



# September 2024 Liaison Forum

- This meeting is commencing shortly.
- Please ensure your microphone is muted.
- Your participation is welcome, please add your questions to the Teams chat as we go or raise your hand after a presentation.
- These slides will be published to [paymenttimes.gov.au](https://paymenttimes.gov.au).



# Welcome and Overview

1. Regulator's Opening Remarks
2. Reform and Resources Update
3. Regulatory Operations
4. Latest Data and Insights
5. Questions and Discussion
6. Closing Remarks

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# Opening Remarks

Robyn Beutel

Payment Times Reporting Regulator

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## Reforms



### New Legislation

Payment Times Reporting Amendment Act 2024 and Payment Times Reporting Rules 2024



### Amended Regulator Powers

Improving the efficiency of Scheme administration



### Reporting Requirements

New reporting entity definition, streamlined and consolidated reporting, and detailed calculation methodologies

## Regulator Principles



### Continuous Improvement & Building Trust

We look to deliver our functions with an understanding of issues faced by reporting entities when reporting, and to make compliance as easy as possible.



### Being Risk-based & Data Driven

We use data collected under the Act and by other government agencies to reduce regulatory burden by ensuring compliance is targeted efficiently.



### Collaboration & Engagement

We understand the complexity and effort needed to meet obligations under the Act will vary for different reporting entities. We welcome feedback from reporting entities and other users of the register to help us improve the delivery of our functions.

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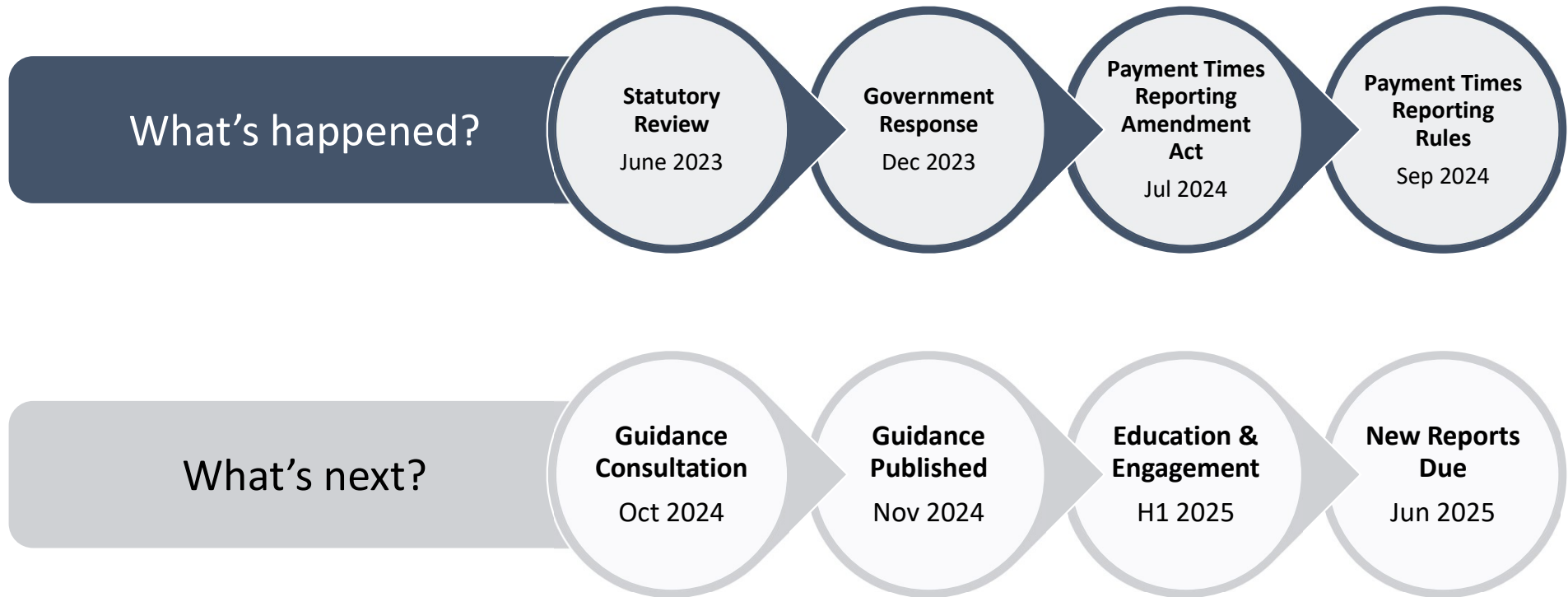
# Reform and Resources Update

Owen Rayner

Director, Government Response and  
Reform

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# New Payment Times Scheme



# New Payment Times Scheme

## What are the changes?

One report (generally)

Fewer reporting fields

Only report on trade credit arrangements

Removal of signed declaration

Reduced reporting for external administration and nil procurement

Streamlined exit from reporting



## What do I need to know?

Changes are a **major overhaul**

New *reporting entity* definition

AASB consolidation for reporting

Revised reporting data

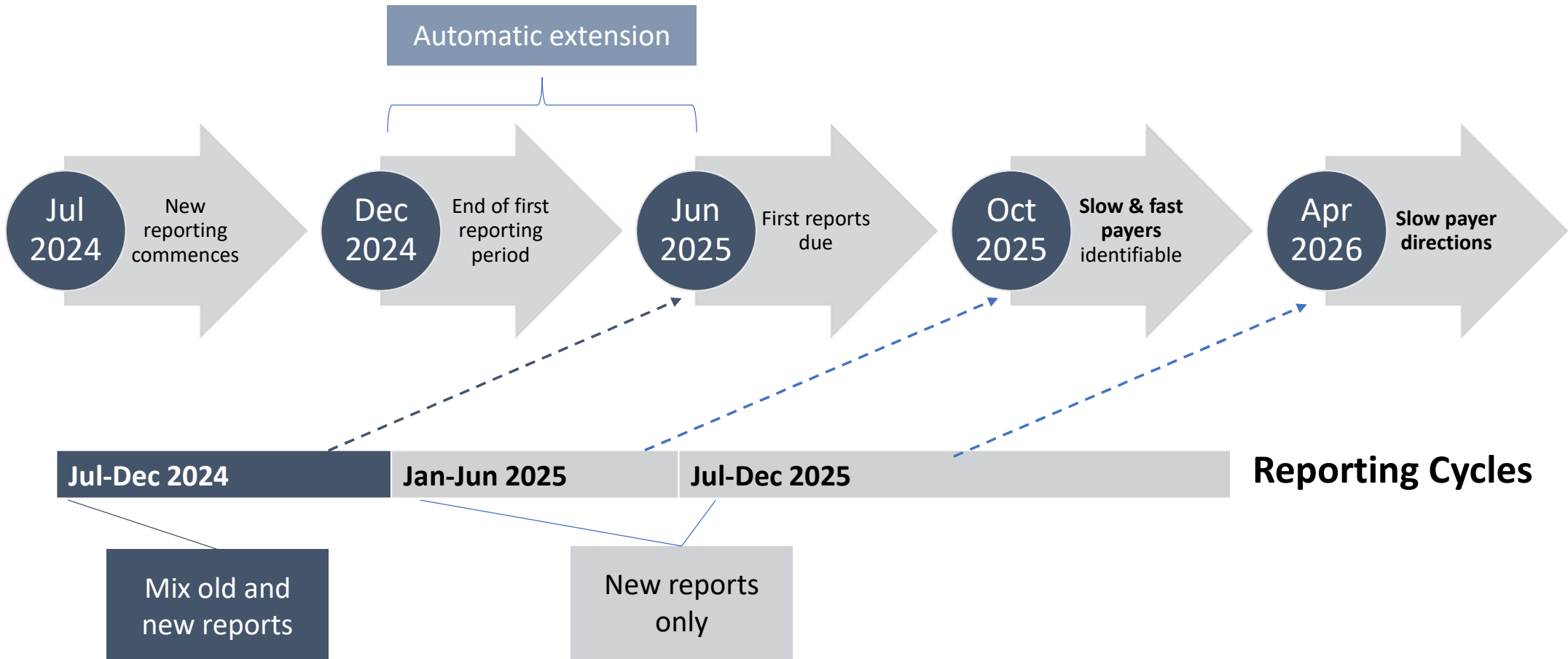
Detailed calculation methodology

**New incentives** – *fast and slow payers*

Transitional arrangements



# New Payment Times Scheme







# New Payment Times Scheme

## Information Sheets

### INFO 9

*Transition to the new Scheme*

### INFO 10

*Reforms to payment times reporting*

## Guidance Notes

### Consultation

Virtual sessions & submissions

### Publication

November 2024

## Communications & Engagement

### Education & Engagement

Information sessions, liaison forums

### Regulator Website

News article, FAQs



# Reform FAQs

<b>Who must report?</b>	<ul style="list-style-type: none"> <li>- Large businesses with consolidated revenue over \$100 million.</li> <li>- Generally, only one entity in a large corporate group will be a reporting entity.*</li> </ul>
<b>I'm no longer a reporting entity (member entity). What do I need to do?</b>	<ul style="list-style-type: none"> <li>- Confirm you are not a reporting entity in the Portal.</li> <li>- The amendment Act automatically exited all entities that do not meet the new criteria.</li> </ul>
<b>How do I treat foreign entity revenue and transactions?</b>	<ul style="list-style-type: none"> <li>- All revenue from controlled entities is used to determine whether an entity meets the \$100 million threshold.</li> <li>- Payments by foreign entities to Australian small business suppliers are only reportable if an ABN is recorded.</li> </ul>
<b>How are investment companies treated (AASB 10)?</b>	<ul style="list-style-type: none"> <li>- As they are under accounting standards.</li> <li>- Updated guidance materials will have more detail</li> </ul>
<b>What are the new reporting measures for (average, median, 80% and 95% payment time)?</b>	<ul style="list-style-type: none"> <li>- This data will allow for richer analysis of payment times and practices.</li> <li>- Regulator can compare data points to gain insight into the volatility and spread of conduct in a group.</li> <li>- 95% used for fast and slow small business payer.</li> </ul>



# Reform FAQs

<p><b>What transactions are reportable?</b></p>	<ul style="list-style-type: none"> <li>- Trade credit arrangements to a supplier of goods or services where an ABN is recorded.</li> <li>- Credit card payments that are under \$100 or subject to relevant policy can be excluded.</li> </ul>
<p><b>How do the new Rules treat contract terms?</b></p>	<ul style="list-style-type: none"> <li>- Overriding contract terms are used for reporting.</li> <li>- If there are no contract terms, the terms on an invoice are used to report.</li> </ul>
<p><b>Do I need to prepare multiple datasets?</b></p>	<ul style="list-style-type: none"> <li>- No. Updates to the exposure draft Rules removed the need for multiple datasets. Only a trade credit dataset needs to be prepared.</li> <li>- A 'dataset' can be evidenced by coding or formulas that are applied to databases. Entities will not need to store an isolated 'dataset'.</li> </ul>
<p><b>Is any electronic invoicing eInvoicing?</b></p>	<ul style="list-style-type: none"> <li>- No. Only systems connected to the Peppol eInvoicing network.</li> </ul>



# Reform FAQs

<p><b>When will we start to see fast and slow payers on the Register</b></p>	<ul style="list-style-type: none"> <li>- 'Slow payers' and 'fast payers' identifiable from Q4 2025.</li> <li>- 'Slow payer' directions from Q2 2026.</li> <li>- Before then, the new dashboard will be improved to identify outliers and entities with good and poor payment practices.</li> </ul>
<p><b>What happens if I pay slow (or late)?</b></p>	<ul style="list-style-type: none"> <li>- If in slowest 20% for 2 periods can be given a direction to make statements on website, procurement and other documents.</li> <li>- May be identified in research and publications by the Regulator, including being identified on new Register dashboards.</li> </ul>
<p><b>How do we get recognised as a good payer?</b></p>	<ul style="list-style-type: none"> <li>- Fast payers must pay 95% of small business payments in 20 days or less for 12 months.</li> <li>- Other practices can also be recognised – reach out and tell us your story.</li> </ul>
<p><b>What type of research is the Regulator going to do?</b></p>	<ul style="list-style-type: none"> <li>- Broad remit; may include late payment, working capital funding, supply chain finance arrangements.</li> </ul>

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# Regulatory Operations

Peter Chia

Director, Operations

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# Transition Information

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## Reporting Periods *Commencing* Before 1 July 2024

- Reports need to be lodged under the old reporting requirements.

## Reporting Periods *Commencing* 1 July 2024 or Later

- The definition of a 'reporting entity' has changed → consolidated revenue.
- Reporting entities who do not meet the new definition are automatically exited from the Scheme.
- New reporting requirements apply.
- Information sheets on the reforms and transition are available on the website.



# Reports and Enquiries



In the future, reports will automatically be published to the register.

Entities must ensure the report is accurate.

Reports should not contain confidential information or information that could identify suppliers or third parties.



March and September are peak reporting periods.

We encourage entities to lodge reports and extension of time applications early.



Enquiries can be emailed to [support@paymenttimes.gov.au](mailto:support@paymenttimes.gov.au)

# Applications

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## Note:

- Applications must include all necessary documentation, including evidence.
- Entities may only apply for an extension of time before the report due date.



Two Extension of Time  
Application Types



New Application:  
'Volunteering Entity'



New Notice: 'Ceased to  
be a Reporting Entity'

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# Compliance & Enforcement

Focus on entities not registered to report or have registered but failed to report.



The Regulator continues to monitor and enforce compliance with the Act

The Regulator takes an escalating approach to compliance.

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# Data and Insights

Dean Curley

Director, Systems and Digital Support

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# July 2024 Regulator's Update

Average Payment  
Terms  
**35 Days**

Payments Within  
30 Days  
**69.2%**

**73%** of reporting entities make payments to small businesses.  
On average, **30%** of total procurement value is with small business.

Industry with **Shortest Average** Payment Terms  
**27 days**  
*Public Administration and Safety*

Industry with **Highest Proportion** of Payments Within 30 Days  
**84%**  
*Education and Training*

Industry with **Highest Average Proportion** of Small Business Procurement (By Value)  
**44%**  
*Agriculture, Forestry and Fishing*

Industry with **Lowest Average Proportion** of Small Business Procurement (By Value)  
**23%**  
*Mining*

Industry with **Longest Average** Payment Terms  
**44 days**  
*Manufacturing*

Industry with **Lowest Proportion** of Payments Within 30 Days  
**53%**  
*Manufacturing*

Since January 2021:  
**61,555** reports have been lodged  
**63** entities have elected to be volunteering entities

Of the 11,702 reporting entities that registered:  
**3,540** (30%) reported individually  
**8,162** (70%) reported within a group

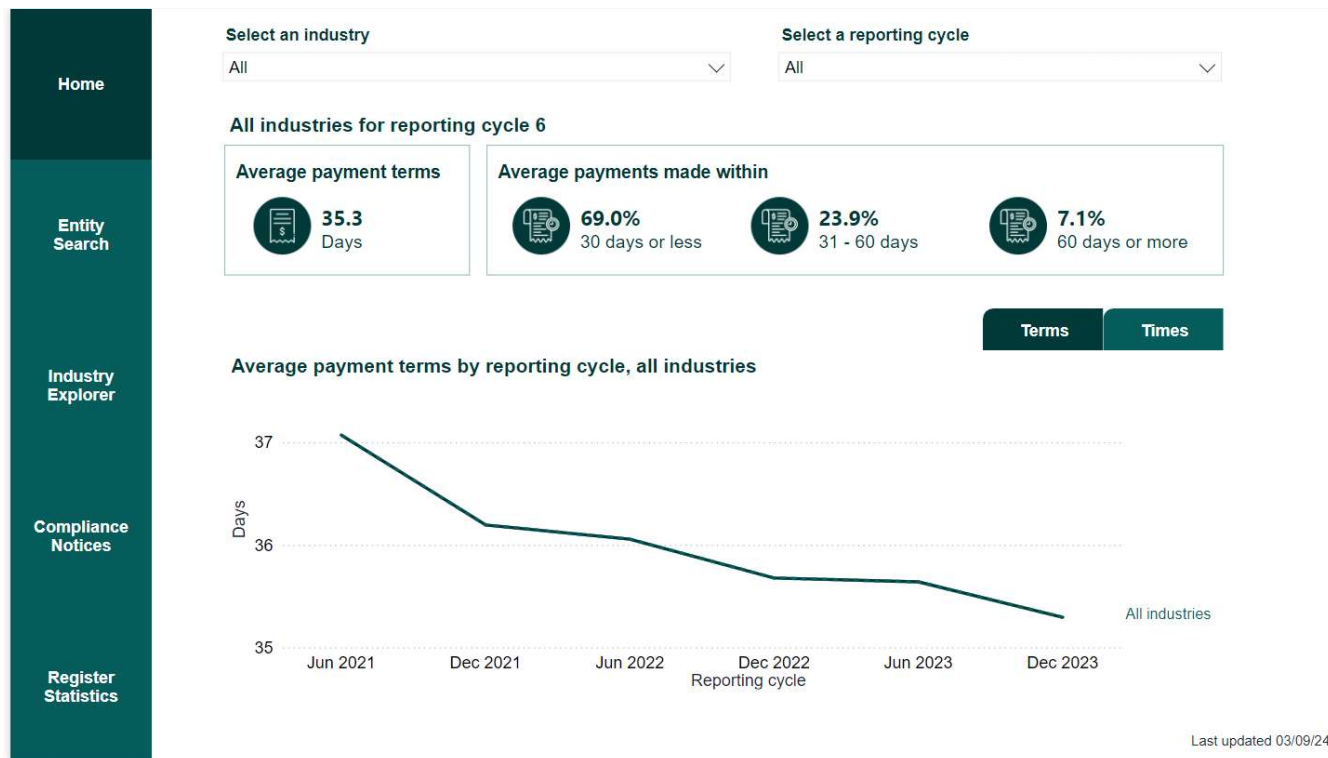
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## The updated Register Dashboard launched 13 September 2024



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# Questions?

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# Closing Remarks

Robyn Beutel

Payment Times Reporting Regulator

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# Thank You

**Next forum: February 2025**

[support@paymenttimes.gov.au](mailto:support@paymenttimes.gov.au)

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