

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Additional Estimates February 2005

Question: HS37

Outcome 1, Output 1.1 - Effective delivery of Australian Government Services to eligible customers

Topic: Debt management

Hansard Page/Written Question on Notice: Written

Senator Evans asked on 15 February 2005:

- (1) Does Centrelink consider the recovery of over \$1.2 billion worth of debts in 2003-04 to be normal? Or is this figure very high?
- (2) Why was there such a high amount of debt recovery in 2003-04? How does this compare with previous years? Please provide a table indicating the amount of debt recovered in the previous five financial years.
- (3) Can Centrelink provide a full breakdown of the cause of the \$1.2 billion worth of debt (that is, what payments were involved)?
- (4) Does Centrelink consider the \$939 million worth of raised debts to be normal? Or is this figure very high?
- (5) Please provide a table indicating the amount of new debt raised in the previous five financial years.
- (6) Can Centrelink provide a full breakdown of the cause of the \$939 million worth of new debt (that is, what payments were involved)?

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Additional Estimates February 2005

Answer

(1) and (2) The figure of \$1.2 billion includes all recoveries by Centrelink in 2003-04 for all customer payment types. The figure is slightly higher than the previous year but consistent with growth trends. The increase in recoveries during the past three years can partly be explained by the inclusion of Family Tax Benefit and Child Care Benefit reconciliation debts (from 2001-02) and Family Tax Benefit non-lodger debts (from 2002-03). The following table summarises the total amount of debt recovered by Centrelink in each of the last five financial years.

	1999-2000	2000-01	2001-02	2002-03	2003-04
\$M:	653.97	649.32	751.58	1,156.20	1,269.25

(3) Centrelink recoveries in 2003-04, by payment type.

DEWR, FaCS and DEST	
Benefit Group	Recovered (\$M)
Age Pension	58.532
Age Related Payments	2.131
Disability Support & Sickness Allowance	90.504
Disability & Sickness Related Payments	15.706
Newstart Allowance	220.387
Newstart Related Payments	16.746
Youth Allowance & Austudy	88.612
Youth Allowance & Austudy	6.339
Abstudy	12.436
Assistance to Isolated Children	0.641
Family Tax Benefit	560.115
Childcare Assistance	56.817
Family Related Payments	6.769
Parenting Payments	113.560

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Additional Estimates February 2005

Parenting Related Payments	8.547
Special Circumstance Pmts	9.467
Other Agencies Payments	1.542
Historical Payments*	0.394
	1,269.246

* Note: Historical payments include payment types that no longer exist and do not match the current payment structure.

(4) The increase in the amount of debt raised is consistent with the trend increase in outlays i.e. the increase in debt raised is similar to the increase in payments made to customers.

(5) The amount of new debt raised by Centrelink in the previous five financial years as reported in the Centrelink Annual Report is in the table below. These figures exclude Family Tax Benefit and Child Care Benefit reconciliation debts and Family Tax Benefit non-lodger debts.

	1999-2000	2000-01	2001-02	2002-03	2003-04
\$M:	794.60	772.79	868.50	928.15	939.31

(6) Debts raised in 2003-04, by payment type.

DEWR, FaCS and DEST	
Benefit Group	Raised (\$M)
Age Pension	76.443
Age Related Payments	2.681
Disability Support & Sickness Allowance	118.612
Disability & Sickness Related Payments	21.868
Newstart Allowance	263.454
Newstart Related Payments	17.702
Youth Allowance & Austudy	152.607
Youth Allowance & Austudy	5.677
Abstudy	14.045
Assistance to Isolated Children	0.792
Family Tax Benefit	41.323

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Additional Estimates February 2005

Childcare Assistance	18.885
Family Related Payments	2.066
Parenting Payments	184.586
Parenting Related Payments	4.701
Special Circumstance Pmts	11.594
Other Agencies	2.274
	939.308