

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Climate Change, Science, Research and Tertiary Education Portfolio
Budget Estimates Hearing 2013-14
3 and 4 June 2013

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, CLIMATE CHANGE, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Government Payments of accounts

REFERENCE: Written Question – Senator Bushby

QUESTION No.: BI-132

1. For this financial year 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)? 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)
2. 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?
3. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

ANSWER

Please refer to SI-161 and AI-133 for detail relating to Government payments of accounts for the period 1 July 2012 to 31 January 2013. Detail for the period 1 February 2013 to 31 May 2013 is as follows.

1. The 'Procurement On-Time Payment Policy for Small Business' ('the policy') outlined in Finance Circular 2012/02 only applies to *Financial Management and Accountability Act* agencies. Within the portfolio the policy applies to the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICCSRTE), the Australian Research Council (ARC), IP Australia, Tertiary Education Quality and Standards Agency (TEQSA), Australian Skills Quality Authority (ASQA), Climate Change Authority (CCA) and the Clean Energy Regulator (CER).

Agency	Total invoices processed	Total number paid within 30 days	Total percentage paid within 30 days	Total number not paid within 30 days	Total percentage not paid within 30 days
DIICCSRTE	34,903	34,765	99.6%	138	0.4%
ARC	96	85	88.5%	11	11.5%
IP Australia	1,953	1,951	99.9%	2	0.10%
TEQSA	529	480	91%	49	9%
ASQA	992	836	84%	156	16%
CER**	537	399	74.3%	138	25.7%
CCA**	116	97	83.6%	19	16.3%

*In relation to CER please refer to Question No. 126 provided to the Environment and Communications Legislation Committee for 2012-13 Additional Estimates for 1 July 2012 to 27 March 2013. Figures provided are for the period 28 March 2013 to 31 May 2013.

** In relation to CCA please refer to Question No. 167 provided to the Environment and Communications Legislation Committee for 2012-13 Additional Estimates for 1 July 2012 to 28 February 2013. Figures provided are for the period 1 March 2013 to 31 May 2013.

ASQA's payment details for the period 1 July 2012 to 31 May 2013 is as follows.

Agency	Total invoices processed	Total number paid within 30 days	Total percentage paid within 30 days	Total number not paid within 30 days	Total percentage not paid within 30 days
ASQA	2,513	1,980	79%	533	21%

Late payments are primarily the result of administrative delays, such as non-timely confirmation of receipt of goods or services before invoices are passed to the processing phase.

2. This financial year to 31 May 2013, \$1,982 interest has been paid on overdue amounts. Last financial year, no invoices were received for interest on amounts not paid in line with the policy.
3. In line with Finance Circular 2012/02: Procurement On-Time Payment Policy for Small Business, the Australian Taxation Office general interest charge rate is applied.