

Senate Community Affairs References Committee

DESIGN, SCOPE, COST-BENEFIT ANALYSIS, CONTRACTS AWARDED AND IMPLEMENTATION ASSOCIATED WITH THE BETTER MANAGEMENT OF THE SOCIAL WELFARE SYSTEM INITIATIVE

PUBLIC HEARING 11 April 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Explanation of debt

Question reference number: QoN 112

Member: Senator Pratt

Type of question: Hansard page 2

Date set by the committee for the return of answer: 5 May 2017

Number of pages: 2

Question:

Senator PRATT: I beg to differ on the basis that some people we had evidence from yesterday have had changes in their debt liability but still had no real understanding of how or why that debt was calculated or how it was accrued. I am hoping you can step me through that process in a little bit more detail. For example, what kind of information is initially presented to someone about the nature of the discrepancy of information?

Mr Mowbray-d'Arbela: I am afraid I do not have the specific details to go through that in a detailed process just at the moment. I am sorry. I can take that on notice. [page 2]

Answer:

The initial letter requests people to confirm or update their employment income details. At this stage of the process no assumptions about debt or no debt has been raised. Initial letters are not debt letters.

When people first engage with the online system, they are presented with the employment information that has been provided to the Department by the Australian Taxation Office.

This includes the name of the employer, including trading name, the dates of employment and the total employment income.

At this point of the review, people are asked to confirm or update this information.

Once the compliance review is completed a person may have a debt they need to repay. Information about their debt is available during the online process.

On the Assessment Results screen people can view a variety of information by selecting any of the following five tabs:

- Assessment Outcome – includes the debt result and compliance phone number.
- Debt Explanation – includes information about income previously declared, updated income, amounts of Centrelink payments made in debt period and what should have been paid based on updated income.
- Centrelink Payment History – this tab provides more detail to the person about their Centrelink payment history during the period.
- You reported to Centrelink – includes a view of the amount of income declared for each employer during the period.
- What you just told us – provides a high level summary of any information provided during the review including a comparison of information provided by the person and the ATO.
- There is a print function available on each of the tabs.