

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Additional Budget Estimates
11 February 2016

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Government payments of accounts

REFERENCE: Written Question – Senator Ludwig

QUESTION No.: AI-50

Since the change of Prime Minister on 14 September, 2015:

1. 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? f) How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
6. 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 Estimates, 2014?
7. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

ANSWER

Provide response for the period 1 September 2015 to 31 January 2016.

1. The average time period for payment of invoices is approximately 12 days from the receipt of a correctly rendered invoice.
- 2-5. Responses to Questions 2 to 5 are provided in the table below. Late payments are primarily the result of clarifying or seeking further information in relation to the provision of goods or services before invoices are passed to the processing phase.

Total invoices processed	53,983
Total number paid under 30 days	53,509
Total percentage paid under 30 days	97.12%
Total number paid between 30 and 60 days	405
Total percentage paid between 30 and 60 days	2.12%
Total number paid between 60 and 90 days	51
Total percentage paid between 60 and 90 days	0.25%
Total number paid between 90 and 120 days	13
Total percentage paid between 90 and 120 days	0.49%
Total number paid over 120 days	5
Total percentage paid over 120 days	0.02%

6. For the period 1 September 2015 to 31 January 2016, the department has paid \$2,773 of interest on overdue accounts.
7. Where interest is paid, the Australian Taxation Office general interest charge rate has been used as specified in the *Resource Management Guide No. 417: Supplier Pay On-Time or Pay Interest Policy*.