



REMUNERATION TRIBUNAL

Explanatory Statement: Remuneration Tribunal (Members of Parliament) Determination No.2 2019

1. The determination is made under the *Parliamentary Business Resources Act 2017* (the PBR Act). Sections 45 and 46 of the PBR Act require the Tribunal to make determinations in relation to various matters for members, and former members, of the Parliament at least once each year.
2. The Tribunal must determine the remuneration to be paid to members, the rates of travel allowances for domestic travel, and the allowances and expenses to be paid to former members. The Tribunal must publish its reasons for making a determination.
3. The Tribunal also has functions under section 35 of the PBR Act relating to travel expenses, travel and motor vehicle allowances and other public resources. The Tribunal must inquire annually into travel expenses and travel allowances for domestic travel (except rates of travel allowances for domestic travel which it determines), and may be asked by the Special Minister of State to inquire into other matters. Regulations must be made or amended in accordance with the Tribunal's recommendations.

Consultation

4. During the course of 2019, the Tribunal completed a number of inquiries into specific provisions of Remuneration Tribunal (Members of Parliament) Determination 2019 (Determination 2019), including parliamentary base salary and travel allowances.
5. The Tribunal issued amendments to Remuneration Tribunal (Members of Parliament) Determination 2019 to implement decisions arising from these considerations.
6. In December 2019, the Tribunal completed its inquiry into all provisions of Remuneration Tribunal (Members of Parliament) Determination 2019 that were not specifically addressed earlier in 2019. The Tribunal concluded that no changes to these provisions were necessary at this time. There was no consultation on these matters given there were no changes to the provisions contained in Remuneration Tribunal (Members of Parliament) Determination 2019.
7. Remuneration Tribunal (Members of Parliament) Determination No.2 2019 makes no changes to the provisions in Determination 2019. The Tribunal's Reasons for Determination are available at www.remtribunal.gov.au. The determination succeeds and revokes in full Remuneration Tribunal (Members of Parliament) Determination 2019.

Retrospectivity

8. Any retrospective application of this determination is in accordance with subsection 12(2) of the *Legislation Act 2003* as it does not affect the rights of a person (other than the Commonwealth or an authority of the Commonwealth) to that person's disadvantage, nor does it impose any liability on such a person.

The power to repeal, rescind and revoke, amend and vary

9. Under subsection 33(3) of the *Acts Interpretation Act 1901*, where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

Details of the determination are as follows:

10. The determination deals with the remuneration of members of Parliament, the rates of travel allowance payable to such members, and the allowances and expenses to be paid to former members. The remuneration, allowances and expenses are to be paid out of the public money of the Commonwealth.

PART 1 – LEGAL MATTERS AND EXPLANATION OF TERMS

11. Part 1 specifies the authority for and the commencement date of the determination and specifies that the determination supersedes Remuneration Tribunal (Members of Parliament) Determination 2019.
12. Part 1 also contains definitions of certain words and terms used in the determination, including the definition of a 'Luxury car', the value of which exceeds the luxury car tax threshold (for fuel efficient cars) mentioned in subsection 25-1 (3A) of the *A New Tax System (Luxury Car Tax) Act 1999*. This Act is available online for free at <https://www.legislation.gov.au/Details/C2017C00069>.

PART 2 – REMUNERATION OF MEMBERS: SALARIES AND ELECTORATE ALLOWANCE

13. Part 2 sets out the base salary for senators and members of the House of Representatives, the additional salaries to be paid to parliamentary office holders and Ministers, the portion of base salary and additional salary that is not to be taken into account in defining the parliamentary allowance and salary for the purposes of the *Parliamentary Contributory Superannuation Act 1948*, and the electorate allowances.

PART 3 – REMUNERATION OF MEMBERS: OTHER REMUNERATION

14. Part 3 sets out other remuneration for senators and members of the House of Representatives under paragraphs 14(4)(a), (b) and (c) of the PBR Act. The remuneration is in the form of one or more private plated vehicles, or an allowance in lieu, and reimbursement of the costs of internet and telephone services at private residences.

PART 4 – ALLOWANCES AND EXPENSES OF FORMER MEMBERS

15. Part 4 provides post retirement travel expenses and resettlement allowance for former members (within the meaning of the PBR Act) under section 15 of that Act.

PART 5 – RATES OF AUSTRALIAN TRAVEL ALLOWANCE FOR TRAVEL WITHIN AUSTRALIA

16. Part 5 specifies rates of travel allowance for travel within Australia, for the purposes of section 10 of the PBR Regulations and subsection 31(2) of the PBR Act. These rates apply to any member (see definition in the PBR Act, quoted in the note to clause 1.3). This term includes persons who in certain circumstances hold, or are taken to hold an office, but are not senators or members of the House of Representatives.

PART 6 – PRIVATE VEHICLE ALLOWANCE

17. Part 6 specifies the rate of private vehicle allowances for the purposes of sections 12, 27 and 28 of the PBR Regulations and subsection 31(2) of the PBR Act.

PART 7 – TRANSITIONAL PROVISIONS

18. Part 7 maintains the transitional provisions for private plated vehicles contained in Determination 2019.

SCHEDULES

19. Schedule A sets out the rates of an office holder's salary (expressed as a percentage of base salary) for each Parliamentary office.

20. Schedule B sets out the rates of travel allowance.

Authority: Sections 45 and 46
Parliamentary Business Resources Act 2017