

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

17 October – 18 October 2012

Question: SBT 1127-1128

Topic: Government Payments of Accounts (IGT)

Written: Received from Committee – 26 October 2012

Senator BUSHBY asked:

1127. For this financial year to date (26 October 2012), 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? Provide details, including 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)
 - 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?
 - Where interest is being paid, what rate of interest is being paid and how is this rate determined?
1128. For 2011-12, did the department/agency pay 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? Provide details, including 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)
 - For accounts not paid within 30 days, is/was 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?
 - Where interest is being paid, what rate of interest is being paid and how is this rate determined?
 - Have all accounts from 2011-12 been paid? If no, why not?

Answer:

1127. As at 26 October 2012, yes. The Inspector-General of Taxation agency's (IGT's) payments are effected under a service level agreement (SLA) with the Department of Treasury who have advised that for the financial year to 26 October 2012, all invoices have been paid within 30 days of receipt of a correctly rendered tax invoice.
- Not applicable.
 - Not applicable.
 - Not applicable.
1128. The IGT follows Government policy for payment of accounts within 30 days. The IGT's payments are effected under an SLA with the Treasury.

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- a. The Treasury have advised that in 2011-12, 96% of IGT's suppliers were paid within 30 days of receipt of a correctly rendered tax invoice.
- b. No small business claimed interest in 2011-12, as advised by the Treasury as service provider.
- c. Not applicable.
- d. All 2011-12 invoices received by the Treasury from IGT have been processed for payment, as advised by the Treasury as service provider.