

27 September 2019

Jeanette Radcliffe
Committee Secretary
Senate Standing Committees on Community Affairs
Parliament House
Canberra ACT 2600

Submitted via email to: community.affairs.sen@aph.gov.au

Dear Jeanette,

Inquiry into Centrelink's Compliance Program ('Robodebt')

COTA Australia writes in response to the Community Affairs Committee's Inquiry into *Centrelink's Compliance Program*.

COTA Australia is the national consumer peak body for older Australians. Through its own networks and those of the State and Territory COTAs (Councils on the Ageing) around Australia we represent more than 1,000 seniors' organisation members - which jointly represent over 500,000 older Australians - and around 40,000 individual members and supporters

COTA Australia notes recent media reports that the 'robodebt' program could in the near future be applied to older Australians receiving an age pension. This has caused significant concern within our pensioner constituency, as it has whenever this possibility has been mooted in the past, even though it has never actually occurred.

The initial automated compliance program identified overpayments using income data from the 2010–11 to 2012–13 financial years and was subsequently expanded to include non-employment income across more years. Throughout this time the program explicitly excluded 'vulnerable' people in the following cohorts:

- People aged 65 and over
- People living in remote areas
- People with a vulnerability indicator (including people with disability)

We recognise the Committee has previously received, during earlier similar inquiries, a plethora of evidence about the impact of robodebt from a range of witnesses including income support recipients, service delivery organisations and peak bodies. We do not propose to go over all the issues this evidence has raised but note our particular support for the concerns raised that the robodebt program can cause distress, exacerbate mental and physical health issues, and can push low-income people into further financial stress. Such outcomes for age pensioners would be deeply troubling.

Further we note reports that the program has a material level of errors in its automated calculations and that the processes for appealing inaccurate debts are unclear and inaccessible to many affected recipients. It does appear that in practice the program places the onus of proof on the recipient to disprove the allegations of overpayments. We share concerns that this exacerbates inequalities between those who have the knowledge and skills to confidently challenge the debt and those who do not.

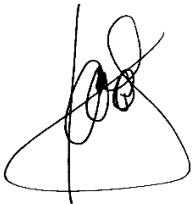
An example of such inequalities is reports that people with digital access are given the opportunity early on to provide the necessary information to refute the debt finding online, while those without digital access must wait until the debt has been applied (including the application of a 10% recovery fee), before being able to challenge the debt formally either in-person or by phone (the latter often a long and frustrating experience with any contact with Centrelink). Were this approach to be applied to recipients of the Age Pension COTA would be very concerned by the discrimination that would be experienced by many age pensioners with no or limited digital access and/or literacy compared with other recipient cohorts.

Naturally COTA Australia has raised its concerns with the Government on a number of occasions over recent years, and most recently with the Minister for Families and Social Services, Senator the Hon Anne Ruston and her staff in recent weeks. COTA Australia has been assured that it is **not** the intention of the Government to extend this program to recipients of the Age Pension. We accept that assurance at this time.

Should the Australian Government continue the robodebt or similar automated debt recovery system, we would be pleased to see the Committee obtain confirmation from the Government of the advice to us that the scheme will continue to exclude recipients of the Age Pension. COTA encourages the Committee to make an explicit recommendation addressing all vulnerable groups as part of its report.

Thank you for the opportunity to contribute to this inquiry. Should you wish to discuss this letter further please contact Jill Moran, Senior Policy and Research Officer, via email at jmoran@cota.org.au or via phone 02 6154 9746, or Corey Irlam, Deputy Chief Executive, via email at cirlam@cota.org.au or by phone on 0401 738 996.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Ian Yates', written over a large, stylized, abstract shape that resembles a triangle or a large letter 'A'.

Ian Yates AM
Chief Executive