Design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare System initiative

**Submission 53**

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NGO in Special Consultative Status with the Economic
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Committee Secretary Senate Standing Committees on Community Affairs

PO Box 6100 Parliament House

Canberra ACT 2600

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Dear Committee

**Inquiry into the design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare System initiative**

Our social security system provides for the basic needs of citizens. It is a safety net for all Australians who, through no fault of their own, are unable to secure work either in the short or long term. This includes a large number of people with disability who have proven to be eligible for a wide range of payments, not just the Disability Support Pension.

Yet the implementation of the “Better Management of the Social Welfare System” initiative has undermined the proper functioning of our safety net, while simultaneously destroying public confidence in the government’s ability to protect vulnerable people. This RoboDebt system must be immediately stopped, and an appropriate, measured, and well-planned approach to social security debt recovery implemented. We strongly urge the Committee to recommend that the process be put on hold until Minister for Human Services and the Department have undertaken comprehensive consultation and review processes, including with people affected by the initiative, to ensure that appropriate safeguards are put in place before moving forward.

People with Disability Australia (PWDA) is a national peak body and representative organisation for people with disability. We provide individual advocacy support, with local staff across NSW and Queensland. We also provide policy advice across the public and private sector, and training nationally. Our organisation is led and run by people with disability and this is reflected in our membership and our Board.

PWDA is also a founding member of Disabled People’s Organisations Australia (DPO Australia) along with Women With Disabilities Australia, First Peoples Disability Network Australia, and National Ethnic Disability Alliance. DPO’s are organisations that are led by, and constituted of, people with disability. The purpose of DPO Australia is to promote, protect and advance the human rights and freedoms of people with disability in Australia by working collaboratively on areas of shared interests, purposes, strategic priorities and opportunities. DPO Australia has been funded by the Australian Government to be the recognised coordinating point between Government/s and other stakeholders, for consultation and engagement with people with disability in Australia.

In January 2017, PWDA wrote to Minister Tudge requesting an urgent meeting to discuss the specific impact that the RoboDebt initiative is having on people with disability. As a key representative organisation of and for people with disability, we are very keen to support the Minister, and Department of Human Services, to make changes to the Better Management of the Social Welfare System initiative to substantially reduce the impact on people with disability. Unfortunately to date the Minister has not accepted our meeting invitation.

Since December last year, many people with disability have been in contact with PWDA to share their experiences and concerns around the RoboDebt initiative. The majority of these people had been issued with complicated and unclear debt notifications, and were distraught, overwhelmed and confused about what they had to do in response to the letters and SMS they had received. In some cases, the first, and only time, people were contacted was by debt collectors. Those who were able to access the MyGov website still weren’t able to understand what needed to be done to address the potential debt.

To make matters worse, no guidance was given in the correspondence from Centrelink to direct people to where they could access support to navigate this complicated situation. Given that Centrelink staff members were not available to provide advice around the debt collection process, people were in many cases confused and desperate for support. The majority of calls PWDA received about this issue were over the Christmas and 2017 New Year period, when many of our staff were on leave. Others services were in the same situation. The lack of support for vulnerable people was not considered by Government, illustrating a clear disregard for the wellbeing of those people being targeted with debt notifications over this period.

Due to the reduced capacity of our service, as well as the technical nature of debts raised by Centrelink, PWDA referred the majority of people with disability in need of advice to the National Social Security Rights Network (NSSRN), and we endorse the submission made by the NSSRN to this inquiry. Despite the unprecedented increase in demand for help as a result of the scale up in the RoboDebt notifications, we believe that the NSSRN have not received any additional resources, placing considerable strain on their capacity to respond adequately to all those seeking support. We recommend that the Committee consider whether additional resourcing for organisations such as the NSSRN is required in future.

PWDA and DPO Australia also joined with a consortium of leading organisations from the community sector calling on the government to immediately halt Centrelink’s RoboDebt program. We asked the government to cease the intimidation and bullying of Centrelink clients and their families caught up in the automated debt recovery debacle, and requested that the Minister provide a commitment that people’s protected information will not be publicly released.

Much of this collaboration was undertaken with the Australian Council on Social Service (ACOSS). As we have worked closely with ACOSS on this issue, we also endorse their submission to this inquiry.

Some people with disability utilised the Fraudstop.com.au website to try to resolve the issue themselves. This website allowed people to request a review of their RoboDebt, ask their MP for assistance, write to the Minister for Social Services and complete a Freedom Of Information (FOI) request for documentation from their own Centrelink file. People who utilised this service have had positive outcomes, with many people reporting zero debt after using this platform.

It has become apparent from speaking with people who have used the Fraudstop.com.au website, that the explicit decision by Government to remove Centrelink staff from the debt recovery process placed the burden on recipients of social security to access information about their circumstances

information, in many cases, showed that the debt notification was either inaccurate or entirely incorrect. Review by Centrelink staff earlier in the process would have identified these errors, avoiding the unnecessary distribution of hundreds of incorrect debt notifications. It is imperative that Centrelink staff have a central role in any future debt recovery system to promote the wellbeing of participants, and to rebuild the trust in this government program.

I would welcome the opportunity to provide the Committee with any additional information that would help ensure that vulnerable people, people who have made it through the hurdles of their payment’s uniquely strict eligibility rules and stringent, multi-layered application process, aren’t punished any further.

Sincerely,

Ngila Bevan
**Co-Chief Executive Officer
People with Disability Australia**