

Senate Community Affairs Legislation Committee

BUDGET ESTIMATES – 3 JUNE 2015 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Child Support – 2008 Ombudsman Report

Question reference number: HS 16

Senator: Xenophon

Type of question: Hansard page 48

Date set by the committee for the return of answer: 24 July 2015

Number of pages: 2

Question:

- a) Senator XENOPHON: I will just put it in context. The Ombudsman made this observation in the report at page 7:

Centrelink, another service delivery agency within the DHS portfolio with 6.5 million customers, carried out 42,000 fraud related investigations in 2006-07 financial year. This translates to approximately one investigation for every 155 Centrelink customers. By comparison CSA's ratio of fraud investigations is one investigation for every 93,333 customers.

That was an observation made at page 7 of the Ombudsman's report, and then it made a number of observations of when there were matters last prosecuted for fraud under Child Support. They go back to 2007, 1998 and in February 2000.

Ms Campbell: I do not have comparative numbers for 2014 or 2015 at the table.

Senator XENOPHON: I am happy for you to take that on notice.

Ms Campbell: I think we might need to take it on notice. I understand the question, but unfortunately I do not have those numbers here.

- b) Senator XENOPHON: I am relying only on the Ombudsman's report of 2008 that there seems to be a much lower ratio of fraud investigations with one for every 93,000 plus customers compared to one for every 155 Centrelink customers. That could say something about whether there are—

Ms Campbell: That was in 2008?

Senator XENOPHON: 2008; that is right. I am just trying to work out where the ratio is.

Ms Campbell: I hate to make—

Senator Payne: They are quite different environments.

Ms Campbell: Yes. Things have changed quite significantly since 2008 in Child Support. We have many more customers who have private collect relationships than in 2008 where they work it out. They use the formula. They work it out amongst themselves.

Senator XENOPHON: I am happy to take it on notice to show that obviously things have changed significantly.

Ms Campbell: Things have changed and I think it would probably be better for us to get more up-to-date information to give you a much more accurate answer.

- c) Senator XENOPHON: And if you could take on notice an update on CSA referrals to the DPP with respect to section 119 and sections 159 and 159A on the collections provisions.
Ms Campbell: Yes.

Answer:

- a) & b) In 2013-14, the ratio is approximately one investigation to every 2,802 welfare payment recipients. The department completed 2,498 investigations relating to welfare payments in 2013-14 against a customer population of approximately 7 million payment recipients. The relevant ratio relating to the child support programme was one investigation for every 2,512 recipients.

At the time of the 2008 Ombudsman's report, the department counted all welfare payment criminal investigations and administrative activities conducted by the fraud investigation unit under the general label of "fraud investigations". To ensure greater alignment with the Australian Government Investigation Standards, the department changed its naming convention and introduced administrative activities as a separate category called evaluations.

- c) See response to HS 33.