

Parliamentary Joint Committee on Human Rights

Public Hearing – 29 July 2024

ANSWER TO QUESTION ON NOTICE

Department of Social Services

Topic: Inquiry into Compulsory Income Management

Question reference number: IQ24-000142

Question asked by: Graham Perrett

Type of Question: Spoken. **Hansard Page/s:** 14

Date set by the Committee for the return of answer: 05 August 2024

Question:

Mr PERRETT: ... Can individual transactions be reviewed or monitored by Indue or the department, and are they? How would that occur and how would the information then be matched up to an individual person?

Mr Boneham: I can't talk for the existing SmartCard because we don't have that contract, or we no longer have a client relationship with Indue. Under the CDC, Indue did do fraud detection, which would be that falcon. For example, if I notice that there is an overseas transaction on my account, they would be able to stop that transaction.

Mr PERRETT: Is that an algorithm or an interaction?

Mr Boneham: You're going to knowledge I don't have on that. I imagine what they do is do a search in relation to my normal sales. For example, if all I'm purchasing is petrol and food with my card and all of a sudden I have a random purchase from Sydney, they might go, 'That seems out of place in relation to our transaction data.'

Mr PERRETT: What eyeballs were involved? Were they notified or were they scanning in terms of the actual process for notification?

Mr Boneham: We'll have to confirm that with Services Australia, as they have that relationship within Indue now.

Answer:

Services Australia have advised that Indue provides real-time fraud monitoring for all enhanced Income Management (IM) transactions. This monitoring is automated and based on parameters appropriate for the product and includes factors such as the volume of transactions, value of transactions, and the location of the payer and the recipient.

A transaction flagged as suspicious is triaged for review by an Indue staff member in the specialist fraud team. The staff member will undertake further review of the transaction and where necessary, contact the account holder for further validation of the transaction, usually via SMS. Limited amounts of personally identifiable information about participants are required to facilitate this process.

Fraud monitoring occurs on a 24-hour a day, 7-days a week basis and access to participant information is limited to specialist staff and only for the purposes of investigating suspicious transactions. Indue's fraud monitoring services outperform industry agreed benchmarks for best practice.