

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Government Payments of Accounts

REFERENCE: Written Question – Senator Bushby

QUESTION No.: AI-238

1. 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)? If not, why not, and 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)
2. 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?
3. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

ANSWER

1. The ‘Procurement 30 Day Payment Policy for Small Business’ (‘the policy’) outlined in Finance Circular 2008/10 only applies to *Financial Management and Accountability Act* agencies. Within the portfolio the policy applies to the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE), the Australia Research Council (ARC) and IP Australia. The payment statistics for these agencies (1 July 2011 to 29 February 2012) are outlined in the table below.

	DIISRTE	ARC	IP Australia
Total invoices processed	49,102	212	3,712
Total number paid within 30 days	48,956	196	3,699
Total percentage paid within 30 days	99.70%	92.45%	99.65%
Total number not paid within 30 days	146	16	13
Total percentage not paid within 30 days	0.30%	7.55%	0.35%

Late payments are primarily the result of administrative delays, such as non-timely confirmation of receipt of goods or services before invoices are passed to the processing phase.

2. To date, no invoices have been received for interest on amounts not paid in line with the policy.

3. Not applicable.

Please note – as this information is as at 29 February 2012 this does not include Outcome 3 and associated Agencies which is transferring from the Department of Education, Employment and Workplace Relations due to the recent Machinery of Government.