

International airfares and domestic transportation matrix - frequently asked questions

Stakeholder engagement is well embedded in the Pacific Australian Mobility scheme (PALM) scheme. The Australian Government is committed to listening to stakeholders and strengthening the PALM scheme to deliver for employers, workers and their families and communities in the Pacific and Timor-Leste.

The international airfares and domestic transportation matrix (travel matrix) provides the maximum international airfare and domestic transportation amounts that PALM scheme employers can:

- deduct from workers through wage deductions, and
- claim from the Department of Employment and Workplace Relations under the reimbursement of travel costs policy.

From 1 August 2024 the updated travel matrix applies to all travel arrangements booked or recruitment applications approved.

The update is the result of detailed market analysis and engagement with stakeholders. It is evidence based and strikes a fair balance between safeguarding workers from excessive costs and the reality of getting workers to regional and rural locations where they are most needed in the PALM scheme.

What is the travel matrix?

The travel matrix provides the maximum international airfare and domestic transportation amounts that PALM scheme employers can deduct from workers. The travel matrix also applies to the reimbursement of travel costs provisions outlined in section 7.5 of the [PALM scheme guidelines](#).

The travel matrix applies to all PALM scheme employers in all locations, unless a worker chooses to book and pay for travel costs themselves.

PALM scheme employers can recover the **lower** of the actual flight costs or the amount specified in the travel matrix, less their \$300 compulsory contribution via deductions from the worker. There are examples of how to calculate the travel matrix cap below.

Why is there a travel matrix?

The travel matrix was introduced to safeguard Pacific island and Timor-Leste workers participating in the legacy Seasonal Worker Programme and Pacific Labour Scheme (predecessors to the PALM scheme) from incurring excessive travel costs when flights were limited during the COVID-19 pandemic. As international flights and domestic travel remain relatively unpredictable, the travel matrix continues to be a safety net for workers to ensure deductions are reasonable.

Is transit accommodation and meals included in the travel matrix?

Capped amounts for transit accommodation and incidentals have been included as separate line items in the travel matrix.

PALM scheme employers can recover up to \$160 for transit accommodation per room per night for unavoidable transit accommodation costs. Workers can only be charged for the actual cost of the room or the travel matrix cap, whichever is lower. Where rooms are shared by workers, the cost must be split evenly between the workers.

Where meals have not been provided as a part of an airfare or where an overnight stay is required and the PALM scheme employer has paid for meals, workers can only be charged for the actual cost of the meals or the following travel matrix caps, whichever is lower:

- breakfast \$32.00
- lunch \$36.00
- dinner \$61.00.

Are baggage fees included in the travel matrix cap? What if there are excess baggage fees?

Excess baggage fees on top of the standard baggage allowance are not included in the travel matrix cap. Excess baggage charges can be paid by the worker at the airport or included as a deduction, where agreed in writing as per chapter 5 of the PALM scheme guidelines prior to their departure from their home country and from Australia.

How do I calculate the travel matrix cap?

1. Calculate the actual cost of the one way or return international airfare and domestic transportation.
2. Reduce the amount by \$300 to account for the mandatory PALM scheme employer contribution (applied once per worker for the total return travel costs).
3. Use the tables in the travel matrix to determine the maximum amount that can be recouped from the PALM scheme workers for international airfares and domestic transportation using the closest comparable regional destination to determine the appropriate travel matrix cap for the location.

Notes:

- a. Use the closest final travel location, which may not be the same as the final worksite location.
 - b. The matrix does not capture every location and only the most common. If the relevant region is not listed on the matrix, use the closest comparable region.
 - c. If the worksite is in or close to a capital city that is not included in the travel matrix, the lowest regional cap for the relevant state should be applied.
4. If accommodation is required, workers can only be charged for the actual cost of the room or the travel matrix cap of \$160 per night per room, whichever is lower. Where rooms are shared by workers, the actual cost of the room or the travel matrix cap, whichever is lower, must be split evenly between the workers.

5. If meals are required, workers can only be charged for the actual cost or the travel matrix caps outlined above, whichever is lower.
6. If any amount is left over, from **either** the flight and/or accommodation costs, it must be borne by the PALM scheme employer.

What happens if a worker pays for travel costs themselves?

If a worker pays for the travel costs themselves then no deductions are required and the travel matrix is not relevant.

What if the estimated travel costs are considerably higher than the travel matrix and the PALM scheme employer is in a remote region not near the regions included in the travel matrix?

In limited and exceptional circumstances PALM scheme employers may submit a request for a one-off increase to the travel matrix cap.

To be eligible to apply for an increase, the PALM scheme employer:

- must be located in a *remote* or *very remote* region (use the following map to determine remoteness area: [ABS Maps | Australian Bureau of Statistics](#). Select '2021 Remoteness Area' from the 'choose first boundary type' box, search for the location, click on it and under 'name' it will tell you the remoteness identifier).
- must not be located close to any of the regional locations listed in the travel matrix
- has researched and found that that travel costs will be significantly higher than the travel matrix, and
- has considered all reasonable alternative travel dates, airlines and domestic transport options.

PALM scheme employers must include evidence that the proposed cost is the **best value for money** such as comparable receipts and/or quotes, worksite details, proposed flights dates and paths and domestic transfers.

Please note: requests for an increase to the travel matrix are not guaranteed and will only be considered where the higher cost is unavoidable, of benefit to the worker and in line with other PALM scheme deed and guidelines provisions, such as net financial benefit (section 2.4 of the guidelines), deductions (section 5.1.6) and minimum net pay guarantee (section 5.1.7).

If agreed, the department may accept the increase in full or in part at its discretion. PALM scheme employers should contact their relationship manager before submitting the relevant recruitment application if they intend to request an increase.

Requests that relate to incoming flights that are submitted after the recruitment application is approved will not be considered. The worker must agree to or have the opportunity to agree to any exceptions to the travel matrix.

Scenario 1 - the total one-way travel cost for a long-term worker from Port Vila, Vanuatu travelling to Hobart is \$1,000

\$1,000 minus \$300 (PALM scheme employer contribution) = \$700

The total cost of lunch for the worker during the flight is \$25 (as this was not provided)

The travel matrix cap for travel is \$850

The travel matrix cap for meals (lunch) is \$36

The PALM scheme employer can recoup **\$725** (flight and meal costs) back from the worker

Scenario 2 - the total one-way travel cost for a long-term worker from Tarawa, Kiribati travelling to Broome is \$1,900 with an overnight stay in Perth at \$180

\$1,900 minus \$300 (PALM scheme employer contribution) = \$1,600

The travel matrix cap for travel is \$1,950

The travel matrix cap for accommodation is \$160

The PALM scheme employer can recoup \$1,760 back from the worker (flight and accommodation costs)

The PALM scheme employer must bear the cost of the \$20 difference between the actual accommodation cost and travel matrix cap

Scenario 3 - the total return travel cost for a short-term worker from Dili, Timor-Leste travelling to Alice Springs is \$1,450

\$1,450 minus \$300 (PALM scheme employer contribution) = \$1,150

The travel matrix cap is \$1,900

The PALM scheme employer can recoup **\$1,150** back from the worker

Scenario 4 - the total one-way cost for a long-term worker from Nuku'alofa, Tonga travelling to Renmark is \$1,700

\$1,700 minus \$300 (PALM scheme employer contribution) = \$1,400

The travel matrix cap is \$1,100

The PALM scheme employer can recoup **\$1,100** back from the worker

The PALM scheme employer must bear the cost of the additional **\$300**

Scenario 5 - the total one-way cost for a long-term worker from Nadi, Fiji travelling to Bourke, NSW is \$1,300

\$1,300 minus \$300 (PALM scheme employer contribution) = \$1,000

The travel matrix cap based on the closest location is \$950

As Bourke is a remote location, the PALM scheme employer can make a request to the department for authority to recoup the total **\$1,000** cost back from the worker

The department may approve or reject the claim from the employer