



REMUNERATION TRIBUNAL

Determination 2017/13 ***Members of Parliament – Entitlements***

REASONS FOR DETERMINATION

Legislative Framework

Section 7A of the *Remuneration Tribunal Act 1973* (the Act) requires the Tribunal to notify to the Minister its reasons for each determination made in relation to members of the Parliament of Australia and to publish those reasons on the Tribunal's website.

What *Determination 2017/13* does

Principal Determination *2017/13* supersedes and revokes in full Principal Determination *2012/04: Members of Parliament – Entitlements* (the Determination) (as amended) which sets out various travel and remuneration related provisions to members of parliament.

This determination implements a number of decisions the Tribunal made on 5 May 2017 to amend provisions consistent with the recommendations of the report 'An Independent Parliamentary Entitlements System – Review'. The reasons for those decisions can be found at [5 May 2017 Statement.pdf](#)

This determination also removes the requirement that private plated vehicles provided to parliamentarians be Australian made, and limits the value of standard private plated vehicles to the Australian Taxation Office's (ATO) luxury car tax threshold for non-fuel efficient vehicles (\$65,094 for 2017/18).

This determination also implements changes to the provisions that set Life Gold Pass qualifying periods as a result of the Government's decision in February 2017 to reduce, remove, and reform the benefits. The changes rename the 'Life Gold Pass' travel provisions to 'Parliamentary Retirement Travel', and remove the qualifying periods applicable to Ministers, the President of the Senate, the Speaker of the House of Representatives, the Leader of the Opposition, Parliamentary Secretaries and Senators and Members.

These changes will take effect on 1 July 2017.

The Tribunal's Reasons

Private Plated Vehicles

The Government requested the Tribunal to consider amending the Determination for parliamentarians to remove the requirement that private-plated vehicles be Australian made vehicles. The Tribunal's current determination advises that a senator or member, at his or her request, shall be provided with an Australian made private plated standard vehicle, as advised by the Special Minister of State.

The Tribunal received advice that amendments to the Australian Government Fleet Vehicle Selection Policy have been agreed that, while maintaining a set of parameters for selecting vehicles, will remove the requirement for government fleet vehicles to be

Australian made. The Government also requested that the value of private plated vehicles available for parliamentarians be limited to the luxury car tax threshold for non-fuel efficient vehicles, as advised by the ATO from time to time.

The closure of Australian production by Ford in October 2016, and the impending closure of operations at Holden and Toyota, have impacted on the availability of Australian made vehicles. The Tribunal has been advised that the availability of Australian made vehicles is now limited to two models.

In light of the limited availability of Australian made vehicles and the practicality that a range of vehicles should be available to meet parliamentarians' differing circumstances, the Tribunal has agreed to remove this restriction.

The Tribunal has agreed also to limit the value of vehicles to below the ATO's luxury car tax threshold for non-fuel efficient vehicles. This cap is comparable to the arrangements currently in place for parliamentarians, and excludes vehicles considered by the ATO to be luxury vehicles. It is indexed independently and annually by the ATO.

Life Gold Pass

The *Parliamentary Entitlements Legislation Amendment Act 2017* (PELA Act) amended the *Members of Parliament (Life Gold Pass) Act 2002* to rename the Act the *Parliamentary Retirement Travel Act 2002*, and implemented a number of reforms to the Life Gold Pass Scheme. The PELA Act also changed the name of the 'Life Gold Pass Entitlement' to the 'Parliamentary Retirement Travel Entitlement', and reduced, removed, and reformed the benefits provided under the entitlement.

The Tribunal's changes to the Determination correspond to the provisions of principal legislation, as amended.

The Tribunal's determination is available on its website:

<http://www.remtribunal.gov.au/>

Remuneration Tribunal

June 2017