

Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Corporate Insolvency in Australia

ANSWERS TO QUESTIONS ON NOTICE

Australian Taxation Office

January 2023

Agency: Australian Taxation Office
Question No:
Topic: Number of insolvency specialists in ATO
Reference: Spoken (13 December 2022)
Senator/MP: Deborah O'Neill

Question:

CHAIR: How many people do you have operating in the tax office, across the country, whom you would consider insolvency specialised?

Mr Busby: I think that's probably one we'd need to take on notice.

CHAIR: Where are they distributed? How accessible are they? What are your protocols around a business ringing in? Do they get a different person every time? Are file notes taken? How extensive are they? I'm trying to really see about the interface, because in addition to the comments from ARITA, that's what we often get from small businesses that interact with us, and it's certainly what we've got in evidence from other witnesses today—that it's patchy, and that there's no clarity about who you can speak to. I just think from a mental health point of view, by the time you're in trouble with your business, if you're engaging with someone in the same way as if you were engaging with a mental health professional, every time you have to tell your story to another person is just another layer of shame. It's not necessarily guilt—you made a mistake—but shame, in terms of embarrassment and the emotional stuff that's dealt with that. So, while we're talking about money, we are talking about people embedded in this process.

So, what seamless, high-quality support are you going to give people when they contact the ATO at a vulnerable point? Because if that's not managed well the flow-on effect is a cost in health, the flow-on effect is a cost to the economy and to productivity. It seems to be a critical juncture. So, I'd like to understand the shape of your workforce, how permanent it is, where it's located, how many seconded staff you may have moving in and out from other departments, how many contractors you might have in that space and how that's gone up and down over time, so that I understand exactly what's going on with response to insolvency. Thank you.

Ms Kitto: We'll take that on notice.

Answer:

The ATO has approximately 300 staff within the frontline workforce trained in insolvency, who interact directly with clients and/or representatives involved in insolvency and/or who directly action the processing of insolvency administrative tasks. Not all of these frontline staff action insolvency work at all times; staff will be pivoted to or from insolvency as the level of work coming through the pipeline fluctuates. Detailed notes are taken for every correspondence and telephony interaction with a client.

If a business calls one of the ATO's general information lines, they will be directed to the next available and skilled agent. As a business moves further through our insolvency pipeline, and depending on the actions required, a particular staff member or team may take on 'ownership' for any related matters.

In addition to this, there are other staff including coaches and leaders who support the frontline workforce that includes, but is not limited to, the frontline staff specifically trained in insolvency. The ATO also has a wide range of other areas that sit outside these frontline teams whose responsibilities, expertise and assistance may require their involvement in client matters that could include insolvency – this includes tax technical teams, legal teams, dispute and objection teams.

The trained workforce of approximately 300 staff is made up of 126 permanent, 51 casual, five non-ongoing and the remainder outsource staff. The number of outsource staff allocated to this work fluctuates in response to work volumes and natural workforce attrition. The workforce trained in insolvency is relatively consistent over time. This workforce is located across 11 metro and regional sites.

All ATO frontline staff have been trained in how to identify and support vulnerable clients. In addition, the ATO has three dedicated staff in the specialist client support team who deal directly with the most vulnerable clients of highest risk and around 60 staff who are trained in specifically helping those clients experiencing hardship.