

## Senate Community Affairs Legislation Committee

### SUPPLEMENTARY BUDGET ESTIMATES – 23-24 OCTOBER 2014 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Centrepay

**Question reference number:** HS 150

**Senator:** Siewert

**Type of question:** Written

**Date set by the committee for the return of answer:** 12 December 2014

**Number of pages:** 5

#### **Question:**

- a) How many people access Centrepay currently? Provide a breakdown by use of Centrepay by:
  - 1) payment type;
  - 2) age;
  - 3) gender;
  - 4) state and territory; and
  - 5) Indigenous status/non-Indigenous status.
- b) Provide a breakdown of the number of Indigenous Centrepay users by:
  - 1) payment type;
  - 2) age;
  - 3) gender; and
  - 4) state and territory.
- c) If possible, indicate how many Indigenous people in remote areas use Centrepay. Has the department examined if there are any particular barriers to accessing Centrepay for people living in remote areas?
- d) Please provide an update to the Department of Human Services response to the 2012 Independent Review of Centrepay.
- e) In the past 12 months, how many complaints have been lodged about Centrepay?
- f) How many businesses currently operate through Centrepay?
- g) In the last 12 months, how many businesses have had their contracts with Centrepay cancelled?

#### **Answer:**

- a) The number of customers using Centrepay as at 31 October 2014 was 640,134.

- 1) The following table shows the number of Centrepay customers as at 31 October 2014 by payment type.

<b>Customers by payment type</b>	
Disability Support Pension	185,072
Newstart Allowance	141,752
Parenting Payment - Single	96,837
Age Pension	85,041
Carer Payment	45,037
Family Tax Benefit	35,911
Youth Allowance	21,115
Parenting Payment - Partnered	19,095
Austudy	4,059
Widow Allowance	1,887
Abstudy	1,634
Wife Pension DSP	693
Sickness Allowance	456
Carer Allowance	442
Wife Pension Age	385
Special Benefit	292
CCB for Approved Care	223
Partner Allowance	159
Mobility Allowance	28
Bereavement Allowance	6
Emergency Recovery Payment	3
Widow Pension	3
JET Child Care Fee Assistance	2
Senior Health Card	1
Residential Care Assessments	1

- 2) The following table shows the number of Centrepay customers as at 31 October 2014 by age.

<b>Customers by age group</b>	
0-14	18
15-19	13,618
20-29	128,353
30-39	144,809
40-49	135,917
50-59	91,752
60-69	65,635
70-79	43,334
80-89	15,107
90+	1,591

- 3) The following table shows the number of Centrepay customers as at 31 October 2014 by gender.

<b>Female</b>	<b>Male</b>
396,128	244,006

- 4) The following table shows the number of Centrepay customers as at 31 October 2014 by state and territory.

<b>Customers by state or territory</b>	
ACT	6,456
NSW	225,910
NT	11,427
QLD	138,466
SA	58,733
TAS	23,737
VIC	121,362
WA	53,917
Unknown	126

- 5) The following table shows the number of Centrepay customers as at 31 October 2014 by Indigenous/non-Indigenous status.

<b>Customers by Indigenous* status</b>	
Indigenous	98,941
Non-Indigenous	541,193

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

- b) 1) The following table shows the number of Indigenous Centrepay customers as at 31 October 2014 by payment type.

<b>Indigenous* customers by payment type</b>	
Newstart Allowance	27,472
Disability Support Pension	24,933
Parenting Payment - Single	20,945
Carer Payment	6,770
Age Pension	5,748
Parenting Payment - Partnered	4,306
Youth Allowance	3,728
Family Tax Benefit	2,997
Abstudy	1,579
Widow Allowance	213
Austudy	63
Sickness Allowance	50
Wife Pension Disability Support Pension	41
Carer Allowance	35
Wife Pension Age	30
Child Care Benefit for Approved Care	12

Partner Allowance	8
Special Benefit	5
Bereavement Allowance	3
Senior Health Card	1
Mobility Allowance	1
Residential Care Assessments	1

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

- 2) The following table shows the number of Indigenous Centrepay customers as at 31 October 2014 by age.

<b>Indigenous* customers by age group</b>	
0-14	<10
15-19	3,409
20-29	28,114
30-39	24,045
40-49	20,562
50-59	12,632
60-69	6,856
70-79	2,606
80-89	650
90+	64

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

- 3) The following table shows the number of Indigenous Centrepay customers as at 31 October 2014 by gender.

<b>Indigenous* female</b>	<b>Indigenous* male</b>
63,804	35,137

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

- 4) The following table shows the number of Indigenous Centrepay customers as at 31 October 2014 by state and territory.

<b>Indigenous* customers by state or territory</b>	
ACT	609
NSW	31,118
NT	9,180
QLD	26,694
SA	7,207
TAS	2,276
VIC	5,773
WA	16,062
Unknown	22

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

- c) The following table shows the number of Indigenous Centrepay customers located in remote or very remote areas as at 31 October 2014.

<b>Indigenous* customers in remote or very remote areas</b>	
<b>ARIA Locality<sup>^</sup></b>	
Remote	10,121
Very Remote	13,933
<b>Total</b>	<b>24,054</b>

\*Please note that it is optional for customers to identify as Indigenous so this limitation should be considered in any application or use of this information. This data may represent an undercount.

<sup>^</sup>Locality defined using Accessibility/Remoteness Index of Australia (ARIA) endorsed by Australian Bureau of Statistics (ABS).

The department's remote servicing model supports people living in remote areas to access a range of services and payments, including Centrepay.

The remote servicing model includes service centres, remote service centres, Agents, Access Points, online options, remote servicing teams, and place-based services supported by an integrated remote smart centre that provides phone services and claims processing.

- d) In response to the Report of the 2013 Independent Review of Centrepay, the department delivered a range of enhancements in the 2013-14 financial year to improve and strengthen Centrepay.

As outlined in the department's responses to questions on notice following the Committee's November 2013 hearings, the department had, by January 2014:

- implemented agreements with the Australian Securities and Investments Commission, the Australian Competition and Consumer Commission and the Australian Energy Regulator for the exchange of information to assist with assessing relevant business applicant's eligibility and their compliance; and
- provided additional resources to undertake more compliance reviews of participating service providers.

The department has, since that time:

- introduced a comprehensive Deduction Statement to improve information for customers, which became available to customers in June 2014; and
- included Centrepay options in the new customer feedback tool released in July 2014, to ensure prompt and relevant responses by the department.

The department is currently:

- reviewing and updating the Centrepay policy, including the reasons for which Centrepay can be used;
- reviewing the business application, contract and operational aspects of the Centrepay business model, including the compliance framework; and
- undertaking and planning activities to raise awareness and promote the benefits of Centrepay to customers, businesses, non-government organisations, staff and other stakeholders.

- e) In the period 1 November 2013 to 31 October 2014, there were 57 complaints lodged with the department about Centrepay service delivery.
- f) The number of Third Party Organisations (businesses, government and non-government entities) receiving at least one Centrepay deduction as at 31 October 2014 was 13,694.
- g) In the period 1 November 2013 to 31 October 2014, 18 businesses had their Centrepay contracts cancelled.