

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 2/2.1

Topic: Air Travel

Senator: Xenophon

Question reference number: F75

Type of question: Written

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Number of pages: 1

Question:

- a) Does the Department conduct any auditing programs to ensure that employees travelling under the WOAG are abiding by the 'lowest practical fare' guidelines?
- b) What is the outcome of these audits? Are departments, agencies etc directed to implement changes in response?

Answer:

- a) There has been no auditing program around compliance with the Lowest Practical Fare (LPF) policy, which came into effect as of 1 January 2010. However, the LPF Policy states: "*in all situations where official air travel is undertaken, a reason why any fare is selected which is outside the scope of being the lowest practical fare, must be documented. This should be limited to:*
 - *any internal agency targets for travel on smaller airlines intended to encourage and maintain competition on particular routes;*
 - *the most direct or shortest route, so as to minimise traveller inconvenience;*
 - *health and safety issues for officers requiring certain facilities;*
 - *ability to ensure connections for further flights are met; and*
 - *impact on personal responsibilities such as family (that is where flights would otherwise be outside of normal business hours)".*

Under the Australian Government's devolved financial framework and the *Financial Management and Accountability Act 1997*, monitoring compliance with government policy sits with the individual agency and is the responsibility of each agency's Chief Executive.

- b) Not Applicable.