

PARLIAMENT OF AUSTRALIA

MEDIA RELEASE Senate Community Affairs References Committee

Call for new and supplementary submissions Inquiry into Centrelink's compliance program

Issue date: 30 April 2020

The Senate Community Affairs References Committee has been conducting an inquiry into Centrelink's online compliance program since July 2019.

On 19 November 2019, Services Australia announced that it would no longer raise compliance debts based only on averaged income data, and that it would suspend its debt recovery process while it reviewed debts based on averaged income data.

"The committee is seeking to understand the impacts and implications of those changes to the online compliance program," said Senator Rachel Siewert, the Chair of the Committee. "There are also serious concerns about the legality of the program, as evidenced by the class action launched by Gordon Legal last year. These matters require further careful consideration by the committee."

The committee intends to table an interim report in August 2020 to address evidence it has received to date about the operation and impact of the online compliance program, before launching a second phase of the inquiry.

In the second phase of the inquiry, the committee intends to particularly focus on evidence relating to:

- the legal basis of the online compliance program;
- Services Australia's progress in implementing the changes announced in November 2019; and
- the impact that these changes have had on individuals, the community sector and Centrelink staff.

Call for submissions

The committee is now inviting new submissions, including supplementary submissions from organisations and individuals who have already provided evidence to the inquiry.

The committee requests that any new and supplementary submissions address the terms of reference, with a focus on evidence relating to the matters outlined above.

Submissions are requested by **17 September 2020**. The committee hopes this will allow submitters to consider the interim report due to table in August before making their submissions.

For media enquiries: contact the Office of Senator Rachel Siewert, Committee Chair, on (02) 6277 3587.

DATE REFERRED 31 July 2019

NEW SUBMISSIONS CLOSE 17 September 2020

NEXT HEARINGS To be advised

To be advised

REPORTING DATE

Interim report – August 2020 Final report – To be advised, 2021

COMMITTEE MEMBERSHIP

Senator Rachel Siewert (Chair) Senator Wendy Askew (Deputy Chair) Senator Catryna Bilyk Senator Hollie Hughes Senator Malarndirri McCarthy Senator Anne Urquhart

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Making a submission

While the committee welcomes submissions from individuals about their experience of Centrelink debt collection practices, the committee does not have the ability to advise on, advocate for, or take action relating to individual cases.

If you would like to make a submission, you may find it helpful to look at the <u>guide for preparing</u> <u>a submission</u>. It includes suggestions on what to include in a submission, a check list, and information about what happens to your submission once it has been received by the committee.

If you have questions, or need more time to write your submission, please contact the Community Affairs secretariat.

Submissions may be published on the internet

The committee can decide to receive submissions as public documents—which are published on the committee webpage. If your submission is published, the information in it, including your name, can be searched for on the internet.

You can ask for your submission to be confidential

The committee can also decide to receive submissions on a confidential basis or with your name and personal details withheld. If you do not want your submission to be publicly available, you can ask the committee to keep your submission confidential – please include the word confidential on the front of your submission as well as a reason for requesting confidentiality.

Further information

Further information about the inquiry, including published submissions and hearing programs, is available on the committee website: www.aph.gov.au/senate ca.

Inquiry Terms of Reference

Centrelink's compliance program, with specific reference to:

- (a) the ongoing impact of the Federal Government's automated debt collection processes upon current and past income support recipients;
- (b) data-matching techniques used by Centrelink, including limitations and uncertainties of data-matching techniques and error-handling processes;
- (c) the handling of under-payment errors, including the number of payments identified and made through data-matching following an under-payment error;
- (d) the use of real-time wages data and other techniques to prevent overpayment;
- (e) the capacity and adequacy of Centrelink and the Department of Human Services to deliver the program, including the use of contract staff and the impact of staff performance targets on the program;
- (f) the error rates in the issuing of initial letters and debt notices, the causes of these errors and what steps are routinely taken when errors are identified;
- (g) the procedures that have been put in place to prevent future errors;
- (h) the number of initial letters and debt notices sent out and the number of debts that have been recovered;
- (i) the review process and appeals process for debt notices, including the number of reviews and appeals undertaken;
- (j) the use and legality of the debt collection processes used by Centrelink and the Department of Human Services;
- (k) the use of debt collectors in the compliance program; and
- (l) the cost of the compliance program to date, including the projected and actual amount raised from the program.