

Senate Community Affairs Legislation Committee

SUPPLEMENTARY BUDGET ESTIMATES – 22 OCTOBER 2015 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Private Debt Recovery Action

Question reference number: HS 200

Senator: Siewert

Type of question: Written

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Question:

- a) What proportion and amount of debts was recovered by i) Dun & Bradstreet and ii) Recoveries Mercantile?
- b) How many debts were recovered by each of these agencies in 2014-15?
- c) How much commissions were received by each of the collection agencies in 2014-15? Provide details, in dollar amounts and numbers of people whose debts are currently under management by these agencies.
- d) How many complaints were received about private debt collection agencies in 2014-15?

Answer:

- a) The following table shows the proportion and amount of debts recovered by Dun & Bradstreet and Recoveries Corporation in 2014-15.

Collection Agency	Amount Recovered (\$ million)	Proportion of Total Debt Recovered.
Dun & Bradstreet	\$67.57	4.73%
Recoveries Corporation	\$63.76	4.46%
DHS recovered	\$1,298.70	90.82%
Total	\$1,430.00	

Note: The figures have been rounded to 2 decimal points. Using these rounded figures may result in discrepancies in individual calculations of the amounts recovered.

- b) We are unable to provide the number of debts recovered by each of these agencies as recovered amounts may not solely contribute to the debt being fully recovered. For example, a collection agent may recover a portion of the debt before a customer resumes receiving payments and the debt is then recovered through automatic withholdings from ongoing payments.

- c) The following table shows the amount of commission received by each of the collection agents for 2014-15.

Collection Agency	Commission received
Dun & Bradstreet	\$8,072,819.70
Recoveries Corporation	\$7,632,380.80
Total	\$15,705,200.50

The following table provides details, in dollar amounts and numbers of debts currently under management by these agencies.

Collection Agency	Number of customers	Number of debts	Debt amount with agency
Dun & Bradstreet	31,527	48,736	\$112,262,725
Recoveries Corporation	34,734	53,928	\$123,176,604
Total	66,261	102,664	\$235,439,329

- d) For 2014-15 there was a total of 194 complaints received about private debt collection agencies.