

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 519

Topic: Government Payments of Accounts

Written: 17 June 2013

Senator BUSHBY asked:

519. 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)?

- a) 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)
- b) 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?
- c) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

**Financial year to date– 31 May 2013*

Answer:

519.

- a) For the 2012/2013 financial year to date (to 31May 2013), ASIC has identified 92% of invoices were paid within the Government Policy terms of 30 days. An ageing of payments follows:

1 July 2012-31 May 2013	Paid within 30 days of receipt.	Paid within 31-60 days	Paid over 60 days	Total
% of Invoices	92%	7%	1%	100%

Most delays in paying invoices beyond 30 day terms were due to the receipt of incorrect or incomplete invoices and /or differences between purchase orders and invoices in respect in amounts charged or services provided.

All ASIC suppliers have been asked to send all invoices to a central location for scanning and have been reminded what information is required for a properly rendered invoice. This has been designed to reduce any delays in payment.

- b) No interest has been paid on overdue amounts for the financial year to 31 May 2013.
- c) Not applicable.