

Senate Finance and Public Administration Legislation Committee

BUDGET ESTIMATES – May 2010 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: Enhancing Capabilities to Detect and Respond to Emerging Fraud Risks

Question reference number: HS 62

Senator: BOYCE

Type of question: Written

Date set by the committee for the return of answer: 9 July 2010

Number of pages: 1

Question:

- a) In regard to the \$71 million over four years allocated in the Budget to investigate those suspected of engaging in organised welfare fraud, has the Privacy Commissioner been consulted about this program and, if not, why not? What is the view of the Privacy Commissioner?
- b) Is figure of \$127.6 million over four years expected to be recouped? How was this figure calculated?

Answer:

- a) No. The outcomes of this program will be achieved through the better detection and application of the most appropriate risk treatment. The Privacy Commissioner will be consulted where there are any new treatments applied that are not already part of established reporting to that authority.
- b) Yes. The initiative has established investigation targets over the life of the initiative, with the associated policy department having expected administered benefits as shown in the following table.

Outcome	Benefits (Administered Savings)	Assumptions	
Increased investigation capability, with 49% of investigations resulting in an average debt of \$16,700.	DEEWR	<ul style="list-style-type: none"> • 1,800 reviews completed 2010-11. • 2,500 reviews per annum completed 2011-14. • Reviews will result in expected debt outcomes. 	
	2010-11		\$7.6m
	2011-12		\$21.4m
	2012-13		\$21.6m
	2013-14		<u>\$21.8m</u>
			\$72.4m
	FaHCSIA		
	2010-11		\$7.9m
	2011-12		\$14.3m
	2012-13		\$16.6m
2013-14	<u>\$16.4m</u>		
	<u>\$55.2m</u>		
	\$127.6m		