



MEDIA RELEASE

SENATOR THE HON NICK SHERRY

Minister for Small Business
Minister Assisting on Deregulation
Minister Assisting on Tourism

ON-TIME PAYMENTS TO SMALL BUSINESS – GOVERNMENT LEADS THE WAY

The Australian Government continues to show the way in paying small businesses on time – settling 97.2 per cent of invoices within 30 days in 2009-10.

“This on-time payment level is the highest on record – up from 96.5 per cent in the previous year,” Small Business Minister, Senator Nick Sherry, said.

“I’m delighted the Australian Government is setting a good example in terms of corporate citizenship.

“Steady cash flow is vital for small businesses – they shouldn't have to wait excessively for payments when they deal with governments and larger businesses.

“Unfortunately, for too many small businesses that is indeed the case, as shown by the latest Dun & Bradstreet Trade Payments Analysis, for the September 2010 quarter.

“It shows businesses took an average of 53.2 days to pay their accounts, a deterioration of 1.1 days compared with the same period last year.

“I urge large businesses and other levels of government to follow the Australian Government's example and pay their bills to small business on time.

“This improvement in on-time payments is encouraging, but there is still room for improvement and the Australian Government will continue to strive for an even better result in the future.”

Senator Sherry said as a further incentive for agencies to pay on time, the Australian Government's on-time payment guarantee allows small businesses to charge penalty interest if accounts for all new contracts up to \$1 million are not paid within 30 days.

A summary report of the payments survey is available at www.innovation.gov.au.

CANBERRA

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Media contact: Joe Scavo 0413 800 757