

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Online Compliance Initiative – Employer Contacts

Question reference number: QoN 2

Member: O'Neill

Type of question: Hansard page 43

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: You said that you've had 1,000 contacts with employers—over what period of time?

Mr McNamara: Since February 2017, over 1,000 employers.

Senator O'NEILL: And did you have any contacts with employers prior to that? Or was it totally dependent on the individual to determine—

Mr McNamara: It's not how our business process worked in 2016, in the first six months of the operation of the system.

Senator O'NEILL: There was no contact by the department with employers in the first six months?

Mr McNamara: In the OCI system in the first six months—I'd have to take that on notice, because I don't know that I can make a definitive statement.

Answer:

Between 1 July 2016 and 31 December 2016, there were no recorded employer contacts for Online Compliance Interventions (OCI).

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Compliance Program Interactions

Question reference number: QoN 3

Member: O'Neill

Type of question: Hansard page 44

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: Are you contacting people at the same sort of pace now as you were between July 2015 and July 2017?

Mr McNamara: In terms of volume our last 12 months have probably been our largest year of the program.

Senator O'NEILL: If I average it out, seeing as we do a lot of averaging in this particular entity, 600,000 Australians perhaps would have been contacted. And 1,000 interactions have been undertaken by you with an employer, for 600,000 that have been raised since February 2017?

Mr McNamara: I can take that on notice. I think it would actually be a bit more than that.

Senator O'NEILL: So 700,000 even?

Mr McNamara: Yes. I think it would be closer to that range

Answer:

From February 2017 to 30 September 2019, there were about 868,000 income compliance reviews initiated.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Coercive Powers

Question reference number: QoN 4

Member: O'Neill

Type of question: Hansard page 45

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: In terms of the coercive powers that you have with the banks—and Australians are very interested in banks and the banks' actions—I would like to know how many times the department has contacted the banks on behalf of these 700,000 people, since February 2017, who have had a debt raised?

Mr McNamara: We will take that on notice in terms of the numbers

Answer:

The Department of Human Services (the Department) assists customers who contact us to complete their review and this may include obtaining income information from employers and/or financial institutions.

Information is obtained from banks and financial institutions through a variety of processes, and not only for income compliance reviews. No single data point exists to definitively answer the question. The Department has identified more than 20,000 requests since February 2017 for information to banks and financial institutions to assist with compliance reviews of all types.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt

Question reference number: QoN 5

Member: Siewert

Type of question: Hansard page 48

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Mr Seebach: As of 30 August this year there were approximately 1.47 million outstanding social welfare debts to the value of \$4.89 billion. I have a few more details that might be useful to contextualise that. In the 2018-19 financial year, the department recovered \$1.85 billion in social welfare debts, up from \$1.7 billion in 2017-18. For the period 1 July to 28 June—it's a financial year but that was the last working day, 28 June—there were approximately 2.27 million debts with a value of approximately \$3.36 billion raised in connection to social welfare payments in that year.

While debt recovery has increased annually, it is less than debt raised, which has also grown, resulting in an increasing outstanding debt balance. The main reason for the outstanding debt outstripping debt recovered is the large number of payment arrangements in place with those owing a debt, which can span a number of years. That just reflects the level of work the department does with those individuals to set up suitable payment arrangements, taking into account their individual circumstances.

CHAIR: Just to clarify, is that overall debt?

Mr Seebach: That's the overall debt.

CHAIR: Are you able to—not now—tell us how much of that is the deliberate fraud, so break it down as to what's come through this process and your other processes you've identified?

Answer:

To comply with the Public Governance, Performance and Accountability Act 2013 and to ensure the integrity of the welfare system the Department is required to pursue debts and review discrepancies. Whilst most debt is the result of inaccurate reporting of circumstances – which may be for a variety of reasons – confirmed fraud is approximately \$53.1 million.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Garnishee Criteria

Question reference number: QoN 6

Member: Siewert

Type of question: Hansard pages 49 and 62

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 3

Question:

Mr Seebach: The garnishee of tax returns, wages and bank accounts has been in place for more than two decades.

CHAIR: Can you remind us of what the criteria are. Maybe take that on notice, unless you can easily spell it out now.

Mr Seebach: I can spell it out now if you like.....

CHAIR: Could you take that on notice.

Mr Seebach: Certainly.

Ms Musolino: Could you just clarify the question.

CHAIR: The criteria for the garnishees.

Mr Seebach: Of tax returns?

CHAIR: Of tax returns...

...

CHAIR: At what stage do you initiate the garnishee process?

Mr Seebach: I guess that goes to those criteria which you asked me to take on notice. I can provide further details about those criteria—

CHAIR: And when they apply in the process—if you could take that on notice.

Mr Seebach: Yes, we can do that.

Answer:

The garnishee of tax refunds for repayment of social welfare debts is permissible under sections 1230C and 1233 of the *Social Security Act 1991*, sections 82 and 89 of the *A New Tax System (Family Assistance) (Administration) Act 1999*, sections 182 and 184 of the *Paid Parental Leave Act 2010* and section 42 of the *Student Assistance Act 1973*.

The garnishee of tax returns applies to debts arising across the Department of Human Services' (the Department's) programs, including the income compliance program.

The garnishee of tax returns generally applies to former welfare recipients who have failed to enter into a reasonable payment arrangement to pay back their debt and all other attempts to recover the money owed have failed.

Who is in scope?

For a debt due to the Commonwealth under the *Social Security Act 1991*, or under Part 3B (Income management regime) or 3D (Trial of cashless welfare arrangements) of the *Social Security Administration Act 1999*, the *Social Security Act 1991* provides that in most cases garnishee action can only occur if the Commonwealth:

- has first sought to recover the debt through withholdings from a person's social security payment, withholdings from another person's social security payment (with that other person's consent) or repayment by instalments under an arrangement entered into by a former customer; and
- can establish that the person has failed to enter into a reasonable arrangement to repay the debt or, after having entered into an agreement, has failed to make a particular payment under the arrangement.

The Department can recover a debt by garnishee notice under the *Social Security Act 1991* without first seeking to recover the debt through withholdings or a payment arrangement if these methods are not appropriate in the circumstances of the case.

Other relevant legislation does not prescribe any criteria such as those found in the *Social Security Act 1991*. However, as a matter of practice, the Department generally utilises the power to garnishee tax returns for former welfare recipients only who have failed to enter into a reasonable payment arrangement to pay back their debt and all other attempts to recover the money owed have failed.

Who is not in scope?

As a matter of practice, the Department does not garnishee tax returns where the person is:

- a current customer, except in very limited circumstances;
- bankrupt or entering bankruptcy;
- impacted by a natural disaster;
- incarcerated; or
- experiencing short term hardship or domestic violence.

The Department will also not seek recovery of a person's debt through garnishee of a tax return during an agreed pause period. The Department may pause debt recovery temporarily in a range of circumstances. This includes for example where the person is vulnerable and in financial hardship or where the person requests a pause while their debt is under review.

People in financial hardship

The Department can refund a tax garnishee where the person provides supporting evidence that they are in severe financial hardship due to unforeseen and unusual circumstances.

Process

Where the Department has determined that garnishee action is appropriate, implementation of the decision occurs in the following way:

- the Department identifies former welfare recipients who have an outstanding debt of \$20 or more, and who do not have a reasonable payment arrangement in place;
- the Department sends a tax refund garnishee warning letter to the person's last known address;
- the Department provides data to the Australian Taxation Office (ATO) identifying the former welfare recipients who owe a debt to the Commonwealth and who are eligible for garnishee of tax refunds/credits, and if matched, the ATO uses this data to place an indicator on the ATO client record;

- when an eligible tax refund/credit becomes available, the ATO notifies the Department via an automated message;
- the Department's systems then check if the person has any debts eligible for a garnishee, and if so, the Department will respond to the ATO with a message, informing the ATO of the amount to garnishee (including a NIL amount);
- the ATO will then deduct as much of the credit amount as is available, up to the amount requested by the Department, and the ATO advises the individual that an amount has been offset to the Department on the Statement of Account; and
- the Department sends a letter to the person's last known address advising garnishee action has occurred - the Department also sends correspondence to the persons' myGov account if they have registered to receive notices electronically.

Further details on the process including the timing of garnishee action is at page 29 of the Department's written submission to the Inquiry into Centrelink's Compliance Program.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Compliance Program - Filters

Question reference number: QoN 7

Member: O'Neill

Type of question: Hansard page 50

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 2

Question:

Mr McNamara: But we're trying to filter out people that we don't think it's appropriate to take through a review process.

Senator O'NEILL: Who are those people, Mr McNamara? People who are dead. Who else?

Mr McNamara: I can take it on notice to give you a comprehensive list because the amount of exclusions we do is actually quite long. I think we've answered that on notice before to Senator Siewert.

Answer:

The Department of Human Services (the Department) excludes customers from income compliance reviews in a range of circumstances including:

- deceased - customers recorded as deceased;
- blind - customers recorded as blind;
- remote;
- no fixed address - customers with no address recorded, or recorded as "No Fixed Address" or variations, or address is a Centrelink office;
- customers in prison;
- customers overseas;
- older Australians;
- deny access customers (including customers in witness protection) and customers who are victims of domestic violence;
- residential care allowance customers (who are in full-time residential care e.g. a nursing home);
- bereavement - customers in a bereavement period (may also be on a bereavement payment);
- residents of a declared disaster zone;
- natural disaster relief payment customers;

- customers with a recorded Vulnerability Indicator; and
- customers with a payment nominee, court appointed nominee or an organisation nominee (e.g. public trustee or public guardian).

Filters are implemented using the data available on departmental systems. As customer circumstances can change after a compliance review has been initiated, any customer experiencing hardship, distress, or other complex circumstances can seek assistance from the Department online or by calling the dedicated compliance phone number.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Abuse of Staff

Question reference number: QoN 9

Member: O'Neill

Type of question: Hansard pages 54-55

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

a) Senator O'NEILL: Could I go to a report this morning about physical abuse. How many incidents of physical abuse of your staff members do you get each year, on average?

Ms Musolino: You're asking how many instances where staff have been physically assaulted?

Senator O'NEILL: Yes.

b) Senator O'NEILL: That was the second part of my question: could you provide the same data—the number of incidents reported—around verbal abuse?

Ms Musolino: We'll be able to provide data around customer aggression in the department instances and in face-to-face. I'm not sure if we're going to be able to break up face-to-face and telephony today; we might need to take that on notice

Answer:

2017-18	Physical Assault	Verbal Abuse	Both Physical Assault and Verbal Abuse
F2F	299	3,493	122
Telephony		3,051	

2018-19	Physical Assault	Verbal Abuse	Both Physical Assault and Verbal Abuse
F2F	316	4,072	121
Telephony		2,331	

2019-20 (as at 30 Sep)	Physical Assault	Verbal Abuse	Both Physical Assault and Verbal Abuse
F2F	90	1,129	36
Telephony		597	

The counts for physical assault and verbal abuse include the count identified in the 'both' column.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Online Compliance Line – Staffing and Transfer Times

Question reference number: QoN 11

Member: O'Neill

Type of question: Hansard page 56

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 2

Question:

Senator O'NEILL: The transfer times is what I'm interested in—how many transfers and how long do you wait on a transferred call.

Ms Musolino: We have a dedicated compliance line. These are not calls going through to Serco, or to our call centres. The calls go through to our dedicated compliance officers.

CHAIR: Some of whom are contract staff, though.

Ms Musolino: Yes. It's a combination of part-time, full-time and APS and in-sourced labour hire, so these staff are sitting with our staff. The calls come in directly to the people who can help resolve the issue. We can certainly take that on notice, if you wish, but I want to be very clear that this is not a case of where we direct people—that 1800 number that you see in the letters and that people are directed to when they're on the CUPI site. Those calls are going directly into our compliance officers, who can help the person deal with the issue. You'll see from our response to some of the questions on notice there are very short waiting times on these lines. That was all in response to feedback we got from OCI and the Ombudsman and from our stakeholders about what was important.

Senator O'NEILL: I'd like to understand the differentiated treatment within that. If you can provide any more detail about that it would be helpful

Answer:

When a call is received through the Department of Human Services' dedicated compliance telephone lines, either directly or via a transfer, the call will be answered by a compliance officer who can assist the caller with their enquiry. Enquiries are treated in the same manner by all compliance staff regardless of how they enter the call queues.

From 1 January 2019 to 30 September 2019 the average speed of answer for the telephone line for Check and Update Past Income (CUPI) compliance reviews was:

2019	Average Speed of Answer (m:ss)
January	0:43
February	0:59
March	1:34
April	2:32
May	3:23
June	4:11
July	3:37
August	3:34
September	3:29

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Online Compliance Initiative – Policy Development

Question reference number: QoN 12

Member: O'Neill

Type of question: Hansard page 56

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: Could I ask on notice: with the OCI, EIC and CUPI, why each program was adopted with respect to policy development and the influence of the Ombudsman's report and any ANAO recommendations. If you could fill that out. That's a longer answer, I think.

Ms Musolino: Yes.

Answer:

With the introduction of the Income Compliance Programme, the Department of Human Services (the Department) developed an online portal (Online Compliance Intervention) to enable customers to undertake income compliance reviews.

As per the Department's submission (page 12), the online system has been iteratively enhanced with the development of the Employment Income Confirmation online system in February 2017, and the latest iteration, the Check and Update Past Income (CUPI) online portal. These enhancements were co-designed with over 35 organisations, including advocacy groups and the Commonwealth Ombudsman, as well as our staff and customers. Some of these enhancements relate directly to the recommendations of the Commonwealth Ombudsman. For example, Recommendation 3 from the Ombudsman's 2017 report led to the implementation of the debt outcome letter as per page 43 of the Department's submission.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Online Compliance – Reviews

Question reference number: QoN 13

Member: O'Neill

Type of question: Hansard pages 56-57

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 2

Question:

a) Senator O'NEILL: In appendix A, on page 21, there's a table summarising payment demographics. It's entitled 'All reviews completed between 1 July 2016 to 30 June 2019'. Could you please provide a breakdown of the payment types included in that three per cent 'Other' category. Who's that?

Mr McNamara: We can do that.

Ms Musolino: Yes. We can take that on notice.

b) Senator O'NEILL: So I get a sense, what could it be?

Mr McNamara: The age pension would be some of it.

Senator O'NEILL: It's included in the three per cent?

Mr McNamara: Yes.

Senator O'NEILL: What else might be in there?

Ms Musolino: Really, any payment that is income tested is potentially in there. We could come back on notice with a list of all the payments that are income tested.

Answer:

a) The following payment types are the primary review types that comprise the 3 per cent:

Review Reason	Payment Type*	Per cent
AGE: Age Pension		0.52%
CAR: Carer Payment		2.25%
SPL: Special Benefit		0.05%
WDA: Widow Allowance		0.12%

**Figures are rounded to the nearest 0.01% - volume below that level not represented in the above table.*

b) The following income support payments are income tested:

- Age Pension
- Austudy
- Bereavement Allowance
- Carer Payment
- Disability Support Pension
- Farm Household Allowance
- Newstart Allowance
- Parenting Payment
- Partner Allowance
- Sickness Allowance
- Special Benefit
- Widow Allowance
- Widow B Pension
- Wife Pension
- Youth Allowance.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: FOI Requests

Question reference number: QoN 14

Member: O'Neill

Type of question: Hansard pages 57-58

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 2

Question:

CHAIR: In terms of FOI inquiries for people's files to find out what the assessments are that have been made by you, have you had many FOI inquiries for documents?

Ms Musolino: I'll be very clear no-one has to make an FOI request for their documents. They can ask us, and we'll provide it to them. We have had people—I don't have the figures—in the past make an FOI request. It can sometimes be a request for their whole file or for a whole range of documents.

...

Ms Musolino: People are entitled to that information. Even if they make an FOI request, more often than not we'll do it by way of administrative release in any event. So it's not correct that people have to make an FOI request to get their personal information. They don't.

Senator O'NEILL: But some people have.

Ms Musolino: Some people still have.

Senator O'NEILL: How many? Do you know?

Ms Musolino: I don't have the figures.

Senator O'NEILL: Could you take that on notice.

Answer:

The Department of Human Services (the Department) receives hundreds of FOI requests each month. The work required to determine how many FOI requests the Department has received about the Online Compliance Intervention (OCI) assessments would be a substantial and unreasonable diversion of departmental resources because the Department would be required to manually review every FOI request to ascertain whether the documents sought relate to OCI.

The Department's FOI records are kept in accordance with requirements under the *Freedom of Information Act 1982* (FOI Act) and Regulations. Section 93 of the FOI Act requires that the Department maintain records to enable the Office of the Australian Information Commissioner (OAIC) to undertake reporting.

There is no requirement that the Department maintain records regarding the subject matter of FOI requests beyond distinguishing between personal and non-personal requests.

Summary information relating to statistical returns is made available in the OAIC's Annual Reports (<https://www.oaic.gov.au/about-us/our-corporate-information/annual-reports/oaic-annual-reports/>). Detailed information relating to agency FOI statistics is also available by searching 'Freedom of Information' on www.data.gov.au. Further guidance on agencies' responsibilities can be found on the OAIC website (at <https://www.oaic.gov.au/freedom-of-information/guidance-and-advice/foistats-guide/> and <https://www.oaic.gov.au/freedom-of-information/foi-guidelines/part-15-reporting>).

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt Table – Partially Waived Debts

Question reference number: QoN 15

Member: O'Neill

Type of question: Hansard page 59

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: I'd like to find out more about that process. I'll go to a few more detailed questions. Noting the ratio of debt waivers to reductions has increased over time—we did discussed that a little earlier, I think—in relation to appendix A, on pages 17 to 19 of the submission, are the debt categories comprehensive or has data been excluded from this table?

...

Mr McNamara: So you can't necessarily add it up, because it's what it was at that point in time. The debt could change over time, because you can ask for a re-assessment at any stage now, including from a debt that we raised in 2016, which would change these figures. You just need to be aware they are points in time.

Senator O'NEILL: Okay. That's very important.

Mr McNamara: Yes.

Senator O'NEILL: Have partially waived debts been included in this table?

Mr McNamara: We'd have to take that on notice, Senator.

Answer:

The tables in Appendix A of the Department of Human Services' submission to the Inquiry into Centrelink's Compliance Program titled 'Statistics by online system – by month', captures all debts raised as a result of online income compliance reviews, regardless of final outcome ('Number of Debts Raised'). This includes debts reduced to zero, reduced to non-zero, increased, fully or partially waived and written off.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt Table – Other Debts

Question reference number: QoN 16

Member: O'Neill

Type of question: Hansard pages 59-60

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: I don't know if this is relevant now but, if it is, could you please provide a further breakdown of any of the debt and assessment and debt categories that are not illustrated by these tables?

Mr McNamara: Yes, we can look into that.

Answer:

The tables in Appendix A of the Department of Human Services' submission to the Inquiry into Centrelink's Compliance Program titled 'Statistics by online system – by month', capture all debts raised as a result of online income compliance reviews.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Online Compliance Initiative

Question reference number: QoN 17

Member: O'Neill

Type of question: Hansard page 60

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: Page 14 of the submission states:

- the process of data matching between the ATO and the Department has been undertaken since the 1990s.

How is data from the ATO treated in relation to earnings apportionment? Can you explain that process?

Mr McNamara: Whenever we receive income information, whether it's from a third party or from a customer, it's highly unlikely that they've earnt the money in the Centrelink pay period. So we always have to apportion any income into Centrelink pay periods. That's what we always have to do as part of our general welfare program. In Integrity, we're doing that in a backward-looking sense, because the situation has always happened in the past. We always have to apportion income into the periods unless someone happened to be getting paid in the exact period on which the Centrelink pay period fortnight happened to fall, but that's highly unlikely.

Senator O'NEILL: I might ask you to give me an example of how that operates so that I can understand a little better. I think I got the gist of it, but I'd really like it if you could take it on notice.

Mr McNamara: Yes, we can take it on notice and show how we apportion income.

Answer:

When a customer provides information about their earnings to the Department of Human Services (the Department), in order to calculate the correct rate of payment, the Department will work out the daily rate by dividing the amount of income earned by the number of days within their employment period. For example, earnings of \$500 for 5 days (11 to 15 October) equates to a daily rate of \$100.

This daily rate is then applied in each relevant Centrelink pay period. For example, if the customer's Centrelink pay period is from 1 to 14 October, then \$400 in earnings is applied to that Centrelink pay period.

The same methodology is used when the Department is provided with information relating to past earnings income.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Compliance Program Time Limit

Question reference number: QoN 18

Member: O'Neill

Type of question: Hansard page 61

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

Senator O'NEILL: So it's a policy decision to go to seven years?

Mr McNamara: In the compliance program that's our policy decision.

Senator O'NEILL: Was that policy determined by you, or are you implementing the government's determination there? Was that your recommendation to the minister?

Ms Musolino: I think we might take that one on notice. We'd have to go back and see. We would have been in consultation with our—

CHAIR: It looks like you said, 'Keep them for six months.'

Ms Musolino: That would be a decision in consultation with Department of Social Services, but I'll take on notice exactly how we came to that policy position.

Answer:

In implementing the Government's compliance measures, the Department of Human Services has commenced income reviews for periods going back up to seven years from the date of initiation. The Department of Social Services was consulted on this time period.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Departmental KPIs

Question reference number: QoN 19

Member: O'Neill

Type of question: Hansard page 62

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

a) Mr McNamara: As a department we've committed to an annual target, which is in our submission, of how many reviews we are looking to do each year, but we don't relate that to staff.

Senator O'NEILL: Are there KPIs for the compliance team that are different from other areas of DHS?

Ms Musolino: We don't set targets for individual staff around this work.

Senator O'NEILL: What KPIs?

Ms Musolino: We have departmental KPIs.

Senator O'NEILL: Would you provide the KPIs on notice?

Ms Musolino: Yes.

b) Senator O'NEILL: That might help me understand the evidence this morning from the CPSU around what it is that they were saying people felt they were impelled to comply with, to the point that was reported to us this morning: they failed to report verbal abuse despite the policy that you outlined.

Ms Musolino: I'll revisit that evidence and we can come back to your notice.

Answer:

a) The projected number of reviews to be completed for the Forward Estimates is as follows:

	2019-20	2020-21	2021-22
Reviews	500,000	550,000	550,000

b) Within the Income Compliance Programme our staff are not required to finalise a prescribed number of reviews. The Department of Human Services (the Department) provides customer aggression training to all staff, including compliance officers, as part of its training program to support staff to de-escalate inappropriate behaviour, and to defuse and resolve conflict effectively. As per the Department's policy guidelines, staff are required to report and record all incidences of customer aggression.

Senate Standing Committee on Community Affairs

INQUIRY INTO CENTRELINK'S COMPLIANCE PROGRAM

PUBLIC HEARING 3 OCTOBER 2019

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Garnisheeing

Question reference number: QoN 20

Member: Siewert

Type of question: Hansard page 62

Date set by the committee for the return of answer: 28 October 2019

Number of pages: 1

Question:

CHAIR: We're hearing people saying that they're getting their tax return garnished while they're still in the process. Sometimes they're not specific about it being in the process, but they may be having it reassessed. Can you tell me how that would happen?

Mr Seebach: I'm not sure how that would happen, because that's not the standard practice in terms of garnishee. As I said earlier on in the hearing, it's an option of last resort where people have chosen not to engage with us. Once the garnishee action is in train, ordinarily it wouldn't be changed unless we'd applied the garnishee inappropriately. An assessment would be made whether we had not.

CHAIR: At what stage do you initiate the garnishee process?

Mr Seebach: I guess that goes to those criteria which you asked me to take on notice. I can provide further details about those criteria—

CHAIR: And when they apply in the process—if you could take that on notice.

Mr Seebach: Yes, we can do that.

Answer:

Please refer to QoN 6.