

**Senate Community Affairs Committee**  
**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND**  
**INDIGENOUS AFFAIRS PORTFOLIO**  
**2012-13 Additional Estimates Hearings**

**Outcome Number:** Cross Outcome

**Question No:** 239

**Topic:** Government Payment of Accounts

**Hansard Page:** Written

**Senator Boyce** asked:

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:**

Yes, the Department is meeting the required Government payment terms to pay its accounts. For this financial year to date (1.7.2012 to 28.2.2013), the Department has paid the following:

Timeframe	No. of Payments	Value of Payments	% of Payments
0 – 30 days	11,220	\$128,605,955.27	97.42%
31 – 44 days	183	\$4,465,318.09	1.59%
45 – 60 days	49	\$363,718.87	0.43%
61 + days	65	\$5,018,546.84	0.56%

There are a range of reasons why invoices are processed later than their due date, including:

- Clarification required relating to the goods/services provided or the amount of an invoice;
- Incorrect contact details; or
- Some invoices are not received but when reissued, are received with the original issue date.

In 2011/12, payments of interest were made to two companies totalling \$168.88. In 2012/13 year to date, payments of interest have been made to 11 companies totalling \$1,264.14. Interest is calculated in line with the General Interest Charge (GIC) rates as per guidance provided by the Australian Taxation Office (ATO).