



Remuneration Tribunal

Remuneration Tribunal (2018/08 Members of Parliament) Amendment Determination 2018

REASONS FOR DETERMINATION

Legislative Framework

Sub-section 47(6) of the *Parliamentary Business Resources Act 2017* (the PBR Act) requires the Tribunal to notify its reasons for each determination made in relation to members of Parliament to the Minister and to publish those reasons on the Tribunal's website.

What *Determination 2018/08* Does

Remuneration Tribunal (2018/08 Members of Parliament) Amendment Determination 2018 amends the principal determination, *Determination 2017/23: Members of Parliament*, with effect from 26 August 2018.

The determination sets out the domestic travel and motor vehicle allowances for parliamentarians.

The Tribunal's Reasons

The Tribunal reviews and updates the travel and motor vehicle allowance rates for offices within its jurisdiction, including parliamentarians, on an annual basis.

The new travel allowance rates for the various locations specified in the determination reflect those set each year by the Australian Taxation Office (ATO) as reasonable travel expense amounts, with a small number of exceptions detailed below.

The ATO rates are included in *Taxation Determination TD 2018/11: Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2018-19 income year?*

This year most travel allowance rates have increased slightly while a few have decreased.

The Tribunal sets the Canberra travel allowance rate for parliamentarians at a rate discounted by over a third when compared to the ATO's reasonable daily travel expense rate for Canberra. Nevertheless, the Tribunal takes into account increases in the ATO rates, which reflect increases in costs in Canberra, in determining its own Canberra rate. The rate the Tribunal is determining this year, \$288, represents a small increase from the previous rate of \$285.

The Tribunal has also adjusted the Canberra Daily Allowance for parliamentarians from the Australian Capital Territory (and those from adjoining electorates who live within 30 kilometres of Parliament House). This has been increased by the same percentage as the increase to the Canberra travel allowance rate, from \$90 to \$91.

Where the Commonwealth pays for the accommodation of a Minister a lesser travel allowance rate applies for meals and incidental costs up to a limit of \$184 per day (a small increase from the previous rate of \$181 per day). This limit is based on the highest ATO rate for meals and incidentals.

The Prime Minister's travel allowance rate for each overnight stay in a place other than an official establishment or the Prime Minister's home base will be set at a limit of \$577. This is a small increase from the previous limit of \$571, which the Tribunal bases on the average adjustments in ATO reasonable expense amounts for the eight capital cities.

The new motor vehicle allowance rate aligns with the rate in the ATO's *Income Tax Assessment Act 1997 – Cents per Kilometre Deduction rate for Car Expenses 2018* (MVE 2018). The rate has increased slightly from 66 cents per kilometre to 68 cents per kilometre.

The Tribunal's determination is available on its website - <http://remtribunal.gov.au/>

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17 August 2018