

Payment Terms Legislation In Australia



Australia

Please see below for a summary of payment terms in Australia and the various industries across which payment term legislation appears.

Industries	Laws	Codes	Notes
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Construction	✓		
Manufacturing			
Retail/Agriculture			



LAWS

The Construction Contracts Act limits payment terms to a maximum of 42 days. Where no terms in a contract exist payment must be made within 28 days of a request.

Construction

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The Australia Payment Times Reporting (Consequential Amendments) Bill 2020 requires all companies with turnover of more than \$100m to report on their payment terms and practices for small business suppliers every six months.

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CODES

The Business Council of Australia promotes the Australian Supplier Payment Code where members commit to pay suppliers within 30 days.

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NOTES

The Australian government has committed itself to pay e-invoices within 5 days and all other other small supplier invoices within 20 days.

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The Australian Small Business and Family Enterprise Ombudsman has investigated commercial payment terms to SMEs and the government is debating introduction of additional laws.

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