

## Community Affairs References Committee

### Public Hearing – 03 September 2021 ANSWER TO QUESTION ON NOTICE

Department of Social Services

**Topic:** Inquiry into Centrelink's Compliance Program - Public Hearing 27 Aug 2021

**Question reference number:** IQ21-000086

**Senator:** Deborah O'Neill

**Type of Question:** Spoken. Hansard Page/s:

**Date set by the Committee for the return of answer:** 15 September 2021

**Question:**

Senator O'NEILL: Have you provided advice to the minister about the harm that she claimed would be inflicted on the public if they were informed how much of their money the government spent on legal advice around robodebt?

Mr Flavel: In terms of any provision of advice, I'd say I'd just have to take that on notice.

Senator O'NEILL: Did you provide advice to the minister about the potential impact of the release of this information for those class members who opted out of the class action?

Ms Haigh: Any advice provided in connection with the income compliance class action is covered by the public interest immunity claim.

Senator O'NEILL: It has been rejected by the Senate on four occasions in the interests of the Australian people.

Ms Haigh: I think you'll recall that Mr Flavel has indicated that we will take this point on notice.

Senator O'NEILL: I don't envy you being in the position that you are in, because I understand why, as public servants, you went into the work that you do, and I understand the importance of your role in good government and making sure the Australian people get a fair go. I have to say I'm profoundly disappointed that the minister continues to put the department in this position, where you're unable to answer questions with openness and transparency. Did the department seek legal advice about the possibility of further action on robodebt post the class action settlement?

Mr Birrer: Ms Haigh's already answered those questions. We've stated before that these matters were discussed by the minister in her statement in parliament and in her letter, and Mr Flavel has taken on notice the advice provided.

**Answer:**

On 9 August 2021, Senator the Hon Linda Reynolds CSC, the Minister for Government Services, claimed public interest immunity in respect of requests for information about legal advice relating to the income compliance program, including the costs of legal advice and the dates and content of any briefings that relate to legal advice. The Minister also gave an explanation to the Senate on 25 August 2021 about the public interest immunity claim.

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#### **Question:**

Senator O'NEILL: Could you make clear to me if there is the capacity at this point in time for the government to re-raise debts that were either zeroed or refunded in May 2020?

Mr Flavel: I didn't catch that question; could you repeat it?

Senator O'NEILL: Is it possible in the current situation, as it stands today, for you to be able to re-raise debts that were either refunded in full, zeroed or partially refunded in May 2020?

Mr Flavel: The government announced that the use of averaging, which gave rise to those debts, would no longer be permissible. The use of that particular way of raising debts is no longer allowed by definition.

Senator O'NEILL: Is there another methodology that could be employed to re-raise those debts that were refunded—fully or partially—or zeroed in May 2020?

Mr Flavel: I might take that on notice, simply because there's an intersection here in relation to, for instance, cases where there may be fraud or serious noncompliance. To give a more fulsome answer I think it's best I take that on notice.

#### **Answer:**

The Government ceased raising debts based on annual averaged Australian Taxation Office income information following its announcement on 19 November 2019. No debts will be re-raised based on annual income averaging.

There is long standing Government policy that people should be paid correctly according to their individual circumstances.

If a debt is determined consistent with legislation, including through fraud or serious non-compliance investigations, Services Australia has a statutory obligation to recover it.

Effective debt management supports the integrity of the social security payments system and ensures that it remains fair and sustainable.