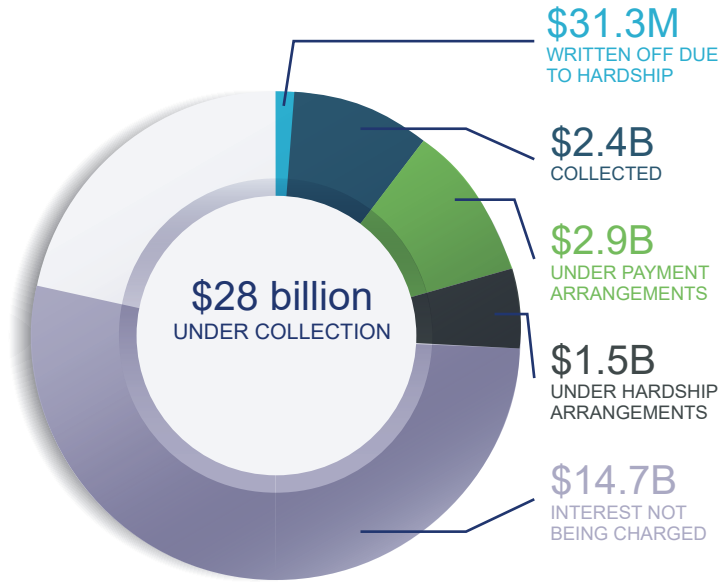


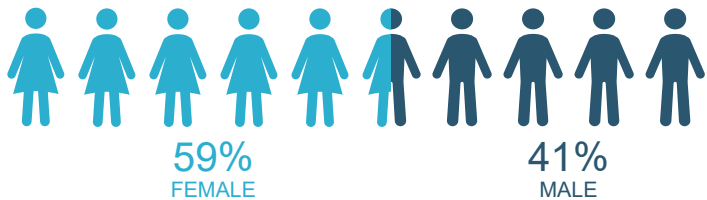
► **VALUES**

In Australia the number of reported accounts under collection in FY2020 was 16.7 million with a total value of \$28 billion.

Contingent collections were 82% of accounts and 44% of debt compared to purchased collections being 18% of accounts and 56% of debt.



► **PEOPLE**



In FY2020, there were 3,160 collectors in 49 offices across Australia and overseas (India, NZ and Philippines) tasked 48% to contingent & 52% to debt purchase accounts. The 16 respondents had 92 full time compliance officers.

# Data Snapshot | 2020

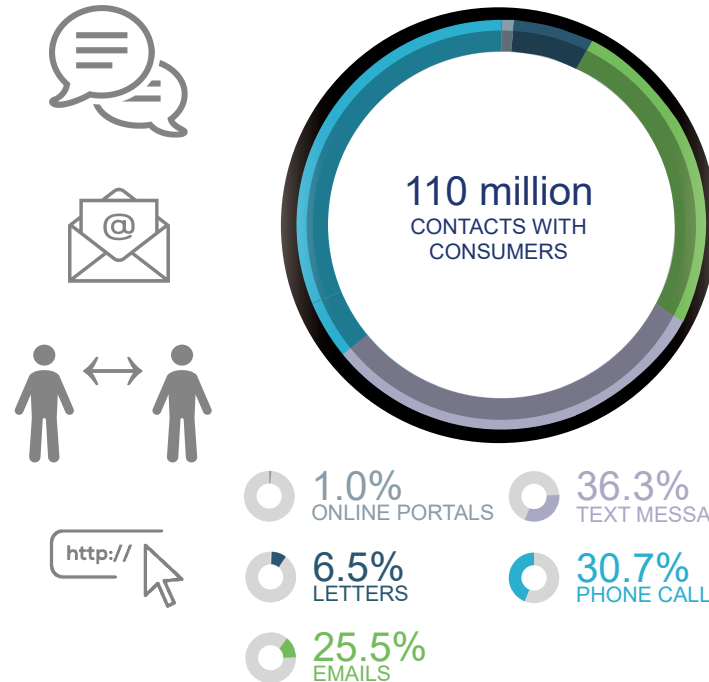
ACDBA members\* add value by acting ethically and embracing strong corporate governance and standards when collecting and buying debt.



AUSTRALIAN COLLECTORS & DEBT BUYERS ASSOCIATION

► **CONTACTS**

In FY2020 telephone & text messages remained the preferred channels for communicating with consumers.



► **CONDUCT**

Complaints via IDR totalled 22,159 with only 4% unresolved and escalated to EDR.



2,065 or 68% of all EDR complaints went direct to EDR and not via IDR.

45% of EDR complaints related to issues PRE assignment of debt whilst only 34% related to issues POST assignment.

Significantly, 30% of total complaints had no basis/insufficient detail or were withdrawn and a further 23% related to credit history listings.

Complaints as a percentage of the 110 million total contacts made revealed very low incident rates:

% Complaints of Contacts	
Via IDR	0.0201%
Via EDR	0.0027%

# Analysis of Results of Industry Data Survey conducted by ACDBA 3 Years to 30 June 2020



PARTICIPATION	2020	2019	2018
Member respondents	13	14	16
Other industry respondents	3	0	0
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 30/06/20) whereas Part 2 of the survey records values for the whole year ended (ie y/e 30/06/20).

NOTE: Prior year figures have been adjusted to reflect data anomalies discovered during the 2020 data collection process.

PART 1	Snapshot at 30/06/2020	Snapshot at 30/06/2019	Snapshot at 30/06/2018
--------	---------------------------	---------------------------	---------------------------

### Total value of debts under collection in terms of

Number of Respondents	16		14		16	
	\$	No. of files	\$	No. of files	\$	No. of files
<b>Contingent collections</b>	\$12,349,912,829	13,769,408	\$9,384,748,623	5,365,473	\$7,448,006,547	4,784,862
<b>Debt purchase collections</b>	\$15,476,938,037	2,990,881	\$12,667,785,948	2,375,764	\$13,040,989,423	2,740,627
<b>Not specified</b>	\$0	0	\$0	0	\$0	0
<b>Total</b>	<b>\$27,826,850,866</b>	<b>16,760,289</b>	<b>\$22,052,534,572</b>	<b>7,741,237</b>	<b>\$20,488,995,970</b>	<b>7,525,489</b>

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

Number of Respondents	16		14		16	
	\$	No. of files	\$	No. of files	\$	No. of files
<b>Contingent collections</b>	44.4%	82.2%	42.6%	69.3%	36.4%	63.6%
<b>Debt purchase collections</b>	55.6%	17.8%	57.4%	30.7%	63.6%	36.4%
<b>Not specified</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Accounts under payment arrangements

Number of Respondents	16		14		16	
	\$	No. of files	\$	No. of files	\$	No. of files
<b>Total</b>	<b>\$2,864,227,528</b>	<b>533,516</b>	<b>\$2,951,550,119</b>	<b>583,228</b>	<b>\$2,806,239,802</b>	<b>559,636</b>

<b>PART 1 (cont'd)</b>	<b>Snapshot at 30/06/2020</b>		<b>Snapshot at 30/06/2019</b>		<b>Snapshot at 30/06/2018</b>	
<b>Accounts under hardship arrangements</b>						
Number of Respondents	16		13		0	
	<b>\$</b>	<b>No. of files</b>	<b>\$</b>	<b>No. of files</b>	<b>\$</b>	<b>No. of files</b>
<b>Total</b>	<b>\$1,460,666,095</b>	<b>202,359</b>	<b>\$1,037,648,458</b>	<b>107,416</b>		
<b>Accounts where interest is not being charged</b>						
Number of Respondents	16		13		0	
	<b>\$</b>	<b>No. of files</b>	<b>\$</b>	<b>No. of files</b>	<b>\$</b>	<b>No. of files</b>
<b>Total</b>	<b>\$14,690,542,424</b>	<b>4,588,962</b>	<b>\$7,601,942,431</b>	<b>2,731,184</b>		
<b>Number of employees in terms of</b>						
Number of Respondents	16		14		16	
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Contingent collections</b>	1,529	1,058	1,058	1,246	1,246	1,246
<b>Debt purchase collections</b>	1,631	1,482	1,482	1,944	1,944	1,944
<b>Unspecified</b>	0	0	0	0	0	0
<b>Total</b>	<b>3,160</b>	<b>2,540</b>	<b>2,540</b>	<b>3,190</b>	<b>3,190</b>	<b>3,190</b>
<b>Gender of employees</b>						
Number of Respondents	16		14		16	
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Male employees</b>	1,280	1,177	1,177	1,371	1,371	1,371
<b>Female employees</b>	1,880	1,363	1,363	1,819	1,819	1,819
<b>Total</b>	<b>3,160</b>	<b>2,540</b>	<b>2,540</b>	<b>3,190</b>	<b>3,190</b>	<b>3,190</b>
<b>Number of compliance officers</b>						
Number of Respondents	16		14		16	
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Total</b>	<b>92</b>	<b>65</b>	<b>65</b>	<b>63</b>	<b>63</b>	<b>63</b>
<b>Number of collection offices</b>						
Number of Respondents	16		14		16	
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Total</b>	<b>49</b>	<b>43</b>	<b>43</b>	<b>59</b>	<b>59</b>	<b>59</b>

<b>PART 2</b>	<b>12 month period to 30/06/2020</b>	<b>12 month period to 30/06/2019</b>	<b>12 month period to 30/06/2018</b>
<b>Total value collected from accounts</b>			
Number of Respondents	16	14	16
	\$	\$	\$
<b>Total</b>	<b>\$2,373,311,585</b>	<b>\$2,211,569,669</b>	<b>\$1,997,310,559</b>
<b>HARDSHIP</b>			
<b>Total value of debt written off in response to genuine long term hardship situations</b>			
Number of Respondents	12	12	16
	\$	\$	\$
<b>Total</b>	<b>\$31,309,960</b>	<b>\$18,587,945</b>	<b>\$18,241,770</b>
<b>ACCOUNTS UNDER PAYMENT ARRANGEMENTS</b>			
<b>Total number of arrangements made with debtors and/or their representatives via</b>			
Number of Respondents	15	14	
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Negotiation with a collector</b>	1,655,088	1,148,963	
<b>Online through a digital portal</b>	378,043	167,870	
<b>Other method</b>	18,804	3,818	
<b>Total</b>	<b>2,051,935</b>	<b>1,320,651</b>	
<b>Total number of arrangements kept by debtors (at least a single payment received) where arrangement was made via</b>			
Number of Respondents	14	13	
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Negotiation with a collector</b>	1,317,056	798,529	
<b>Online through a digital portal</b>	234,721	121,579	
<b>Other method</b>	15,471	2,741	
<b>Total</b>	<b>1,567,248</b>	<b>922,849</b>	

<b>PART 2 (cont'd)</b>	<b>12 month period to 30/06/2020</b>	<b>12 month period to 30/06/2019</b>	<b>12 month period to 30/06/2018</b>
------------------------	--	--	--

**CONTACT WITH DEBTORS**  
**Total number of contacts made with consumers and/or their representatives**

Number of Respondents	15	14	15
	<b>Number</b>	<b>Number</b>	<b>Number</b>
Telephone calls	33,864,876	56,609,192	49,494,621
SMS/text messages	40,098,585	41,406,023	36,320,003
Letters	7,158,720	9,793,572	8,662,721
Emails	28,181,503	15,623,440	14,661,695
Debtor portal online	1,077,796	549,183	
<b>Total</b>	<b>110,381,480</b>	<b>123,981,410</b>	<b>109,139,040</b>

**On a percentage breakdown contacts made with consumers and/or their representatives were**

Number of Respondents	15	14	15
	<b>%</b>	<b>%</b>	<b>%</b>
Telephone calls	30.7%	45.7%	45.4%
SMS/text messages	36.3%	33.4%	33.3%
Letters	6.5%	7.9%	7.9%
Emails	25.5%	12.6%	13.4%
Debtor portal online	1.0%	0.4%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

PART 2 (cont'd)	12 month period to 30/06/2020	12 month period to 30/06/2019	12 month period to 30/06/2018
-----------------	----------------------------------	----------------------------------	----------------------------------

## COMPLAINTS

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

### Number of incidents received from consumers and logged via:

Number of Respondents	16	14	16
	Number	Number	Number
<b>Total via IDR (including IDR complaints escalated to EDR)</b>	<b>22,159</b>	<b>8,364</b>	<b>6,194</b>
<b>IDR complaints escalated to EDR</b>	954	690	
<b>Total via EDR (including IDR complaints escalated to EDR)</b>	<b>3,019</b>	<b>2,473</b>	<b>1,864</b>
<b>EDR complaints not first lodged through IDR</b>	2,065		
<b>Total via regulators</b>	<b>6</b>	<b>8</b>	<b>20</b>

IDR complaints increase in FY2020 due to multiple factors including: increased hardship requests due to the COVID pandemic; increased activity by for-profit credit repairers; and active steps taken to identify and respond to all expressions of dissatisfaction made by consumers. Significantly given the increased IDR activity only 4% of those matters were unresolved and escalated to EDR.

### Incidents received from consumers as a ratio of consumer contacts:

Number of Respondents	16	14	15
	%	%	%
<b>Total via IDR (including IDR complaints escalated to EDR)</b>	0.0201%	0.0067%	0.0057%
<b>Total via EDR (including IDR complaints escalated to EDR)</b>	0.0027%	0.0020%	0.0017%
<b>Total via regulators</b>	0.00001%	0.00001%	0.00002%

### Outcome of incidents received from consumers

Number of Respondents	16		14		15	
	Number	%	Number	%	Number	%
<b>Account paid</b>	580	2.5%	368	5.0%	179	3.1%
<b>Apology letter issued</b>	95	0.4%	142	1.9%	134	2.3%
<b>Arrangement made/settlement accepted</b>	1,911	8.1%	612	8.2%	376	6.5%
<b>Withdrawn by consumer</b>	359	1.5%	118	1.6%	105	1.8%
<b>Internal processes reviewed/amended</b>	46	0.2%	33	0.4%	23	0.4%
<b>Matter referred back to client for resolution</b>	2,225	9.4%	557	7.5%	175	3.0%
<b>No basis &amp;/or insufficient detail to investigate</b>	6,710	28.4%	1,663	22.4%	1,760	30.2%
<b>Credit file listing corrected/removed</b>	5,386	22.8%	2,689	36.2%	1,933	33.2%
<b>Finalised by EDR award in favour of consumer</b>	18	0.1%	15	0.2%	9	0.2%
<b>Other or not dissected</b>	5,423	22.9%	859	11.6%	619	10.6%
<b>Unresolved</b>	897	3.8%	377	5.1%	507	8.7%
<b>Outcome not advised</b>	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>23,650</b>	<b>100.0%</b>	<b>7,433</b>	<b>100.0%</b>	<b>5,820</b>	<b>100.0%</b>

<b>PART 2 (cont'd)</b>	<b>12 month period to 30/06/2020</b>		<b>12 month period to 30/06/2019</b>		<b>12 month period to 30/06/2018</b>	
<b>UNDERSTANDING EDR MATTERS</b>						
<b>Number of EDR complaints</b>						
Number of Respondents	16		14			
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
<b>Total number of EDR complaints lodged</b>	<b>3,019</b>	<b>100.0%</b>	<b>2,473</b>	<b>100.0%</b>		
<b>Number of those EDR complaints lodged by an authorised third party for the debtor</b>	450	14.9%	299	12.1%		
<b>Basis of EDR complaints</b>						
Number of Respondents	15		13			
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
<b>Number of EDR complaints solely involving issues PRE assignment of debt</b>	952	44.6%	594	31.0%		
<b>Number of EDR complaints solely involving issues POST assignment of debt</b>	721	33.8%	692	36.2%		
<b>Number of EDR complaints involving issues BOTH PRE and POST assignment of debt</b>	461	21.6%	628	32.8%		
<b>Total</b>	<b>2,134</b>	<b>100.0%</b>	<b>1,914</b>	<b>100.0%</b>		
<b>For resolved EDR complaints - stage at which resolution was reached</b>						
Number of Respondents	16		14			
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
<b>Referral stage</b>	1,813	63.7%	1,027	57.5%		
<b>Workflow stage</b>	128	4.5%	182	10.2%		
<b>Case Management 1 stage</b>	457	16.1%	320	17.9%		
<b>Conciliation / Case Management 2 stage</b>	293	10.3%	195	10.9%		
<b>AFCA Preliminary Assessment</b>	95	3.3%	42	2.4%		
<b>Determination by AFCA</b>	58	2.0%	20	1.1%		
<b>Total</b>	<b>2,844</b>	<b>100.0%</b>	<b>1,786</b>	<b>100.0%</b>		

<b>PART 2 (cont'd)</b>	<b>12 month period to 30/06/2020</b>	<b>12 month period to 30/06/2019</b>	<b>12 month period to 30/06/2018</b>
------------------------	--	--	--

**NOTIFICATIONS BY REGULATORS**

**Number of notifications during period by regulators of alleged breaches**

Number of Respondents	16	14	16
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Total</b>	<b>6</b>	<b>8</b>	<b>10</b>

**Notifications from regulators as a ratio of consumer contacts:**

	%	%	%
	<b>0.000005%</b>	<b>0.000006%</b>	<b>0.000009%</b>

**Outcome of notifications during period from regulators**

Number of Respondents	16	14	16
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>No finding of breach/dismissed</b>	5	7	10
<b>Apology offered to consumer</b>	0	0	0
<b>Written warning</b>	0	0	0
<b>Enforceable undertaking</b>	0	0	0
<b>Court decision pending</b>	0	0	0
<b>Court proceedings finalised</b>	1	0	0
<b>Other - unspecified</b>	0	0	0
<b>Unresolved</b>	0	1	1
<b>Total</b>	<b>6</b>	<b>8</b>	<b>11</b>

**Note:** Number of notifications by regulators of alleged breaches will not always reconcile to Outcomes of notifications from regulators due to timing issues.

**COMPLAINT COSTS**

**Costs of complaints in terms of fees and expenses**

Number of Respondents	12	12	11
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>IDR Costs</b>	\$2,497,102	\$1,453,477	\$2,189,645
<b>EDR Costs</b>	\$3,903,412	\$2,171,986	\$2,505,512
<b>Regulator Costs</b>	\$802,920	\$0	\$37,870
<b>Total</b>	<b>\$7,203,434</b>	<b>\$3,625,463</b>	<b>\$4,733,027</b>

**Note:** In FY2019 AFCA replaced FOS & CIO - AFCA invoices at the finalisation of complaints rather than at start of each stage as CIO did - EDR costs for each year are affected by these timing differences in the billing for the complaints cycle.



## Australian Collectors & Debt Buyers Association thanks all participants to its FY2020 Industry Data Survey:



### Member respondents\*

(being Subscribers to the ACDBA Code of Practice)

- Axess Australia Pty Ltd
- CCC Financial Solutions Pty Ltd
- CFMG Pty Ltd
- Charter Mercantile Pty Ltd
- CollectAU Pty Ltd
- Collection House Limited (ASX: CLH)
- Complete Credit Solutions Pty Ltd
- Credit Collection Services Group Pty Ltd
- Credit Corp Group Limited (ASX: CCP)
- Lyndon Peak Pty Ltd t/as Access Mercantile Services
- PF Australia Pty Ltd
- Prushka Fast Debt Recovery Pty Ltd
- Shield Mercantile Pty Ltd

### Other industry respondents

- Illion Australia Pty Ltd
- Pioneer Credit Limited
- Probe Group