

**Community Affairs
Legislation Committee**

Examination of Budget Estimates 2000-2001

Additional Information Received

VOLUME 4

Centrelink,

Output Groups: 1.1, 1.4, 2.1, 2.2, 3.1, 3.2, 3.3, 3.4

FAMILY AND COMMUNITY SERVICES

PORTFOLIO

JANUARY 2001

Note: Where published reports, etc. have been provided in response to questions, they have not been included in the Additional Information volume in order to conserve resources. The title page of each report has been included in this document for reference purposes.

ADDITIONAL INFORMATION RELATING TO THE EXAMINATION OF BUDGET EXPENDITURE FOR 2000-2001

Included in this volume are answers to written and oral questions taken on notice relating to the supplementary estimates hearing held on 22 November 2000

FAMILY AND COMMUNITY SERVICES PORTFOLIO

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Question No: 1

Topic: Changes to Emergency Payments

Hansard Page: Written question on notice

Senator Evans asked:

What policy changes have been made to the \$500 advance loan? What was the average number of advances paid before and after the changes?

Answer:

There have been no policy changes to the \$500 Advance Payment (or Advance Loan).

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Question No: 2

Topic: Breaching

Hansard Page: Written question on notice

Senator Evans asked:

What is the ratio of referrals to places in 1) Work for the Dole 2) Job Support and Training, and 3) Intensive Assistance. Have these ratios increased over time? Please provide ratios for each year from 1996. Do you have any evidence to suggest that high ratios would dissuade referred clients from attending information sessions? What happens to those clients who receive a referral, attend their information session but are not placed on a program?

Answer (provided by Department of Employment, Workplace Relations and Small Business):

In Work for the Dole, the commencement to referral ratios were 78.2% in 1997/98 (the programme commenced in November 1997); 72.8% in 1998/99 and 72.3% in 1999/2000. There has been a decline in the ratio as the size of the programme has expanded. An auto referral system has been introduced for 2000/2001. As there is a significant time lag between referral and subsequent commencement, accurate ratio data for 2000/2001 is not yet available.

Commencement data for both IA and JST is not available on a yearly basis but is measured against contract periods. The first contract period, ESC1, ran from May 1998 to February 2000. The second contract period, ESC2 commenced on 28 February 2000.

For IA, the commencement rate is currently 57.1% of job seekers referred which is considered to be a reasonable level given the higher than expected referrals at the beginning of the new contract period. During ESC1 the peak point for referral to commencement was 67.8%.

The commencement rate is calculated on the basis of referrals and commencements since the start of the second contract period. The rate is continuing to climb, though the rate of increase is slowed by the large amount of historical data. Referrals and commencements over the past month indicate a point in time rate of around 60%.

For JST, the commencement rate is 23.0% for ESC2 compared to 36.2% for ESC1. The rate is lower than for IA because Job Network members (JNMs) have to assess each job seeker's suitability for assistance. As a consequence, JNMs have the ability to remove unsuitable or unavailable job seekers from their caseload. This creates a greater turnover of job seekers. Recent improvements to the referral process for JST have meant that referrals and commencements over the last month indicate a point in time rate of around 27%.

There is no evidence that the referral to commencement ratios have an impact on a job seeker's decision to attend an interview.

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For job seekers who attend an interview but do not commence assistance, the follow-up action would depend on their reason for not commencing. In most instances, job seekers are exited because they have found a job, sickness or in the case of non-activity tested job seekers, they do not wish to undertake the assistance. Under these circumstances, Centrelink would undertake a follow-up interview to assess the job seekers circumstances and what, if any, further action is required.

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Question No: 3

Topic: Breaching

Hansard Page: Written question on notice

Senator Evans asked:

What proportion of breached clients have personal contact with a Centrelink officer in the period between signing their Preparing for Work Agreement and receiving their breach notification?

Answer:

From 3 July 2000, Centrelink requires all new claimants for activity tested payments to negotiate and sign a Preparing for Work Agreement. If a job seeker has failed to comply with the requirements of their Preparing for Work Agreement - for example: failing to actively seek work or failing to commence a labour market program - Centrelink personally contacts the job seeker wherever possible to ascertain the reasons for their non-compliance before a breach penalty would be applied.

Data is not collected on the number or proportion of job seekers that fall into this group.

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Question No: 4

Topic: Breaching - Appeals

Hansard Page: Written question on notice

Senator Evans asked:

How many young people appeal against imposed breaches?

Answer:

Centrelink systems do not record this information. However, the number of breach cases appealed in total for the period April to September 2000 is as follows:

ARO - 5,179 review requests lodged

SSAT - 421 appeals lodged

AAT - 72 appeals lodged

Of the breaches that are appealed, what proportion are overturned by the original decision maker – ARO, SSAT or AAT?

Answer:

For the period April to September 2000, the proportion of decisions changed is as follows:

- Original decision maker - Centrelink systems do not record decisions overturned at this level;
- ARO - 30.20% of cases referred to ARO;
- SSAT - 35.96% of the cases referred to SSAT; and
- AAT - 11.11% of the cases referred to AAT.

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Question No: 23

Topic: Breaching

Hansard Page: CA117

Senator Crowley asked:

How many times can you have a breach marked against you and still be regarded favourably by Centrelink? What if you have a solid breach history? Can you tell us how many people you find in that category?

Answer:

Centrelink treats each decision relating to potential breach penalties on its own merits. Previous breach penalties, whether imposed or not, are only considered in so far as they may be relevant to the current decision. For example, if a job seeker has previously had a breach penalty imposed for failing to actively seek suitable paid work, and Centrelink was considering another breach for a similar reason, the facts surrounding the previous breach may be informative as to whether the job seeker understood their obligations and the penalties for failing to comply. Alternatively, if the job seeker had previously had a breach for failing to attend an interview and that breach was investigated and not imposed, because it was recognised the invitation letter had been sent to the incorrect address, the breach would not affect subsequent investigations of potential breaches.

The repeated occurrence of breaches may also help Centrelink to identify whether a job seeker may have some undisclosed or underlying barrier to employment or actively seeking work. This would assist Centrelink in ensuring that assistance provided for the job seeker is relevant and appropriate to their personal circumstances.

Previous breaches are considered in the decision making process for breaches only in so far as they are relevant to the facts of the current situation.

Details of the types and numbers of breaches are attached.

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The following table explains how activity test penalties are applied:

If...	Then...
it is the first activity test breach within a 2 year period,	the customer's basic rate of payment will be reduced by 18% for a period of 26 weeks.
it is a second activity test breach within a 2 year period,	the customer's basic rate of payment will be reduced by 24% for a period of 26 weeks.
it is a third or subsequent activity test breach within a 2 year period,	a non-payment period will apply for 8 weeks.

In the year 1999-2000:

- 124,571 (70.1%) of activity test breach penalties imposed were for the first breach in a two year period;
- 39,541 (22.2%) of activity test breach penalties imposed were for the second breach in a two year period; and
- 13,647 (7.7%) of activity test breach penalties imposed were for the third or subsequent breach in a two year period.

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Question No: 53

Topic: Breaching - Waiting Periods

Hansard Page: CA128

Senator West asked:

What is the average waiting period for breach appeals conducted by the authorised review officer?

Answer:

In the period April to September 2000, the average time to finalise a case where a customer has no income as a result of the decision under review is 8 days (the Centrelink timeliness standard for such cases is 14 days). The average time for all other cases is 17 days (the Centrelink timeliness standard for such cases is 28 days).

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Question No: 54

Topic: Review Process – Breaches

Hansard Page: CA128

Senator West asked:

What resources are expended in the review processes of breaches - staff hours and costs?

Answer:

Centrelink's Activity Based Costing (ABC) approach identifies the cost of core activities undertaken in the delivery of payments and services on behalf of the Government. Though each of these activities can be traced to the services that consume them, the definitions of the activities within Centrelink's current approach do not distinguish specific processes such as breaching. These processes form part of broader customer service activities, as defined by the ABC Activity Map. Centrelink is therefore unable to provide specific cost related information for breaching processes.

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Question No: 9

Topic: Mobile Review Teams (MRTs)

Hansard Page: Written question on notice

Senator Evans asked:

- (a) How effective are Mobile Review Teams in terms of savings generated? How do these savings compare to their associated salaries and overheads?
- (b) What is the current MRT staffing by region? Please provide MRT staffing by region for each year 1996 to present.

Answer:

- (a) Mobile Review Teams (MRTs) were a compliance strategy employed by the then Department of Social Security. Centrelink has reviewed the overall compliance strategy, enabling the identification and implementation of more effective and efficient work practices. As a result, dedicated MRTs ceased to exist in 1998.

Dedicated MRTs traditionally operated at around a 5:1 cost-benefit ratio whereas the new integrated approach returns over 6:1.

- (b) As outlined in (a) above, Centrelink has not had dedicated MRTs since 1998.

New functional arrangements were introduced in 1998 and a number of staff have continued to undertake the field assessor function, as part of a more integrated compliance approach, while others have obtained alternative employment in other areas of Centrelink, Commonwealth Agencies and Departments. A number of staff also took voluntary redundancies.

It is not possible to give a detailed breakdown of the numbers in each of the above categories as this information is not recorded in Centrelink's Human Resources and Financial Information management systems.

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Question No: 17

Topic: Mobile Review Teams (MRTs)

Hansard Page: CA102

Senator West asked:

- (a) Of those people on Mobile Review Teams, how many have not gone into other areas of compliance detection?
- (b) What is the current MRT staffing region by region? Are there any hot-spot areas that they have moved out of?

Answer:

- (a) As a result of new functional arrangements which were introduced in 1998, dedicated MRTs no longer exist within Centrelink. A number of staff previously employed within the MRTs have continued to undertake the field assessor function, as part of a more integrated compliance approach, while other staff have obtained alternative employment in other areas of Centrelink or other Commonwealth Agencies and Departments. Voluntary redundancies were provided to staff who could not be redeployed.

It is not possible to give a detailed breakdown of staff movements in each of the categories outlined above as this information is not recorded in Centrelink's Human Resources and Financial Information management systems.

- (b) There are no MRTs in operation as explained in the response to (a) above.

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Question No: 18

Topic: Mobile Review Teams & Savings from other Methods of Data Collection

Hansard Page: CA102

Senator West asked:

How much is it costing you to make the savings that you are generating by the other methods and how do these savings compare to the overheads and salaries of the Mobile Review Teams?

Answer:

Centrelink is continually expanding and improving its regime of data matching to make sure it has an effective and efficient compliance strategy. Data matching generally provides a more cost effective method than Mobile Review Teams for reviewing the majority of customers. However, if a visit to a customer's home is deemed appropriate field assessor functions are undertaken as part of a more integrated compliance approach.

Centrelink's Activity Based Costing(ABC) approach identifies the cost of core activities undertaken in the delivery of payments and services on behalf of the Government. Though each of these activities can be traced to the services that consume them, the definitions of the activities within Centrelink's current approach do not distinguish specific processes such as data matching or field assessment. These processes form part of broader compliance activities, as defined by the ABC Activity Map. Centrelink is therefore unable to provide specific cost related information for data matching and field assessment.

In terms of compliance expenditure and savings, dedicated MRTs traditionally operated at around a 5:1 cost-benefit ratio whereas the new integrated approach returns over 6:1.

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Question No: 10

Topic: Employer Contact Services

Hansard Page: Written question on notice

Senator Evans asked:

What facilities are included in Centrelink's Employer Contact Services? Are these available in every office? Please provide a list of facilities available by Centrelink office.

Has there been a reduction in these facilities over the last 18 months in any office? Please specify which offices now have reduced facilities.

Answer:

Employment Self Help Equipment available in Centrelink offices consists of:

- 1 x Local & 1 x National newspaper;
- 1 x Printer;
- 1 x Photocopier;
- 1 x Fax;
- 1 x telephone to ring employers or Job Network members*;
- 2 x telephones to Personal Computer (PC) help desk**;
- 2 x PCs (1 x "intranet" PC and 1 x "stand alone" PC. Dependent on site - i.e. major sites in Sydney have 3 x PC's while smaller sites may only contain 1 x PC); and
- At least 2 x Australian Job Search (AJS) Touchscreen Units (1720 AJS Units distributed throughout Centrelink).

* Some sites contain more than one employer phone (i.e. larger Sydney sites).

** The number of PC help phones is dependent on the number of PC's in the office (i.e. 1 phone per PC).

The majority of Centrelink offices contain Employment Self Help Equipment (currently 310 out of 315 sites). The 5 sites that have not yet had Employment Self Help Equipment installed only became Centrelink Customer Service centres from July 2000.

There has not been a reduction in Employment Self Help facilities in Centrelink Customer Service Centres over the last 18 months.

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Question No: 11

Topic: Private Investigators

Hansard Page: Written question on notice

Senator Evans asked:

- (a) Describe the role of the private investigators?
- (b) How many were employed in the last financial year? What was the cost of their employment and what savings were generated through their activities?
- (c) How many cases were investigated? How many led to convictions and how many cases are still outstanding?
- (d) How many cases resulted in no wrong doing by the person investigated?

Answer:

- (a) Centrelink employs contractors to provide optical surveillance services to investigate cases where strong suspicion of fraud remain after more traditional investigation methods have been tried and remain inconclusive. The role of the contractor is to undertake optical surveillance of customers identified by Centrelink with the use of video and/or still cameras and in accordance with Centrelink surveillance guidelines.

Contractors do not conduct factual investigations of Centrelink customers nor do they make contact with any third parties regarding the customer under surveillance. The role of the contractor is to undertake surveillance of customers identified by Centrelink in accordance with Centrelink surveillance guidelines. These guidelines have been developed in consultation with the Federal Office of the Privacy Commissioner.

Centrelink project officers receive referrals from Centrelink staff seeking the use of surveillance on particular cases. The project officer examines the files and makes an assessment of the case against the referral guidelines. Where a matter does not meet the referral guidelines surveillance is not undertaken.

Where a case does meet the referral guidelines the project officer will identify the most suitable contractor to deal with the case and prepare instructions for the contractor. A service order detailing all requirements for the surveillance to be undertaken is issued to the contractor.

The contractor is instructed to conduct a maximum of 5 hours surveillance and then provide the project officer with a progress report. At that point the project officer will

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make an assessment as to whether the footage obtained is sufficient to resolve the case or whether additional surveillance is necessary.

Once the project officer is satisfied that the video footage obtained is sufficient to finalise the case or that further surveillance is unlikely to produce results, the contractor is instructed to finalise the case and provide Centrelink with all the video footage, still photos (including negatives), contemporaneous notes and running sheets. The only information that is retained by the contractor is a copy of the invoice.

Centrelink conducted site visits during 1999/00 financial year to assess the performance of the service providers and to ensure privacy and security requirements were being met. The site visits were conducted by the Centrelink evaluation team and a representative from the office of the Federal Privacy Commissioner. During this process all contractors were found to be compliant with Centrelink guidelines and procedures.

- (b) During 1999-00, Centrelink utilised the services of 21 contractors.

Centrelink paid \$820,778 for surveillance services in 1999-00.

During the same year, \$3,996,113 in debt was raised, and \$160,307 per fortnight in program savings (or \$4,167,982 for the year) was identified. Total combined debt and savings for 1999-00 were \$8,164,095.

- (c) A total of 2,072 cases have been referred for surveillance since the initiative commenced in July 1999. As at 31 October 2000, 293 cases were outstanding with the service providers.

Of the total 2,072 cases which have been referred for surveillance, 141 cases have been referred to the Director of Public Prosecutions (DPP):

- 22 cases have been brought before the courts, all resulting in convictions; and
- the remaining 119 cases are under consideration by the DPP.

- (d) A total of 2,072 cases have been referred for surveillance since the initiative commenced in July 1999. As at 31 October 2000, 293 cases were outstanding with the service providers.

In Financial Year 1999-00:

- 1,063 cases were completed;
- 316 (29.7%) resulted in no debt or reduction to ongoing entitlement.

In Financial Year 2000-01 (as at 31 October 2000):

- 716 cases have been completed.
- 199 (27.8%) resulted in no debt or reduction to ongoing entitlement.

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Question No: 12

Topic: Debt recovery teams

Hansard Page: Written question on notice

Senator Evans asked:

- (a) Describe the role of debt recovery teams?
- (b) What is their current staffing level? Please provide staffing levels for each year from 1996.
- (c) Please provide data on the amount of debt recovered for each year from 1996?
- (d) Is any debt handled by private debt recovery firms?
- (e) Are debts 'sold' to private debt recovery firms? If so, what was the value of those debts last financial year? If not – are there any moves to investigate the viability of 'selling' social security debts to private contractors?

Answer:

- (a) The primary role of Centrelink's debt recovery teams is to recover debts as quickly as possible without causing financial hardship to customers.

As the recovery of debts from current customers is largely achieved through the withholding of a percentage of their on-going payments, the activities of debt recovery teams are, for the most part, concentrated on recoveries from former customers.

Their role involves:

- locating debtors;
- issuing correspondence including reminder letters;
- negotiating individually tailored repayment arrangements;
- deciding the best recovery action taking cost-effectiveness into consideration - this may include a decision not to pursue recovery for some small debts;
- referrals to private debt recovery firms or legal service providers; and
- liaising with other government agencies and external organisations on recovery issues.

Each of Centrelink's 15 Area Offices has a debt recovery team.

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(b) **Centrelink Debt Recovery Teams staffing levels for period 1996/97 to 2000/2001**

Staff Numbers 1996/97	Staff Numbers 1997/98	Staff Numbers 1998/99	Staff Numbers 1999/2000	Staff Numbers 2000/2001
397	395	372	339	333

The 1996/97 figures, which pre-date the establishment of Centrelink, are an estimate of the debt recovery staffing levels in the then Department of Social Security and the Department of Employment, Education, Training and Youth Affairs.

Decisions on the actual number of staff allocated to each of the 15 Area Debt Recovery Teams are taken locally by Centrelink's Area Managers having regard to competing work priorities applying at the time.

(c) **Family and Community Services Recoveries for the period 1996/97 to 1999/2000**

	Recoveries 1996/97 \$M	Recoveries 1997/98 \$M	Recoveries 1998/99 \$M	Recoveries 1999/2000 \$M
Cash	137.4	195.9	225.7	217.8
With-holdings	250.9	277.8	316.5	314.2
Section 1226	90.2	95.7	107.2	109.3
Total	478.5	569.4	649.4	641.3

'Cash' includes cash and cheques received by Centrelink, repayments made at Australia Post outlets, voluntary deductions from bank accounts and wages, recoveries from tax refunds, wages and bank accounts and monies recovered by private debt recovery firms.

'With-holdings' comprise amounts deducted from continuing Centrelink payments. These recoveries are the result of an automated process and do not generally require any intervention from debt recovery teams.

'Section 1226' comprise recoveries from insurance companies as they settle compensation claims.

(d) Yes.

Debts owed by former customers who cannot be located, or where all other cost effective recovery methods have been unsuccessful, or where no repayment has been received in the three month period following the payment due by date on the initial advice of debt are referred to private debt recovery firms.

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In 1999-2000, private debt recovery firms recovered \$6.4m out of the total \$641.3m recovered by Centrelink in that year.

The referral of social security debts to private debt recovery firms was a May 1995 Budget initiative with the first referrals commencing on 14 October 1996.

- (e) No and no.

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Question No: 77

Topic: Fraud

Hansard Page: Written question on notice

Senator Denman asked:

- (a) Is it true that there are benchmarks or guides set for numbers of fraud inquiries?
- (b) What are these benchmarks or guides?
- (c) Is it true that some states are being pressured by the government regarding their lack of fraud inquiries?

Answer:

- (a) Centrelink conducts reviews to ensure a customer is receiving their correct entitlement to payments delivered on behalf of client departments.
- (b) Centrelink's review activity is governed by the arrangements set out in Business Partnership Agreements with its client departments. The *Business Partnership Agreement 2000-01* with the Department of Family and Community Services, requires Centrelink to complete 1.1 million compliance reviews, including 125,000 Rent Assistance reviews and 1,100 reviews of child care service operators.
- (c) No.

Centrelink's service centres are grouped into 15 geographical areas.

Based on the contractual obligations of the Business Partnership Agreements (BPAs) between Centrelink and its client departments, Centrelink Areas are set annual compliance review benchmarks. These benchmarks are monitored on a monthly basis to facilitate Centrelink's achievement of the requirements set out in the BPAs

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Question No: 13

Topic: Employment Appointment

Hansard Page: CA93

Senator West asked:

In relation to these employment appointments, only 62 percent are seen within three days. What is that distribution? When would they have seen 75 per cent?

Answer:

The following table provides a breakdown of the percentages of offices who can provide services for Employment Services customers from 0 to 10 days. The data is for the weeks 17th November, 24th November and 1st December.

Days	% of Offices	Cumulative total	% of Offices	Cumulative total	% of Offices	Cumulative total
	17th November 2000		24th November 2000		1st December 2000	
0	29.75%	29.75%	28.69%	28.69%	25.36%	25.36%
1	15.41%	45.16%	14.04%	42.73%	16.89%	42.25%
2	11.17%	56.33%	9.29%	52.02%	10.50%	52.75%
3	6.12%	62.45%	7.31%	59.33%	7.79%	60.54%
4	7.26%	69.70%	7.35%	66.68%	6.96%	67.50%
5	6.34%	76.04%	5.33%	72.02%	5.27%	72.78%
6	3.84%	79.89%	7.44%	79.46%	7.03%	79.81%
7	7.52%	87.41%	7.02%	86.48%	5.16%	84.97%
8	3.72%	91.12%	3.38%	89.86%	4.45%	89.42%
9	1.97%	93.09%	3.51%	93.37%	4.19%	93.60%
10	1.79%	94.88%	1.60%	94.97%	2.92%	96.53%

In relation to when they would have seen 75% this is very hard to define. Demand for appointments is affected by the number of customers wishing to claim, unexpected staff absences, training etc.

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Output Group: Centrelink - Social Work Team

Question No: 14

Topic: Referrals to Emergency Relief Agencies by Social Workers

Hansard Page: CA99

Senator West asked:

What number of referrals were social workers making to Emergency Relief agencies 5 years ago?

Answer:

We are not able to supply figures on referrals made by social workers 5 years ago because of the implementation of an upgraded management information system in 1996.

In 1997, social workers made 21,284 referrals to Emergency Relief agencies.

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Output Group: Centrelink

Question No: 15

Topic: Survey of Referrals Around Australia

Hansard Page: CA99

Senator Crowley asked:

Could you provide us with the centres where the number of referrals had gone up and the centres where it had gone down?

Answer:

Offices in Tasmania reported some decline in referral activity (Launceston, Mowbray and Glenorchy).

Customer Service Centres in Penrith and Bankstown in Sydney and Melton in West Victoria and Burnie in Tasmania reported increases in referral activity.

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Output Group: Centrelink

Question No: 16

Topic: Emergency Payments

Hansard Page: CA101

Senator Crowley asked:

Emergency Payments - I need to know how it works and I still want to know when you will get the payment back. If you would like to explain it to me in correspondence - I will accept that too.

Answer:

The Department of Family and Community Services legislation provides a number of ways for Centrelink to assist customers to alleviate hardship in addition to the 'safety net' of regular income support payments. These include:

Crisis Payment - introduced in 1999 for released prisoners, people forced to leave their homes, and for victims of domestic violence;

Lump Sum Advances - including Advance Payments or Loans of future entitlement;

Specific payments such as Disaster Relief Payment, Special Employment Advance, Employment and Education Entry Payments, Maternity and Immunisation Allowances;

Special Benefit depending on customer's funds and eligibility to other payments;

Hardship Advances - introduced this year, in relation to advances of first instalments of pension or benefit, to address hardship that would occur if the customer was required to wait for the first payment; and

Urgent Payments (also known as immediate or early payments).

Crisis Payment and Disaster Relief Payment are extra amounts paid in addition to the regular entitlement.

Advance Payments are recovered by regular deductions from the next six months payments. Hardship Advances and Urgent Payments are recovered from the next available payment.

Any amounts not recovered when payments cease, become a recoverable debt.

In addition to the above payment options customers are also encouraged to:

- contact Centrelink about their claim as early as possible and not wait until their savings are diminished;

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- nominate their payday to fit in with their financial arrangements;
- change their payday to generate an earlier but smaller payment reflecting the number of days between the old and new payday
- visit social workers in Centrelink CSCs for help to resolve problems;
- be referred for relevant and available community assistance.

ADVANCE PAYMENTS OR LOANS

Briefly the Advance Payment policy requirements are:

- The amount can be between \$250 and \$500 usually paid by direct credit
- The customer must have been in receipt of (most) income support payments for 3 months
- There has not been an advance of this type in the previous 12 months
- There is no current debt or advance being recovered
- The customer can repay the advance by reductions of future payments, over 13 fortnights, without suffering hardship

HARDSHIP ADVANCES

- Payments of **anticipated** entitlement that only apply to the first pay period of a pension or benefit at grant, or after resumption of payments.
- Can consist of up to 14 days entitlement but are usually limited (under FaCS guidelines) to between 1 and 7 days unless exceptional circumstances are shown to exist.
- The claimant needs to show they will suffer severe financial hardship if they were required to wait until the end of the first instalment period.
- Claimants released from gaol or psychiatric confinement may be paid a Hardship Advance in addition to Crisis Payment to ensure they will not suffer severe financial hardship on release.
- Usually paid by direct credit within one or two days but can be paid by Electronic Benefit Transaction (EBT) Card technology or by manual cheque if appropriate.
- Each request must be considered on its merits. Care must be taken not to place the customer in hardship in the next pay period.

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- The amount of the advance is recoverable from the first instalment or the first 14 days' of payment after grant/resumption. It can be proportioned over the first two instalments to minimise subsequent hardship. Any amount that cannot be recovered from the first 14 days requires a debt to be raised.

URGENT PAYMENTS

- Early payments or part-payments of **accrued** entitlement paid to existing customers before their normal payday.
- The maximum amount of the accrued entitlement that can be issued depends on the number of days that have elapsed in the customer's fortnightly cycle at the time.
- The amount issued automatically reduces the amount payable on the subsequent payday.
- Usually paid by direct credit within one or two days but can be paid by Electronic Benefit Transaction (EBT) Card technology or by manual cheque if appropriate.
- Care is taken not to place customers in greater hardship by having future payments reduced without compelling reasons.
- In mid 1999 Centrelink (with Family and Community Services support) revisited the policy for making urgent payments. The essential elements of the policy were not changed, just re-issued and re-emphasised to ensure the payments are made to customers in genuine need.
- Customers need to provide evidence that they are in severe financial hardship due to exceptional and unforeseen circumstances (this has not changed from the previous FaCS guidelines).
- Regular expenses like rent; utilities bills; food and living expenses; car maintenance and petrol costs; loan repayments or fines, are not generally considered to be exceptional nor unforeseen, unless available funds have been used to meet their exceptional circumstances (also unchanged from the previous guidelines).
- It can be difficult to predict the unforeseen and exceptional circumstances that may befall a customer. The policy allows Customer Service Officers (CSOs) to exercise some judgement to recognise customers' immediate needs and assist those in genuine hardship because of unexpected demands on their finances.
- Urgent payments are aimed to address one-off emergencies. Customers who encounter frequent or recurring emergencies may require alternative kinds of assistance from CSOs, from Centrelink Social Workers, or from community agencies. When referrals are made to community agencies the type of assistance available and

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the capacity to assist are taken into account. Such referrals can assist the customer to break out of cycles of financial hardship and return to budgeting on their regular fortnightly payments.

- The policy was reviewed because:
 - Customers have been able to choose the payday that suits their financial arrangements since Payment Cycles legislation came into effect from 1 July 1999. Payments to financial institution accounts can be made within one or two days of processing, reducing the need to make urgent payments by cheque or EBTs.
 - There were concerns that the rise in payments by EBT Card was leading to a potential risk of fraud attempts by customers and staff especially where significant amounts of money were being paid.
 - Customers who frequently requested urgent payments could be overpaid because of the confusing number of irregular part-payments being made, in place of regular fortnightly instalments.
 - Greater taxpayer costs for banking transactions in using this EBT technology, and in administering urgent payments in these large numbers.
 - Greater security for customers in making payments by direct credit.
 - Many requests for hardship payments were from customers with problems of drug and alcohol addiction and gambling. Incidences of aggression from such customers demanding money urgently were increasing, and were putting staff and other customers at risk.
 - There was a need for a fair and consistent application of the policy.
 - Community agencies, particularly those helping young people with problems of homelessness and drug and alcohol addiction, supported the need to regularise their payments, to reduce reliance on early payments, and to help them learn to manage their budget on a fortnightly basis.

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Output Group: Centrelink

Question No: 19

Topic: Business Partnership Agreements

Hansard Page: CA103

Senator West asked:

Is it possible to have copies of your BPAs with DEWRSB and FaCS?

Answer:

Copies of the FaCS BPA and DEWRSB BPA are attached.

Note: Copies of FaCS/Centrelink and DEWRSB/Centrelink Business Partnership Agreements have not been included in this volume

Business Partnership Agreement 2000–2001

Family and Community Services and Centrelink

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BUSINESS PARTNERSHIP ARRANGEMENT

NUMBER 1

1999-2002

between the

**Secretary to the
Department of Employment, Workplace Relations
and Small Business**

and the

Chief Executive Officer of Centrelink

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Output Group: Centrelink

Question No: 20

Topic: Key Performance Indicators

Hansard Page: CA107

Senator West asked:

Is it possible to give us a breakdown of benchmarks and indicators in the KPIs?

Answer:

Benchmarks and indicators are outlined in individual Business Partnership Agreements (BPAs) with client departments. The FaCS BPA has been provided separately under Question No: 19 and the DEWRSB BPA will be provided when it is finalised.
[provided 17.01.01]

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Output Group: Centrelink

Question No: 22

Topic: Centrelink referring customers to financial counsellors

Hansard Page: CA110/111

Senator Gibbs asked:

How long has Centrelink been referring people to financial counselling services so they can be put on a budget, to see if they can pay back more than the 14 per cent of their payment that they are required to pay on their debts per fortnight?

Answer:

Centrelink's recovery staff do not refer customers to financial counsellors.

When a customer advises Centrelink that standard rate withholdings will place them in real hardship and we progress to reducing their withholdings to a lesser rate, we also issue a standard letter to the customer. The letter advises them that the reduction is for a period of 3 months only and if, through their own efforts, they cannot reorganize their finances so as to afford the standard rate withholdings by the end of that period, they "may wish to seek assistance from a financial counsellor".

The standard letter is supported by procedures which require that if the customer asks for an extension on reduced withholdings, it is only granted if they can provide evidence that they have attempted to reorganize their finances (or have made an appointment to seek assistance to do this). In these procedures, a budget drawn up by a financial counsellor is cited as an example of acceptable evidence. For example, if the customer provided as evidence, a budget which distributed payments fairly between creditors, this would be accepted. Even in situations where the customer has attempted to draw up such a budget but still cannot provide fair payments to the Commonwealth, reduced withholdings are likely to continue for a period to allow them to rectify the situation.

The impetus behind these procedures was a long-standing problem where customers sought to pay their other commitments (eg to financial companies etc) in full, while paying little or nothing to the Commonwealth. The current procedures seek to give customers the flexibility to renegotiate affordable payments to all creditors (perhaps with the assistance of an independent financial counsellor) while reinforcing the point that the Commonwealth expects a fair payment along with their other creditors.

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Output Group: Centrelink

Question No: 24

Topic: Review Process – Resources

Hansard Page: CA120

Senator West asked:

What resources are expended in the review process for breaches in terms of staff hours, costs and that sort of thing?

What resources are expended ie staff hours and costs on compliance activities, actioning breaches and checking employer contact certificates, dole diaries and fortnightly review forms. By comparison, what resources – staff hours and costs – are expended on ongoing case management and follow-up of job seekers?

Answer:

Centrelink's Activity Based Costing (ABC) approach identifies the cost of core activities undertaken in the delivery of payments and services on behalf of the Government. Though each of these activities can be traced to the services that consume them, the definitions of the activities within Centrelink's current approach do not distinguish specific processes such as breaching, compliance monitoring, or case management. These processes form part of broader customer service activities, as defined by the ABC Activity Map. Centrelink is therefore unable to provide specific cost related information for the requested processes.

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Output Group: Centrelink

Question No: 26

Topic: Customer Satisfaction Research

Hansard Page: CA124

Senator West asked:

Can you confirm that Roy Morgan is currently undertaking a wave of customer satisfaction research? Is it possible to have a full copy of the latest survey and the results when it is available?

Answer:

Yes.

Centrelink has the following program of four ongoing customer satisfaction surveys which have, to date, been conducted every six months by Roy Morgan Research and Millward Brown Australia:

Survey Title	Research Service Provider
National Customer Satisfaction Survey	Millward Brown Australia
Customer Service Centre Customer Satisfaction Survey	Roy Morgan Research (RMR)
Call Centre Customer Satisfaction Survey	RMR
International (previously called 'Overseas') Customer Satisfaction Survey	RMR

A copy of the latest questionnaires used in each survey is attached.* The results from the November 2000 National Customer Satisfaction Survey are also attached.

The results for the remaining surveys will not be available until late December 2000/early January 2001 and will be provided when they are available.

***Note: copies of the questionnaires used in each survey have not been included in this volume.**

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NATIONAL CUSTOMER SATISFACTION SURVEY
(Wave 9 - November 2000)
Topline Result

	Question Topic (paraphrased)	
	Top 2 - Good or Very Good (unless otherwise indicated)	
	Customer Satisfaction Overall	
Q1	Overall quality of people, services & information	76%
Q2	Centrelink staff overall	81%
	Application Process	
Q6	In the last 12 months , have you applied for a new payment or service from Centrelink? YES	60%
Q6b	How do you rate this application process overall ?	62%
Q6c	How do you rate the time it took to receive the first payment after lodging an application?	75%
	Forms and Form Lodgement	
Q7	In general how would you rate the forms you receive from Centrelink overall?	56%
Q8	How easy they are to fill out ?	58%
Q9	Their clarity of wording (that is how easy they are to understand)?	63%
Q10	Their length ?	51%
Q11	Their design and layout ?	72%
Q12	Arriving in time for you to act on ?	75%
Q13	The number of forms you receive from Centrelink?	62%
Q15	Ideally, how would you most prefer to fill out and lodge forms with Centrelink?	
	Over the Phone	18%
	In Person (Centrelink office or Agent)	47%
	By Mail	21%
	Via the Internet	10%
	Using a Touchscreen Kiosk	0%
	Having Someone Else (such as a family member or friend hand it in)	2%
	On Campus (i.e. University/TAFE/College)	1%
	Other (e.g. By Fax)	1%
Q16a	If Centrelink forms were available online, would you prefer to: [Multiple Response]	
	Download and print the form(s)	33%
	Request the form(s) be posted to you	53%
	Request the form(s) be emailed to you	26%
	Lodge the form(s) online	1%
	Pick the form(s) at an office	2%
	None of the above	26%
	Don't know	4%
	Payment Process	
Q17	Payment process overall	84%
Q18	Accuracy or correctness of payment amounts?	78%
Q19	The timing of the payment?	89%
Q20	Ease of understanding how much you are entitled to?	58%
Q21	Centrelink's handling of monies owed to you (for example an underpayment or back pay)?	75%
Q22a	Centrelink's arrangements for you paying them back when they have overpaid you?	58%

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Q22b	Helpfulness of the package of services and products offered with the event in your life that brought you to Centrelink?	76%
Q23	If the payment amount varies (for example you get more or less money than you expected) do you generally get an explanation you can understand as to why this has happened?	Yes 58% No 18% NA 21%
Review Process		
Q24	In the last 12 months have you received a form asking if your income or family arrangements (such as your number of dependents) have changed?	57%
Q26	Rating reviews overall	68%
Centrelink Information		
Q33	Centrelink information is easy to understand	69%
Centrelink Letters		
Q34	Rating letters overall	73%
Q35	Their accuracy?	75%
Q36	The clarity of the information (that is being easy to understand)?	73%
Q37	The tone that the letters are worded in?	74%
Q38	Their relevance or usefulness in your situation?	75%
Q39	Their design and layout?	83%
Q40	Arriving in time for you to act on?	76%
Q41	The number of letters you receive from Centrelink?	69%
Centrelink Publications		
Q42a	Have you read a Centrelink publication in the last 6 months?	53%
Q42	Providing accurate information (for example about payments and entitlements or new services)?	81%
Q43	The clarity of the information (that is being easy to understand)?	82%
Q44	Their design and layout?	89%
Q45	Their availability?	84%
Q46	Relevance or usefulness to you?	82%
Q47	Their frequency (that is how often they are published or updated)?	71%
Customer Compliance		
Q49	It is easy to cheat welfare agencies like Centrelink? [Yes]	28%
Q50	Why do you say that?	
	People provide false information	15%
	Personal knowledge/know people who cheat the system	45%
	Centrelink doesn't check/investigate	11%
	Heard about it in the media	33%
	Defacto relationships not declared	9%
	People working for cash	8%
	Don't know/No reason	7%
Q51	Can you tell me what changes in your circumstances you need to inform Centrelink about?	
	Starting or stopping full-time employment	34%
	Starting or stopping part-time employment	29%
	Commence or stop training/studying	4%
	Commence or stop voluntary work	2%
	If receive additional income	40%
	If number of dependent children changes	30%
	If partner status changes	27%

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	Going overseas	8%
	Family income or asset levels change~	~
	~Asset levels change	14 %
	~Income changes	2%
	*Changing address	24%
	*Commence or stop studying	4%
	Other - *changes to address/study previously included with 'Other'	3%
	Don't know	12%
Q52	Centrelink requires people to inform them of changes in their circumstances. How long do they give people to inform them of such changes?	
	Less than 1 week	9%
	1 to 2 weeks	41%
	2 weeks to 4 weeks	11%
	More than 4 weeks	3%
	Don't know	33%
	Customer Complaints	
Q53	How do you rate the ease of being able to make a complaint?	65%
Q54	Was there any aspect of your last contact with Centrelink that made you want to complain?	25%
Q55	What made you want to complain?	
	Staff Attitudes	12%
	Staff Skills and Knowledge	5%
	Time to Resolve Problem/ Get Through	17%
	Accuracy Issues	25%
	Decision Made about Case	10%
	Late Payment	1%
	Confusing/Conflicting Information	13%
	Other	16%
Q56	Did you actually make a complaint?	41%
Q57	Why is it that you did not complain?	
	Didn't know how or to who	9%
	There is no point	52%
	Too difficult/time consuming	22%
	Worried may be victimised or lose payment	5%
	Problem was soted out/resolved	11%
	Other	8%
Q58	Were you satisfied with how your complaint was handled?	54%
Q59	Why do you say that?	
	They didn't listen	18%
	Made things worse	14%
	Staff rude/unsympathetic	20%
	Made out it was my fault	10%
	They didn't get back to me	22%

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	It made no difference/didn't alter the decision	38%
	Other	11%
Benchmarking/Customer Loyalty		
Q60	How well you feel you know each organisation. ('Familiarity')	
	Australia Post	80%
	*Your Main Telephone Company (this read "Telstra" in previous waves)	*69%
	Centrelink	73%
	Medicare	67%
	Your Main Financial Institution (eg bank)	77%
	Australian Tax Office	51%
Q62	Overall opinion of each organisation ('Favourability')	
	Australia Post	91%
	*Your Main Telephone Company (this read "Telstra" in previous waves)	77%
	Centrelink	83%
	Medicare	87%
	Your Main Financial Institution (eg bank)	70%
	Australian Tax Office	67%
Q63	Would you use one of these [other] organisations instead of Centrelink?	Yes 31% No 60%
Q64	Why do you say that?	
	More convenient location	49%
	Try them out	17%
	Have to be better than Centrelink	17%
	Centrelink treated me badly	7%
	Easier to deal with/approach	4%
	Time savings/Centrelink too busy	3%
	Better service	5%
	More service options/can do more there	4%
	Don't care who delivers the services	3%
	Other	4%
Value to community		Top 2 - Agree or Strongly Agree
Q65	It is important to have a Centrelink office physically in the local community	95%
Q66	Centrelink helps customers during times of change in their lives	86%
Q67	Centrelink helps find solutions for its customers	78%
Q68	Centrelink is responsive to events in the local community (for example natural disasters, major employer closures, industrial action)	58%
Q69	Centrelink listens to the community's ideas for giving better service	65%
Q70	Centrelink provides a wide range of government services in one place.	89%
Q71	Centrelink links you to , or puts you in contact with , other services it does not provide	71%
Accessing Centrelink Services		Top 2 - Easy or Very Easy
Q72	Overall, how easy is it to access government services provided by Centrelink?	63%
Q73	Why do say that? [Total hard]	

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	Phone access	36%
	Limited choice of ways to deal with Centrelink	23%
	Phone operating hours	10%
	Location of office	10%
	Lack of staff/busy/long queues	8%
	Lack of information on available services	9%
	Transport	5%
	Office opening hours	4%
	Too may forms	4%
	Other	5%
	Don't know	4%
Frequency of Contact - Telephone		
Q74	In the past three months, how many times would you have rung Centrelink , that is the 'one three' phone numbers?	
	Zero	37%
	1-5 Times	51%
	6-10 Times	8%
	11-20 Times	3%
	More Than 20 Times	1%
Q74b	When calling Centrelink, how many attempts to call would you consider reasonable if you couldn't get through the first time? [Average]	2.49 attempts
Q74c	Once you get through on the phone, what do you consider a reasonable waiting time before talking to the operator? [Average minutes]	4.02 mins
Q75	If you are unsuccessful in getting through, for example you get a busy signal, what are you most likely to do?	
	Keep ringing	27%
	Ring later the same day	54%
	Ring the next day	4%
	Set your phone to automatic-redial	1%
	Visit local Centrelink office instead	9%
	Give up and write to Centrelink instead.	0%
	Give up and use the Internet instead	0%
	Ring Centrelink's Customer Relations line and complain	0%
	Do nothing	1%
	Give up	1%
	Ring manager/ go higher	0%
	Other	1%
Frequency of Contact - CSC Visit		
Q76	And how many times would you have visited a Centrelink office in the past three months?	
	Zero	32%
	1-5 Times	56%
	6-10 Times	8%
	11-20 Times	3%
	More Than 20 Times	1%

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Frequency of Contact - Internet Visit		
Q77	And how many times would you have visited the Centrelink internet website in the past three months?	
	Zero	94%
	1-5 Times	5%
	6-10 Times	0%
	11-20 Times	0%
	More Than 20 Times	0%
Rating the Centrelink Internet Website on...		
Q78	Ease of access that is logging in when you want?	85%
Q79	Providing useful information for example about payments and entitlements or new services?	70%
Q80	The clarity of the information that is, it is easy to understand?	74%
Q81	Its design and layout ?	75%
Q82	Navigation that is, finding your way around the pages?	75%
Q83	Its speed ?	72%
Q84	How often it is updated ?	75%
Q84a	When you last visited the Centrelink internet website did you find what you were looking for ?	Yes 68% No 28%
Appointment Arrangements		
Q85	Have used appointment arrangements *in last 6 months	*36%
Q86	Appointment arrangements overall	83%
Q87	Time to appointment date	76%
Q88	Time between appointment time and when appointment was held	78%
Q89	The ease of making an appointment in the office if you have ever done so?	83%
Q90	The ease of making an appointment over the phone if you have ever done so?	85%
Q91	The ability of the appointments system to handle emergency situations , when you need to see someone quickly?	64%
Q92	Allowing staff to become familiar with your case before the appointment?	69%
Q93	How well did the time & date of the appointment suit your needs?	85%
One-to-One Contact		
QXa	Have used one-to-one contact in the last 6 months [Yes]	24%
QXb	Reason haven't used one-to-one contact in the last 6 months	
	Didn't know about it	51%
	No-one's told me who to contact or how to do it	11%
	Haven't needed to	46%
	Can do all my business over the phone	3%
	Other Specify	1%
	Don't know	4%
QXba	Did the appointment time/date suit your needs ?	85%
QXc	Were you satisfied with the service your one-to-one contact provided? [Yes]	93%
QXd	Reasons not satisfied with the service your one-to-one contact provided? <i>(Caution. These are subsets of the No respondents above. Numbers are too small to draw any valid conclusions)</i>	
	Contact unavailable	17%
	Had to make an appointment	4%
	Didn't get result/decision I wanted	51%

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	Didn't like the person (allocated as contact/rude/poor attitude)	9%
	Had to speak to too many people to get to them	5%
	Other Specify	5%
	Don't know	17%
QXe	In what circumstances would like see your one-to-one contact provided?	
	Advise of new debt	17%
	Discuss debt repayment options	19%
	Too complex to do over the phone	41%
	They know my case history	50%
	Familiar face preferred	44%
	Don't know	15%
Preferred mode of dealing with Centrelink		
Q93a	First preference	
	Over the phone	41%
	In person (Centrelink office or Agent)	47%
	In writing	3%
	Online (via the internet)	6%
	Using a touchscreen kiosk or touchscreen payphone	0%
	Via another person (e.g. community agent, relative, nominee, carer)	1%
	Cable/Pay/Interactive/Web TV	0%
	On Campus (i.e. university/TAFE/college)	1%
Q93b	How well does this range meet your needs?	
	Not at all	1%
	Not really	2%
	Just	10%
	Mostly	46%
	In every way	40%
Qxxa	Reason for preferring telephone to deal with Centrelink	
	Quicker	50%
	Cheaper	13%
	No transport/ difficult transport	14%
	Office location not convenient	15%
	Easier	61%
	Want to talk to a real person (human)	10%
	Privacy	4%
	Don't need to leave home/work	33%
	Don't have access to the Internet	4%
	Don't need child or respite care	8%
	Meets my requirements	1%
	Other	5%
	Don't know	1%
Qxxb	Reason for preferring to deal with Centrelink in person	
	Don't trust technology	2%

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	Don't like the technology	5%
	Internet/kiosk/phone/etc too confusing/Don't know how to use it	2%
	Can't get through on phones	6%
	Want to talk to a real person face-to-face	77%
	Doesn't have access to the Internet	4%
	Deal with problem straight away	41%
	Other	3%
	Don't know	1%
Qxxc	Reason for preferring to deal with Centrelink in writing	
	Can get confirmation/proof in writing	34%
	Can deal with it in own time	8%
	Easier/more convenient	9%
	Internet/kiosk/phone/etc too confusing/Don't know how to use it	11%
	Don't have to wait/no queues	33%
	Has always used mail/doesn't like change	18%
	Privacy	4%
	Doesn't have access to the Internet	8%
	Other	11%
Qxxd	Reason for preferring the internet to deal with Centrelink	
	Modern/like the technology	17%
	Quicker	54%
	Cheaper	13%
	Can get confirmation/proof in writing	1%
	No transport/ difficult transport	10%
	Office location not convenient	7%
	Easier	67%
	Privacy	4%
	Don't need to leave home/work	30%
	Don't need child or respite care	13%
	Can use it at anytime/24 hours	24%
	Other	5%
Qxxe	Reason for preferring the touchscreen kiosk or touchscreen payphone to deal with Centrelink	
	Too few respondents for valid data	NA
Qxxf	Reason for preferring another person to deal with Centrelink	
	Too confusing/Don't know how to use it	20%
	Age/mobility/poor health	9%
	Prefer accountant/neutral/3rd party	21%
	Parents do it for me	-
	Poor language skills	13%
	Poor literacy skills	15%
	Too busy/saves time	11%
	Other	25%

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Qxxb	Reason for preferring Cable/Pay/Interactive/Web TV to deal with Centrelink	
	Too few respondents for valid data	NA
Internet Access		
Q94	Do you have access to the Internet? [yes]	40%
Q94	Are you able to print from the Internet? [yes]	94%
Q95	Where do you have your main/most access to the Internet?	
	At home	83%
	At work	6%
	At a public place (for example - library, Centrelink)	4%
	Touchscreen Kiosk or Touchscreen Payphone in a Shopping Centre or Centrelink office	0%
	On Campus (i.e. university/TAFE/college)	4%
	Friends'/relatives'house	3%
	Other	0%
Internet Business - Location		
Q96	If you could do business with Centrelink via the Internet how or where would you most prefer to do this?	
	At home	70%
	At work	1%
	At a public place (for example - library, college/university, Centrelink)	5%
	Touchscreen Kiosk or Touchscreen Payphone in a Shopping Centre or Centrelink office	0%
	On Campus (i.e. university/TAFE/college)	1%
	Friends'/relatives'house	1%
	Nowhere/ Don't want to	19%
	Don't Know	2%
	Other	0%
Internet Business - Activity Type		
Q97	What sort of business, if any, would you like to do online (that is via the Internet) with Centrelink?	
	Notify Centrelink of a change of address or telephone number	9%
	Notify Centrelink of a change in your circumstances (e.g. income, number of dependents, ceasing studies, commencing employment)	17%
	Find out how much your next payment will be	11%
	Find out when your next payment will be made or if it has been deposited in your account	10%
	Apply for a payment	7%
	Lodge a form	20%
	Send and receive mail	4%
	Book an appointment at your local office	4%
	Have someone call you back on telephone	1%
	Status of your Advance Payment (i.e. amount left to repay)	2%

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	Everything	13%
	General Enquiries	0%
	Complaints/problems with payments	0%
	Centrelink information	0%
	Employment/look for jobs	0%
	Look for Study	0%
	New Services/Updated Information	0%
	Get a referral	1%
	Other	19%
	None	17%
	Don't Know	17%
Q98	Reasons do <i>not</i> want to do business online	
	To confusing/don't know how to use it	24%
	Too complex for internet	10%
	Want to talk to a real person	19%
	Not secure/confidential enough	9%
	Don't have internet	28%
Q98b	What would it take get you to do business online?	
	Improved website usability/currently limited	5%
	Training	15%
	Free internet access	14%
	Free internet equipment (e.g. Modem, PC)	22%
	Internet access	14%
	Financial incentive/subsidy (allowance, etc.)	5%
	Improved security/confidentiality	3%
	Publicise/raise awareness of site/service	3%
	Telephone Business	
Q99	What sort of business if any would you like to do over the phone using the keypad?	
	Notify Centrelink of a change of address or telephone number	9%
	Notify Centrelink of a change in your circumstances (e.g. income, number of dependents, ceasing studies, commencing employment)	12%
	Find out how much your next payment will be	8%
	Find out when your next payment will be made or if it has been deposited in your account	6%
	Apply for a payment	6%
	Lodge a form	9%
	Book an appointment at your local office	9%
	Status of your Advance Payment (i.e. amount left to repay)	3%
	Everything	8%
	General Enquiries	1%
	Complaints /payment problems	1%
	Centrelink information	31%
	Employment	0%
	Look for Study/Training	0%
	New Services/Updated Information	0%

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	Other	1%
	None	46%
	Don't Know	14%
Q100	(“None”) Why do say that?	
	To confusing/don't know how to use it	11%
	Too complex for internet	10%
	Want to talk to a real person	37%
	Not secure/confidential enough	4%
	Don't trust the technology	9%
	Don't know	20%

Operating Hours	Early Morning	Morning	Lunch Time	Afternoon	Evening	Late Night	After Midnight	Week ends	Not Applic
Q101 What would be the most convenient time for you doing business with Centrelink?	6.30 am to 8.00 am	8.00 am to 12 noon	12 noon to 2.00 pm	2.00 pm to 5.30 pm	5.30 pm to 8.00 pm	8.00 pm to midnight	12.00 am to 6.30 am		
By Telephone	10%	48%	7%	14%	12%	3%	0%	1%	4%
At an Office or local Agent	5%	53%	10%	18%	5%	1%	0%	2%	5%
On the Internet	3%	17%	3%	7%	15%	11%	1%	2%	42%

Preferred Location for Personal Contact		
Q102	Which would be the most convenient location for you to deal with Centrelink in person?	
	A Centrelink office or shopfront in the nearest large Shopping Centre/Mall/Plaza	48%
	At a Centrelink office or shopfront near the local shops?	32%
	With an individual Centrelink officer or agent on a university campus?	3%
	Through a local agent, for example at a Chemist shop, credit union and so on?	4%
	A visiting service to where you live, for example, at your home, nursing home, retirement village, hospital and so on	10%
Customer Charter Awareness		Nov 2000
Q103	Knew Centrelink had a Customer Charter	12%
Q104	(Of those who knew) Have read the Centrelink Customer Charter	43%
Demographics		Nov 2000
D1	Is English your first language?	93%
D2	Do you receive Rent Assistance?	15%
D3	Are you an Aboriginal or Torres Strait Islander?	3%
D4	Gender - Male%/Female%	27%/73%

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Attachment A

Customer Service Centre Customer Satisfaction Survey: November/December 2000		
	%	% Change
Service Attributes - ¹		
Overall Quality	78.6	1.4
Staff Helpfulness	81.6	1
Staff Friendliness	81.5	1.4
Way Staff Treated You	81.9	1.7
Communication - Explaining	75.9	1.7
Communication - Listening	78.5	1.6
Accuracy of Information	72.7	1.5
Consistency of Information	65.2	1.8
Explaining - what you need to do	76.6	3.5
Staff Speed and Efficiency	64.8	1
Queue Handling	65.1	-0.1
Access to Correct Person	74.4	2.6
Office Environment	74.8	0.9
Base: Were referred to another service	7.7	-0.3
Way referral was arranged	69.8	2.6
Base: Purpose was to fix a mistake	20.2	0.4
Way mistake handled	61.9	3.9
Base: Had appointment on last visit	40.5	4.4
Appointments System	80.9	1.4
Base: Used an interpreter on last visit	13	--
Services provided by interpreter	83.8	--
Image Attributes - ²		
Easy to Deal with	66	0.8
Caring organisation	62.9	1.1
'Fair and Just'	#	#
Understands Customer Needs	63	1.3
Loyalty		
Other Organisations, same services - use other organisation?		
Yes	28.5	-0.5
No	50.1	--
Can't Say	21.5	0.6

¹ Percentages relate to the top 'two-box' results - ie, those customers who answered Good/Very Good.

² Percentages relate to the top 'two-box' results - ie, those customers who answered Good/Very Good.

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Last Visit: Did staff identify themselves?		
Yes	75.1	1.6
No	13.5	-0.8
Can't Say	11.4	-0.8

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Attachment B

Call Centre Customer Satisfaction Survey: November/December 2000		
ATTRIBUTE	%	% CHANGE
<i>Service Attributes - ³</i>		
Overall Quality	75.1	5
Time On Hold	33.2	0.8
Ease Of Getting Through	62.4	2.3
Staff Helpfulness	80.3	0.5
Staff Friendliness	84.5	1.5
Way Staff Treated You	81.1	0.6
Communication - Explaining	76.4	0.7
Communication - Listening	79.3	0.9
Accuracy Of Advice	70.2	1.8
Consistency Of Information	64.9	2.7
Correctly Record Information	66.3	2.1
Staff Efficiency and Speed	79.1	2
Understanding what you need to do	77.5	3.4
Way Referral Arranged	65	3.9
Way Mistake Handled	61.4	-0.4
<i>Image Attributes - ⁴</i>		
Easy to Deal With	62.2	-0.5
Caring organisation	60.6	1.8
Understands Customers' needs	59.5	1
Loyalty:		
<i>Other organisations, same services: Would you use other organisations instead?</i>		
Yes	30.1	0.3
No	46.9	-3.5
Can't Say	23	3.1
Other:		
<i>Last call: Did staff identify themselves to your satisfaction:</i>		
Yes	87.8	1.3
No	8	-0.2
Can't Say	4.2	-1.1
Given receipt number last time called a Centrelink call centre		
Yes	57.3	1.6
No	33.2	-1
Can't Say	9.5	-0.6

³ Percentages relate to the top 'two-box' results - ie, those customers who answered Good/Very Good.

⁴ Percentages relate to the top 'two-box' results - ie, those customers who answered Strongly Agree/Agree.

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<i>The last time you tried to call Centrelink were they:</i>		
Engaged On First Try	15.3	0.2
Engaged On First Few Tries	16.2	-1.8
Engaged On Many Tries	10.6	-0.7
Not Engaged	53.3	1.3
Can't Say	4.7	1.1
<i>The last time you tried to call centrelink, did you get cut off:</i>		
Yes	7.1	0.4
No	91.3	-0.7
Can't Say	1.6	0.3
<i>Last Call to Centrelink: any problems with the recorded message:</i>		
Yes	6.4	-1.5
No	91.9	1.5
Can't Say	1.8	0.1
<i>What problems did you have? What else? Anything else?</i>		
Message Was Too Long	28.9	3.5
The Wording Of The Message Was Unclear	23.3	1.3
Too Many Menu Choices	23.9	1
Speed Too Fast	5	-3.8
Volume Too Low	5	0.6
Can't Use It On My Phone	0.6	-0.9
Other	30.2	-3
Can't Say	4.4	--

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Attachment C

INTERNATIONAL CUSTOMER SATISFACTION RESULTS: NOVEMBER/DECEMBER 2000		
Attributes	%	% Change
Service Attributes - ⁵		
Overall Quality	96.5	2.5
Ease Of Getting Through	98	5
Staff Helpfulness	98	2
Staff Friendliness	98.5	1.5
Way staff treated you	98.5	3.5
Communication - explaining	96.5	2.5
Communication - listening	98	2.5
Accuracy of Advice	94	3
Correctly Record Information	92	1
Consistency of Information	94.5	6.5
Staff Speed and Efficiency	96.5	2.5
Understanding what you need to do	94	-0.5
Base: Purpose Was to Fix a Mistake	23	-20
Way mistake handled	84.8	-4.7
Time On Hold	94.5	0
Image Attributes - ⁶		
Easy to Deal with	96.5	1
Caring Organisation	94	0.5
Understands Customers' Needs	92	2.5
Other		
Last Telephone Call: Did staff identify themselves?		
Yes	90	3.5
No	4.5	-3.5
Can't say	5.5	0
Difficulties accessing Centrelink during your last call:		
None	55.5	-14
Engaged on First Try	9.5	4.5
Engaged on First Few Tries	4.5	-1.5
Engaged on Many Tries	0.5	-1.5
Got Cut Off	0	0
Put on Hold	3.5	0
Difficult to call during Australian Business Hours	7	2.5
Other	22	14
Can't Say	0	-1.5

⁵ Percentages relate to the top 'two-box' results - ie, those customers who answered Good/Very Good.

⁶ Percentages relate to the top 'two-box' results - ie, those customers who answered Strongly Agree/Agree.

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INTERNATIONAL CUSTOMER SATISFACTION RESULTS: NOVEMBER/DECEMBER 2000		
Attributes	%	% Change
Interpreter Services		
<i>If you prefer a language other than English to communicate in:</i>		
Did you use an interpreter for your last call to Centrelink		
Yes	79.6	--
No	20.4	--
Services provided by the interpreter	97.6	--

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Output Group: 1.1 Family Assistance
1.2 Youth and Student Support
3.1 Labour Market Assistance

Question No: 75

Topic: Fraud and Compliance Campaign

Hansard Page: Written question on notice

Senator Evans asked:

The 2000-01 Budget included a \$9.3 m measure for a multi-media fraud and compliance publicity campaign. Is Centrelink responsible for delivering the campaign?

What is the rationale for the timing of the campaign?

What is the basis of the forecast \$27.5 m in savings? Have previous campaigns netted these sorts of savings? How can this be substantiated with little change in fraud convictions since 1994?

Answer:

The campaign will be managed by the Department of Family and Community Services with input from Centrelink.

Research currently being conducted by the Department of Family and Community Services into factors influencing voluntary compliance is due for completion in January 2001. This research will assist to develop messages for the campaign. A period of six months from availability of research findings has been allowed to develop and market test campaign messages and publicity products.

It is estimated that over 50 per cent of the savings will flow from changed customer behaviour and a consequential increase in the number of customers voluntarily declaring changes in circumstances. The remaining savings are expected to flow from an increased number of tip offs received from the Australian community about Centrelink customers incorrectly in receipt of income support payments.

Previous publicity campaigns have not had the singular focus of increasing the level of voluntary compliance. Therefore, the effectiveness of previous campaigns has not been evaluated in terms of the level of savings achieved.

In line with the Commonwealth's Prosecution Policy, and given the limited capacity of the courts to process the cases which are referred, Centrelink refers only the most serious cases of alleged welfare fraud to the Director of Public Prosecutions.

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The campaign is targeted at people whose non-compliance is less serious than those cases referred for prosecution. Therefore, the number of prosecutions does not have a bearing on the estimated level of savings. A significant proportion of the savings will flow from customers notifying changes in circumstances not previously reported. In these situations, usually, the most appropriate response is to reduce or cancel the customer's payment and require the customer to repay the money received incorrectly.

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Output Group: 1.1 Family Assistance
1.2 Youth and Student Support
3.1 Labour Market Assistance

Question No: 76

Topic: Elements of Fraud - Research by AC Nielsen

Hansard Page: CA123

Senator Crowley asked:

Can we ask you to provide the results of the research by AC Nielsen when it is available ?

Answer:

The results of the research into factors influencing voluntary compliance will be made available to the Committee when the analysis has been completed – around March 2001.

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Output Group: 1.1 Family Assistance

Question No: 27

Topic: Family Adjustment Payment

Hansard Page: Written question on notice

Senator Evans asked:

- i) How many people have inquired about the Family Adjustment Payment?
- ii) How many have actually applied and how many have received it?
- iii) What has been the total cost to Government associated with the FAP (include both cost of payment and administration)?
- iv) What advertising efforts have been made to alert families to the availability of FAP?

Answer:

- i) Call centres did not keep separate records on the number of FAP inquiries received and there is no data on the number of people who enquired at local FAO offices around Australia.
- ii) Total number of people lodging claims for FAP: 432 (as at 4 December 2000)
Total number of people receiving a payment of FAP: 150 (as at 4 December 2000).
- iii) Payments of FAP totalled \$160,286 (as at 4 December 2000). \$11.8 million was appropriated for Departmental Expenses for the FAP scheme, for the 2000-2001 financial year.
- iv) A range of methods have been used to advertise the availability of FAP to families, including a press release, information brochures available at FAO offices, FAO Website – www.familyassist.gov.au, *FamilyBuzz* magazine – sent directly to 1.8 million families, and newspaper advertisements in all major Sunday papers and metropolitan, suburban and regional press, in August 2000.

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Output Group: 1.4 Childcare Support

Question No: 28

Topic: Needs Based Planning of New Places

Hansard Page: Written question on notice

Senator West asked:

What is the policy rationale for having needs-based planning allocations for new places in Family Day Care and Outside School Hours Care, but not in long day care?

Answer:

Planning controls for long day care centres were introduced in April 1997 in response to the unsustainable growth occurring at that time and were removed, as originally intended, on 31 December 1999. Growth in the long day care centre sector has now stabilised and the demand for centre based places is generally well met. Long Day Care centres do not attract ongoing Commonwealth Government assistance other than Child Care Benefit (CCB) and the majority of providers are private operators.

Demand for Family Day Care (FDC) and Outside School Hours Care (OSHC) is still growing. The introduction of CCB and the extension of FDC and OSHC to private operators from 1 January 2001 have increased the level of interest in these types of child care. Planning controls for FDC and OSHC have been retained to ensure that new places are directed to areas that are not already well supplied.

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Output Group: 1.4 Childcare Support

Question No: 29

Topic: Implementation of Child Care Benefit system

Hansard Page: Written question on notice

Senator West asked:

- a) Which Branch was responsible for the implementation?
- b) When were the new handbooks posted to services?
- c) How many services received incorrect information about children's CCB entitlements?
- d) For how many families was the information incorrect?
- e) Does the Minister consider the implementation to have been a success?
- f) What were the reasons for the problems?
- g) What steps has the Department taken to improve its administration and communications with the sector following the problems associated with the introduction of Child Care Benefit?

Answer:

- a) Child Care Benefits Branch was responsible for the implementation of Child Care Benefit.
- b) The new handbooks were posted to services between 21 June 2000 and 30 June 2000.
- c) The department does not have data on the number of services which received incorrect information. Most services received bulk listings that were incomplete.
- d) The department estimates that information was incorrect for about 60,000 families.
- e) There were some initial implementation difficulties. However, the efforts by the Department and Centrelink to address these quickly and comprehensively were successful. The introduction of CCB has been very successful in terms of its positive impact on child care affordability and service viability.
- f) There were a number of factors that contributed to problems with the bulk listings issued to services as part of the implementation. The most important were:
 - allocation of families to incorrect or invalid child care services (This occurred because of inadequate identification of the service by parents, incorrect interpretation of the information provided and some incorrect or out of date data on services held on the new computer system.);
 - a proportion of families did not complete the data collection form prior to implementation (Their details were therefore not included on the bulk listings.) and;

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- other errors in information recorded during the data collection process. (This occurred due to either incorrect completion of the data collection form or incorrect data entry.)

- g) The implementation of Child Care Benefit has led to improvements in communication and consultation with major child care peak bodies. The need for earlier distribution of key products such as handbooks has been recognised.

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Output Group: 1.4 Childcare Support

Question No: 30

Topic: Child Care Funding Conditions: New Determinations

Hansard Page: Written question on notice

Senator West asked:

- a) Why did the department fail to inform the people whose licences to operate services require them to comply with these laws that new determinations had been gazetted?
- b) Which Branch was responsible?
- c) Does the Minister consider that the consultation process was adequate?
- d) What steps have been taken to improve consultation with the sector?

Answer:

- a) Apart from the change to priority of access guidelines, referred to below, the determinations do not include provisions which did not apply under the previous legislation and policy on Childcare Assistance. Virtually all of the conditions and requirements pre-date this government. Given that there was no change to the requirements that services had to meet as a result of these determinations, detailed consultation and advice on the determinations was not necessary. Child care national peak groups were briefed on the new legislative arrangements in December 1999. Details of the new legislation and the existence of the determinations was notified to all approved child care services in workbooks distributed in May 2000, and the requirements included in the determinations are reflected, in plain language, in the handbooks for all service types.

It is not correct that "licences require services to comply with these laws". Licensing of child care services is a responsibility of State and Territory governments. The determinations in question are concerned with the conditions to be met by child care services for them to be approved by the Commonwealth for eligibility for CCB. One of the conditions is that the service must comply with State and Territory laws (including licensing requirements).

- b) The Child Care Benefits Branch and the Legal Services Branch were responsible for the preparation of determinations under the legislation relating to Child Care Benefits.
- b) Yes. Given the circumstances outlined above, detailed consultation was not considered necessary.
- d) Given the concerns of key child care organisations, before future changes to determinations affecting child care services are made, FaCS will give consideration to a draft of the changes being provided to the major child care national peak bodies.

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Output Group: 1.4 Childcare Support

Question No: 31

Topic: Priority of Access Guidelines

Hansard Page: Written question on notice

Senator West asked:

Has the Department done any research or consultation on whether the change in these guidelines will require services to provide additional resources to cater for the higher needs of at-risk children?

If so, what are the findings? If not, why not?

Answer:

No. The Department has not done research or held consultations on the change to Priority of Access Guidelines.

There are three programs in place that assist services to meet special needs including those of children at risk. These are: the resource and advisory services program which funds lead organisations to work with services in each State and Territory assisting them with quality and strategies for inclusive practice; the SUPS (Supplementary Services Program) which funds specialist lead organisations to assist services with inclusive practice and strategies to deal with particular cases of additional need; and the SNSS (Special Needs Subsidy Scheme) which directly supports services to meet costs related to integrating children with high ongoing support needs.

Moving children at risk of abuse or neglect to priority one status is not expected to significantly affect child care service admissions practice as very few services currently have waiting lists. Children at risk have always been among the priority target group. The new guidelines make clear that, when a service has a vacancy and there are two or more families competing for that place, a child at risk of serious abuse or neglect should have priority.

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Question No: 32

Topic: In-home Care

Hansard Page: Written question on notice

Senator West asked:

In-home care is to be funded with Child Care Benefit. Has the Department done any research on whether in-home care will require additional FDC-style operational subsidy to support quality?

Answer:

In-home care pilot services are operating in three locations. Services providing approved in-home care will receive operational subsidy at the same rate as family day care services. This is in line with existing arrangements, whereby some family day care services (which receive operational subsidy) are already providing in-home care using available vacancies.

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Question No: 33

Topic: Commonwealth Child Care Advisory Council – Review of QIAS system

Hansard Page: Written question on notice

Senator West asked:

- (a) What is the rationale for moving to a single accreditation period?
- (b) Are there no advantages in using 1, 2, and 3 year accreditation periods to distinguish between different levels of quality?

Answer:

- (a) The aim of the review of the Quality Improvement and Accreditation System (QIAS) was to consider ways to simplify the system and remove duplication with State/Territory regulations while retaining a focus on quality. Currently 75% of long day care centres have maximum 3 year accreditation.

During consultations with the industry, the Commonwealth Child Care Advisory Council (CCCAC) was persuaded that centres and reviewers found the task of distinguishing between the standards set for one, two and three year periods of accreditation to be extremely difficult and contentious. Standardising the period between reviews will enable recommendations made by validators, and decisions made by the National Child Care Accreditation Council (NCAC), to focus primarily on the critical issue of whether or not the base line, satisfactory accreditation standard has been achieved. This approach is expected to raise the consistency and reliability of decisions.

The CCCAC commissioned an independent cost effectiveness study to analyse the impact of various options for change. The study showed that, without major changes to other aspects of the process, a standard accreditation period of 2½ years produced an almost break-even result when compared with the costs of the present system. A three year period would generate savings, but would represent a reduced commitment to quality and put children at risk. A two year period would substantially increase costs.

- (b) The CCCAC concluded that the current QIAS system does not permit differentiation between the different levels of quality (unaccredited, accredited for 1, 2 or 3 years) reliably enough to support the three separate accreditation periods.

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Question No: 34

Topic: Matching Mothers - Child Care Quality

Hansard Page: Written question on notice

Senator West asked:

- (a) How much money has Matching Mothers been granted?
- (b) Under what Program?
- (c) Are any similar projects being considered for funding?
- (d) What steps did the Department take to satisfy themselves that Matching Mothers would provide a sufficient assurance of quality and child protection?
- (e) Is the funding of Matching Mothers an indication of future directions for the Commonwealth child care program?

Answer:

- (a) \$20,000 as a one-off grant.
- (b) Commonwealth Child Care Program.
- (c) No.
- (d) Matching Mothers has indicated that they intend to put in place a number of processes to help ensure that care is being provided in a safe environment. These include independent checks that homes meet health and safety requirements and ongoing independent spot checks after care arrangements commence.

Matching Mothers is not a formal approved child care arrangement under the Commonwealth Child Care Program. It will not attract Child Care Benefit and will not be subject to Commonwealth quality assurance processes. It would be subject to certain conditions in the State/Territory jurisdictions relating to in-home licensing requirements and police records checks.

- (e) The Government is committed to supporting flexible, affordable, accessible and quality child care.

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Question No: 35

Topic: Staffing Issues and Quality

Hansard Page: Written question on notice

Senator West asked:

- a) Has the Department conducted (or is the Department aware) of any research on links between staff factors (such as wage levels, turnover, stress levels/morale and training) and the type of care environment that workers provide for children?
- b) Is investigating these links a priority for the Department?

Answer:

- a) The Commonwealth Child Care Advisory Council is currently conducting an inquiry into Child Care 2001 and Beyond which focuses on a range of issues including the status of the child care profession.
- b) Yes.

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Question No: 36

Topic: OECD Report on Child Care in Australia

Hansard Page: Written question on notice

Senator West asked:

- a) Who are the authors of the report?
- b) How were the authors selected?
- c) Why were these authors selected to write the report?
- d) What is the report's brief as established by the Department?
- e) Will the report be published? If not, why not?
- f) Has the Department or the Minister's office caused any text to be excised from any drafts submitted by the authors?

Answer:

- a) The department along with the Department of Education, Training and Youth Affairs was responsible for commissioning an Australian background report for the OECD review of early childhood education and care. The authors were Professor Alan Hayes and Ms Frances Press from Macquarie Research Ltd.
- b) The authors were selected through a selective tender process.
- c) The authors' tender was selected on the basis of merit, against a number of criteria including:
 - Experience in the area of early childhood education and care and a demonstrated knowledge and understanding of the Australian early childhood education and care environment.
 - Demonstrated experience in qualitative research methods and analysis.
 - Value for Money.
 - Financial viability and the capacity to deliver in a specified timeframe.
 - Relevant experience and performance of the organisation and the personnel specified for the project.
- d) The brief was to prepare a background report on early childhood education and care in Australia to provide to the OECD's international review team.

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- e) Yes.

- f) The report was prepared under guidance of a steering committee, comprising representatives of Commonwealth and State /Territory government, academic experts in early childhood education and care, the Chair of the Commonwealth Childcare Advisory Council and a person representing indigenous issues in early childhood education and care. The steering committee reviewed the background report and agreed on text.

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Question No: 37

Topic: Supplementary Services (SUPS)

Hansard Page: Written question on notice

Senator West asked:

- a) What does the Dept. know about the level of demand for Supplementary Services Program (SUPS) services?
- b) What strategies are in place for meeting the demand? Are these strategies working?
- c) Please provide a breakdown of funding by state/territory for this budget year and the last four years.
- d) Please provide a breakdown of the estimated number of children assisted through SUPS training by state/territory for this budget year, and the last four years.

Answer:

- (a) SUPS is a needs based program which funds specialist non-government organisations to assist child care services with inclusion of children with additional needs. Children with additional needs are:
 - children from diverse cultural and linguistic backgrounds;
 - children with diagnosed disabilities;
 - Aboriginal and Torres Strait Islander children; and
 - Australian South Sea Islander children.
- (b) SUPS providers are funded on the basis of the number of child care services they are expected to work with. In some States this is supplemented to account for the remoteness of centres. SUPS providers receive additional funds in cases where they have to work more intensively to assist with applications for the Special Needs Subsidy Scheme. SUPS services appear to be meeting the current demand: FaCS staff regularly meet with SUPS sponsoring agencies to discuss current issues, and review funding arrangements. Casual pool funding is available to meet periodic surges in demand, e.g. in Vacation Care. FaCS State/Territory offices encourage the establishment of SUPS sponsors networks to provide advice on a range of operational issues, including policy, financial, cohesive approach to training etc. Where SUPS services indicate that they have difficulties meeting the demand for their service at any given time (e.g. vacation periods), FaCS State/Territory offices work with them to resolve the problem.

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c) The answer to the question is as follows:

States	1996/97	1997/98	1998/99	1999/2000	2000/01
	\$	\$	\$	\$	\$ (Est.)
NSW	4,477,608	5,227,178	5,240,215	5,775,409	5,644,342
VIC	3,092,639	3,600,651	3,647,046	4,008,409	4,003,101
QLD	2,481,842	2,901,566	3,098,796	3,745,381	3,750,000
SA	1,386,678	1,480,028	1,481,115	1,591,331	1,581,155
WA	1,273,023	1,430,559	1,448,220	1,508,967	1,571,876
TAS	334,951	360,541	358,339	411,871	384,755
NT	445,627	402,432	468,466	536,238	482,395
ACT	319,631	466,004	403,060	519,782	697,882
Total	13,811,999	15,868,959	16,145,257	18,097,388	18,115,506

d) The SUPS program does not assist individual children – it supports services to include children with additional needs in mainstream child care.

The following table indicates the number of children with additional needs in mainstream child care (source Child Care Census 1997 and 1999)

Year	No. of children with additional needs in Commonwealth funded child care								
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Grand Total
1996/97	34,500	19,300	14,600	4,800	5,800	800	1,400	1,700	82,900
1998/99	39,000	20,700	15,500	5,300	5,700	800	1,400	1,700	90,100

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Question No: 38

Topic: Special Needs Subsidy Scheme (SNSS)

Hansard Page: Written question on notice

Senator West asked:

What does the Dept. know about the level of unmet demand for SNSS services?

- a) What strategies are in place for meeting demand? Are these strategies working?
- b) Please provide a breakdown of funding by state/territory for this budget year, and the last four years.
- c) Please provide a breakdown of the estimated number of children assisted through SNSS training by state/territory for this budget year, and the last four years.

Answer:

- a) SNSS is a subsidy for the inclusion of children with high ongoing support needs into mainstream child care.
Each SNSS application is processed as it is received. There are no waiting or priority listings for SNSS.
- b) See answer to a) above.
- c) The answer to the question is as follows:

States	1996/97	1997/98	1998/99	1999/2000	2000/01
	\$	\$	\$	\$	\$(Est.)
NSW	0	1,452,454	2,486,846	3,673,218	3,350,350
VIC	0	1,693,019	2,057,953	2,686,204	3,491,761
QLD	0	736,962	982,654	1,706,220	2,300,000
SA	0	222,423	418,743	707,929	874,935
WA	0	149,390	271,977	442,395	800,000
TAS	0	98,782	133,633	206,030	200,000
NT	0	97,086	95,134	373,445	205,312
ACT	0	89,613	173,134	133,229	435,000
Total	0	4,539,729	6,620,074	9,928,670	11,657,358

There were no payments in 1996-97. The program commenced in 1997-98.

- d) SNSS is not a training programme. It provides subsidies for employing additional staff to assist with the integration of a child with high ongoing support needs into the mainstream childcare program.

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Question No: 39

Topic: Special Needs Subsidy Scheme (SNSS)

Hansard Page: Written question on notice

Senator West asked:

- a) When were SNSS payments changed from in-advance to in-arrears?
- b) Why was this decision made?
- c) What consultation and research has there been to support the decision to make this change?

Answer:

- a) This practice was introduced in July 2000 following a successful pilot conducted in late 1999.
- b) The attendance of children approved for SNSS can vary significantly from their approved hours, resulting in over-payments to services, when payments were made in advance.

Payment in arrears was introduced to reduce the complex workload for services and the Department in acquitting these payments. There were also advantages relating to simplified administration of GST by no longer having to acquit advances. The slowness of submitting acquittals put many services into an arrears payment situation without the benefit of reduced workload.

- c) A pilot was conducted of payment in arrears in late 1999. FaCS conducted telephone consultations with SUPS services in Western Australia. As part of the pilot, letters of advice were sent to services who could opt for payment in arrears by formally requesting it. A large proportion of services chose this option in the first instance, and the remaining services soon followed suit. Generally, the shift to arrears has been received positively by child care services Australia-wide.

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Question No: 40

Topic: Special Needs Subsidy Scheme (SNSS)

Hansard Page: Written question on notice

Senator West asked:

Has any research been done on whether the level of the subsidy is adequate to meet present-day costs of providing care for high-needs children? If not, why not? If so, please provide it.

Answer:

The subsidy has been calculated as a median figure on the basis of child care award rates Australia-wide. The subsidy represents a substantial contribution to the employment of an additional child care worker. The Department continues to monitor the adequacy of the subsidy.

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Question No: 41

Topic: Outside School Hours Care

Hansard Page: Written question on notice

Senator West asked:

- a) What, in the Department's view, is the general condition of the outside school hours care sector?
- b) What are the main challenges for the sector and how is the Commonwealth assisting?
- c) Please provide a short written briefing giving an overview of Commonwealth programs for Outside School Hours Care?

Answer:

- a) The outside school hours care sector is in a period of growth, responding primarily to the work-related needs of parents. There is an increase in the number of outside school hours care places approved through the national child care planning system. The FaCS 1999 – 2000 Annual Report shows that the number of outside school hours care operational places increased by 18 700, from June 1999 to June 2000, (from 161 000 places to 179 700 respectively).

The Department is monitoring the impact of the introduction of Child Care Benefit on utilisation of outside school hours care services. Early indications are that the introduction of Child Care Benefit has led to increased utilisation of outside school hours care services.

- b) Most services are run by volunteer management committees. The level of expertise and resources of individual services has an impact on the strength and viability of services.

The Department will continue to work closely with the outside school hours care sector in order to assist services to develop strong business practices and to support the introduction of a quality assurance system in 2002.

- c) Approved outside school hours care programs may be eligible for a range of funding and support including:
 - Establishment funding for the first two years of operation
 - One off set up and equipment grants
 - Disadvantaged Area Subsidy (DAS)
 - Supplementary Services Program (SUPS)

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Question No: 42

Topic: Indigenous Services

Hansard Page: Written question on notice

Senator West asked:

- (a) What, in the Departments view, is the general condition of this sector?
- (b) What are the main challenges for the sector and how is the Commonwealth assisting?
- (c) Please provide a short written briefing giving an overview of Commonwealth programs for Indigenous children's services (including a timeline of the years in which current programs originated)

Answer:

- (a) A number of flexible child care arrangements have been designed to better meet the needs of indigenous families – refer below.
- (b) The main challenge in the provision of child care services for indigenous communities is the establishment of services that are culturally appropriate and financially viable. The needs of Aboriginal communities are investigated before establishing child care services to ensure appropriate and viable service provision. For example, a cross border project in NT/WA/SA is looking into the child care needs of several remote Aboriginal communities in the Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) lands and direct funding (previously approved) to areas that have both the need and commitment from the community to make child care an integral part of the community infrastructure. These services may also support improvements in health, education and community welfare in remote communities.
- (c) Special services funding has been provided since the late 1970s to assist with the child care needs of children with additional needs including children and parents with disabilities, children from non-English speaking backgrounds, Aboriginal and Torres Strait Islander children, and children from rural and remote areas. Services funded include playgroups, outside school hours care, enrichment programs, vacation care and other child care services.

These may be provided separately or as part of Multifunctional Aboriginal Children's Services (MACS), funded since 1987, which have been established in 37 locations in all States and the Northern Territory.

Other special services for indigenous children include Aboriginal resource and advisory services and children's services workers. Mobile children's services, which assist in meeting child care needs in rural and remote areas, provide services including playgroups and toy libraries for indigenous children.

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Where indigenous communities are the primary focus, services are preferably staffed and managed by indigenous people, e.g. seventy per cent of the staff of MACS are of Aboriginal background.

In September 2000, the Department committed funding to provide training and support for child care workers on remote Indigenous communities. The Indigenous Social Development Institute Ltd, directed by Dr. Margaret Valadian, will deliver the training and support.

The project will operate as a three year pilot, targeting up to six remote Indigenous communities. The training and support programs will be developed in close co-operation with each of the communities and tailored to meet their individual needs, taking into account their existing resources, skills levels and infrastructure.

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Question No: 43

Topic: Occasional Care

Hansard Page: Written question on notice

Senator West asked:

- a) What, in the Department's view, is the general condition of the occasional care sector?
- b) What are the main challenges for the sector and how is the Commonwealth assisting?
- c) Please provide a short written briefing giving an overview of Commonwealth programs on occasional care.

Answer:

- a) Based on data received from the 1999 Census of Child Care Services, there are 4,700 operational Occasional Care places across Australia, providing care for 2% of all children in the formal child care sector.

Families often choose Occasional Care because the service is responsive to needs of parents with unpredictable working patterns, children with special needs or those who only require care on an occasional basis. In many services, families are only charged for the hours of care used. Subject to availability of places, services will accept children without prior booking.

Occasional Care has the highest proportion of non-work related care of all service types. These services also provide a significant amount of care for working families with the number of families choosing Occasional Care for work related purposes steadily increasing over the past five years. The percentage of children from working families attending Occasional Care has increased from 31% in 1994 to 40% in 1999.

- b) The main challenge facing the Occasional Care sector at present is managing the administrative and service utilisation changes associated with the introduction of Child Care Benefit (CCB).

In August 2000, Child Care Benefits Branch of the Department consulted with representatives of the formula funded Occasional Care services and relevant peak bodies. This consultation provided an opportunity for the sector to discuss issues related to the impact of the introduction of CCB on Occasional Care services. The Department provided information and clarification to assist services to respond to the changes.

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The Department will review the information gathered from this consultation process and will monitor the issues emerging with a view to incorporating relevant findings in its policy development process.

- c) The Commonwealth provides funding to a number of Occasional Child Care Services. In some States, there are networks of Occasional Care services which do not receive any Commonwealth assistance, but receive some support through individual State programs.

The Commonwealth Government became involved in the Occasional Child Care sector in 1983 with the introduction of a planning framework for community-based Child Care Services. There are currently three Commonwealth Government funding models for Occasional Care.

- non-formula funded services, established before 1984, are funded on a submission basis and have been given the opportunity to transfer to the formula-funded model should they consider themselves financially disadvantaged under these funding arrangements. Non-formula funded services are considered to be registered services and families are entitled to minimum rates of CCB for work related care only;
- formula-funded services, established since 1984, receive Commonwealth operational subsidies of \$22.80 per place per week, and Child Care Benefit (CCB); and
- neighbourhood model services, established since 1988, are smaller services utilising existing infrastructure in neighbourhood settings. A recurrent Commonwealth block grant is paid to State and Territories in lieu of operational subsidy and, in some cases, State/Territory governments also provide funding. Neighbourhood model Occasional Care services are considered to be registered services and families are entitled to minimum rates of CCB for work related care only.

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Question No: 44

Topic: Multicultural/Ethnic Services
Hansard Page: Written question on notice

Senator West asked:

- a) What in the Dept's view, are the general conditions of this sector?
- b) What are the main challenges for the sector and how is the Commonwealth assisting?
- c) Please provide a written briefing giving an overview of the current Commonwealth programs for multicultural and ethnic services

Answer:

- a) Available child care services are meeting most needs of multicultural and ethnic communities.

Flexibility in service delivery is being encouraged to meet any gaps between family needs and service provision.

Some child care centres were originally established to meet the needs of particular ethnic groups. These services are now mainstream services as they care for children from outside the ethnic group as well.

- b) The main challenges are:

Servicing the rural and remote areas, which is being met by:

- successful pilots in the Coffs Harbour and Cooma/Queanbeyan areas. These programs have now been incorporated into the main Casual Ethnic Workers Pool program;
- a similar pilot program in the Griffith, Leeton, Albury and Wagga Wagga local government areas is currently being undertaken;
- SUPS services proactively providing to child care services information and training in culturally appropriate practices.

Ensuring that bilingual workers are available to deal with refugee/migrant families, which is being met by:

- casual pools of bilingual workers covering a wide range of languages;
- establishment of resource/advisory/training agencies with a specific focus on child care issues related to ethnicity.

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- c) Multicultural and ethnic services are considered mainstream as they care for children from both within and outside the ethnic group. SUPS funds providers from various non-government organisations, including those specialising in disabilities, multicultural and Aboriginal services, to assist mainstream child care services to include children with additional needs.

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Question No: 45

Topic: In-service Training Contracts – Victoria

Hansard Page: CA 131

Senator West asked:

There was a tender let for in-service training in Victoria.

- (a) Did the Department specify the selection criteria for the tender?
- (b) Can you take on notice the national priorities and the Victorian criteria please?

Answer:

- (a) The Victorian State Office of the Department of Family and Community Services specified the selection criteria and advised prospective applicants of the 2000/2001 national priorities for in-service training in the statement of requirement, proposal application form and at an information session for prospective applicants. Copies of overheads from the information session were sent to organisations that were unable to attend the information session.

Applicants were required to respond to specific questions for each of the selection criteria. The selection criteria were equally weighted.

- (b) The national In-Service Training priorities for 2000/2001 are:
- understanding of early childhood development;
 - strategies for developing and utilising links between childcare and other services within the community to facilitate better support and access for families;
 - training for long day care centres to gain and/or maintain accreditation under the Quality Improvement and Accreditation System (QIAS), as well as continuous improvement strategies;
 - training for family day care and out of school hours care that support quality child care, including the use of continuous improvement strategies (for family day care and outside school hours care the major priority is for training and support for the continuing implementation of the national standards);
 - training to help address staff turnover issues, for example induction, stress management, conflict resolution and staff rostering; and
 - skills in change management, including developing and implementing sustainable business, financial and administrative systems.

The selection criteria as stated to tenderers were:

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- a demonstrated understanding of child care quality and management training issues across the Commonwealth funded child care sector in Victoria;
- evidence of the organisation's skills and experience in the delivery of State-wide training programs to the child care sector in Victoria including self evaluation processes (Registration as a training provider with the Office of Post Compulsory Education, Training and Employment would be an advantage);
- a demonstrated willingness and ability to provide flexible and innovative service delivery options;
- a demonstrated capacity to consult on an ongoing basis with the sector to identify and respond to child care quality and management training needs;
- qualifications and experience of specified training personnel;
- the ability to develop a marketing strategy prior to the commencement of the training program (no later than 1 November 2000);
- the project and proposed methodology reflect value for money including an ability to deliver the project on time and within budget; and
- compliance with the department's funding agreement requirements.

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Question No: 46

Topic: In-service Training Contracts – Victoria and Nationally

Hansard Page: CA 131/132

Senator West asked:

- (a) Did the Department invite or otherwise encourage any particular organisations to apply? Can you check for me please.
- (b) Why was the decision only notified two weeks after the funding was supposed to commence?
- (c) I understand the University of Ballarat is not ready to commence its program yet. What is happening in the meantime?
- (d) Do you know if anyone other than the panel participated in the decision making process or expressed a view to the panel about the relative merits of the bidders?
- (e) Did the Member for Ballarat or his staff or anyone else acting on his behalf have input into or participation in the decision making process or express a view to the panel about the relative merits of the bidders?
- (f) Who submitted proposals?
- (g) On what date was each application received?
- (h) What records did officers make of verbal and written communications with each bidder? Could I have copies of those files please?

Answer:

- (a) No particular organisation was invited or encouraged to apply. An advertisement was placed in the "Age" and in "The Australian" newspapers on Saturday 8 July 2000 calling for suitably qualified applicants to submit a proposal.
- (b) This was the first time that all long day care, family day care, outside school hours care and occasional care services in Victoria have been included in the one In-Service Training tender. It was also the first time that it has been advertised for open, rather than selective, tender and for a 26 month contract period. This new approach, the importance and the competitive nature of the tender required that the department be especially rigorous in assessing all tender applications.
- (c) Ballarat University commenced the training project on 1 December 2000.

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- (d) Only the panel comprising officers from the Victorian State Office at FaCS participated in the decision making process. The department delegate, the Victorian State Manager, was informed of the process and made the final decision based on the selection panel's recommendation.
- (e) Neither the Member for Ballarat nor his staff had any involvement in the decision making process or expressed a view about the relative merits of the applicants to the panel.
- (f) The Department agrees to release this information under the circumstances that it remain confidential in order to protect the business interests of the tenderers. The tenderers were:
- University of Ballarat ;
 - a consortium of six organisations lead by Victoria University;
 - One World for Children Pty Ltd;
 - Lady Gowrie Child Centre Melbourne (Inc) /Anglicare, Community Child Care; Association Inc/Swinburne University;
 - Holmesglen Institute of TAFE and Early Childhood Training; and
 - Resource Centre (ECTARC).
- (g) 14 August 2000
- (h) File notes have been made of any telephone conversations with tenderers and copies of any emails have been kept. All requests for additional information relating to the substance of tender proposals were made in writing. Additional information sought from applicants in response to the tender is commercial-in-confidence.

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Output Group: 1.4 Childcare Support

Question No: 47

Topic: In-service Training Contracts – Victoria and Nationally

Hansard Page: CA 132

Senator West asked:

Minister, did you or your personal staff and the Minister for Community Services or his personal staff have input or participate in the decision making process or express a view to the panel about the relative merits of bidders?

Answer:

The Minister for Community Services was advised of the decision after it had been made by the delegate. Neither the Minister for Family and Community Services, the Minister for Community Services nor their staff had any involvement in the decision or expressed a view to the panel about the relative merits of any of the applicants.

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Output Group: 2.1 - Housing Support

Question No: 48

Topic: GST Clawback

Hansard Page: Written question on notice

Senator Evans asked:

How will the March 2001, 2% GST clawback affect Rent Assistance? What will be the impacts on maximum rates and thresholds?

Answer:

In March 2001, as for pensions, the maximum rates of rent assistance will be indexed by the CPI less 2%. The rent assistance thresholds will be indexed by the CPI.

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Output Group: 2.2 Community Support

Question No: 49

Topic: Stronger Families and Communities Strategy

Hansard Page: Written question on notice

Senator Evans asked:

- A. (i) What progress has been made in the implementation of the Stronger Families and Communities Strategy?
- (ii) What programs have been funded under each initiative and how many are operational?
- (iii) What proportion of funds allocated under the Strategy will have been spent by December 30, 2000?
- B. How much has been spent on promotion, communication or advertising of the Strategy?
- C. Please provide a breakdown of funds allocated by Federal Electorate.

Answer:

A. (i) An implementation framework for the nine initiatives of the Strategy has been developed with the anticipated roll out of the majority of the Strategy's 2000-01 funds commencing from January 2001. A key element of this framework is the linking of five of the initiatives; Local Solutions to Local Problems, Can Do Community, Potential Leaders in Local Communities, the Stronger Families Fund and elements of the Early Intervention, Parenting and Family Relationship Support.

- The Stronger Families and Communities Partnership, the Strategy's national advisory group, has been established and met on 6 and 7 November 2000. State and Territory Advisory Groups are also being established.
- Encouragement and celebration of Volunteering is a key element of the Strategy. The 2001 International Year of Volunteers was launched on 5 December 2000. To facilitate public awareness of the value that volunteers bring to their communities, a range of information products promoting the International Year of Volunteers initiative has been commissioned. A range of grants has also been made to Volunteering Australia State Centres and Australian Volunteers International to undertake some awareness raising and community development initiatives and a website extension.

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- Under the National Skills Training for Volunteers initiative a tender process is being formulated to conduct a needs analysis of training and development gaps in the sector. This work will be finalised early next year.
- An information strategy, guidelines and legislation to enable payment of Child Care Benefit to families using in-home care have been developed. Applications from services wishing to provide in-home care have been received and are currently being considered. The in-home care initiative will commence from 1 January 2001.
- Applications have been invited from operators, including private for-profit operators, to provide outside school hours care and family day care in areas of need identified through the national planning system. This initiative commences 1 January 2001.
- A quality assurance system for family day care is being developed in consultation with the family day care sector and key stakeholders. Quality assurance for outside school hours care is in the very early stages of development. Quality assurance for in-home care will be based on the system developed for family day care.
- Guidelines are being developed to provide incentives for private operators to establish child care centres in rural and remote areas.
- Extensive consultation with State governments, key peak organisations and the research community has taken place to ensure that the Longitudinal Study will align with key policy questions.

A. (ii) As indicated in part **A (i)**, the development of the majority of the initiatives in the Strategy is close to completion and project expenditure will begin January 2001. The International Year of Volunteers expenditure has commenced. A range of small grants to the value of \$315,000 has been made to date.

A. (iii) Approximately 5% of the funds allocated to the Strategy have been committed to date. The bulk of program expenditure will take place from January 2001.

B. Approximately \$71,500 of the funds allocated to the Strategy has been spent on promotion, communication or advertising, specifically on information kits. \$172,000 has been spent on promoting volunteering, and on draft imagery and market testing for the Can Do Community initiative.

C. Program expenditure to date has been to national or whole-of-State activities and is not able to be distinguished on a Federal electorate basis. Similarly, administrative expenditure is not able to be distinguished on a Federal electorate basis.

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Output Group: 3.1 Labour Market Assistance

Question No: 50

Topic: Breaching

Hansard Page: Written Question on Notice

Senator Evans asked:

- (a) Does the Department expect the number of 3rd breach penalties (non-payment) to increase with Preparing for Work Agreements?
- (b) How much did the application of breaches save the Government last financial year? What are the estimates for savings this financial year? How is revenue derived from breaching penalties factored into this year's budget?
- (c) How much have savings due to breaches increased by since 1996?
- (d) How many breaches were applied in the last financial year due to 'failure to declare earnings'? Of these, how many were due to a complete failure to report any earnings? How many were due to people 'under declaring earnings'? Is there a tolerance level applied when people under-declare? Could a discrepancy of \$10 in a fortnight result in a breach? Of those that under-declare and are breached what is the average discrepancy in reported versus actual earnings?
- (e) Are any figures kept on clients that overestimate their earnings? How do they go about receiving a back payment? Are back-payments provided automatically?

Answer:

- (a) No.
- (b) Savings from rate reduction and non-payment period breach penalties imposed for 1999-2000 are estimated at \$195.75m.

Savings have not been estimated for 2000-01 or the following years.

Revenue raised from imposing breach penalties is incorporated into the forward estimates and reporting for the payment. The revenue from breaching penalties is small compared to the multi-billion dollar expense for the payments involved. Normal movement in the labour force and other environmental changes are expected to far outweigh and dominate any effect from breach penalties.

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- (c) Savings for each financial year following the introduction of rate reduction penalties in 1996 are:

1996-97	1997-98	1998-99	1999-00
\$58.59m	\$68.49m	\$98.72m	\$195.75m

- (d) There were 42,368 breach penalties imposed in 1999-00 for refusing or failing to correctly declare earnings from employment, or recklessly or knowingly giving false or misleading information about earnings.

Centrelink systems do not capture whether these breaches were for complete failure to report or “under-declaring” earnings.

When Centrelink investigates cases where a customer may have knowingly and recklessly provided false or misleading information in relation to their earnings from work, consideration is given to the customer’s intent to defraud, their awareness of obligations, the ease with which the customer can obtain correct earnings information, the customer’s declaration and employment history and the level of literacy and comprehension the customer has regarding forms and the provision of information.

Interviews are conducted if there is doubt in establishing the customer's situation regarding their under-declaration of their income. Policy guidelines do not specify a tolerance level for under-declaration of income. However, if the customer completed their form in good faith or they made a valid mistake an activity test breach penalty is not imposed. If a customer makes an honest mistake and misrepresents their income to Centrelink by a small amount then a breach penalty does not apply.

Data is not available on average discrepancy between reported and actual earnings.

- (e) Centrelink does not keep data on customers who overestimate earnings. If a customer identifies that they have over declared their earnings, which consequently caused a reduction in payment, they can ask Centrelink for a review of the decision to pay the reduced amount. The basis of the review would involve verifying and updating income details. Upon identification and verification of an underpayment, Centrelink can manually provide back-payments for up to 13 weeks.

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Output Group: 3.1 - Labour Market Assistance

Question No: 5

Topic: 3rd Breach Penalties

Hansard Page: Written question on notice

Senator Evans asked:

Does Centrelink expect the number of 3rd breach penalties (non-payment) to increase with Preparing for Work Agreements?

Answer:

See response to question Number 50.

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Output Group: 3.1 - Labour Market Assistance

Question No: 6

Topic: Breach - Savings

Hansard Page: Written question on notice

Senator Evans asked:

How much did the application of breaches save the Government last financial year? What are the estimates for savings this financial year? How is revenue derived from breaching penalties factored into this year's budget?

How much have savings due to breaches increased by since 1996?

Answer:

See response to question Number 50.

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Output Group: 3.1 - Labour Market Assistance

Question No: 7

Topic: Breaching – Declaration of Earnings

Hansard Page: Written question on notice

Senator Evans asked:

How many breaches were applied in the last financial year due to ‘failure to declare earnings’? Of these, how many were due to a complete failure to report any earnings? How many were due to people ‘under declaring earnings’? Is there a tolerance level applied when people under-declare? Could a discrepancy of \$10 in a fortnight result in a breach? Of those that under-declare and are breached what is the average discrepancy in reported versus actual earnings?

Answer:

See response to question Number 50.

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Output Group: 3.1 - Labour Market Assistance

Question No: 8

Topic: Overestimating Earnings

Hansard Page: Written question on notice

Senator Evans asked:

Please provide data on the number of clients that overestimate their earnings. How do they go about receiving a back-payment? Are back-payments provided automatically?

Answer:

See response to question Number 50.

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Output Group: 3.1 - Labour Market Assistance

Question No: 55

Topic: Breaches - Savings

Hansard Page: CA128

Senator West asked:

How much did the application of breaches save the government last financial year? How much have the savings due to breaches increased since 1996?

Answer:

See response to question Number 50.

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Output Group: 3.1 Labour Market Assistance

Question No: 56

Topic: Breaching – At risk groups

Hansard Page: CA129

Senator West asked:

Can you tell me what the Department knows about the numbers of people who might be falling into some of the at-risk groups – homeless, psychiatric disabilities, indigenous, poor literacy skills, young people, people with drug and alcohol problems and older unemployed? If you can give me any information I would appreciate it.

Answer:

Information about the breach rates of young people (CA 118) and indigenous people (CA 129) was provided at the hearing.

Research conducted by the Department suggests that people living in unstable accommodation tend to have a higher breach rate than those who have more stable accommodation. For example, in 1999-2000 20.5% of people in board and lodging style accommodation have a breach, compared to 4.7% of people who own their own home and 16.7% in private rental.

It is not possible to discern how many people with a disability, psychiatric or other, receiving Newstart Allowance are breached. This is because the computer system does not separately identify those people receiving Newstart Allowance who have a disability.

If disadvantaged job seekers, such as those who may be homeless, have a drug dependency problem or a psychiatric illness, inform Centrelink of their situation they are not asked to meet the same requirements as other, less disadvantaged job seekers.

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Output Group: 3.1 Labour Market Assistance

Question No: 58

Topic: Market Research on Impacts of Breaching

Hansard Page: CA130

Senator Crowley asked:

Have you done any research on the impact of what being breached does to people, particularly to people who are unemployed? Do you know whether it affects the duration of unemployment? Would you be able to provide that to us?

Answer:

A copy of the relevant pages of the *Survey of New Newstart Allowance Claimants* (Yann, Campbell, Hoare and Wheeler, 1997) is attached.

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10.11 Incidence of Cancellation of NSA Payments

Around one in six new NSA claimants had experienced the cancellation of their payments since claiming in April 1997. Among new claimants aged under 25 years, almost one in four (24%) had had their payments cancelled at some stage. While only seven percent of respondents aged 40 years and over indicated that their payments had been cancelled at some stage. **Clearly, younger new claimants were less successful in meeting their job search obligations than older people.**

Of the 257 respondents who indicated that their payment had, at some stage been cancelled, the cancellation occurred after July 1997 for 42% of the respondents.

The main means of income support during the cancellation period was through family or friends (36%). One in four of these respondents relied on their savings for support, while 23% relied on income from work.

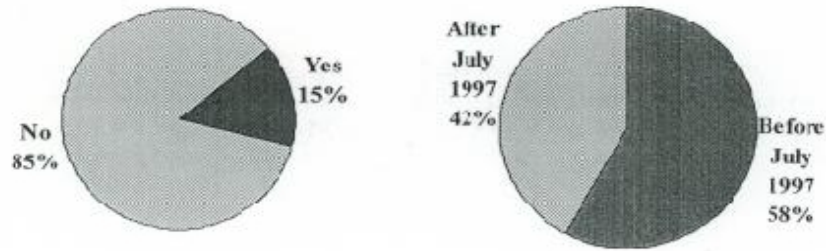
YANN CAMPBELL HOARE WHEELER

Senate Community Affairs Legislation Committee
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10.11 INCIDENCE OF NSA PAYMENTS CANCELLED

Payment Cancelled

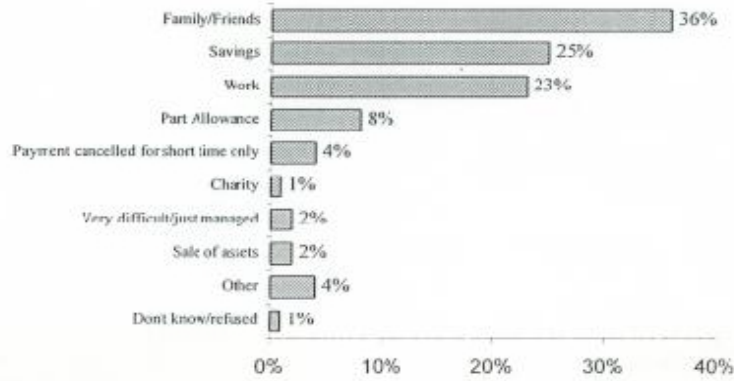
Base: All respondents (n=1506)



Question E.11(c): *Have you ever had your payment cancelled?*
 Question E.11(d): *Did this occur after July 1997?*

Income Support during Non-Payment Period

Base: Respondents who had their payments cancelled at sometime after July 1997 (n=228)



Question E.11(e): *How did you support yourself during this time?*

YANN CAMPBELL HOARE WHEELER

Senate Community Affairs Legislation Committee
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Output Group: 3.1 Labour Market Assistance

Question No: 25

Topic: Study conducted by the Smith Family

Hansard Page: CA123

Senator Crowley asked:

Please provide a copy of the report conducted by the Smith Family.

Answer:

The research completed by the Smith Family on emergency relief payments is attached.

Factors associated with financial disadvantage: a case study of The Smith Family's Emergency Help program in NSW

VANESSA GREEN, GIANNI ZAPPALÀ & BEN PARKER

The reasons and circumstances associated with financial disadvantage are many and complex (see for example Fincher & Nieuwenhuysen 1998). Not only are certain groups within Australian society more at risk (e.g. single parents, youth) but circumstances such as unemployment and ill health can sometimes lead people to experience varying periods of financial difficulty. The Smith Family's Emergency Help (EH) program provides assistance to people who are experiencing difficulties as a result of inadequate income. The program aims to support people with their immediate financial problems in order to reduce the risk of personal or family breakdown. In particular, the program aims to provide the maximum assistance possible in order to prevent people from falling into or remaining in a cycle of disadvantage (especially for people seeking assistance for the first time). In 1998/99 over 200,000 adults and children were provided with financial assistance and/or clothing, as a result of almost 90,000 interviews conducted at TSF centres, in individuals' homes or by telephone across Australia (TSF 1999:22).

This briefing paper presents the findings of a small-scale descriptive analysis of the EH program in NSW. In particular it highlights:

- The characteristics of those who use EH;
- The main circumstances that lead people to seek EH assistance; and
- The type of assistance provided.

Data and method

The data for the study comes from monthly 'case study' reports that have been provided by TSF Centre managers since 1997. From a total of 590 NSW case study reports a random sample of 191 were chosen from 10 TSF Centres throughout metropolitan and non-metropolitan NSW (see Table 1)¹. A coding frame was developed to summarise the qualitative information from the case study reports to enable a statistical analysis.

Table 1 EH Case Study Locations

EH location	Number of cases
Camperdown	32
Parramatta	35
Newcastle	15
Wollongong	15
Tamworth	7
Nowra	26
Goulburn	15
Griffith	6
Taree	20
Wagga Wagga	20
Total	(191)

Profile of persons requesting Emergency Help

Almost two thirds of persons presenting for EH in this sample were female. The majority had children (75%), with 39% of cases being one-parent households and 36% two-parent households.

1. The 191 cases comprised 263 adults and 346 children. The data is broadly representative of people who approach TSF for EH except that the sample tends to over-represent two-parent families at the expense of single individuals and under-represent the unemployed.

Table 2 Characteristics of Persons Requesting EH

Characteristic	N	%
Sex		
Female	162	62
Male	101	38
<i>Total number of individuals</i>	(263)	100
Family Composition		
One parent families	75	39
Two parent families	69	36
Single	33	17
Couple without children	14	7
<i>Total number of cases</i>	(191)	100a
Main source of income		
Sole parents payment	60	32
Disability support payment	46	25
Unemployment benefit	34	18
Other social security payment	22	12
Employment income	13	7
No income	12	6
<i>Total number of cases</i>	(187)b	100
Housing		
Private rental	89	50
Public rental	52	29
Mortgage/Home owner	29	16
Other (e.g. refuge, caravan)	9	5
<i>Total number of cases</i>	(179)b	100

Notes: a Column does not equal 100% due to rounding.

b N is reduced due to missing data.

The majority of persons received some form of social security benefit, with main types of benefits being sole parents and disability support payments. Only 7% of individuals' main source of income was from employment. Half of all individuals lived in private rental accommodation with almost one third living in public rental housing.

Circumstances associated with those who presented for Emergency Help

Table 3 presents a summary of the major circumstances associated with those who presented for EH. That is, what were the main contributory factors in their circumstances that led them to seek emergency help from TSF? The three main circumstances associated with financial crisis were:

- health problems (including mental health);
- family breakdown; and
- unemployment.

Table 3 Type and Frequency of Circumstances

Type of Circumstance	%
Chronic or major illness	33
Family breakdown	23
Mental Health (e.g. emotional difficulties, depression)	21
Unemployment	21
Chronic debt	14
Accident	14
Domestic violence	13
Legal problems/dispute	12
Caring for non-immediate family	10
Physical disability	9
Other (e.g. theft, drought, recent migration)	9
Victim of crime	7
Financial burden associated with death	7
Learning difficulties (e.g., intellectual disability)	7
Drug and alcohol addiction	6
Pregnancy or recent birth	6
High mobility	6
Delays with social security payments	6
Homelessness	6
Distance/isolation	5
Gambling	4
Alleged child abuse	4
Literacy	2
Social Security breach	2

Note: Does not total to 100% because some individuals presented with multiple circumstances.

The list of issues in table 3 suggests that the majority of individuals that present for emergency help are attempting to deal with circumstances that are complex and multi-dimensional. While the assistance they receive from the EH program (see below) enables many to overcome their immediate financial crisis, these circumstances suggest that many would also require the assistance of a range of professional and health related interventions.

Reasons for assistance sought

What were the main items for which individuals sought the EH assistance? In the case study reports Emergency Help workers recorded what the assistance given would be used for. Caution should be taken in the interpretation of these results as many persons are provided with cash assistance in order to free up funds for the payment of other bills. Keeping this in mind the main reasons assistance was sought included (Table 4):

- to purchase food;
- to pay utility bills;
- to meet rent or mortgage payments;
- to acquire clothing; and
- to cover medication and other health costs.

Table 4 Primary Reason EH Assistance was Sought

Reason	%
Food	65
Utilities (Electricity, Gas)	57
Rent/mortgage payments	42
Clothing/Manchester	21
Medication	20
Other health costs (e.g. specialists)	16
Public transport	15
Private transport costs (e.g. motor vehicle costs)	15
Miscellaneous costs (e.g. white goods, funeral costs)	10
Removal costs	9
Telephone	9
Education	9
Fuel	7
Credit card debt	5
Insurance	2

Note: Does not total to 100% because some individuals had multiple reasons.

Type of Emergency Help assistance provided

What kind of assistance was provided? Table 5 suggests that cash was the main form of assistance provided, followed by EAPA² vouchers for electricity and material aid in the form of clothing and manchester.

Table 5 Type of EH Assistance Given

Type of assistance	%
Cash	94
EAPA voucher - Electricity	40
Material aid - Clothing/ Manchester	26

Note: Does not total to 100% because some individuals receive multiple types of assistance.

Half of all persons in the sample received only one type of assistance (e.g. only clothing), with 40% receiving two and the remainder three types of assistance (money, clothing and EAPA vouchers). Apart from assistance provided in the form of money or clothing the EH workers may also provide assistance by referring individuals to other services. Referrals may be to external agencies, or internal to other TSF programs and services.

Overall, referrals (internal and external) were made in 55 (29%) cases in our sample. Of these, 49% were referred to an outside agency and 51% were referrals to another internal TSF program or service. Of those individuals who received a referral, the majority were in relation to counselling services of some kind, followed by family support services and housing. Finally, in addition to advocacy work regarding utility vouchers, workers at EH Centres also provided additional advisory and advocacy functions in just over one quarter of cases.

Table 6 Type of Referral Given

Type of referral	N	%
External		
Counselling/support	18	67
Housing	7	26
Legal Aid/Services	2	7
<i>Total external referrals</i>	27	100
Internal		
Financial Counselling	10	36
Family Support	9	32
Learning for Life	4	14
A combination services	5	18
<i>Total internal referrals</i>	28	100

2. EAPA - Electricity Accounts Payments Assistance is an initiative of the NSW government.

Conclusion

The main findings from this small-scale analysis of the Emergency Help program in NSW suggested that:

- The majority of people who present for EH are female;
- The majority had children, with 39% of cases being one-parent households and 36% two-parent households;
- Most rely on income from social security. Less than 10% of the main source of income was from employment;
- Half of all persons lived in private rental accommodation with almost one third in public rental housing;
- The three main circumstances associated with financial crisis were: health problems (including mental health), family breakdown and unemployment;
- The main form of assistance provided by EH is cash, followed by utility vouchers and material aid in the form of clothing and manchester;
- The main reasons assistance was required included the purchase of food, paying utility bills, meeting rent or mortgage payments, clothing and paying for medication and other health costs.

In a previous briefing paper we argued that programs like EH belonged to a 'Welfare model' of service delivery (Green & Zappalà 2000). Some of the shortcomings of such programs include the focus on individual 'clients', the unequal locus of power between caseworker and individual and the generally short-term nature of

benefits. In other words, individuals may well remain within a cycle of disadvantage and social exclusion.

The benefits of such programs include meeting important individual or family needs (food, clothing, utilities) at times of extreme crisis that may often keep families from falling further into the cycle of disadvantage. There was some evidence of the benefits of short-term assistance in the case studies examined for this content analysis. Cases where the financial assistance provided, for example, enabled the individual to attend a job interview and subsequently gain employment.

The Smith Family is currently reviewing its Emergency Help program so that it may more effectively meet the needs of the disadvantaged by having a greater focus on prevention and building social capability. The complexity of the issues that those who seek EH present with and their often long-term nature strongly suggest that services that facilitate the development of coping strategies and life skills are also required in many cases.

References

Fincher, Ruth & John Nieuwenhuysen (1998) *Australian poverty then and now*, Melbourne: Melbourne University Press.

Green, Vanessa & Gianni Zappalà (2000) 'From welfare to place management: Challenges and developments for service delivery in the community sector' Briefing Paper No.2, Research & Advocacy Team, The Smith Family.

The Smith Family (1999) *Annual Report 1999*, The Smith Family.

For further information on this study contact Dr Gianni Zappalà, Research Coordinator, Research & Advocacy Team, The Smith Family. Phone: (02) 9550 7153. Email: GianniZ@smithfamily.org.au

ISSN: 1444-7568
ISBN: 1 876833 08 4

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Question No: 57

Topic: Roy Morgan Research

Hansard Page: CA129

Senator West asked:

Is it possible to have copies of the questions at this stage and the report when it is available?

Answer:

A copy of the report for the community attitudes survey undertaken by Roy Morgan Research, is attached. The survey questionnaire is included as an appendix to the report.

Senate Community Affairs Legislation Committee
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edge

Discover your

Community Attitudes towards Unemployed People of Workforce Age

A SURVEY REPORT

November 2000

- Prepared for -

Parenting Payment & Labour Market Branch
Department of Family and Community Services (FaCS)
Tuggeranong Office Park
Tuggeranong ACT

- Prepared by -

Roy Morgan Research
411 Collins Street
Melbourne VIC 3000

Roy Morgan
Research

Senate Community Affairs Legislation Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
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Supplementary Budget Estimates 2000-2001, 22 November 2000

Output Group: 3.1 - Labour Market Assistance

Question No: 59

Topic: Consultancy - Jackson Wells Communications

Hansard Page: CA 129/130

Senator West asked:

Page 365 of your annual report details a consultancy valued at \$70,000 to Jackson Wells Communication for editing, to support the reference group on Welfare reform. Are you able to tell us:

- a) Who else tendered for the consultancy?
- b) When was the tender let?
- c) When were the agencies invited to tender?"

Answer:

a) The Department agrees to release this information under the circumstances that it remain confidential in order to protect the business interests of the tenderers. Three organisations were asked to submit quotes for these services. These organisations were:

- Turnbull, Porter, Novelli
- Edelman Public Relations Worldwide
- Jackson Wells Communications Pty Ltd

b) The contract between FaCS and Jackson Wells was finalised on 9 February 2000.

c) The firms were contacted in the last week of January 2000 and asked to submit quotes against a prepared tender brief.

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Output Group: 3.1 Labour Market Assistance

Question No: 60

Topic: Activity Test Evaluation Report

Hansard Page: CA131

Senator Crowley asked:

Will the Activity Test Evaluation Report be available for our committee when it is completed?

Answer:

The Activity Test Evaluation Report will be provided to the committee when it is completed.

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ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
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Output Group: 3.2 – Support for People with a Disability

Question No: 51

Topic: Specialised services available to people with a disability in receipt of Newstart Allowance

Hansard Page: Written question on notice

Senator Evans asked:

What specialised support services are available to persons with a disability in receipt of Newstart? What amount of funds and staff are allocated to meeting their needs? How have these varied over the past four years?

Answer:

Employment assistance for people with a disability in receipt of Newstart Allowance depends upon the degree to which a person's disability affects their ability to work.

Centrelink interviews and assesses job seekers to identify those eligible for referral to Job Network Intensive Assistance (IA) and Job Search Training using a classification tool called the Job Seeker Classification Instrument (JSCI). Under the *Privacy Act 1988*, job seekers are not required to disclose their disability and many job seekers choose not to when completing the "Looking for Work" form (the JSCI questions), and in their contacts with Centrelink.

After the JSCI has identified job seekers who possibly require medium to high support, they then undergo an assessment of the impact of their disability through the Work Ability Tables (WATs). After the WATs assessment is conducted, job seekers whose disability is determined to have a moderate to severe impact on their work capacity (a score of 50 or more) are referred to the Department of Family and Community Services (FaCS) funded specialist employment services, whilst those whose disability has a low to moderate impact (a score of less than 50) are referred to the Job Network.

The Community Support Program (CSP) assists job seekers on Newstart or Youth Allowance, or aged 15-20 and not in receipt of income support, who because of their personal circumstances and special needs, would be better served by forms of assistance other than those available in Job Network. CSP can offer support to job seekers who are ineligible for FaCS funded disability employment services who nevertheless have a range of barriers to employment (one of which may include a disability). CSP is not a program designed for people with disabilities, but caters to people with severe barriers to employment. Assistance could include facilitating access to activities such as drug or alcohol rehabilitation programs.

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Assistance available to job seekers with disabilities referred to Job Network services

Job Network provides five employment services to job seekers with disabilities, depending on the job seeker's eligibility. The services are:

- Job Matching - provides labour exchange services for job seekers, including canvassing for jobs, preparing resumes, and matching and placing unemployed people in those jobs;
- Job Search Training - provides training in job search techniques (for example, resumes, interview techniques and presentation skills) to prepare unemployed people so that they may seek and obtain employment;
- Intensive Assistance (IA) services - provide individually tailored assistance to eligible job seekers who are more disadvantaged in the labour market, for example job seekers with disabilities, to help them prepare for and obtain sustainable employment.
- New Enterprise Incentive Scheme – provides support and appropriate training for unemployed people who wish to pursue the option of self-employment; and
- Project Contract (Harvest Labour Services) – provides for supplementary labour in regions that require large numbers of out-of-area workers to supplement the local labour force to harvest crops.

Job Network members are required to assist all job seekers referred to them. Job Network members providing IA services have the flexibility to decide, in consultation with their client, the best form of assistance to get them a job. They may provide job seekers with personal development, job search training, relocation assistance, vocational training, language and literacy training, or providing assistance and/or advice in relation to workplace modifications. Offering a wage subsidy to an employer is also one of the ways Job Network members may help job seekers gain employment. Job Network members providing Intensive Assistance may also offer post-placement support for 13 weeks to job seekers to help them adjust to their work environment and provide encouragement and support to overcome any initial settling in difficulties.

In addition, in some areas Job Network also has specialist Intensive Assistance providers who provide services to a specific client groups such as job seekers with disabilities. There are currently 10 specialist IA disability providers. Once identified as being eligible for IA, job seekers wishing to receive assistance from a specialist IA provider must lodge their preference with Centrelink.

Funding is provided to Job Network members to provide employment services. There is no specific allocation of funds or staff for employment services for people with disabilities in receipt of Newstart Allowance.

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Assistance available to job seekers with a disability referred to Specialist Disability Employment Services

Non-government service providers are funded by FaCS to provide employment assistance through open employment services or supported employment services to aid people who have an intellectual, psychiatric, sensory or physical impairment that is likely to be permanent and results in the need for ongoing support.

Open employment services assist people with disabilities to gain and maintain paid employment in the open labour market.

Supported employment services (also known as business services) support the paid employment of people with disabilities for whom open employment at or above the relevant award wage is unlikely and who, because of their disability, need substantial ongoing support to obtain or retain paid employment.

Also, a person with a disability who is in receipt of Newstart Allowance can receive assistance from Commonwealth Rehabilitation Services Australia (CRS).

Funding is allocated to organisations to provide employment services to people with moderate to severe disabilities. There is no specific allocation of funds and staff for employment services for people with a disability in receipt of Newstart Allowance.

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Output Group: 3.2 Support for People with a Disability Question No: 61

Topic: Breaching – Disability Support Pension

Hansard Page: Written question on notice

Senator Evans asked:

- a) How many persons with disability who receive Newstart are breached?
- b) How many DSP recipients are breached?
- c) What are the primary reasons why breaches are incurred?
- d) How is the Department responding to this?

Answer:

- a) It is not possible to determine how many Newstart recipients with a disability are breached, as customer computer records do not separately identify this group.
- b) Disability Support Pension recipients are not subject to breaching provisions.
- c) The main reasons for incurring a breach penalty during 1999-2000 were:
 - failing to attend a seminar or interview;
 - failing to correctly declare income; and
 - failing to reply to correspondence.
- d) The Department monitors its breaching procedures and policy on an ongoing basis.

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Output Group: 3.2 Support for People with a Disability

Question No: 62

Topic: People Entering and Exiting DSP

Hansard Page: Written question on notice

Senator Evans asked:

Please provide data on:

- (a) the number of people coming on to DSP each year since 1994.
- (b) the number of people exiting DSP because they have been successful in finding work for each year since 1994.
- (c) the average spending on Labour Market assistance and rehabilitation per DSP client over the period 1994 to 2000.

Answer:

(a) & (b) The table below shows the number of new grants and cancellations because of work resumption and work related earnings for Disability Support Pension from 1994 to 2000.

June Date	New Grants	Cancelled due to Work or Earnings
1994	74,402	1,848
1995	72,728	2,476
1996	Na	na
1997	Na	na
1998	65,875	na
1999	69,208	3,163
2000	76,727	4,004

Note: Reliable data on new grants is not available for 1996 and 1997 while reliable data for cancellations by reason is not available for the period 1996 to 1998. The cancellations reported for 1994 and 1995 comprise only those customers cancelled due to earnings while the figures for 1999 and 2000 cover cancellations due to earnings or return to work. Customers may have been cancelled for work related reasons but may be coded under other headings (such as voluntary surrender). All figures are therefore likely to be underestimates of the actual figures.

(c) Average costs specifically identifying money spent on people receiving Disability Support Pension are not available.

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Output Group: 3.2 – Support for People with Disabilities Question No: 62(a)

Topic: Ageing Workers in Disability Employment Services

Hansard Page: Written question on notice

Senator Denman asked:

What is the government doing in relation to those in disability employment programs when they get older? What I mean is this issue going to be tackled in the next Commonwealth/State Disability Agreement if it is not it may represent a cost shift on to the states.

Answer:

Negotiations for the next Commonwealth/State Disability Agreement have not yet begun.

Transition from work to retirement for people with disabilities is an issue currently under investigation by the Department. A consultation process was begun last year and evidence from the Business Services Review is being used to map out an appropriate policy response that will ensure people with disabilities are assisted in the transition process.

Alternatives to employment services have always been a State Government responsibility under the Commonwealth/State Disability Agreement. The CSDA presumes clients will transit in and out of programs as they progress through life. There is no cost shifting involved in workers retiring from employment services.

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Output Group: 3.2 – Support for People with Disabilities Question No: 62(b)

Topic: Ageing of People with Disabilities

Hansard Page: Written question on notice

Senator Denman asked:

What is the government doing for older people with disabilities in terms of accommodation services what is going to be built into the CSDA?

Answer:

Discussions around the next Commonwealth/State Disability Agreement (CSDA) have not yet begun. It is not possible to advise any detail of the next Agreement at this point.

State and Territory Governments are responsible for accommodation services for people with disabilities under this agreement. Despite this, the Commonwealth assists the States and Territories by providing funding under the Commonwealth/State Disability Agreement. Over the five years of the current CSDA, the Commonwealth will provide \$1.92 billion to assist with the provision of accommodation and other related support services.

Provision of accommodation for frail aged people with disabilities is an issue for the Commonwealth Department of Health and Aged Care, which is responsible for providing aged care services.

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Output Group: 3.2 Support for People with a Disability Question No: 63

Topic: Supported Wage System

Hansard Page: Written question on notice

Senator Evans asked:

Within the Disability Employment framework, what proportion of eligible clients are being given the option of participating in the Supported Wage Scheme?

Answer:

Any person with a disability who meets the eligibility criteria may participate in the Supported Wage System (SWS). The eligibility criteria are:

- the person is eligible for a Disability Support Pension or meets the Centrelink impairment criteria for receipt of a Disability Support Pension;
- the job under consideration is covered by an award, industrial agreement or legislative provision which permits employment at pro-rata wages under the SWS;
- she or he is an Australian citizen or is a person resident in Australia whose continued presence is not subject to a time limit imposed by Commonwealth law (eg. a temporary visa);
- the person is at least 15 years of age; and
- the person has no outstanding workers compensation claim against the current employer.

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Output Group: 3.2 Support for People with a Disability Question No: 64

Topic: Supported Wage System

Hansard Page: Written question on notice

Senator Evans asked:

- (a) How many places are available in the Supported Wage Scheme?
- (b) What funding has been available for the Scheme (year-by-year since 1994)?
- (c) What is the demand for places and how many are taken up?

Answer:

(a) The Supported Wage System (SWS) is a budget capped program. The SWS currently has the budgeted resources to assist 1000 people each year.

(b) An annual allocation is made to SWS on the basis of presumed take-up and expenditure over the year. Estimated funding available for the years from 1997 to 2000 when FaCS was responsible for the SWS were as follows:

1997-1998	1998-1999	1999-2000
\$4.0m	\$5.5m	\$5.5m

From 1994 to 1996, the administration of the SWS Program was the responsibility of the Commonwealth Rehabilitation Service (CRS). The CRS have advised that without significant and costly searching of archived material the part of this question relating to the period 1994-1996 cannot be answered.

In 1997 responsibility for the SWS was transferred to the Department of Health and Family Services, which later became part of the Department of Family and Community Services.

(c) Currently all applicants are able to be accommodated.

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Output Group: 3.2 Support for People with a Disability **Question No: 68**

Topic: Assessment & Contestability Trial for People with Disabilities

Hansard Page: Written question on notice

Senator Evans asked:

a) Who is on the Assessment Contestability Reference Group? Are people with disabilities included or are they only included indirectly through peak bodies who are advocating for them? If the latter is the case, what opportunities will be provided for direct contributions from people with disabilities?

b) How is the sample for the trials being determined? Will it include people with minimal disabilities who need minimal assistance as well as a representative number of people with disabilities who need intensive assistance?

c) Do the trials aim to increase the social as well as economic participation of people with disabilities? If the focus is on the former, what steps will be taken to trial approaches to increase social participation of people with disabilities?

Answer:

a) The composition of the Reference Group for the Assessment & Contestability Trial for People with Disabilities is as follows:

- Mr Scott Holz – ACROD representative
- Mr Bob Styling – ACROD representative
- Ms Helen Connor – National Caucus of Disability Consumer Organisations representative
- Ms Sue Egan – National Caucus of Disability Consumer Organisations representative
- Mr Paul Cain – National Caucus of Disability Consumer Organisations representative
- Ms Fay Rice – National Caucus of Disability Consumer Organisations representative
- Mr Bill Sayers – Association of Competitive Employment (ACE) representative
- Mr Simon Watts – State Government representative

People with disabilities are represented by the National Caucus of Disability Consumer Organisations on the Reference Group. The evaluation of the Assessment and Contestability Trial will provide opportunities for direct contributions from people with disabilities through surveys and focus groups with participants. In addition, trial participants are also given the opportunity to complete a feedback questionnaire following their assessment interview.

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b) The trial sample comprises people with disabilities in receipt of the Disability Support Pension, Newstart Allowance, Newstart Incapacitated Allowance and Youth Allowance, who score 50 or more on the Work Ability Tables (WATs). Two thousand participants from these Centrelink customer groups will be involved in the assessment process. On the basis of the WATs, it is anticipated that the sample will comprise people with moderate to severe disability related workability impact.

c) Yes.

Where an individual's goal at assessment is increased social participation, the assessor will aim to link the individual with appropriate supports, networks and activities available in their local region. The exact nature of this will depend upon the needs and goals of the individual and the options available locally.

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Output Group: 3.3 Support for Carers

Question No: 65

Topic: Respite Provisions

Hansard Page: Written question on notice

Senator Evans asked:

What proportion of Carers Payment and Carers Allowance claim respite provisions of 63 days per year? What proportion claim 0 days? What is the average claim for respite provisions? Please provide a breakdown of the proportion of Carers Payment and Carers Allowance claiming respite provisions in 5-day bands.

Answer:

Data on Carer Payment and Carer Allowance customers claiming respite is not currently available to enable an accurate response at this time. It is expected that data will be available from Centrelink at the end of December 2000 and a full response will be provided at that time.

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Output Group: 3.3 – Support for Carers

Question No: 66

Topic: Respite Care

Written question on notice

Senator Evans asked:

The 1999-2000 Budget allocated \$20 million over four years to expand respite care for carers of young people with disabilities.

- (a) How much was spent in 1999-2000 on what initiatives?
- (b) What progress is being made in 2000-01?
- (c) What levels of funds will have been expended by 30 June 2001?

Answer:

- (a) Total funding of \$4.996m was provided in 1999-2000 to expand respite support for carers of young people with disabilities. This budget initiative assists families with caring responsibility for young people with disabilities who have been unable to access existing State respite care or assistance provided under other Commonwealth initiatives. The initiative is delivered through the existing national network of Carer Respite Centres, which operate under the National Respite for Carers Program funded by the Department of Health and Aged Care. Carer Respite Centres are funded to broker emergency and short-term respite assistance and to coordinate a range of appropriate community support services to assist the carer to avoid the need for emergency and short-term respite in the future.
- (b) Contracts for 2000-2001 funding of carer respite centres, to continue this additional assistance for carers of young people with disabilities, are in place.
- (c) It is expected that \$5.052m will have been expended in 2000-2001 on the initiative outlined in (a) above.

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Output Group: 3.3 - Support for Carers

Question No: 67

Topic: Allocated and Actual Spending

Hansard Page: Written question on notice

Senator Evans asked:

Referring to the FaCS Annual Report Table 44: Financial and Staffing resources summary for Group 3.3 – Support for Carers (p. 169) please explain the reason/s for the difference in allocated and actual spending in each of the Departmental Outputs:

- Policy Advice
- Program Management
- Research and Evaluation
- Service Delivery - Centrelink
- Service Delivery - Other

Answer:

Policy advice, program management and research and evaluation output variations have arisen because the FaCS output costing model had only limited data at the time the estimates were prepared.

The Centrelink service delivery variation is due to Centrelink revising the way they attribute Centrelink outputs to the FaCS outcome structure.

The 'Service delivery – other' variation reflects less actual carer program appeal activity at the SSAT during 1999-2000 than anticipated from historical data.

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Output Group: 3.3 Support for Carers

Question No: 69

Topic: Review of the Adult Disability Assessment Tool (ADAT)

Hansard page: Written question on notice

Senator Evans asked:

- a) Do the terms of reference for the ADAT Review include consideration of reducing the paperwork for carers caring for two or more people with a disability?
- b) Is the Department inviting comments from the Mental Health Sector, people with a mental illness and their carers?

Answer:

a) Yes. One of the terms of reference for the ADAT Review is:

- What changes, including changes to the forms and questionnaires, might improve the efficiency of the tool?

b) Yes. A press advertisement appeared in 13 major and regional newspapers on Saturday 21 October 2000 inviting interested groups and individuals, including carers, people with a disability, advocates, health workers and community groups, to make written submissions to the review.

In addition, letters of invitation to comment on the Adult Disability Assessment Tool were sent to 44 peak bodies, organisations, groups and individuals, including the Mental Health Council of Australia, the National Network of Adult and Adolescent Children who have a Mentally Ill Parent, the Brain Injury Association, Alzheimer's Association Australia, the Head Injury Council of Australia and the Carers Association of Australia.

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Output Group: 3.4 Support for the Aged

Question No: 70

Topic: Bonuses for Older Australians – Rejected claims

Hansard Page: Written question on notice

Senator Evans asked:

How many people who applied for :

- (1) The Aged Persons Savings Bonus (APSB);
- (2) The Self-funded Retirees Supplementary Bonus (SFRSB)

were advised that they were not entitled to any bonus payment?

Answer:

Management information which differentiates between APSB and SFRSB rejections is not available.

In total, 122,906 bonus claims were rejected.

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Output Group: 3.4 Support for the Aged

Question No: 71

Topic: Bonuses for Older Australians - Overpayments

Hansard Page: Written question on notice

Senator Evans asked:

- a) How many people who received either a APSB or SFRSB have been advised that they have been overpaid and must repay some or all of their bonus?
- b) What is the average debt raised?
- c) What is the value of bonuses that must be repaid?

Answer:

- a) A total of 1,803 people have been overpaid in relation to part or all of their bonus payment.
- b) The average debt raised is \$1,280.59.
- c) The total value of bonuses that must be repaid is \$2,308,909.

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Output Group: 3.4 Support for the Aged

Question No: 72

Topic: Applications for savings bonus 'top-ups'

Hansard Page: CA 132

Senator West asked:

How many people have applied for a top-up?

Answer:

Information on the number of people who *applied* for a top-up is unavailable. However, as at 1 December 2000, 31,430 people have been paid a top-up of the Aged Persons Savings Bonus and 49 people have received a top-up of the Self Funded Retiree Supplementary Bonus.

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Output Group: 3.4 Support for the Aged

Question No: 73

Topic: Breakdown of savings bonus payments

Hansard Page: CA 133

Senator West asked:

Can you give us a breakdown on bonuses, maybe in \$50 brackets, and the numbers of people please?

Answer:

The breakdown of savings bonus payments, as at November 2000, is set out below.

AMOUNT	CUSTOMERS
\$1- \$50	160,613
\$50.01- \$100	53,855
\$100.01- \$150	43,959
\$150.01- \$200	36,562
\$200.01- \$250	33,365
\$250.01- \$300	33,352
\$300.01- \$350	30,553
\$350.01- \$400	28,657
\$400.01- \$450	28,111
\$450.01- \$500	27,026
\$500.01- \$550	28,612
\$550.01- \$600	26,852
\$600.01- \$650	25,762
\$650.01- \$700	25,412
\$700.01- \$750	24,468
\$750.01- \$800	23,714
\$800.01- \$850	24,878
\$850.01- \$900	23,557
\$900.01- \$950	23,433
\$950.01-\$1000	954,769
\$1000.01-\$1050	1,143
\$1050.01-\$1100	1,123
\$1100.01-\$1150	1,107
\$1150.01-\$1200	1,079
\$1200.01-\$1250	1,108
\$1250.01-\$1300	1,170
\$1300.01-\$1350	1,135
\$1350.01-\$1400	1,155
\$1400.01-\$1450	1,113
\$1450.01-\$1500	1,194

AMOUNT	CUSTOMERS
\$1500.01-\$1550	1,163
\$1550.01-\$1600	1,175
\$1600.01-\$1650	1,230
\$1650.01-\$1700	1,256
\$1700.01-\$1750	1,199
\$1750.01-\$1800	1,298
\$1800.01-\$1850	1,294
\$1850.01-\$1900	1,346
\$1900.01-\$1950	1,325
\$1950.01-\$2000	17,114
\$2000.01-\$2050	1,118
\$2050.01-\$2100	1,153
\$2100.01-\$2150	1,157
\$2150.01-\$2200	1,232
\$2200.01-\$2250	1,130
\$2250.01-\$2300	1,193
\$2300.01-\$2350	1,111
\$2350.01-\$2400	1,196
\$2400.01-\$2450	1,223
\$2450.01-\$2500	1,228
\$2500.01-\$2550	1,220
\$2550.01-\$2600	1,229
\$2600.01-\$2650	1,206
\$2650.01-\$2700	1,299
\$2700.01-\$2750	1,265
\$2750.01-\$2800	1,376
\$2800.01-\$2850	1,320
\$2850.01-\$2900	1,297
\$2900.01-\$2950	1,306
\$2950.01-\$3000	115,765
TOTAL	1,836,261

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Output Group: 3.4 Support for the Aged

Question No: 74

Topic: Storage of Monies Returned to the Department

Hansard Page: CA 133

Senator Crowley asked:

Could you please tell me what you do with the secure file? (in relation to the storage of personal cheques sent to the department.) What is the value of it?

Answer:

As at 27 November 2000, the value of returned bonuses is \$687.38.

Returned departmental cheques have been cancelled. All cash, money orders and personal cheques have been, and continue to be, banked in accordance with Part 3, Section 10 of the Financial Management Accountability Act 1997.

Paperwork relating to the returned monies and cheques is being stored in a secure file and kept in a departmental safe. These file records will be held, and disposed of, in accordance with the Financial Management and Accountability Act 1997.

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Senator Susan Knowles
Chair
Senate Community Affairs Committee
PARLIAMENT HOUSE CANBERRA 2600

Attention: Mr E Humphery, Committee Secretary

EVIDENCE TO SENATE COMMITTEE

Dear Mr Humphery

I write in relation to an answer I gave to the Committee at the Additional Estimates hearing on 22 November 2000.

At the Estimates hearing that evening, Senator Crowley asked whether any people had returned their Aged Persons Savings Bonus payments (ref. p132, Hansard Proof, Community Affairs Legislation Committee, 22 November 2000). The answer I gave was 686. In fact, the number who had returned their bonuses was 54. The 686 I referred to inadvertently was the total amount of dollars which those 54 people had returned.

I apologise for this error and would be grateful if you could draw the Committee's attention to the correct information.

Yours sincerely

David Tune
Executive Director
Department of Family & Community Services

05 December 2000