



REMUNERATION TRIBUNAL

Statement

Travelling Allowance Rates for Public Office Holders and Parliamentarians

The Remuneration Tribunal recently determined increased travelling allowance rates for public office holders in its jurisdiction and for parliamentarians. Rates for parliamentarians are the same as those determined for public office holders, except for Canberra.

The Tribunal adopts the rates established by the Australian Taxation Office (ATO) in its determination of reasonable allowances for business travel. The ATO adjusts its determination with effect from 1 July each year. The rates for the 2009/2010 financial year are set out in ATO Determination TD 2009/15. The Tribunal's practice was advised in the Statement of 22 March 2004¹, and mentioned in subsequent Annual Reports.

The Tribunal understands that the rates determined by the ATO are based on an assessment of accommodation and meals costs in various destinations around Australia. It seems evident from recent ATO determinations that movements in cost frequently vary from one geographic location to another.

The ATO determines three separate rates of reasonable travel expenses which apply to differing remuneration levels. The Tribunal also adopts this approach, determining, for each public office in its jurisdiction, one of three travel allowance 'tiers'. Tier 1 is set at the upper level of the ATO rates; tier 3 at the lowest level.

Travel allowance rates for parliamentarians - apart from *'Specified Office Holders'* and the Prime Minister - are the same as the tier 2 rates for public office holders. Specified Office Holders are defined in Tribunal Determination 2008/15; they include ministers, the Speaker of the House and President of the Senate, and leaders of the major political parties including the Nationals and the Greens. Their travel allowance is set at the same level as tier 1 for public office holders.

One exception to this is that the Tribunal has, for some time, discounted the travel allowance rate for parliamentarians staying in Canberra from the standard rate for public office holders. The tier 1 and tier 2 travel allowance rates for public office holders for Canberra will be, from 30 August 2009, \$380 and \$314 respectively; the parliamentarians' rate will be \$230. The Tribunal has adopted this approach on the basis that, as they may ordinarily expect to be in Canberra for extended periods, parliamentarians may be able to make more economical arrangements.

19 August 2009

¹ <http://www.remtribunal.gov.au/determinationsReports/byYear/2004dets/2004-Report1.pdf>