

PAYING BILLS ON TIME

KEEPING GOVERNMENT DEPARTMENTS
ACCOUNTABLE

2036



Marshall
LIBERAL TEAM

2036

WILL MARK OUR STATE'S BICENTENARY

By the time our State turns 200 years old, I want South Australia to be a place of prosperity.

Planning and delivering on my vision for a better future starts now.

This policy is just part of our plan to deliver a clear and responsible pathway to recovery and success.

See where it fits in below

1.0 GROWING OUR ECONOMY

2.0 THE BEST EDUCATION SYSTEM

3.0 BEING A HEALTHY STATE

4.0 STRENGTHENING COMMUNITIES

5.0 BUILDING OUR STATE

6.0 ENSURING SAFETY AND JUSTICE

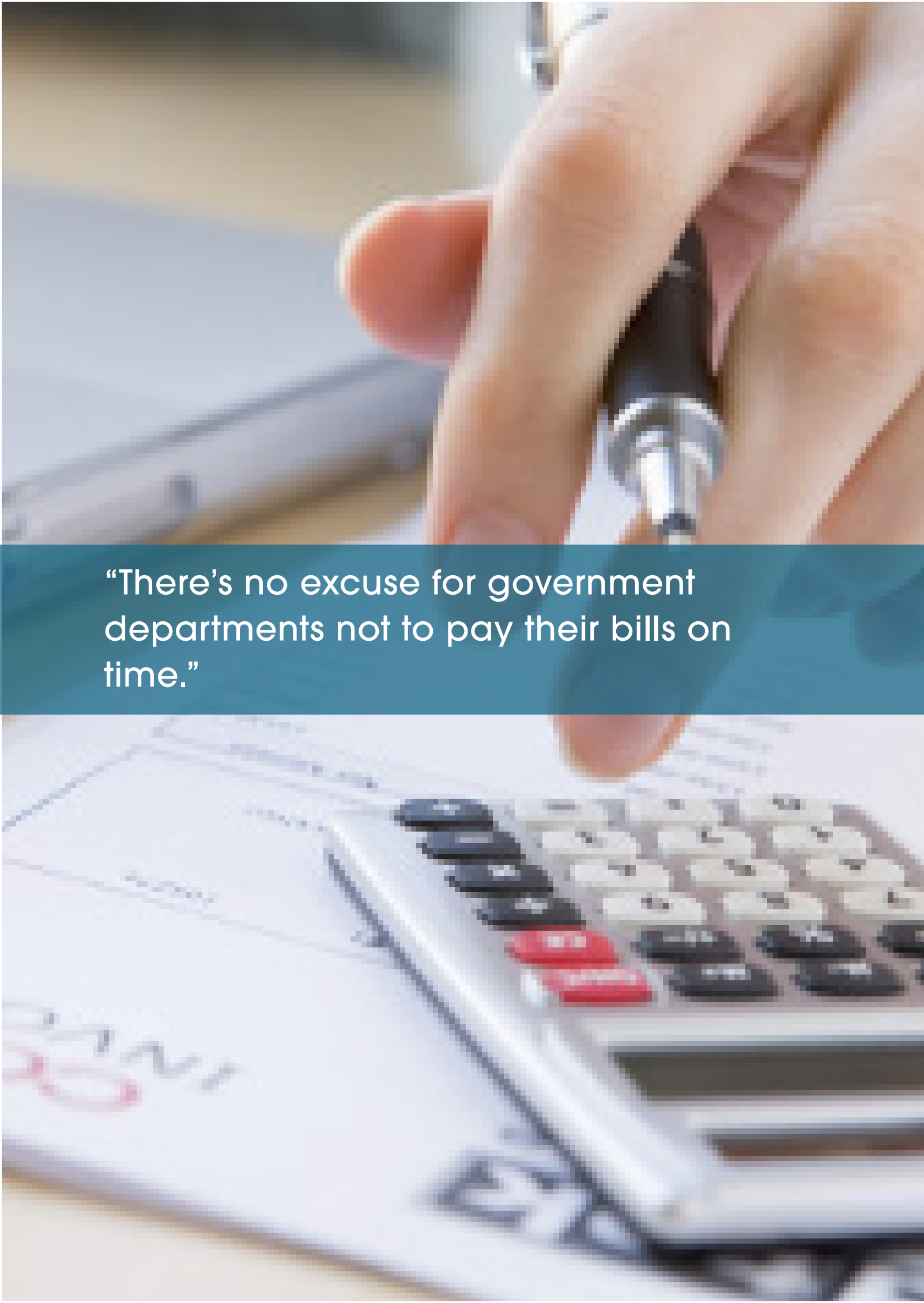
7.0 PROTECTING OUR ENVIRONMENT

8.0 EMBRACING OUR UNIQUE CULTURE

9.0 RUNNING AN EFFICIENT AND STABLE GOVERNMENT

9.2 Making South Australia productive through innovation and collaboration

9.6 Reducing the cost of doing business

A close-up photograph showing a person's hand holding a silver pen over a calculator and a document. The calculator is in the foreground, and the document has some faint markings. The background is blurred, showing what appears to be a computer monitor.

“There’s no excuse for government departments not to pay their bills on time.”

THE PROBLEM

Businesses continually complain about the late payment of bills by South Australian Government departments.

Prompt payment is vital for small and medium-sized enterprises in particular, although there is no excuse for government departments not to pay invoices submitted by all businesses on time.

The national Small Business Ombudsman, Kate Carnell, recently disclosed that the Weatherill Government had \$470 million in outstanding payments by its departments, most of them overdue by over 30 days and a large number by more than 60 days.

SA Health alone accounted for \$200 million of the outstanding payments.

Each year the South Australian Government spends more than \$4 billion on buying goods and services for its departments and agencies.

If this isn't done efficiently, the rest of the economy pays the cost.

The cashflow problems caused to small businesses by late payments are significant. Often, it means small businesses have to delay wages to their own staff and payments to their suppliers.

Failure by a government department to pay on time has very real consequence for small and medium-sized businesses. It's time they were held accountable.

While penalty interest is payable by government agencies for late payments, many businesses consider the amount so small and the bureaucratic procedures applied to seeking it so cumbersome that the effort just isn't worthwhile.

THE STATE LIBERAL'S PLAN

Automatic penalties will ensure that government departments are held responsible for their failure to pay on time.

If elected in March 2018, a Marshall Government will ensure automatic penalties are made payable to businesses:

- for any contract worth up to \$1 million
- where the amount has been outstanding for more than 60 days
- where there is no dispute over the correctly rendered invoice; and
- where the penalty interest exceeds \$10.

We will incorporate these measures into a Payment Code.

A Marshall Government will also require each Cabinet Minister to report publicly on monthly bill payment performance.

**“We will work with business to
avoid delays by government
departments in paying bills.”**

Steven Marshall, State Liberal Leader

If you would like to provide feedback on our policy or learn more about our plan, please get in touch via:

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