



Ruling 01/2022 - Section 37 of the *Parliamentary Business Resources Act 2017*

Ruling

The Independent Parliamentary Expenses Authority (IPEA) determines that the travel expenses incurred by Mr Andrew Laming MP:

- for travel between Brisbane and Hobart and within Tasmania between 21 June 2019 and 24 June 2019; and
- for travel between Brisbane and Melbourne and return on 26 June 2019 and 27 June 2019

were not incurred for the dominant purpose of conducting his parliamentary business and that his use of public resources contravened section 26 of the *Parliamentary Business Resources Act 2017* (PBR Act).

Background

On 5 November 2021, IPEA commenced an audit of work expenses and allowances, and the use of family travel costs of Mr Laming for the period 21 June 2019 to 27 June 2019 (Audit report of 24 March 2022). For the purpose of the audit, Mr Laming's expenses over this period were divided into three segments:

- expenses incurred for travel between Brisbane and Hobart and within Tasmania between 21 June 2019 and 24 June 2019.
- expenses incurred for travel between Hobart, Canberra and Brisbane between 24 June 2019 and 25 June 2019.
- expenses incurred for travel between Brisbane, Melbourne, and return, and within Melbourne between 26 June 2019 and 27 June 2019.

The threshold consideration in relation to each segment was whether the dominant purpose of Mr Laming's travel was parliamentary business. This is a key determinant in assessing whether associated family travel is consistent with the provisions of the legislative framework.

Assessment

An assessment of all work expenses within scope of the audit is set out in the attached audit report. This assessment was based on:

- direct communication with, and information provided by Mr Laming;
- publicly available material;
- internal records held by IPEA;
- records and information held by third parties;
- travel bookings records maintained by IPEA's external service provider; and
- information received in response to notices under section 53 of the *Independent Parliamentary Authority Act 2017*.

For the reasons set out in the attached audit report, IPEA found:

- the dominant purpose of Mr Laming’s travel from Brisbane to Hobart on 21 June 2019 was not parliamentary business.
- expenses incurred by Mr Laming on 24 and 25 June 2019 in relation to travel from Hobart to Canberra and Canberra to Brisbane were for the dominant purpose of parliamentary business.
- the dominant purpose of Mr Laming’s travel from Brisbane to Melbourne and return on 26 and 27 June 2019 was not parliamentary business.

Notwithstanding the findings of the audit, Mr Laming has maintained his position that the dominant purpose of all his travel within scope was parliamentary business.

Subsection 37(1) of the PBR Act provides that IPEA may make a ruling that:

... conduct engaged in by a particular member or any other person in relation to travel expenses of, or travel allowances for, the member, was not in accordance with this Act and as a result of the conduct, the member contravenes section 26, 27 or 28.

Loading penalty

The total value of expenses that were found to be inconsistent with the relevant legislative provisions, inclusive of GST and service fees, is \$8,288.04.

Subsection 38(4) of the PBR Act provides that if the Commonwealth provides public resources to a member and the member contravenes section 26, 27 or 28 in relation to the resources, then:

The member is liable to pay the Commonwealth, by way of penalty for the contravention of section 26, 27 or 28, an amount equal to 25% of the amount to which this section applies.

IPEA has no discretion whether to apply this loading as it arises automatically as a result of the operation of section 38. Mr Laming is therefore liable to pay the Commonwealth 25% of the expenses that have been found to be inconsistent with the relevant legislative provisions, that is 25% of \$8,288.04 or \$2,072.01.

Amount due to the Commonwealth

The total amount that Mr Laming needs to repay to the Commonwealth is the amount of \$8,288.04 and the loading penalty of \$2,072.01 i.e a total of \$10,360.05.

Independent Parliamentary Expenses Authority

March 2022