

Review of Australian Government Travel Policies – What We're Doing

The Department of Finance (Finance) has completed the Review of Australian Government Travel Policies (the Review). The Government committed to undertaking the Review as part of the <u>Aviation White Paper</u> released on 26 August 2024.

The Review was informed by feedback from key airlines and travel providers, and Australian Government entities that use the travel arrangements.

The Review found that the travel policies are generally fit for purpose and deliver significant savings for government. For air travel alone, benchmarking suggests the Commonwealth has saved \$260 million in the 2 years from January 2022 to December 2023 when compared to public rates.

The Review can be found at Finance website.

The Review made seven recommendations to the Government with regards to identified potential improvements. The actions and timelines associated with addressing the recommendations is as follows:

Recommendation	What We're Doing
Recommendation 1: Finance publish the WoAG Travel Arrangements usage and expenditure on the Finance website at the entity level. This should include:	Finance will publish a suite of data and reports on the Whole of Australian Government (WoAG) Travel Arrangements. Finance has commenced developing travel usage and expenditure reports. Prior to publishing, Finance will engage with entities to gather additional information that will provide context to the data.
 a. information on sectors flown, split by airline, for both domestic and international travel, updated every 12 months (as a subset, Finance will separately publish aggregated information for Key Management Personnel of non-corporate Commonwealth entities); b. overall expenditure, broken down by air travel, accommodation and rental car, through the 	
WoAG Travel Arrangements (updated every 6 months);	
 c. (optional) a statement from each entity providing background and context to its published information; and 	Expected timeframe: The data will be published on the Finance website in
d. an analysis of the overall airline market, highlighting trends (updated annually).	early 2026.
Recommendation 2 : The new travel policy to explicitly deal with flight upgrades, including providing advice that:	As part of Recommendation 4, Finance will consult on and draft a new Travel Policy. Recommendation 2 will be included as part of this work.
 a. upgrades should not be accepted unless required for operational reasons (for example, failure to accept the upgrade may impact on business needs – that is, being bumped from a flight); b. when accepted, upgrades should be declared consistent with the APSC guidance on gifts and benefits; and c. officials must not accept any upgrade to First Class. 	Finance will also engage with the APSC to ensure any changes to the Policy are consistent with its guidelines.
	Expected timeframe: The new Travel Policy is planned to be implemented in
	early 2026. Following the implementation, the Travel Policy will be reviewed again in 2028.
Recommendation 3: In relation to the Airline Panel, Finance:	Finance will consult the market ahead of the re-tender of the Airline Panel – this will include feedback on the current Tier structure and airline benefits.
 a. work with Tier 2 airlines to identify what efficiencies can be introduced, with a view of removing the delineation between the tiers on the Airline Panel; 	
 return to market in early 2026 for a full re-tender of the Airline Panel, minimising the need for any further extensions; 	
c. consult the market ahead of the re-tender to canvass the benefits and costs associated with potential changes to the current commercial posture of the Airline Panel, including the possible changes to the approach in relation to status credits, along with considering any changes in booking behaviour that has occurred as a result of the recommendations within this Review.	

Recommendation What We're Doing **Recommendation 4**: To ensure the travel policy is fit for purpose and streamlined, RMG 404 Finance will consult on and draft a new Travel Policy, (Domestic Travel Policy - Lowest Practical Fare) and RMG 405 (Official International Travel combining RMG 404 and RMG 405. Use of the best fare of the day), should be combined to create the Government Travel Policy, The new Travel Policy will incorporate aspects of with the following changes taking effect from 1 March 2025: Recommendations of 2, 4 and 5. The new Travel Policy a. economy class must be set as the standard class of travel for all travellers, including SES will be consulted with entities to ensure it will be officers, on flights less than 3 hours in duration on domestic and international flights operationally effective. (excluding connecting flights on international tickets)¹. The new Travel Policy will not mandate the use of b. encourage simple international flight bookings to be made online via the Online Booking economy class travel. The current settings are Tool and clarify that quotes for international flights must be compared across airlines: appropriate. c. include enhanced guidance on: Expected timeframe: gifts and benefits (for example, upgrades should not be accepted unless under The new Travel Policy is expected to be implemented in exceptional circumstances, and must be declared as part of an entities Gifts and early 2026. It will be reviewed again in 2028. Benefits policy); and travelling sustainably; d. require travellers to record their Australian Government Staff Number, or an equivalent identifier, when booking travel to strengthen reporting; e. encouraging entities to book travel as early as possible; and f. the policy to be reviewed every 2 years to confirm it is fit for purpose. **Recommendation 5:** To enhance the user experience and compliance capabilities for The new Best Value Fare Booking Codes (Booking Government travel, the Best Value Fare Booking Codes be updated to include a justification for Codes) will be included in a new Travel Policy selecting the booking code for delegate consideration. consultation process. Consultation will be important to ensure that the Booking Codes cover operational requirements, and the use cases are sound and understood by entities. Engagement will occur to understand the most effective manner to share justifications with delegates. Expected timeframe: Booking Codes to be included in the new Travel Policy to be implemented in early 2026.

¹ This would exclude situations where there are overriding considerations, for example, where a higher class than economy is outlined in an Enterprise Agreement or Remuneration Tribunal requirement.

Recommendation	What We're Doing
Recommendation 6: In response to submissions from Commonwealth entities, Finance work with the contracted Travel Management Company, Corporate Travel Management, to: a. ensure travel agents taking international travel bookings offer a broader range of flight	Finance will work with Corporate Travel Management to implement activities, processes and functionality to support this recommendation.
options;b. strongly encourage the use of existing flight credits prior to new expenditure by identifying and implementing systematic solutions to ensure flight credits are effectively utilised;	Expected timeframe: Implementation of this recommendation is current and ongoing.
c. engage with entities to seek feedback on areas for improvement within the current arrangements; and	
d. progress changes to the Online Booking Tool to improve functionality as outlined in the Review.	
Recommendation 7: Remove the requirement for Accountable Authorities to seek portfolio Minister approval for international travel over a certain threshold, with Accountable Authorities to keep Ministers informed of travel expenditure as part of the normal arrangements between Accountable Authorities and Ministers.	The current requirement will remain in place. Accountability and oversight of travel must be maintained at the ministerial level for all entities. Maintaining this level of oversight will ensure travel policies are consistently applied, and any deviations from the policy are promptly addressed. Finance will ensure that guidance to this process is confirmed in the new Travel Policy.