

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates Hearing 21-24 May 2012

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1.3 Support Services for Government Operations

Topic: Government Payments of Accounts

Senator: Senator Ryan

Question reference number: 97

Type of Question: Written

Date set by the committee for the return of answer: 6 July 2012

Number of pages: 1

Question:

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)
- 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:

The department is committed to following the Government's policy for Procurement 30 day payment policy for Small Business as outlined by Finance Circular 2008/10.

The department prepares data every financial year for a Department of Innovation, Industry, Science and Research survey of FMA Act agency performance in the payment of their accounts.

In 2010-11 the department paid 97% of its payments to small business within 30 days.

The department does not record account payment details in a way that would readily allow production of this information during the financial year. To attempt to provide this level of detail for the financial year to 31 May 2012 would involve an unreasonable diversion of departmental resources at this point in time.