

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Dunham

to Minister for Essential Services

Power and Water - late payments

The Minister in Hansard on 15 August 2002 said with regard to processing late payments and agreements to pay 'this cost, over \$1 million every day to administer'. Could the Minister verify the figure?

ANSWER

According to Hansard for 15 August 2002, the then Minister for Essential Services, Mr Kon Vatskalis made the following statement:

"There has been much speculation about the introduction of late fees for late payment of PowerWater accounts. Approximately two-thirds of the corporation's customers pay on receipt of a final notice, the pink notice - sometimes I have done that myself. In addition, many thousands of agreements to pay are processed. This costs over \$1m every year to administer".

The amount of \$1 million per annum is based on the following data:

Approximately 360,000 statements are sent out per annum. Approximately one third of all customers receive an overdue account notice. This represents approximately 120,000 overdue bill statements being printed at an estimated cost of \$5.00 per transaction, a total cost estimated at \$600,000 per annum.

Approximately 50,000 time-to-pay letters are sent out per annum. This represents approximately 14 per cent of the total statements sent out. The total annual costs associated with time-to-pay arrangements (excluding default payments and subsequent write-off actions) are estimated at \$500,000.