

Senate Standing Committee on Education and Employment

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2013-2014**

Cross Portfolio

**Department of Education Question No. ED0130_14
Senator Ludwig provided in writing.**

Question

Government payment of accounts

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

Answer

The Department of Education was established on 18 September 2013. Previously the functions were delivered by the Department of Education, Employment and Workplace Relations (DEEWR).

For the month of September 2013 DEEWR paid 97 per cent of suppliers within 30 days of receiving a correctly rendered invoice.

	No. of claims	%	Value of claims (\$,000)	%
Paid in 30 days	1868	97%	11 892	98%
Paid 31-44 days	42	2%	209	2%
Paid 45-60 days	9	0%	40	0%
Paid > 60 days	14	1%	10	0%
Total	1933	100%	12 151	100%

For the period 1 October to 30 November 2013, the answer refers to the Department of Education¹. In this period 97 per cent of suppliers were paid within 30 days of receipt a correctly rendered invoice.

	No. of claims	%	Value of claims (\$,000)	%
Paid in 30 days	2547	97%	9823	92%
Paid 31-44 days	50	2%	721	6%
Paid 45-60 days	8	0%	89	1%
Paid > 60 days	23	1%	98	1%
Total	2628	100%	10 731	100%

¹. Corporate and the State Office Network provide services to the Department of Employment and the Department of Education. The value associated with these functions has been attributed to both departments.

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.

No claims for interest due to late payment have been received during the 2012-13 financial year and none of the payments not made within 60 days related to small business.