



MEDIA RELEASE

Canberra's improved payment times a boon for small business

13 November 2019: A new report from leading data and analytics firm illion suggests Australian Public Sector reforms have resulted in a significant improvement in late payment times, bringing public administration into line with the rest of the country.

illion's September Trade Late Payments report shows late payments across the nation improving 12 per cent on this time last year, bringing the figure to a new historic low of just 9.1 days.

illion Senior Economist Stephen Koukoulas said the changes in public sector payment times were a contributing factor, noting the sector has historically been a poor payer.

Payment times improved by 13 per cent across the public administration sector, which rolled into an impressive 28 per cent upward movement for payment times in the ACT, which had also lagged behind the rest of the country in the past. The ACT now sits near the top of the leader board, beaten only by Tasmania.

With Canberra and the ACT now paying their bills more promptly, we are seeing a flow-on effect into other sectors, including small business. It particularly affected micro-sized businesses, which had a year on year improvement of 20 per cent.

"While income tax and interest rate cuts are likely to have had a marked impact on payment times, a slight pick-up in retail spending and a solid rise in employment figures were also favourable for the micro and small business sectors," Mr Koukoulas said, adding that the result was "extraordinary".

illion CEO Simon Bligh confirmed the findings in the report were a bright spot in an otherwise slow period of economic growth.

"Payment times from Australian businesses are continuing to improve, despite the economy being in the slow lane.

"However agriculture and forestry are still carrying the weight of the drought on their shoulders, reflected in continued slowing of payment times in those sectors, while a comparatively small rise in the mining sector's payment times may be attributed to the impact of global trade tensions," said Mr Bligh.

Chart 1: Number of days after due date that bills are paid, public administration vs. totals

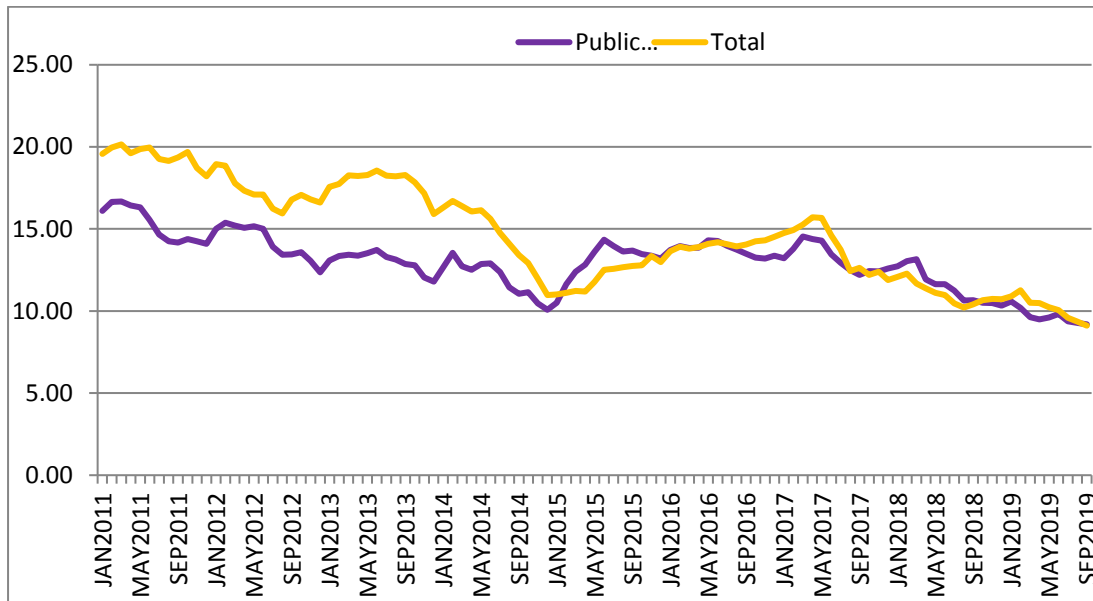


Table 1: Late payments by sector

INDUSTRY	SEP2018	SEP2019
Communications	8.75	11.72
Forestry	5.45	6.34
Agriculture	7.12	7.84
Mining	11.67	12.41
Manufacturing	11.03	10.61
Wholesale Trade	9.97	9.51
Transportation	9.17	8.57
Finance, Insurance, Real Estate	9.07	8.36
Construction	10.17	9.25
Services	8.76	7.96
Retail Trade	13.47	12.03
Total	10.40	9.11
Public Administration	10.66	9.19
Electric, Gas, And Sanitary Services	13.32	10.49
Fishing	9.05	6.99

Table 2: Late payments by state

State	SEP2018	SEP2019
ACT	11.83	8.46
NSW	10.54	9.32
NT	10.84	10.31
QLD	10.07	8.79
SA	10.34	9.10
TAS	7.96	7.40
VIC	10.36	9.09
WA	11.01	9.53
Total	10.40	9.11

Infographic 1: Late payments by company size

Late Payments by Company Size - September Quarter 2019

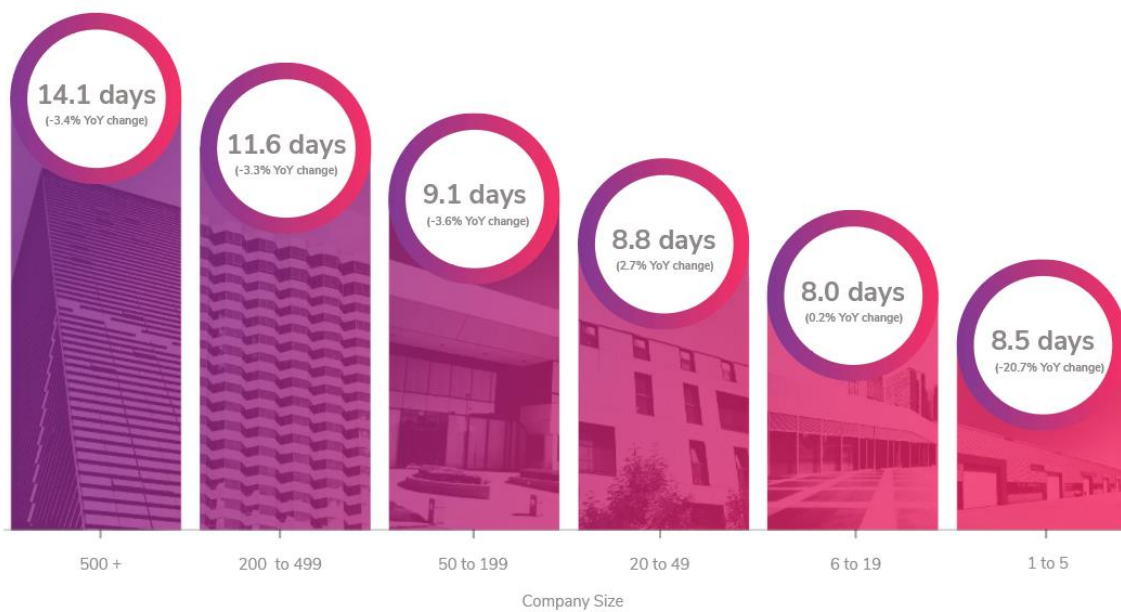


Image 1: Trade Exchange homepage



illion has recently launched a new trade portal for its clients to share debtor payment information which is then utilised in its Late Payments report. The service is complimentary and free of charge, and clients gain access to highly predictive Late Payment Risk Scores. illion's Trade Exchange Program can be joined by contacting Client services on 13 23 33.

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About illion

illion is the leading independent provider of trusted data and analytics products and services in Australia, with the company's consumer and commercial registries representing a core element of Australia's financial infrastructure.

It leverages consumer and commercial credit registries, which comprise data on over 24 million individuals and over 2 million commercial entities, to provide end-to-end customer management solutions to clients in the financial services, telecommunications, utilities and government sectors.

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