

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 24-28 February 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Government payments of accounts

Senator: Senator the Hon Joe Ludwig

Question reference number: 177

Type of Question: Written

Date set by the committee for the return of answer: 11 April 2014

Number of pages: 2

Question:

1. From Supplementary Budget Estimates in November 2013 to date, 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?
6. How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
7. 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 7 September 2013?
8. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

- 1-6. The Department of the Prime Minister and Cabinet (PM&C) is committed to following the Procurement On-Time Payment Policy for Small Business outlined in Finance Circular 2012/02.

The following table shows payments for the period 1 November 2013 to 28 February 2014.

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 24-28 February 2014

Prime Minister and Cabinet Portfolio

Department of the Prime Minister and Cabinet: Payments to Small Business

1 November 2013 to 28 February 2014	Paid within 30 days (paid on time)	Paid within 31-60 days (up to 30 days late)	Paid within 61-90 days (up to 60 days late)	Paid within 91-120 days (up to 90 days late)	Not paid within 120 days	Total
Number of invoices	2,380	160	43	11	5	2,599
Percentage of invoices	92%	6%	2%	0%	0%	100%

The table does not include payments to small businesses by credit card as PM&C does not record such payments with supplier data in a way that would readily allow a detailed statistical breakdown as per above. To attempt to provide this additional level of detail would involve an unreasonable diversion of departmental resources.

7. PM&C has made no payments of interest for late payments to a small business during the period 1 November 2013 to 28 February 2014.
8. Interest payable (where applicable) is calculated using the General Interest Charge under section 8AAD of the *Taxation Administration Act 1953 (Cth)*.