

Public Interest Disclosure

Australian Taxation Office

Author Richard Boyle

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1.0 Preamble

I have made the decision to submit this Public Interest Disclosure due to numerous factors:

- The serious matters in the public interest relating to directives given to Debt staff in early June 2017, to issue Standard Garnishees to bank accounts including trading accounts, on all cases without proper care or consideration for taxpayers' personal circumstances or business viability. Staff were provided with written directives, and additional reports tracking how many Standard Garnishees they issued personally, as well as how many were issued by different teams in the Adelaide site
- The series of events aimed at driving the author out of the Australian Taxation Office for having raised these serious matters in the public interest, relating to directives given to Debt staff to issue Standard Garnishees to bank accounts including trading accounts, on all cases, without proper care or consideration for taxpayers' personal circumstances or business viability
- The dishonest allegations of misconduct and suspected breaches of the Code of Conduct brought against the author by the Australian Taxation Office, and leadership in the Debt business line
- The long-term ill-treatment the author has received from leadership in Debt Adelaide, both current, and previous leadership comprised of team leader Cheryl Berrisford, Assistant Director Julie Douglas and Director Phil Ide, leading to psychological injury.

2.0 Matters in the Public Interest regarding Garnishees

Matters in the public interest regarding directives given to Debt staff in early June 2017, to issue Standard Garnishees to bank accounts including trading accounts, on all cases, without proper care or consideration for taxpayers' personal circumstances

2.1 Debt leadership directed staff to issue Standard Garnishees on every case

The directives given to Debt staff to issue Standard Garnishees on every case including trading accounts, on all cases, without proper care or consideration for taxpayers' personal circumstances or the viability of businesses, were unethical, unprofessional, and against the Public Service Code of Conduct in the Public Service Act 1999.

These unambiguous directives were given verbally in a team meeting on Thursday, 8 June 2017, and were reinforced in writing from Team Leaders.

In addition, this directive was supplemented with the delivery, in writing, of personal and team statistics in the form of the numbers of Standard Garnishees that had been issued by individuals and teams.

This directive was crystal clear, with instructions that we were to optimise the *number* of Standard Garnishees issued. This included instructing large numbers of completely new staff who had not yet completed basic training, including phone handling training, and being forced against their better judgement to issue standard garnishees, without having adequate experience or skills in how to effectively determine taxpayers' compliance behaviour.

This behaviour continued beyond 30 June 2017. No change to the directive was made to cease such behaviour. The issuing of Standard Garnishees was conducted almost as a challenge to see which team could issue the highest number before 30 June 2017.

Upon enquiries to my team leader Mr Bradley Mathews in a coaching session months later in August 2017, he advised that they were no longer measuring the revenue collected, that was starting to show in the MyContributions performance data from the months of May and June 2017.

He advised that he was being instructed by leadership to now look at only the number of payment arrangements we had made, and how many payments had been made within seven days as a result of these arrangements. This was despite my collection of outstanding monies during this period, much greater than the staff member paraded as issuing the most number of garnishees.

Debt collection is both an art and a science, and should be treated as such, instead of attempting to measure our current processes which are not working particularly effectively on targeted populations, with the ATO's debt holdings continuing to rise. Collection of outstanding monies is a significantly better measure than the number of cases actioned in a particular way like Standard Garnishees, or the number of payments made within seven days, for example.

Quite candidly, Debt leadership currently refuse to discuss, or attempt to understand how taxpayers are currently ill-treated by poor outcomes and lack of efficiency in processing of some taxpayer's request. I outline these issues at length later in this document in **Chapters 6.0, 7.0 and 8.0**. Newer and more accurate measures already exist and are available in MyContributions, and need to be holistically viewed, based on the actions of highly skilled and experienced, dedicated Debt Collection Officers, who currently work together to discuss and achieve improvements to outcomes and results.

Highly skilled staff who are emotionally engaged in their Debt work, can and do exhibit measurable improvements in outcomes, by comparing case examples and narratives with each other, of taxpayers' stories and experiences out in the community, and listening to community members and taxpayers sometimes tragic personal circumstances. These Debt Collection Officers are expert users, and are the people best placed to determine the line between exhibiting compassion and empathy, as opposed to initiating firmer action and compliance action such as Standard Garnishee work.

Debt Leadership continually fail to understand, or engage in the idea that there is a balance in this decision-making process, where staff deliberately weigh these decisions in their attempts to maximise both outcomes for the community, and revenue collection.

Staff such as myself shouldn't be criticised, or unjustly sanctioned as I am now, for attempting to strike this fine balance and achieving measurable increases in effectiveness and efficiency.

Debt work in the Australian Taxation Office is a highly skilled and privileged role, and it is a pleasure for the most skilled Debt staff to be delegated the responsibility to make such important decisions.

The fact that this work remains primarily completed by lower level APS3 staff is explored further in this document, in cultural issues outlined in **Chapters 6.0, 7.0 and 8.0**.

Debt leadership's refusal to engage in discussions of this decision making denies the formation of models of decision making, where exchanges of information between staff is mutually beneficial and utilitarian for outcomes for both the ATO, and the community. These models are closely aligned with the most effective debt collection outcomes, and change in behaviour and improvements in Willing Participation. Hence, these are the most cost-effective decisions due to drastically reduced reverse-workflow.

Effective debt collection outcomes can be most efficiently completed by employing individuals who not only have the technical skill to make effective decisions, but those who also have the *temperament* and *emotional intelligence* most suited to administer decisions that effectively optimise revenue collection balanced with ethical and moral decision making.

These specific behavioural traits of Debt Collection Officers which maximise effective decision making are explored further in this document in **Chapters 6.0, 7.0 and 8.0**.

2.2 These directives contradicted agreements made by the Australian Taxation Office to many observations and Recommendations made by the Inspector General of Taxation in their report [DEBT COLLECTION A report to the Assistant Treasurer, July 2015](#)

These Debt directives contradict agreements made by the Australian Taxation Office to Recommendations, as well as many observations, made by the Inspector General of Taxation in their report [DEBT COLLECTION A report to the Assistant Treasurer, July 2015](#) (IGT Report)

The directive specifically contradicts Recommendation 4.1:

- c. reviewing its officers' adherence to policy of making every effort to telephone taxpayers, particularly lower risk taxpayers; and
- d. adopting a unified approach between debt and legal officers when issuing garnishee notices for all cases.

Further, these directives contradict the following observations made by the IGT Report in [Chapter 4 – CHAPTER 4 – ATO FIRMER DEBT RECOVERY ACTIVITIES](#)

CHAPTER 4 – ATO FIRMER DEBT RECOVERY ACTIVITIES

Summary of stakeholder concerns

4.3 Many stakeholders have raised a range of concerns with a number of the ATO's firmer debt recovery activities. These concerns may be distilled into three main themes:

- inadequate supervision of staff to ensure ATO officers chose the recovery mechanism that is most appropriate to taxpayers' circumstances and that cases are effectively managed;
- inappropriate ATO staff conduct, such as infrequent and aggressive communications; and
- inaccurate information which resulted in unnecessary recovery activities, such as where amounts have been paid or no notification was received by taxpayers before firmer action commenced.

SPECIFIC DEBT RECOVERY ACTIVITIES

Garnishee notices

4.6 Stakeholders have observed that the ATO had sometimes issued garnishee notices:

- for significant and disproportionate amounts without consideration of taxpayers' circumstances or future viability which forces taxpayers towards unnecessary insolvency, for example, by garnishing the majority funds within bank accounts; and
- which were not revoked or refunded in appropriate situations such as where matters have been decided in the taxpayer's favour or where the taxpayer was in the process of settling a disputed liability in their favour.

ATO materials

4.10 Where a debt is shown to exist in the ATO systems, the ATO will consider whether to issue a garnishee notice. These considerations were described in Chapter 1.

4.11 Before issuing a garnishee notice, however, ATO staff are directed to check all accounts of the taxpayer for any payments received or credits applied as the ATO would have sent a warning letter to the taxpayer by this stage. As part of this process, staff are required to ensure that payments and credits have been applied to the correct taxpayer account. Furthermore, staff are required to identify whether payments have been made pursuant to a payment arrangement.

4.12 ATO staff are then required to identify appropriate financial accounts by using the ATO's Compliance Online Enquiry and Amendment System which, amongst other things, matches Tax File Numbers (TFN) with bank accounts. In this respect, as mentioned in Chapter 1, staff are directed not to issue garnishee notices in relation to bank accounts which are in joint names, do not match the taxpayer name or certain account types (for example, funds held on trust). In other procedures, staff are expected to revoke garnishee notices where they have been incorrectly issued such as where the funds are not the property of the taxpayer (such as being held in a trustee) or obtained as a result of a bank error.

4.14 The ATO has also found in another internal report on the quality of garnishee notices that 38 per cent of sampled cases did not meet procedural requirements. In these cases, staff were not issuing copies of the 'point in time' garnishee notices to the relevant parties as outlined in the ATO's procedures in the SMART system – staff were missing the requirement to identify the parties required to be issued with a copy of the garnishee notice based on the entity type.

4.15 In addition to the considerations described in Chapter 1, the ATO's procedures also direct ATO staff to review the case history, file notes, audit reports as well as consider contacting the previous case officer (for example, auditor or objection officer) to discuss their findings to verify the decision to issue a garnishee notice. If staff are unsure about the next course of action, or if any instructions are unclear, they must consult coaching staff or their team leader.

4.16 Taxpayers must also generally be warned of a potential garnishee notice. In this respect, staff are required to search the AIS for valid taxpayer addresses, including checking for 'incorrect return indicators'. Where such indicators are present, staff are required to search for suitable alternatives, such as for any associated tax agents. Where suitable addresses cannot be found, garnishee notices are not expected to be issued.

4.17 The ATO, however, has also found as part of an internal review that some FAW letters were sent to outdated addresses. The report of the review notes, in accordance with ATO procedures, that FAW letters are sent to 'postal addresses' whereas garnishee notices are sent to 'residential addresses' in ATO systems. As a result of the different addresses used, the report noted that there is a need to review relevant processes.

4.18 When issuing a garnishee notice, staff are also required to consider the amount or proportion and financial impact on taxpayers as mentioned in Chapter 1.353 Furthermore junior ATO staff at the Australian Public Service (APS) 2 level are authorised to issue garnishee notices for amounts up to \$50,000 with progressive authorisations until the APS 5 level staff who have no limit on the amount for which they can issue garnishee notices.

4.19 Statistics provided by the ATO, reproduced in Table 4.1 below, show the number of cases where garnishee notices issued and those cases where the taxpayer subsequently became insolvent.

4.20 The table above shows that the majority of garnishee notices are issued to individual and small business taxpayers. Furthermore, a small proportion of all taxpayers subsequently became insolvent following the issuing of a garnishee notice based on the data provided.

4.21 Chapter 1 noted that both the EI and SDM units can issue garnishee notices and deal with low and high risk cases respectively. In doing so, they take a different approach to managing cases. In low risk cases, a summary of all interactions and decisions are recorded against the taxpayer's account and is referred to by subsequent ATO staff when interacting with the taxpayer and/or taking actions to collect the outstanding debt. For high risk cases, the SDM unit will assign a single case officer to manage a case.

4.22 With respect to case management, the earlier mentioned ATO quality report, found that 15 per cent and 63 per cent of cases met the standards in relation to updating systems and quality notes respectively. For example, staff were not using appropriate systems' codes (for example, RMS, Siebel or finalisation codes) to update the relevant system when completing cases as well as not including all relevant information in their case narratives when actioning garnishee notices.

4.23 The quality report also found that the majority of cases which did not meet standards were those conducted by the former Early Collections unit (75 per cent of sampled cases) and Firmer Action unit (25 per cent of sampled cases).

4.24 In an ancillary assessment, the quality report reviewed the appropriateness of situations, including where:

1. payment arrangements were entered into after the issuing of a 'point in time' garnishee notice; a
2. garnishee notices (both standard and point in time) issued on accounts where there have been payments made in response to the issue of a warning letter.

4.25 In the first situation, the ATO found that in 28 per cent of the sampled cases, staff did not take into consideration the issuing of the garnishee notice when negotiating the payment arrangement.

4.26 In the second situation, in 48 per cent of sampled cases, the issuing of the garnishee notice was found to be inappropriate for the following reasons:

- regular payments had been made to the account prior to and post issue of the FAW letter and no further or insufficient phone contact had been attempted before issuing of the garnishee notice;
- no consideration was given to the taxpayer's circumstances including whether financial hardship existed or an expected income tax refund was due which would have cleared the outstanding debt;
- the only attempt at contact with the taxpayer prior to the issue of the garnishee notice was in the issue of the FAW letter;
- the garnishee notice was issued following a defaulted payment arrangement and further payment arrangements were not entered, however, consideration was not given to the reasons for the default, for example, due to the imposition of FTL penalties which were subsequently remitted;
- phone contact directly with the taxpayer, rather than their tax agent, may have been more appropriate prior to the issue of a garnishee notice as all attempts to contact the tax agent had been unsuccessful; and
- the case notes did not support the decision to issue.

4.27 The ancillary assessment in the quality report also found a number of procedural inconsistencies with respect to garnishee notices, including:

- Early Collections unit procedures for 'point in time' garnishee notices do not prompt staff to check if the taxpayer is a low income earner prior to determining whether the issue of the notice is appropriate whereas the procedures for the former Firmer Action unit did do this, including prompting them to consult with their team leader or coach to determine whether the issuing of a garnishee notice is appropriate given the taxpayer's circumstances; and
- lack of staff guidance with respect to determining whether a taxpayer is a lower income earner based on their most recent tax return (within the last two years) where their last lodged return is more than two years old.

4.28 Towards the end of this review, the ATO management made representations to the IGT that the quality reports were commissioned to review the work of casual staff engaged by the ATO at the time. As a result of the review, the issuing of garnishee notices was suspended until staff received further training. Furthermore, the ATO considers that a number of structural and staffing changes have occurred since the quality reviews. The ATO's management have also represented that the inconsistencies in the procedures have since been recently corrected.

4.29 The ATO has also advised that a more recent quality review of 22 cases, based on an updated process which is described later in this Chapter, identified one case where standards were not achieved.

IGT observations

4.30 Garnishee notices are the most common form of firmer recovery action used by the ATO, with over 207,000 notices issuing between 2011–12 and 2013–14. Accordingly, it is vital that garnishee notices are issued correctly as they impact a significant number of taxpayers every year.

4.31 Accordingly, there are a range of improvements which the ATO could make to its systems and staff procedures to help ensure garnishee notices are issued correctly.

4.32 The IGT acknowledges that the ATO has attempted to design its payment and case management systems to ensure that firmer recovery action is based on accurate information and appropriate procedures. However, based on the information the ATO provided, adequate processes are not in place to correct cases where there is a mismatch between data contained in AIS and RMS systems specifically. This appears to align with stakeholder concerns which indicate that garnishee notices have mostly issued incorrectly for amounts recorded on these systems. Clearly, improvements are required to eliminate the possibility of staff basing their decisions on inaccurate information.

4.33 Furthermore, ATO quality reports have identified that staff may not be following procedures which require them to check the accuracy of systems data before issuing garnishee notices. The ATO, however, believes that there are no systemic issues with respect to the accuracy of information on which garnishee notices are issued despite difficulties identifying whether any corrective action was needed. The ATO also believes that such complaints represent a small proportion of total garnishee notices issued and that its new quality system has not identified any significant issues in a sample of 22 cases. However, the sample size is relatively small given that the ATO has issued over 200,000 garnishee notices over a three-year period. Given the significant potential impact on taxpayers, there is a need to better supervise staff to ensure that they are making the required checks. The need for better supervision is further discussed later in this chapter.

4.34 The IGT also acknowledges that the ATO has procedures which require staff to ensure that garnishee notices are issued with respect to the correct bank account. However, it appears that the procedures rely on taxpayers to raise concerns that garnishee notices should be revoked, for example, where the funds are held on trust for the benefit of others. Indeed, in this respect, the ATO has found that there may be a lack of information in its SMART system and has updated its procedures accordingly.

4.36 The ATO has also identified that lower risk taxpayers may not have been warned of the impending garnishee notice. In these cases, the IGT notes that much of the ATO's early contact is through automated mailing processes. Whilst these are highly efficient mechanisms to communicate with the majority of taxpayers, there is less certainty that taxpayers will be contacted. It appears that in these cases, only where firmer action has commenced, will an ATO officer seek to determine appropriate contact details. This may explain why taxpayers receive garnishee notices, for example, but not the earlier warning. Clearly, if the ATO has a policy of warning lower risk taxpayers, it should ensure adherence to this policy. To this end, the IGT believes that the ATO should ensure its officers make every effort to contact the taxpayer.

4.37 The IGT also observes that junior staff at the APS 2 level are authorised to issue garnishee notices for significant amounts (up to \$50,000). Given the significant amounts which junior officers may issue garnishee notices, the IGT believes that greater supervision of these officers' decisions is required including the need to seek approval from more senior officers before any notices are issued. This will be further discussed later in this chapter.

4.38 Lastly, the IGT recognises that the ATO has procedures which require staff to review case history, audit reports and consider contacting the auditor or objection officer to understand the case before issuing a garnishee notice. However, the ATO's internal reports found that a significant number of cases did not adequately update systems or take quality notes in relation to garnishee notices. This may adversely impact the quality of decisions made by officers considering garnishee notices for lower risk cases. Once again, there is a need to ensure that staff follow procedures.

4.39 For higher risk cases such as where there are disputed debts, whilst the debt may be managed by a dedicated officer from the DBL, officers from the ATO's legal area may also be involved. In these cases, the ATO has a joint case callover process to promote a consistent approach by both officers. However, in lower risk cases which do not have a similar callover process, there is a risk of inconsistent approaches being taken where there is a lack of communication between the officers. Accordingly, the IGT believes that the ATO should aim to take a unified approach to ensure the decision to issue garnishee notices is appropriate.

Recommendation 4.1

The IGT recommends that the ATO improve the process for issuing garnishee notices by:

- c. reviewing its officers' adherence to policy of making every effort to telephone taxpayers, particularly lower risk taxpayers; and
- d. adopting a unified approach between debt and legal officers when issuing garnishee notices for all cases.

2.3 Elements of the directive given to Debt staff in early June 2017 to issue Standard Garnishees to bank accounts including trading accounts, on all cases without proper care or consideration for taxpayers' personal circumstances

This directive was targeted towards experienced Debt staff, as well as brand new Debt staff in Adelaide, who had not yet completed basic debt training. These brand new staff were extraordinarily unqualified to make an accurate determination of taxpayers' compliance behaviour and history, which is necessary before taking such a harsh and blunt compliance approach such as a Standard Garnishee.¹

- I documented extensive evidence from many colleagues in Adelaide, and in my personal conversations with coaches on the national coaching hotline, that this directive was given to Early Intervention (EI) staff and Serious Debt Management (SDM) staff on a national basis.
- I conversed and documented conversations with these new staff who were distressed at being forced to make such determinations and that they were being forced to shut down businesses (this is because Standard Garnishees stay in effect for a period of three months, preventing businesses from accessing their trading accounts and in some cases unfairly disabling a business' ability to trade).²
- **We were directed in our weekly team meeting on Thursday, 8 June 2017 that we were to issue Standard Garnishees on all taxpayers and bank accounts, including trading accounts, and to skip the less powerful compliance action of issuing a Point in Time (PIT) Garnishees first:**
 1. During this meeting, I vehemently questioned the obvious ill effects this would have on Willing Participation by guaranteeing that we unfairly targeted wrong segments of taxpayers in the Australian community.
 2. I specifically stated in the team meeting to the minute taker Mr Maurice O'Regan, that I wanted my disagreement with the new directive documented in the team meeting minutes.
 3. The minutes from this particular team meeting were never delivered to the Team 8 via email by my team leader Mr Brad Matthews, unlike every other fortnightly team meeting previously.
 4. It is concerning that these team minutes remain undelivered. I attach a copy of these minutes that I obtained directly from Mr Maurice O'Regan where he recorded my objections to the directive, and whether we were, "trying to get willing participation or only debt collection."
- At the time this directive was given, many of my colleagues in Adelaide openly discussed that they were unethical, and they felt that this was patently an attempt by the Australian Taxation Office or the Commonwealth Government to recklessly collect as much revenue as possible before the end of the financial year.

- These new directives unfairly placed some taxpayers under extraordinary and unnecessary stress.³
- This was significantly contributed to by having brand new staff nowhere near qualified to make these complex decisions.⁴
- These directives put taxpayer's lives at risk, as I and other colleagues have documented.

The directive that was given in Adelaide in June 2017 to issue Standard Garnishees to bank accounts on every account that appeared in our case work was contrary to almost every element in which the Public Service Act 1999 requires that we act:

- Instead of acting "professionally", these directives were extremely "unprofessional"
- Instead of acting "innovatively", these directives were far from being "innovative", as outlined by the significant and positive outcomes in revenue collection that are possible without issuing standard garnishees, as I document in **Chapter 8.0**.
- Instead of being "efficient" these directives were in fact extremely "inefficient", with targeted behavioural economic conversations with taxpayers markedly outperforming revenue collection figures.
- Instead of "working collaboratively to achieve the best results for the Australian community and the Government", these directives have used one of the most powerful compliance tools in a manner that fails to take into account taxpayer's personal circumstances. This is extremely unethical.⁵
- These powers delegated to us by the Deputy Commissioner Robert Ravello, have been used in an indiscriminate approach which has shut down businesses that should have been allowed to continue to trade. This would have allowed the ATO to collect significantly more revenue for the Australian community and Government, if these activities had been conducted more astutely, judiciously and prudently.⁶
- These actions were conducted by new staff in Debt who were completely unskilled, inexperienced and untrained in how to wield this extreme compliance tool of issuing Standard Garnishees.⁷
- Apart from shutting these businesses down without cause, these actions have pushed individual taxpayers to the point of despair and suicide as I have documented.⁸
- The reasons for taxpayers being pushed to the point of despair and suicide, is not only from the initial inappropriate and unethical action of Standard Garnishees being issued to trading accounts; it was also due to the inexperienced and brand-new staff in Adelaide who were used to staff the Hardship phone queues, which requires extensive experience and skill sets. These staff were on occasion not withdrawing Standard Garnishees when it was appropriate to do so, due to their inability to accurately determine the compliance behaviour of taxpayers.⁹

In Summary, these directives given to issue Standard Garnishees on every case including trading accounts, and on all cases, were unethical, unprofessional, and against the Public Service Code of Conduct in the Public Service Act 1999.

2.4 Views of Adelaide staff members regarding the directive to issue Standard Garnishees on all cases

I have collected evidence from a large number of staff members in Debt in Adelaide about their feelings about being directed to issue Standard Garnishees to bank accounts, including trading accounts, en masse, on every case they were delivered, whether PIT Garnishees, or Standard Garnishee work-types.

- These large numbers of staff, both older experienced Debt members, as well as the new staff that were not qualified to issue such garnishees, have unanimously advised that the directive was clear and unambiguous in its directive to issue Standard Garnishees on all accounts including trading accounts, in every case.¹⁰
- The vast majority of opinion from the older serving and more experienced and skilled Debt Collection Officers, was that the reason for the directive was to generate as much revenue collection as possible by the end of the 2017 financial year.
- There was absolutely no confusion amongst Debt staff in Adelaide that this directive was a possible misinterpretation or miscommunication.
- The directive was unambiguous and was backed up in writing from Team Leaders.
- In addition, this directive was backed up with the delivery, in writing, of personal and team statistics in the form of the numbers of Standard Garnishees that had been issued.
- Team vs team statistics were also delivered, making the issuing of these Standard Garnishees almost like a contest to see which team could issue the most before 30 June 2017.
- Large numbers of staff members I spoke to were equally concerned by this directive as I was, and agreed it was a breach of the Public Service Act 1999.
- In my documentation of these discussions, the older serving more experienced and skilled Debt Collection Officers have stated almost unanimously that they disobeyed this directive to issue Standard Garnishees on all cases.
- This was due to their concerns that the directive was unethical, not to mention counterproductive from both the point of view of revenue collection, and from the view of encouraging future Willing Participation.¹¹
- These more skilled and experienced colleagues advised me extensively that they ignored the directive, and dealt with taxpayers on a case by case basis to achieve what they believed to be the right outcome, after attempted discussions with these taxpayers to determine their current circumstances and business viability.
- This allowed for entities with slow paying debtors and other difficulties and circumstances such as personal issues, tragedies, legal cases with their businesses, medical issues, relationship issues, natural disasters, etc., to all to be treated with respect as per the Public Service Code of Conduct.¹²
- This also ensured that only those clients with the most serious non-compliant behaviour had this most powerful compliance tool of a Standard Garnishee against a trading bank account used against them.¹³
- Many highly skilled and experienced staff in Adelaide observed during their work that staff nationally at the APS4 and APS5 level in SDM were making what could only be called atrocious decisions by issuing Standard Garnishees en masse.¹⁴
- These skilled and experienced Debt staff noted this extremely poor-quality work being completed by SDM, while they were conducting reviews of the Standard Garnishes that had been issued by this section in June 2017.¹⁵
- These colleagues noted and openly discussed how these large numbers of Standard Garnishees issued by SDM had incomplete notes, factual errors, miscoding of cases, and no decision making at all included in their narrations as to indicate why they had issued a standard garnishee, or what behaviour of the taxpayer warranted these decisions.¹⁶
- This behaviour was very concerning to the large numbers of skilled and experienced Debt staff who observed it.
- This behaviour was also observed by numerous coaches nationally, whom I called over the following months in the course of my routine Debt work.

- During calls to the national Coaching Hotline, numerous coaches across the country concurred that all debt staff in the country were for all intents and purposes issuing standard garnishees arbitrarily.
- These coaches also confirmed that SDM was actioning these cases in a particularly poor way, with no decisions to substantiate their actions of issuing Standard Garnishees, and with extremely poor, incorrect and incomplete narrations.¹⁷
- These coaches concurred that there was every indication that SDM were issuing Standard Garnishes on every case, with a campaign to do so even greater than in EI, with no consideration of the taxpayer's circumstances, or viability of their business whatsoever.¹⁸
- In addition to this poor-quality work, I have also written reports on the garnishee review process, and have been able to specify cost savings for associated corrections of coding errors in the delivery of this work-type more frequently than required.
- These decisions made by Debt staff, by their very nature, must occasionally take into account many facets and experiences in human behaviour.
- Due to the complex personal circumstances these taxpayers sometimes they find themselves in, it is important to consider how the ATO's decision making can have repercussions for the future willing participation of these taxpayers depending on how they view their treatment by particular Debt staff.
- Debt staff can, and do, treat taxpayers in ways that ranges on a spectrum from punitive actions, through to an inspirational model to improve behaviour and increase revenue collection for social good, despite past poor compliance behaviour.

Again, these models and ideas are explored later in this document in **Chapters 6.0, 7.0 and 8.0.**

2.5 Claim from senior coach that directive to issue standard garnishees on all cases was a miscommunication

In a team meeting on Thursday, 24 August 2017 chaired by senior Coach Mark Copeland, we were advised that the directive to issue Standard Garnishes on all cases, was an apparent miscommunication.

Mark explained that business intelligence staff interstate had advised that Adelaide had been issuing an extraordinary number of standard garnishees to bank accounts. He explained that he was not personally around when this directive was issued and that he could have moderated the directive to ensure its accuracy. This is an incorrect explanation of the clear directive that was given on Thursday, 8 June 2017.

As documented above, where there was abundant evidence from staff in Adelaide, and coaches nationally, that staff in EI and SDM, including completely untrained staff in EI in Adelaide, were issuing Standard Garnishees to bank accounts, including trading accounts, on every case.

I repeat clearly, and in summary, that Debt staff in multiple units around the country were inappropriately, indiscriminately, and carelessly issuing Standard Garnishees during the month of June 2017, due to unethical directives of the Debt leadership.

3.0 Series of Events Aimed at Driving the author out of the Australian Taxation Office

Series of events aimed at driving the author out of the Australian Taxation Office for raising serious matters in the public interest, relating to directives to Debt staff to issue Standard Garnishees to bank accounts including trading accounts, on all cases, without proper care or consideration for taxpayers' personal circumstances

3.1 Perfidious treatment of the author after questioning unethical Debt directives

In addition to this unethical directive, and personally troubling for me, was that I have been treated in a manner different to my colleagues, and have been singled out and victimised due to speaking out against this directive when it was issued on Thursday, 8 June 2017.

I insisted to Debt leadership in Adelaide that this directive was unethical, unproductive, and potentially damaging to large numbers of taxpayers' person health, business viability, and their ongoing and future Willing Participation.

Months later, and within days of the meeting on Thursday, 24 August 2017 when the ostensible miscommunication was announced, I was given two days paid-leave on 30 and 31 August, to answer perfidious questions about my behaviour in the very meeting where this was announced.

I responded in writing to Assistant Director Teena Callis by advising that "considering the very concerning nature of what Mark Copeland disclosed to us about the ATO's practices and Debt directives, specifically in relation to issuing garnishees, my level of engagement in the conversation, and my behaviour, was more than appropriate."

I have had discussions with a colleague of mine in my team Ms Carmel Daly, on Tuesday, 5 September 2017, the day before I was suspended from duty with pay on the morning of Wednesday, 6 September 2017.

Ms Daly walked out of the meeting on Thursday, 24 August 2017, after disagreeing with my comments about the supposed miscommunication in the directive. She also disagreed with me in the meeting on Thursday, 8 June 2017 in a similar manner when the directive was given.

In my conversation with Ms Daly on Tuesday, 5 September 2017, she advised that her "anxiety had spiked" during the meeting, because "that's how she(sic) respond(s) to disagreement or sometimes heated discussions." Ms Daly advised that my behaviour reminded her of other tax officers' communication style, again indicating that I have been treated differently and punitively for vocally expressing my concerns about this unethical behaviour, compared with other tax officers.

Ms Daly advised that she didn't make a formal complaint to Assistant Director Teena Callis, and conversely, that Ms Callis asked to her accompany her into a meeting room, so that she could gather further information from Ms Daly personally about my apparent behaviour in the meeting.

3.2 Bullying and harassment because of the author's ethical concerns the about directives given to Debt staff

I find it very disturbing that my behaviour, which was more than appropriate considering the subject matter and concerning issues at hand, was used by Assistant Director Teena Callis to bully and harass me because of my ethical concerns with directives to Debt staff. And further, I find it very disturbing that Assistant Director Teena Callis to create dishonest charges of inappropriate behaviour designed to drive me out of the Australian Taxation Office.

3.3 Notice of Suspected Breaches of the Code of Conduct

Please refer to the Notice of Suspected Breaches of the Code of Conduct, that was issued to me on Thursday, 28 September 2017.

These records are stored on ATO systems.

3.4 Response to Suspected Breaches of the Code of Conduct

Please refer to my Response to these Suspected Breaches of the Code of Conduct, that was emailed to Deborah M Morrison of the Australian Taxation Office on Monday, 2 October 2017 by my legal representative.

These records are stored on ATO systems.

3.5 Summary

In Summary, and as I explore further in the **Chapter 4.0**, it is clear that I have been subjected to baseless allegations of suspected breaches of the Code of Conduct, with the sole purpose of driving me out of the Australian Taxation Office. These unfounded allegations have been brought against me *specifically* because I have raised ethical concerns with the directive to Debt staff to issue Standard Garnishees to bank accounts on all cases, without proper care or consideration for taxpayers' personal circumstances, and because I continue to raise issues in the public interest about taxpayers' requests not being actioned in a timely manner leading to extremely poor outcomes for the community.

4.0 Dishonest Allegations of Misconduct and Suspected Breaches of the Code of Conduct

Specific concerns about the dishonest allegations by the ATO brought against me of misconduct and suspected breaches of the Code of Conduct

The Australian Taxation Office has elected to victimise me because I have spoken openly about the unethical directives given to Debt staff in Adelaide, and nationally, to issue Standard Garnishees on all cases.

The allegations of misconduct made against me recently are in relation to:

1. Two instances of General Interest Charge remission, where the ATO is treating me differently and discriminating against me, for actions and similar decisions that the remainder of my colleagues and coaches train people in, promote, and conduct themselves regularly
2. Storing information on my H: Drive and Microsoft Outlook, which is so commonplace amongst staff in the ATO that it can be considered standard practice, and therefore constitutes victimisation and discrimination against me, by holding me to higher standards and practices than my work colleagues.

This victimisation also makes no consideration of the overwhelmingly high-quality work I endeavour to conduct on a daily basis, in championing the Mission of the Australian Taxation Office. This harassment, victimisation and bullying has also been conducted by holding me to higher standards than my colleagues, by choosing to punitively punish me for having taxpayer information on my H: Drive, which is so common in the Australian Taxation Office as to be standard practice.

In addition to the harassment, bullying, and victimisation that has occurred in 2014, 2015 and 2016 by previous leadership, the new Debt leadership in Adelaide has continued to bully and harass me this year in 2017, with a campaign to drive me out of the organisation:

- This harassment, victimisation and bullying has been focused on me by putting me under undue pressure since early 2017, shortly after I recovered from the psychological injury I suffered at the hands of previous leadership as documented above
- This harassment, victimisation and bullying has been conducted by continuously denying me access to benefits granted to other staff, like access to the Mobility Register in 2016 by team leader Chery Berrisford (documented)
- This harassment, victimisation and bullying has been conducted by recently denying me access to the building until 7:00 pm after completion of my shift, as all staff in the office are allowed to do by both long term and new staff (documented)
- This harassment, victimisation and bullying has been conducted by the previous Debt leadership, in a long and sustained campaign at making the workplace untenable from 2014 to 2016 (documented extensively)
- This harassment, victimisation and bullying has been conducted by the new Debt leadership in a sustained campaign at making the workplace untenable (documented)

- Specifically, I have more recently been targeted by coach Kimberly Stidston, senior coach Mark Copeland, and coaching team Leader Kim Gallagher, with what appears to be a campaign orchestrated by my leadership to criticise and scrutinise me, and make deceptive, improper, and disingenuous assertions about my motives, and the quality of work (documented).

Director Sarah Vawser told me in a meeting with her and Assistant Director Teena Callis, on Monday, 19 June 2017 when I interrupted their usual Monday meeting on Level 4 in Adelaide, that she has been a keen supporter of my ideas, and encouraged me to continue to forward business improvement ideas to her to make Debt a more pleasant and efficient place to work.

I continued to do so, and explore in **Chapter 7.0**, that I continue to write comprehensive, well thought out, and costed improvements to business processes, like the Garnishee Review process for example, where I identified cost savings that were far from trivial of up to \$326,000 per 10,000 Standard Garnishees reviewed.

If Director Sarah Vawser was in fact truly encouraging my participation and contribution to a more pleasant and efficient working environment in the Debt business line as she suggested, I am at a loss to explain the treatment of me by her primary direct report Assistant Director Teena Callis.

In Summary, it is clear to me that I have been subjected to dishonest allegations by the ATO of misconduct and suspected breaches of the Code of Conduct. These allegations and other behaviours I have described, constitute Bullying Harassment, and Victimisation, for speaking out against unethical directives, and taking the Mission Statement of the Australian Taxation Office and Public Service Values in the Public Service Act 1999 literally and at face value.

I have consistently been sincere in my attempts to achieve measurable increases in revenue collection, and a return to Willing Participation by greater numbers of taxpayers, by acting in a manner that fair and reasonable members of the public would concur are in line with perceptions of fairness, to both the Australian Taxation Office, the government, and community expectations.

5.0 Long-Term Ill-Treatment from Debt Leadership Adelaide

Long-term ill-treatment the author received from Debt leadership in Adelaide, including from my team leader Cheryl Berrisford, Assistant Director Julie Douglas and Director Phil Ide, leading to psychological injury

This harassment, victimisation and bullying commenced with verbal abuse from my previous team leader Cheryl Berrisford back as far as 2014, and with no apparent sanction or punishment to either her, or the Assistant Director Julie Douglas and Director Phil Ide whose actions lead to me, and others, suffering significant psychological distress.

- This occurred in 2014, 2015 and 2016, and after enormous number of complaints to ATO People in Adelaide about Assistant Director Julie Douglas and Director Phil Ide.
- These enormous number of complaints from employees at the APS3 through to EL1 level, was common knowledge amongst staff in the Adelaide office, particularly to my colleagues and I in the Debt business line.
- I was still allowed to remain under their leadership for the majority of 2016, after I had stated in my Response to the Suspected Breaches of the Code of Conduct in early 2016, that I was being subjected to continuous and sustained maltreatment.
- My health and safety was not considered, and in fact the ill-treatment intensified over many months after I responded to the Code of Conduct in early 2016, until I was psychologically injured, with the associated cost personally to me and my fiancé, not to mention the dollar cost to the community.
- In Mid 2016 an investigation by the Debt People Now Project was commissioned by Deputy Commissioner Robert Ravanello, after he notified Debt staff that significant numbers of us gave negative responses in the Public Service Commission Survey in April 2016. My comment was particularly damning due to the above concerns of systemic maladministration and harassment of large numbers of staff in the Adelaide office.
- Considerable numbers of staff known to me gave evidence in mid to late 2016 to ATO People as part of this study commissioned by Deputy Commissioner Robert Ravanello.
- In these interviews as part of the Debt People Now Project, at least in Adelaide, my colleagues advised how it felt to have been on the receiving end of systemic, long term mismanagement, and maladministration by Assistant Director Julie Douglas and Director Phil Ide.

It is obvious to me that the unfortunate situation is in part because the human element of decision making is not being accounted for, and failure to recognise this is troubling to staff's sense of fairness when conducting this important social and financial work.

N.B. Please refer to my notification of the psychological injury I documented with the ATO on 30 August 2016. These records are stored on ATO systems.

N.B. Please refer to my notification of my claim for compensation with Comcare that I documented with the ATO around this time. These records are stored on ATO systems.

N.B. Please refer to my notification of Bullying and Harassment I documented with the ATO around this time. These records are stored on ATO systems.

6.0 Other Cultural Issues Impacting Poor Outcomes

Other cultural issues significantly impacting poor outcomes in the Debt business line

6.1 Taxpayer and Tax Agent requests remain un-actioned for extended periods of time

As I have documented extensively in 2015 and 2016, it is common knowledge amongst Debt staff that when taxpayers and tax agents submit Debt correspondence and requests, they can remain unresolved or recirculate in ATO's systems for long periods of time.

These requests and Siebel Activities can on occasion be continually recycled by Debt staff not completing actions in a timely manner, where they return them to the Enterprise Queue and remain un-actioned for another staff member to complete. I have also documented significant examples more recently where despite raising these issues for many years now, some staff continue to put these Activities containing taxpayer's un-finalised requests back in the Enterprise Queue for other staff to complete.

I have recorded numerous circumstances within the Debt business line that have produced outcomes for taxpayers that are extremely woeful. Debt leadership has repeatedly criticised, and even sanctioned me, for resolving these long-standing, ignored and recycled taxpayer requests.

This is decidedly hypocritical.

Debt leadership have ignored my requests for help in solving these particular taxpayer requests. Further, they have sanctioned me when I have accessed a case such as this more than once to finalise solving these complex requests. In contrast, I have also been praised by expert-users and leaders in other business lines, for taking a pragmatic approach and achieving exceptional outcomes when solving these particular taxpayer requests.

I was perversely sanctioned with breaching the Code of Conduct for unauthorised access of taxpayer records, when I was ensuring that these taxpayer and tax agent requests were resolved in a timely and efficient manner, as is required by the Public Service Act 1999.

This treatment is unjust, when as a highly experienced and capable Debt Collection Officer, I resolve outstanding taxpayer requests that numerous staff frequently refuse to complete. This issue represents systemic cultural issues that significantly affect substantial numbers of important taxpayers' requests being actioned in line with community expectations.

6.2 Lack of engagement of Debt staff due to complex decision making required in our role

There are a proportion of staff who have reduced engagement in completing work in a timely manner. They remain disengaged and disillusioned due to numerous factors:

1. Inefficient methodologies and work practices
2. Harassment of staff for attempting to solve taxpayer issues
3. Continued lack of support from coaches, team leaders, and leadership who don't understand or support experienced and skilled Debt Collection Officer's decision making

4. Lack of courage from Leadership to support courageous decisions that are within Practice Statements, Policy and Procedures
5. Debt Collection Officers not taking on complex decision making due to fears of unjust and punitive treatment on review of their work, which causes them to abdicate from making important decisions
6. These ongoing fears of Debt Collection Officers and lack of trust in their decisions by Leadership, prevents some staff from being brave and courageous in their decision making
7. This takes up valuable cognitive space of these Debt Collection Officers who constantly fear reprimand and sanction, rather than using this intellect to deal with and solve problems involving complex human behaviour
8. Leadership's poor understanding and lack of experience in these complex ethical and moral components of Debt collection work that we work with on a daily basis
9. A continued insistence on using outdated and naive measures of success that continue to measure processes rather than outcomes, which contributes to the above issues; and,
10. A refusal to address these issues by the Debt Leadership.

These staff members who are sometimes disengaged should not be singled out and vilified. Any management methodology that continues in its attempts to make them work harder, and not smarter, is missing the point of what would inspire them to engage with this decision making.

More emotionally engaged staff who have a more closely aligned temperament and personally to this decision making, and who regularly solve complex and sometimes ethical decision making, are able to maximise outcomes, and a return to willing participation.

These staff striving for such outcomes recognise that expressing empathy and compassion when a taxpayer shares a description of what has occurred in their reality, can on occasion have the power to change someone's life. Not surprisingly, it is often these Debt Collection Officers who also have the best communication and negotiating skills when *enforcing* compliance, with the ability to effectively deal with the most recalcitrant non-complying taxpayers.

This ought to be self-evident.

This is one of the basic requirement of this complex job. That is, the keen ability to determine when it is necessary to show empathy in the right circumstances, as this is a frequent requirement of working in the Debt business line with taxpayers in the Australian community who are currently in debt.

A skilled and engaged Debt Collection Officer, after a few years of relevant training and experience in many work types, will eventually have a knowledge of a broad base of industries, and technical, business and economic issues, *in addition*, to having the relevant negotiation skills to be able to have extremely strong discussions with non-complying taxpayers to enforce compliance.

I have developed necessary models that categorise these behaviours, and I impress that optimisation of this decision making is in principle relatively easy to implement, having successfully used these techniques over and over again in successful negotiations.

6.3 Summary

These issues in the Debt business line stem from a failure of vision and imagination from leaders at the highest level of the organisation, in failing to ensure these taxpayers' requests are actioned in a timely manner.

Some other related cultural issues I have observed leading to extremely inferior outcomes are as follows:

- There is no way for less experienced staff members to determine the long-term effectiveness of their decision making. For example, after making a decision to remit a large amount of General Interest Charge, there is no feedback for that staff member to know whether that particular decision was effective in inspiring either a change in behaviour, or a return to Willing Participation
- Staff know they sometimes cannot differentiate whether their decisions are helping or hindering members of the community become more acquiescent participants in the Tax and Superannuation Systems, which contributes to their further disengagement
- Significant numbers of staff are placing taxpayers' requests in Siebel Activities back in the Enterprise Queue incomplete or un-actioned, leaving them for other staff to complete. This can leave taxpayers' requests unanswered for long periods of time of up to 4-6 months or longer
- This can result in such poor outcomes for taxpayers that it is common for them to emotionally break down when a conscientious Debt Collection Officer contacts them and finally attempts to solve their requests
- Conversely, many taxpayers utilise this constant contact with different Debt Collection Officers to game the system and play on their sympathies. They know the cycles of Debt Collection models the ATO uses that fail to hold them to account, giving them an unfair advantage gained over more compliant taxpayers.

7.0 Further Issues Inhibiting Change, Efficiency and Cost Effectiveness

Further observations of issues that significantly inhibit change, and prevent efficiency from occurring at a satisfactory level of cost effectiveness in line with the community's expectations

7.1 Advice by Assistant Commissioner of large scale inefficiency

My team leader Mr Bradley Mathews informed me early in 2017 that he witnessed Assistant Commissioner Fran Southward advise a large number (hundreds) of new Service Delivery staff members starting in Adelaide, that half of the number of calls the ATO received in Service Delivery could be classified as "churn", or unnecessary calls that don't result in any outcome.

Mr Mathews advised that Assistant Commissioner Fran Southward was instructing these new employees to get the best outcomes they could. Mr Mathews mentioned the total number of calls Ms Southward was referring to, half of which could be classified as "churn, to be 5 or 6 million per year from recollection.

Further, Assistant Commissioner Fran Southward advised that these calls were essentially wasted time or "churn", and that we needed to process information and solve problems and get outcomes to ensure that this waste, and potential reverse workflow, was significantly cut so as to increase efficiency. Mr Mathews advised that Ms Southward instructed these new staff members to contact their team leaders to ensure that correct, efficient, and ethically and procedurally sound outcomes were achieved. He informed me that Ms Southward advised these new staff members to contact her directly if they were hitting any walls or being prevented by their team leaders or leadership in their attempts to act in this manner.

I also note that our Chief Operating Officer, Jacqui Curtis conducted a national training session and live webinar on Wednesday, 30 August entitled Ethics, integrity and Decision Making – with Jacqui Curtis.

7.2 Continual mixed messages received from different areas of the organisation

I am confused and concerned by the continual mixed messages received from different areas of the organisation, and from different levels of leadership in the Debt Business Line, in instructing us to act with ethics, integrity, and to solve problems, but at the same time the Australian Taxation Office is willingly failing to solve complex taxpayer requests in a timely manner.

This is clearly required under both our Re-invention Goals, as well as the requirements of our behaviours under the Public Service Act 1999. However, this is contrasted with the behaviours of the organisation, and more specifically the Debt business line, of inappropriately proposing sanctions for correcting errors and solving long standing taxpayer issues, like it has done in my particular case.

I am troubled about the specific treatment of me by the Debt Leadership in Adelaide, in being instructed and directed to act in a manner different from Assistant Commissioner Fran Southwood, who is advising we are required to act in her required manner. I am continuously

and frequently prevented from solving taxpayer issues due to the simple matter of holding a Siebel Activity overnight as many staff in Service Delivery do. In addition, I am being held to a higher level of accountability and responsibility than my colleagues in what is in my opinion, a punitive level of scrutiny of my work that I find disturbing and unjust.

I have been encouraged specifically by my Director Sarah Vawser to continue to put forward clear and cogent business proposals regarding making Debt a more efficient and enjoyable place to work. Recently on Tuesday, 5 September 2017, I upgraded my estimates of cost savings associated with changing some simple business and streaming rules for the Garnishee Review Process. This proposal upgraded my earlier estimates of cost savings of \$109,000 per 10,000 Standard Garnishees reviewed, to \$326,000 per 10,000 Standard Garnishees reviewed. These emails can be easily located on my H: Drive in the relevant folders.

I have indicated to Director Sarah Vawser on multiple occasions that the number of inefficiencies that I could continue to write proposals for to improve productivity and efficiency, are “too numerous to count”. I continue to assert that the models and processes that we currently have in the Debt Recovery process are so inefficient, as to contribute to the disengagement of large numbers of Debt Collection Officers, with no career progression present for what is extremely complex and difficult work at the core of the Australian Taxations Offices remit of administering the Tax and Superannuation Systems.

Specifically, the Debt Executive have failed to act in a manner that is innovative, and which lacks imagination and creativity in how to collect debt that is imminently collectible. Using the right negotiation techniques, behavioural economics, and using the many data points on our systems for every case, it is possible to take action that is statistically much more likely to be the best outcome.

I have developed methods and models of debt collection that can drastically increase the amount of debt collected. These range from specific subsets and categories of industries, types of businesses, levels of debt, reason for debt, personal reasons, other social, financial, or crime related issues (or any combination of these variables). The Australian Taxation Office is essentially criticising me for using my intellect and intelligence, and treating taxpayers with dignity and respect.

In developing these models, I have successfully implemented such ways of working with great success, but have not had any member of leadership in the Debt business line at least, expression any interest in discussing these notable results.

8.0 Results Driven Model of Debt Collection

Results driven model of debt collection versus process measures of performance

8.1 Results of targeted debt collection negotiations versus measuring processes and numbers of garnishees issued

Results achieved through the months of May and June 2017 by the author, show that the value of debt collected by skilled, thoughtful, and targeted debt collections conversations, employing large numbers of behavioural insights techniques, was more productive in terms of dollars collected by a factor of five, compared to the staff member who was specifically exhibited by management as the staff member who issued the most number of garnishees.

I have continually been bullied, harassed, and victimised by my leadership in my attempts to inspire, measure, and promulgate better ways to work, within policy, procedure, and guidelines.

I am a highly efficient and skilled public administrator with a wealth of knowledge and years of experience in each of the following work types: Debt phone conversations, making large numbers of payment arrangements, processing high volume of Debt Correspondence, issuing PIT Garnishees, issuing Standard Garnishes, issuing Employer Garnishees, issuing Director Penalty Notices, Issuing Notices of Estimates of PAYG ITW tax, and Issuing s459Es to wind up companies.

8.2 Behavioural economics and conversational techniques, coupled with analysis and models consistently shows demonstrated improvement in outcomes

I am mathematically trained, and have honed and refined many behavioural economics and conversational techniques over many years, coupled with analysis and models supporting these techniques, which has consistently demonstrated achieving noteworthy outcomes in the following areas:

- Using the *correct level of threat of recovery action* for the *corresponding circumstances* of where a particular taxpayer sits on the broad continuum of compliance behaviour
- Using my own proven behavioural economics techniques to quickly get into contact with *practically every director* of a company, and *all other entity types* through targeted conversations with their tax agents, other staff in the entity, and targeted voice messages
- Recognising that a blanket approach of issuing Standard Garnishees, and taking the wrong compliance action on an inappropriately placed taxpayer on this continuum, can be very counterproductive to assisting that taxpayer back into the pool of willing participants
- Recognising that this blanket approach of issuing Standard Garnishees, and taking the wrong compliance action on an inappropriately placed taxpayer on this continuum, can cause extreme stress to members of the Australian community, and as documented, and that this can push taxpayers towards distress and suicide
- Applying policy and procedures effectively and intelligently, to ensure fairness to taxpayers suffering from circumstances beyond their control, as much as possible.
- Contrasting decision making examples with other sufficiently trained and likeminded utilitarian and rationally inclined staff members, to approach more of a consensus of where the sweet spot of collection of outstanding monies vs social outcomes lies
- Ensuring that directors of companies on the more non-compliant end of taxpayer behaviour, and other entities, are under no illusion that we are aware of their poor

compliance behaviour, and that we will issue Standard Garnishees or stronger recovery action if they do not improve their behaviour

- These are *easily quantifiable categories* that I have documented, and could immediately be implemented with access to sufficiently capable data analysts, or access to the data itself.

These techniques are easily teachable and repeatable to Debt Collection Officers who have the right personality and temperament to succeed in the art and science of debt collection. They repeatedly show increases in revenue collection and improved willing participation, as well as lower costs and increases in efficiency due to reductions in reverse workflow.

8.3 Comparison of Recovery Action Driven Models versus Behavioural Economic Models

Due to these many and varied techniques, I had little need to issue Standard Garnishees in May and June 2017. I was able to establish the specific circumstances for the non-payment of certain taxes from personal contact with these directors via telephone conversations in *almost every case*.

Ultimately this resulted in collecting a statistically significant increase in revenue collection for the Australian Government and the Australian community during this period of time.

Consider the situation that currently exists in these pools of taxpayers that are apparently ready for Standard Garnishee action (as advised by my Assistant Director Teena Callis in early May 2017, and to which I vehemently disagreed):

- A company has a debt of a number of hundreds of thousands of dollars
- An unskilled staff member leaves a voice mail message on the mobile telephone number of the director, or another authorised contact in the company
- An equally unskilled staff member weeks or months later, issues a Firmer Action Warning Letter to the company.

Such cases were delivered to us in May and June 2017 and we were instructed to issue Standard Garnishees on bank accounts including trading accounts.

As was cited in an article on the ABC on Monday, 9 October 2017, on the awarding of Professor Richard Thaler's Nobel Memorial Prize in Economic Sciences, the Academy cited Professor Thaler's contribution to the expansion of economic analysis, by considering, among other psychological traits, the "perception of fairness."¹⁹

I confidently assert that the directives given to issue Standard Garnishees on every case including trading accounts, on all cases, and in circumstances as above, has significantly damaged the ATO's reputation and "perception of fairness" in the minds of many taxpayers caught up in this unethical behaviour. This is not only against the Public Service Values in the Public Service Act 1999, it is contradictory to the Mission Statement of the Australian Taxation Office of contributing to "the economic and social wellbeing of Australians by fostering willing participation in our tax and superannuation systems."²⁰

Again, in summary, I have honed and refined many behavioural economics and conversational techniques over many years, coupled with analysis and models supporting these methodologies, which has consistently demonstrated achieving excellent and quantifiable outcomes, by almost always achieving contact with taxpayers, directors of companies, and other authorised contacts.

9.0 Summary & Decision to make Public Interest Disclosure

In making this Public Interest Disclosure under the protections of the Public Service Act 1999, I have carefully considered the content, and made the determination that it is in the public interest that the following information be included:

- The directive to issue Standard Garnishees to bank accounts including trading accounts, on all cases, was categorically in contradiction to almost every element of the Public Service Values contained in the Public Service Act 1999
- From the evidence I collected from colleagues and coaches nationally, it was evident that this directive was issued to staff across the country in Early Intervention and Serious Debt Management
- The directive caught up brand new staff in Adelaide who had not yet completed basic training, including phone handling training, and without having adequate experience or skills in how to effectively determine taxpayers' compliance behaviour
- The directive was so clearly in breach of most of the elements of the Public Service Act 1999, that I have documented the almost unanimous decision by the most experienced and long-term Debt Collection Officers to disobey and ignore the directive, as it was in clear breach of the Act
- the Debt Leadership did not take my concerns seriously, and after requesting that my objections to the directive were documented in team meeting minutes from Thursday, 8 June 2017, they were subsequently never delivered to Team 08.
- The Debt Leadership in Adelaide continued to victimise me after raising concerns, for example and without warning, they started monitoring my work.
- They unjustly initiated four quality assessments for work completed, and subsequently failing me on points that were mendacious and trivial.
- The Debt Leadership and Debt Executive have refused to take any action with my repeated concerns and evidence over many years, that staff members sometimes refuse to engage in the most complex of our work that comes in as Debt Correspondence
- The Debt Leadership and Debt Executive refuse to acknowledge that this inadequate response to Debt correspondence from taxpayers sometimes leads to extremely poor outcomes for members of the community, who are seeking help and assistance in managing their tax affairs, and in returning to willing participation after significant business and personal crises.
- Debt Leadership and the Debt Executive have sanctioned more experienced officers like myself when I have attempted to resolve outstanding taxpayer requests, after other staff members place un-finalised Siebel Activities back in the Enterprise Queue without resolution. I have extensive documentation of many such cases, some of which have resulted in very serious and damaging repercussions for taxpayers.

I am extremely passionate about my job as a Commonwealth Public Servant in the Australian Taxation Office, and I genuinely enjoy both helping members of the community return to Willing Participation, and ensuring that non-compliant taxpayers are prevented from gaining an unfair advantage over the majority of Willing Participants. The Debt Leadership has chosen to repeatedly victimise and bully me, and is now threatening my long-term career in the APS.

In conclusion, and on careful consideration of everything I have included in this and all other material referenced in this document, I consider it extremely important to raise these issues in the public interest.

10.0 References

- ¹ [Inspector General of Taxation: Debt Collection - A report to the Assistant Treasurer, July 2015](http://igt.gov.au/publications/reports-of-reviews/atos-approach-to-debt-collection/), <http://igt.gov.au/publications/reports-of-reviews/atos-approach-to-debt-collection/>, Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.30; 4.33; Recommendation 4.1 (c) and (d).
- ² [Ibid](#), Section 4.6 – Point 4, 5.
- ³ [Ibid](#), Section 4.18; 4.19.
- ⁴ [Ibid](#), Section 4.18; 4.19; 4.20.
- ⁵ [Ibid](#), Section 4.26 – Point 1, 2, 3, 4, 5, 6.
- ⁶ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.18; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.30; 4.33; Recommendation 4.1 (c) and (d).
- ⁷ [Ibid](#), Section 4.37.
- ⁸ [Ibid](#), Section 4.26 – Point 2.
- ⁹ [Ibid](#), Section 4.18.
- ¹⁰ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.30; 4.33; Recommendation 4.1 (c) and (d).
- ¹¹ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.26 – Point 2.
- ¹² [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.19; 4.20; 4.26 – Point 1, 2, 3, 4, 5, 6.
- ¹³ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.19; 4.20; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.28; 4.29; 4.30; 4.31; 4.36; 4.38; Recommendation 4.1 (c) and (d).
- ¹⁴ [Ibid](#), Section 4.36; 4.38; 4.38; Recommendation 4.1 (c) and (d).
- ¹⁵ [Ibid](#), Section 4.20; 4.21; 4.22; 4.23.
- ¹⁶ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.19; 4.20; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.28; 4.29; 4.30; 4.33; 4.36; 4.38; Recommendation 4.1 (c) and (d).
- ¹⁷ [Ibid](#), Section 4.3 – Point 1, 2, 3; 4.6 – Point 4, 5; 4.18; 4.19; 4.20; 4.26 – Point 1, 2, 3, 4, 5, 6; 4.27 – Point 1, 2; 4.28; 4.29; 4.30; 4.33; 4.36; 4.38; Recommendation 4.1 (c) and (d).
- ¹⁸ [Ibid](#), Section 4.26 – Point 2.
- ¹⁹ <http://www.abc.net.au/news/2017-10-09/nobel-economics-prize-awarded-to-richard-thaler/9032144>
- ²⁰ [ATO Annual Report 2014-2015](#), Part 1: Overview, Mission and Vision.