

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates 2012

15 – 17 February 2012

Question: AET 599 - 602

Topic: Government Payments of Accounts (ASIC)

Hansard Page: Written

Senator BUSHBY asked:

599. 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

600. 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

601. 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?

602. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer

599. As at 29 February 2012, ASIC has identified 87% of invoices for contractors/consultants were processed within Government policy terms of 30 days. The remaining 13% were paid outside of the 30 day terms.

Most delays in paying invoices beyond the 30 day terms were due to the receipt of incorrect or incomplete invoices and/or differences in respect of the amounts charged or services provided.

600.

1 July 2011 - 29 February 2012	Paid within 30 days (paid on time)	Paid within 31-60 days (up to 30 days late)	Not paid within 60 days (30 days or more late)	Total
% of invoices by number	87%	9%	4%	100%

As part of the rollout of the new finance system in early 2011-12, suppliers have been asked to send all invoices to a central location for scanning. This is designed to reduce any delays in payment. ASIC continues to input 28 day term of payment instead of 30 days to assist in minimising delays.

601. No interest has been paid on overdue accounts.

602. N/A.