

# Senate Standing Committee on Economics

## ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

23 – 24 February 2011

Question No: AET 133

Topic: SBT 156

Hansard Page: E 20

Senator Bushby asked:

**Senator BUSHBY**—Thank you. With respect to government payments of accounts, in answer to question on notice SBT 156, you say 91 per cent of all invoices were paid within 30 days. Most of the ones that were not were due to the receipt of incorrect invoices or differences in respect of amounts charged. The use of the word ‘most’ just struck me. With the ones that are not, what is the cause of delays?

**Mr D’Aloisio**—It could be disputes, but I will get you more detail.

**Answer:**

From 1 July to 31 October 2010, 1417 invoices for contractors/consultants were paid. Of the 1417, 1285 invoices (91%) were paid within the Government policy terms of 30 days. The remaining 132 invoices (9%) were paid outside 30 days.

To extract the 132 invoices through ASIC's financial management information system and analyse each individual invoice against its supporting approval documentation would take a staff member a considerable amount of time to determine the reason for each of the delays.

However, we can report that based on the experience of our Accounts Payable team, these delays are a result of disputed invoices where clarification has been sought in respect of the rates, hours and services billed and in some instances, seeking the necessary internal approvals and authorisations for the payment.

We are continuing to improve our processes to minimise any delays in the payment of invoices, particularly in those instances where payment falls outside the 60 days. These instances represent 2% of the total invoices paid.