

**Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Innovation, Science, Research and Tertiary Education Portfolio  
Budget Estimates Hearing 2012-13  
28 and 29 May 2012

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**AGENCY/DEPARTMENT:** DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

**TOPIC:** Government Payments of accounts

**REFERENCE:** Written Question – Senator Bushby

**QUESTION No.:** BI-192

1. 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)? If not, why not? Provide details, including 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)
2. 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?
3. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

**ANSWER**

1. The 'Procurement 30 Day Payment Policy for Small Business' ('the policy') outlined in Finance Circular 2008/10 only applies to *Financial Management and Accountability Act* agencies. Within the portfolio the policy applies to the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE), the Australia Research Council (ARC), IP Australia, Tertiary Education Quality and Standards Agency (TEQSA) and Australian Skills Quality Authority (ASQA).

Please refer to AI-238 for payment statistics for 1 July 2011 to 29 February 2012. Payment statistics for 1 March 2012 to 31 May 2012 are outlined in the table below.

|                                          | DIISRTE | ARC | IP<br>Australia | TEQSA | ASQA |
|------------------------------------------|---------|-----|-----------------|-------|------|
| Total invoices processed                 | 25,179  | 55  | 1825            | 816   | 1267 |
| Total number paid within 30 days         | 25,094  | 47  | 1817            | 816   | 1140 |
| Total percentage paid within 30 days     | 99.66%  | 85% | 99.56%          | 100%  | 90%  |
| Total number not paid within 30 days     | 85      | 8   | 8               | 0     | 127  |
| Total percentage not paid within 30 days | 0.34%   | 15% | 0.44%           | 0     | 10%  |

Late payments are primarily the result of administrative delays, such as non-timely confirmation of receipt of goods or services before invoices are passed to the processing phase.

2. To 31 May 2012, no invoices have been received for interest on amounts not paid in line with the policy.
3. Not applicable.