

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Additional Estimates Hearing – May 2010

Finance and Deregulation Portfolio

All Outcomes

Topic: Payments to Small Business

Question reference number: F21 (a), F21 (b) & F21(c)

Type of Question: Hansard F&PA 56, 26 May 2010

Date set by the committee for the return of answer: 9 July 2010

Number of Pages: 1

Senator Ryan asked:

- a) Has the Department of Finance and Deregulation kept its promise to pay all bills to small business within 30 days?
- b) Where you have not paid bills within 30 days, have you been subject to any claims for penalty interest and, if those claims have been made, has penalty interest been paid?
- c) If you are having ongoing problems paying a bill, do you feel it is the department's obligation to inform the small business concerned of your obligation to pay them within 30 days?

Answer:

- a) During 2008-09, the Department of Finance and Deregulation paid 98.34% of invoices to small business within 30 days. Please refer to the below table for details of payments made between 1 July 2008 and 30 June 2009.

	Paid within 30 days	Paid within 31-44 days	Paid within 45-60 days	Not paid after 60 days	Total
Number of invoices	15,357	174	39	47	15,617
% of invoices paid	98.34%	1.11%	0.25%	0.30%	100%

- b) Between 1 July 2008 and 30 June 2009 no small businesses have claimed interest charges from the department on accounts not paid within 30 days.
- c) The Department strives to pay all vendors according to payment terms. A mail out has recently been conducted to all vendors excluding Commonwealth, State and Local Governments and large businesses, to update records to ensure vendors are correctly classified as a small business. The mail out referred vendors to the Government's Payment Policy to Small Business and provided clarification on what constitutes a small business and outlined the requirement to pay small business within 30 days.