

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

20 October 2011

Question No: SBT 67

Topic: Government payment of accounts

Hansard Page: Written

Senator Bushby asked:

For the FYTD, 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,

- (a) 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.
- (b) 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?
- (c) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

For the period 1 July 2011 to 31 October 2011, the ATO has paid 98.7% of supplier payments on time by value and 96.2% by number within 30 days of receipt of a correctly rendered invoice.

- (a) Of those supplier payments paid late (i.e. more than 30 days):
 - By value, 1.1% were paid between 1 and 30 days late and 0.2% were paid more than 31 days late
 - By number, 2.8% were paid between 1 and 30 days late and 1.0% were paid more than 31 days late
- (b) From 1 July 2011 to 31 October 2011, the ATO has paid \$2,372.86 in interest on late payments. In 2010-11, the ATO paid \$2,390.28 in interest for late payments.
- (c) The rate of interest is paid at the General Interest Charge (GIC) rate. The GIC rate is updated quarterly and is available on the ATO website.