



AUSTRALIAN COLLECTORS &
DEBT BUYERS ASSOCIATION

28 February 2018

Results of FY2017 Member Data Survey

Attached is a summary snapshot of industry data gathered from the membership of Australian Collectors & Debt Buyers Association for FY2017 and compared to the 2 previous years.

The snapshot reveals:

Values

- The total value of debt under collection remains static, standing at \$19.4 billion
- The total number of debts under collection stand at 6.5 million files up 9.6% on FY2016
- The breakdown of debts by value between contingent collections and debt purchase collections is presently 37.5% and 62.5% respectively
- Members report a total of 3,305 full time employees tasked to the collection work – in total members have 65 full time employees engaged in compliance duties
- The value of debt collected in FY2017 at \$2.2 billion is up 11.3% on FY2016

Contact

- The number of contacts made with consumers during FY2017 totalled 96.4 million up 52.6% on the previous year. Telephone and SMS remain the preferred channels of communication at 82.0% of all contacts
- Despite the high number of contacts with consumers the ratio of total alleged incidents received and compared to total consumer contacts is extremely low, being only 0.008% of all contacts made

Conduct

- 89.4% of all incidents raised by consumers in FY2017 were resolved within that period with 23.9% resolved as having no basis or insufficient detail to investigate or alternatively the allegations were completely withdrawn and 29.8% were resolved by agreement to amend credit history listings, being up from 25.6% in FY2016
- 12 of the 15 notifications to the industry by regulators alleging compliance breaches during FY2017 were dismissed on the basis of no finding of any breach

ANALYSIS OF MEMBER DATA SURVEY RESULTS

3 YEARS TO 30 JUNE 2017



PARTICIPATION	2017	2016	2015
Member Respondents	17	17	18
Members who failed to respond	0	0	0

For each survey question the number of respondents who provided data for the question is listed

Part 1 of the survey records values as at a single day (ie on 30/06/17) whereas Part 2 of the survey seeks out values for the whole year ended (ie y/e 30/06/17).

PART 1	Snapshot at 30/06/2017	Snapshot at 30/06/2016	Snapshot at 30/06/2015
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Total value of debts under collection in terms of

Number of Respondents	17		17		18	
	\$	No. of files	\$	No. of files	\$	No. of files
Contingent collections	\$7,285,901,904	3,756,993	\$7,540,402,254	3,136,776	\$6,059,703,211	2,627,065
Debt purchase collections	\$12,158,219,925	2,741,152	\$11,925,872,154	2,792,748	\$11,242,655,894	2,770,457
Not specified	\$0	0	\$0	0	\$0	0
Total	\$19,444,121,829	6,498,145	\$19,466,274,408	5,929,524	\$17,302,359,105	5,397,522

On a percentage breakdown the value of debts under collection by type of debt are

Number of Respondents	17		17		18	
	\$	No. of files	\$	No. of files	\$	No. of files
Contingent collections	37.5%	57.8%	38.7%	52.9%	35.0%	48.7%
Debt purchase collections	62.5%	42.2%	61.3%	47.1%	65.0%	51.3%
Not specified	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Number of accounts under payment arrangements

Number of Respondents	17		17		18	
	\$	No. of files	\$	No. of files	\$	No. of files
Total	\$2,590,863,443	521,707	\$2,323,037,124	454,570	\$2,251,776,633	420,715

Number of employees in terms of

Number of Respondents	17		17		18	
	Number	Number	Number	Number	Number	Number
Contingent collections	1,119	987	894			
Debt purchase collections	2,186	2,415	2,351			
Unspecified	0	29	0			
Total	3,305	3,431	3,245			

Gender of employees

Number of Respondents	17		17		18	
	Number	Number	Number	Number	Number	Number
Male employees	1,434	1,083	894			
Female employees	1,871	1,460	2,351			
Total	3,305	2,543	3,245			

Number of compliance officers

Number of Respondents	17		16		18	
	Number	Number	Number	Number	Number	Number
Total	65	61	60			

Number of collection offices

Number of Respondents	17		17		18	
	Number	Number	Number	Number	Number	Number
Total	53	52	57			

PART 2	12 month period to 30/06/2017	12 month period to 30/06/2016	12 month period to 30/06/2015
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Total value collected from accounts			
Number of Respondents	17	17	18
	\$	\$	\$
Total	\$2,228,207,887	\$2,001,344,575	\$2,394,036,993

Total value of debt written off in response to genuine long term hardship situations			
Number of Respondents	11	14	14
	\$	\$	\$
Total	\$46,501,005	\$11,283,201	\$21,749,535

Total number of contacts made with consumers and/or their representatives			
Number of Respondents	16	17	18
	Number	Number	Number
Telephone calls	58,119,563	31,632,937	32,996,593
SMS/text messages	20,934,064	13,522,261	9,758,390
Letters	10,498,610	12,574,831	13,678,250
Emails	6,910,428	5,487,693	3,080,797
Total	96,462,665	63,217,722	59,514,030

On a percentage breakdown contacts made with consumers and/or their representatives were			
Number of Respondents	16	17	18
	%	%	%
Telephone calls	60.3%	50.0%	55.4%
SMS/text messages	21.7%	21.4%	16.4%
Letters	10.9%	19.9%	23.0%
Emails	7.2%	8.7%	5.2%
Total	100.0%	100.0%	100.0%

Incidents recorded as part of each members IDR process are considered to be any matter relating to alleged unsatisfactory professional conduct lodged as requiring investigation and exclude genuine requests made by consumers for additional information to understand the terms of an account, the balance outstanding or the history of payments made.

Number of incidents received from consumers and logged via:

Number of Respondents	17	16	18
	Number	Number	Number
Via IDR	7,428	10,557	10,171
IDR Complaints escalated to EDR	1,534	1,810	1,864
Via regulators	12	26	20

Incidents received from consumers as a ratio of consumer contacts:			
Number of Respondents	17	16	18
	%	%	%
Via IDR	0.0077%	0.0167%	0.0171%
IDR Complaints escalated to EDR	0.0016%	0.0029%	0.0031%
Via regulators	0.0000%	0.0000%	0.0000%

PART 2 (cont'd)	12 month period to 30/06/2017	12 month period to 30/06/2016	12 month period to 30/06/2015
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Outcome of incidents received from consumers						
Number of Respondents	16		16		18	
	Number	%	Number	%	Number	%
Account paid	118	1.5%	107	0.9%	388	3.0%
Apology letter issued	121	1.5%	122	1.0%	205	1.6%
Arrangement made/settlement accepted	515	6.4%	918	7.5%	753	5.8%
Withdrawn by consumer	95	1.2%	1,375	11.3%	1,325	10.2%
Internal processes reviewed/amended	11	0.1%	22	0.2%	43	0.3%
Matter referred back to client for resolution	218	2.7%	305	2.5%	875	6.8%
No basis &/or insufficient detail to investigate	1,823	22.7%	3,428	28.1%	4,265	33.0%
Credit file listing corrected/removed	2,391	29.8%	3,116	25.6%	2,666	20.6%
Finalised by EDR award in favour of consumer	9	0.1%	12	0.1%	6	0.0%
Other or not dissected	1,863	23.2%	1,322	10.8%	1,331	10.3%
Unresolved	852	10.6%	1,464	12.0%	1,081	8.4%
Outcome not advised	0	0.0%	0	0.0%	0	0.0%
Total	8,016	100.0%	12,191	100.0%	12,938	100.0%

Number of notifications during period by regulators of alleged breaches						
Number of Respondents	17		16		18	
	Number		Number		Number	
Total	15		25		21	

Notifications from regulators as a ratio of consumer contacts:			
	%	%	%
	0.000016%	0.000040%	0.000035%

Outcome of notifications during period from regulators						
Number of Respondents	17		16		18	
	Number		Number		Number	
No finding of breach/dismissed	12		26		19	
Apology offered to consumer	0		0		0	
Written warning	0		0		0	
Enforceable undertaking	0		0		0	
Court decision pending	0		0		0	
Other - unspecified	1		1		0	
Unresolved	2		0		2	
Total	15		27		21	

Note: Number of notifications by regulators of alleged breaches will not always reconcile to Outcomes of notifications from regulators due to timing issues. For example in 2012 one respondent reported 1 notification and 8 outcomes and one respondent reported 1 notification but no outcomes, while in 2011 one respondent reported 8 notifications and 4 outcomes.

Costs of complaints in terms of fees and expenses				
Number of Respondents	15			
	\$			
IDR Costs	\$1,843,399			
EDR Costs	\$1,460,952			
Regulator Costs	\$2,065			
Total	\$3,306,416			