



Review Body on Top Salaries

Report No. 12

Ministers of the Crown
and Members of Parliament
and the Peers' expenses
allowance: Part I

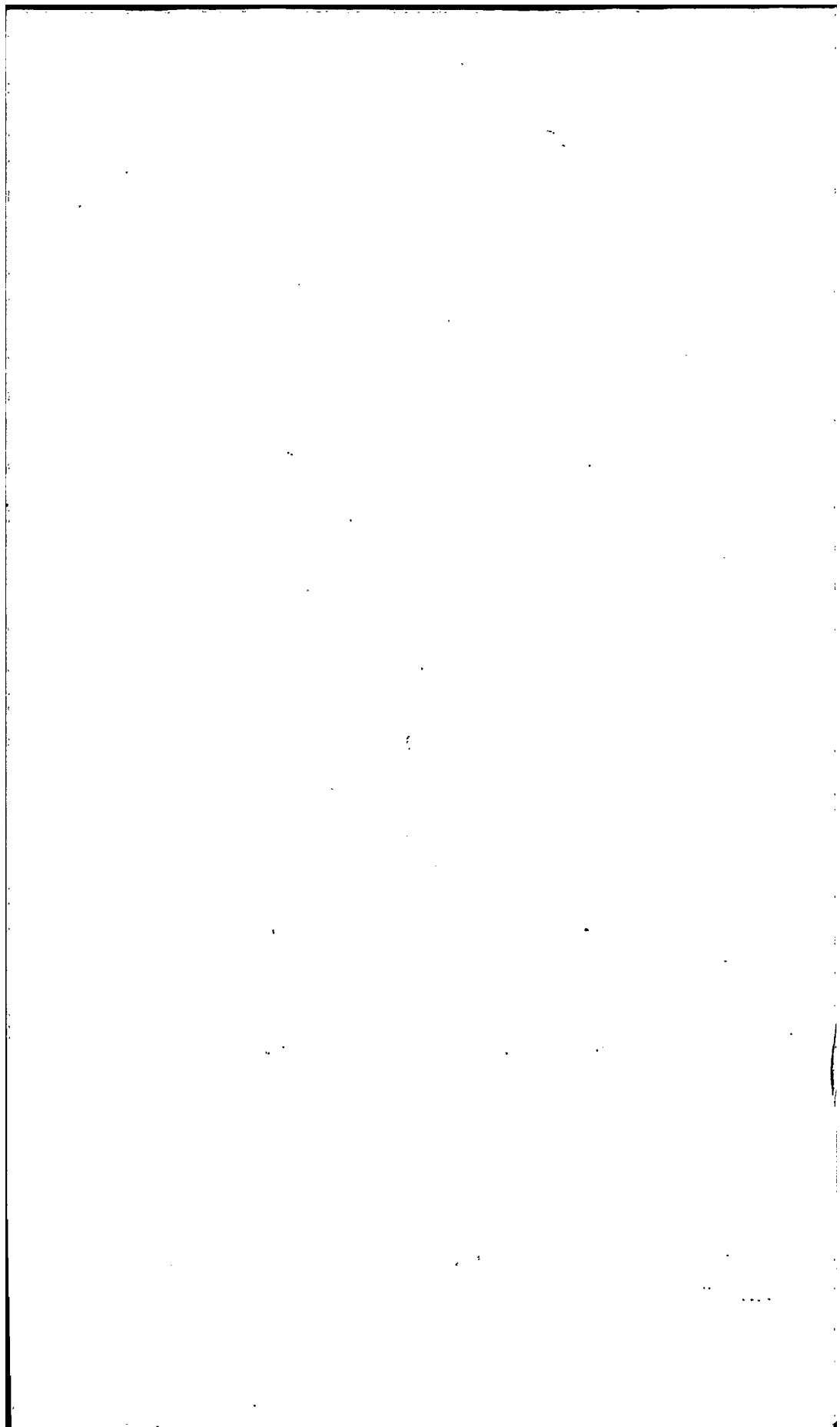
Chairman:

THE RT. HON. LORD BOYLE OF HANDSWORTH

*Presented to Parliament by the Prime Minister
by Command of Her Majesty
June 1979*

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REVIEW BODY ON TOP SALARIES

On 23 October 1978, the Review Body on Top Salaries was invited by the Prime Minister to review and make recommendations on:

- (i) the level of salary of Members of the House of Commons, including the question of a salary linkage;
- (ii) the arrangements for severance pay for Members of the House of Commons;
- (iii) the scope and level of the Members' secretarial allowance, with reference to the question of providing severance pay and pensions for secretaries;
- (iv) the levels of salary of Ministers and other office holders;
- (v) the pension position of former Members of the House of Commons who left the House before 2 August 1978;
- (vi) the rates of the Peers' expenses allowance;
- (vii) the scope for and level of an allowance towards the cost of running constituency "surgeries", and
- (viii) the scope for and level of an allowance for travelling and subsistence for Peers' and Members of the House of Commons' spouses to attend official functions.

The members of the Review Body are:

The Rt. Hon. Lord Boyle of Handsworth, *Chairman*

Sir Harold Atcherley¹

Sir John Clark²

Sir George Coldstream, KCB, KCVO, QC

Lord Hirshfield

Andrew Leggatt, QC

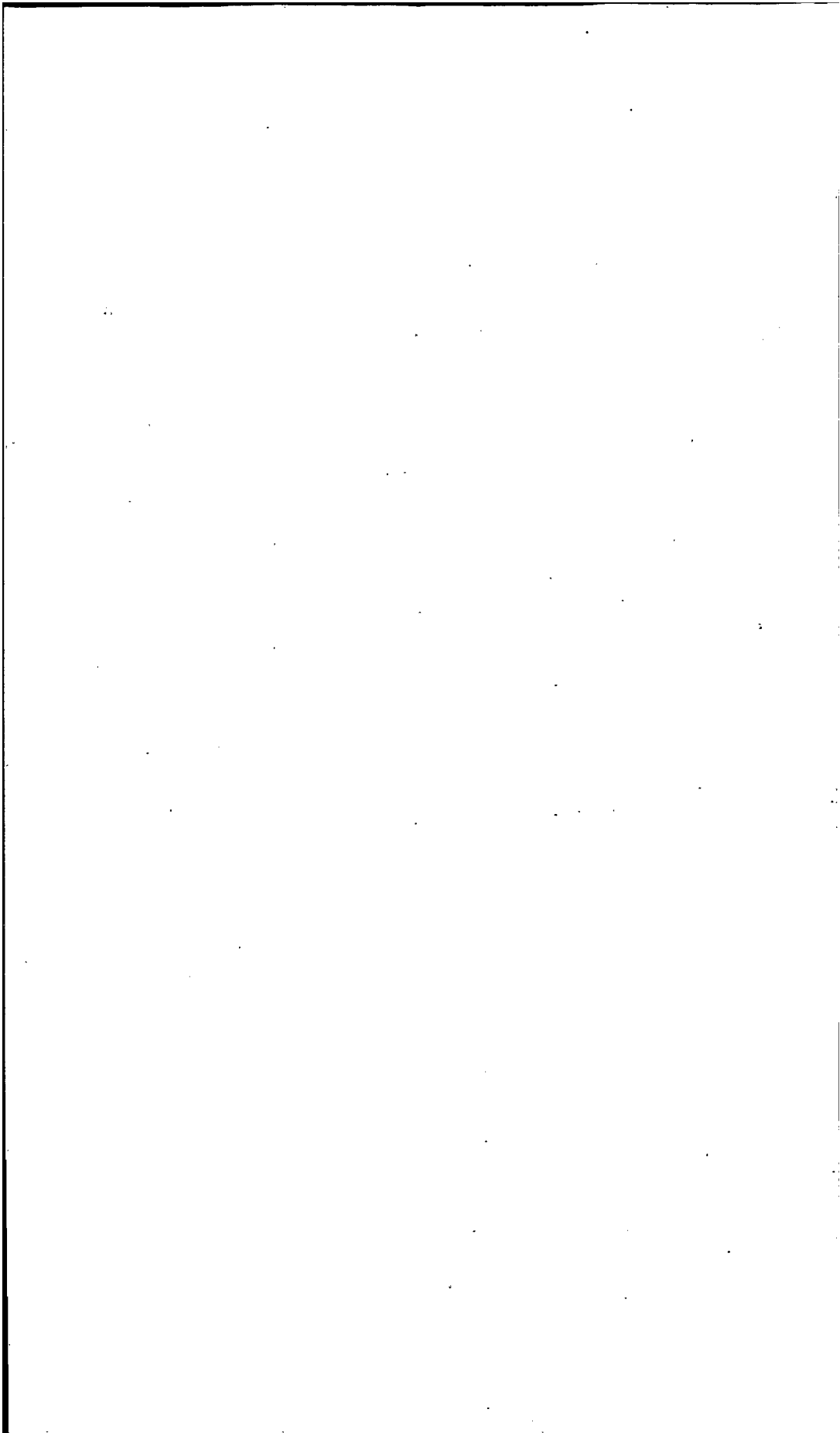
Lord Plowden, KCB, KBE

Baroness Seear

The Secretariat is provided by the Office of Manpower Economics.

¹ Also Chairman of the Review Body on Armed Forces Pay.

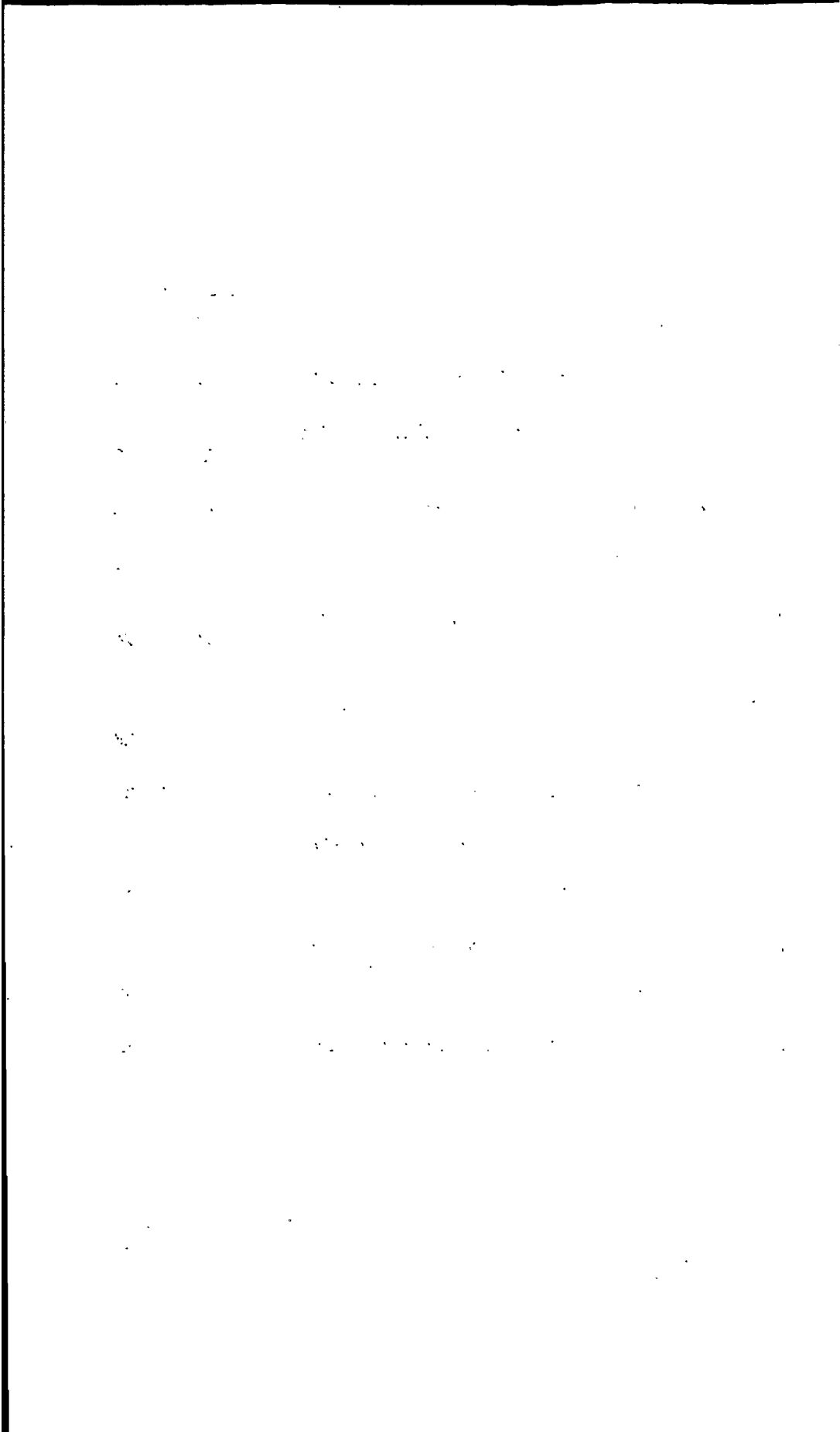
² Sir John Clark was unable to take part in this review.



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¹ Review Body on Top Salaries: Reports Nos. 7-9: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd. 6136, Part II - Cmnd. 6574 and Part III - Cmnd. 6749.



**MINISTERS OF THE CROWN AND MEMBERS OF PARLIAMENT
AND THE PEERS' EXPENSES ALLOWANCE: PART I**

CHAPTER 1

INTRODUCTION

Our earlier reviews

1. This is our third review of Parliamentary remuneration. The first in 1971¹ and the second in 1975-76² covered the salary and allowances of Members of Parliament, the salaries of Ministers and other paid office holders in both Houses of Parliament, and the Parliamentary pension arrangements. The 1975-76 review also included the levels and principles governing payment of the Peers' expenses allowance. Between these major reviews, we submitted in June 1974 recommendations on the main allowances available to Members of Parliament to meet necessary expenditure incurred in the course of their Parliamentary duties³.

2. The levels of salary and the main allowances that were recommended in Reports Nos. 7, 8 and 9², as a result of our last review in 1975-76, and current levels for those covered in that review are summarised in Appendix A to this report. Not all the recommendations have been implemented, including some to which we draw particular attention below.

3. Report No. 7 recommended that the pay of Members of Parliament should be increased to £8,000. The Government and the House of Commons accepted that this was an appropriate salary, and agreed to adopt it from 13 June 1975 for pensions purposes. But the salary to be paid was restricted to £5,750. This created an anomaly. Because MPs' pensions arrangements are based upon a contributory scheme, the adoption of a higher "notional" salary for pensions purposes has meant that Members have had to pay higher contributions out of their "real" lower salary. Consequently, Members have also been credited with a sum equivalent to the additional contribution for which they have been debited for pensions purposes.

4. In the same report, we recommended that the Parliamentary salary of Ministers and all paid office holders who are Members of the House of Commons should be increased from £3,000 to £5,000 a year. This recommendation was not implemented at all for Cabinet Ministers, but this element in the salary of Ministers outside the Cabinet and other paid office holders was increased to £3,700.

5. Report No. 8 made recommendations on Members' allowances and on the full range of Ministerial and other office holders' salaries in the same June 1975 terms used in Report No. 7 for the salary of Members and the Parliamentary salary. They have not been implemented. However, our Report No. 8 recommendations on the Parliamentary pensions scheme have been implemented.

¹ Review Body on Top Salaries, First Report: Ministers of the Crown, and Members of Parliament - Cmnd. 4836.

² Review Body on Top Salaries, Reports Nos. 7-9: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd. 6136, Part II - Cmnd. 6574 and Part III - Cmnd. 6749.

³ Review Body on Top Salaries, Report No. 5: Members of Parliament Allowances - Cmnd. 5701.

6. Report No. 9 made recommendations on the Peers' expenses allowance which included a thorough overhaul of the way in which the allowance was provided. They were not, however, put into effect. Instead, the existing maximum of the allowance was increased slightly in the case of Peers who needed to stay overnight in London in order to attend the House of Lords, to take account of some of the additional expenditure incurred by those Peers. We return to the subject in Chapter 4.

7. There has been one other development that affects Ministers outside the Cabinet and other paid office holders in the House of Lords: prior to June 1975 they were ineligible to claim against the Peers' expenses allowance because they held a paid office, but since then they have been able to claim up to a maximum of £700 a year, although only the first £100 of such claims is free of tax.

The present review

8. The terms of reference for the current review refer to specific points relating to allowances and pensions arrangements. The Prime Minister did however confirm at the time that they do not preclude us from looking at any additional aspects that we consider necessary.

9. We faced in this review significant problems. Our work began in the knowledge that Members and Ministers were being seriously underpaid. Our recommendations in 1975 on what we considered then to be appropriate levels of salary have not been implemented; and, since that time, inflation has continued to eat away at the real value of the salaries of those covered by our review. Whilst we have appreciated the difficulties, Parliament itself must bear the whole of the responsibility for this situation and therefore it can be no surprise that the increases that we recommend later in this report are necessarily large. The continued failure to pay MPs and Ministers the appropriate level of salary recommended has also meant that the salaries of MPs and their allowances have got further out of balance. These problems are reflected, in our view, in the continual pressure from MPs for some arrangement that would bring about an automatic adjustment to their salary from one year to the next. We have examined the issue of "linkage" before, but it is specifically included in our terms of reference for this review, and we return to it in Chapter 5.

10. The order of the subjects covered in our terms of reference reflects the priority which was attached to them by the previous Government. We consider that it is essential to determine the right salary level for MPs, and for that salary level to be implemented. But we see it as possibly even more important that Ministerial salaries should be revised to realistic levels. These salaries are still based on recommendations put forward in our First Report in November 1971. They should now be revised as a matter of the greatest urgency. Consequently we have concentrated first in our review on the salary for Members and the closely related issue of salary linkage and on the level of Ministerial and other office holders' salaries. We have also looked at two other areas which we considered warranted particularly urgent attention, namely the level of the Peers' expenses allowance and the maximum of the Members' secretarial allowance. We have made only an interim recommendation on the latter. We shall therefore return to the secretarial allowance and other outstanding matters, including pensions arrangements, in our next report.

11. In the course of this review we have received written and oral evidence from a number of individual Members of Parliament and from Ministers. A list of those who gave oral evidence is at Appendix B. A questionnaire on similar lines to that used in our last review¹ was sent to each Member of Parliament to obtain factual information on patterns of work and levels of expenditure incurred in connection with the Parliamentary duties, and to obtain opinions on a range of matters related to pay and allowances. 337 replies were received, a response rate of 53 per cent². The results of this survey are referred to as necessary in the following chapters. A full analysis is in Appendix C. We take this opportunity to express our thanks to all those who have helped our inquiries by completing the questionnaire and by otherwise bringing their views to our attention.

¹ Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574.

² The 1975 response rate was 70 per cent.

CHAPTER 2

THE SALARY OF MEMBERS OF PARLIAMENT

Members' salary

12. We have outlined already (paragraph 3) the developments that followed submission of our Report No. 7. The restricted salary level of £5,750 introduced then has since been increased by the maximum amounts permissible under the successive stages of pay restraint measures that have been in force since July 1975. The resultant salary is £6,897 or £6,585. The different figures depend on whether an individual Member was eligible for the £312 supplement which was available under the 1975-76 restraint measures provided that it did not take the total earnings from all sources of the individual MP above £8,500 (including earnings outside Parliament). Some individual salaries between the two amounts could, and we understand do, also exist as a Member has been able to take such part of the supplement as would bring the total earnings up to £8,500. The current salaries also include a supplement of £208 under the 1976-77 restraint measures and an increase of 10 per cent on existing salary under the 1977-78 measures.

13. A further point is also relevant. The salary of £8,000 that we recommended in June 1975 was implemented for pensions purposes only. This notional salary of £8,000 has since been increased by the full range of supplements permissible under the restraint measures and now stands at £9,372 for pensions purposes. As we have already said (paragraph 3), this has resulted in the attribution of an additional, tax-free amount¹ to the salary of MPs in order to meet the cost of their superannuation contributions on the difference between actual and notional salaries.

14. Our last recommendations for MPs' salaries were based on certain principles. We concluded that it remained right to recommend a salary that was assessed on the basis of providing adequate remuneration for the full-time Member who has no other source of income, and that did not take into account the levels or maxima of the various allowances available to an MP². We remain firmly convinced that the level of the Member's salary should be considered separately from the allowances. We are aware of a growing tendency to identify MPs' remuneration as the sum of the salary level and the maxima of the main allowances, notably the secretarial allowance and the additional costs allowance. But this approach is wrong. The principle of the allowances is that they are intended to reimburse the expenditure that an MP necessarily incurs in pursuit of Parliamentary duties. They are not intended as additional remuneration.

15. The extent to which salary and allowances have become confused in the public mind has been increased almost certainly by the failure in recent years to pay MPs the level of salary appropriate to the job while, at the same time, the maxima of the allowances have been increased significantly in recognition of extra costs. We have made clear before our concern at the imbalance between salary and allowances when our recommendations on both have been designed

¹ Depending on the level of actual salary, the sum attributed can now amount to approximately £170 a year.

² Review Body on Top Salaries, Report No. 7: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I - Cmnd. 6136 (paragraphs 17-19).

as a coherent "package"¹. That concern is not diminished by the fact that even now the actual salary level of MPs is no more than 82 to 86 per cent of what we recommended it should be in June 1975, almost four years ago.

16. This record compares badly with what has happened in the major European and Commonwealth countries covered by the surveys of Parliamentary remuneration overseas carried out for this review (Appendix D) and for our first review in 1971. Direct comparisons are difficult because of differences in living standards, methods of remuneration and taxation. We have looked therefore at the extent to which the pay of MPs in each country has kept pace with the cost of living in that country. No country appears to have fallen so far behind as the UK. It is also noticeable that in these countries the pay of Members is not considered to be a major political issue. We have insufficient evidence to conclude whether this is coincidence or the result of arrangements for the regular updating of Members' pay in those countries.

17. In basing our salary recommendations on the "full-time" MP, we do not mean to imply that Parliament should consist entirely of Members who have no interests outside Parliament, whether remunerated or not. This is a subject upon which we know strong differences of view exist. We suggest, however, that the position has been reached where our Parliamentary system, with the growing emphasis on Select Committees, could not work unless there were a large nucleus of Members who are able and willing to devote their full energies to the task.

18. An alternative open to us would be to recommend different levels of payment for "full-time" and for "part-time" MPs. In our 1971 Report we took the view that most Members must be regarded as working on a full-time basis. We also considered that any attempt to differentiate between Members on the basis of outside interests and earnings would not be practicable or desirable². Whatever the merits of the arguments, evidence shows that over the years the amount of time devoted by MPs to outside occupations has tended to decrease. Either occupations are given up completely, or the number of hours devoted to them is reduced. The survey carried out for our review showed that between 1975 and 1978 the proportion of Members with outside paid occupations had not gone down, but that those who continued to hold such employment were more likely than hitherto to devote under 20 hours a week to it while the House was sitting.

19. The survey showed that, apart from the small proportion of Members who have an outside occupation to which they devote more than 10 hours a week while the House is sitting, almost all Members devote more than 40 hours a week to Parliamentary business. 17 per cent devote more than 80 hours a week and seven per cent devote more than 90 hours a week. This burden is similar in broad terms to the position at the time of our last review.

20. In sum, we find no reason to change the basis upon which we put forward recommendations for Members' salaries. There have been no changes in the basic nature of the MP's job that would warrant a fundamental revaluation of

¹ Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574 (paragraph 4).

² Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd. 4836 (paragraphs 24-25).

the salary on this occasion. We have therefore confined ourselves to updating, by an appropriate amount, our earlier recommendations in Report No. 8. Since the effective date of our 1975 recommended salary of £8,000 (a figure which the Government accepted as right in principle), retail prices have increased by some 56 per cent and average earnings by some 60 per cent. As against this, the MP's notional salary for pension purposes – a salary that incorporates our 1975 recommendation plus increases permitted under restraint measures since then – now stands at £9,372, an increase of slightly over 17 per cent. Our recommendations subsume this amount and provide recognition of the actual movements in earnings generally at these levels since our last review.

Recommendation. We recommend that the salary of Members of Parliament should be increased to £12,000 with effect from 13 June 1979.

21. We recognise that compared with current actual levels of salary, the salary that we now recommend involves a significant increase – from 74 to 82 per cent. In part, this is a result of the failure to implement in full the salary appropriate at June 1975 recommended in Report No. 7. However, we do not underestimate the difficulties of applying all of the increase at once. It has been suggested to us in evidence that it would be helpful if we were to recommend the way in which full implementation of the salary that is now appropriate might be staged. We do not recommend this course, and we consider that the beginning of a new Parliament would be an appropriate time to put Parliamentary remuneration immediately on to the right basis. However, if the Government, in advising the House of Commons, should consider that staging is necessary, we would urge that the salary we recommend be accepted as the level appropriate at the time of our report; that any staging be completed by not later than June 1980, suitably updated; and that the full recommended salary be accepted immediately for pension purposes. If some form of updating is adopted on the lines set out in Chapter 5 (paragraphs 70–73), then we would suggest November 1980 as the date by which full implementation of our present recommendations should be completed.

The Parliamentary salary of Ministers and paid office holders

22. It is appropriate to deal at this point with the Parliamentary salary – the pay that Ministers and other office holders in the House of Commons receive in recognition of their responsibility for their constituents as distinct from their Ministerial or other responsibilities. We have indicated the outcome of our last recommendations for the Parliamentary salary (paragraph 4). Against a recommended level of £5,000 in June 1975 terms, Cabinet Ministers received no increase at the time in the existing level of £3,000; other Ministers received a restricted increase to £3,700. With the addition, where appropriate, of the increases allowed under subsequent restraint measures (paid in relation to the Parliamentary salary and not to the Ministerial salary), the current amounts are £3,529 and £4,299 or £4,642¹ respectively.

23. In our last review, we confirmed that the Parliamentary salary should not equal the full salary of a backbench MP on the grounds that the responsibility of Ministerial office must impinge on the individual's ability to undertake to

¹ Depending on eligibility for the £312 supplement under the 1975–76 pay restraint measures – see paragraph 12.

the same extent the full range of an MP's Parliamentary activities. This continues to be our view. We do however propose that there should be a small adjustment in the present relationship. The average amount of time that Ministers and other office holders, as a group, devote to constituency business appears to have decreased since 1975. The reductions are in our view sufficient to suggest that the Parliamentary salary should now be a slightly smaller proportion of the full salary of a backbench MP.

Recommendation. We recommend that the Parliamentary salary of Ministers and other paid office holders who are Members of the House of Commons should be increased to £7,000 with effect from 13 June 1979.

Secretarial allowance

24. In our Report No. 7, we recommended that the maximum of the secretarial allowance should be increased to £3,200 a year, and that the allowance should be available to provide either secretarial or research assistance, or a combination of both. This recommendation was implemented. This maximum has since been increased within the limits permitted by the restraint measures in force at the time to £4,200. We consider it important that there should be a thorough review of the allowance and we propose to include it in the second part of our report. In the meantime, the evidence we have already seen suggests to us that there is a strong case for an increase in the maximum of the allowance, on an interim basis, pending the outcome of our review.

Recommendation. We recommend that the maximum of the secretarial allowance should be increased to £4,600 a year as an interim measure. We will include a final recommendation in the second part of our report.

CHAPTER 3

THE REMUNERATION OF MINISTERS AND OTHER OFFICE HOLDERS

Background

25. We now consider the issues that arise on the pay structure of Ministers and other office holders, including those in the House of Lords, and the salary levels that are appropriate.

26. We have already indicated (paragraph 5) that the salary levels recommended in Report No. 8 were those appropriate at 13 June 1975 and that they have not been implemented. We have also mentioned (paragraphs 4 and 22) that the Parliamentary salaries of Ministers and paid office holders in the House of Commons which we recommended in Report No. 7 have not been implemented at all for Cabinet Ministers, and only partially for Ministers outside the Cabinet. Consequently, although both the Parliamentary and Ministerial salaries have been increased since 1975 within the limits of the previous Government's restraint measures, the erosion of the pay levels of Ministers and other office holders, to which we drew attention in Report No. 8¹, has continued.

Our approach

27. The factors we have taken into account are much the same as those we took into account in our 1975-76 review. The salaries recommended then have to be brought up to date. Movements in retail prices and in average salaries and average earnings, both generally and at equivalent salary levels since 1975, are relevant as indicators of the extent to which the relative purchasing power of our 1975 recommendations has been eroded. It is also necessary to consider whether changes in workload or responsibility have justified certain changes in the salary levels recommended then. Inevitably, any significant change in relative salary levels for individual appointments must have an effect on the overall structure. In making our recommendations therefore we have had regard not only to the salary level justified by workload and responsibility but also to the need to maintain a sensible salary structure. We have also had to bear in mind our recommendations for the total remuneration (including Parliamentary salary) as well as the salary levels recently recommended in our Report No. 11² for senior appointments in other parts of the public service.

28. The need to take some account of the total remuneration of Members, Ministers and office holders and the inter-relationship between the three groups gives rise to a particular difficulty to which we have referred in our previous reports³. Ministers and office holders in the House of Commons receive both the salary for the office and the Parliamentary salary, whereas Ministers and office holders in the House of Lords receive the salary for the office and have a

¹ Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574 (paragraph 65).

² Review Body on Top Salaries, Report No. 11; Report on Top Salaries - Cmnd. 7576.

³ Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd. 4836 (paragraph 90); Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574 (paragraphs 67-69).

limited entitlement to claim against the Peers' expenses allowance (paragraph 7). Consequently, Ministers can receive more or less depending upon whether they are Members of the House of Commons or the House of Lords.

29. The Parliamentary salary of Ministers and other paid office holders in the House of Commons recognises their responsibility, as Members of Parliament, for their constituents as distinct from their Ministerial or other responsibilities; a responsibility that is not borne by Members of the House of Lords. Consequently, the holder of an office in the House of Lords that is equivalent to an office in the House of Commons will be paid less because no Parliamentary salary is received. The salary can only be the same if, despite the equivalent nature of the job, it does in practice carry a heavier responsibility or a greater workload either directly or because additional duties are added to it. Where these have been identified we have made allowance for them in our recommendations. In our view therefore, once the salaries we recommend are fully implemented, the additional income represented by the limited entitlement to the Peers' expenses allowance enjoyed at present by some Ministers and by all other paid office holders in the House of Lords will not be justified and should be withdrawn.

30. We have already said (paragraph 23) what we consider the level of Parliamentary salary should be and that a slight reduction in its level relative to the salary of the backbench MP is now justified. In the following paragraphs we discuss detailed issues and make recommendations for the Ministerial and other offices with which we are concerned. We have not thought it appropriate on this occasion to show our recommended salaries in net-of-tax terms as the submission of this report will have shortly preceded the first budget of a new Government.

Ministerial pay structure

31. In our 1971 review we concluded that Cabinet Ministers and Junior Ministers¹ were well-defined classes of Ministerial appointment for which fixed salary levels continued to be appropriate². We felt however that the intermediate levels formed a less well-defined group and we recommended a salary range for it to provide a measure of flexibility. Our recommendations were implemented, although in practice Ministers have been paid only at the limits of the range. We have now looked again at this intermediate level and our conclusion is that the level of responsibility that falls on a Minister of State has become, at any rate notionally, more uniform. At the same time, the number of senior Ministers not in the Cabinet has been sharply reduced. Consequently, a salary range is no longer appropriate and we recommend in its place two distinct salary levels, one for Ministers in charge of a Department but outside the Cabinet and one for Ministers of State.

32. The salary we recommended for Cabinet Ministers in 1975 was £18,000, providing a total salary of £23,000, including the recommended Parliamentary salary. We consider that the recommended salary needs urgently to be brought up to date and that a salary of £25,000 a year is appropriate. This would provide

¹ Parliamentary Secretaries and Under Secretaries of State.

² Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd. 4836 (paragraph 97).

a total recommended salary for Cabinet Ministers in the House of Commons of £32,000, including our recommended Parliamentary salary of £7,000.

33. In 1975 we recommended a salary of £8,500 (£13,500 including Parliamentary salary) for Junior Ministers. Taking account of the relativity already established in our Report No. 8 recommendations, we now regard a salary of £13,000 a year as appropriate. This provides a recommended total salary for Junior Ministers in the House of Commons of £20,000.

34. Senior Ministers outside the Cabinet and Ministers of State have hitherto been paid at either end of a range. The range recommended in 1975 was £11,000–£13,000 (£16,000–£18,000, including Parliamentary salary). We consider that the salary level for Ministers in charge of Departments but outside the Cabinet should be £20,000 a year, producing a recommended total salary of £27,000 a year for those in the House of Commons. The level for Ministers of State should be £17,000, producing a total of £24,000 a year.

Recommendation. We recommend the following annual salaries as appropriate to Ministers of the Crown with effect from 13 June 1979:

	<i>Ministerial salary</i> £	<i>Total salary(a)</i> £
Cabinet Ministers	25,000	32,000
Ministers in charge of a Department but outside the Cabinet	20,000	27,000
Ministers of State	17,000	24,000
Parliamentary Secretaries and Under Secretaries of State	13,000	20,000

Note. (a) Including the Parliamentary salary of £7,000 recommended for Ministers in the House of Commons.

Prime Minister

35. In Report No. 8 we recommended that the annual salary of the Prime Minister should be £25,000. With the addition of a Parliamentary salary of £5,000, this would have provided a total salary of £30,000, of which £6,000 was to be free of tax in recognition of the special expenses of the office. As a consequence of the failure to implement our Report No. 8 recommendations, the present salary of the Prime Minister is £22,000 (of which £5,000 is free of tax) and the Parliamentary salary is £3,529, giving a total salary of £25,529. We consider that the appropriate salary for the Prime Minister is now £33,000. Together with our recommended Parliamentary salary of £7,000, this will give a total salary of £40,000.

36. The tax-free element in the Prime Minister's salary recognises special expenses, not defrayed out of Votes, which necessarily accompany this unique office. Measured against the rise in costs and prices since June 1975, the tax-free element of £6,000 which we regarded as right then is no longer adequate, and we consider that it should now be increased to £8,000.

Recommendation. We recommend that the annual salary of the Prime Minister should be £33,000 (providing a total salary of £40,000), of which £8,000 should be free of tax in recognition of the special expenses of the office.

Mr. Speaker

37. The salary of the Speaker of the House of Commons is currently the same as the salary of a Cabinet Minister. We endorsed this relationship in both of our earlier reviews and we do so now.

38. The salary of Mr Speaker, like that of the Prime Minister, contains a tax-free element in recognition of the special expenses, not defrayed out of Votes, of the office. The current tax-free element is £4,000 as against £5,000 recommended in our Report No. 8. We consider it appropriate for the tax-free element to be increased to £7,000.

Recommendation. We recommend that the annual salary of Mr Speaker should be £25,000 (providing a total salary of £32,000), of which £7,000 should be free of tax in recognition of the special expenses of the office.

Lord Chancellor

39. In Report No. 8 we recommended a salary of £27,000 for the Lord Chancellor, including £3,500 to be paid in recognition of his function as Speaker of the House of Lords. The Lord Chancellor is currently receiving £22,228 a year, of which £2,750 is deemed to be in recognition of his function as Speaker of the House of Lords.

40. The salary of the Lord Chancellor has always been one of the more difficult issues with which we have had to deal in our reviews of Ministerial salaries. He has a dual role as a Minister and as the constitutional Head of the Judiciary. Therefore Ministerial and judicial pay levels are both relevant. However, we adhere to the conclusion that we reached in our last review¹ that the constitutional position of the Lord Chancellor as Head of the Judiciary is of prime importance. He provides the link between the independent judiciary and Government. Consequently, while his salary should not be determined in isolation from Ministerial salaries in general, it should be fixed at a level that recognises the position of the office in relation to the judiciary as a whole.

41. We recommended in Report No. 10 that the salary of the Lord Chief Justice, as the senior 'professional' member of the judiciary, should be £34,000 from 1 April 1978. This was the equivalent of the £27,000 we recommended for the Lord Chancellor in Report No. 8, in June 1975 terms. Since then we have put forward up-to-date salary levels for the higher judiciary in Report No. 11² and have recommended a salary of £37,000 as appropriate for the Lord Chief Justice at 1 April 1979. It is our recommendation that the appropriate salary for the Lord Chancellor is £37,000.

42. In making this recommendation we would like to emphasise the difficulties that do arise if recommendations are not implemented, or are only implemented after considerable delay. Our recommendation in Report No. 8 on the salary of the Lord Chancellor has not been implemented, whereas the recommendations in Report No. 10 and Report No. 11 on the salary levels appropriate for the higher judiciary are being implemented albeit on a staged basis. Consequently from 1 April 1979 the Lord Chancellor has been receiving less than the High

¹ Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574 (paragraph 83).

² Review Body on Top Salaries, Report No. 11: Third Report on Top Salaries - Cmnd. 7576.

Court Judges for whose appointment he is directly responsible. We have already drawn attention in Report No. 11¹ to the opportunity that this review provides for acting on recommendations which will bring the salary of the Lord Chancellor and the Lord Chief Justice into a more appropriate relationship.

Recommendation. We recommend that the annual salary of the Lord Chancellor should be £37,000, including £5,000 to be paid in recognition of his function as Speaker of the House of Lords.

Law Officers

43. A comparable problem arises over the pay of the four Law Officers since they too have a dual function. In previous reviews we have accepted that the salaries should be such as to emphasise the importance of the offices in the eyes of the legal profession in England and Wales and in Scotland, and thus to attract lawyers of the right quality to Parliament, and that the salaries therefore should not be too far out of line with current professional earnings. It was also clear to us, however, that a satisfactory relationship with other Ministerial salaries had to be established². In general we see no reason to change the broad relationships recommended in Report No. 8.

Recommendation. We recommend that the salaries of the Law Officers should be:

	<i>Salary</i> £	<i>Total salary(a)</i> £
Attorney General	26,500	33,500
Solicitor General	21,000	28,000
Lord Advocate	21,000	28,000(b)
Solicitor General for Scotland	18,000	25,000

Notes. (a) Including the Parliamentary salary of £7,000 recommended for Ministers and other paid office holders who are Members of the House of Commons.

(b) The present Lord Advocate is not a Member of Parliament and would not therefore receive the Parliamentary salary.

The Leader of the Opposition

44. In Report No. 8 we recommended that it would be appropriate to pay the Leader of the Opposition above the top of the range for the middle group of Ministers, but below the salary of a Cabinet Minister. In our view, bearing in mind the constitutional significance of the office of Leader of the Opposition, this recommendation should stand. The Leader of the Opposition is not only a full-time politician, constantly at the service of Parliament, but also a national figure who needs the opportunity to exchange ideas and to foster links with a wide variety of interest groups. In addition, the Leader has increasingly an international role involving the need to maintain contact with leading politicians overseas. We accordingly recommend a salary of £22,000 (making a total, with the Parliamentary salary, of £29,000) for the Leader of the Opposition.

¹ *ibid*, paragraph 20.

² Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd. 4836 (paragraphs 101-102); Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574 (paragraph 86).

Other office holders in the House of Commons

45. Our recommendations for other office holders reflect the evidence we received from more than one quarter, that the position of the Opposition Chief Whip was insufficiently valued in our Report No. 8. We have also had pointed out to us the heavy load that falls on the (Government) Deputy Chief Whip, bearing in mind especially that the Chief Whip has to spend a good deal of time outside the strict confines of the Whips' Office, for example in attendance at the Cabinet. Lastly, we consider that notwithstanding the responsibilities of the Government Whips in the House of Lords for handling departmental business, it would not be justifiable to recommend salaries for Government Whips that differed between the two Houses.

Recommendation. We recommend that the salaries of office holders in the House of Commons should be:

	<i>Salary</i> £	<i>Total salary(a)</i> £
Leader of the Opposition	22,000	29,000
Parliamentary Secretary to the Treasury (Chief Whip)	20,000	27,000
Deputy Chief Whip	17,000	24,000
Opposition Chief Whip	17,000	24,000
Government Whips	11,000	18,000
Opposition Deputy Chief Whip	11,000	18,000
Chairman, Ways and Means	17,000	24,000
Deputy Chairman, Ways and Means	15,000	22,000

Note. (a) Including the Parliamentary salary recommended for Ministers and other paid office holders who are Members of the House of Commons.

Office holders in the House of Lords

46. It is clear that there has, over the years, been a considerable increase in volume of business in the House of Lords, brought about not only by an increase in the amount of legislation but also by an increase in the number of Peers who take an active part in the proceedings of the House. Both factors have added considerably to the Whips' workload, and indeed there is much evidence to show how the efficient running of the House of Lords is dependent on the work of the 'usual channels'¹. We have also had representations that the offices of Chairman and Principal Deputy Chairman of Committees are now seriously undervalued given their heavy responsibilities and increasing workload. In the case of the Principal Deputy Chairman most of the additional burden flows from chairmanship of the European Communities Committee which is an integral part of the office. We consider that there is justification for an increase in the relative pay levels of both the Chairman and the Principal

¹ See, for example, 'The House of Lords and the Labour Government, 1964-1970', Janet Morgan, Oxford University Press, 1975, pp. 49-50.

Deputy Chairman of Committees to recognise these increases in workload and responsibilities, and we propose therefore that their pay parity with the Chairman and Deputy Chairman of Ways and Means in the House of Commons should be maintained. Finally; with regard to the Leader of the Opposition in the House of Lords, we consider that the post has hitherto been seriously undervalued.

Recommendation. We recommend that the annual salaries of office holders in the House of Lords should be:

	<i>Salary</i> £
Chief Whip	17,000
Deputy Chief Whip	13,000
Government Whips	11,000
Opposition Chief Whip	11,000
Chairman of Committees	17,000
Principal Deputy Chairman of Committees	15,000
Leader of the Opposition in the House of Lords	13,000

Limited entitlement to Peers' expenses allowance

47. We have mentioned (paragraph 29) that we consider it wrong in principle that Ministers outside the Cabinet in the House of Lords should have a limited entitlement to the Peers' expenses allowance. We recommend that this entitlement should be withdrawn when the salaries we recommend have been implemented in full and are up to date.

Summary of recommendations

48. The summary of the recommendations we have made in this chapter is as follows:

<i>Office</i>	<i>Recommended salary</i> £	<i>Recommended total salary(a)</i> £
Prime Minister	33,000(b)	40,000(b)
Lord Chancellor	37,000(c)	37,000(c)
Mr Speaker	25,000(d)	32,000(d)
Cabinet Ministers	25,000	32,000
Ministers in charge of a Department but outside the Cabinet	20,000	27,000
Ministers of State	17,000	24,000

	<i>Recommended salary</i>	<i>Recommended total salary(a)</i>
	£	£
Parliamentary Secretaries and Under Secretaries of State	13,000	20,000
Attorney General	26,500	33,500
Solicitor General	21,000	28,000
Lord Advocate	21,000	28,000(e)
Solicitor General for Scotland	18,000	25,000
<i>House of Commons</i>		
Leader of the Opposition	22,000	29,000
Parliamentary Secretary to the Treasury (Chief Whip)	20,000	27,000
Deputy Chief Whip	17,000	24,000
Opposition Chief Whip	17,000	24,000
Government Whips	11,000	18,000
Opposition Deputy Chief Whip	11,000	18,000
Chairman, Ways and Means	17,000	24,000
Deputy Chairman, Ways and Means	15,000	22,000
<i>House of Lords</i>		
Chief Whip	17,000	17,000
Deputy Chief Whip	13,000	13,000
Government Whips	11,000	11,000
Opposition Chief Whip	11,000	11,000
Chairman of Committees	17,000	17,000
Principal Deputy Chairman of Committees	15,000	15,000
Leader of the Opposition in the House of Lords	13,000	13,000

Notes. (a) Including, for those Ministers and office holders who are Members of the House of Commons, the recommended Parliamentary salary of £7,000.

(b) Including £8,000 free of tax in recognition of the special expenses of the office.

(c) Including £5,000 to be paid in recognition of the Lord Chancellor's function as Speaker of the House of Lords.

(d) Including £7,000 free of tax in recognition of the special expenses of the office.

(e) The present Lord Advocate is not a Member of Parliament and would not therefore receive a Parliamentary salary.

CHAPTER 4

THE PEERS' EXPENSES ALLOWANCE

Our previous recommendations

49. The terms of reference for our last review of Parliamentary remuneration included the 'rates and conditions of payment' of the Peers' expenses allowance. This was the first time the allowance had been referred to us, although it had previously been the subject of independent scrutiny by the Lawrence Committee in 1964.

50. Our conclusions and recommendations were put forward in Report No. 9¹. We examined the arguments for and against the introduction of some form of direct remuneration, deciding that there were good reasons – partly constitutional and partly practical – for not recommending it. The nature and operation of the allowance were also examined in depth and we concluded it was necessary both to provide a clear definition of what expenditure could be claimed against the maximum of the allowance, which then stood at the single figure of £13·50 per day of attendance at the House of Lords, and to revise the basis on which claims were put forward.

51. We then recommended that, for the purpose of claims, the allowance should be composed of four main categories of expenditure, each with an individual daily maximum, as follows:

- (i) Overnight subsistence—£11·00
- (ii) Day subsistence and incidental travel—£6·50
- (iii) Secretarial costs—£4·00
- (iv) Postage and certain additional expenses—£3·00

In addition, of course, Peers would continue to have reimbursed the cost of travel to London to attend sittings of the House.

52. As claims against the first two categories of expenditure would be closely linked to actual attendance at the House of Lords, we concluded that they could relate only to the expenditure incurred on a particular day of attendance. One day's costs that exceeded the daily maximum could not be off-set against another day's costs that were below it. But some of the expenditure incurred in the two other categories could arise from the pursuit of Parliamentary business away from Westminster and would not always be related closely to days of attendance at the House. We proposed, therefore, that claims under these heads should be allowed in respect of expenditure incurred over a period and not related to a *particular* day of attendance. This was subject only to the existing requirement that claims must be made within three months of the expenditure incurred and that the maximum claimable on this basis could not exceed the product of the individual daily maximum and the number of days of attendance at Westminster during the period covered. In all cases, where the category or group included more than one eligible item of expenditure, the maximum for the group could be allocated between items as necessary.

¹ Review Body on Top Salaries, Report No. 9: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part III – Cmnd. 6749.

Subsequent developments

53. Our recommendations were not implemented. Instead, the existing daily maximum of £13.50 (which we had recommended as an interim measure pending completion of our review) was retained for those Peers who were able to travel daily to attend the House of Lords. But a new daily maximum of £16.50 was introduced for those Peers who need to stay overnight in London in order to attend. Thus, in practice, the Peers who do not need to stay overnight have been able to claim against a maximum which was, indeed, the same as that recommended in Report No. 9. But for those who have to incur the additional cost of staying overnight in London, the maximum of £16.50 provides only an extra £3.00 (maximum) per day of attendance against the additional £11.00 that we had considered appropriate. Moreover, we had recommended that, in certain circumstances, Peers who lived within normal daily travelling distance of Westminster could claim against the higher 'overnight' maximum. This recommendation has also not been adopted.

The current review

54. The terms of reference for the current review ask us to examine the scope for and level of an allowance for travelling and subsistence for the wives or husbands of Peers and of Members of the House of Commons to attend 'official functions'. As this goes beyond the expenses allowance, we shall deal with it in our second report.

55. So far as the Peers' expenses allowance itself is concerned, we were asked to review the maximum rates. Unlike the last review, we were not asked to examine the suitability of the existing arrangements as a whole. Consequently, our objective is to bring up to date the recommendations put forward in 1976.

56. There is however one central issue to which we should refer. We are aware from the evidence offered in the current review of considerable opposition within the House of Lords to the concept of the grouping of eligible items of expenditure which was an integral part of our Report No. 9 proposals. It has been suggested to us that the arrangements recommended then would be difficult for Peers to operate in terms of submitting claims and would introduce a degree of rigidity into the system that would act against the best interests of Parliament by restricting unnecessarily the expenditure for which Peers could legitimately claim reimbursement.

57. We find it hard to subscribe to the view that the recommended arrangements would be difficult to operate in practice. If, as we firmly believe, there should be clear guidance for Peers on which items of expenditure may be claimed and which may not, it should surely be incumbent upon individual Peers to distinguish between certain broad categories of expenditure in submitting a claim. We see no reason why the system should not work smoothly in practice.

58. We understand the concern on the part of those responsible for the working of the House of Lords over anything which, in their view, may make it more difficult for Peers to recover expenditure incurred in attendance and may therefore result in greater reluctance to attend. But, insofar as the matter has been referred to us for examination, we have a duty to satisfy ourselves that the arrangements for reimbursement of expenditure not only meet the

reasonable needs of Peers but satisfy the overriding principle that such reimbursement may be made free of taxation only so long as it covers eligible costs actually incurred. Moreover, it is highly desirable in our view that the system and its purpose can be clearly understood both within and outside Parliament. The evidence received for our last review pointed to a great deal of confusion, which still persists, on the nature of the allowance and particularly whether it contained any element of remuneration—which it does not. There was also confusion over what expenditure could properly be charged against it. We made clear in our report¹ the need to introduce a greater degree of precision over the items for which reimbursement could be claimed and those for which it could not.

59. However, with the need to rationalise the coverage of the allowance there was also our concern to ensure a reasonable amount of flexibility in its operation. We recorded at the time a division of opinion between us over whether eligible items should be categorised into four groups or into three groups². We have examined this issue and, in view of the objections to the four-group system that have been put to us, we would now favour changing to the three-group arrangement by merging categories (iii) and (iv) (paragraph 51) into a single group with a single overall daily maximum. With this modification, and with the exception of Lord Hirshfield whose views are set out on page 20, we agree that the system recommended in Report No. 9 remains satisfactory.

60. We have not on this occasion repeated our earlier questionnaire survey of Peers in which we asked for information and views on a range of matters related to the allowance. It is unlikely that the pattern of expenditure revealed by that survey has changed significantly. But in bringing up to date the maxima we have had regard to movements in prices generally and – so far as practicable – in relevant costs since our last recommendations were put forward in December 1976. In gauging the level of overnight and day subsistence elements, we have also borne in mind the current level of the additional costs allowance that is available to Members of the House of Commons and that has its basis in the highest rate of 24-hour subsistence allowance in the civil service for regular visitors to London. We continue to regard this as a useful broad check on the maxima for both overnight and daytime subsistence embodied in our recommendations.

Recommendation. Our earlier recommendations on the arrangements and conditions for the Peers' expenses allowance still stand except for the modification that we have proposed (paragraph 59). The individual daily maximum for each group should now be:

- (i) Overnight subsistence – £18.50
- (ii) Day subsistence and incidental travel – £9.00
- (iii) Secretarial costs, postage and certain additional expenses – £8.50.

The definitions of eligible items of expenditure within each group should remain those prescribed in Report No. 9. These are summarised in Appendix E in a way which is intended to provide general guidance for Peers in making claims against the allowance. As under the earlier arrangements, claims under

¹ *ibid*, paragraphs 20–21.

² *ibid*, paragraph 23.

groups (i) and (ii) must relate to expenditure on particular days of attendance at Westminster. Claims under group (iii) may be arranged to recover expenditure over a period, whether incurred at or away from Westminster, but subject first to the existing requirement that claims must be made within three months of incurring the expenditure and secondly to the limit represented by the product of the daily maximum for this group and the number of days of attendance at Westminster during the period covered by the claim.

61. Our recommendation¹ that the working of the expenses allowance should be reviewed at intervals of not more than two years stands. We would expect the next review to be able to look at the practical results of implementing the new arrangements.

¹ *ibid*, paragraph 44.

Note of reservation on Chapter 4 by Lord Hirshfield

(a) Paragraph 59 of this Report observes that we recorded in our Report No. 9 a division of opinion between us on whether eligible items of Peers' expenses should be categorised into four or into three groups. Three members of the Review Body, including myself, then favoured only three groups, whereas four members preferred four groups. The Review Body now recommend three groups.

(b) In my view, the principal evidence received in the course of the present review has emphasised that the proposed grouping system is unsuitable. I now believe that the only practical approach is to draw a simple distinction between overnight subsistence and other expenses and to provide more detailed guidance on items which Members of the House of Lords may claim.

(c) I have reached this conclusion on the basis not only of combined oral evidence given by Members of the three Front Benches in the House of Lords but also of my own conclusion that there is no future in a system where claims cannot be satisfactorily checked because of the absence of receipts. It is therefore more logical to make a simple distinction while giving greater guidance.

(d) I am in full agreement with the total rates recommended by the Review Body which give a maximum of £36.00 for those Peers who need to stay overnight and £17.50 for those who do not. In my judgment it would greatly assist Peers in the formulation of their expenses claims if the House authorities issued a printed guideline statement listing examples of the kinds of expense which are eligible. The statement might also remind Peers of those expenses which are not recoverable (e.g. entertainment costs). Claims must be based on actual expenses incurred but limited by the maximum amounts relevant to each of the two groups which I consider adequate, viz:

Overnight Subsistence	£18.50
Other admissible expenses (when incurred on Parliamentary business)	£17.50

CHAPTER 5

SALARY LINKAGE

62. We have recommended the salaries appropriate to Members of Parliament, Ministers and other office holders. The problem of how those recommendations, once implemented, can be kept up to date remains: it is a problem that has engaged the attention of those covered by our recommendations and a substantial amount of evidence has been put to us advocating some form of linkage between the pay of Members and certain other groups or to a particular index.

63. Such an approach is not new. Similar evidence was put to the Lawrence Committee in the course of its review of Parliamentary remuneration in 1964, and to us in relation to our reviews in 1971 and 1975. Each time it was rejected. Nevertheless, the underlying pressures for linkage remain. There is a wish to remove from the political arena the decisions on Parliamentary salaries, which under any system of independent review must be made by Parliament itself, and to provide greater protection against the effects of inflation. The combination over recent years of the high rate of price inflation, of relatively infrequent reviews of Parliamentary remuneration, and of general restraint measures has made it difficult for Parliament to be seen to vote itself the size of salary increase that is justified simply to catch up with the general movement of earnings outside.

64. It is therefore no surprise that the concept of linkage has continued to be canvassed in Parliament. In the House of Commons debate that took place in the context of our 1975 recommendations, Members of Parliament adopted a Resolution in the following terms:

"It is desirable in principle that the salaries of Members should be regulated to correspond with a point on the scale paid to an Assistant Secretary in the Public Service not later than three months after the next General Election and annually until that date the salaries of Members should be increased by not less than the same amount of increase as the Assistant Secretary."¹

No action has been taken on the Resolution. It was an expression of opinion which neither has legislative effect nor places an obligation on the Government. But during that debate the Government of the day gave a commitment that we would be asked to look at linkage in our next review. Our terms of reference reflect that commitment.

65. All Members were invited to comment on linkage in the questionnaire sent to them in the course of this review. Fifty three per cent of all MPs responded to the questionnaire, and nearly all of these replied to this question. Ninety per cent of those who did so (47 per cent of all MPs) preferred an automatic adjustment. Of the 307 proposals put forward by 271 Members, 59 per cent favoured a link with the civil service in one way or another, 7 per cent a link with the judiciary and 14 per cent a link with other professions. Just over 10 per cent of the proposals supported adjustment by reference to movements in general

¹ Hansard, Vol. 896, Columns 441-514.

indices; of these average earnings or average wages were most favoured. Most of the respondents who suggested a civil service link did not specify any particular grade, although the Assistant Secretary¹ was the most popular choice among those who did so. Many of those who have advocated some system of automatic adjustment have been more concerned with the advantages in principle than with the practical implications of a particular method.

66. Further support for the concept of automatic adjustment came in separate written or oral evidence. We include in this category the 62 Members who put forward a joint submission in favour of a link with the Assistant Secretary in the civil service. But we should also record that we have had other evidence to the contrary. Some Members oppose the idea of linkage for many of the reasons we have advanced in our earlier reports, reasons to which we would now like to return.

67. Proposals for links with other specific groups seem to us to have two major disadvantages. They tend to be based upon the assumption that there is a high degree of affinity between the work of MPs and that of the comparator group, rather than on evidence. This means that if, as we consider it to be, the job of an MP is *sui generis*, an MP could benefit from increases that are germane to the 'parent' group but not to MPs. There is also the danger, which is likely to increase as the size of the comparator group diminishes, that where the pay of the 'parent' group is settled by negotiation, the attachment of MPs' pay to it will impose an undesirable political pressure upon the negotiating process.

68. Linkage to an index of some sort, by its more general nature, would at least reduce these objections. But it would prevent the rational evaluation of the pay for the job against the background of the changing circumstances of the work. Furthermore, since an index reflects all forms of pay movements in the private as well as the public sector, Members might well find themselves in the position of benefiting from levels of increase which were, for example, in times of pay restraint, inconsistent with the Government's publicly stated policies.

69. A link to another group or to an index is not a solution that we can commend. We sympathise with the objective of those who advocate it, but remain of the view that the regular adjustment of salaries can be achieved more satisfactorily by the commissioning of regular independent reviews and by the implementation of the recommendations that result from them. Nevertheless, while we adhere to this view which we have expressed in our earlier reports, we do recognise that others are deeply sceptical about reliance on such a system in the light of the experience of recent years; and that this may lead to continued pressure to adopt some form of linkage. We have therefore set out below the principles that we consider should be observed if Parliament itself decides to go ahead with the introduction of the concept of automatic updating in relation to Parliamentary remuneration.

70. First, and most important, a system of updating should not attempt simply to replace periodic assessment of Parliamentary remuneration by an independent body. Its use should be limited to keeping an independently assessed salary level reasonably up to date between reviews. In this context, the maximum interval between such reviews should be 4-5 years.

¹ Final agreement has not yet been reached on the salary scale for 1 April 1979 for the Assistant Secretary. An interim agreement provides for a scale of £10,947 to £13,378 by 4 annual increments from that date.

71. Second, the form of updating will be critical. It will be clear from what we have already said (paragraph 67) that we regard the idea of a link to a particular group as wholly inappropriate. A link to an index also involves difficulty. A general index related to the total work force in the UK is inappropriate; its use would increase the risk that the level of salary would be found to be higher than was justified at the next review. This is because in percentage terms increases at lower income levels have in recent years usually been higher than those at higher income levels; and we have no reason to believe that this relationship will change in the future. A better course would be to reflect movements at levels of pay comparable to the salary of an MP.

72. For this purpose, we consider that the most suitable procedure would be to make use of the Department of Employment's New Earnings Survey¹. Percentage movements in earnings at an appropriate NES percentile, one that is close in annual terms to the recommended salary level of an MP, would be applied annually to that salary between reviews. The NES is based on data for April of each year, but it is not published until November. The present 'settlement' date for MPs is in June. For the purposes of an updating system between regular reviews, there would seem to be no reason why MPs' pay should not be adjusted in November of each year using movements derived from April - April data. It is for this reason that we have suggested that, if the full implementation of the salary level that we now recommend has to be staged, and MPs' pay is to be the subject of some form of updating, the staging should be completed by November 1980 (paragraph 21). The updating arrangement could operate from that date.

73. In forming the view that the New Earnings Survey is the most suitable source available for this purpose, we have not overlooked its disadvantages. It takes no account of superannuation and other relevant benefits or of pay settlements reached after, but retrospective to a date before the date of the survey. Nevertheless, we are clear that these disadvantages are less significant than those that would be associated with any other form of linkage.

74. A similar updating arrangement between regular reviews could notionally be applied to the Parliamentary salary of Ministers and other paid office holders in the House of Commons. But we do not consider that this is an option that should be applied to the salaries attached to the offices themselves, because the sample size in the New Earnings Survey at the higher Ministerial salary levels would be small and possibly unreliable statistically. Moreover, we consider that it would not be appropriate for the salaries of Ministers, who have a responsibility for the national economy, to be adjusted automatically in this way.

75. Nevertheless it would be wrong if an appropriate differential were not maintained between the salaries of Ministers and of backbench Members. In these circumstances, relative salary levels across the whole field of Parliamentary remuneration would be distorted, and it would be increasingly difficult to fill Ministerial appointments, particularly at the junior level, with men and women of the calibre required. We consider that the proper solution is a standing arrangement for a regular independent review of the pay of Ministers. Reviews should be at least biennial and should be conducted in the knowledge of an assurance that subsequent recommendations would be implemented.

¹ The New Earnings Survey analyses information for a random sample of 1 per cent of employees in Great Britain.

CHAPTER 6

SUMMARY OF RECOMMENDATIONS AND CONCLUSION

76. Our recommendations are summarised below:

Members of Parliament

Salary

(i) The salary of Members of Parliament should be increased to £12,000 a year (paragraph 20).

Secretarial allowance

(ii) The maximum of the secretarial allowance should be increased to £4,600 a year pending a full review (paragraph 24).

Ministers and other paid office holders

Parliamentary salary

(iii) Ministers and other paid office holders who are Members of the House of Commons should receive a Parliamentary salary of £7,000 a year (paragraph 23).

Ministerial salaries

(iv) The salaries of Ministers and other paid office holders should be increased as follows:

<i>Office</i>	<i>Recommended salary</i>	<i>Recommended total salary(a)</i>
	£	£
Prime Minister	33,000(b)	40,000(b)
Lord Chancellor	37,000(c)	37,000(c)
Mr. Speaker	25,000(d)	32,000(d)
Cabinet Ministers	25,000	32,000
Ministers in charge of a Department but outside the Cabinet	20,000	27,000
Ministers of State	17,000	24,000
Parliamentary Secretaries and Under Secretaries of State	13,000	20,000
Attorney General	26,500	33,500
Solicitor General	21,000	28,000
Lord Advocate	21,000	28,000(e)
Solicitor General for Scotland	18,000	25,000

<i>Office</i>	<i>Recommended salary</i>	<i>Recommended total salary(a)</i>
	£	£
<i>House of Commons</i>		
Leader of the Opposition	22,000	29,000
Parliamentary Secretary to the Treasury (Chief Whip)	20,000	27,000
Deputy Chief Whip	17,000	24,000
Opposition Chief Whip	17,000	24,000
Government Whips	11,000	18,000
Opposition Deputy Chief Whip	11,000	18,000
Chairman, Ways and Means	17,000	24,000
Deputy Chairman, Ways and Means	15,000	22,000
<i>House of Lords</i>		
Chief Whip	17,000	17,000
Deputy Chief Whip	13,000	13,000
Government Whips	11,000	11,000
Opposition Chief Whip	11,000	11,000
Chairman of Committees	17,000	17,000
Principal Deputy Chairman of Committees	15,000	15,000
Leader of the Opposition in the House of Lords	13,000	13,000

Notes. (a) Including, for those Ministers and office holders who are Members of the House of Commons, the recommended Parliamentary salary of £7,000.

(b) Including £8,000 free of tax in recognition of the special expenses of the office.

(c) Including £5,000 to be paid in recognition of the Lord Chancellor's function as Speaker of the House of Lords.

(d) Including £7,000 free of tax in recognition of the special expenses of the office.

(e) The present Lord Advocate is not a Member of Parliament and would not therefore receive a Parliamentary salary.

Peers' expenses allowance

(v) With the exception of Lord Hirshfield, whose note of reservation is recorded on page 20, we recommend the grouping system proposed in Report No. 9, but with three groups instead of four (paragraph 60). The maxima that we recommend for each group are:

(i) Overnight subsistence—£18.50

(ii) Day subsistence and incidental travel—£9.00

(iii) Secretarial costs, postage and certain additional expenses—£8.50

Conclusion

77. Our recommendations on the salaries of Members of Parliament and Ministers all involve substantial increases, and attention will inevitably centre on them for that reason. In this situation, we want to bring out two points in particular.

78. Four years have elapsed since these salaries were last subject to independent review. During that period average earnings have risen by some 60 per cent, and the index of retail prices by some 56 per cent. By contrast, a Member of Parliament's salary has risen by an average of 17 per cent and the salary of a Cabinet Minister by 11 per cent. And it is more than seven years since independent recommendations were last implemented in full.

79. The real value of the salaries of MPs and Ministers has continued therefore to be eroded. This situation has been exacerbated by the failure by Parliament and Government to implement the recommendations that resulted from our last review of Parliamentary remuneration on the levels of salary appropriate for July 1975. *Current salaries are still substantially below the levels that we recommended as appropriate four years ago.* The failure to implement recommendations for increases when those increases were due inevitably means that the increases now recommended are that much larger. Thus, substantial increases cannot be avoided if salaries are to be restored to their proper level – a situation that last existed in 1972.

80. These recommendations are made independently of those that we shall make in our next report, on the allowances available to MPs. Pay and allowances are separate concepts and it is important that their purpose should continue to be clearly differentiated. Allowances are intended to reimburse Members for expenditure that they have incurred. They are not intended to provide a supplement to salary. The possibility that they will be used in that way is greatest when salary levels are inadequate. This is to us a further important reason why MPs should be paid the appropriate rate for their job.

81. We recognise that the increases in salary now recommended are large and that therefore the Government may consider that their introduction should be accomplished in stages. If this is done, we would urge strongly that it should be accomplished over a limited period, with half of the increases due being paid immediately and the remainder, suitably updated, paid by June 1980 (or November 1980 if some form of updating is adopted on the lines set out in Chapter 5).

82. In reviewing the salaries of Ministers and other office holders we have seen no case for a general revaluation, but we accept that some changes are necessary in respect of individual appointments. We have been impressed by some of the evidence put to us about the weight of responsibility attached to certain of these appointments. The role and responsibilities of the Leader of the Opposition have grown. The business of managing Parliament has become progressively more complex over the last decade. The affairs of the European Economic Community now make greater demands on the time of some office holders than hitherto. We have also taken account of changes in the pattern of Ministerial responsibility which have provided an opportunity to create a clearer Ministerial salary structure based on four main groups. We have also

taken the opportunity to modify some of the judgments made in the course of our 1975-76 review of Parliamentary remuneration in the light of developments since then.

83. There remains the question of how the salaries now recommended can be kept up to date. Our own view is that, for Members of Parliament and for Ministers alike, the proper course is regular independent review. We do not consider that any form of link, whether of MPs' or of Ministers' salaries, to the salaries of another group or to an index should be the only determinant. Nor, indeed, do we consider that such a link could yield a satisfactory result in the medium or long term. But we recognise the strength of opinion of those who consider some form of link for the salary of Members of Parliament to be the right solution. Provided that the form of linkage is chosen carefully and provided that the concept is not extended to Ministerial salaries, we see the practical advantage of finding a suitable way of keeping the salary of Members up to date between reviews. We have therefore described in some detail the comparative advantages and disadvantages of some of the different forms of link that have been suggested to us. The difficulties of principle remain, but we believe that they can be contained *if the chosen link is used only between independent reviews undertaken every 4-5 years*. We consider that movement by reference to general movements in earnings in an appropriate percentile of the New Earnings Survey (one that is close in annual terms to the recommended salary level for an MP) would fulfil this requirement. In our view, if Parliament decides to introduce a link of this kind for adjusting the salary of MPs between regular independent reviews, the case for biennial review of the salaries of Ministers and other office holders, and for an assurance that the recommendations arising out of such a review would be implemented, will be overwhelming. Without such regular reviews it will not be possible to maintain a satisfactory salary structure for MPs, Ministers and other office holders.

BOYLE OF HANDSWORTH

HAROLD ATCHERLEY

GEORGE COLDSTREAM

HIRSFIELD

ANDREW LEGGATT

FLOWDEN

SEEAR

OFFICE OF MANPOWER ECONOMICS

11 June 1979

APPENDIX A

SUMMARY OF LEVELS OF SALARY AND ALLOWANCES
RECOMMENDED IN REPORTS NOS. 7, 8 AND 9 AND THE CURRENT
SALARY LEVELS

SALARIES

A. Members of Parliament

Salary recommended in Report No. 7 (June 1975): £8,000

Salary now in payment: £6,585-£6,897

B. Ministers and other paid office holders

Office	Salaries recommended as appropriate in June 1975 terms		Current salaries	
	Ministerial	Total(a)	Ministerial	Total(f)
A	B	C	D	E
	£	£	£	£
Prime Minister	25,000(b)	30,000(b)	22,000(g)	25,529(g)
Lord Chancellor	27,000(c)	27,000(c)	22,228(h)	22,228(h)
Mr Speaker	18,000(d)	23,000(d)	14,300(i)	18,599(i)
Cabinet Ministers	18,000	23,000	14,300(j)	17,829
Ministers in charge of Departments but outside the Cabinet	13,000	18,000	10,450(k)	14,749
Ministers of State	11,000	16,000	8,250(l)	12,549
Parliamentary Secretaries and Under Secretaries of State	8,500	13,500	6,050(m)	10,349
Attorney General	19,000	24,000	15,950	20,249
Solicitor General	15,000	20,000	12,100	16,388
Lord Advocate	15,000	20,000	12,100	12,100(n)
Solicitor General for Scotland	13,000	18,000(e)	8,525	12,824
<i>House of Commons</i>				
Leader of the Opposition	14,000	19,000	10,450	14,749
Parliamentary Secretary to the Treasury (Chief Whip)	13,000	18,000	10,450	14,749
Deputy Chief Whip	7,500	12,500	5,500	10,142
Opposition Chief Whip	9,500	14,500	8,250	12,849
Government Whips	6,000	11,000	4,400	9,042
Opposition Deputy Chief Whip	6,000	11,000	4,400	9,042
Chairman, Ways and Means	9,500	14,500	7,425	11,724
Deputy Chairman, Ways and Means	8,500	13,500	6,050	10,349

Office	Salaries recommended as appropriate in June 1975 terms		Current salaries	
	Ministerial	Total(a)	Ministerial	Total(f)
A	B	C	D	E
	£	£	£	£
<i>House of Lords</i>				
Chief Whip	9,500	9,500	7,722	7,722
Deputy Chief Whip	7,500	7,500	6,072	6,072
Government Whips	7,000	7,000	5,522	5,522
Opposition Chief Whip	4,000	4,000	3,248	3,248
Chairman of Committees	9,500	9,500	7,997	7,997
Principal Deputy Chairman of Committees	8,500	8,500	6,622	6,622
Leader of the Opposition in the House of Lords	6,000	6,000	4,403	4,403

- (a) Including, where relevant, the Parliamentary salary of £5,000 recommended in Report No. 7.
- (b) Including £6,000 free of tax in recognition of the special expenses of the office.
- (c) Including £3,500 in recognition of the Lord Chancellor's function as Speaker of the House of Lords.
- (d) Including £5,000 free of tax in recognition of the special expenses of the office.
- (e) The present Solicitor General for Scotland is a Member of the House of Commons. His predecessor was a Member of the House of Lords. For comparison purposes the figure shown in column C includes the Parliamentary salary of £5,000 recommended in Report No. 7.
- (f) Including, where relevant, the Parliamentary salary of £3,529 for Cabinet Ministers and £4,299 for other paid office holders.
- (g) Including £5,000 free of tax in recognition of the special expenses of the office.
- (h) Including £2,750 deemed to be in recognition of the Lord Chancellor's function as Speaker of the House of Lords.
- (i) Including £4,000 free of tax in recognition of the special expenses of the office.
- (j) £14,528 for those who are Members of the House of Lords.
- (k) £10,678 for those who are Members of the House of Lords.
- (l) £8,822 for those who are Members of the House of Lords.
- (m) £6,622 for those who are Members of the House of Lords.
- (n) The present Lord Advocate is not a Member of Parliament and does not therefore receive a Parliamentary salary.

ALLOWANCES

A. Secretarial allowance

Maximum allowance recommended in Report No. 7 (June 1975): £3,200.
Maximum current allowance: £4,200.

B. The Peers' expenses allowance

Report No. 9 recommended that this allowance should be composed of four main categories of expenditure, each with an individual daily maximum as follows:

- (i) Overnight subsistence—£11.00
- (ii) Day subsistence and incidental travel—£6.50
- (iii) Secretarial costs—£4.00
- (iv) Postage and certain additional expenses—£3.00

These were not implemented. The current allowances are as follows:

- (i) Peers who are able to travel daily to attend the House of Lords—£13.50
- (ii) Peers who need to stay overnight in London to attend—£16.50

APPENDIX B

LIST OF THOSE WHO GAVE ORAL EVIDENCE

Individuals

The Rt Hon Lord Aberdare DL, Chairman of Committees
The Rt Hon Humphrey Atkins MP, then Opposition Chief Whip
Mr Kenneth Baker MP
Sir Richard Barlas KCB, OBE, Clerk of the House of Commons
Sir Paul Bryan KB, DSO, MC, MP
The Hon Adam Butler MP
The Rt Hon Lord Carrington KCMG, MC, then Leader of the Opposition
in the House of Lords
Mr Paul Dean MP
The Lord Denham
The Rt Hon Edward du Cann MP
Mr Michael English MP
The Earl Ferrers, then Joint Deputy Leader of the Opposition in the House
of Lords
Mr Philip Goodhart MP
The Rt Hon Lord Greenwood of Rossendale DL, Principal Deputy Chairman
of Committees in the House of Lords
Sir Peter Henderson KCB, Clerk of the Parliaments
The Rt Hon Sydney Irving MP
The Rt Hon Lord Lee of Newton
The Rt Hon Baroness Llewelyn-Davies of Hastoe, then Government Chief
Whip in the House of Lords
The Hon Charles Morrison MP
The Rt Hon Lord Peart of Workington, then Lord Privy Seal and Leader of
the House of Lords
The Rt Hon Enoch Powell MBE, MP
The Rt Hon Francis Pym MC, DL, MP
Mr Giles Radice MP
Mr Nigel Spearing MP
The Rt Hon Donald Stewart MP
The Rt Hon Margaret Thatcher MP, then Leader of the Opposition
Mr Philip Whitehead MP
Mr Jerry Wiggin TD, MP
Mr Dafydd Wigley MP
The Rt Hon Lord Wigoder QC, Liberal Chief Whip in the House of Lords
Mr F J Wilkin OBE, DFM, Accountant to the House of Commons
The Rt Hon Fred Willey MP
The Hon George Younger TD, MP

Government Department

Civil Service Department

APPENDIX C

SURVEY OF THE CIRCUMSTANCES OF MEMBERS OF PARLIAMENT
AND OF THEIR VIEWS ON THEIR REMUNERATION

*(Carried out by the Office of Manpower Economics
on behalf of the Review Body on Top Salaries)*

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SURVEY OF THE CIRCUMSTANCES OF MEMBERS OF PARLIAMENT AND OF THEIR VIEWS ON THEIR REMUNERATION

Introduction

1. Questionnaires were sent to 633 Members of Parliament¹ on 8 November 1978 for return by 1 December 1978. Although the period allowed for returning the questionnaires was subsequently extended to mid-January 1979, the response rate at 53 per cent was low compared with the 70 per cent return achieved in the 1975 survey² and the 84 per cent response rate in the 1971 survey³. The response rate for Ministers was particularly low at 40 per cent. Consequently, this survey may not be as precise a guide as its predecessors to the appropriate averages for Members of Parliament (whether or not they are office holders): nor may the comments made, or improvements suggested, be as representative. The 1978 questionnaire was, however, more specific than the two earlier surveys as regards hours spent by Ministers on Departmental or Government business and in this respect the answers are correspondingly more reliable.

2. The questionnaire is not reproduced in this Appendix, but the order and wording of the tables does reflect closely that used in the questionnaire. Although the questions on hours, expenditure and costs relate to the twelve months ending on 31 July 1978, many members found it more convenient to give details for the financial year 1977-78. There were variations in the response rate to different questions and these are shown in the tables. The response to the invitation to put forward comments or proposals also varied: some MPs did not reply, but others made more than one comment or proposal and these are analysed separately within the same table where appropriate. Although the questionnaires returned were, in general, completed adequately, it was sometimes necessary to transfer comments to a more appropriate question (for example, from a general question to the appropriate specific one).

3. Totals may not precisely equal the sum of the components where figures have been rounded. The following symbols are used in the tables:

- Nil

0 Less than half the final digit shown

.. Not available

¹ By-elections were pending in two constituencies.

² All references to 1975 in this Appendix relate to the survey of MPs' circumstances and views on their remuneration carried out in that year by the Office of Manpower Economics on behalf of the Review Body on Top Salaries. The results were summarised in the Review Body's Report No. 8, Appendix A (Review Body on Top Salaries, Report No. 8: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II - Cmnd. 6574, July 1976).

³ The results were summarised in the Review Body's First Report, Appendix A (Review Body on Top Salaries, First Report: Ministers of the Crown and Members of Parliament - Cmnd. 4836, December 1971).

TABLE 1

All Members of Parliament: Response to questionnaire

	Total number at 8 November 1978	Number returning questionnaire	Response rate	
			1978	1975
	Number	Number	%	%
<i>Office holders</i>				
Minister	47	19	40.4	54.3
Parliamentary Secretary or Under Secretary	32	20	62.5	75.0
Holder of other remunerated office	21	11	52.4	50.0
Total office holders	100	50	50.0	60.2
<i>Other Members</i>				
Former office holders				
Ministers	..	36	..	..
Parliamentary Secretary or Under Secretary	..	31	..	..
Holder of other remunerated office	..	11	..	..
Total former office holders	116	78	67.2	76.4
Not former office holders	417	209	50.1	70.5
Total other Members	533	287	53.8	71.9
All	633	337	53.2	70.1

TABLE 2

All Members of Parliament: Percentage distributions of age and length of service

	Age						Years of service						All ranges (100%) Number	Average length of service Years
	Under 40	40-49	50-59	60-64	65 or over	Under 1	1-5	6-10	11-15	16-20	21-25	26 or over		
	%	%	%	%	%	%	%	%	%	%	%	%		
Minister	—	37	53	11	—	—	—	16	53	21	5	5	19	14.7
Parliamentary Secretary or Under Secretary	25	40	30	5	—	—	5	50	45	—	—	—	20	10.0
Other office holder	27	—	55	9	9	—	27	—	45	9	9	9	11	13.3
Other Members	15	33	27	10	15	3	27	23	20	11	7	10	287	12.0
All: 1978	15	33	30	10	13	2	24	23	24	11	6	9	337	12.1
1975	22	36	26	9	6	48	—	22	13	6	8	4	445	8.8

TABLE 3

**Members of Parliament with service before October 1964: Percentage distribution
of length of service before October 1964**

	Years of service before October 1964				All ranges		Average length of service before October 1964(a)
	1-9	10-14	15-19	20 or over	Number (100%)	Percentage of all MPs	
	%	%	%	%	No.	%	Years
Office holders	77	15	8	-	13	26	7.1
Other Members	62	18	18	2	90	31	9.2
All: 1978	64	17	17	2	103	31	9.0
1975	59	21	16	4	135	30	9.3(b)

(a) Based only on those with service before October 1964.

(b) Revised from the 8.1 years shown in Cmnd. 6574, Appendix A, Table 3.

TABLE 4

All Members of Parliament: Percentages with constituency in London and elsewhere

	Type of constituency		All (100%) Number
	London	Elsewhere	
	%	%	
Office holders	20	80	50
Other Members	15	85	287
All: 1978	16	84	337
1975	16	84	445

TABLE 5

Members of Parliament who are neither office holders nor paid the London supplement:
Distribution in ranges of annual subsistence costs, and average amounts

	Annual costs for subsistence (£)										All ranges			Number and average cost by main home (London, constituency or neither)				Claims made but costs not shown No.
	1-251-	251-501-	501-1,001-	1,001-1,501-	1,501-2,001-	2,001-2,501-	2,501-3,501-	3,501-4,501-	4,501-5,501 and over	Number	Average cost	No.	Average	No.	Average	No.	Average	
	No.	No.	No.	No.	No.	No.	No.	No.	No.	£	No.	£	Constituency	£	Constituency	£	£	
<i>Subsistence in London(a)(b)</i> Accommodation	—	2	6	10	27	38	5	2	3	93	2,741	68	2,648	25	2,994	35		
Hotel etc. Hotel elsewhere in constituency	—	5	5	3	2	4	1	—	2	22	2,310	14	2,536	8	1,914	6		
Total	7	1	1	—	—	—	—	—	—	9	151	4	132	5	166	10		
<i>Subsistence in constituency(a)(c)</i> Accommodation	1	—	5	10	11	27	5	2	5	108	2,681	77	2,629	31	2,812	48		
Hotel etc.	2	—	3	4	8	13	1	1	1	51	2,367	27	2,393	24	2,337	11		
Total	—	—	4	2	1	3	1	—	—	11	1,579	6	1,929	5	1,158	7		
All subsistence (%)	2	—	6	6	9	16	1	1	1	61	2,263	33	2,309	28	2,210	17		
	3	—	11	16	20	43	6	3	6	169	2,531	10	2,533	59	2,527	65		
	(2)	(—)	(7)	(9)	(12)	(25)	(4)	(2)	(4)	(100)								

(a) Four Members to whom the questions were applicable did not reply to either, 9 did not reply to the question concerned with hotel costs elsewhere in the constituency and 6 did not reply to the question concerned with costs of accommodation or hotels. A further 14 Members said that they did not make claims against the additional costs allowance.

(b) Three Members incurred both hotel and accommodation costs.

(c) Two Members incurred both hotel and accommodation costs but one did not state them.

TABLE 6A

Members of Parliament entitled to the additional costs allowance: Percentage considering the additional costs allowance inadequate and number suggesting improvements

		MPs entitled to the additional costs allowance
Adequacy of the additional costs allowance:	Replies to question (number)	236
	Percentage of returns from those entitled to the allowance (%)	93
Percentage of replies saying not adequate	(%)	42
Percentage in 1975	(%)	79
Suggested improvements		Number
<i>Proposed maximum(a)</i>		
	£3,000	3
	£3,500-£3,999	13
	£4,000-£4,499	13
	£4,500-£4,999	4
	£5,000 and over	7
<i>Other</i>		
	Cover full cost	15
	Keep pace with rising costs	6
	Provide accommodation or government hotel	1
	Enough to buy a second home	4
	Enough to cover a flat near the House	4
	Other improvements	10
Total number of suggestions		80
Number of Members making suggestions		79

(a) Percentage improvements relative to the allowance of £3,046 a year payable at November 1978 have been converted to amounts.

TABLE 6B

Members of Parliament entitled to the London supplement: Percentage considering the London supplement inadequate and number suggesting improvements

		MPs entitled to the London supplement
Adequacy of the London supplement:	Replies to question (number)	59
	Percentage of returns from those entitled to the supplement (%)	72
Percentage of replies saying not adequate	(%)	59
Percentage in 1975	(%)	88
Suggested improvements		Number
<i>Proposed amount(a)</i>		
	£450-£775	4
	£1,000	1
	£1,500-£1,525	4
	Over £2,000	1
<i>Other</i>		
	Bring into line with the civil service	3
	Bring into line with other professions/occupations	1
	Cover true costs	2
	Keep pace with rising costs	1
	Office holders should be allowed to claim the additional costs allowance instead of the London supplement	3
	Other improvements	6
	Total number of suggestions	26
	Number of Members making suggestions	25

(a) Percentage improvements relative to the supplement of £385 a year at November 1978 have been converted to amounts.

TABLE 7

**All Members of Parliament: Percentages employing a secretary,
research assistant or using secretarial pool facilities**

		Office holders	Other Members	All	
				1978	1975
Employing or sharing in the employment of a secretary	YES	%	%	%	%
	NO	96	99	98	100
Replies to question	(number)	4	1	2	0
Percentage of total returns		(50)	(287)	(337)	(440)
Average hours per week for which secretary is employed:		100	100	100	99
Under 10		2	1	2	1
10-19		13	5	6	12
20-29		22	20	20	31
30-34		13	18	17	} 55
35 or more		50	55	55	
Replies to question	(number)	(46)	(282)	(328)	(431)
Percentage of those with secretary		96	99	99	99
Use of the secretarial pool facilities	YES	6	16	14	16
	NO	94	84	86	84
Replies to question	(number)	(49)	(284)	(333)	(417)
Percentage of total returns		98	99	99	94
Employing or sharing in the employment of a research assistant	YES	16	44	40	29
	NO	84	56	60	71
Replies to question	(number)	(49)	(281)	(330)	(424)
Percentage of total returns		98	98	98	95
Average hours per week for which research assistant is employed:					
Under 10		50	43	44	..
10-19		12	31	30	..
20-29		25	11	12	..
30-34		—	2	2	..
35 or more		12	12	12	..
Replies to question	(number)	(8)	(122)	(130)	..
Percentage of those with research assistant		100	98	98	..

TABLE 8

All Members of Parliament: Percentage distribution of gross annual costs of secretarial assistance, of research assistance, of office equipment and of general office expenses, before deducting the secretarial allowance

	Annual cost (£)											Average cost			Costs not given			
	Nil	Annual cost (£)										All ranges (100%)	Over those with costs			No.		
		%	1-100	101-200	201-300	301-500	501-750	751-1,250	1,251-1,750	1,751-2,250	2,251-2,750		2,751-3,500	3,501-4,500			4,501-5,500	5,500 over	Over ranges	£
<i>Secretarial assistance</i>																		
Office holders	2	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Members	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
All	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Research assistance(a)</i>																		
Office holders	87	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Members	61(b)	3	4	3	6	9	2	2	2	2	1	2	1	1	1	—	—	—
All	65(b)	2	3	3	6	5	2	2	2	1	1	1	1	1	0	—	—	—
<i>Office equipment</i>																		
Office holders	38	23	18	13	8	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Members	19	21	21	16	14	4	3	0	—	—	—	—	—	—	—	—	—	—
All	22	22	21	15	13	4	3	0	—	—	—	—	—	—	—	—	—	—
<i>General office expenses</i>																		
Office holders	28	18	18	21	5	3	8	—	—	—	—	—	—	—	—	—	—	—
Other Members	20	20	17	10	21	5	5	1	—	—	—	—	—	—	—	—	—	—
All	22	19	17	12	19	4	5	1	—	—	—	—	—	—	—	—	—	—
<i>All above items</i>																		
Office holders	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Members	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
All	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(a) Ten Members incurred research assistance costs, but did not employ a research assistant. A number of Members did not provide cost information; where a research assistant was not employed, costs have been counted as 'nil'. Six Members who did not say whether they employed a research assistant have been counted as 'cost not given'.

(b) Includes seven Members whose research assistants are not paid by them.

TABLE 9A

Members of Parliament employing secretaries or research assistants:
Pension contributions for secretaries and research assistants

		Office holders	Other Members	All MPs
		%	%	%
Whether pension contribution made	YES	2	6	5
	NO	98	94	95
Number replying	(number)	(48)	(272)	(320)
Percentage of those with a secretary or research assistant		100	96	96
Ranges of annual contribution				
£1-				—
£101-				30
£201-				10
£301-				40
£401-				20
£501-				—
Number giving size of contribution			(number)	(10)
Average contribution by those making a contribution			(£)	(303)

TABLE 9B

Members of Parliament employing secretaries or research assistants:
Severance arrangements for secretaries and research assistants

		Office holders	Other Members	All MPs
		%	%	%
Whether severance arrangements exist	YES	6	7	7
	NO	94	93	93
Number replying	(number)	(47)	(281)	(328)
Percentage of those with a secretary or research assistant		98	99	99
Nature of severance arrangements				Number
3 months' notice				8
1 month's notice				6
2 weeks' notice				1
Guarantee of job security as secretary				2
Informal arrangement				3
Other				2
Number of arrangements made				22

TABLE 10

All Members of Parliament: Percentage considering secretarial/research allowance inadequate and number suggesting improvements

		All MPs
Adequacy of secretarial/research allowance:		
	Replies to question (number)	325
	Percentage of total returns (%)	96
	Percentage of replies saying not adequate (%)	71
Suggested improvements		Number
<i>Proposed maximum(a)</i>		
	£4,000-	11
	£5,000-	25
	£6,000-	12
	£7,000-	2
	£8,000-	8
	£9,000-	2
	£10,000 or over	7
<i>Amount needed for secretary/secretaries</i>		
	£4,000-	11
	£5,000-	4
	£6,000 or £8,000	3
<i>Amount needed for research assistance</i>		
	£1,000-	1
	£2,000-	7
	£3,000-	4
	£4,000 or £4,500	3
<i>Other</i>		
	Enough for a full-time secretary	8
	Enough for 1 full-time and 1 part-time staff	45
	Enough for 2 full-time staff	22
	Enough for more than 2 full-time staff	15
	Additional secretary needed for constituency office	11
	Secretary should be paid by the Fees Office	8
	Research allowance should be separate	10
	Research assistance should be provided by the House	5
	Office expenses allowance should be separate	4
	There should be a sickness/pension/redundancy scheme for secretaries	9
	Cover full cost	15
	Keep pace with rising costs	9
	Other improvements	12
	Total number of suggestions	273
	Number of Members making suggestions	199

(a) Percentage improvements relative to the allowance of £4,200 a year at November 1978 have been converted to amounts.

TABLE 11

All Members of Parliament: Percentage considering reimbursement of travel and subsistence expenses for Members on delegations etc. abroad inadequate and number suggesting improvements

			All MPs
Adequacy of arrangements for travel and subsistence for Members on delegations etc. abroad:			
	Replies to question	(number)	251
	Percentage of total returns	(%)	74
Percentage of replies saying not adequate			(%) 53
<i>Percentage in 1975</i>			(%) 58
Suggested improvements			Number
<i>Increase</i>			
	30 or 33 per cent		2
	100 per cent		3
	400 per cent		1
	£20 per day		1
<i>Other</i>			
	Equal treatment with foreign delegates		8
	All or more items of expenditure should be covered		7
	Some committees/countries are not covered (or not fully covered)		9
	First class travel		13
	Cover full cost (of items at present covered)		18
	Keep pace with rising costs		5
	Other improvements		23
Total number of suggestions			90
Number of Members making suggestions			80

TABLE 12

All Members of Parliament: Percentage considering travel facilities for wives or husbands of Members inadequate and number suggesting improvements

		All MPs
Adequacy of travel facilities for wives or husbands of Members:	Replies to question (number)	296
	Percentage of total returns (%)	88
Percentage of replies saying not adequate	(%)	56
<i>Percentage in 1975</i>	(%)	59
Suggested improvements		Number
<i>Proposed maximum number of warrants per year</i>		
20-24		7
28-30		7
35-40		7
52		2
Unlimited		17
Unspecified		14
<i>Other</i>		
Same facilities as Members		9
Facilities to accompany Members on Parliamentary business in UK		15
Facilities to accompany Members abroad		10
Travel expenses when working for Member		6
Allowance for travel by car		19
Allowance for children to accompany parents		23
Warrants to be usable by children		4
Warrants to be usable by other than wife/husband/children		3
Other improvements		9
Total number of suggestions		152
Number of Members making suggestions		125

TABLE 13

All Members of Parliament: Percentage considering free facilities for postage, telephone calls and stationery inadequate and number suggesting improvements

			All MPs
Adequacy of facilities for postage, telephone calls and stationery:	Replies to question	(number)	327
	Percentage of total returns	(%)	97
Percentage of replies saying not adequate		(%)	35
<i>Percentage in 1975</i>		(%)	34
Suggested improvements			Number
All postage to constituents and/or other Members should be free			8
Overseas postage from House should be free			23
Home and/or constituency telephone calls should be free			58
Telephone calls from anywhere outside the House should be free			9
Telephone calls from the House to EEC countries should be free			13
All telephone calls from the House should be free			12
Telegrams should be free			6
All stationery should be free			2
More stationery, a wider range or special items are needed			7
An 'opting out' allowance should be available for those whose office is not at Westminster			4
Other improvements			10
Total number of suggestions			152
Number of Members making suggestions			108

TABLE 14

All Members of Parliament: Percentage considering the proposed allowance(a) for initial and maintenance costs of general office equipment inadequate and number suggesting improvements

		All MPs
Adequacy of proposed allowance for general office equipment:	Replies to question (number)	317
	Percentage of total returns (%)	94
Percentage of replies saying not adequate	(%)	50
Suggested improvements		Number
<i>Proposed maximum amount for 3 year period</i>		
£400 or £450		7
£500		29
£600		11
£750 or £900		2
£1,000		5
<i>Proposed maximum annual amount</i>		
£150 or £200		7
£250 or £300		10
£500		1
<i>Other</i>		
Higher amount initially		8
Higher amount less frequently		1
£300 every 2 years		2
Cover cost of typewriter/photocopier/dictating equipment/files/filing cabinet		37
Should be index linked		3
Other		16
Total number of suggestions		139
Number of Members making suggestions		133

(a) A maximum of £300 during any period of three years.

TABLE 15

All Members of Parliament: Percentage considering proposed payments of car mileage allowance or reimbursement of costs for all travel within the UK on Parliamentary business inadequate and number suggesting improvements

			All MPs
Adequacy of proposed payment of costs for travel within UK on Parliamentary business:	Replies to question	(number)	326
	Percentage of total returns	(%)	97
Percentage of replies saying not adequate		(%)	14
Suggested improvements(a)			Number
Car mileage allowance should be higher			6
Car mileage allowance takes insufficient account of depreciation/ repairs/insurance			11
Visits for research should be included			2
Travel reimbursement should be tax free			3
Air travel should be included			3
Taxis should be included			4
Other			10
Total number of suggestions			39
Number of Members making suggestions			34

(a) A number of Members, who considered the proposal adequate commented that they would not do so if certain criteria (including index linking (4); the inclusion of air travel or taxi fares (8); that the reimbursement should be tax free (9)) were not met.

TABLE 16

Members of Parliament incurring expenditure on Parliamentary business through the provision of a constituency 'surgery':
 Percentage distribution of annual expenditure incurred through the provision of a constituency 'surgery'

	Annual expenditure (£)											All ranges (100%)	Average expenditure		Expenditure not given			
													No.	£		No.		
	Nil	1-50	51-100	101-150	151-200	201-300	301-400	401-500	501-750	751-1,000	1,001 and over						Over all ranges	Over those with costs
Office holders	%	3	12	15	15	6	24	12	3	9	—	—	No.	33	£	235	No.	3
Other Members	%	6	11	16	14	15	14	7	7	5	3	2	No.	170	£	255	No.	24
All	%	5	11	16	14	13	16	8	6	5	2	2	No.	203	£	252	No.	27

TABLE 17

All Members of Parliament: Percentage considering that other categories of expenditure on Parliamentary business should be covered, numbers asking for certain categories to be paid for and proposals for method of payment

	All MPs	Proposals for method of payment: All MPs(b)			
		Cash allowance or reimbursement	Free facilities	Tax deductible	Un-specified
Whether other categories of expenditure on Parliamentary business should be covered	%				
YES	38				
NO	62				
Replies to question (number)	(330)				
Percentage of total returns	98				
<i>Categories of expense</i>		Number	Number	Number	Number
Travel abroad for:					
Research	12(a)	3	—	2	8
Other purposes	10	5	—	1	4
Entertainment:					
In House	14	4	—	2	8
Constituents (place unspecified)	14	11	—	2	1
Other	22	10	—	3	9
Subscriptions/donations	14	3	—	3	8
Functions	11	5	—	3	3
Books, journals and newspapers	20	6	—	4	10
Wife's/husband's expenses	5(a)	2	—	1	3
Meals in House	9	3	4	1	1
Clothing	3(a)	2	—	1	1
Car purchase	6	2	—	—	4
Food on journeys	5	3	—	—	2
Expenses of constituency office:					
Accommodation	8	1	2	—	5
Assistance (non-secretarial)	11	2	1	—	8
Unspecified	11	4	1	—	6
Office accommodation (place unspecified)	8	—	7	—	1
Other	14	5	—	—	9
Total number of categories/proposals	197	71	15	23	91
Number of Members specifying categories	125				

(a) 1 Member gave two proposals for method of payment.

(b) 78 Members gave 109 specific proposals for methods of payment.

TABLE 18

All Members of Parliament: Distribution in ranges of expenditure on items not covered by existing allowances, arrangements for reimbursement or free facilities

	Annual expenditure (£)										1978		1975		
	Not stated	Less than 101	Annual expenditure (£)								All ranges	Average amount(a)	No.	Average amount(a)	
			101-200	201-300	301-400	401-500	501-750	751-1,000	Over 1,000	No.					£
Travel abroad for research etc.	17	—	—	—	—	—	—	—	—	—	—	22	525	35	442
Entertainment	19	3	2	3	5	—	—	—	—	—	—	48(b)	424	87	319
Subscriptions, donations, and functions	13	2	1	1	—	—	—	—	—	—	—	20(b)	299	30	208
Books, journals and newspapers	8	6	1	1	—	—	—	—	—	—	—	20	135	33	151
Wife's/husband's expenses	1	1	—	—	—	—	—	—	—	—	—	5	294	12	224
Meals in the House	5	—	—	3	—	—	—	—	—	—	—	9	538	7	300
Clothing	—	—	—	—	—	—	—	—	—	—	—	3	375	8	328
Car purchase	4	—	—	—	—	—	—	—	—	—	—	6	3,900	4	653
Total of above	2	—	—	—	—	—	—	—	—	—	—	133	468	216	279
Food on journeys	21	1	—	—	—	—	—	—	—	—	—	5	473	..	..
Expenses of constituency office	8	—	—	—	—	—	—	—	—	—	—	26(b)	1,192	..	..
Office accommodation (place unspecified)	5	3	—	—	—	—	—	—	—	—	—	8	..	..	..
Other	—	—	—	—	—	—	—	—	—	—	—	14	521	7	167
Total of above	—	—	—	—	—	—	—	—	—	—	—	186	517	223	275(c)

(a) Based only on those giving an amount.

(b) These totals are not the sums of the appropriate breakdowns in Table 17 because some Members named more than one item within a category.

(c) The average shown in the 1976 Report (Cmnd. 6574—Appendix A, Table 14) was £281; this included expenses of constituency surgeries and travel in the UK.

TABLE 19

All Members of Parliament: Average hours per week spent on Parliamentary work

	Average hours per week											
	In the House		Outside the House						In total			
	On behalf of constituents		On preparatory work for Parliamentary proceedings		On visits		On Departmental or Government business(a)					
	1978	1975	1978	1975	1978	1975	1978	1975	1978	1975	1978	1975
Minister	25	31	10	14	2	14	1	1	41	..	79	61
Parliamentary Secretary or Under Secretary	29	45	14	13	3	14	1	4	33	..	78	78
Other office holder	59	62	10	12	5	3	3	1	4	..	82	79
All office holders	34	..	11	..	3	..	1	..	30	..	79	..
Other Members	41	46	14	14	7	7	4	3	—	..	65	70
All	40	46	14	13	6	7	3	3	4	..	67	70

(a) In 1975, 'Departmental and Government business' for Ministers and Parliamentary Secretaries and Under Secretaries was partly included under 'hours spent on preparatory work for Parliamentary proceedings' and partly under 'hours spent in the House'. It is not clear, however, to what extent 'Departmental and Government business' was included for Ministers in 1975.

TABLE 20A

All Members of Parliament: Percentage distribution of hours spent in the House

	Percentage of MPs whose average hours per week were											All ranges (100%) No.	
	Under 26	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66 or over	%		
Minister	%	%	%	%	%	%	%	%	%	%	%	%	17
Parliamentary Secretary or Under Secretary	65	18	—	18	—	—	—	—	—	—	—	—	18
Other office holder	44	17	11	22	—	6	—	—	—	—	—	—	10
	—	—	—	10	10	—	20	10	20	30	30	30	10
All office holders	42	13	4	18	2	2	4	2	4	7	4	7	45
Other Members	10	15	8	20	10	21	7	7	1	2	1	2	268
All: 1978	14	15	7	19	9	18	6	7	2	3	2	3	313
1975	7	7	6	15	15	23	6	16	2	4	2	4	406

TABLE 20B

All Members of Parliament: Percentage distribution of total hours spent outside the House on Parliamentary or 'Government' business

	Percentage of MPs whose average hours per week were										All ranges (100%) No.
	Under 12	12-15	16-20	21-25	26-30	31-35	36-45	46-55	56-65	66 or over	
	%	%	%	%	%	%	%	%	%	%	
Minister	—	—	—	—	12	—	6	38	31	12	16
Parliamentary Secretary or Under Secretary	—	—	—	6	19	—	6	44	6	19	16
Other office holder	22	22	11	22	11	—	—	—	11	—	9
All office holders	5	5	2	7	15	—	5	32	17	12	41
Other Members	9	14	19	18	17	9	12	2	1	—	253
All	8	13	16	17	17	7	11	6	3	2	294

TABLE 20C

All Members of Parliament: Percentage distribution of total hours spent on Parliamentary work^(a)

	Percentage of MPs whose average hours per week were											All ranges (100%) No.
	Under 41	41-45	46-50	51-55	56-60	61-65	66-70	71-80	81-90	91 or over		
	%	%	%	%	%	%	%	%	%	%		
Minister	—	—	—	—	—	6	19	50	12	12	16	
Parliamentary Secretary or Under Secretary	—	—	—	—	19	—	12	38	6	25	16	
Other office holder	—	—	—	—	—	11	22	22	11	33	9	
All office holders	—	—	—	—	7	5	17	39	10	22	41	
Other Members	7	4	6	9	15	11	11	23	10	5	247	
All: 1978	6	3	5	7	14	10	12	25	10	7	288	
1975	4	1	6	5	13	11	12	27	9	10	593	

(a) Including, for office holders, 'Departmental or Government business'.

TABLE 21

All Members of Parliament: Number and percentage going abroad on delegations or other Parliamentary work overseas in the 12 months preceding the survey and average number of days spent abroad

	Number of MPs	MPs going abroad		Average number of days spent abroad(a)
		Number	Percentage	
	No.	No.	%	Days
Office holders	50	21	42	15
Other Members:				
Former office holder	78	42	54	27
Not former office holder:				
1 to 5 years' service	85	50	59	24
6 or more years' service	124	69	56	28
Total other Members	287	161	56	27
All: 1978	337	182	54	25
1975	445	165	37	17

(a) Based only on those going abroad.

TABLE 22

Members of Parliament who are not office holders: Percentages with and without other paid occupations

	Former office holder	Not former office holder	Years of service				All	
			Under 6	6-10	11-15	16 or over	1978	1975
Members with other paid occupations	% 83	% 70	% 66	% 75	% 77	% 78	% 73	% 69
Members without other paid occupations	17	30	34	25	23	22	27	31
Replies to question	(76)	(205)	(85)	(63)	(56)	(77)	(281)	(382)
Percentage of returns from non office holders	97	98	100	97	100	95	98	99

TABLE 23

Members of Parliament who are not office holders:
Percentage distributions of hours spent on other paid occupations

Hours spent on other paid occupations	Former office holder	Not former office holder	All	
			1978	1975
	%	%	%	%
While the House is sitting:				
0	5	2	3	} 40
1- 4	38	36	36	
5- 9	25	29	28	24
10-19	25	29	28	26
20-29	8	2	4	8
30 or more	—	1	1	2
Replies to question (number)	(61)	(139)	(200)	(258)
Percentage of returns from those with other occupations	97	97	97	98
During recess:				
0	—	—	—	} 26
1- 4	35	28	30	
5- 9	13	15	15	13
10-19	23	23	23	24
20-29	20	16	17	17
30 or more	8	18	15	19
Replies to question (number)	(60)	(137)	(197)	(248)
Percentage of returns from those with other occupations	95	96	96	94

TABLE 24

Members of Parliament who are not office holders(a): Relationship of hours spent in total on Parliamentary business to hours spent on other paid occupations while the House is sitting

	Percentage (cumulative) of MPs whose total hours spent on Parliamentary business were less than										All ranges	
	41	46	51	56	61	66	71	81	91	Total	No.	
	%	%	%	%	%	%	%	%	%	%	%	%
Members with no other paid occupations	3	5	12	15	31	37	51	76	90	100	100	59
Members with other paid occupations:												
Hours spent while the House is sitting												
0	—	—	—	—	—	—	—	—	—	—	—	4
1-4	5	12	17	24	50	50	75	75	100	100	100	66
5-9	4	6	12	18	35	47	56	82	95	100	100	49
10-19	17	21	29	46	62	71	79	92	100	100	100	52
20-29	25	25	38	38	62	62	62	88	100	100	100	8
30 or more	—	—	—	100	100	100	100	100	100	100	100	1
Not stated	—	—	—	—	25	25	75	100	100	100	100	4
All: 1978	7	11	17	26	41	52	63	85	95	100	100	243
1975	3	5	11	16	31	43	55	82	91	100	100	348

(a) Excludes those not saying whether they had another occupation, and those for whom total hours could not be calculated.

TABLE 25

All Members of Parliament: Opinions on pension provisions

	Office holders	Other Members		All	All MPs				
					Age (Years)		Pre-October 1964 service (Years)		
					Under 40	40-59	Over 59	0	1-9	10 or more
Adequacy of Parliamentary pension arrangements: Replies to question Percentage of total replies Percentage of replies saying not adequate	44 88 61	262 91 69	306 91 68	40 80 52	194 92 66	72 95 81	210 90 66	61 92 70	35 95 77
Adequacy of supplementary pension scheme for Ministers and other paid office holders: Replies to question Percentage of total replies Percentage of replies saying not adequate	39 78 38	Former office holders 53 25 30	Not former office holders 131 39 31	16 32 38	87 41 32	28 37 25	87 37 36	28 42 21	16 43 25

TABLE 26

**All Members of Parliament: Number of suggestions for improvements
in pension arrangements**

Suggested improvements	Office holders	Other members	All
	Number	Number	Number
<i>Parliamentary pension scheme</i>			
Faster accrual:			
One fortieth per year of reckonable service	4	32	36
Other	5	24	29
Unspecified	3	19	22
Higher proportion of salary	—	4	4
Earlier normal retirement:			
60 years	4	6	10
Other	2	1	3
Early retirement should be encouraged	1	10	11
Early retirement option should be improved	1	9	10
Improved death in service benefit	—	11	11
Improved provision for early retirement through ill health	1	3	4
Improved transference of existing pension rights	—	6	6
Improved provision for widows/dependants	7	13	20
Additional back service credit for Members with pre-October 1964 service	—	5	5(a)
Improved protection against inflation(b)	—	6	6
Abolition of four-year qualifying rule	—	5	5
Facility for buying added years at a favourable rate	1	5	6
Pensions should be equivalent to those of civil/public servants	3	12	15
Single MPs and widowers to be able to transfer pension rights to next of kin on death	1	3	4
Lump sum in addition to pension/option to convert part of pension	—	8	8
Equal treatment for widowers and widows	1	4	5
Other improvements	3	48	51
Total number of suggestions	37	234	271
Number of Members making suggestions	26	167	193
<i>Supplementary pension scheme for Office holders</i>			
Faster accrual	4	5	9
Other improvements	12	15	27
Total number of suggestions	16	20	36
Number of Members making suggestions	14	20	34

(a) One Member with less than 15 years' and 4 Members with 15 or more years' pre-October 1964 service.

(b) The Parliamentary pension scheme falls under the provisions of the Pensions (Increase) Act 1971.

TABLE 27

All Members of Parliament: Percentages considering present severance arrangements inadequate and number suggesting improvements

	Replies to question	Percentage of total returns	Percentage of replies saying not adequate	
			1978	1975
<i>Type of MP</i>	Number	%	%	%
Office holders	44	88	66	68
Other Members:				
Former office holders	64	82	52	39
Not former office holders	178	85	61	55
<i>Age (years)</i>				
Under 40	43	86	47	57
40-49	97	87	54	56
50-59	83	83	67	48
60-64	28	85	75	56
65 or over	35	81	60	36
<i>Length of service (years)</i>				
Less than 1	7	88	29	55
1-5	66	81	59	
6-10	65	83	52	60
11-15	74	92	69	47
16-20	31	84	58	42
21-25	18	86	50	
26 or more	25	78	68	
All: 1978	286	85	59	
1975	411	92		53
Suggested improvements		Number		
Severance payment of:				
6 months' salary		22		
12 months' salary		11		
18 months' salary		2		
Increased (but unspecified) number of months' salary		16		
Scheme related to length of service(a)		39		
Scheme related to age		3		
Secretarial allowance/Parliamentary allowance to continue for a period		11		
Statutory redundancy payments		4		
Payable on resignation and/or failure to secure readoption		55		
Based on personal circumstances		8		
Other improvements		22		
Total number of suggestions		193		
Number of Members making suggestions		151		

(a) Includes 2 schemes based both on age and length of service and 14 suggesting one month for each year of service (limited to a maximum of 12 months in 5 cases).

TABLE 28

All Members of Parliament: Percentage considering that there should be linkage of salaries and numbers suggesting various links

	Office holders	Other Members	All
Replies to question (number)	49	281	330
Percentage of total returns (%)	98	98	98
Percentage of replies saying YES (%)	96	89	90
<i>Suggestions for linkage of MP's salaries</i>	Number	Number	Number
<i>Movements in salaries in</i>			
<i>Civil service of which:</i>			
Above Under Secretary	1	4	5
Under Secretary	1	8	9
Assistant Secretary	12	30	42
Below Assistant Secretary	—	4	4
Higher/senior grades	—	16	16
Unspecified	16	88	104
<i>Judiciary of which:</i>			
Circuit Judge	1	8	9
Unspecified	1	12	13
<i>Other specified professions(a)</i>			
Unspecified professions	—	14	14
Unspecified professions	4	12	16
<i>Specified groups of professions(b)</i>			
Specified groups of professions	—	6	6
Unspecified groups of professions	1	6	7
<i>General indices</i>			
Index of retail prices	1	9	10
Average earnings or wages	2	14	16
Average salaries	—	1	1
Earnings and prices	—	2	2
Unspecified	—	4	4
Other (including unspecified)	5	12	17
<i>Suggestions for linkage of Ministers' and office holders' salaries</i>			
Ministers to receive more than their highest civil servants	3	3	6
Link to grades above civil service Assistant Secretary	2	1	3
Other	—	3	3
Total number of suggestions	50	257	307
Number of Members making suggestions	42	229	271

(a) MPs in other countries (2); European Parliament (4); General medical practitioner (2); Armed forces rank (4); Ombudsman (1); and senior inspector (police) (1).

(b) Permanent Secretary, judge (1); Civil servant, accountant, doctor, judge, businessman (1); Headmaster, journalist, crown court judge, consultant physician, Captain (RN), professor, bishop (1); Civil servant, judge (1); Civil service, local government, armed forces (1); and civil service, teaching, law (1).

TABLE 29

All Members of Parliament: Additional comments offered by respondents

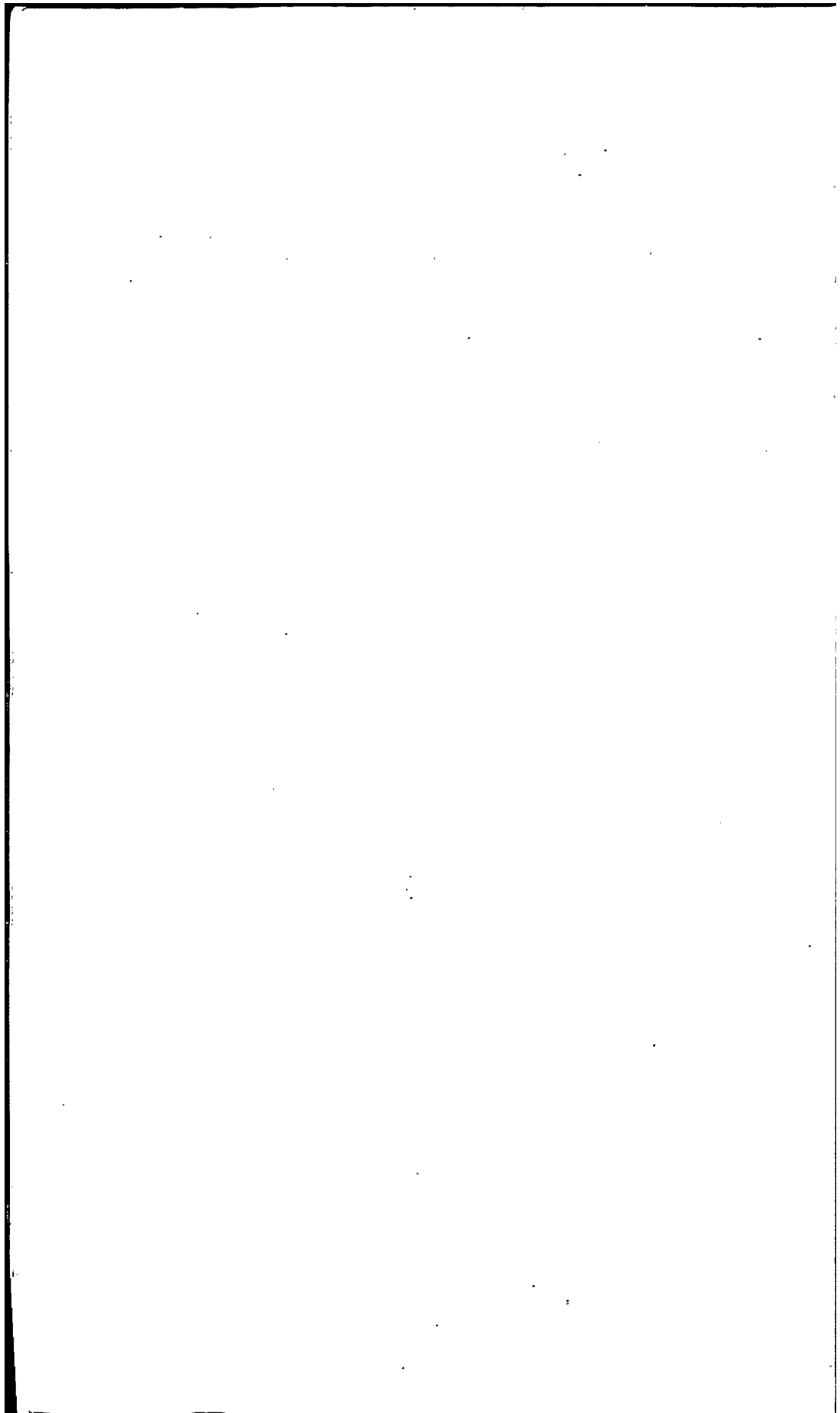
	Office holders	Other Members	All
	Number	Number	Number
Present personal financial situation difficult	—	10	10
Was better off before becoming an MP and/or would be better off in outside job	1	5	6
Salary too low compared with that of servants of the House	—	3	3
Salary too low compared with representatives abroad	1	9	10
Specific salary levels suggested	1	22	23
Ministerial salaries must be at a proper level	2	14	16
Ministers should get a higher proportion of an MP's salary	—	3	3
Salary is more important than allowances	1	23	24
Payment for members of the Chairmen's Panel	—	3	3
Supplement for members of committees	—	4	4
Salary or higher allowances for opposition office holders	1	4	5
All necessary expenses should be reimbursed	1	5	6
The status of an MP is related to the salary level	—	5	5
Full-time and part-time MPs should not be distinguished	—	1	1
Full-time MPs should get more than part-time MPs	1	—	1
The quality of MPs is likely to decline	—	5	5
There should be fewer constituencies	—	3	3
There is a need to attract a wide range of candidates	1	7	8
Claims against tax are preferable to allowances	—	1	1
Volume of work has increased	1	9	10
Important that this report be implemented in full	2	16	18
Linking of salaries is the most important reform needed	2	12	14
Next salary increase should be staged	—	4	4
Continuous scrutiny of a changing situation needed	—	2	2
Other	1	19	20
Total number of comments	16	189	205
Number of Members offering comments	12	111	123
Number of Members returning questionnaire	50	287	337

APPENDIX D

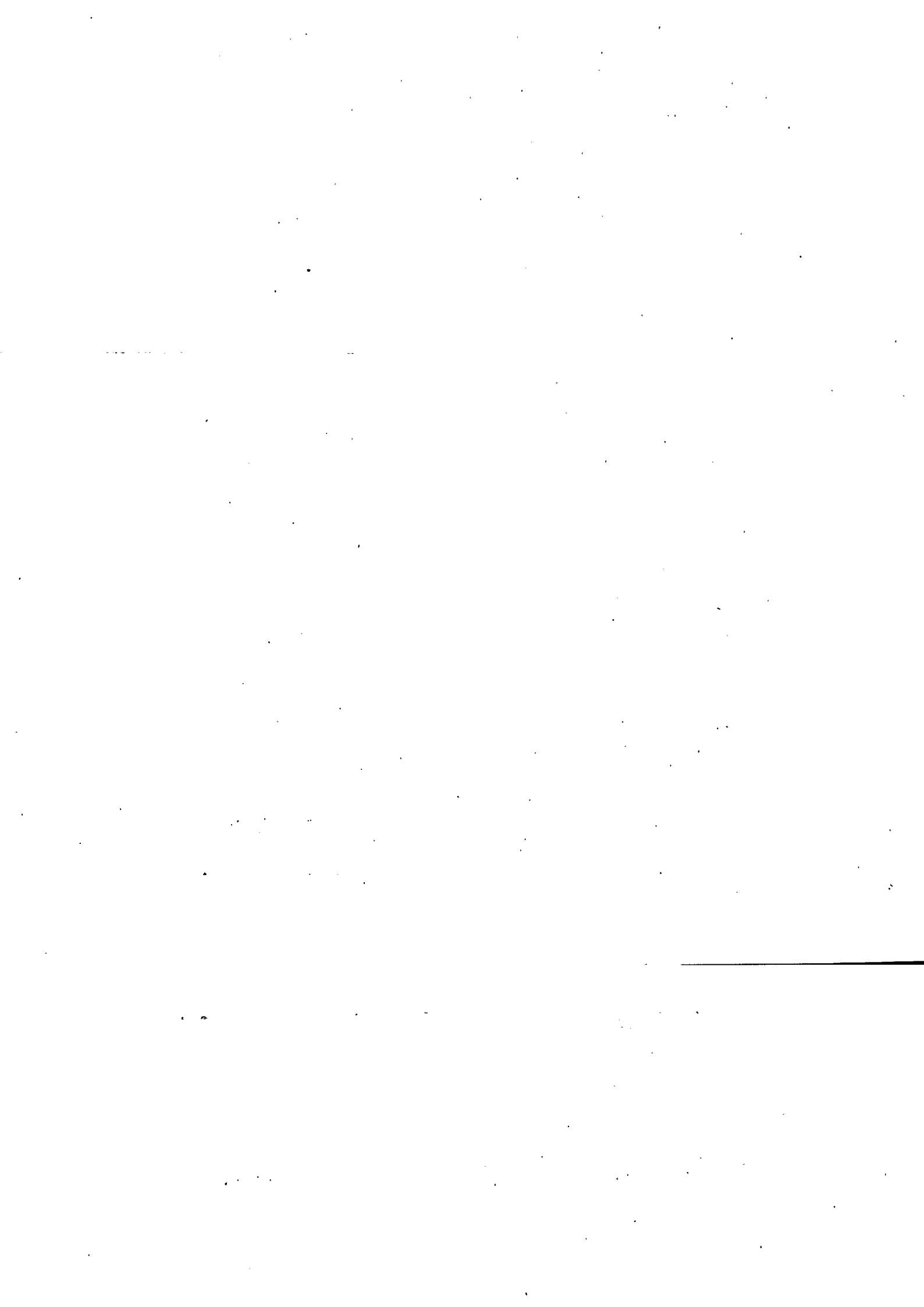
PAY AND PRIVILEGES OF PARLIAMENTARIANS IN OTHER COUNTRIES

1. In order to find out the salaries, allowances and other benefits received by Members of overseas Parliaments, the Clerk of the House of Commons arranged for a detailed questionnaire to be sent to various overseas Houses on our behalf.

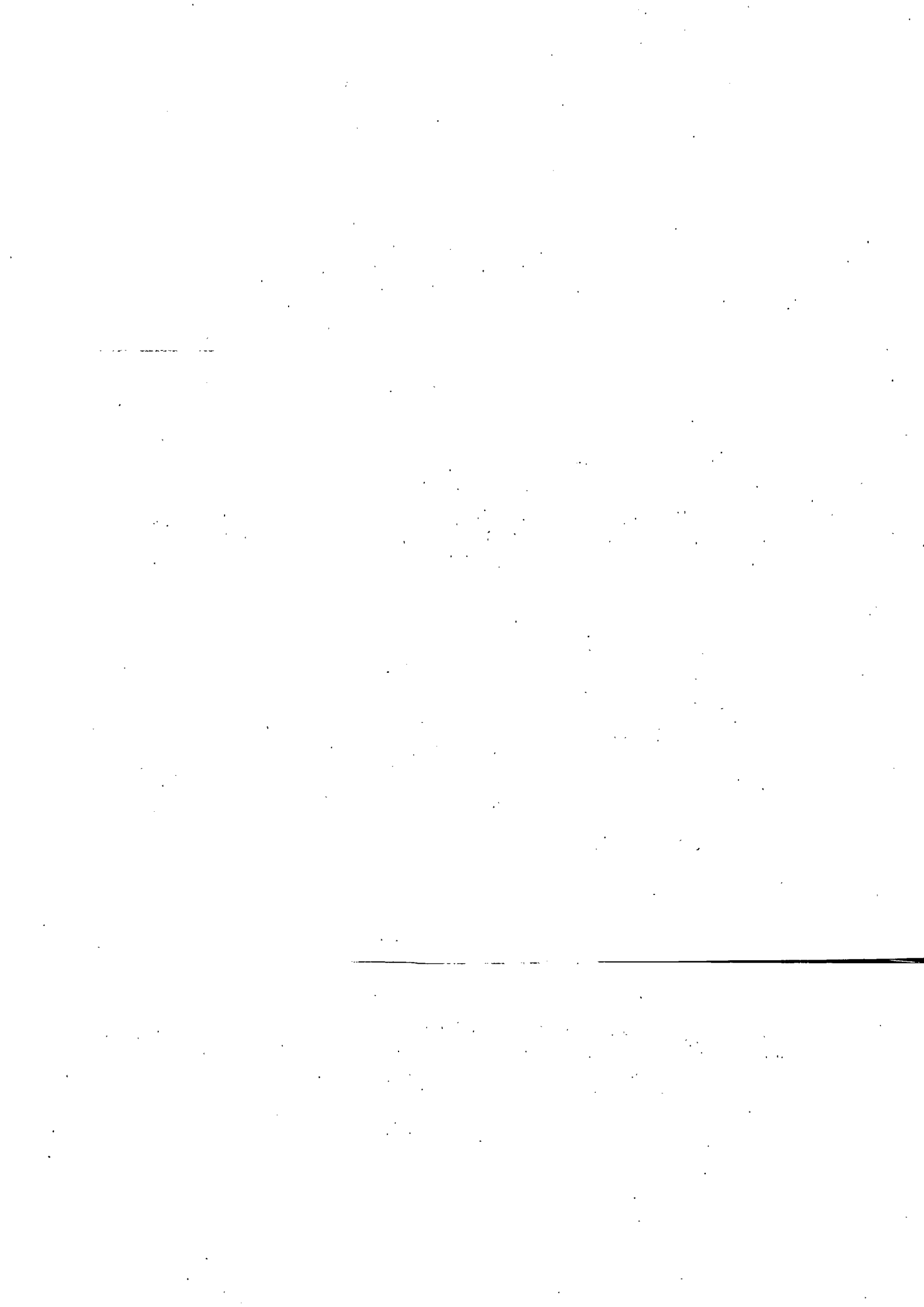
2. The information received has been summarised by the Office of Manpower Economics and is set out in the following tables. It provides a broad indication of the way in which different countries manage the remuneration of Members of Parliament. Care should however be taken in comparing one country with another or with the situation in the United Kingdom. The value of the salaries, allowances and privileges will be affected by differences in living standards, the cost of living and the methods and levels of taxation.



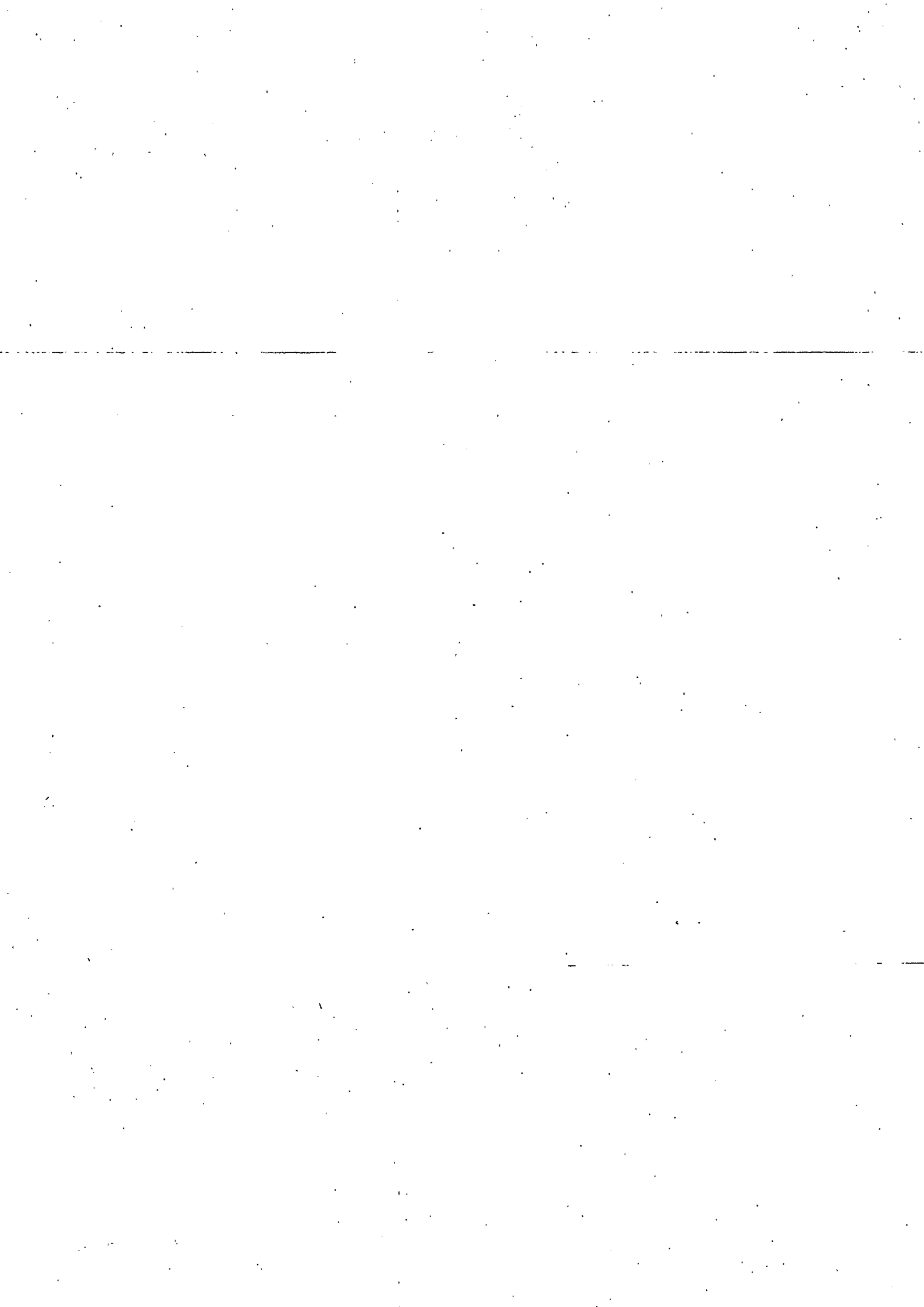
	(c) Special allowances	(d) Relationship to civil service salaries and cost of living (COL)	(e) Secretarial/research arrangements and allowances	(f) Travel concessions	(g) Postal/telegraphic services	(h) Office accommodation and allowances	(i) Pensions	Are Members a m
Ministerial salary	Special salary of office ranging from \$600 (£319) for Senators to \$28,250 (£15,011) for Deputy Prime Minister plus non-taxable "special" allowance.	Not linked. Members' salaries are determined by independent Remuneration Tribunal. Salary currently equates to approx. level 1 of the second division of the public service. Remuneration Tribunal has related increases to COL in recent times.	Members employ at public expense a secretary in an electorate office and an additional staff member who may be located at the electorate or Parliamentary office as an assistant. Secretarial assistance is also provided at Parliament.	Free travel on Parliamentary business. Car mileage allowance. Provision for family travel at government expense. On serving of 20 years in Parliament (or the life of 7 Parliaments) Members are entitled to free travel pass on retirement.	Free telephone calls within Australia. Free postage if concerned with official business.	Office facilities provided at government expense.	Members are included in the provisions of the Parliamentary Contributory Superannuation Act, 1948.	No.
Ministerial salary	Members living outside Vienna are entitled to a "distance" allowance (ie an amount between 10% and 20% of the highest public salary). Distance allowance is paid 12 times a year.	Salaries are closely linked to the civil service and are the equivalent of the highest grade.	Subsidies for secretarial assistance are paid to the Parliamentary Party. It is considered the party's business to assist the Member. Each party receives public money in the form of a basic sum for 4 university graduates, 4 typists and the annual salaries of a further 2 university graduates for every 10 Members.	Free travel by rail, sea or bus anywhere in the country. Air fares are payable for Parliamentary business. No allowance for family.	Expenses are refunded in part according to a certain ratio.	No office allowance. Resources at Parliament are considered sufficient.	Those who cease to be Members receive a single severance payment based on length of service plus a monthly pension if they have been Members for at least 10 years. (Increasing on a length of service basis.) Provision for widow's pension.	No.
Ministerial salary	Bda \$65 (£31) a day subsistence allowance. Chairmen and Members of Committees are paid Bda \$7.50 (£4) per meeting.	Pay is determined on same basis as civil service (ie reviewed every 2 years). There is an automatic increase if the COL index rises by 8%. Present Members' salaries equate to approximately 33% of the top civil service salary.	No allowance. Parliamentary library is sufficient to meet research needs. One secretary is available to type reports etc.	Free travel concessions if on Parliamentary business. No allowance for family.	Postage is not paid for by Parliament. Free telephone.	Member's room is available. Stationery etc is free.	Members qualify for pension if 60, have been in Parliament for 8 years or an officer for 3 years.	Yes.
Ministerial salary		No link. Members' pay is increased by 7% or rise in average weekly wages/salaries whichever is the lesser.	Allowance of \$58,000 (£24,298) for secretarial assistance at the Ottawa and constituency offices. Research assistance can be paid for out of the allowance. There is a library service and use can be made of party research units.	Total reimbursement of most fares and substantial help towards others. Expenses for family travel come out of expense allowance.	Free postage and telephone if on Parliamentary business.	Each Member has an office in Ottawa and receive an allowance of \$4,800 (£2,011) to operate a constituency office.	Compulsory contributory pension scheme based on length of service.	No.
Ministerial salary	Cost of Living Allowance of Kr 12,617.04 a year (£1,139) is paid to Members living within 45 km. of Copenhagen; Kr 19,254.72 (£1,739) for Members residing elsewhere in Zealand and Kr 37,195.08 (£3,359) for others.	Linked directly to civil service salary. Salary is adjusted twice annually for COL.	No allowance but Party Groups are allocated an amount out of Parliament's budget and can distribute it for clerical assistance. Library service available.	Free travel on domestic rail, sea and air services. Free travel abroad only if on Parliamentary business. No allowance for family.	Postage is not paid for by Parliament. Free telephone calls if on Parliamentary business.	Every Member is allocated an office at Parliament.	Pension entitlement if Member has served for not less than 8 years, and is 67 years old. Provision for widow's pension.	No - as service.



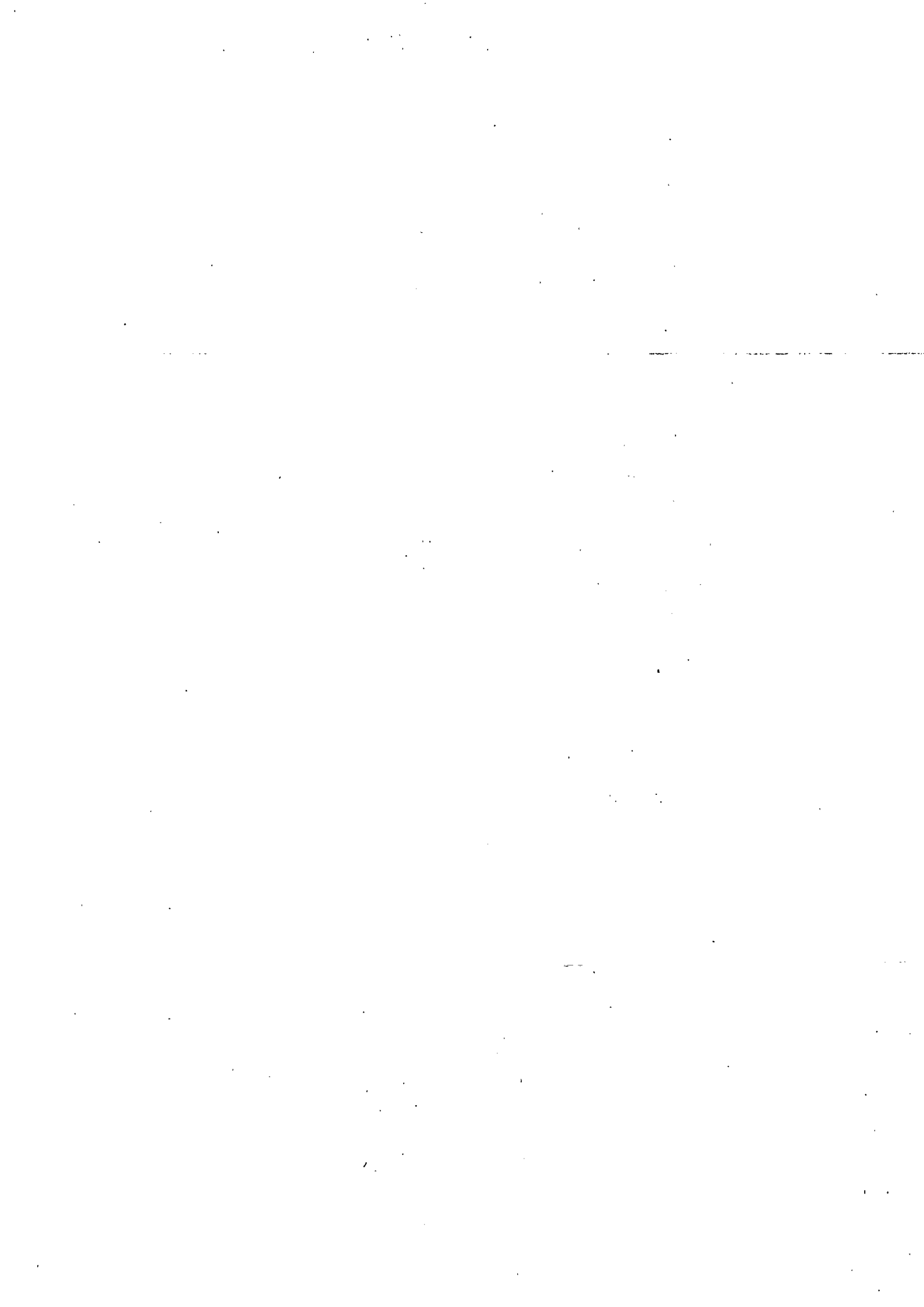
(b) Ministerial salary	(c) Special allowances	(d) Relationship to civil service salaries and cost of living (COL)	(e) Secretarial/research arrangements and allowances	(f) Travel concessions	(g) Postal/telegraphic services	(h) Office accommodation and allowances	(i) Pensions	Yes—included in wide public	No
cannot continue in Ministerial duties after	Members may apply for a loan to purchase property in Paris or the constituency for official/private use. Parliament makes payments to political groups.	Linked to the salaries of the highest paid civil servants and reviewed accordingly.	Each Deputy gets a secretarial allowance and an allowance to employ an assistant for research purposes. Parliament pay the wages of the secretary and assistant and charge the expense to the individual Deputy. There is a library and Parliamentary research facility. A pool of secretaries employed directly by Parliament may be used by Members for urgent work.	Free travel on rail system, 40 return trips to constituency each year, 4 return trips outside constituency. Parliamentary motor pool available for travel in and around Paris. Spouses may apply for half-fare travel by rail but a deduction is made from the Member's Parliamentary Allowance.	Members have a certain amount of free telephone calls. The number varies according to the distance of their constituency from Paris. Once the number of free calls is exhausted, the Member pays for calls out of the Parliamentary Allowance. Free postage for Parliamentary business.	Each Member has an office and use of office equipment. Put-up-bed also provided.	Pension at 55 based on length of service.	Based on length of service.	Compulsory contributory pension scheme based on length of service.
g a Minister, salary ceases.	Additional allowance of Rs 500/- per month to pay for secretarial/office expenses.	Not linked. No automatic COL increase.	An additional allowance of Rs 500/- per month (£29) is paid towards secretarial assistance. There is a pool of stenographers at Parliament to provide assistance to Members.	Free 1st class rail travel plus 1 free 2nd class pass for one person to accompany Member. Free return travel from home to Parliament. 1 free 1st class rail pass for wife to travel between home and Parliament during session.	Paid out of additional allowance for office/secretarial expenses but free phone and 15,000 free local calls a year.	No office expenses. Expenses for a constituency office come out of additional secretarial allowance.			
salary is paid to Member's	Overnight allowances payable in respect of attendance at a Committee meeting. Expense allowance is payable to the Leader of qualified party—mainly for secretarial and research assistance.	Not specifically linked to civil service. At present, a Member's salary is approx. 48% of the salary of the permanent head of a Government Department.	Members are not individually responsible for secretarial/research assistance. The parties supply the assistance although 20 clerical officers paid by the State can be used by all parties. There is a library service.	Free travel within the country. The Irish Parliamentary Association provide a grant to carry out international Parliamentary duties. No allowance for family.	Free post and telephone if used for Parliamentary business.	Offices are provided for Members in the Parliament buildings. No office expenses are paid to Members.			



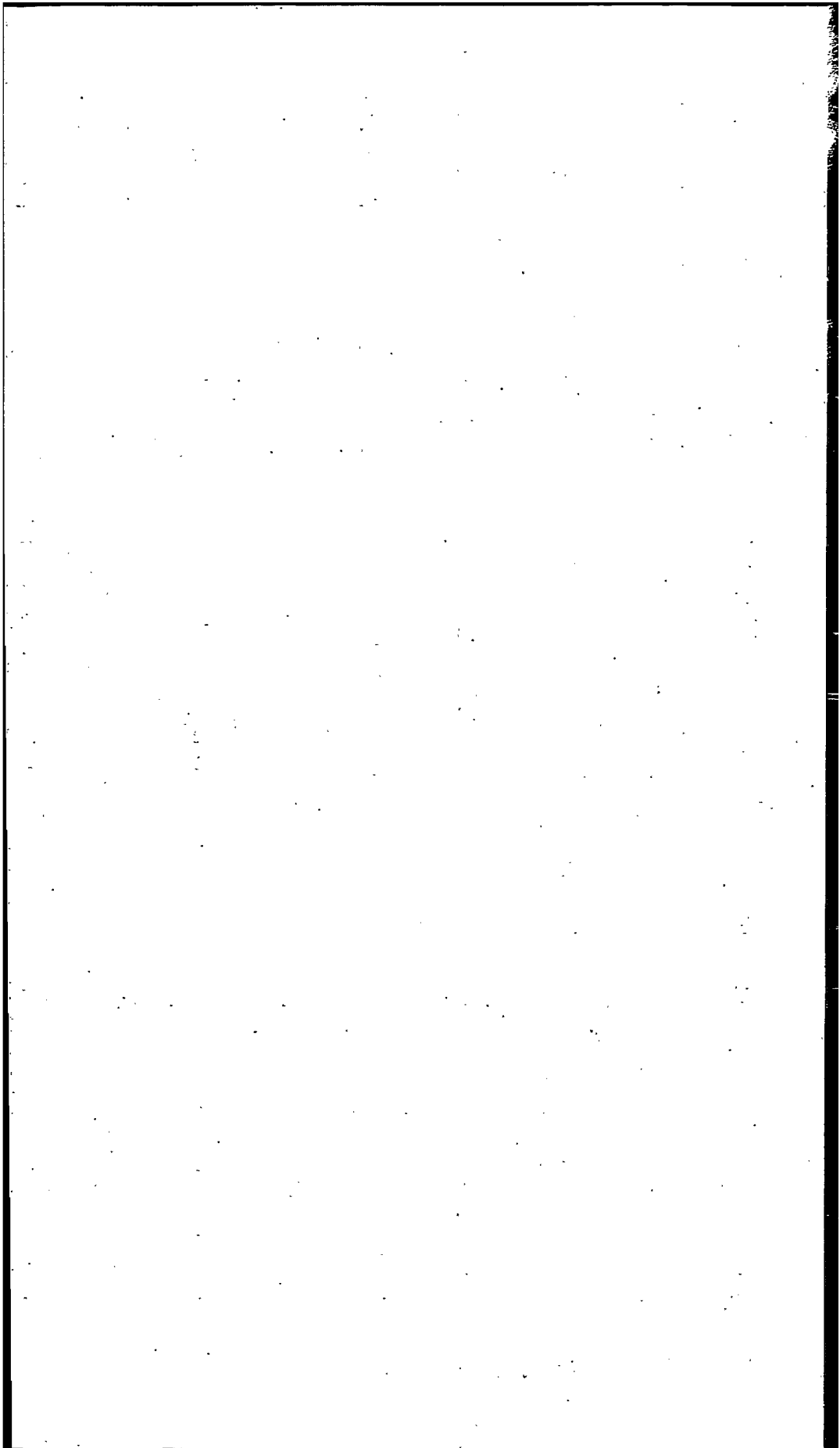
(b) Ministerial salary	(c) Special allowances	(d) Relationship to civil service salaries and cost of living (COL)	(e) Secretarial/research arrangements and allowances	(f) Travel concessions	(g) Postal/telegraphic services	(h) Office accommodation and allowances	(i) Pensions	Are Members a major
; a Minister, salary ceases.	218 Israel £ (£5) for a committee attendance on a day when the plenum is not sitting (if the committee sits in the Member's home town he receives 60% of the amount). A Member not living in Jerusalem will have his hotel bill paid at the rate of 250 Israel £ (£5) for each of 2 nights he stays in the capital to attend plenary sittings. Payment toward the rent of a flat in Jerusalem of 300 Israel £ (£6) per month. Every political party receives 44,000 Israel £ (£928) monthly for every one of its Members in the Knesset as running expenses for party activities.	Not linked to civil service salaries but increases are linked to the COL.	No allowance paid. A library is available.	Free bus/rail travel in Israel.	Postage in the Knesset is paid. At home, a Member is allowed 21,000 free telephone calls a year.	Office needs are partly met in the Knesset building.	After 12 years' service a Member qualifies for a pension equal to 70% of the Member's salary.	No.
	Yen 650,000 (£1,416) a month for communication and transport (not taxed). A committee chairman receives an allowance of Yen 4,500 (£10) a day for miscellaneous expenses. Daily allowance to cover accommodation/other expenses if absent on Parliamentary business. Financial assistance is given to each political party to facilitate Members' legislative studies.	By law Members must receive not less than the highest pay for ordinary government officials and the same monthly pay as the Parliamentary Vice-Ministers who are categorised as special government officials. The ratio of the Member's salary to that of Administrative Vice-Minister is currently 102.7%.	Each Member has 2 secretaries paid for by the State. No allowance is payable for research assistance. There is a library/research department.	Free travel on Japanese railways. Air travel paid.	See special allowance.	No office expenses but each Member is provided with an office equipped at State expense.	Pension based on length of service (minimum 10 years).	No.
ry of office + if not in a residence.		No link. Member's salary is about 50% of the salary of the head of a major government department. No automatic COL link - increases are by Parliamentary review.	Pool of secretaries at Parliament. No allowance. Library can fulfil research function.	Members are reimbursed travelling expenses for journeys between home and Parliament. Nominated MPs have a travel allowance for 12 official journeys within the country. International travel is paid for. No family allowance except for Ministers travelling abroad when under special circumstances wives may travel.	No postage allowance, local telephone calls allowable. Trunk calls are paid for if on official business.	No office allowance.	No pension other than National Social Security Scheme. All Members but Ministers earn a 20% gratuity p.a. of basic salary.	Yes.



(b) Ministerial salary	(c) Special allowances	(d) Relationship to civil service salaries and cost of living (COL)	(e) Secretarial/research arrangements and allowances	(f) Travel concessions	(g) Postal/telegraphic services	(h) Office accommodation and allowances	(i) Pensions	Are Members a major
do not remain		No link to civil service. Salary is currently approx. 20-25% of that of a permanent head of a major Government Department after tax. Increases are automatic by reference to COL. Salary can be reduced for too many absences.	No secretarial/research allowance. Wages for secretaries are paid out of Parliament's budget.	Allowance of 7 F per km. between residence and Parliament. All travelling expenses paid for official business.	Free post and telephone on a national basis.	No allowance.	No pension.	Yes.
do not remain		No link with civil service. No COL increases.	State employs secretaries for Ministers. Library facility.	Free travel if on Parliamentary business. Mileage allowance for travel from home to attend Parliamentary business. No allowance for family.	Free post and telephone if official business.	No allowance.	Members contribute 5% of salary and the government 10% of Member's salary into Parliamentary super-annuation scheme. On leaving Parliament, this money is paid back to the Member with interest.	No.
do not remain	An allowance is paid in relation to distance of home from The Hague.	Not specifically linked. Salary is currently approx. 55% of head of major government department.	Members can have an allowance of up to Guilders 23,884 pa (£5,069) for wages of a personal assistant. Parliamentary groups receive government money for staff.	Free travel if on official business. No allowance for spouses.	Free post and telephone if for official business.	Office space is provided at Parliament.	Based on length of service on attaining 65. Provision for widow's pension. If a Member has to leave Parliament before 65 but over 50 he may receive unemployment pay until 65, when the Member qualifies for a pension.	No.
do not remain	Yearly expense allowance paid according to position. A daily allowance of \$8 (£4) for a day's attendance (\$20 (£10) if overnight stay necessary) in respect of committees or Parliament.	Not fixed to civil service but rates are reviewed at similar 3 yearly intervals with a provision for COL adjustments. At present, basic salary is approx. 47% of that of head of major government department.	Secretaries are provided in Wellington though their number is inadequate to meet the needs of Members. Members' secretaries are paid by the State but the Member's electorate allowance includes a proportion for secretarial assistance in the electorate. Party research facility.	Unrestricted free internal travel for Members and spouses. Children travel half fare between home and Wellington. A rebate depending on length of service is payable for travel on Air New Zealand and other designated routes.	Rental and toll charges are made for telephones. International calls are free if for official use.	Each Member has his own office and office accommodation is also provided for his secretary.	Two-thirds basic salary after 22 years' service.	No.

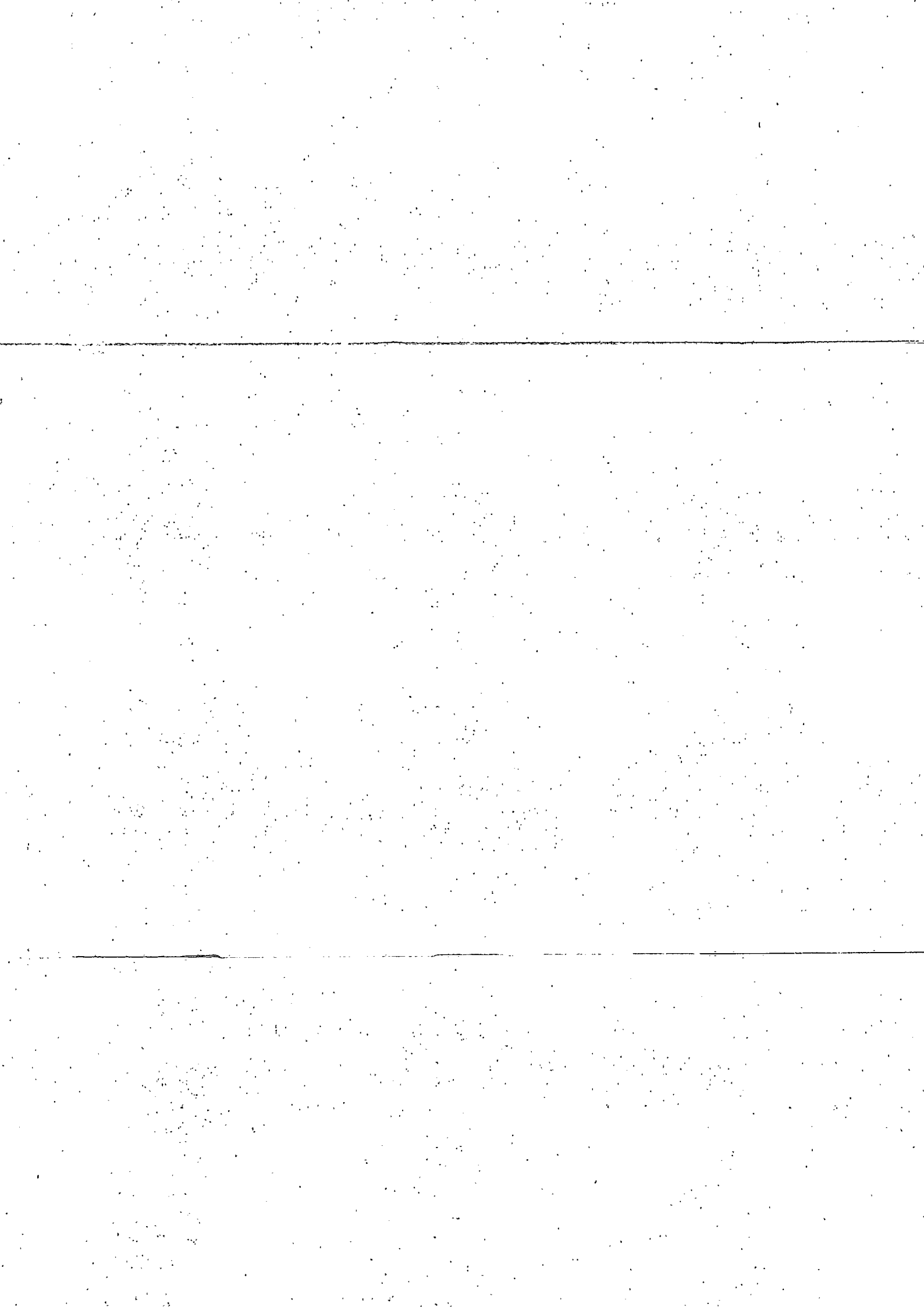


(h) Accommodation and allowance	(i) Pensions	(j) Are Members' salaries a major political issue?	(k) Members' work outside Parliament
Member has a rent office in rent building.	Pension at 65 according to length of service. If no entitlement to pension a Member may in special circumstances be granted a severance payment.	No.	Members may take other jobs but in practice do not have the time to do so.
Leaders of House opposition are provided with office accommodation.	No pension.	No.	Some jobs are considered by law to be incompatible with a Member's position.
Advance paid, Member have the use of office space at Parliament.	Members qualify for pen- sion if they are over 50 and have 9 years' reckon- able service. A Member in senior Parliamentary office with less than 8 years' service qualifies for a separate pension.	No.	Members of the Cabinet and Parliamentary Sec- retaries are not permitted to hold any office of profit and must not en- gage in any commercial enterprise. Members who are not Ministers are allowed to have other jobs.
Member has an office at Parliament. The sec- retaries of the party are also allocated space.	Parliamentary pension based on length of service.	No.	Members can have outside jobs.
Government provides space for each Member at District Party HQ.	After 10 years' continuous service as an MP. If only 5 years' continuous service, Member receives a gratuity.	No.	Not permitted.



(a)	(b)	(c)	(d)	(e)	(f)	(g)	Office an
Annual payment to Members	Effect of Ministerial salary	Special allowances	Relationship to civil service salaries and cost of living (COL)	Secretarial/research arrangements and allowances	Travel concessions	Postal/telegraphic services	
Norway Krone 130,000 (£12,104) a year.	Ministers are paid a salary of Krone 194,000 (£18,062) a year. Members who are Ministers cannot continue as MPs.	Daily allowance during Parliamentary session based on distance between Oslo and Member's home. Taxable. Parliament has furnished flats for Members in and around Oslo for rent by Members.	Member's salary is linked to a special grade in the public service which is linked to the COL so that increases are automatic.	The party group of the Member receives Krone 10,000 (£931) a year to defray the expenses for secretarial assistance. No research assistance allowance but party group can provide facilities.	Unrestricted free travel anywhere in the country. No allowance for family.	Free telephones if Parliamentary business.	Each Member has a permanent Parliamentary office
Pakistan 1,500 rupees a month (£876 a year). 1,000 rupees a month (£588 a year) is exempted from income tax.		Subsistence Allowance. Some assistance is given to Members who do not wish to arrange private accommodation.	No link with Civil Service. Member's salary is approx. 33% of that of the head of a Government Department.	No allowance.	Some assistance for travel on Parliamentary business is given. No allowance for family as such but Members are given travel vouchers.	No postal allowance. Allowance is paid for telephone charges.	Only Members and Clerks provide accounts
Singapore Allowance of Singapore \$1,340 a month (£3,504 a year) tax paid.	Paid according to position in addition to allowance.		Not linked to civil service. Member's allowance is approx. 26% of pay of head of Government Department.	No allowances for secretarial/research assistance. There is a library.		Free post and telephone within the country. International calls must be paid for.	No allowances for Members' machines
Sweden Krone 100,296 (£10,973) a year taxable.	If a Member is appointed a Minister, a substitute Member is appointed. As a consequence, the Member loses his Member's salary and allowances.	Committee chairmen get a fee of Krone 8,400 (£919) a year. Expense allowance for Members who are resident more than 70km from Parliament. Reimbursement of cost towards maintaining a residence in Stockholm all year round. Members are also covered for life insurance by Parliament.	Salary is linked to civil service and corresponds to 10/12 of the salary paid to employees in subdivision F25 (just under the level of senior official).	Parliamentary groups get an allowance for payment of a secretary for every 8 Members. There is a central typing service for Parliament. A library and party research assistance are available.		No postage allowance. Local/national telephone calls are free if placed from Parliament.	Each Member has a permanent Parliamentary office
Tanzania Shillings 36,000 (£2,130) a year. Taxable.	Salary according to post. If a Member becomes a Minister he receives only Ministerial salary.	Entertainment allowance as a Minister. Subsistence allowance is payable.	No automatic increase with COL. Not linked to civil service salaries. Member's salary is approximately 71% of that of the head of a major Government Department.	No allowance is paid. A Member is expected to utilize services available in his District Party or Government Office. There is a small library.	Free travel between constituency/home and Parliament. No allowance for family.		The Government has an office in his constituency





(i) Ministerial Secretary	(c) Special allowances	(d) Relationship to civil service salaries and cost of living (COL)	(e) Secretarial/research arrangements and allowances	(f) Travel concessions	(g) Postal/telegraphic services	(h) Office accommodation and allowances	(i) Pensions	Are Members a member No.
Ministerial Secretary	<p>Each private Member of the National Assembly receives a tax-free allowance of Kwacha 1,200 (£77) a year. Each elected Member of the Assembly receives a tax-free constituency allowance of K. 500 (£303) or K. 600 (£364) a year depending on the size of the constituency. Each nominated Member receives an allowance of K. 400 (£242) a year in lieu of a constituency allowance. Subsistence allowance is paid according to distance of home from Lusaka. Attendance allowance is paid when a private Member is on Assembly duties.</p>	<p>Not linked to civil service. Members' salary is approx. 53% of that of the head of a major government department. No COL increases.</p>	<p>No allowance is paid for secretarial assistance. There is a research library facility.</p>	<p>Cost of journey between home and Lusaka is paid. Members' hotel in Lusaka currently under construction.</p>	<p>Each Member receives K. 100 (£61) a year to cover postage, telephone etc.</p>	<p>No office accommodation is provided.</p>	<p>No pension. Tax-free gratuity at the rate of 12½% of basic salary is paid to any Member who has served the National Assembly as a Member for 3 years. The Speaker receives a tax-free gratuity of 12½% of basic salary for any period of service.</p>	<p>No.</p>

APPENDIX E

THE PEERS' EXPENSES ALLOWANCE: ELIGIBLE ITEMS

1. Paragraph 60 above suggests that it would be beneficial for Peers to have some guidance on the items that are eligible for claims under the allowance and those that are not. These items were indicated in Report No. 9¹ and are summarised as follows in relation to the groups now recommended.

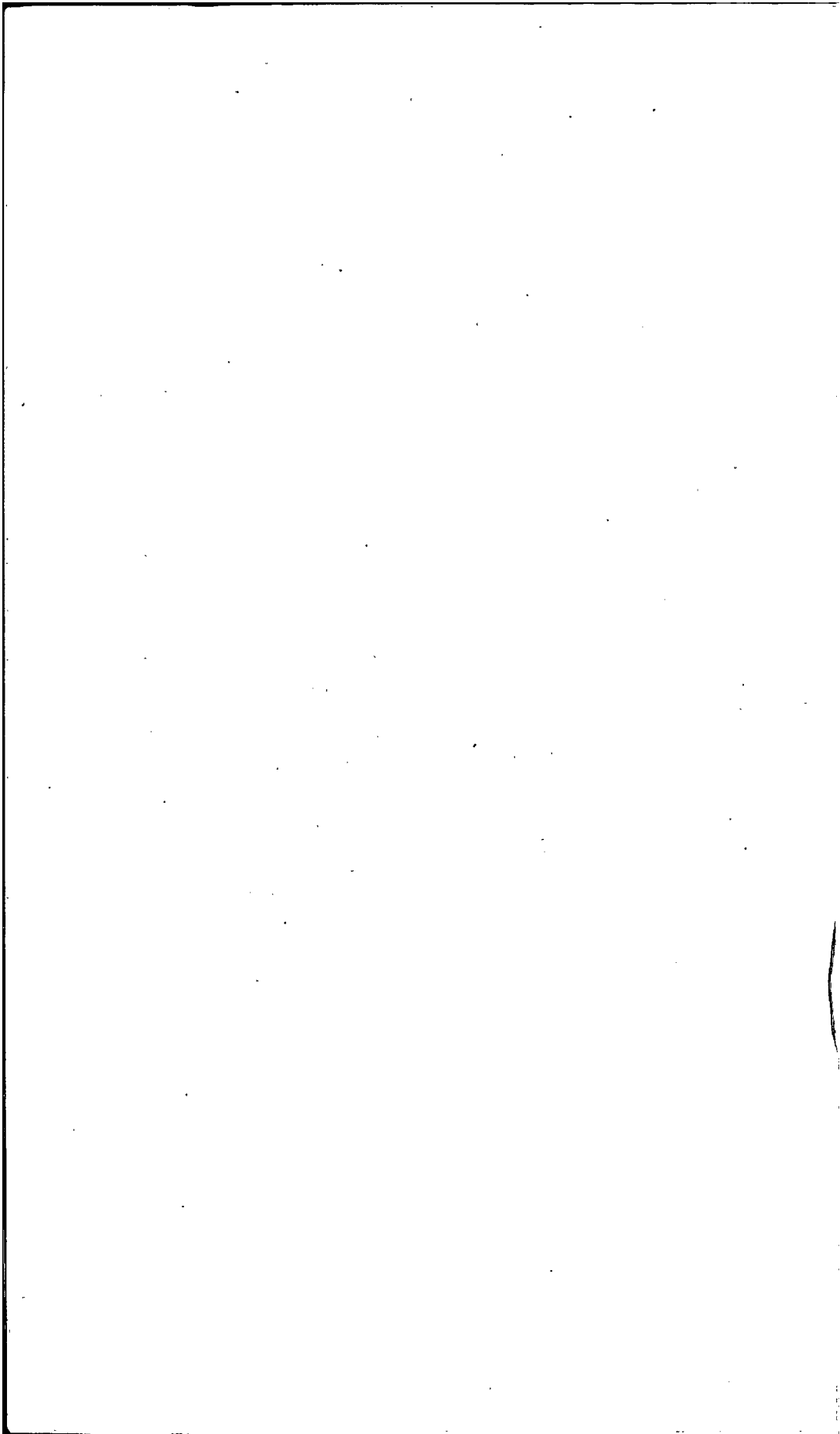
2. Expenditure on the following items should be eligible to be claimed against the Peers' expenses allowance: overnight subsistence (where an overnight stay in London is necessary because of attendance at the House of Lords on Parliamentary business); daytime subsistence; travel (other than travel for which the costs are separately reimbursed or which attracts payment of the car mileage allowance); secretarial assistance (including, where appropriate, the cost of necessary equipment); postage; and certain additional expenses (additional domestic and 'personal briefing' costs as defined in Report No 9, paragraph 33) incurred in pursuit of House of Lords' business.

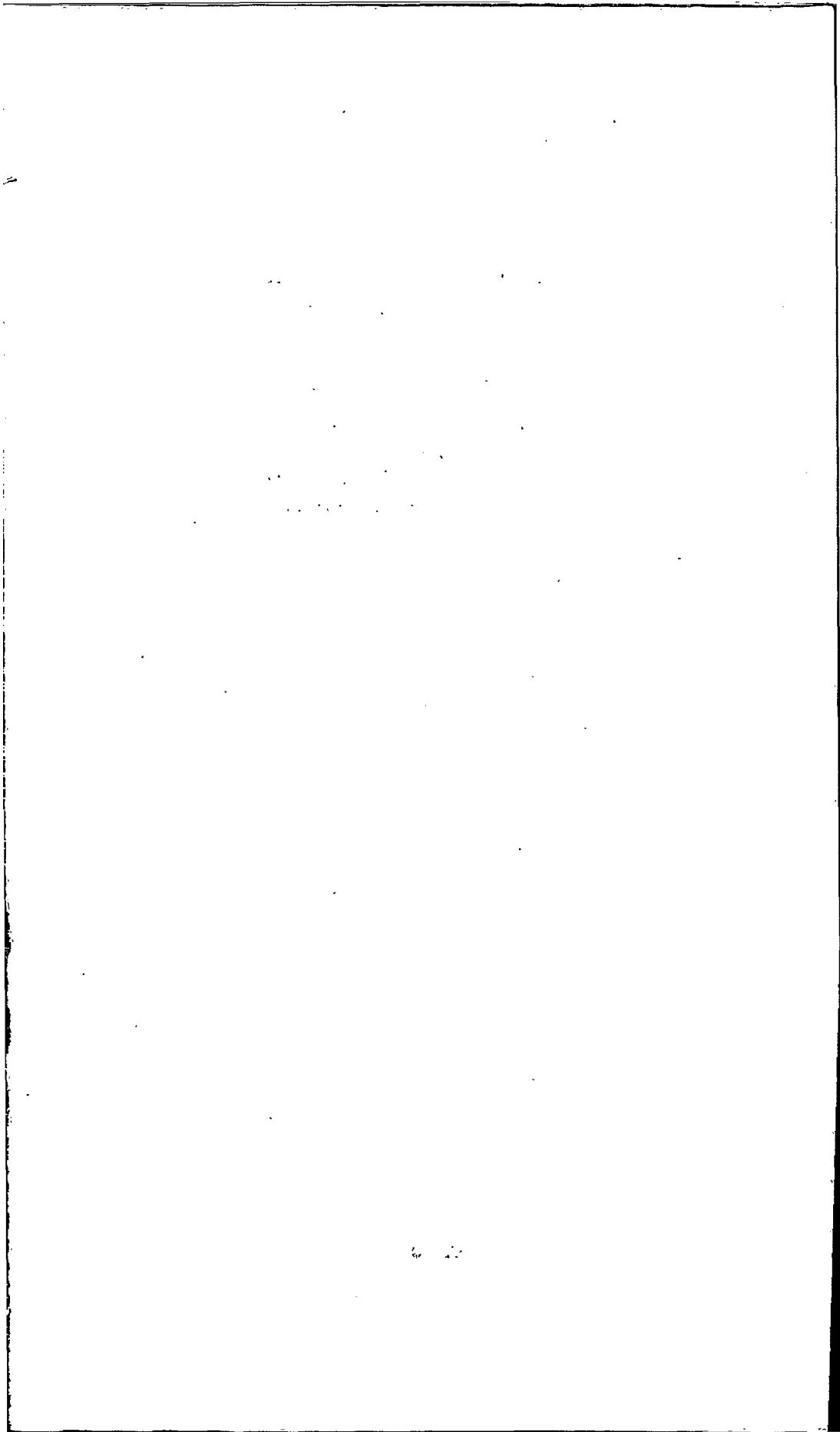
3. For the purpose of claims against the allowance, eligible items would be divided into three groups, each with an individual daily maximum as follows:

- (i) overnight subsistence (maximum – £18.50)
- (ii) day subsistence and incidental travel (maximum – £9.00)
- (iii) secretarial costs and postage and certain additional expenses (maximum – £8.50).

4. Claims against items in the first and second groups would be restricted, within the daily maxima, to the amounts actually incurred on an individual day of attendance at the House of Lords. Claims against items in the third group may be arranged to recover actual expenditure over a period whether incurred at or away from Westminster, subject to the existing requirement that claims must be made within 3 months of incurring the expenditure and to the limit provided by the daily maximum for the group and the number of days of attendance at Westminster. In all cases where a group contains more than one item, actual expenditure incurred on individual items may be claimed provided that the maximum for the group is not exceeded. Vouching of expenditure is not envisaged. Loss of earnings and expenditure incurred on hospitality and on travel for a Peer's wife or husband, are excluded.

¹Review Body on Top Salaries, Report No 9: Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part III—Cmnd. 6749.





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