

# Chapter 3

## Human Services Portfolio

### Department of Human Services

3.1 This chapter contains key issues discussed during the 2014–2015 additional estimates hearings for the Human Services portfolio.

3.2 The committee heard evidence from the Department of Human Services (department) on Thursday 26 February 2015. Areas of the portfolio and agencies were called in the following order:

- Australian Hearing
- Whole of Department—Corporate Matters

#### *Australian Hearing*

3.3 Senator Cameron asked officials from Australian Hearing if they were confident that if Australian Hearing was to stay in public ownership, they 'could compete effectively for [National Disability Insurance Scheme (NDIS)] funds that are available to NDIS recipients [with] hearing problems'<sup>1</sup>. Australian Hearing responded that they are already in the competitive voucher services market, which is 70 per cent of their current income.<sup>2</sup> They compete with 230 to 240 other service providers and hold approximately 30 per cent of the voucher market.<sup>3</sup> Mr Bill Davidson, Managing Director of Australian Hearing, said:

...we are in a highly competitive arena in the voucher services market. We are confident that we can extend that if we have to into any other market opportunities.<sup>4</sup>

#### *Department of Human Services*

3.4 Senator Cameron asked the department questions about the implementation of measures to cease Centrelink payments to persons who are identified as foreign fighters. Particular reference was made to the legislative framework within which the department operates since the passing of the *Counter-Terrorism Legislation Amendment (Foreign Fighters) Bill 2014*.<sup>5</sup>

3.5 The committee heard evidence regarding telephone wait times for Centrelink. When asked why some customers were received the engaged tone when calling Centrelink, the department responded:

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1 *Proof Estimates Hansard*, 26 February 2015, p. 9.

2 *Proof Estimates Hansard*, 26 February 2015, p. 9.

3 *Proof Estimates Hansard*, 26 February 2015, p. 9.

4 *Proof Estimates Hansard*, 26 February 2015, p. 10.

5 *Proof Estimates Hansard*, 26 February 2015, p. 10-11. 21-24

Every so often what happens is that we have to protect our infrastructure. We get surges of demand. So that the whole system does not crash, we have to make sure that there is a limited amount of people who can enter into those queues so that we can answer them in a reasonable time.<sup>6</sup>

3.6 Evidence was provided on the state of the department's information and communications technology—the Integrated Social Infrastructure System—and the viability of maintaining the current system.<sup>7</sup> The committee heard evidence on the challenges facing the department from increased complexity in the ICT systems as well as the costs of maintaining the systems.<sup>8</sup> Clarification was sought on the benefits for developing a new system versus making changes to the current system.<sup>9</sup>

3.7 The committee discussed the joint Medicare-NDIS office in Charlestown, Newcastle. The department informed the committee that the facility is working very well and is 'a good approach to joint servicing'.<sup>10</sup>

3.8 The committee heard what the response and role of the department was in regards to natural disasters, focusing on the two recent cyclones. The department had deployed staff into recovery centres in Yeppoon and Rockhampton, and had activated their phone lines, with staff working non-stop in Geelong.<sup>11</sup> Those staff took phone calls immediately upon activation.<sup>12</sup> The department then 'put up [their] online claim and established the parameters to make the disaster recovery payment for the Australian government to those individuals and families affected'<sup>13</sup>. The committee heard that as of the night on 25 February 2015, the department had 'processed 1 430 disaster recovery payments to the sum of \$1.86 million'<sup>14</sup>.

3.9 The committee heard that the department has a disaster relief manual that allows for staff to be mobilised quickly and be available around the clock.<sup>15</sup> The department stated it has good contact with key partner agencies, such as the Attorney-General's Department, who provide detailed information about causes and activation.<sup>16</sup> With this information, the department is then able to quickly organise

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6 *Proof Estimates Hansard*, 26 February 2015, p. 16.

7 *Proof Estimates Hansard*, 26 February 2015, p. 19-20, 31-35.

8 *Proof Estimates Hansard*, 26 February 2015, p. 19-20.

9 *Proof Estimates Hansard*, 26 February 2015, p. 31-32.

10 *Proof Estimates Hansard*, 26 February 2015, p. 36.

11 *Proof Estimates Hansard*, 26 February 2015, p. 38.

12 *Proof Estimates Hansard*, 26 February 2015, p. 38.

13 *Proof Estimates Hansard*, 26 February 2015, p. 38.

14 *Proof Estimates Hansard*, 26 February 2015, p. 38.

15 *Proof Estimates Hansard*, 26 February 2015, p. 39.

16 *Proof Estimates Hansard*, 26 February 2015, p. 39.

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teams in Canberra to 'build the online claims, build the work-flows, get the material put on the website and make sure the whole thing runs as smoothly as possible'<sup>17</sup>.

3.10 The committee heard evidence about the current status of the negotiation process for the department's enterprise agreement. Clarification was sought on the extent to which individual staff might influence the proposed workforce profile ratio target.<sup>18</sup>

3.11 Questions were asked on the disability support pension (DSP) review process. The committee heard that the new review process has three stages: the first is to assess base eligibility, such as residency; the second is a job capacity assessment of a person's level of impairment against impairment tables; and the third is a medical examination performed by a government-contracted doctor.<sup>19</sup> The department stated that the DSP review process has 'a rejection rate of about 60 per cent' and that the purpose of these three stages was to use 'the resources in the most efficient and effective way'.<sup>20</sup>

3.12 Questions were also asked about child support<sup>21</sup>, benefit overpayments<sup>22</sup> and job service providers<sup>23</sup>.

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17 *Proof Estimates Hansard*, 26 February 2015, p. 39.

18 *Proof Estimates Hansard*, 26 February 2015, p. 41.

19 *Proof Estimates Hansard*, 26 February 2015, p. 43.

20 *Proof Estimates Hansard*, 26 February 2015, p. 43.

21 *Proof Estimates Hansard*, 26 February 2015, p. 25-29.

22 *Proof Estimates Hansard*, 26 February 2015, p. 30-31.

23 *Proof Estimates Hansard*, 26 February 2015, p. 29-30.

