

Senate Standing Committee on Education and Employment

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Cross Portfolio

Department of Employment Question No. EM0471_15

Senator Ludwig provided in writing.

Question

Payments of accounts

a) From Additional Estimates in February, 2014 to date, what has been the average time period for the department/agency paid its accounts to contractors, consultants or others? b) How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days? c) How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days? d) How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days? e) 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? g) 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 Additional Estimates in February, 2014? h) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer

The Department of Employment does not track individual average time period for payment of accounts. The department tracks for the time periods displayed below.

From March 2014 to June 2014 the Department of Employment¹ paid 94 per cent of suppliers within 30 days of receiving a correctly rendered invoice.

	No. of claims	%	Value of claims (\$,000)	%
Paid in 30 days	5,336	94%	41,775	86%
Paid 31-44 days	246	4%	5,946	12%
Paid 45-60 days	73	1%	762	2%
Paid > 60 days	50	1%	298	0%
Total	5,705	100%	48,781	100%

For the 2013-14 financial year, costs associated with Corporate and the State Office Network functions of the former Department of Education, Employment and Workplace Relations cannot be simply attributed to the individual new departments. The value associated with these functions has been attributed to both departments.

For accounts not paid within 30 days, interest is payable upon receipt of a correctly rendered invoice from qualifying suppliers as prescribed in Finance Circular 2012/02. No claims for interest due to late payment have been received during the period 1 March to 30 June 2014.

For accounts not paid within 60 days, interest is payable via a self-generated payment for qualifying suppliers as prescribed in Finance Circular 2012/02. No late payments during the period 1 March to 30 June 2014 met the requirements of this Finance Circular.

Determination of any interest payable is in accordance with the requirements of Finance Circular 2012/02.