

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Supplementary Budget Estimates 15-18 October 2012

Prime Minister and Cabinet Portfolio

**Department/Agency:** Department of the Prime Minister and Cabinet

**Outcome/Program:** 1.1.3 Support Services for Government Operations

**Topic:** Payment of Accounts

**Senator:** Senator Ryan

**Question reference number:** 109

**Type of Question:** written

**Date set by the committee for the return of answer:** 30 November 2012

**Number of pages:** 1

**Question:**

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? 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)

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?

Where interest is being paid, what rate of interest is being paid and how is this rate determined?

**Answer:**

The Department is committed to following the Government's policy for Procurement On-Time Payment Policy for Small Business as outlined by Finance Circular 2012/02.

For the period 1 July 2012 to 31 October 2012 the Department made 7,902 payments via invoices and credit card. Of these payments 98% were paid within 30 days. These figures exclude payments to staff and other Government Agencies. The Department does not record accounts payment data in a way that would readily allow a more detailed statistical breakdown than what has been provided above. To attempt to provide this additional level of detail would involve an unreasonable diversion of Departmental resources.

No interest was paid on overdue accounts in the financial year to 31 October 2012.