

# Human Services Portfolio

5.1 The Committee took evidence from the Department of Human Services (DHS) on Tuesday 19 and Friday 22 February 2008. The main subject of discussion was the abolition of the Access Card. Several other noteworthy issues were also discussed.

## Department of Human Services

### *Access Card*

5.2 The committee heard evidence on the budgetary and staffing implications of the abolition of the Access Card. The Access Card program had a total budget of \$1 317.9 million and savings of \$1 162 million have been identified. The total expenditure of the Access Card to 31 December was \$116 million. There is still expenditure of around \$25 million in relation to staff contractual exit costs and potentially 'a bit less than \$2 million' if it proves impossible to transfer an existing office space lease arrangement.<sup>1</sup>

5.3 As at December 2007, there was a total of 132 DHS staff remaining in the Office of the Access Card, comprising 112 permanent and 20 temporary staff.<sup>2</sup> In addition, there were an unknown number of consultants. The Secretary of the Department assured the committee that they were hoping to redeploy these staff rather than to resort to redundancies:

The access card program attracted people because they were interested in something like that. We are hoping to keep as many of them as we can because there are some real skills there, but we will not be able to keep them all. So at the moment we are looking around to try to find positions for those staff.<sup>3</sup>

### *General issues*

5.4 Another noteworthy issue raised by the committee included:

- Fraud prevention and compliance measures.<sup>4</sup>

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1 Ms Kerri Hartland, Deputy Secretary and Mr Chris Dainer, First Assistant Secretary, Financial Analysis and Corporate, Department of Human Services, *Estimates Hansard*, 22 February 2008, pp 51–52.

2 Ms Kerri Hartland, Deputy Secretary, Department of Human Services, *Estimates Hansard*, 19 February 2008, p. 134.

3 Ms Helen Williams, Secretary, Department of Human Services, *Estimates Hansard*, 19 February 2008, p. 134. See also *Estimates Hansard*, 22 February 2008, p. 53.

4 *Estimates Hansard*, 22 February 2008, pp 56–59.

## **Centrelink**

5.5 The committee examined officers representing Centrelink with much of the discussion focussed on staffing matters.

### ***Staffing reductions***

5.6 The committee heard evidence of the likely loss of approximately 2000 Centrelink positions as a result of the combination of reduced client numbers and budgetary pressures. Centrelink's CEO was unable to provide a guarantee that there will be no forced redundancies, however he stated that he will try and avoid it as far as possible. He explained that the cuts would potentially affect every Centrelink office, in every work area and at all levels of responsibility. Front-line service delivery would be preserved as far as possible.<sup>5</sup>

### ***Call centre staff***

5.7 The committee heard evidence of the recruitment campaign carried out to staff a new call centre in Launceston, and on a smaller scale, to supplement centres in Coffs Harbour and Hobart. The process was subsequently abandoned following a decision by Centrelink that the new positions were unaffordable.<sup>6</sup> Various factors were at play, including the need to fund cumulative efficiency dividends, and a drop in funding due to reduced client numbers.

5.8 The committee also examined the incidence of Medicare and Centrelink services being co-located, currently only in Warrawong in NSW and Emerald in Queensland.<sup>7</sup>

### ***General issues***

5.9 The committee discussed a number of other issues with Centrelink officials. These included:

- Community feedback on the disability support '15 hour rule';<sup>8</sup>
- The provision of clear written communications with clients;<sup>9</sup>

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5 Mr Jeff Whalan, Chief Executive Officer, Centrelink, *Estimates Hansard*, 22 February 2008, pp 68–69.

6 Mr Jeff Whalan, Chief Executive Officer, Centrelink, *Estimates Hansard*, 22 February 2008, pp 61–63.

7 *Estimates Hansard*, 22 February 2008, p. 71.

8 *Estimates Hansard*, 22 February 2008, pp 64–65.

9 *Estimates Hansard*, 22 February 2008, pp 65–66.

- The practice of clients conducting business at Centrelink without an appointment;<sup>10</sup>
- Erroneous quarantining of Centrelink payments as part of the Northern Territory Intervention;<sup>11</sup>

**Senator Helen Polley**

**Chair**

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10 *Estimates Hansard*, 22 February 2008, pp 66–67.

11 *Estimates Hansard*, 22 February 2008, pp 71–74.

