

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Supplementary Budget Estimates 2014-2015

#### Cross Portfolio

Department of Employment Question No. EM1400\_15

Senator Ludwig provided in writing.

#### Question

##### Government payments of accounts

Since Budget Estimates in June, 2014:

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

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 1 July to 31 October 2014 the Department of Employment <sup>1</sup> paid 93 per cent of suppliers within 30 days of receiving a correctly rendered invoice.

	No of claims	%	Value of claims (\$,000)	%
Paid in 30 days	3,675	93%	28,998	94%
Paid 31 to 44 days	191	5%	1,080	3%
Paid 45 to 60 days	68	2%	560	2%
Paid > 60 days	26	1%	333	1%
<b>Total</b>	<b>3,960</b>		<b>30,972</b>	

<sup>1</sup> The table includes transactions incurred by the Shared Services Centre on behalf of the Department of Education and the Department of Employment.

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 July to 31 October 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 July to 31 October 2014 met the requirements of this Finance Circular.

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