



John Barilaro
Deputy Premier
Minister for Regional NSW
Minister for Skills
Minister for Small Business

MEDIA RELEASE

31 August 2018

NSW GOVERNMENT DELIVERS FASTEST PAYMENT TERMS IN AUSTRALIA

Deputy Premier and Minister for Small Business John Barilaro today announced an Australian-first commitment to pay small businesses contracted by the NSW Government, in just five days.

By the end of 2019, small businesses that supply to the NSW Government, with invoices up to \$1 million, will be paid faster than any other state in Australia, to help boost business cash flows.

Mr Barilaro made the announcement at the Council Of Small Business Organisations Australia (COSBOA) Small Business Summit in Sydney this morning.

Mr Barilaro said the faster payments policy would make NSW the fastest government payer in the country, and a world leader alongside the United Kingdom, where government payments are also made in just five days.

“As a former small business owner myself, I know firsthand the importance of cash flow, and the importance of being paid promptly for the work you do,” Mr Barilaro said.

“By paying government-contracted small businesses faster, they will have earlier access to almost \$2 billion in working capital.

“Delayed access to finance and reliable cash flow is the most common reason businesses fail, with about a third of SMEs reporting that late payments impact personal finances and their ability to cover expenses like rent, wages and utility payments.

“The NSW Government will now pay its bills faster to ensure NSW remains the best place in Australia, and one of the best in the world, to set up and run a small business,” he said.

NSW has had a 30-day payment policy for registered government suppliers since 2012. The NSW Government Small Business Strategy released just 12 months ago committed the government to further improving those payment terms.

“We have moved quickly to honour this commitment,” Mr Barilaro said.

“NSW will lead the nation by reducing our payment time frames to 20 days by the end of 2018 and then to five days by the end of 2019,” Mr Barilaro said.

“We will also cut red tape by simplifying the registration process to apply for faster payments.

“Valid and undisputed invoices under \$10,000 can be paid instantly by the NSW Government with purchase cards.

“The Office of the NSW Small Business Commissioner will lead government efforts to implement these changes,” he said.

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