

WORKCOVER WA, DEBT COLLECTION POLICY

2368. Mrs C.L. Edwardes to the Minister for Consumer and Employment Protection

I refer the Minister to question on notice No. 2016, asked on 16 September 2003, and ask -

For each person or company listed by WorkCover with a debt over \$10,000 -

- (a) what is the cause of the debt; and
- (b) what action was taken to recover the debt?

Mr J.C. KOBELKE replied:

WORKCOVER WA

- (a) The two primary causes that give rise to the debts are:

- 1. Where employers fail to obtain compulsory insurance and a worker sustains a compensable injury, WorkCover is required by legislation to pay the worker their entitlements.

The debt then arises when WorkCover exercises its statutory right to sue and recover from the employer, the amount of compensation paid to the worker.

The above cause applies to the following employers:

	\$
Peter and Darrylin Brain	80,689.62
Road Trains West Pty Ltd	135,309.07
David Nell	33,431.53
Kim Leslie O'Donnell & Russell Leslie Parker	64,279.06
Raymond Baker	16,244.77
BA & KL Carter	56,913.78
RC & LE Stoddard	55,127.07
Bole Consolidated Pty Ltd	17,705.60
Alpha Print Pty Ltd	36,469.20
Vasse Vineyards Pty Ltd	47,142.94
Heinz Webber	16,156.95
Kimberley James Powell & Tothena Pty Ltd	44,315.00
Murchison Air Service	99,516.19
Western Horizons Pty Ltd	13,395.45
Cliffside Enterprises Pty Ltd	69,413.31
M Micelli	28,753.53
Terry Cicerello's Take Away	88,717.84
R & M Halford-Bailey	10,000.42
T Bird Pty Ltd	124,378.41
Lizada Pty Ltd	24,722.08
John Lyons	18,918.13
Sudden Pest Control Pty Ltd	174,029.21

- 2. Where workers suffer from an industrial disease that has a considerable latent period of time before it manifests itself e.g. Mesothelioma and Pneumoconiosis, the lapse of time often means that the employer and/or the Insurer cannot be identified because records have been lost, destroyed or cannot be found.

In accordance with the legislation, WorkCover is still required to meet the worker's entitlements but as the debt cannot be recovered, it is written off accordingly.

This cause applies to the following employers:

	\$
Ceiloyd Pty Ltd	12,870.75
M. Carrati & Midalco Pty Ltd	35,712.65
State Wide Investigations	97,991.30
Mulga Downs Pty Ltd	96,768.22
James McLarty (dec'd) and Son	97,509.26
Harrison Holdings Pty Ltd	30,688.00
Murchison Air Service	99,516.19
Tubemakers of Australia Ltd	35,265.05

- (b) The course of action that WorkCover takes in the majority of cases is to refer each matter to the Crown Solicitors Office (CSO). Firstly, to prepare the legal documentation to obtain a judgement debt in the Court against the uninsured employer and secondly, to monitor the collection of the debt.

The following matters were referred to CSO:

Peter and Darrylin Brain	80,689.62
Road Trains West Pty Ltd	135,309.07
David Nell	33,431.53
Kim Leslie O'Donnell & Russell Leslie Parker	64,279.06
Raymond Baker	16,244.77
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The exceptions to the above occurs when it has been clearly established, prior to CSO legal action, that the uninsured employer has either gone into liquidation, declared bankruptcy, or due to the passage of time the employer or the Insurer cannot be identified. In each of these cases WorkCover has no recourse to recovery and is forced to write the debts off.

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