

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2013 - 2014, 26 February 2014

Ref No: SQ14-000018

OUTCOME: 0 - Whole of Portfolio

Topic: Government Payments of Accounts

Type of Question: Written Question on Notice

Senator: Ludwig Joe

Question:

1. From Supplementary Budget Estimates in November 2013 to date, what has been the average time period for the department/agency to pay its accounts to contractors, consultants or others?
2. How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
3. How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
4. How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
5. How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days?
6. How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
7. 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 since 7 September 2013?
8. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

1. For the period 20 November 2013 to 28 February 2014 the average payment time was 13.84 days.
2. The Department of Health paid 21,536 invoices under 30 days being 99.58 per cent of the total invoices paid.
3. The Department paid 47 invoices between 30 and 60 days being 0.22 per cent of the total of invoices paid.
4. The Department paid 9 invoices between 60 and 90 days being 0.04 per cent of the total invoices paid.
5. The Department paid 34 invoices between 90 and 120 days being 0.16 per cent of the total invoices paid.
6. The Department paid 1 invoice over 120 days.
7. Yes, a total of \$755 interest has been paid.
8. Under the small Business Payments Policy interest is calculated based on the General Interest Charge rate as per Section 8AAD of the Taxation Administration Act 1953. The rate is published on the Australian taxation Office website. The rate can vary depending on the period in which interest is calculated.