



## Remuneration Tribunal

### Determination 2012/19 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 2012/19 Does

Determination 2012/19 sets out travelling allowances payable within Australia to members of the Parliament and Ministers of State, and related conditions of payment.

The Determination, which replaces *Determination 2011/16: Members of Parliament – Travelling Allowance* (as amended), comes into effect on and from 26 August 2012.

##### The Tribunal's Reasons

Each year the Tribunal updates the travelling allowance rates for offices within its jurisdiction, in the main closely reflecting the amounts determined each year by the Australian Taxation Office (ATO) as reasonable travel expense amounts. It is understood that the ATO rates are based on a survey of actual costs at various locations.

The Tribunal has considered the ATO amounts set out in *Taxation Determination 2012/17: Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2012-13 income year?* and determined adjusted rates, to take effect on and from Sunday, 26 August 2012.

As previously noted, most of the rates determined by the Tribunal mirror the ATO's amounts. However, the rate for an overnight stay in Canberra will be set at \$260 (up from \$253). 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 can make more cost effective arrangements in Canberra because of the extended periods spent there. The adjustment factor for this rate (2.5% 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, and have received for many years, 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 2.5% (rounded up to the nearest dollar). This means the allowance has been adjusted from \$79 to \$81.

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 \$159 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 \$164 (rounded up). The Tribunal continues to utilise the ATO figure, and has thus adjusted the figure in the Determination from \$159 to \$164.

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 \$531. The Tribunal has adjusted this by the average adjustments in Table 3 of ATO Determination 2012/17 for the eight capital cities. This is also, coincidentally, 2.5%, so that the Prime Minister's rate has been adjusted from \$531 to \$545.

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

Remuneration Tribunal  
20 August 2012