

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Supplementary Budget Estimates 1-2 November 2006)

Question **SBT 96**
Topic: **SUPERANNUATION GUARANTEE – LOST FILES**
Hansard Page: **E75**

Senator Sherry asked:

Another issue that I want to raise is that I received correspondence from a Mr Caudwell. The guts of it was that he claimed compensation from the tax office because he notified the tax office of unpaid superannuation and apparently, according to this correspondence from the tax office, the file was lost by the tax office for three years. He was awarded some compensation, of approximately \$500, because of the lost file. It did concern me that a file could be lost for that period of time within the ATO. Are you familiar with the case at all?

Ms Vivian—*No, I am not familiar with the case.*

Senator SHERRY—*Could you take on notice how many other files have been lost in this area—the approximate number—and the approximate period of time that the files were lost? I am aware generally—and this is not a criticism of you—that there have been difficulties of processing and administration in this area in the past.*

Answer:

The Tax Office is unable to provide data on the number of lost or missing files in the Superannuation business line or the period for which they were lost.

As part of the Tax Office Change Program, the Superannuation business line is in the process of transferring all paper records and files onto our new computer system. Until recently the majority of these records and files were only kept in hard copy. Once this transfer has been finalised there will be an integrated management of all files which will improve work processes including a much enhanced ability to locate records.

The Tax Office will pay compensation for detriment caused by defective administration and where there is legal liability (eg negligence). Where our action has resulted in a person suffering a financial loss, such as loss of interest due to the loss of a file, that person should be compensated for the loss, even if our actions do not give rise to a legal liability.