

GOVERNMENT DEPARTMENTS AND AGENCIES, DEBT COLLECTION POLICY

2396. Mrs C.L. Edwardes to the Parliamentary Secretary to the Minister for Agriculture, Forestry and Fisheries

I refer the Minister to question on notice No. 2024, asked on 16 September 2003, and ask -

- (a) what is the break down of the debt written off by the Agriculture Produce Commission for the financial years 2001/2002 and 2002/2003;
- (b) what action was taken to recover outstanding debts, before the write-downs;
- (c) for the financial year 2002/2003, what was the cause of the increase in write-downs;
- (d) for the financial year 2002/2003, what is the amount of each debt; and
- (e) for the financial year 2002/2003, what was the cause of the debt?

Mr F.M. LOGAN replied:

The response to Question on Notice 2024 regarding debts written off during the period 19/02/01 to 30/06/03 included transposition errors.

The corrected information is:

	19/2/01-30/6/01	2001/2002	2002/2003
Agriculture Protection Board	0	254.00	1,720.80
Agriculture WA	0	8,895.54	87,165.50
Agriculture Produce Commission	0	14,308.00	0
TOTAL	0	23,457.54	88,886.30

The original response was:

	19/2/01-30/6/01	2001/2002	2002/2003
Agriculture Protection Board	0	254.00	1,720.80
Agriculture WA	0	8,895.54	0
Agriculture Produce Commission	0	9,588.70	87,165.50
TOTAL	0	18,738.24	88,886.30

- (a) What is the break down of the debt written off by the Agriculture Produce Commission for the financial years 2001/2002 and 2002/2003?

Debt written of in 2001/2002 was \$14,308 as follows:

Bacco Pty Ltd balance after	\$ 1,835.00	Market Agent bankrupt – this amount represents the final dividends paid by the liquidators.
Auspack Pty Ltd balance after	\$ 4,211.00	Market Agent bankrupt – this amount represents the final dividends paid by the liquidators
Various Katanning provided.	\$ 8,262.00	It is unclear whether the service Residents was mutually provided.
Total	\$14,308.00	

There were no debts written off in 2002/2003.

- (b) What action was taken to recover outstanding debts, before the write-downs?

Market Agent bad debts.

(b.1) In the period 1997/99 Bacco Pty Ltd and Auspack Pty Ltd went into liquidation. The total amount owing for fee for service collections held by these firms and not remitted to the Commission amounted to \$8,650.85. With final dividends having been paid by the liquidators and no prospect of further payment, the Commissioners resolved on February 27th 2002 to seek the Minister's approval to write off the outstanding debt.

(b.2) Katanning Fruit Fly Bad Debt

The APC Katanning Fruit Fly Baiting Committee was established in 1996 after a poll of town fruit tree owners voted in favour of setting up a community fruit fly baiting scheme under the APC Act. However, in 1997 the Commission received advice that the Act did not cover non-commercial producers and therefore the scheme could not be enforced until the Act was amended. Initially the Shire of Katanning agreed to provide administration support for the scheme but later withdrew participation. Because of the high cost of collecting the small amounts owed by back yard fruit producers together with Shire withdrawal, the commissioners resolved on 21 March 2002 to seek the Ministers approval to write off the outstanding debts.

For the financial year 2002/2003, what was the cause of the increase in write-downs?

Not applicable.

- (c) For the financial year 2002/2003, what is the amount of each debt?

Not applicable

- (d) For the financial year 2002/2003, what was the cause of the debt?

Not applicable

Considering the intent of this Question on Notice was to determine the cause of the increase in debt written off for the Agriculture Produce Commission the questions asked with respect to Agriculture Produce Commission above have been responded to below for the Department of Agriculture.

- (a) what is the break down of the debt written off by the Department of Agriculture for the financial years 2001/2002 and 2002/2003;

- (a.1) 2001/2002

Debtor Name	Amount	Cause of Debt	Follow up Procedure
Elegant Landscapes of debt	\$1,972.00	Purchase of palms	The company proceeded into liquidation. Proof was registered with the administrator.
Work Plan Foundation of the seminar	\$1,280.00	Recovery of training fees	Following dispute by debtor and consideration circumstances relating to cancellation of the the debt was written off.
Sundry ITEMS less than \$1,000 written off	\$5,643.54		
Total	\$8,895.54		

- (a.2) 2002/2003

Debtor Name	Amount	Cause of Debt	Follow up Procedure
JJ Skillecorn Consulting P/L	\$6,160.00	Consultancy Services	Refer to debt collection agency, company ceased trading, failed to succeed against Director of Company, debt written off
Manual Calzada	\$11,160.00	Consultancy and assessment Services provided to a property in Gingin at Swan Location 5395, Cowalla Rd	Following attempts to recover the debt the Department referred the matter to the Crown Solicitor's Office for debt recovery action. A summons and warrant of execution were issued, but the company proceeded into liquidation. Proof of debt was registered with the liquidator.
WA Certified Seed of Potato Co (G. Britza)	\$3,085.70	Seed testing	The company proceeded into liquidation. Proof debt was registered with the administrator.
WA Certified Seed Potato Co (G. Britza)	\$3,763.55	Dishonoured Cheque	as above
Gillian Lane employee.	\$1,901.34	Salary Overpayment	Debt written off after trace failed to locate ex
Hayes O'Donnell (Edward) totalling following trace	\$1,200.00	Salary Overpayment	Instalments were received from ex employee \$614.10. Referred to debt collection agency default on instalments. Debt written off after failed to locate ex employee.

Extract from Hansard
[ASSEMBLY - Tuesday, 2 March 2004]
p197b-199a
Mrs Cheryl Edwardes; Mr Fran Logan

James McCormick debt.	\$2,657.99	Salary Overpayment	Debt written off following dispute over proof of
TQA - Tasmanian Quality Recommendation Assured client.	\$1,540.00	Outstanding royalty payments	Referred to debt collection agency. made to write off debt following dispute with
Miriwoong Farm of debt (Administration)	\$2,640.00	Misting of Mangoes	The company proceeded into liquidation. Proof was registered with the administrator.
Danelle Kaye Woods - Bankrupt	\$3,980.18	Salary Overpayment	Debt written off after ex employee was declared bankrupt.
Thomas Miller employee.	\$1,770.17	Salary Overpayment	Debt written off after trace failed to locate ex
Techgro Department of debt	\$11,814.00	Training	During attempts to recover this debt by the the company proceeded into liquidation. Proof was registered with the liquidator.
Yinnetharra Station and a off.	\$1,261.45	Livestock Inspection	Following attempts to recover this 1996 debt Dispute over the debt the amount was written off.
Yinnetharra Station	\$1,430.60	As above	As above
Agricultural Exports after	\$1,415.80	Livestock Inspections	Debt referred to Crown Law. Debt written off Company was deregistered.
Cawse Nickel Operation of debt	\$1,138.79	Protection services	The company proceeded into liquidation. Proof was registered with the administrator.
Angelina Galati	\$1,140.00	Salary Overpayment	Debt written off following dispute over debt.
Christopher Darwin	\$1,277.57	Salary Overpayment	Debt written off following dispute over debt.
Giuliano Valenti from the	\$1,009.15	Salary Overpayment	Debt written off following recommendation debt collection agency.
Jeffrey Qualla collection	\$1,365.00	Salary Overpayment	Debt written off following inability of debt Agency to locate ex employee
Sundry ITEMS less than policy \$1,000 written off	\$25,454.21	Various services as per fees and charges schedule	The Department of Agriculture debt collection was applied to each debt.
Total	\$87,165.50		

- (b) what action was taken to recover outstanding debts, before the write-downs;
Debt recovery policy for the Department of Agriculture includes issuing a late payment notice to debtors who are outside credit terms with the debt being referred to the Departments' debt collection contractor where the debtor fails to pay. Legal action normally follows where debts are not paid. Where companies go into liquidation proof of the debt is registered with the administrator and the debt written off.
- (c) for the financial year 2002/2003, what was the cause of the increase in write-downs;
Finalisation of debts recovery actions on debts that were greater than one year old.
- (d) for the financial year 2002/2003, what is the amount of each debt;
Refer to comments provided in (a.2) above
- (e) for the financial year 2002/2003, what was the cause of the debt?
Refer to comments provided in (a.2) above