

Senate Community Affairs Legislation Committee

ADDITIONAL BUDGET ESTIMATES - 16 FEBRUARY 2012 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: Government Payment of Accounts

Question reference number: HSW 50

Senator: McKenzie

Type of question: Written

Date set by the committee for the return of answer: 29 March 2012

Number of pages: 1

Question:

For this financial year to date, has the department/agency paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (i.e. within 30 days)? If not, why not, and what has been the timeframe for payment of accounts? Please provide a breakdown, average statistics etc as appropriate to give insight into how this issue is being approached)

- a) For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio/department agency for the current financial year and the previous financial year?
- b) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

The department paid 95.6 per cent of all invoices for small businesses within 30 days of receipt of invoices for the 7 month period ended 31 January 2012.

A performance benchmark of 90 per cent has been set by the Government.

Government policy is to pay all invoices to small businesses within 30 days of receipt of invoices. Separate information for contractors/ consultants is not maintained by the department. Details of the aged breakdown are provided in the table below:

	30 days	31-44 days	45-60 days	>60 days	Total
# of invoices	71,944	1,907	655	775	75,281
% of invoices	95.6%	2.5%	0.9%	1.0%	100.0%
value	\$66,584,188	\$8,201,167	\$2,947,617	\$2,342,449	\$80,075,421
% of value	83.2%	10.2%	3.7%	2.9%	100.0%

The department does not maintain detailed information on explanations for payments made outside agreed terms.

- a) No.
- b) Not applicable.