



Remuneration Tribunal

Determination 2013/17 ***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 2013/17* Does

Determination 2013/17 sets out travelling allowances payable within Australia to members of the Parliament and Ministers of State, and related conditions of payment.

It replaces previous Principal *Determination 2012/19: Members of Parliament – Travelling Allowance*, with effect on and from 1 September 2013.

The Tribunal's Reasons

Each year the Tribunal updates the travelling allowance rates for offices within its jurisdiction, including parliamentarians. Generally this occurs in August each year. The new rates closely reflect the amounts determined each year by the Australian Taxation Office (ATO) as reasonable travel expense amounts.

The Tribunal has considered the ATO amounts set out in *Taxation Determination 2013/16: Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2013-14 income year?* and determined adjusted rates, via *Determination 2013/17*, to take effect on and from Sunday, 1 September 2013.

As previously noted, most of the rates determined by the Tribunal mirror the ATO's amounts. There are, however, some exceptions.

The rate for an overnight stay in Canberra will be set at \$268 (up from \$260). This is much less than other office holders in the Tribunal's jurisdiction will be entitled to receive, reflecting the Tribunal's view that parliamentarians spend a considerable amount of time in Canberra over the course of a year and can elect to make more settled accommodation arrangements there. The adjustment factor for this rate (2.7% rounded up to the next dollar) is equivalent to the average increase for reasonable travel expense amounts for Canberra in the three salary tables in the ATO Determination.

Parliamentarians from the Australian Capital Territory (and those from adjoining electorates who live within 30 kilometres of Parliament House)

are not entitled to the previously mentioned rate. Instead, they receive a daily expense allowance for each day on which they conduct business as specified in the Determination. This has been adjusted by the same factor as for the 'Canberra overnight' allowance, that is 2.7% (rounded up to the nearest dollar). This means the allowance has increased from \$81 to \$84.

Ministers and specified Parliamentary office holders (other than the Prime Minister) also receive a daily expense allowance in certain exceptional circumstances, currently up to a limit of \$164 per day. This figure is based on the ATO rate for food, drink and incidentals for the highest paid employees. In the ATO Determination, this amount has increased to \$167 (rounded up). Accordingly, the Tribunal has also increased the allowance in its Determination to \$167.

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 is currently set at \$545. The Tribunal has adjusted this by the average adjustments in Table 3 of the ATO Determination for the eight capital cities. This is 2.3%, so that the Prime Minister's rate has been adjusted from \$545 to \$558.

The Tribunal has also determined that when any Minister, not just the Deputy Prime Minister, acts as Prime Minister, he or she will be entitled to the same travel allowance arrangements as the Prime Minister.

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

Remuneration Tribunal
19th August 2013