

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: Treasury

Question: BET1085

Topic: Government Payments of Accounts

Reference: Written – 12 June 2014

Senator: Ludwig

Question:

1085. 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?
- a) How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
 - b) How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
 - c) How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
 - d) How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days?
 - e) How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
 - f) 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?
 - g) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

1085. Treasury does not keep those statistics to calculate the average time period the Department has paid all of its accounts.
- a. Total number of payments owed between 1 March 2014 and 12 June 2014 that were paid within 30 days was 2,758 or 98.9%%
 - b. Total number of payments owed between 1 March 2014 and 12 June 2014 that were paid between 30 and 60 days was 17 or 0.6%.
 - c. Total number of payments owed between 1 March 2014 and 12 June 2014 that were paid between 60 and 90 days were 5 or 0.2%.
 - d. Total number of payments owed between 1 March 2014 and 12 June 2014 that were paid between 90 and 120 days were 3 or 0.1%.
 - e. Total number of payments owed between 1 March 2014 and 12 June 2014 that were paid over 120 days was 6 or 0.2%.
 - f. Interest on account not paid within 30 days will be charged in accordance with the Procurement On-Time payment Policy for Small Business circular

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2012/02. For the period there have been nil interest payments made to small businesses.

- g. Interest will be calculated in accordance with the Procurement On-Time Payment Policy for Small Business finance circular 2012/02 using the applicable GIC rates.