



Remuneration Tribunal

Explanatory Statement: Remuneration Tribunal (Members of Parliament) Amendment Determination (No.1) 2024

1. The determination is made under the *Parliamentary Business Resources Act 2017* (the PBR Act). Sections 45, 46 and 46A 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, and the allowances to be paid to the estates of member who die in office. 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

Review of Travel and Motor Vehicle Allowances

4. There was no consultation on this matter as it is the Tribunal's practice to review each year the travel and motor vehicle allowances applicable to office holders for which it determines remuneration.
5. The Tribunal did not receive any submissions on this matter.
6. In conducting this review, making this determination and adjusting travel allowance rates for parliamentarians the Tribunal has relied on Taxation Determination TD 2024/3: Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2024–25 income year?
7. Amongst other things, the Australian Taxation Office (ATO) determination sets out the amounts that the Commissioner of Taxation considers are reasonable for the substantiation exception in Subdivision 900-B of the *Income Tax Assessment Act 1997* for the 2024–25 income year in relation to claims made by employees for domestic travel expenses and overseas travel expenses.
8. TD 2024/3 is a public ruling for the purposes of the Taxation Administration Act 1953 and is available online at <https://www.ato.gov.au/law/view/pdf/pbr/td2024-003.pdf>.
9. The travel allowance rates for parliamentarians include the Canberra rate that is set at a lower rate than that available to other office holders in the Tribunal's jurisdiction, the Prime Minister's travel allowance rate, and the meals and incidentals rate for Ministers provided with accommodation.
10. Consistent with the methodology applied for other office holders in its

jurisdiction, the Tribunal adjusted the existing rates for the Canberra travel allowance and the Prime Minister's travel allowance by the average percentage increase in the relevant ATO rates from the year of the last increase to the current year.

11. The Tribunal aligns the private vehicle allowance for parliamentarians with the rate for the cents per kilometre method of calculating income tax deductions for work-related car expenses which is determined by the Commissioner of Taxation in accordance with subsection 28-25(4) of the Income Tax Assessment Act. The current instrument is Income Tax Assessment Act 1997 – Cents per Kilometre Deduction Rate for Car Expenses Determination 2024 (MVE 2024) which is available online at <https://www.legislation.gov.au/Details/F2024L00697>
12. In conducting this review, the Tribunal noted that the ATO had adjusted its cents per kilometre rate for 2024. The Tribunal has, accordingly, increased the motor vehicle allowance to align with MVE 2024.

Correction

13. On 3 July 2024, the Department of the Senate advised the Tribunal's Secretariat that a 2023 update to the name of the Senate Standing Committee for the Scrutiny of Delegated Legislation had not been incorporated into the 2024 principal determination. This determination corrects that error.
14. The Tribunal's Reasons for Determination are available at www.remtribunal.gov.au.

Retrospectivity

15. 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.

Exemption from disallowance

16. Subsection 47(7) of the PBR Act provides that this determination is a legislative instrument, but section 42 (disallowance) of the *Legislation Act 2003* does not apply to it.
17. Exemption from disallowance is appropriate in the context of this instrument, as it amends the entitlements of Senators and Members of the House of Representatives.

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

18. 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:

Section 1 – Name

19. Section 1 specifies the name of the instrument.

Section 2 – Commencement

20. Section 2 specifies the commencement date of the instrument.

Section 3 – Authority

21. Section 3 specifies the authority for the instrument.

Section 4 – Schedules

22. Section 4 outlines the effect of instruments specified in a Schedule to the instrument.

SCHEDULE 1—AMENDMENTS

Remuneration Tribunal (Members of Parliament) Determination 2024

23. Item 1 increases the rate of travel allowance for the Prime Minister for each night in commercial accommodation by amending paragraph 5.2(a) by omitting "\$612" and substituting it with "\$627".
24. Item 2 increases the rate of travel allowance for a Minister where the Commonwealth pay for the accommodation by amending paragraph 5.5(a) by omitting "\$204" and substituting it with "\$218".
25. Item 3 increases the rate of base accommodation rate in section 5.5A (paragraph (a) of the definition of base accommodation rate) by omitting "\$204" and substituting it with "\$218".
26. Item 4 increases the rate of base accommodation rate in section 5.5A (paragraph (b) of the definition of base accommodation rate) by omitting "\$188" and substituting it with "\$199".
27. Item 5 increases the rate of private vehicle allowance prescribed in sections 12, 27 and 28 of PBR Regulations by amending paragraph 6.1 by omitting "85 cents" and substituting it with "88 cents".
28. Items 6 and 7 update the name of the Senate Standing Committee on Regulations and Ordinances to the Senate Standing Committee for the Scrutiny of Delegated Legislation in Schedule A.
29. Item 8 repeals Schedule B of Remuneration Tribunal (Members of Parliament) Determination 2024 which sets out Travel Allowance Rates and substitutes a new Schedule B setting out revised Travel Allowance Rates.

Authority: Sections 45, 46 and 46A
Parliamentary Business Resources Act 2017