

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

**Budget Estimates**

29 May – 31 May 2012

**Question: BET 915**

**Topic: Government Payments of Accounts (ABS)**

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

**Senator BUSHBY asked:**

915. 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:**

915. Payments of accounts are made in line with Government policy in terms of time for payment of 30 days. The ABS paid 95% of all of its invoices within 30 days for the period 1 July to 31 May 2012.
915. (a) With respect to the remaining 5% of payments not paid within 30 days, the reasons for this include but are not limited to: (i) resolution of general queries before payment terms are satisfied; (ii) disputed invoice where there has been incorrect number of units / hours or unit cost / charge out rate; (iii) disputed invoice due to quality of work / services; (iv) non-valid tax invoices sent by the supplier; and (v) the misdirection of invoices to the procurer.
- (b) No interest was charged or paid for the period 1 July to 31 May 2012.
  - (c) N/A