

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings February 2016

Communications Portfolio

Department of Communications and the Arts

Question No: 173(a)

Department of Communications and the Arts

Hansard Ref: Written, 19/02/2016

Topic: Government Payments of Accounts

Senator Ludwig, Joe asked:

Since the change of Prime Minister on 14 September, 2015:

1. 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:

Over the period 1 September 2015 to 31 January 2016:

1. The average time period the Department paid its accounts to contractors, consultants or others was 17.91 days.
2. 1,261 or 90.72% of payments owed were paid in under 30 days.
3. 103 or 7.41% of payments owed were paid in between 30 and 60 days.
4. 16 or 1.15% of payments owed were paid in between 60 and 90 days.
5. 3 or 0.22% of payments owed were paid in between 90 and 120 days. f) 7 or 0.50% of payments owed have been paid in over 120 days.

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6. From 1 July 2014, the Department of Finance introduced the Supplier Pay On-Time or Pay Interest Policy. This policy requires the Department to pay interest on all payments which are not made within the maximum payment terms, 30 days, for contracts valued up to and including A\$1million (GST inclusive). Interest is only paid where the interest amount calculated is greater than \$10. For the period September to January, interest of \$493.92 was paid.
7. A daily interest rate of 0.02506849% is being used to calculate the interest payable amount. In line with the Supplier Pay On-Time or Pay Interest Policy, the rate is sourced from the ATO's website.