



Post offices may do Centrelink's job

Exclusive

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Australia Post would take over the front office operations of Centrelink under a wider plan to consolidate service delivery agencies and secure budgetary savings to be considered by the federal government.

A spokesman for Treasurer Joe Hockey has confirmed the proposal would be looked at within the work of the Commission of Audit along with other options for savings on how the government provides welfare and other services.

The overhaul, first raised by Mr Hockey earlier this year, coincides with

his proposal, revealed in *The Australian Financial Review* on Friday, to hand the responsibility for administering the national disability insurance scheme (NDIS) to Medibank Private in order to avoid establishing a new bureaucracy.

Mr Hockey told *Financial Review Sunday* on Channel Nine on Sunday that Medibank Private already provided a range of services and would be able to contract to provide services as the NDIS developed.

"We've been upfront about having a Commission of Audit; we will do what we have to do to repair the budget," Mr Hockey said.

"We will honour all of our election commitments. They're not clashing with each other. We've been very

upfront; we've said we're going to have to fix up the budget and we will fix up the budget."

As a former human services minister, Mr Hockey has long been interested in efficient government welfare service delivery and the Centrelink proposal could explain why the new government has been cautious about the possible sale of Australia Post.

In a speech delivered to the Institute of Public Affairs in May, Mr Hockey said: "The Coalition cannot expect productivity growth in Australia to improve if the public sector itself uses obsolete technology and antiquated

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