

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Budget Estimates Hearing 2010-11
31 May 2010

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Recovery of Overpayments

REFERENCE: Written Question – Senator Eggleston

QUESTION No.: BI-116

Is the size of firms taken into account when arrangements for the repayment of their debts are determined? In other words, is AusIndustry able to – and does it – adjust the deadlines by which payments must be made on the basis of the relevant business' individual circumstances?

ANSWER

AusIndustry follows the Financial Management and Accountability (FMA) Act and Chief Executive Instructions (CEI's) when negotiating a Repayment by Instalment schedule. AusIndustry may request financial statements, interim statements, cash flow forecasts and a business summary in support of a company's proposed repayment request. This information assists AusIndustry in determining the viability and liquidity of a Company. The assessment of a Repayment by Instalment arrangement is evaluated on an individual basis.

The period of monthly repayments will be in relation to the size of the debt. If a company is suffering financial hardship after executing a Repayment by Instalment, the company is able to contact AusIndustry and negotiate the possibility of an alternate repayment schedule.