



Reference: 03/Nov QoN
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Mr Alistair Sands
Committee Secretary
Finance and Public Administration Committee
Parliament House
CANBERRA ACT 2600

Dear Alistair

Evidence Provided at Hearing – November 2003

I am writing with reference to questioning by Senator Murray arising from the Finance and Public Administration Committee Estimates hearing on 4 November 2003, concerning the ownership of SYNERGI and the recommendation of alternative flight options to clients by SYNERGI.

The Department has contacted SYNERGI and would like to provide the attached additional information to the Committee. It would be appreciated if this could be disseminated to the respective Committee members.

Should you have any questions, please do not hesitate to contact me on 6215 3533.

Yours sincerely

Ian McAuley
Branch Manager
Parliamentary and Corporate Support
9 December 2003

8 October 2003

Ms Jan Mason
General Manager Ministerial and Parliamentary Services
Department of Finance and Administration
Treasury Building
Parkes ACT 2600

Dear Jan

Rob Barnes has kindly advised me of the two issues concerning **SYNERGI** Travel which were raised last Tuesday evening in the Senate Estimates hearing. I have now had the opportunity to read the copy of the Hansard record containing the relevant questions and responses. In my opinion the answers provided by yourself and Rob Barnes were absolutely accurate.

To facilitate the finalisation of the issues raised this letter will serve to formally confirm the ownership of **SYNERGI** Travel and also explain the operational processes used by our **SYNERGI** Travel Parliamentary staff when handling the travel requests of your clients.

Firstly any ownership of SYNERGI Travel Australia by Qantas is, as you know, totally erroneous.

I confirm full details of the company's ownership are as follows:

Registered Name: **SYNERGI Travel Australia Pty Ltd**

ABN: 30 099 111 074

Registered Address: Level 14,
300 Elizabeth Street
SYDNEY NSW 2000

Ownership: **Birth Investments** 100% (New Zealand based investment company comprised of shareholders who also own **SYNERGI** Travel New Zealand Ltd)

Shareholders:

Larose Holdings Ltd	38%
Irving Management Ltd	23%
Purcell Trust	15%
Eltham Trust	12%
Mr P.E. Hodgson	12%

Secondly, the allegation made to Senator Murray that when Qantas flights are waitlisted SYNERGI Travel are not recommending alternative reservations on Virgin or Rex is also erroneous.

For clarification the booking process followed by **SYNERGI** Travel is as follows:

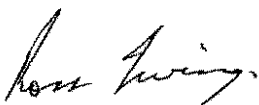
1. Our consultants at all times have the capability to interrogate Amadeus (our reservations system) which provides 'availability neutral' information on both Rex and Qantas. Concurrently the consultants have the Virgin (who are not as yet connected to Amadeus) web site also open so that they can also check availability on that airline.
2. Upon receiving the specific request for flight destinations and departure times our consultants then advise the person booking what flights are available on any of the three airlines that match the request. Should a request specifically be made to travel on Qantas and there is no availability at the requested time our consultants automatically offer alternatives referring to the inventory information they have available on all three airlines.
3. Additionally our consultants also advise bookers of all existing 'special' fares (eg. Government specific or promotional) to enable the booker to determine what fare savings may also be available.
4. As a direct function of schedules, capacity and classes Qantas will always be the dominant carrier. In certain cases individuals will also indicate that they are Qantas preferred and do not wish alternatives. This is especially so in the case of those members or senior staff who have entitlements to travel business class. In these cases the wishes of the individuals are always respected.

It is worthy to comment that following the recent significant press coverage around Qantas and its competitors on the Canberra routes we have experienced a significant increase in travellers opting to use Virgin or Rex.

SYNERGI Travel has no supplier bias and operates under the direction and travel policies as provided by our customers. In effect we are the agent of the customer not the supplier. In terms of the Parliamentary contract we are required to provide high level customer service which revolves around taking direction from the individual travellers and delivering their travel needs to their total satisfaction.

Jan, I trust that I have adequately covered the content of the allegations made by providing you with sufficient relevant information on the issues raised. I also wish to record **SYNERGI** Travel's gratitude in terms of the continued support provided by yourself and your staff. We regard this relationship as a major corner stone of our business and acknowledge with appreciation the benefits that we enjoy from the relationship.

Yours sincerely



Ross Irving
Managing Director