

## Bad debts are being called in

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BUSINESSES have launched a Christmas crackdown on late bill-payers, hiring squads of debt collectors to recoup cash before it can be spent on festive celebrations.

Debt-collection agencies and financial counselling services have reported a big rise in inquiries as hard-up firms try to cash in on pre-Christmas pay packets.

"People ignore debts every Christmas, it's a real problem, but this year firms are toughening up," said Roger Mendelson, of debt collector **Prushka**.

"Our business is up by 20 per cent compared to the same time last year."

Strict new rules for bank finance mean many firms have to meet quarterly revenue targets to retain loans, and this has forced them to chase debts more aggressively.

Christian Oey, of financial counselling firm [nobankruptcy.com.au](#), said: "Calls are up by 35 per cent; it's getting busier by the day." He said many companies were ignoring ASIC guidelines not to contact debtors who had already appointed a financial counsellor.