



Australian Government
**Independent Parliamentary
Expenses Authority**

Assurance Review 2022/010

Parliamentarians and family – International Travel
between 1 July and 30 September 2022

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Independent Parliamentary Expenses Authority

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Contents

Executive summary	3
Audit and Assurance function	4
IPEA's statutory audit function	4
Legislative framework	4
Assurance Review methodology	6
Background	6
Scope of Assurance Review	6
Method	6
Assessment of work expenses	7
Summary of findings	7

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Independent Parliamentary Expenses Authority

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Executive summary

1. The Independent Parliamentary Expenses Authority (IPEA) conducted an Assurance Review of International Travel by parliamentarians and their families during the period 01 July 2022 to 30 September 2022. The Assurance Review forms part of IPEA's 3 Year Assurance Plan. The purpose of the Assurance Review was to determine whether the travel expenses used conformed to the legislative provisions.

Assurance Review Findings

2. The Assurance Review found all International Travel assessed had appropriate approvals in place as required by the legislative framework. International travel was undertaken in accordance with the approval and itinerary and the costs incurred were consistent with the travel warrant.
3. All International Travel assessed was found to be not inconsistent with the legislative framework.

Scope and Purpose

4. The scope of this Assurance Review is international travel by a random selection of parliamentarians and their families during the period 1 July to 30 September 2022.

Engagement with parliamentarian

5. As the International Travel assessed was not inconsistent with the legislative framework, there was no requirement to engage with any parliamentarians in relation to this Assurance Review.

Audit and Assurance function

IPEA's statutory audit function

6. IPEA audits parliamentarians' work expenses and the travel expenses of their staff under section 12 of the *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act). Assurance Reviews determine if there has been a misuse of a parliamentary business resources. IPEA assesses the use of parliamentary business resources against the legislative framework to determine whether there was misuse.
7. Potential outcomes of an Assurance Review include:
 - no further action in circumstances where the review has concluded the use of parliamentary business resources was not inconsistent with the legislative framework, or
 - administrative remedial action, including penalty where the review has concluded there is evidence the use of parliamentary business resources was not consistent with the legislative framework, or
 - an IPEA initiated Ruling or Audit, where there is evidence of systemic or substantial misuse of parliamentary business resources, or
 - referral to the Australian Federal Police where compelling prima facie evidence of fraud or other criminal conduct is identified.

Legislative framework

8. The legislation relevant to this Assurance Review is:
 - *Parliamentary Business Resources Act 2017* (PBR Act)
 - Parliamentary Business Resource Regulations 2017 (the Regulations)
 - Parliamentary Business Resources (Parliamentary Business) Determination 2017 (the Determination)
9. Section 4 of the Regulations defines international travel as:
 - (a) means:
 - (i) travel to or from Australia and places outside Australia; or
 - (ii) travel between places outside Australia; and
 - (b) includes time spent in places outside Australia.
10. In accordance with sections 30 and 31 of the PBR Act, the Commonwealth must pay the travel expenses and travel allowances as prescribed by the Regulations. Division 4 of the Regulations prescribes travel expenses and travel allowances for the purposes of international travel for the purposes of sections 30 and 31 of the PBR Act. The dominant purpose test applies in relation to claims for expenses and allowances prescribed by Division 4 of the Regulations.

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Independent Parliamentary Expenses Authority

Parliamentarians and family – International Travel between 1 July and 30 September 2022

11. Section 26 of the PBR Act ***Dominant purpose test*** provides:

Claiming expenses, allowances and public resources

- (1) A member must not claim expenses, an allowance or any other public resources under this Part unless the expenses are incurred, or the allowance or resources are claimed, for the dominant purpose of conducting the member's parliamentary business.

Note: A person who contravenes this section may be liable to pay a loading under section 38

- (2) However, subsection (1) does not apply to the extent that an expense is incurred, or an allowance or any other public resources are claimed, in relation to:
- (a) a spouse or dependent child of a member; or
 - (b) any other person prescribed by the regulations.

Using public resources provided by the Commonwealth

- (3) A member must not use public resources provided by the Commonwealth under subsection 33(1) other than for the dominant purpose of conducting the member's parliamentary business.
- (4) A member must not use public resources provided by the Commonwealth under subsection 33(1) for commercial purposes.

12. 'Parliamentary business' has the meaning given by section 6 of the PBR Act. Subsection 6(4) of the PBR Act relevantly provides that the Minister must determine activities of a member that are:

- parliamentary duties of the member; or
- electorate duties of the member; or
- party political duties of the member; or
- official duties of the member.

Details of the activities which are parliamentary business of members are set out in the Determination.

13. The principles based legislative framework imposes a number of obligations on parliamentarians concerning their use of public resources. In summary, parliamentarians are personally responsible and accountable for their use of public resources (sections 25 to 28 of the PBR Act refer). Parliamentarians must be prepared to publicly justify their use of public resources for conducting their parliamentary business and must act ethically and in good faith in using, and accounting for the use of, those resources. Specifically, a parliamentarian must not claim public resources unless they are claimed for the dominant purpose of conducting their parliamentary business.

Assurance Review methodology

Background

14. Review of International Travel by parliamentarians and their families forms part of IPEA's 3 Year Assurance Plan. On 13 October 2022, in accordance with IPEA's Statutory Audit Function Factsheet, IPEA commenced a Preliminary Assessment in relation to international travel and international travel-related expenses incurred by parliamentarians during the period 1 July to 30 September 2022.
15. On 21 October 2022, IPEA Data and Reporting provided data on all parliamentarians and their families international travel for the period in scope. The report included both domestic and international travel and travel-related expenses processed via the Parliamentary Expenses Management System. The report provided did not identify any expenses incurred through international travel by family members of parliamentarians.
16. The Preliminary Assessment found that parliamentary business resources were used by parliamentarians for international travel during the period in scope.

Scope of Assurance Review

17. The scope of this Assurance Review is international travel by all parliamentarians and their families during the period 1 July to 30 September 2022. As noted, the data did not identify any expenses incurred by family members.

Method

18. The available information indicated 17 parliamentarians undertook international travel during the period in scope. For this Assurance Review, five parliamentarians were randomly selected for further assessment for all International Travel undertaken during the period in scope. This resulted in ten separate international trips which were assessed against the legislative framework. International travel expenses incurred include:
 - transport costs for travel by scheduled commercial or Commonwealth transport
 - accommodation costs
 - meal costs
 - transport costs for incidental travel in Australia (i.e. taxi or COMCAR)

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Independent Parliamentary Expenses Authority

Parliamentarians and family – International Travel between 1 July and 30 September 2022

Assessment of work expenses

Summary of findings

Analysis

19. IPEA considered the legislative framework and applied the following questions to the international travel:
 - What was the parliamentarians' dominant purpose for the international travel?
 - Was the international travel approved as required by the legislative framework?
 - Was the international travel completed in accordance with the approval and the confirmed itinerary?
 - Were the expenses incurred for the international travel consistent with the approved travel warrant?
20. IPEA conducted the Assurance Review by examining and assessing:
 - information provided by IPEA Data and Reporting
 - information provided by the IPEA Overseas travel team
 - publicly available information
 - travel bookings and other records contained in Parliamentary Expenses Management System
21. Individual analysis of the data for International Travel undertaken by each parliamentarian found that the dominant purpose for each trip was parliamentary business.
22. IPEA confirmed that all travel was approved as required by Division 4 of the Regulations. In all cases the travel was completed as provided in the itinerary and the expenses incurred were consistent the approved travel warrant.

Conclusion

23. All international travel was assessed as being not inconsistent with the legislative framework and no further action is considered necessary.