

**Senate Foreign Affairs, Defence and Trade Legislation Committee**  
Senate Budget Estimates, June 2011  
Questions on Notice: AusAID

**Question No. 50**

**Senator Trood** asked in writing

- a) 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.
- 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:**

- a) AusAID has paid approximately 93.86 per cent of its accounts within 30 days during the 2010-11 financial year. Payments falling outside this term are minimal and are generally processed within 60 days. A breakdown of payment timeframes is provided below:

	Paid within 30 days	Paid between 31-44 days	Paid within 45-60 days	Paid greater than 60 days
% of invoices by number	93.86	3.61	0.91	1.62
% of invoices by value	96.24	2.68	0.32	0.76

- b) Interest is payable where the payment is to a small business and the payment term exceeds 30 days. There were no interest payments made during the 2010-11 financial year. There was one instance of interest on late payment being requested by a small business in the 2009-10 financial year. The amount of interest paid in this instance was \$36.50.
- c) The calculation of interest is based on the Department of Finance and Deregulation Circular 2008/10 'Procurement 30 Day Payment Policy for Small Business'.