

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Human Services and agencies**

Supplementary Budget Estimates 2005-2006, 1 November 2005

**Question: HS43**

**Outcome 1, Output 1.1**

**Topic: Centrelink - Quantifying Social Security Fraud**

**Hansard Page/Written Question on Notice: Written**

**SENATOR EVANS** asked the Minister for Human Services, upon written notice:

Quantifying social security fraud

In relation to the tables provided in response to question on notice HS93 from May Estimates (Table 4 for 2002-03 and Table 4 for 2003-04), is the number of prosecutions high (compared to previous years):

- (a) please provide the same table for the 2004-05 financial year and 2005-06 (to date).
- (b) please explain how Centrelink determines the 'amount involved' figures?
- (c) what assumptions are used?
- (d) is this simply the amount that the individual has received fraudulently before they are caught out?
- (e) or does the figure assume that people receive the fraudulent payment for the entire year (that is, is the figure for each individual actually a projection of what they would've received over the entire year if they hadn't been caught)?

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**Answer:**

- a) The following table provides information relating to prosecution activity for Centrelink for 2004-05. Prosecution activity for 2005-06 to date is not readily available.

**Table 4: Centrelink prosecution activity by Payment, 1 July 2004 to 30 June 2005**

Payment	Student Assistance/Social Security/Family Assistance Acts	
	Crimes and Criminal Code Acts	
	Convictions No. [1]	Amount Involved \$
Age Pension [2]	72	2,508,114
Austudy Payment	108	1,185,713
Carer Payment	37	628,959
Disability Support Pension [3]	320	6,023,874
Newstart Allowance [4]	1,608	14,050,518
Parenting Payment Partnered	80	836,437
Parenting Payment Single	740	11,202,412
Widow Allowance	19	305,585
Youth Allowance	379	3,223,657
Other [5]	83	1,185,466
<b>Total</b>	<b>3,446</b>	<b>41,150,735</b>

Notes:

[1] 98% of cases prosecuted resulted in a conviction.

[2] Age Pension includes Wife's Pension (Age) and Widow B Pension.

[3] Disability Support Pension includes Wife's Pension (Disability Support).

[4] Newstart Allowance includes Newstart Mature Age Allowance.

[5] Other includes Abstudy, Sickness Benefit, Special Benefit, Family Payment and Partner Allowance.

\*\* The table in HS93 was categorised by Department of Family and Community Services Output types. These Output types are no longer relevant for reporting purposes since the Machinery of Government changes. The current table reflects reporting by Centrelink payment type.

- b) The 'amount involved' figure is the total debt amount associated with the prosecution case. A customer may have multiple debts, but only those debts associated with the prosecution case are counted.
- c) None.
- d) Yes.
- e) No.