



Remuneration Tribunal

Determination 2015/12 ***Members of Parliament – Travelling Allowance***

REASONS FOR DETERMINATION

Legislative Framework

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

What *Determination 2015/12* Does

Determination 2015/12 replaces previous Principal *Determination 2014/16: Members of Parliament – Travelling Allowance* with effect on and from 30 August 2015.

The *Determination* sets out domestic travelling allowances payable to members of the Parliament and Ministers of State. It also sets out conditions of payment and other related matters.

The Tribunal's Reasons

The Tribunal updates the travelling allowance rates for offices within its jurisdiction, including parliamentarians, on an annual basis. The new 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.

This year the rates have either remained static or there have been minor increases. The ATO rates are included in *Taxation Determination 2015/14: Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2015-16 income year?*

The Tribunal sets the Canberra rate for parliamentarians at considerably less than the ATO's reasonable expense amounts rates 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, \$273, represents a small increase from the previous rate of \$271.

The Tribunal has also adjusted the daily expense 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 non-resident Canberra rate from \$85 to \$86.

Ministers and specified Parliamentary office holders (other than the Prime Minister) are, in exceptional circumstances where the Commonwealth has paid the accommodation costs, entitled to an allowance for meals and incidental costs up to a limit of \$170 per day. This limit which is based on the ATO rate for food, drink and incidentals for the highest paid employees has increased to \$173 per day.

The Prime Minister's rate for accommodation and sustenance 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 \$564. This is a small increase from the previous limit of \$560, which the Tribunal bases on the average adjustments in ATO reasonable expense amounts for the eight capital cities.

The Tribunal's determinations and reports are available on its website - <http://www.remtribunal.gov.au/>.

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17 August 2015