

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2013-2014

Finance Portfolio

Question reference number: F99
Senator: Ludwig
Topic: Government Payment of Accounts

Question:

From 7 September 2013 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)?

- a) 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)
- b) 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?
- c) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

Department / Agency	Response																														
Finance	<p>Yes.</p> <p>a) For the period 7 September 2013 – 31 October 2013, 99.49% of departmental invoices have been paid to contractors/consultants within 30 days, analysed as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Paid within 30 days</th> <th>Paid within 31-44 days</th> <th>Paid within 45-60 days</th> <th>Not paid after 60 days</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Number of invoices</td> <td align="center">196</td> <td align="center">1</td> <td align="center">0</td> <td align="center">0</td> <td align="center">197</td> </tr> <tr> <td><i>% of invoices paid</i></td> <td align="center"><i>99.49%</i></td> <td align="center"><i>0.51%</i></td> <td align="center"><i>0.00%</i></td> <td align="center"><i>0.00%</i></td> <td align="center"><i>100%</i></td> </tr> <tr> <td>Value of invoices (\$)</td> <td align="right">4,616,791</td> <td align="right">4,254</td> <td align="right">0</td> <td align="right">0</td> <td align="right">4,621,045</td> </tr> <tr> <td><i>% invoices by value</i></td> <td align="center"><i>99.91%</i></td> <td align="center"><i>0.09%</i></td> <td align="center"><i>0.00%</i></td> <td align="center"><i>0.00%</i></td> <td align="center"><i>100%</i></td> </tr> </tbody> </table> <p>The average time that lapsed between the date the invoice was received and the date payment was made by Finance was 17 days.</p> <p>b) For the period 7 September 2013 – 31 October 2013 - no interest has been paid.</p> <p>For the financial year 1 July 2012 – 30 June 2013 - no interest has been paid.</p> <p>c) N/A.</p>		Paid within 30 days	Paid within 31-44 days	Paid within 45-60 days	Not paid after 60 days	Total	Number of invoices	196	1	0	0	197	<i>% of invoices paid</i>	<i>99.49%</i>	<i>0.51%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>100%</i>	Value of invoices (\$)	4,616,791	4,254	0	0	4,621,045	<i>% invoices by value</i>	<i>99.91%</i>	<i>0.09%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>100%</i>
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AEC	<p>For the period 7 September 2013 to 31 October 2013:</p> <ol style="list-style-type: none"> 1. Yes payments were made within 30 days, apart from 1 payment. 2. This invoice was sent to the incorrect section in the Agency which resulted in the delay in payment. This represented less than 1% of payments to contractors/consultants during this period. 3. No interest has been paid. 4. N/A
ComSuper	<ol style="list-style-type: none"> 1. No. For the period 7 September to 31 October 2013 ComSuper paid two invoices for contractors/consultants outside the Government's policy in terms of time for payment. 2. The two invoices paid after 30 days of receipt were paid at 31 days and 51 days respectively. These were due to staff leave which resulted in delays in confirmation of service delivery by the vendor. Relevant officers have been reminded of their obligations regarding timely payment of invoices. If a trend appears which indicates an issue with the payment process, the process will be reviewed to ensure timely payments. 3. No. 4. N/A.
Commonwealth Superannuation Corporation	<p>For the period 7 September 2013 to 31 October 2013:</p> <ol style="list-style-type: none"> 1. Yes 2. – 4. N/A
Future Fund Management Agency	<ol style="list-style-type: none"> 1. Yes 2. N/A 3. N/A 4. N/A