

Frequently asked questions on MEPs' salary and allowances

More detail at <http://www.carolinelucasmep.org.uk/euro-parliament/#pay>

1. Why are MEPs' allowances a controversial issue?

The European Parliament's allowances regime for Members has been heavily criticised, and rightly so, for its lack of effective control. For a long time it was a system based largely on trust, and different countries have different cultures regarding these issues.

It is gradually becoming more accountable, not least because the Greens have been in the forefront of efforts to promote change, and because the cross-party Campaign for Parliamentary Reform (CPR), of which Caroline is an active member, has been growing in influence. The new Parliamentary term, which began in July 2009, has therefore seen a number of welcome changes to the expenses regime.

Caroline's personal commitment to parliamentary reform has been recognised by the campaign group Open Europe, which in May of last year, gave Caroline top ranking among all UK MEPs for transparency on expenses and accountability. See www.openeurope.org.uk/media-centre/pressrelease.aspx?pressreleaseid=110

The CPR has also named her as the UK's most pro-reform MEP, on the basis of analysis of voting behaviour in 40 votes on parliamentary reform since she was elected in 1999.

2. How much money does an MEP get each year?

MEPs are paid an annual salary of 91,980* euros. This figure was proposed by an independent panel, who suggested MEPs should be paid the equivalent of 38.5% of the salary of a European Court judge.

In order to perform their duties, MEPs can also make formal applications for an allowance of up to 50,424 euros* for office running costs. The Parliament also allows MEPs to apply for funds to meet their travel costs and accommodation when moving between UK, Brussels and Strasbourg.

Prior to July 2009 MEPs were paid salaries at a rate equivalent to MPs in the country they represent, leading to huge discrepancies. For example, in 2002 Italian MEPs earned 130,000* euros while Spanish MEPs earned barely a quarter of that, at 32,000 euros*. Scrapping this in favour of equal salaries helped push through some of the recent reforms of the salary and allowances system.

When the new equal salary arrangement was voted on, it would have represented a decrease in wages for UK MEPs. However, changes in the exchange rate mean this is not the case at present. Nevertheless, Caroline

will personally be no better off as she donates the net difference in the new salary, as well as 15% of the net total, to the Green Party. Her salary is subject to an EU level tax and accident insurance contribution, and she pays tax and National Insurance under the UK system too.

3. What do MEPs do in return for their salaries?

MEPs work on a huge range of European legislation. For example, Caroline is currently piloting new legislation through the European Parliament which would ban the import of illegally logged timber into the EU. She is also proactive when it comes to making sure that the UK government upholds European law designed to protect eg workers rights and the environment. She actively campaigns on a range of issues including consumer protection and human rights, regularly winning awards for her work.

Caroline takes her responsibilities as an elected representative very seriously and has an excellent track record of responding to constituent's enquiries. She receives around 100 of these each day on average and aims to respond in full within 6-8 weeks.

A typical MEP in the South East of England represents over 9 million constituents, compared to the average MP who represents around 90,000 people. The South East MEPs effectively represent 83 Westminster parliamentary constituencies. If a Party has just one MEP in a region, as the Greens do at present, that MEP has no opportunity to share the volume of constituency work with colleagues.

Caroline recognises that she is in a privileged position and, as a public servant, continues to work hard to justify the trust placed in her by voters. Caroline's working week often totals up to 80 hours.

3. How does an MEP's salary compare to what MPs are paid?

At the current exchange rate* a UK MEPs salary is £80,025. MPs are paid an annual salary of £64,766 - and the Mayor of London gets £250,000.

MEPs used to be paid the same amount as MPs from their member states but because MP salaries across Europe differ enormously, this system was recently changed. When the new rules were introduced the exchange rate would actually have meant a pay decrease for UK MEPs, something Caroline supported.

4. Does Caroline give money to the Green Party?

Caroline donates a share of her salary to the Green Party because, like many people in this country, she wants to give some of her income to a cause she supports. She recognises that MEPs are very well paid, and with this comes a commitment to doing what she can financially to further green politics.

Of course, in a genuinely democratic system, there would be state funding of political parties but until that happens the Green Party has to rely on private donations from individuals.

5. How does Caroline's expenditure compare to that of other MEPs in the region?

MEPs in the South East of England represent over 9 million constituents so it is important to have a staffing and office infrastructure in place to do this job properly. Not all of them publish information about how allowances are spent so it is difficult to make comparisons. However, from what we can calculate, Caroline's spending is at, or below, average when matched against that of the other South East MEPs.

6. Does Caroline publish receipts for her expenditure as an MEP?

One of the reforms Greens have been promoting for many years is for MEPs to provide supporting documentation for at least 50% of the general expenditure allowance that they can claim for running costs. This was one of the recommendations made by an independent panel looking at the salary and allowances system, and ways of making it more accountable and transparent.

Greens have always argued that MEPs themselves are not the best people to review salaries and allowances and that the Parliament should be guided by an independent body on such matters. Despite the proposal being opposed by other political groups, Caroline decided to publish receipts along these lines on a voluntary basis from the start of the new parliamentary term ie July 2009 onwards. To date, neither Conservative nor Labour MEPs publish any receipts at all.

Caroline seeks to strike a balance between accountability, and using time and resources effectively. Publishing every single receipt would be very time consuming and is not necessarily more of a priority than fighting for the best possible EU legislation and representing constituents. Basically accounting for every last paperclip takes a significant amount of time that isn't then spent providing a very good service for constituents. Caroline also thinks it is important to campaign and vote in favour of reforming the allowance systems so that voters can have faith in these.

Caroline's accounts are verified by an independent firm of auditors and you can read their certificates for the years ending December 31 2008 and 2009 at <http://www.carolinelucasmep.org.uk/euro-parliament/#pay>

7. Who decides what Caroline's MEP staff are paid?

The UK staff pay bands are in line with those for equivalent staff in Westminster. The Green MEPs have an approved Paying Agent which makes decisions about salary increases and where staff are positioned within the

relevant pay bands. Brussels staff have their pay bands determined by the European Parliament.

8. Do MEPs get any extra allowances for travel?

Yes. MEPs have to work across at least 3 countries - Brussels (where day to day parliamentary work takes place), Strasbourg (where the parliament's monthly voting plenaries are held) and the constituency. They can claim travel costs for moving between these places and in the first 7 months of 2009 Caroline claimed £11,540*.

She travels by train wherever possible. Since the new Parliament was formed in July 2009 MEPs have to produce tickets to claim back these costs but under the previous system travel was paid out at a flat rate. Caroline did not use any excess for personal gain. Rather it was used to fund other aspects of her work at European level, for example, research and conference attendance.

The South East is a large region that spans from eg Banbury in North Oxfordshire and Folkestone in south east Kent, so Caroline also used any excess under the old travel system to cover some of the costs incurred travelling around the constituency. The new ticket based travel allowance system includes a distance and duration rate as well as the ticket cost so, again, Caroline is putting this money towards constituency based travel.

If MEPs accept properly documented invitations to go on fact finding missions to other member states or countries outside the EU, they can claim back these costs from a personal travel allowance budget up to a maximum of 4148 euros*. In 2009 Caroline spent 642 euros* from this allowance on travelling to Israel and Palestine, as a Member of the Parliament's permanent delegation to the Palestinian Authority.

9. MEPs get paid a subsistence allowance - what is this for, and how many days does Caroline claim?

The subsistence allowance is designed to cover subsistence and accommodation, since MEPs are required to spend significant amounts of time in 3 different countries: Brussels (where day to day parliamentary business takes place), Strasbourg (where the MEPs attend a plenary session for one week each month to vote on legislation) and the constituency. No receipts are required since this is a lump-sum payment, made if MEPs sign the official register or the attendance list at official meetings.

In 2008 Caroline claimed 122 days worth of subsistence allowance - the rate was 287 euros* per day. In 2009 this increased to 298 euros* and she attended 96 days. The reduction in days is because Parliament was in recess during the European election period.

11. Are Caroline's efforts to be transparent just a response to the MPs expenses scandal?

Caroline updates the information on the pay and allowances pages of her MEP website on a regular basis - see <http://www.carolinelucasmep.org.uk/euro-parliament/#pay> At times this is in response to feedback or questions from constituents and at times to reflect the Green Party's efforts to demonstrate leading best practice. Whilst revelations about Westminster MPs expenses have meant that MEPs finances are, quite rightly, facing new levels of scrutiny, Caroline has made information publicly available for much longer.

She has been recognised for her to commitment to reform and accountability since first elected as an MEP in 1999. For example, the Campaign for Parliamentary Reform voted her one of the most pro-reform MEPs, whilst Open Europe's 2009 analysis of votes, behaviour and attendance saw her ranked as the top British MEP when it comes to promoting transparency, democracy and accountability.

12 What have Greens been doing to try and clean up the MEPs pay and allowances system?

Greens in the European Parliament have been in the forefront of proposing reforms across the MEP salary and allowances system. The rules which came into force in July 2009 requiring MEPs to present tickets to claim back travel expenses at cost, rather than simply receiving a flat mileage rate, are a result of work by Greens. However, these reforms have not been more far reaching because of the refusal of the other political groups, including those to which Conservatives and Labour belonged, to agree proposals.

Caroline has particularly called for reforms that include:

- introducing an efficient and transparent system for reimbursing all members' allowances
- abolishing the parliament's monthly lock-stock-and-barrel move to Strasbourg, which causes huge expense and disruption
- introducing transparent rules on the funding of political parties
- improving working conditions for parliamentary staff

13. What does Caroline do to promote transparency in her work?

Greens have been actively campaigning to promote democracy, accountability and transparency at EU level.

Each MEP has to declare any financial interests each year in the Parliament's register. You can see Caroline's here - http://www.europarl.europa.eu/ep-dif/4524_17-06-2009.pdf

From 2010 onwards she is also recording what lobbying she is subject to in the European Parliament and will be posting this information on her MEPs

website on a regular basis. The website allows anyone to access all Caroline's speeches in plenary, formal written questions, written declarations (like Early Day Motions in the Westminster Parliament) and motions in the European Parliament. It is a comprehensive record of her work and an important part of Caroline's commitment to being open about her role as an MEP.

* exchange rate as of January 22nd 2010 - £1 = 1.15 euros

January 2010