

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 913

Topic: Government Payments of Accounts

Hansard Page: Written (Received from Committee 13 June 2012)

Senator BUSHBY asked:

913. 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)?
- a) 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)
 - b) 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?
 - c) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

913. Yes. The Treasury follows government policy for payment of accounts within 30 days, However, there can be instances where payment of accounts is delayed.
- a) Between 1 July 2011 and 31 May 2012, the Treasury paid 99% of all suppliers within 30 days of receipt of a correctly rendered tax invoice.
 - b) No. Between 1 July 2011 and 31 May 2012, no small business claimed interest from Treasury.
 - c) In determining the interest payable to small business in relation to late payments, Treasury follows Finance Circular 2008/10. This is available on the Department of Finance and Deregulation website.