

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: Cormann

Question reference number: F50

Type of question: Hansard F&PA, Page 52, 26 May 2011

Date set by the committee for the return of answer: Friday, 8 July 2011

Number of pages: 1

Question:

Senator CORMANN: I am asking a different question and you are giving me an answer to a question I am not asking....

Senator CORMANN: What was the saving?

Mr Grant: 30 per cent.

Senator CORMANN: Yes. What is the dollar figure?

Mr Grant: In dollar terms, I do not have that with me.

Senator Wong: We do not have that, but we will take that on notice.

Answer:

The 30 per cent is a reference to the reduced price of airfares (on average) that has been achieved as a result of the prices negotiated under the whole of government travel ('the arrangements'), which came into effect on 1 July 2010, and has delivered \$160 million in savings over the 2010 – 2014 period. For example in 2007-08 the average cost of an airfare between Melbourne and Sydney was about \$270. Under the new arrangements, the average cost of airfare between Melbourne and Sydney is about \$190.

However, this does not take account of any changes to the level of travel by agencies, which can change over time to reflect their operational needs. As such, it is difficult to provide a dollar value for actual savings.