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**Submission to the Inquiry by the
Senate Finance and Public Administration
Standing Committee into the
Human Services (Enhanced Service Delivery) Bill
2007**

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Contents

Introduction

Rationale for the Access Card

Privacy Implications

Conclusion

Introduction

The Students' Representative Council (SRC) of the University of Sydney welcomes the opportunity to present a submission to the inquiry by the Senate Finance and Public Administration Standing Committee into the *Human Services (Enhanced Service Delivery) Bill 2007*.

The SRC is the representative body for the over 30 000 undergraduate students enrolled at the University of Sydney. Advocating for students on both an individual and collective basis, the SRC further provides students with advice on academic and welfare issues such as disciplinary matters, academic appeals, housing and tenancy, tuition fees, harassment and discrimination, and, germane to this submission, information and advice on Centrelink payments, benefits and concession cards.

The SRC does not support the implementation of the Access Card provided for by the *Human Services (Enhanced Service Delivery) Bill 2007* (the Bill). The Federal Government's rationale for the Access Card is most disingenuous, and the purported benefits highly speculative. Furthermore, and of great concern to the SRC, the Government has given little consideration to the risks to individuals' privacy that are inherent in the Access Card proposal.

Rationale for the Access Card

The Explanatory Memorandum to the Bill notes that a primary objective of the Access Card is to 'reduce fraud on the Commonwealth in relation to the provision of Commonwealth benefits'. In his Second Reading Speech introducing the Bill, the Minister for Families, Community Services and Indigenous Affairs referred to, but failed to detail, 'the clear benefits the card will provide in combating fraud'. In speaking on the virtues of the Access Card, the Minister went so far as to characterise those who may oppose the Bill as the 'friends of fraud'.

Such comments would suggest that Australia is beset by an epidemic of social security fraud. However the Government's own data reveals that social security fraud in Australia is minor. In 2004-05, Centrelink reported around 3400 fraud convictions, representing a debt amount of around \$41 million. With 6.5 million people receiving a total of \$63 billion in program payments, the incidence of fraud is thus around half of one percent, and the accompanying debt less than three-quarters of one percent of total program payments.

This very low incidence of Centrelink fraud - among the lowest in the world - has escaped acknowledgement by the Government in its arguments for introducing the Access Card. The SRC argues that the Government has thus overstated the savings likely to be achieved through the introduction of a measure that, by the Government's own modest estimations, will cost in excess of a billion dollars.

It should also be noted that the Government has seemingly conflated Centrelink fraud with identity fraud. It is the experience of the SRC that Centrelink overpayments commonly result from recipients failing to disclose changes to personal circumstances governing eligibility and payability. Whilst it is true that there presently exists a very small number of cases of identity fraud within the prevalence of Centrelink fraud, it is false to assert that the Access Card will achieve any meaningful reduction in the overall incidence of Centrelink fraud.

It is therefore of great concern to the SRC that the Government's prime rationale for the introduction of the Access Card is based upon a misrepresentation of both the nature and extent of Centrelink fraud. The SRC notes that the Government also claims that the Access Card will reduce fraud in relation to Medicare services. The SRC suggests that it would here be far more sensible to address this issue through appropriate reforms to the Medicare system.

Beyond the fanciful claims in respect of reducing social security fraud, the Government has not been able to demonstrate any meaningful benefits of the Access Card. The web page of the Office of the Access Card¹ sets out the card's benefits to individuals as follows:

¹ See www.accesscard.gov.au

- less time waiting in queues
- a standard form of identity across agencies
- extra security to protect your identity from being stolen
- one time update for information such as change of address
- less clutter in your wallet with a single card

None of these claimed benefits would justify the introduction of the Access Card. The claims themselves damage the Governments' credibility in asserting that the card is being introduced for the benefit of individuals. It would seem that the only benefit of the Access Card would lie in easing the Government's administration of the social security and Medicare systems, and the SRC is concerned that this benefit to Government cannot justify the grave risks to individuals' privacy.

Privacy Implications

It appears to be a little absurd for us to be asking the people of this country to defend democracy in remote parts of the world while at the same time we seek to sacrifice some of the fundamental principles of democracy here at home in the process.²

Privacy has been described as the very hallmark of a free society. The Access Card poses considerable risks to this privacy in that it possesses the capability of enabling significant intrusion into people's private lives. The SRC is concerned that the Access Card will become, for all intensive purposes, a national identification card.

The Government has here been at pains to stress that the Access Card will not become such an identification card. The Government has however seemingly given little consideration to this aspect of the Access Card, and rejected any contrary views as scaremongering. Certainly the Bill makes an express distinction between situations where a person is required to produce an access card for identification purposes (which would be prohibited under the Bill), and situations where a person may find it convenient to use the card to identify themselves (which is allowed under the Bill).

The SRC suggests that this distinction between voluntary and compulsory will, in practical effect, be rendered meaningless. The true test of the Access Card is not the intentions that underlie it, but rather the outcomes it produces.

Whilst the Government has said that it does not propose 'to dictate to people how they may use their card'³, the SRC can see shortage of other entities that would so dictate. Businesses such as hotels,

² Prime Minister John Curtin speaking in 1939. Quoted in 1986 by then opposition leader John Howard MP in his second reading speech opposing the introduction of the Australia Card.

video stores, airlines, and banks will, without making it 'compulsory', increasingly favour the Access Card to establish identification. The Access Card thus provides the capability for massive abuse, regardless of the Government's intentions. The legislative double talk surrounding the use of the Access Card will simply not prevent the card from becoming a *de facto* identification card.

Aside from the use of the card in the non-governmental sphere, the SRC is greatly concerned over the potential use of the card by future governments. No government can bind its successors, and the Access Card provides a temptation that future Government's may find impossible to resist. Once the card is introduced, it is always possible that a future government may wish to make the card compulsory; requiring people to carry the card and produce it upon demand.

Not only will the potential growth of such a 'surveillance society' have profound implications upon democracy, but it should also be noted that the Access Card, being a single confirmation of identity, may make identity fraud in such a society easier, and thus aid that which the present Government seeks to hinder.

Conclusion

In its submission to the Inquiry by the Senate Legal and Constitutional Affairs Committee into the *Families, Community Services and Indigenous Affairs and Veterans' Affairs Legislation Amendment (2006 Budget Measures) Bill 2006*⁴, the SRC argued that the Government's present emphasis on detection, investigation, and prosecution of fraud was preventing the development of strategies to minimise the unlawful payment of benefits. The SRC argued for the use of proactive strategies to prevent fraud rather than relying on an essentially reactive system.

Sadly, whilst the Access Card could loosely be defined as a proactive fraud reduction strategy, it will not only fail to meet this aim but likely endanger individuals' privacy.

The SRC again argues for further investigation of the circumstances behind most Centrelink overpayments, being a failure to disclose changes to personal circumstances governing eligibility and payability. The SRC recommends that this investigation start with a consideration of the unacceptable levels of financial hardship among Centrelink recipients, together with the dissociation engendered by an increasingly 'compliance' oriented Centrelink. Social security policy should of course be economically sound, but it should also attuned to social and psychological contexts.

³ J Hockey, Minister for Human Services, Exposure Draft, Human Services (Enhanced Service Delivery) Bill 2007, Explanatory Material, 12 December 2006, at page 17.

⁴ http://www.aph.gov.au/Senate/committee/legcon_ctte/centrelink/submissions/sub04.pdf