

Community Affairs Legislation Committee

ADDITIONAL ESTIMATES CROSS PORTFOLIO INDIGENOUS MATTERS 25 FEBRUARY 2011 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: Centrelink Payments

Question reference number: HS 6

Senator: Siewert

Type of question: Written

Date set by the committee for the return of answer: 8 April 2011

Number of pages: 2

Question:

- a. What obstacles, if any, prevent Centrelink from transferring electronic payments into people's account at a designated time each week or fortnight?
- b. What steps has Centrelink taken or is in the process of taking to ensure payments to people who usually reside in a remote or very remote location arrive at a designated point in time?
- c. Does Centrelink currently provide staff and agents based in remote locations with a schedule for the timing of regular payments and, if so, how precise is the schedule and how and when is it distributed?
- d. Over the course of the past year, has Centrelink participated in any discussions with representatives of the banking industry aimed at improving the scheduling of payments to recipients living in remote Aboriginal communities? If so, when did these discussions occur and what were the key outcomes?

Answer:

- a. The only obstacle to customers receiving their fortnightly payment by direct entry is the customer not operating a bank account.
- b. The *Social Security (Administration) Act 1999* requires that, unless an exemption has been granted, all payments to Centrelink customers are to be made via direct entry into the customer's account held at a bank, credit union or building society. All payments delivered by direct entry, regardless of the physical location of the recipient, are delivered into bank accounts by 9.00 am AEST Monday to Friday. Customers who have an exemption allowing receipt of their fortnightly entitlement by cheque are not guaranteed a delivery date, but are guaranteed that the cheque will be processed through the fortnightly pay cycle on their nominated pay day each fortnight. Delivery of the cheque is then managed by Australia Post.

- c. Centrelink staff who travel to, or work in, remote locations have the necessary system access to address any issues or concerns raised by customers, including visibility of the customer's nominated payment day each fortnight. Payment reports on customer payments or deductions paid to authorised agents are sent to authorised agents on the day of the customer's nominated payday. Alternatively, authorised agents can access their customer payment reports on the Centrelink website if they are registered with Centrelink Business Online Services.
- d. Centrelink regularly engages with the banking industry in discussions regarding all modes of payment delivery and industry developments which may be of benefit to Centrelink and its customers. No specific discussions have taken place during the past 12 months in regard to improving the scheduling of payments to recipients living in remote Aboriginal communities as payment delivery methods, for recipients of regular payments, are not dependent on the physical location of the recipient.