

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2015 - 2016

Outcome: Cross Portfolio - Shared Services Centre

Department of Education and Training Question No. SQ16-000217

Senator Ludwig, Joe provided in writing

Also refer to previous hearing Question No. SQ14-002402

Government payments of accounts

Question

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

1- 5. The Department of Education and Training does not track the individual average time period for payment of accounts. The department tracks the time periods as displayed in the table below.

From 14 September 2015 to 31 January 2016 the department¹ paid 92 per cent of suppliers within 30 days of receiving a correctly rendered invoice.

	No of claims	%	Value of claims (\$,000)	%
Paid in 30 days	4919	92%	30,732	94%
Paid 31 to 60 days	349	7%	1800	5%
Paid > 60 days	54	1%	299	1%
	5,322	100%	32,831	100%

¹ The table includes transactions managed by the Shared Services Centre on behalf of the Department of Education and Training and the Department of Employment.

6. For accounts not paid within 30 days, interest is payable upon receipt of a correctly rendered invoice from qualifying suppliers as prescribed in Finance Circular 2012/02. No claims for interest due to late payment have been received during the period 14 September 2015 to 31 January 2016.

For accounts not paid within 60 days, interest is payable via a self-generated payment for qualifying suppliers also as prescribed in Finance Circular 2012/02. No late payments during the period 14 September 2015 to 31 January 2016 met this requirement.

7. Determination of any interest payable is in accordance with the requirements of Finance Circular 2012/02.