

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2014 - 2015, 22 October 2014

Ref No: SQ14-001453

OUTCOME: 0 - Whole of Portfolio

Topic: Government Payments of Accounts

Type of Question: Written Question on Notice

Senator: Ludwig, Joe

Question:

1. Since Budget Estimates in June, 2014 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:

For the period 01 June 2014 to 31 October 2014:

1. The average payment time was 22 days.
2. Paid 12,286 invoices under 30 days being 80 per cent of the total invoices.
3. Paid 2,691 invoices between 30 and 60 days being 18 per cent of the total invoices paid.
4. Paid 217 invoices between 60 and 90 days being one per cent of the total invoices paid.
5. Paid 70 invoices between 90 and 120 days being 0.5 per cent of the total invoices paid. The Department paid 69 invoices over 120 days being 0.5 per cent of the total invoices paid.

6. Yes, a total of \$4,333.00 interest has been paid in the period 01 June 2014 to 31 October 2014.

7. Under the Small Business Payment Policy interest is calculated based on the General Interest Charge rate as per Section 8 AAD of the *Taxation Administration Act 1953*. The rate is published on the Australian taxation Office website. The rate can vary depending on the period in which interest is calculated.