



Australian Government
Australian Financial Security Authority

GUIDE TO QUARTERLY REGIONAL STATISTICS

Learn more about quarterly regional personal insolvency statistics. This guide is copied from the AFSA website:
<https://www.afsa.gov.au/statistics/guide-quarterly-regional-statistics>.

Owner: Statistics and Economic Analysis
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Introduction

We publish a regional breakdown of the number of debtors with business and non-business related personal insolvencies on a quarterly basis. This series commenced in the December quarter 2013.

Debtors tell us whether they believe the main cause of their insolvency was business related. Based on these responses, their insolvency may be business related or non-business related.

If a debtor does not tell us the main cause of their insolvency, we report it as non-business related.

Scope and coverage

Our statistics report on all debtors who became bankrupt or entered a debt agreement or personal insolvency agreement during the quarter.

The number of debtors entering into these arrangements under the Bankruptcy Act 1966 is measured as follows:

- Bankrupts (Parts IV and XI of the Bankruptcy Act 1966): the number of debtors who became bankrupt under debtors' petitions, sequestration orders and Part XI deceased estate bankruptcy administrations in the quarter.
- Debt agreement debtors (Part IX of the Bankruptcy Act 1966): the number of debtors whose debt agreements were accepted by creditors in the quarter.
- Personal insolvency agreement debtors (Part X of the Bankruptcy Act 1966): the number of debtors whose personal insolvency agreement proposals were accepted by creditors in the quarter.

The business and non-business personal insolvency statistics include personal insolvencies and not corporate insolvencies. We do not ask each debtor for further information on his or her proprietary interest in a business.

Geography

We classify regions using the Australian Bureau of Statistics (ABS) Australian Statistical Geography Standard (ASGS): Volume 1 - Main Structure and Greater Capital City Statistical Areas, July 2016, cat. no. 1270.0.55.001. We use the ASGS to classify debtor records by:

- States and Territories
- Greater Capital City Statistical Area (GCCSA)
- Statistical Area Level 3 (SA3).

The ASGS classifies Christmas Island, Cocos (Keeling) Islands, Jervis Bay and Norfolk Island as Other Territories. We show the information for these regions in the Western Australia information.

Each quarter, we report on addresses that are not in the ASGS, as well as those we can't identify further, as Other (not in ASGS). These include debtors who:

- have no fixed address,
- have not lodged a statement of affairs, or
- reported an overseas address.

Further information on the ASGS is available from the [ABS website's statistical geography page](#).

Data collection

Every debtor who becomes bankrupt or proposes a debt agreement or personal insolvency agreement is required to lodge a completed statement of affairs form with AFSA. We generally source the regional personal insolvency statistics from this form.

When a bankruptcy is the result of a sequestration order, there may be a delay before the bankrupt lodges a statement of affairs. When this occurs, we report:

- the address based on the debtors address supplied by the court or not supplied, and
- the bankruptcy as non-business related.

If a bankrupt lodges a statement of affairs after we have compiled our statistics, we do not revise them with this updated information.

The quality and reliability of our statistics depend on the accuracy of the information provided by bankrupts and debtors on their statements of affairs.

ABS Census Population

We publish ABS 2016 Census population figures for the adult population for every SA3. The adult population is the population aged 18 years and over.

The ABS randomly adjusts cells to avoid the release of confidential data. You should not rely on cells with a small population.

Further information on ABS 2011 Census data is available from the ABS website's census page.

Defining a business related personal insolvency

Debtors select the main cause of their personal insolvency from a range of options on the statement of affairs. These causes are organised into business related and non-business related categories. We use debtors' responses to this question to determine whether a personal insolvency is business related.

A debtor's personal insolvency is business related when it is because of his or her proprietary interest in a business.

The statement of affairs does not provide explanations about the range of options, nor this definition of "business related".

If debtors have different interpretations of what constitutes a business and whether their involvement in a business was the main cause of their insolvency, this may affect the statistics.

Comparison with other datasets

Insolvency proceedings can involve multiple partners. When this is the case, we treat the joint administration as a single administration, irrespective of how many debtors are involved.

We report personal information, including geographic location and whether a debtor's personal insolvency is business related, based on the number of debtors involved in the administration.

The regional personal insolvency statistics are not directly reconcilable with information in other publications. We record personal insolvency activity on a live system, so it can change. Our publications are correct as at the time of compilation.

Data quality

We take great care to ensure that the personal insolvency statistics are correct and accurate at the time of compilation.

Information continues to be processed and stored in our system after we release the provisional statistics, however we do not revise these statistics.

Delays in the receipt, processing and administration of personal insolvencies may affect the statistics.

If debtors have different interpretations of what constitutes a business and whether their involvement in a business was the main cause of their insolvency, this may affect the statistics.

Time series

We extract our personal insolvency statistics using a new method of geographic coding from the September quarter 2017. This change is a break in series for our statistical publications.

This change includes a shift to the Australian Statistical Geographic Standard (ASGS) 2016 (from ASGS 2011) regions. You can read more about the changes in boundaries on the Australian Bureau of Statistics (ABS) website.

This time series break affects the information we publish at the levels of:

- Statistical Area (SA3)
- Greater Capital City Statistical Area (GCCSA)
- State and territory.

It does not affect national totals.

From the September quarter 2017, we have also implemented a minor change to how we count new personal insolvency agreements. This change relates to the date that a new personal insolvency agreement commences. There are multiple stages in a personal insolvency agreement, including a creditor meeting and signing of the agreement. These may occur on different dates. Personal insolvency agreements are now included in our statistics from the date they were signed. We previously counted them from the date the vote occurred.

The *Bankruptcy Amendment (Debt Agreement Reform) Act 2018* received Royal Assent on Thursday 27 September 2018. The majority of the amendments commenced on 27 June 2019. These reforms are a break in series for our statistical publications. See Debt agreements law reform – Statistics for more information.

Protecting the privacy of debtors

We suppress data for regions with small numbers of individuals to protect the privacy and confidentiality of insolvent debtors. The suppressed cells are marked 'data not available'. We do not discuss this suppressed data in our commentary.

Revisions

We do not revise our quarterly regional personal insolvency statistics unless we find an error. From time to time, we may enhance our reporting. Our guides and other explanatory materials advise of the changes and the impacts on the data.

Statistics enquiries

For enquiries about our statistics or to provide feedback, please email statistics@afsa.gov.au.