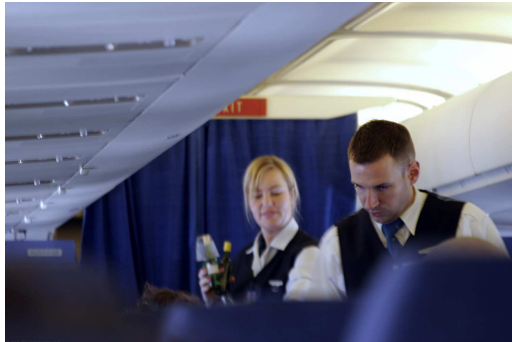


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Business Class

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Corporate travel expenses have for years been at the heart of a debate on cost control at big corporations. Companies have their own rules on how travel expenses should be footed. One might ask, how much of that travel is really business travel? And what about traveling by car to get to work in the morning?

For years now there have been companies that reimburse travel expenses of employees presenting proof of purchase. Some have strict requirements as to who qualifies for reimbursement.

In some companies, if a certain percentage of your work involves traveling, you are eligible for reimbursement of expenses. There are people, however, who travel but do not receive a cent of funds allocated to employee benefits.

The real debate starts when budget issues are involved. If you add the reimbursement expenses for education programs and meal

vouchers, the budget for employee benefits may be sailing into serious financial straits. So how do you set your budgeting priorities? There are several things to consider.

For one thing, air travel is a lot more expensive than travel by car, bus, or train. With the rising costs of oil, air travel expenses have doubled or tripled in the past years.

As for the recent risks of air travel, should my company pay me more money for flying to the U.K. or the U.S. these days? Traveling by plane is expensive in itself, but the risks involved might have their own price tag as well. Of course the argument could be made that air travel is still safer than car travel. It probably is more dangerous to drive around the city than get on an airplane.

Drawing up a clear company policy on travel reimbursement is a tough job. But one thing is for sure. Traveling first class is a thing of the past for most companies, except in the case of long trips requiring rest. Most firms have cut their business travel expenses in half by simply not traveling to see partners, but rather communicating with them via video conferencing, etc. When real business contracts are in the making, there is a special need for physical presence, even physical contact.

The old battle wages on. Some obstacles may have been hurdled just by throwing money at the problem, but what happens when there is not enough money to go around?