



REMUNERATION TRIBUNAL

Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2022

REASONS FOR DETERMINATION

Legislative Framework

Sub-section 47(6) of the *Parliamentary Business Resources Act 2017* (the PBR Act) requires the Tribunal to notify its reasons for each determination made in relation to members of Parliament to the Minister and to publish those reasons on the Tribunal's website.

What *Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2022* does

Remuneration Tribunal (Members of Parliament) Amendment Determination (No. 2) 2022 amends the principal determination, *Remuneration Tribunal (Members of Parliament) Determination 2022*.

Schedule 1 removes the upper limit in the definition of three office holders for whom the Tribunal determines office holder's salary. These offices are: Whip in the House of Representatives of a minority party; Whip in the Senate of a minority party; and Deputy Whip in the House of Representatives of a minority party. This amendment takes effect from the day after the instrument is registered.

Schedule 2 sets out new domestic travel allowances for parliamentarians. This amendment takes effect from 28 August 2022.

The Tribunal's Reasons

Office Holder's Salary

Under the PBR Act, the Tribunal is responsible for determining remuneration for certain Parliamentary Office Holders. The Tribunal reviews this matter annually, completing its last enquiry before the composition of the 47th Parliament was finalised.

The *Parliamentary Business Resources (Office Holder) Determination 2017* (PBR determination), includes the position of 'Party Whip (however described) of a party for a House of the Parliament, where that party has at least 5 members in the relevant House'. The PBR determination does not set an upper limit of party members for this office. The Tribunal's current determination of office holder's salary sets a limit of 10.

The Tribunal has decided to remove the upper limit of members on Whips of a minority party. This takes into account the growth in the number of

members of minority parties and is consistent with the manner in which the offices are described in the PBR determination.

Domestic Travel Allowances

The Tribunal reviews and updates the travel and motor vehicle allowance rates for offices within its jurisdiction, including parliamentarians, on an annual basis.

The travel allowance 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.

The ATO rates are set out in Taxation Determination *TD 2022/10: Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022–23 income year?*

The Tribunal sets the Canberra travel allowance rate for parliamentarians at a discounted rate when compared to the ATO's reasonable daily travel expense rate for Canberra. Consistent with the methodology applied for other office holders in its jurisdiction, the Tribunal agreed the existing rates for the Canberra travel allowance and the Prime Minister's travel allowance should be adjusted by the average percentage increase in the relevant ATO rates from the year of the last increase (2019) to the current year. The rate the Tribunal is determining this year, \$299, represents a modest increase from the 2019 rate of \$291.

Where the Commonwealth pays for the accommodation of a Minister, a lower travel allowance rate applies for meals and incidental costs up to a limit of \$199 per day. This limit is based on the highest ATO rate for meals and incidentals.

The Prime Minister's travel allowance rate 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 \$598. This is based on the average adjustments in ATO reasonable expense amounts for the eight capital cities since it last adjusted this rate. The previous limit was \$583.

The Tribunal generally aligns its private vehicle allowance rate with the rate determined by the Commissioner of Taxation for the cents per kilometre method of calculating income tax deductions for work-related car expenses. The current ATO rate is set out in *Income Tax Assessment – Cents per Kilometre Deduction Rate for Car Expenses Determination 2022*. The private vehicle allowance rate for 2022–23 is 78 cents per kilometre.

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

Remuneration Tribunal

11 August 2022