

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

2014 - 2015

**Department/Agency: ATO**

**Question: SBT 1997-2002**

**Topic: Travel costs-department**

**Reference: written - 31 October 2014**

**Senator: Ludwig**

**Question:**

Since Budget Estimates in June, 2014:

1997. Is the minister or their office or their delegate required to approve all departmental and agency international travel?
  - a. If so, under what policy?
  - b. Provide a copy of that policy.
  - c. When was this policy implemented?
  
1998. List all occurrences of travel that this has occurred under A. Detail the process.
  
1999. When is the minister notified, when is approved provided?
  
2000. Detail all travel (domestic and international) 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).
  
2001. 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). Also provide a reason and brief explanation for the travel.
  - a. What date was the minister or their office was notified of the travel?
  - b. What date did the minister or their offices approve the travel? If so, under what policy?
  
2002. What travel is planned for the rest of this calendar year? Also provide a reason and brief explanation for the travel.

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**Answer:**

1997. No. The Minister, or their office, or their delegate, is not required to approve all departmental and agency travel. The Minister's approval is required for International Travel with an estimated cost between \$20,000 and \$50,000, and for travel where the estimated costs are \$50,000 or more (with prior written consultation with the Prime Minister).
- a. The approval process for international travel is set out in the following policy – *Department of Finance (DOF) International Travel Policy – Resource Management Guide No 405 – Official International Travel – Approval and use of Best Fare of the Day.*
  - b. <http://www.finance.gov.au/sites/default/files/resource-management-guide-no-405.pdf>
  - c. The policy came into effect from 1 July 2014.
1998. Minister approval was granted for the items listed in the table below as the combined travel costs for this trip were over \$20,000 (GST exclusive).

**Table 1: Travel approved by the Minister from 1 June to 31 October 2014**

Traveller	Destination	Approval Date	Departure Date	Fare Class	Flights (\$) (GST exclusive)	Accommodation (\$) (GST exclusive)	Travel Allowance (\$) (GST exclusive)	Other Business Expenses (\$) (GST exclusive)	Total Cost (\$) (GST exclusive)
Deputy Commissioner Superannuation	Norway	5/8/2014	5/9/2014	Business/Economy	8,316	1,845	1,684	244	12,090
Assistant Commissioner Service Delivery Support	Norway	5/8/2014	5/9/2014	Business	8,206	1,845	1,602	297	11,951

- Approvals for all international travel funded by the ATO are escalated via internal processes.
- The ATO's internal centralised travel area prepares an Office Minute in line with the policy by liaising with relevant stakeholders. The Office Minute contains mandatory templates and information required by the policy.

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- Minister approval is sought via either the ATO's internal Parliamentary Liaison area, or via another agency known as the "Lead Agency" (where the ATO is a *participant* in a delegation or group activity).
- Approval is provided from the Minister to the ATO's internal Parliamentary Liaison area and fed back to the ATO's central travel area.

1999. The ATO's internal process (which reflects the policy) is to notify the Minister at least 5 weeks prior to the proposed date of departure. Wherever possible, this timeframe is adhered to and approval is generally provided within 3 to 5 business days.

2000. From 1 June to 31 October 2014, the Commissioner of Taxation and the Deputy Commissioner of Private Groups and International accompanied the Treasurer to the G20 Summit in Cairns at a total cost of \$6,929 (GST inclusive). Refer to breakdown in Table 2.

**Table 2: Travel by Department Officers from 1 June to 31 October 2014**

<b>Traveller</b>	<b>Fare Class</b>	<b>Flights (\$) (GST inclusive)</b>	<b>Accommodation (\$) (GST inclusive)</b>	<b>Meals and travel expenses (\$) (GST inclusive)</b>	<b>Total Cost (\$) (GST inclusive)</b>
Commissioner	Business	1,635	1,084	516	3,235
Deputy Commissioner Private Groups and International	Business	1,656	1,445	593	3,694
<b>Total</b>		<b>3,291</b>	<b>2,529</b>	<b>1,109</b>	<b>6,929</b>

2001. From 1 June to 31 October 2014, ATO expenditure on travel related costs (including the Australian Valuation Office, Australian Business Register, Tax Practitioners Board and Australian Charities and Not-for-Profits Commission) was \$12.6 million (GST exclusive).

A breakdown of this expenditure is provided in Table 3 below. Table 4 provides a breakdown of airfare expenditure by class. Further breakdown of this information would be an unreasonable diversion of departmental resources.

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**Table 3: Travel related expenditure 1 June to 31 October 2014**

Travel expenditure by category	1 June to 31 October 2014 (\$m)
Air travel	4.79
Travel Allowance Payments*	5.01
Taxi Fares	1.48
Fleet Costs	1.10
Other Incidental Travel Costs	0.22
<b>Total</b>	<b>12.60</b>

\*Travel allowance includes \$1.336 million for SES and EL2 accommodation.

**Table 4: Airfare expenditure 1 June to 31 October 2014**

Airfares Expenditure by class	Economy (\$m)	Business (\$m)	First Class (\$m)	Total (\$m)
Domestic	2.73	1.82	-	<b>4.55</b>
International	0.01	0.23	-	<b>0.24</b>
<b>Total</b>	<b>2.74</b>	<b>2.05</b>	-	<b>4.79</b>

The ATO is a large organisation with offices around Australia and over 80 per cent of its staff located outside of Canberra. The need for the ATO to connect with staff, the community, businesses and tax professionals spread across the country necessitates official travel by employees in the course of their ordinary duties.

- a. For the period under review notification to the Minister was only required for the travel detailed in SBT 1998.
  - b. Please refer to SBT 1998.
2002. The ATO is unable to quantify or provide itemised data specifically related to what travel is planned for the rest of this calendar year.