

Chapter 3

Social Services Portfolio (including Human Services)

Department of Human Services

3.1 This section contains the key issues covered during the committee's 2016–2017 Additional Estimates hearing for the Social Services Portfolio (Department of Human Services).

Department of Human Services

3.2 Proceedings commenced with an opening statement from Ms Kathryn Campbell CSC, Secretary, Department of Human Services (DHS). Ms Campbell's statement highlighted recent achievements of DHS and provided the following context for DHS's controversial online compliance initiative (OCI):

Turning to the online compliance initiative, ensuring the integrity of the welfare system is a key focus for the Australian government and for the Department of Human Services. The government considers that Australians expect the welfare payment system to be fair. This means that people should receive payments for which they eligible—no more and no less. Data matching is not new; it is a longstanding approach used to detect potential noncompliance since the 1990s. It helps define potential overpayments by, for example, comparing a person's taxation records against income reported to the department. People have always been responsible for providing the department with correct information.¹

3.3 Ms Campbell presented the committee with information related to DHS' administration of the OCI including: the number of assessments initiated and completed; the recourse available to be people subject to discrepancy or debt notices, streamlined access to online systems, the use of relevant legislation to 'correct the record when a person publicly makes claims that does not accord with [the department's] records';² and matters related to DHS' funding, staffing and training.

3.4 The issue of the disclosure of personal information held by DHS was a significant and reoccurring theme throughout the hearing and the committee heard:

- the personal details of an individual welfare recipient were provided by DHS to the Minister for Human Services and a journalist from *The Canberra Times* and;³
- information released in regards to the individual was protected information and was released under exception provided by 'section 202 subsection (2) of the *Social Security Administration Act 1999* and section 162 of the *A New Tax*

1 *Proof Estimates Hansard*, 2 March 2017, p. 6.

2 *Proof Estimates Hansard*, 2 March 2017, p. 7.

3 *Proof Estimates Hansard*, 2 March 2017, p. 9.

System (Family Assistance) (Administration) Act 1999.⁴ The committee was informed that it was in the professional opinion of senior legal officers in DHS that the disclosure was lawful;⁵ and

- clarification of the process taken by DHS in considering to the release of the protected information:

When we look at each case, first of all, I ask: have we made a mistake? Is this something that we have done that is incorrect? Should we be in contact? We call it service recovery, where we go out to the individual and try and determine whether we are able to rectify their issues. We know that that sometimes happens. Our first instinct on every one of these occasions is to determine whether there has been a mistake, whether there are other circumstances. That is our first reaction.

We then look to determine whether or not someone has made a statement, the factual nature of it and whether we can resolve it. In this case, the recipient had made a number of claims which were unfounded. It was in the opinion of officers that this was likely to concern other individuals—that they may see this and think that they too had erred and not met their commitments—so that is why we felt it was appropriate to release the information, so that people knew that it was important for them to file their tax returns and tell us about changes in their circumstances. In this case, our data said that that had not occurred and that is why we had been chasing debt.⁶

3.5 The committee also considered other matters including:

- progress made with capability development of myGov service. In response the committee heard the following evidence:

Just to give you some information around myGov and myGov performance over the last couple of months: in January, we had 11.1 million customers who are now registered with myGov; 7½ million of those are using the two-factor authentication. We have, on average, about 6,400 new accounts every day, and almost 250,000 people sign in to myGov every day—myGov is obviously, as the committee knows, not just for the Department of Human Services; it also supports other member agencies. And almost 50 per cent of those who are members have more than one account. One of the big facilities or capabilities of myGov is the use of electronic mail, and from March 2014 to date we have actually had 175 million mail messages stored within the myGov mail account. One of the big-ticket items, if you would, is that we had peak log-ins of around 663,000 log-ins on one day⁷

- actions taken by the DHS to address family and domestic violence. The committee was informed that DHS has launched its family and domestic

4 *Proof Estimates Hansard*, 2 March 2017, p. 11.

5 *Proof Estimates Hansard*, 2 March 2017, p. 17.

6 *Proof Estimates Hansard*, 2 March 2017, p. 21.

7 *Proof Estimates Hansard*, 2 March 2017, p. 25.

violence strategy for 2016–2019 relating to DHS' staff and is also proactively addressing issues of family and domestic violence in its client base;⁸

- the issue of overpayments made by DHS as a result of own-fault issues, such as administrative and systems errors. The committee sought further clarification of the per cent of debts raised by DHS that were subsequently determined to result from of own-fault issues;⁹
- call wait times associated with people trying to contact Centrelink. The committee heard how calls to Centrelink are managed DHS' production of call data and the capability of DHS to respond to automated calls and denial-of-service-attacks;¹⁰
- the process for the registration of newborn babies for Medicare. DHS assisted the committee with following information on the current registration process:

registration of a newborn is one of the few processes remaining in Medicare that you have to do face-to-face. Although, in particular urgent or extreme circumstances, we make arrangements. But, generally speaking, it requires attendance at a service centre, with particular documents. There is a form to be filled out, and if all of the material is there at the first attendance, the enrolment can be completed on the spot. And although it takes some time for a card to be issued from the time of the enrolment being completed, a number is issued. In most cases, a person is added to a card, and services can be received on the basis of that addition from the time of the completion of the registration. The card itself takes several weeks to be posted, but it is effective immediately. The thing that sometimes causes delay is if there is some sort of information lacking from the material provided;¹¹

- a trial conducted by DHS in 2016 with DTA and Gold Coast Hospital which tested the potential for parents to register their newborns electronically and DHS' examination of further means to enable electronic registration;¹² and
- operations of the CDBS and outstanding questions from senators were provided as written QoNs due to time constraints.¹³

Department of Social Services

3.1 This section contains the key issues discussed during the committee's 2016–2017 Additional Estimates hearing for the Social Services Portfolio. The committee did not examine matters under Whole of Portfolio/Corporate Matters of DSS and proceeded straight to questions on Outcome 4: Housing.

8 *Proof Estimates Hansard*, 2 March 2017, pp. 26–27.

9 *Proof Estimates Hansard*, 2 March 2017, pp. 28–29.

10 *Proof Estimates Hansard*, 2 March 2017, pp. 30–31.

11 *Proof Estimates Hansard*, 2 March 2017, p. 38.

12 *Proof Estimates Hansard*, 2 March 2017, p. 38.

13 *Proof Estimates Hansard*, 2 March 2017, pp. 44–45.

3.2 Areas of the portfolio were called to provide evidence in the following order:

- Outcome 4: Housing;
- Outcome 1: Social Security;
- Outcome 3: Disability and Carers; and
- Outcome 2: Families and Communities.

Outcome 4: Housing

3.6 The committee received an update on developments related to the National Affordable Housing Agreement (NAHA) since the previous estimates and heard specific information on the interrelation between income and housing stress and the impact of budget decisions on the operations of NAHA. The committee explored DSS' involvement with the 'bond aggregator taskforce' and the decision to terminate the National Housing Supply Council, and Commonwealth Rent Assistance.¹⁴

3.7 The committee sought clarification of how recent funding announcements for the National Partnership Agreement on Homelessness (NPAH) will affect the priorities of NPAH, noting the committee had previously received evidence at Budget Supplementary Estimates 2016–17 that the Commonwealth could not dictate how NPAH funding is spent. DSS explained:

... we do not have any hard levers to compel the states to spend that money on it. We do require that 25 per cent of funding under the NPAH goes to priority groups and that includes women and their children escaping violence and also includes young people who are homeless.

We require within the project plans that states and territories have to submit under the NPAH that they indicate to us where that money is being spent, how it is being spent but we do not have any hard levers to make changes to the amount of the money or the settings under the NPAH, if we feel the money is not being directed adequately. However, the states and territories are having very active discussions about how that money can be used more usefully so we have indicated to the states and territories the strong interest from our ministers in making sure that some of those outcomes that have been going backwards in terms of homelessness, particularly that have been going backwards for women and children escaping violence, are rectified so there is a great interest in what can do done even within the current settings under the transitional NPAH to improve that situation—things like better integration of services, better measurement, better reporting, linking up with some of the services that go directly to addressing the problems of homelessness for those women and children. But we do not actually have any compulsion levers under the current NPAH through which we are able to make those changes.¹⁵

14 *Proof Estimates Hansard*, 2 March 2017, pp. 52, 58–61.

15 *Proof Estimates Hansard*, 2 March 2017, p. 63.

Outcome 1: Social Security

3.8 The committee commenced its examination of Outcome 1: Social Security on the topic of the amendments to the family tax benefit (FTB). The committee requested Mr Finn Pratt AO PSM, Secretary, DSS, clarify the policy objectives of the FTB. Mr Pratt responded:

The purpose of family tax benefit is to assist families and parents with the costs of properly bringing up children and ensuring that they are able to have as good a start to life as possible and to enjoy a proper education and, in due course, more positive outcomes in life as contributors in the Australian society.¹⁶

3.9 Mr Pratt also clarified the policy objectives behind the government's proposed amendments to FTB:

There are a range of objectives. One is to ensure that there is a proper funding source for the childcare measures which the government is pursuing, which is also aimed at assisting families, parents and children, with similar sorts of outcomes to those I mentioned in relation to the family payment scheme. Also, it would contribute to budget repair.¹⁷

3.10 The committee went on to examine other matters including:

- the number of families who may be adversely affected by reductions through amendments to either FTB A or FTB B;¹⁸
- child support policy as it relates instances of parents in contravention of a judicial parenting orders;¹⁹
- conditions of the reassessment of people receiving the Disability Support Pension;²⁰ and
- DSS' administration of the Try, Test and Learn fund (TTL) and the activities being pursued by DSS under the fund.²¹

Outcome 3: Disability and Carers

3.11 The committee examined the implementation and administration of the National Disability Insurance Scheme (NDIS) by the National Disability Insurance Agency (NDIA) including:

- the operating model, evaluation and funding of NDIS trial sites in Western Australia, in particular the dichotomy of responsibility of the Commonwealth and WA government in administering the NDIS;²²

16 *Proof Estimates Hansard*, 2 March 2017, p. 67.

17 *Proof Estimates Hansard*, 2 March 2017, p. 67.

18 *Proof Estimates Hansard*, 2 March 2017, pp. 69–75.

19 *Proof Estimates Hansard*, 2 March 2017, pp. 75–77.

20 *Proof Estimates Hansard*, 2 March 2017, pp. 83–85.

21 *Proof Estimates Hansard*, 2 March 2017, pp. 88–92.

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- the review of funding for peak disability bodies and the participation of those bodies in the funding review process;²³
 - skills development and independence training for young Australians living in nursing home facilities and the process by which young people in aged care can receive improved care and expedited transition from aged care facilities;²⁴
 - administrative arrangements for people requiring long-term rehabilitation following acquired brain injuries;²⁵
 - participation rates in the NDIS and the associated increase in demand for NDIA services, including call centre wait times, the development of NDIA's virtual assistant 'Nadia' to assist with client service delivery and the particulars of the shared service agreement between the NDIA and DHS;²⁶
 - the continuity of particular care programs to support children with disabilities who are not eligible for the NDIS;²⁷ and
 - funding arrangements for the Specialist Disability Accommodation strategy.²⁸

Outcome 2: Families and Communities

3.12 Under Outcome 2: Families and Communities the committee began questioning DSS on the implementation and prospective continuation of the cashless welfare card (CWC) trial. In particular senators examined:

- the processes taken by DSS to evaluate the CWC trial and the availability of data to support the review and subsequently produce a progress report;²⁹
- the prospective decision of government to continue the CWC in the current trial site location or extend the trial to other locations and consultation with the trial site community leaders, the potential trial site community of Geraldton and other communities which have approached DSS;³⁰
- the functionality of the CWC and potential charges incurred by users of the card;³¹ and
- consideration of CWC holders' personal circumstances, such as engagement with support services.³²

22 *Proof Estimates Hansard*, 2 March 2017, pp. 97–102.

23 *Proof Estimates Hansard*, 2 March 2017, p. 106.

24 *Proof Estimates Hansard*, 2 March 2017, p. 107.

25 *Proof Estimates Hansard*, 2 March 2017, pp. 108–109.

26 *Proof Estimates Hansard*, 2 March 2017, pp. 113–116.

27 *Proof Estimates Hansard*, 2 March 2017, p. 117.

28 *Proof Estimates Hansard*, 2 March 2017, pp. 118–119.

29 *Proof Estimates Hansard*, 2 March 2017, pp. 120–122.

30 *Proof Estimates Hansard*, 2 March 2017, pp. 123–125.

31 *Proof Estimates Hansard*, 2 March 2017, pp. 123–124.

3.13 The committee sought clarification of DSS' role in addressing issues of domestic violence. The committee was presented with evidence on:

- the issues around the reporting of the rates of domestic violence and the quality of available data;³³ and
- matters relating to the 1800RESPECT service, including the conditions of a recent EOI process for continued service delivery, call handling procedures and processes for complaints handling.³⁴

Response to a question on notice provided by DSS in February 2015

3.14 In response to a question on notice from Supplementary Estimates 2014–15 DSS presented a document to the committee which inadvertently disclosed personal information. DSS has provided correspondence to the Senate requesting that the document held by the Senate Table Office be amended to remove the personal information.

Recommendation 1

3.15 The committee recommends that an order of the Senate be made to replace the document with a revised document which removes the disclosed personal information. The revised document should not materially alter the substance of DSS' response to the committee.

Senator Jonathon Duniam

Chair

32 *Proof Estimates Hansard*, 2 March 2017, p. 126.

33 *Proof Estimates Hansard*, 2 March 2017, pp. 130–133.

34 *Proof Estimates Hansard*, 2 March 2017, pp. 133–136.