

Senate Community Affairs Legislation Committee

SUPPLEMENTARY ESTIMATES - 21 NOVEMBER 2013 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Government Payment of Accounts

Question reference number: HS 23

Senator: Ludwig

Type of question: Written

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

Number of pages: 1

Question:

- 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:

- a) The department does not specifically identify suppliers as contractors/consultants.
- b) The department only maintains 30 day payment statistics for suppliers that self-identify as small businesses (less than 20 staff). Year to date (to 30 November 2013) 30-day payment statistics for this group of suppliers are provided below.

	30 days	31-44 days	45-60 days	>60 days	Total
# of invoices	34,054	264	129	133	34,580
% of invoices	98.5%	0.8%	0.4%	0.4%	100.0%
Value	\$44,358,128	\$1,577,376	\$331,356	\$141,643	\$46,408,503
% of Value	95.6%	3.4%	0.7%	0.3%	100.0%

- c) Yes, \$868.00 in interest has been paid by the department this financial year to small businesses. In 2012-13 \$12,407.18 was paid in interest to small businesses.
- d) The general interest charge daily rate of 0.02630137% for October-December 2013, as advised in the Finance Circular and published on the Australian Taxation Office website, is being used to calculate interest payments.