

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 14 February 2006

Question: HS40

Outcome 1, Output 1.1

Topic: Centrelink – Integrity of Customer Electronic Records

Hansard Page/Written Question on Notice: Written

SENATOR EVANS asked on 25/5/2006:

How many cases of Centrelink duplicate payments were there in the 2005 – 2006 budget year and what proportion of these duplicated payments been recovered? Are you aware of adverse taxation consequences suffered by customers who have received payments in error? Are you aware of adverse consequences relating to other welfare payments suffered by customers who have received payments in error? What steps have been taken to resolve these situations?

Answer:

Due to the complex nature of Centrelink's operations the detailed information required to answer the question is not readily available. To obtain this information would be highly resource intensive and I cannot justify the level of expenditure that would be required to obtain it.

Centrelink acts on the advice of the Australian Taxation Office that, where a customer has been overpaid a taxable income payment, taxable income should be reduced by the amount of the overpayment from the time the customer first makes a repayment towards the overpayment. Centrelink has an automated process to send payment adjustment notices to customers at that time.

Where customers are incorrectly paid as a result of administrative error, Centrelink applies legislative provisions that require waiver of the Commonwealth's right to recover the debt. Where waiver is not supported by the legislation, customers are asked to repay debt at a rate consistent with their means.

To prepare this answer it has taken approximately 1 hour and 51 minutes at an estimated cost of \$112.