

**Submission  
No 35**

## **DEBT RECOVERY IN NSW**

**Organisation:** Power Collections Pty Ltd.  
**Name:** Mr Dennis Powell FIPA  
**Position:** Managing Director  
**Date Received:** 5/09/2014

**From:** Dennis Powell  
**Sent:** Monday, 18 August 2014 1:26 PM  
**To:** 'legalaffairs@parliament.nsw.gov.au'  
**Subject:** FW: Power Collections Pty Ltd

Mr John Miller,  
Primary Contact,  
Debt Recovery NSW Committee,  
Parliament House, Sydney

Dear Sir,

I thought it may be of interest to you to see the frustrations experienced and the discrimination applied to CAPI Act licence holders under the control of The NSW Police SLED Division.

My name is Dennis Powell and I am a Fellow of the Institute of Public Accountants. Between 1988 and 2004 I held full Commercial and Private Inquiry Agent Licenses. Also my then Company Malwyn Pty Ltd held the same licenses as it was a Commercial Agent and Private Investigation Company with 35 employees that I controlled.

Under the CAPI Act initially to obtain our licence we must be of good character and have no Criminal convictions. This is as it should be. Then we are required as HONEST CITIZENS to have our fingerprints taken. This process has been performed in the past only to criminals to allow a form of control over them

Because POLICE are in the position of catching baddies they believe that everyone is suspicious. They must have adopted this philosophy because why else would they, on a nightly basis run all our licence details through their OPERATIONAL POLICING SYSTEM as confirmed by Mr Cameron Smith, Director of SLED NSW POLICE, in response to a question from Mr Robert Furolo at the recent Legal Affairs Agenda on the 16<sup>th</sup> June 2014.

The old adage that if you haven't done anything wrong you don't need to worry about it. Should not apply here because as a group we are being discriminated against.

The CAPI Act in itself (after fully reading it) is more interested in PENALTIES for BREACHES rather than assisting our industry and our clients and also the ECONOMY of NSW and AUSTRALIA.

In my case I am still waiting on SLED to issue a Corporation Master Licence to my Company for which they received my original application on the 4<sup>th</sup> July 2014 and charged my credit card \$910 on the 30<sup>th</sup> July 2014. SLED is well aware that I am paying WAGES, RENT, OVERHEADS, and receiving NO INCOME. Under the old 1963 Act handled By The Attorney General's Department 4 weeks was the maximum wait for licence issue. And the Police were still responsible for the probity checks on the individuals. Following, you will see copies of the last 2 emails that I have sent to SLED without receiving a reply except for their automatic confirmation of receipt.

After holding a Full Commercial Agents Licence and a Full Private Inquiry Agents Licence for 16 years I have been issued with a PROBATIONARY licence for 12 months.

The CAPI Act is a joke. And I know more about this industry than anyone attached to SLED.

I look forward to your response.

Yours Faithfully,

Dennis G Powell FIPA

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**From:** Dennis Powell  
**Sent:** Friday, 15 August 2014 11:20 AM  
**To:** '#SLED'  
**Subject:** FW: Power Collections Pty Ltd

Mr Cameron Smith,  
Director, SLED

Dear Sir,

In addition to my email sent to you yesterday I make the following points.

1/ I held full Commercial and Private inquiry Agent licenses for 16 years between 1988 and 2004

2/ My then company Malwyn Pty Ltd also held the same licenses. I controlled that company which had 35 staff

3/ Licencing was then under the control of The Attorney Generals Department and background searches were still conducted by the Police Though the licence was issued in (4 WEEKS) in accordance with the 1963 Act.

I respectfully request that you have your staff EXPEDITE THIS REQUEST URGENTLY.

Thanking You,

Regards,

Dennis G Powell FIPA

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**From:** Dennis Powell  
**Sent:** Thursday, 14 August 2014 11:07 AM  
**To:** '#SLED'  
**Subject:** RE: Power Collections Pty Ltd

Mr Cameron Smith,  
Director SLED

Dear Sir,

Your reply to me has not addressed my request to you for a speedy issue of my Corporation Master Licence. In other correspondence from you 6 weeks has been mentioned, now you mention 8 weeks?

Your opening statement said, "Your corrected application was received on the 14/07/2014" The application was not corrected, I merely forwarded it back to you after you had returned it to me and I included a letter pertaining to your inquiry.

If you wish to control this industry you should assist the industry by working with it . Not just adopting a bureaucratic approach that it will take 8 weeks.

Every day you delay me is costing me money.

Regards,

Dennis G Powell FIPA

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**From:** SLED

**Sent:** Wednesday, 13 August 2014 3:50 PM

**To:** Dennis Powell

**Subject:** Re: Power Collections Pty Ltd

Thank you for your email.

Your corrected application was received on 14/07/2014. Please note a normal CAPI application takes approximately 8 weeks to be processed.

Your application is progressing normally.

When you receive the master licence certificate, you will be authorised to carry on a CAPI business.

Please note any operators carrying on CAPI activities require an operator licence, and must be employed by a CAPI master licence.

Additionally, please note that any probationary operators must be supervised by another person who holds a non-probationary operator licence or master licence.

Regards

Alex

Customer Relations Team

Security Licensing & Enforcement Directorate

NSW Police Force

Please note all email enquiries are to be directed to [REDACTED] as we cannot guarantee prompt responses to emails that are sent to individual staff.

**From:** Dennis Powell  
**Sent:** Thursday, 21 August 2014 10:42 AM  
**To:** 'legalaffairs@parliment.nsw.gov.au'  
**Subject:** FW: Power Collections Pty Ltd - Follow Up

Mr John Miller,  
Primary Contact,  
Debt Recovery NSW Committee,  
Parliament House Sydney.

Dear Sir,

Following on from an email that I sent to you Monday the 18th August, where I had included copies of 2 emails that I had forwarded to SLED and had not received replies.

They have seen fit to respond to the last email by stating "There is no provision for expediting applications."

There is a total lack of intention to be of assistance to our industry from SLED, They have built an EMPIRE of BUREAUCRACY where in the past their function was performed more efficiently by The Local Police and The Local Court.

Following is my email to SLED regarding their above mentioned response.(scroll through to see their email) Furthermore tomorrow is 7 weeks since they received my application for a Corporation Master Licence. THEY LACK BUSINESS ACUMEN.

I look forward to your response,

Yours Faithfully,

Dennis G Powell FIPA.

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For the attention of Mr Benjamin Mcbeth,

Thanks for your response, perhaps SLED should have such a provision for expediting applications. Because the system you have currently is BROKEN.

When the Attorney Generals Department controlled it 4 weeks was the maximum time for the issue of a licence. And the Police still completed Probity checks on applicants.

I held Full Commercial and Private Inquiry agent licenses for 16 years till 2004 and your Act has already insulted me by issuing me a PROVISIONAL licence for 12 months. Because I hold that licence you already hold my finger prints and obviously I am a clean skin otherwise I wouldn't have the licence.

As I have tried to explain to SLED (though I think I have only had correspondence from a junior) I am in a business that is paying Wages, Rent and Overheads and I have NO INCOME due solely to SLED's inability to perform efficiently.

None of the shareholders or directors or associates of this Company have a criminal record. So why do you have a problem with issuing my Corporation Licence?

Perhaps because the CAPI Act is only 10% of SLED's business, no body there really cares.

Please ensure that your Director Mr Cameron Smith is made aware of this as I have already reported the matter to the NSW Parliament House.

Regards,

Dennis G Powell FIPA

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**From:** #SLED

**Sent:** Monday, 18 August 2014 2:29 PM

**To:** Dennis Powell

**Subject:** Re: FW: Power Collections Pty Ltd

Thank you for your follow-up email.

There is no provision for expediting applications.

Each application must undergo rigorous (and unfortunately time-consuming) processing and probity checks.

Regards

Ben  
Customer Relations Team  
Security Licensing & Enforcement Directorate  
NSW Police Force

Please note all email enquiries are to be directed to [REDACTED] as we cannot guarantee prompt responses to emails that are sent to individual staff.

**From:** Dennis Powell  
**Sent:** Thursday, 28 August 2014 11:21 AM  
**To:** 'legalaffairs@parliament.nsw.gov.au'  
**Subject:** email to Joe Hockey

Good Morning Mr John Miller,

I have just sent an email to our Federal Treasurer, Mr Joe Hockey which included statistics confirming that over 46 BILLION Dollars have been written off by 11,000 partnerships and 40,000 Companies between 1997 and 2008 and at a 30% tax rate represents a loss to Government revenue of some 14 BILLION DOLLARS.

Furthermore, that I am convinced if a COEFFICIENT OF CORRELATION was completed it would indicate a very strong relationship between the then LABOR Government's both State and Federal PRIVACY ACTS and the huge escalation in BAD DEBT WRITE OFFS. From \$1.8 Billion in 1997-98 to \$8.3 Billion 2006-07

I have asked the Treasurer for a change to regulations of Federal Privacy Acts to allow Commercial Agents and Private Investigators access to data that we once had but now are denied.

Also I have received no reply from you for emails sent on the 18th and 21st August pertaining to the CAPI act and SLED.

I look forward to your replies in due course.

Regards,

Dennis G Powell FIPA

**From:** Dennis Powell  
**Sent:** Thursday, 4 September 2014 10:27 AM  
**To:** 'legalaffairs@parliament.nsw.gov.au'  
**Subject:** New statistics re bad debt write offs

Mr John Miller,  
Debt Recovery NSW Committee  
Parliament House, Sydney.

Good Morning Mr Miller,

I have just sent a second email to our Federal Treasurer updating figures to 2012. I hope you find this of interest.

These statistics are taken from the annual submissions by the Australian Taxation Office to Federal Parliament.

In the financial year, 1989/90 27,200 Australian Companies wrote off BAD DEBTS.  
“ “ “ “ 2011/12 43,700 “ “ “ “ “ “

This is an increase of 60.66% more Australian Companies writing of Bad Debts.

Actual amounts written off for the 4 years from 2008/09 to 2011/12 are as follows.

2008/09	\$ 11,290,710,849
2009/10	9,395,136,148
2010/11	8,610,532,036
2011/12	10,591,609,102
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	\$39,887,988,135

@ Company tax rate of 30%                      \$11,966,396,440                      Loss to Government Revenue.

In summary a further \$12 BILLION has been deprived from Government Revenue, and it is my sincere belief, that the vast majority of this figure has been caused by The Draconian PRIVACY ACTS, put in place by the ex-State and Federal LABOR GOVERNMENTS.

John, I will phone you tomorrow to discuss this and the other matters I have raised with you regarding the CAPI Act and SLED.

Regards,

Dennis G Powell    FIPA

**From:** Dennis Powell  
**Sent:** Friday, 5 September 2014 2:31 PM  
**To:** John Miller  
**Subject:** TRIM: RE: Power Collections Pty Ltd

Good Afternoon John,

As discussed in our telephone conversation today you have my consent to utilise my emails to you in any way you see fit, which includes publishing my name and my Company's name.

Today is 9 weeks since my application for a Corporate Master Licence was received by SLED. I will advise you the date that they finally issue it.

Thank you for your assistance in this matter

Regards,

Dennis G Powell    FIPA

**From:** Dennis Powell [REDACTED]  
**Sent:** Thursday, 18 September 2014 1:08 PM  
**To:** John Miller  
**Subject:** Finally The Master Licence is received

Good Afternoon John,

Following our telephone conversation today, I confirm that 1 day short of 11 weeks since the original application was received by SLED my Company has finally received its CAPI Act Master Licence from them.

The licence number is [REDACTED] and we are empowered to perform the following.

DEBT COLLECTION, PROCESS SERVING, REPOSSESSION OF GOODS, SURVEILLANCE OF PERSONS, and INVESTIGATION OF PERSONS.

John, following is my latest email to Mr Joe Hockey. I believe this does show the connection between the Privacy Acts and the increase in Bad Debt write offs. Plus it opens up the argument that The State Governments are missing out on a lot of GST they are entitled to.

Thanks for your assistance in this matter.

Regards,

Dennis G Powell FIPA

**From:** Dennis Powell [REDACTED]  
**Sent:** Friday, 12 September 2014 10:21 AM  
**To:** [REDACTED]  
**Subject:** More meaningful BAD DEBT statistics

Mr Joe Hockey,  
Federal Treasurer,  
Commonwealth of Australia

Dear Mr Hockey,

Due to the effect on GST I have already forwarded these statistics to the NSW Government.

The Privacy and Personal Information Protection Act 1998, though a NSW Act, would seem to have had a dramatic effect on BAD DEBT WRITE OFFS advised to Federal Parliament by the ATO.

In 1997/98 36,845 Companies wrote off bad debts to the value of \$2.470 Billion

10 years on in										
2006/07	41,975	“	“	“	“	“	“	“	“	“
8.357	“									

15 years on in										
2011/12	43,700	“	“	“	“	“	“	“	“	“
10.592	“									

### IN SUMMARY

10 years on, there was only an increase of 13.9% in the number of Companies claiming those write offs, however the values skyrocketed to an increase of 338% (from 2.47 to 8.36 Billion)

And at the 15<sup>th</sup> year, the increase in numbers, a mere 18.6%, yet the write off dollars had a huge increase of 428% (2.47 to 10.59 Billion)

There must be a huge effect on State Government's, for the loss of GST revenue, assuming that most Companies are operating on an accrual accounting basis.

I have no relevant statistics to depend on here, however a quick look at 2011/12 would mean that the GST component on \$10.592 Billion would equate to \$963.8 Million. The following year this amount would be refunded to the 43,700 Companies instead of going to the State Governments. Furthermore one, would require a CRYSTAL BALL to determine GST losses from cash accounting business's write offs.

I sincerely believe that these statistics prove that the ex LABOR Government's PRIVACY ACTS are responsible for the huge loss of revenue to both State and Federal Governments, and it is time your Government took action to remedy the situation.

I look forward to your reply in due course, and also to meet with you should you require further information.

Yours Faithfully,

Dennis G Powell    FIPA