

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2012

30 May 2012

Question: BET 1018-1022

Topic: Travel costs (ATO)

Hansard Page: Written (13/6/12)

Senator BUSHBY asked:

1018. For the financial year to date, please detail all travel for Departmental officers that accompanied the Minister and/or Parliamentary Secretary on their travel. Please include a total cost plus a breakdown that include airfares (and type of airfare), accommodation, meals and other travel expenses (such as incidentals).
1019. For the financial year to date, please detail all travel for Departmental officers.
Please include a total cost plus a breakdown that include airfares (and type of airfare), accommodation, meals and other travel expenses (such as incidentals).
1020. Are the Government's Lowest Practical Fare travel policy for Domestic Air Travel (Finance Circular No. 2009/10) and Best Fare of the Day for International Air Travel (Finance Circular No. 2009/11) guidelines being followed?
How is this monitored?
If the guidelines are not being followed, please explain why.
1021. Are lounge memberships provided to any employees?
If yes, what lounge memberships, to how many employees and their classification, the reason for the provision of lounge membership and the total costs of the lounge memberships.
1022. When SES employees travel, do any support or administrative staff (such as an Executive Assistant) travel with them?
If yes, provide details of why such a staff member is needed and the costs of the support staff travel.

Answer:

1018. Two ATO officers have been required to undertake travel associated with the Assistant Treasurer's office. All travel undertaken was at discount economy fares (with flexibility to change at short notice).

The cost of travel incurred by these officers is outlined in the table below. Please note the costs shown exclude GST.

Airfares	Travel Allowance	Taxi expenses	Accommodation	Total
\$2,215	\$0	\$431	\$0	\$2,646

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1019. The ATO is a large organisation that is located around Australia with over 80% of its staff located outside of Canberra. Therefore, connecting with staff, the community, businesses and tax professionals drives the ATO's need to travel. As part of this official travel, taxi and hire car costs are typically incurred. As part of planning for 2012-13, a reduction of approximately 20% has been made to 2011-12 travel budgets.

Approval for travel is required from an ATO delegate (other than the traveller), and delegates must only provide approval if the travel is essential to ATO business. The rate of travel allowance paid is set out in relevant workplace agreements and is paid to meet the cost of accommodation, meals and other incidental expenses incurred while undertaking official travel.

The ATO has spent \$31.9 million on travel related costs for the period 1 July 2011 to 31 May 2012:

Travel related costs 2011-12 (as at 31 May 2012)	
Type	Cost (\$m)
Air travel	14.1
Travel allowance*	12.8
Other incidental travel^	5.0
Total	31.9

* Travel allowance includes \$3.3 million for SES and EL2 accommodation

^ Other incidental travel includes taxi fares but excludes fleet costs.

The ATO's airfare expenditure by type and class for the period 1 July 2011 to 31 May 2012 is set out in the table below:

Airfares (type)	2011-12 (as at 31 May 2012)			
	Economy (\$m)	Business (\$m)	First Class (\$m)	Total (\$m)
Domestic	7.92	5.79	0.00	13.71
International	0.03	0.36	0.00	0.39
Total	7.95	6.15	0.00	14.10

Because of the significant volume of travel undertaken by the ATO, it is not possible to separately itemise all travel undertaken during the current financial year.

1020. ATO policy is for staff to follow lowest practical fare and best fare of the day principles established by Department of Finance and Deregulation. Education sessions have been held at most major sites and all staff, when booking, must put a reason code against any fare that is not cheapest of the day to explain the variance from the cheapest available flight. The reasons provided are visible to approving delegates and reported to business area finance managers.
1021. ATO policy allows for staff who are likely to undertake a certain number of return flights in the forthcoming 12 month period to receive an ATO-funded airline lounge membership. For general employees, the requisite number of return trips is twelve and for EL2 and SES employees, it is eight return trips. The ATO does not fund airline lounge membership for staff who do not meet the conditions in relation to travel frequency.

During 2011-12, the ATO spent \$161,236 on new memberships and renewals for 422 staff. ATO policy requires that official travel is undertaken for the achievement of business objectives and provides value for money.

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1022. There may be limited instances where staff in executive support roles may be required to accompany SES staff on official travel to support the ongoing management of business functions.

As the ATO records travel individually on the basis of complete trips (which may have multiple components and travel reasons), the ATO is unable to provide data specifically related to travel for activities related to supporting SES.