

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2014 - 2015, 2/3 June 2014

Ref No: SQ14-000740

OUTCOME: 0 - Whole of Portfolio

Topic: Government Payments of Accounts

Type of Question: Written Question on Notice

Senator: Ludwig, Joe

Question:

1. From Additional Estimates in February 2014 to date, what has been the average time period for the department/agency paid its accounts to contractors, consultants or others?
2. How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
3. How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
4. How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
5. How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days?
6. How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
7. 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 Additional Estimates in February 2014?
8. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

1. For the period 1 March 2014 to 31 May 2014 the average payment time was 24 days.
2. The Department of Health paid 6,609 invoices under 30 days being 80 per cent of the total invoices paid.
3. The Department paid 1,398 invoices between 30 and 60 days being 17 per cent of the total invoices paid.

4. The Department paid 123 invoices between 60 and 90 days being 1.5 per cent of the total invoices paid.
5. The Department paid 43 invoices between 90 and 120 days being 0.52 per cent of the total invoices paid.
6. The Department paid 83 invoices over 120 days being one per cent of the total invoices paid.
7. Yes, a total of \$1,554 interest has been paid.
8. Under the Small Business Payment Policy interest is calculated based on the General Interest Charge rate as per Section 8AAD of the Taxation Administration Act 1953. The rate is published on the Australian Taxation Office website. The rate can vary depending on the period in which interest is calculated.