

**Senate Standing Committee on Education Employment and Workplace  
Relations**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2012-2013**

**Cross Portfolio**

**DEEWR Question No.** EW0475\_13

**Senator Back provided in writing.**

**Question**

**On time payment of accounts - 2011-12**

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**

For the 2011-12 financial year, the department paid 94 per cent of suppliers within 30 days of receiving a correctly rendered invoice. The table below provides the data for 2011-12.

	<b>No. of claims</b>	<b>%</b>	<b>Value of claims (\$,000)</b>	<b>%</b>
Paid in 30 days	31,361	95%	206,694	90%
Paid 31-44 days	1,084	3%	11,076	5%
Paid 45-60 days	295	1%	4,732	2%
Paid > 60 days	493	1%	5,911	3%
<b>Total</b>	<b>33,233</b>	<b>100%</b>	<b>228,413</b>	<b>100%</b>

For accounts not paid within 30 days there are a variety of reasons for late payment. These include time delays in determining correctness of invoice, invoicing for projects prior to advice that all requirements of the project have been met, invoicing prior to the provision of goods or services.

For accounts not paid within 30 days, suppliers are able to invoice the department for interest. No claims for interest due to late payment have been received during the 2011-12 financial year.

The Australian Building and Construction Commissioner (ABCC), the Australian Institute for Teaching and School Leadership (AITSL), Fair Work Australia (FWA), the Fair Work Ombudsman (FWO) advise that they have no known instances of failure to pay within the 30 days for the 2011-12 financial year.

Safe Work Australia (SWA) has paid 2 accounts outside of the 30 day payment terms due to invoice verification issues. In each instance the vendors were contacted and the reasons for the delay explained. No interest claims have been received.

The Government's policy for payments under procurement contracts with small businesses is a requirement for *Financial Management and Accountability Act 1997* (FMA Act) agencies and therefore does not apply to the Australian Curriculum Assessment and Reporting Authority (ACARA) or Comcare.