equivalent in £	Difference from UK salary in £	Difference from UK salary %	Lower or single chamber number of members	Second chamber number of members	Population in millions (rounded)	Population per lower/single chamber member in thousands
UK									
£	60,675	1	60,675	n/a	n/a	646	731	61	94
Australia									
Aus \$	127,060	2.25	56,471	-4,204	-7%	150	76	20	133
Canada									
Can \$	150,800	1.99	75,779	+15,104	+25%	308	105	33	107
France									
€	83,435	1.44	57,941	-2,734	-5%	577	331	64	111
Germany									
€	84,108	1.42	59,231	-1,444	-2%	613	69	82	134
Ireland									
€	95,363 – 101,446 <sup>1</sup>	1.62	58,866 – 62,621	-1,809 – +1946	-3% – +3%	166	60	4	24
Italy									
€	140,444	1.39	101,039	+40,364	+67%	630	320	59	94
Netherlands									
€	90,070 <sup>2</sup>	1.40	64,336	+3,661	+6%	150	75	17	113
New Zealand									
NZ\$	122,500	2.38	51,471	-9,204	-15%	120	n/a	4	33
Norway									
NKr	612,000	14.03	43,621	-17,054	-28%	169	n/a	5	30
Spain									
€	36,249	1.24	29,233	-31,442	-52%	350	259	45	129
Sweden									
SKr	634,800	14.83	42,805	-17,870	-29%	349	n/a	9	26
USA									
\$	165,200	1.62	101,975	+41,300	+68%	435	100	303	696

<sup>1</sup> The base salary for Irish TDs is currently €95,363, rising to €98,407 after 4 years and to €101,446 after 8 years.

<sup>2</sup> Including 8 per cent holiday allowance. An additional but unspecified end of year allowance is also payable.

Source: Senior Salaries Review Body, *Parliamentary pay, pensions and allowances 2007*, Report No 64, January 2008, Cm 7270-1, Appendix C

The SSRB provided the following additional notes on the table:

- (i) This table compares gross base salaries, before tax, social security, pension etc contributions. They take no account of allowances, free travel and other entitlements. Most salaries for members of Parliaments are taken from the respective Parliament or Government websites but data for Ireland and Norway were obtained from official sources in those countries. Salaries for Heads of Government were taken from official

sources where possible but some are based on press reports. The figures were checked on 15 November 2007.

(ii) Purchasing Power Parities (PPP) are used to convert salaries in national currencies to the equivalent purchasing power in Sterling. This provides a better comparison of relative value than conversion using (often more volatile) exchange rates. The PPP rates have been calculated from the OECD 2006 PPP rates, the latest available.

(iii) Currently salaries of members of the European Parliament (MEPs) are the same as those of members of EU national Parliaments, so MEPs from the UK are paid the same as MPs. However, MEPs' allowances are determined by the European Parliament. From 2009 MEPs will be paid 38.5% of the basic salary of a judge of the European Court of Justice.

## 2 Allowances and Entitlements

### 2.1 The House of Lords

Most Members of the House of Lords do not receive a salary. However, Members may be reimbursed actual expenses arising out of their parliamentary duties, in accordance with the rules of the Members' Reimbursement Allowance Scheme.<sup>1</sup> The Members' Reimbursement Allowance Scheme is governed by Resolutions of the House. The most recent guidance on the scheme explains that:

The scheme rules are applied by the Clerk of the Parliaments who also has limited discretion to deal with matters that arise on claims. Points of particular difficulty or doubt may be referred to the House Committee, which supervises the arrangements for reimbursement of expenses. The Senior Salaries Review Body carries out regular reviews of parliamentary allowances. Its most recent report was issued in January 2008 (Cm 7270-I). Subsistence allowances are updated on 1 August each year in line with the Retail Prices Index.<sup>2</sup>

Members are able to claim for the following allowances:

- **Day subsistence:** a maximum of £86.50 per day to cover the cost of meals and incidental travel. This is payable for each day of officially recorded attendance at the House of Lords through claims forms.
- **Night subsistence:** a maximum of £174.00 is available to meet the cost of overnight accommodation in London while away from the Peer's main home (e.g. hotel costs, rent or mortgage interest). Peers who maintain a second home in London may also claim a reduced rate maintenance allowance to meet the costs of staying away from London on parliamentary business (£106.50 per day). These costs are payable for each day of officially recorded attendance, through claim forms.
- **Maintenance allowance:** This meets the cost of overnight accommodation when away from London on select committee, parliamentary delegations, or certain other official visits.
- **Office and secretarial allowance:** Members of the Lords are able to claim up to £75 for office and secretarial costs associated with attending a sitting or meeting at the House of

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<sup>1</sup> See the *Members' Reimbursement Scheme General Guide*, Seventh Edition, October 2008, <http://www.publications.parliament.uk/pa/ld200708/ldpeers/ldpeers.pdf>

<sup>2</sup> *Ibid*, p7

Lords. The allowance can also be claimed for up to 40 days when the House is not sitting, or the House is sitting and the Peer does not attend. In addition, members may claim the allowance to reimburse ongoing costs whilst he or she is away from the House on select committee, parliamentary delegation or certain other official visits.

These allowances are not subject to income tax.

Some Members of the Lords receive a salary because of the offices they hold.

- The Lord Speaker, the Chairman of Committees, and the Principal Deputy Chairman - paid from the House of Lords budget.
- Government ministers - paid by the relevant Government departments.
- The 12 Law Lords - paid from the Consolidated Fund.

Members who receive a salary are not entitled to claim the additional allowances based on attendance.<sup>3</sup>

## **2.2 European countries**

### ***Belgium<sup>4</sup>***

The Members of the Belgian Chambre de représentants and Senat receive a basic payment of €76,424. The salary corresponds to the salary of a member of the Conseil d'État (Raad van State), the highest administrative court in Belgium, at the beginning of his career. The salary is index-linked and subject to taxation. Members can have other sources of income, however, the income a Member of Parliament receives for other political activities may not exceed half of his or her parliamentary allowance.

Representatives and Senators have free access to all public transport operated by the State or the Regions. They receive in addition a "kilometer allowance".

Members of both chambers are, in addition, entitled to a grant for expenses which amounts to 28% of the parliamentary allowance. This allowance is tax-free.

Members of the Parliament's Bureau receive an extra allowance for expenses. In the Senate, the Bureau is the sole managing body. It consists of the Speaker, three Vice-Presidents, three Quaestors and the Presidents of political groups that are represented in the standing committees. Currently, the Bureau has 16 members.

Senators and Representatives have offices in Parliament's office building. They can hire an assistant who is paid for by the House.

In the House of Representatives, members can apply for a financial contribution for the purchase of a PC up to a maximum amount, on presentation of a receipt. They can also claim for internet connection costs. Senators can be reimbursed for certain costs including phone costs and computer material provided that they produce a receipt.

Those Members who are not re-elected receive 12-48 months worth of salary (2 months salary per year's mandate).

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<sup>3</sup> For full details see the *Members' Reimbursement Scheme General Guide*, Seventh Edition, October 2008, <http://www.publications.parliament.uk/pa/ld200708/ldpeers/ldpeers.pdf>

<sup>4</sup> [http://www.senate.be/english/federal\\_parliament\\_en.html#T.4.3](http://www.senate.be/english/federal_parliament_en.html#T.4.3)

## Germany

### Bundestag<sup>5</sup>

The Bundestag website explains that:

Article 48(3) of the Basic Law stipulates that Members of the Bundestag are entitled to remuneration which is adequate to ensure their independence. The amount of the remuneration must reflect the importance of the special position held by a Member of the Bundestag and the responsibility and burdens accompanying that office. It must also take account of the status attaching to tenure of a parliamentary seat within the constitutional system. Since its judgment of 5 November 1975 on the remuneration of Members of the Bundestag (reference 2 BvR 193/74), the Federal Constitutional Court has repeatedly invoked this principle. The federal legislature took account of its rulings when it adopted the *Abgeordnetengesetz*, the Members of the Bundestag Act, in 1977 by basing Members' remuneration levels on the emoluments payable to holders of offices subject to similar responsibilities and burdens to those borne by Members of Parliament. Members of the Bundestag, who represent constituencies with an electorate numbering 160,000 to 250,000, were considered equivalent to the mayors of towns and local communities with 50,000 to 100,000 inhabitants and to ordinary judges at the supreme federal courts, who, like Members of the Bundestag, exercise their office independently and are subject only to the law.

The annual pay levels of these reference office-holders have not yet been reached. Parity will be established for the first time when Members have received their increments of 4.7% (€330 per month) on 1 January 2008, taking their monthly remuneration to €7,339, and of 4.48% on 1 January 2009, which will increase their monthly remuneration by a further €329 to €7,668. Members of the Bundestag do not receive any special payments such as holiday pay or Christmas bonuses. Their remuneration constitutes taxable income.

In its remuneration judgment of 1975, the Federal Constitutional Court also emphasised that Parliament itself must determine the amount of its financial benefits. It is not permitted to delegate that responsibility to any external body, such as a commission of experts. The Court also ruled that Members' remuneration must not be pegged to civil servants' pay. For these reasons the Bundestag decides on the level of its remuneration in a transparent procedure that takes place in the plenary chamber where the public can follow its proceedings. This allows the people to keep a watchful eye on their representatives. The basis for parliamentary decisions on the level of Members' remuneration is a recommendation made by the President of the Bundestag on the basis of changes in the salaries of the reference office-holders.<sup>6</sup>

Members of the Bundestag receive a set of official allowances known as *Amstausstattung*, which comprises monetary payments and benefits in kind for their offices, their staff and their travel requirements. The expense allowance is an index-linked lump sum which is adjusted each year. They are not required to submit receipts and all members receive the same. It currently amounts to €3,782 per month. Claims cannot be made for costs exceeding the amount of the allowance, nor can these be claimed as tax allowances. The Bundestag website states:

The legislature opted for an expense allowance because it best matches the constitutionally enshrined principle of the independent mandate. In addition, a lump-sum allowance for all Members based on average expenditure is the fairest and

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<sup>5</sup> [http://www.bundestag.de/htdocs\\_e/members/remuneration/memre.html](http://www.bundestag.de/htdocs_e/members/remuneration/memre.html)

<sup>6</sup> *Ibid*

cheapest solution, as a system based on submission of receipts would create a huge increase in administrative expenditure for the Bundestag. Moreover, granting a lump-sum allowance means that the budgetary cost can be calculated precisely from the outset on the basis of the number of Members.<sup>7</sup>

A monthly staffing allowance of €13,660 (gross) is available to each Member. The Members themselves do not receive this money, which is paid direct to their appointed staff by the Bundestag administration. Members' spouses, relatives or in-laws who work for them cannot be paid from this allowance. Their salaries must be paid out of the Member's own pocket.

They are also entitled to a furnished office, with telecommunications equipment installed, in the Bundestag for them and their staff. They have access to official vehicles for travel within the city boundaries of Berlin. They also have a pass that enables them to travel free of charge on the railways and they are entitled to the reimbursement of the costs of domestic flights taken in the exercise of their mandate.

Those members that are not re-elected are paid at the rate of one monthly amount, corresponding to the current rate of Members' remuneration, for every year's membership of Parliament. This means that a Member losing his or her seat after one full electoral term would receive four monthly payments. The maximum duration of payments is 18 months. From the second month after the expiry of the mandate, all other earned income, including income from private sources, is set off against transitional emoluments.

There are also provisions for health and long-term care insurance.<sup>8</sup>

## **Italy**

### **Chamber of Deputies**<sup>9</sup>

Members of the Chamber of Deputies receive a 'Parliamentary allowance' commonly referred to as their 'salary', as well as a daily allowance and reimbursements for "costs related to the relationship between the elected and the electors", for the ancillary costs of travelling and trips abroad, and for telephone expenses. The details, as set out on the Chamber of Deputies' website are as follows:

#### **Parliamentary allowance**

As provided for in Art. 69 of the Constitution, this allowance is calculated in accordance with Law No. 1261 of 31 October 1965. It is set at an amount not exceeding that of the overall maximum gross annual salary of magistrates exercising the function of President of a Section of the Court of Cassation or the equivalent. This amount was reduced under Art. 1, para 52, of Law no. 266 of 23 December 2005 (Financial Law of 2006).

The parliamentary allowance is paid in 12 monthly instalments. The monthly payment - which was reduced by 10% following a Bureau decision on 17 January 2006 - amounts to 5.486,58 euro after deduction of social security (€ 784,14) and health care (€ 526,66) contributions and that of the life annuity (€ 1.006,51) and withheld income tax (€ 3.899,75).

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<sup>7</sup> [http://www.bundestag.de/htdocs\\_e/members/remuneration/expense.html](http://www.bundestag.de/htdocs_e/members/remuneration/expense.html)

<sup>8</sup> [http://www.bundestag.de/htdocs\\_e/members/remuneration/health.html](http://www.bundestag.de/htdocs_e/members/remuneration/health.html)

<sup>9</sup> <http://english.camera.it/deputatism/4385/documentotesto.asp>

### **Daily allowance**

This allowance is paid by way of reimbursement of the cost of living in Rome, again in accordance with law no. 1261 of 1965. The daily allowance amounts to 4.003,11 euro per month. This amount is reduced by 206,58 euro for each day of absence of the deputy from the meetings of the House at which voting takes place, for which an electronic procedure is adopted.

A deputy who is present at at least 30% of the voting operations performed in any one day is deemed to be present.

**Reimbursement of expenses incurred in the relation between the elected and the electors** A lump sum reimbursement of expenses in the amount of 4.190 euro per month to remunerate collaborators and defray other costs incurred in carrying out one's parliamentary mandate, even in one's constituency, is assigned to each deputy, and is paid through the parliamentary group to which the deputy belongs.

Deputies have not been entitled to the reimbursement of postal expenses since 1990.

### **Transport and travelling expenses**

Deputies are issued with passes for free circulation on motorways, railways, sea and air transport for journeys within the national boundaries. For journeys from the place of residence to the nearest airport and between the airport of Rome-Fiumicino and Montecitorio a quarterly reimbursement amounting to 3.323,70 euro is allocated to deputies having to travel up to 100 km to reach the airport nearest to their place of residence and 3.995,10 euro for distances greater than 100 km.

Deputies travelling abroad for the purpose of study or in relation to their parliamentary activities may request the reimbursement of the expenses incurred up to an annual maximum of 3.100,00 euro.

### **Telephone expenses**

Deputies may draw upon an annual sum of 3.098,74 euro for their telephone expenses. The Chamber does not provide the deputies with mobile phones.

### **Health care**

Each deputy pays a monthly amount of 4.5 per cent of his/her gross emolument, the equivalent of 503,59 euro, into a special complementary health care fund from which reimbursements are made according to a table of tariffs.

### **End of office entitlement**

Each deputy pays a monthly amount of 6.7 per cent of his/her gross emolument, the equivalent of 749,79 euro into a special fund. At the end of their term of office, each deputy receives an end of office entitlement, the equivalent of 80 per cent of the monthly gross payments from their emolument for each year of effective service in the mandate (or fraction thereof not less than six months).

### **Life annuity**

Also in this case each deputy pays a monthly amount of 8.6 per cent, or 962,42 euro, of their gross indemnity which goes to a special fund from which the life annuity paid in accordance with the Regulations approved by the Bureau on 30 July 1997. In accordance with the provisions of the above Regulations, the deputy receives the annuity after reaching the age of 65. The age limit may be reduced as far as 60

depending on the number of years of parliamentary mandate served. The same regulations provide for the suspension of the payment of this annuity should the deputy be re-elected to the national parliament or to the European Parliament or to a Regional Council.

The amount of the allowance varies from a minimum of 25 per cent to a maximum of 80 per cent of the parliamentary emolument depending on the number of years of parliamentary mandate.<sup>10</sup>

### **Norway<sup>11</sup>**

The Stortinget's website provides the following details of the financial support received by its members:

#### **Basic salary**

As of 1 October 2008: NOK 694 500 gross per annum (subject to regular income taxation) (2% of this figure is deducted as contribution to the public pension scheme).

The President of the Storting receives the same total annual salary as the Prime Minister: NOK 1 266 000 (1 October 2008)

#### **Additional salary**

Vice President +14% of the basic salary

Presidents of the Lagting/Odelsting + 7%

Chairs of the standing committees + 7%

#### **Subsistence allowances**

2009(all months except July)

a) NOK 78 per day if the distance between the MP's home and the Storting does not exceed 40 km

b) NOK 182 per day if this distance exceeds 40 km.

#### **Travel allowances**

MPs travel free of charge within Norway, by rail, on public transport bus, boat, and ferry routes, and on scheduled flights. Official trips are covered in accordance with the government scale.

If the distance between the MP's home and the Storting exceeds 40 km, travel costs to and from the MP's home at the beginning and close of each session, at holiday periods, and at weekends are covered.

There are no travel allowances within the capital. After late evening meetings in the Storting (after 10 pm) taxi fares to the MP's Oslo accommodation will be covered.

Travel abroad must be approved by the Storting's Presidium, and expenses are covered in accordance with the government scale.

#### **Private secretaries and other financial support for the party groups**

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<sup>10</sup> *Ibid.*

<sup>11</sup> <http://www.stortinget.no/en/In-English/Members-of-the-Storting/Financial-support/>

Norwegian MPs do not have personal assistants. All such assistance is provided through the party secretariat.

The Storting provides an annual contribution of NOK 1 979 551 as a basic amount to the party secretariat plus NOK 626 809 per MP.

Party groups which are not represented in government are given an opposition contribution in addition. Opposition groups with three or four MPs are granted 50% of the basic amount, while groups of five or more MPs receive 100% of the basic amount.

### **Free office**

Each MP has an office in the parliament buildings at her/his disposal free of charge. All accommodation and telephone expenses are paid by the Storting.

### **Postal costs**

The Storting covers all postal costs.

### **Telephone costs**

Telephone costs are fully covered: in office, at home and mobile. Also IT broadband communication at home is covered.

The Storting equips the MPs with mobile phones and covers all expenses. There is no upper limit.

NOK 6 000 (yearly) is subject to ordinary income taxation.

### **Holidays**

No formal regulation exists. Holidays are normally taken when the Storting is not in session.

Holiday remuneration is paid after the end of the MP's last term and only for the last year of this term. At present the holiday remuneration amounts to 10.2 % of the basic salary for MPs below the age of 60 and 12.5 % for MPs over 60.

### **Health insurance**

All MPs have life insurance (death benefit as of 1 May 2008: NOK 702 560) and accident insurance (death or disablement risk up to an amount of NOK 1 053 840).

### **Pensions**

When a former MP reaches the age of 65, she/he is entitled to a pension. After 12 years of service an MP will receive full pension rights - an amount of 66% of the basic salary. At present, this amounts to NOK 458 370 per annum.

### **Severance pay**

If an MP is not re-elected he/she will receive one month's salary. In the event of no other source of income, salary will be provided for three months. In the event of no income after 3 months, application for a further allowance can be made through the pension system.

### **Income tax**

MPs pay income tax with ordinary deductions on the basic salary and subsistence allowances.

### **Insurance**

Loss and damage to property in the Storting are covered by insurance.

Loss and damage to personal property must be reported to the police. Compensation will only be available through the MP's own personal insurance scheme.

### **Travel insurance**

The Storting has taken out a mutual luggage insurance which covers loss of up to NOK 30 000.

### **Accommodation**

MPs from constituencies more than 40 km from the Storting receive free accommodation assistance within Oslo.

The Storting owns 140 flats for this purpose.

Substitute members are offered free accommodation within the Storting buildings for the period of time they meet in the Storting. In all, 15 rooms have been refurbished for this purpose.

### **Child care**

The Storting has an arrangement with a private child care facility to provide places for a maximum of 14 children, in accordance with guidelines adopted by the Presidium. Parents pay NOK 2 330 per month.

## **Sweden<sup>12</sup>**

Members of the Swedish Riksdag have a basic pay of SEK 54,500 a month. Their pay is subject to income tax. The pay of the Speaker of the Riksdag is the same as that of the Prime Minister, at SEK 131,000 a month. The Deputy Speakers receive an increment of 30 per cent of the pay of a member. The chairs and deputy chairs of the parliamentary committees receive a similar increment of 20 per cent and 15 per cent respectively.

There is a pension scheme for Members of the Rikstag. In order to qualify, members must have had at least 6 years of service. A full pension requires at least 12 years of service. For those members who do not become entitled to a retirement pension by have served at least 3 years before reaching 65, a life annuity is settled.

Members are covered by group life insurance and are also insured against occupational injury, according to the same rules as those that apply to state employees. The Riksdag has also taken out insurance covering members' official journeys.

The Riksdag has about 250 overnight apartments which are provided free of charge to members. Members who live more than 50km from the Riksdag can either use these

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<sup>12</sup> [http://www.riksdagen.se/templates/R\\_Page\\_\\_\\_\\_774.aspx](http://www.riksdagen.se/templates/R_Page____774.aspx)

apartments or receive reimbursement up to SEK7000 per month for overnight accommodation in Stockholm.

Members receive a subsistence allowance of SEK340 per day, of which SEK210 is exempt from tax, for journeys demanding an overnight stay at least 50km from their home residence. Free meals are deducted from the allowance. For official journeys requiring overnight accommodation in Stockholm, the subsistence allowance is SEK110. This amount is exempt from tax and free meals are not deducted.

All members of the Riksdag are entitled to an annual season-ticket on the Swedish State Railways. If it is economically worthwhile they are entitled to a season ticket for air travel. The season ticket may only be used for official duties. Members can also claim for travel by car, and taxis if there are no suitable public transport alternatives.

Members are entitled to a charge card with personal liability for payment for use on official journeys. In order to receive money to cover the invoice from the charge card company, members are obliged to submit a specification of travel expenses to the Riksdag Administration.

Members are all offered offices with all the necessary equipment in the Riksdag, telephone subscriptions in their homes, and portable computers and other IT equipment to use at home. The Riksdag pays the costs for telephones and mobile phones, and for broadband equipment. Private calls and premium rate calls are paid by members themselves.

A member of the Riksdag who resigns before the age of 65 and after at least 3 years of continuous service is entitled to a guaranteed income; income received from other sources reduces the amount of guaranteed income. A full guaranteed income is 66 per cent of the member's monthly pay plus any increments and is payable to members who have served at least 12 years, except for the first year when it is 80 per cent. For those who have served between 3 and 6 years, the guaranteed income is only paid for one year, at 80 per cent. For members who have served between 6 and 12 years, the guaranteed amount varies according to the age of the member, but it is 80 per cent for the first year.

### **2.3 The European Parliament**

Members of the European Parliament mostly earn the same salary as their national counterparts. MEPs' salaries therefore differ according to their nationality.

This system is due to change after the 2009 elections, when the single Statute for Members will come into force and MEPs will, in theory, all receive the same salary. MEPs who sat in the Parliament before the 2009 elections may opt for the national system applicable before, in respect of the salary, transitional allowance, and pensions for the rest of their time as members of the Parliament. Member States may decide that their MEPs continue to earn a national MP salary for up to two terms.

The salary of MEPs under the single statute will be 38.5% of the basic salary of a judge at the European Court of Justice. (This will be some €8,500 per month). The salary will be subject to an EU tax. Member States can subject the salary to national taxes, provided that double taxation is avoided.

In addition there are a variety of allowances are currently available as follows:

- **General expenditure allowance:** this allowance covers expenditure in the Member's state of election, such as office management costs, telephone and postal charges, and the cost of travel. Members who do not attend half the number of plenary sittings in one parliamentary year without due justification may have this allowance halved. The amount of this allowance in 2009 is €4,202 per month.
- **Flat-rate travel allowances:** This allowance allows for the reimbursement of travel on official business in and to other Member states. Supporting documentation must accompany any claim. Where Members have to attend official meetings held outside the territory of the European Community, Parliament reimburses the air fare by the most direct route.

Travel expenses for one return journey per week between home and the European Union institution and home are paid for in the form of a lump sum.

- **Annual travel allowance:** Where Members have to travel outside their Member state in the performance of their duties but for purposes other than official meetings (for example, to attend a conference in another Member State or to make a working visit to another country in his/her capacity as rapporteur) they may receive reimbursement from a fixed yearly travel allowance for their travel, accommodation and associated expenses. Documentation must accompany any claim. For 2009, the allowance is fixed at a maximum of €4,418.
- **Subsistence allowance:** The Members of the European Parliament receive a flat-rate allowance of €298 for each day of attendance at official meetings of the Parliament bodies on which the Member serves that are held within the European community. It covers accommodation, meals and all other expenses involved with attendance. Parliament pays the allowance only if the Member has signed an official attendance register. During plenary sessions, parliament reduces this amount by one half for Members who have not taken part in one half of the roll-call votes held on the Tuesdays, Wednesdays and Thursdays of part-sessions held in Strasbourg and the second day of part-sessions held in Brussels. Parliament also pays a sum of €149 per day, plus accommodation and breakfast expenses for attending meetings held outside the European Community, again provided that the Member has signed the official attendance register for the meeting.<sup>13</sup>

Staffing expenses are paid up to a maximum of €17,540 a month. The Members choose their own staff.<sup>14</sup>

After the 2009 elections, Members will continue to receive flat-rate subsistence and general expenditure allowances. The annual travel allowance for journeys made by Members outside their Member State of election in the performance of their duties will also remain in place. Members will also be able to receive reimbursement for a limited amount of travel within their Member State of election. However, the flat-rate travel allowance will be replaced by the reimbursement of expenses actually incurred.

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<sup>13</sup> <http://www.europarl.europa.eu/parliament/expert/staticDisplay.do?id=39&pageRank=1&language=EN>

<sup>14</sup> <http://www.europarl.europa.eu/parliament/expert/staticDisplay.do?id=39&pageRank=2&language=EN>

## 2.4 Commonwealth countries

### **Australia**

In Australia, the Remuneration Tribunal is the “independent statutory body that handles the remuneration of key Commonwealth offices” [hyperlinks in the following quotation are live]:

The *Remuneration Tribunal Act 1973* provides the Tribunal with the power to determine a range of allowances and entitlements for Senators and Members of the Federal Parliament. ...

The principal Tribunal determinations governing parliamentarians’ allowances and entitlements are [Determination 2006/18](#) and [Determination 2008/15](#). The major allowances determined by the Tribunal include travelling allowance rates and travel-related provisions (eg travel on scheduled domestic flights, car transport, private plated vehicle, charter allowance and overseas study travel), electorate allowance, qualifying periods for Life Gold Pass, severance travel (for those not qualifying for Life Gold Pass), and certain office facilities. All Tribunal determinations are [disallowable by the Parliament](#).

Under [the Act](#), the Tribunal is required to review parliamentarians’ allowances at least annually.<sup>15</sup>

A list of current determinations is available on the Remuneration Tribunal’s website.<sup>16</sup>

### **Canada**

The Canadian Parliament’s website provides details of the basic salary available to Members of Parliament, additional salaries for specific office holders and car and rent allowances for those office holders. It also explains how salaries and allowances are determined:

Salaries and allowances are no longer adjusted by reference to the increase in the annual salary of the Chief Justice of the Supreme Court of Canada, but in accordance with the index of the average percentage increase in base-rate wages for each calendar year, resulting from major settlements negotiated with bargaining units of 500 or more employees in the private sector in Canada, as published by the Department of Human Resources Development.<sup>17</sup>

In 2001 a significant change was made to the level of salary:

- In 2000, a Member of the House of Commons received
  - Can\$68,200 – basic sessional indemnity;
  - Can\$12,000 – Additional Expense Allowance; and
  - Can\$22,500 – Non-Taxable Expense Allowance (Rate depends on the electoral district member represents as listed in Schedule III to the Canada Elections Act).
- In 2001, a Member received:

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<sup>15</sup> Remuneration Tribunal, [Parliamentarians’ allowances and entitlements](#)

<sup>16</sup> Remuneration Tribunal, [Parliamentarians – Current Determinations](#)

<sup>17</sup> Parliament of Canada, [Indemnities, Salaries and Allowances](#)

- Can\$131,400 – basic sessional indemnity.<sup>18</sup>

### **New Zealand**

The *Remuneration Authority Act 1977* established a Remuneration Authority. The Authority determines the remuneration of Members of Parliament under a system established in 2003.<sup>19</sup> It also sets an annual expenses allowance.<sup>20</sup>

In addition, Members of the New Zealand Parliament are able to claim for non-cash entitlements determined by the Speaker.<sup>21</sup> A separate document provides details of the rules and limits applied to the non-cash entitlements.<sup>22</sup>

## **3 Employment of relatives by Members of Parliament**

In February 2008, the Latvian correspondent asked for information on whether Members were able to employ relatives:

Is it legal for a Member of Parliament to hire a relative as an assistant? Which legal acts regulate hiring an assistant of a Member of the Parliament?<sup>23</sup>

The table below (see next page) was derived from responses that were received to the information request. It was completed in April 2008.

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<sup>18</sup> *Ibid*

<sup>19</sup> Remuneration Authority, *Report of the Remuneration Authority for the year ended 31 March 2007*, May 2007

<sup>20</sup> *Parliamentary Salaries and Allowances Determination 2008*

<sup>21</sup> *Parliamentary Travel, Accommodation, Attendance and Communications Services Determination 2008*, 2008/421

<sup>22</sup> *Directions and Specifications for Services and Funding Entitlements for House of Representatives, its Members, Former Members and Certain Electoral Candidates 2008*

<sup>23</sup> ECPRD Request No 932, February 2008

**Table 2: Is it legal for a Member of Parliament to hire a relative as an assistant?  
Summary of Responses (2 April 2008)**

Country	Is it legal for a Member of Parliament to hire a relative as an assistant?		
	Lower House	Upper House	Unicameral
Austria (1)	Y	Y	
Belgium	N	N	
Bulgaria			Y
Cyprus			Y
Czech Republic	Y	Y	
Denmark (2)			Y
Estonia (3)			N
France (4)		Y	
Germany	N	n/a	
Greece			Y
Hungary			Y
Italy	Y	Y	
Latvia (5)			Y
Lithuania			Y
Netherlands	Y	Y	
Poland (6)	Y	Y	
Romania (5)	Y	Y	
Slovak Republic			N
Spain		Y	
Sweden (2)			?
UK	Y	Y	
European Parliament			Y

Notes:

- (1) The expenses for a Parliamentary assistant shall not be refunded by the state if the assistant is related to the MP.
- (2) Grants made to party groups
- (3) At present MPs have no personal assistants. Rules on hiring assistants, which prevent the hiring of family members, will come into force in 2011.
- (4) Minimum academic qualification required of family members and limits to rates of pay apply.
- (5) Members have to be aware of potential conflicts of interest.
- (6) All assistants are unpaid.