

**SENATE STANDING COMMITTEE ON ECONOMICS QUESTION**  
**(Supplementary Budget Estimates 20 October – 21 October)**

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Question: SBT 156

Topic: Government Payment of Accounts

Senator Bushby asked:

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, and 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.)

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?

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

Answer:

In the current financial year from 1 July 2010 to 31 October 2010, 91% of all invoices for contractors/consultants were paid within Government policy terms of 30 days. The remaining 9% of invoices were paid outside the 30 day terms.

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

Over the past 2 years, ASIC has not had any instances where interest has been paid on overdue accounts.

Where interest is to be paid, interest would be calculated as per the Finance Circular 2008/10 'Procurement 30 Day Payment Policy for Small Business'.

ENDS