

Senate Community Affairs Legislation Committee

ADDITIONAL ESTIMATES - 27 FEBRUARY 2014 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Government Payment of Accounts

Question reference number: HS 67

Senator: Ludwig

Type of question: Written

Date set by the committee for the return of answer: 24 April 2014

Number of pages: 2

Question:

- a) From Supplementary Budget Estimates in November 2013 to date, what has been the average time period for the department/agency paid its accounts to contractors, consultants or others?
- b) How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
- c) How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
- d) How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
- e) How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days?
- f) How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
- g) 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 since 7 September 2013?
- h) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

- a) The department does not specifically identify suppliers as contractors/consultants. The department only maintains payment statistics for suppliers that self-identify as small businesses (less than 20 staff).
- b) Small business 30 day payment statistics for this group of suppliers for the financial year to date are provided below.

	30 days	31-44 days	45-60 days	>60 days	Total
Number of invoices	52,372	377	169	220	53,138
% of invoices	98.6%	0.7%	0.3%	0.4%	100.0%
Value	\$63,838,289	\$1,705,239	\$452,181	\$409,982	\$66,405,691
% of value	96.1%	2.6%	0.7%	0.6%	100.0%

- c) The department paid 546 invoices comprising 1.0 per cent of the total number of invoices paid to small businesses in between 30 and 60 days.
- d) The department paid 220 invoices comprising 0.4 per cent of the total number of invoices paid to small business in over 60 days. The department does not maintain a breakdown of payment statistics beyond 60 days.
- e) The department does not maintain a breakdown of payment statistics beyond 60 days.
- f) The department does not maintain a breakdown of payment statistics beyond 60 days.
- g) Yes, \$2,679.82 in interest has been paid by the department this financial year to small businesses, of which \$2,064.57 has been paid since 7 September 2013.
- h) The general interest charge daily rate of 0.02627397 per cent for January – March 2014 as advised in the Finance Circular (2012/02 Procurement OnTime Payment Policy for Small business) and published on the Australian Taxation Office website is being used to calculate interest payments.