

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates 15-18 October 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: Payment of Accounts 2011-12

Senator: Senator Ryan

Question reference number: 110

Type of Question: written

Date set by the committee for the return of answer: 30 November 2012

Number of pages: 2

Question:

For 2011-12, did the department/agency pay 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/was 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?

Have all accounts from 2011-12 been paid? If no, why not?

Answer:

The Department is committed to following the Government's policy for Procurement On-Time Payment Policy for Small Business as outlined by Finance Circular 2012/02.

In 2011-2012 the Department made 26,794 payments via invoices and credit card. Of these payments 95.2% were paid within 30 days. These figures exclude payments to staff and other Government Agencies. The Department does not record accounts payment data in a way that would readily allow a more detailed statistical breakdown than what has been provided above. To attempt to provide this additional level of detail would involve an unreasonable diversion of Departmental resources.

No interest was paid on overdue accounts in 2011-12.

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All accounts on hand from 2011-12 have been paid. The Department may receive late invoices for services delivered in 2011-12. These invoices are paid within 30 days of the remittance date.