

A summary of stories of impact - Centrelink debt collection process

On Monday 9 January 2017 we asked you, our members, to get in contact with us so we could gauge the experiences of people in the community who had been impacted by Centrelink's debt recovery process, to that point and during the past few months.

We were keen to understand the extent of this issue and the impact it was having on the people receiving these notices so we could advocate for appropriate changes with the national, state and territory Councils of Social Service across Australia.

We asked members to take a few minutes to let us know:

- what they were hearing or experiencing in their community, and
- if their organisation had been contacted by anyone who had received a notice and what the impact is or had been on that person.

Below is the summary of the responses to date. We will continue to collect these stories so please feel free to email [Karen Murphy](mailto:karen.murphy@qco.org.au) if you have something to contribute.

Electorate	Comments
Brisbane (Brisbane)	Haven't heard anything/no exchanges in relation to the Centrelink debt recovery process.
Brisbane (Brisbane)	Reports many clients have received letters, some legitimate but many in error. The timing (before Christmas) caused stress and anxiety as clients couldn't contact Centrelink for clarification. In addition, many clients, particularly those on Newstart are reporting regular interruption to their payments for no apparent reason.
Brisbane (Bowen Hills)	No reports of concerns but will ask for feedback during upcoming meetings.
Brisbane (Bowen Hills)	Working in Hopevale Aboriginal Community on the Cape he has been approached by an elder, 70 years old, who has received a letter outlining a \$3,000 debt. He is seeking an extension.
Brisbane (Fortitude Valley)	Many individual enquiries received. The issue is being responded to more broadly through the National Welfare Rights Network (NWRN).
Brisbane (Milton)	Waiting on feedback from colleagues.
Brisbane (Teneriffe)	An employee received a bill for over \$10,000 and was told to return all of her Family Tax Benefit for 2014-15 because she didn't fill in a tax return. She was below the threshold and not required to fill one in at the time. She received notification week before Christmas, no letter was received.
Brisbane (Woolloowin)	No reports of concerns from clients, but personally knows a young man billed \$2500 for newstart benefits paid during an apprenticeship.
Capricornia (Rockhampton)	No clients have mentioned the issue to staff so far.
Capricornia (Rockhampton)	No reports of concerns.

Electorate	Comments
Dawson (Mackay)	Family members of people who have received Centrelink debt recovery letters are reporting there has been a toll on mental health, and that the forms are difficult 'even for people doing their PHD'.
Dawson (Mackay)	Have heard that a couple of people are being made to repay debts, including a man who will be forced to remain in a boarding house due to reduced payments.
Dawson (Ayr)	Haven't heard of anyone going through the debt recovery process.
Dawson (Ayr)	Staff member had debt notice lowered from \$660 to \$160 after a lengthy process.
Dickson (Lawnton)	Four clients have reported receiving letters but anticipate more will come forward. One client attended Centrelink and perceived that the initial meeting she was invited to was a 'softening process' before debt collectors heaved her for money.
Fairfax (Maroochydore)	No reports of concerns.
Fairfax (Maroochydore)	Three clients have received letters and some are yet to attend meetings. No details of how Centrelink is processing or what they will renegotiate at this time.
Griffith (Holland Park)	Report of a 74yo man with \$8700 debt for overpayment of the age pension. He admits he was not very good at paperwork or reporting and has agreed to a payment plan. Man has Parkinson's and recently had a heart attack and sounds 'dispirited and distressed'.
Griffith (Woolloongabba)	Waiting on feedback from colleagues.
Groom (Toowoomba)	No reports of concerns.
Kennedy (Malanda)	Has not been approached by anyone affected by Centrelink debt recovery.
Kennedy (Mareeba)	An employee has received a debt letter for nearly \$900 for a year when she was working for Queensland Health - the year of the 'pay debacle'. She reports technical issues with the debt recovery process and rude treatment.
Kennedy (Mareeba)	Clients have reported they are 'being investigated'. Concerns Centrelink's language is too intimidating.
Leichhardt (Port Douglas)	A vulnerable client had his \$200 debt wiped after a stressful three-week dispute process.
Leichhardt (Cairns)	Waiting on feedback from colleagues.
Leichhardt (Cooktown)	No reports of concerns but has asked to be kept in the loop.
Lilley (Nundah)	One case reported. Client had no means to reconstruct his past income.
Longman (Caboolture)	One client disputed notice for \$2000, Centrelink came back to her and admitted owing her \$879.
Maranoa (Miles)	Three clients have had to go through this process, one experienced a response close to PTSD. How can people be expected to remember what/when they were paid 6-7 years ago?
Maranoa (Longreach)	No reports of concerns.
Moncrieff (Nerang)	Many clients have received these letters. The debts are often untenable and difficult to dispute.

Electorate	Comments
Moreton (Marooka)	Haven't come across any clients with centrelink debt letters yet.
Moreton (Sunnybank Hills)	Is in contact with a number of organisations. Holiday timing has made it difficult to get feedback.
Petrie (Kippa-Ring)	Currently working with a family that is badly impacted.
Rankin (Slacks Creek)	No contact from community members with regard to the debt recovery.
Ryan (Bardon)	No reports of concerns.

Available assistance

A list of organisations who are able to help you if you have received a letter from Centrelink is available from <http://qcross.org.au/assistance-centrelink-debt-collection>.

Regular updates

Regulation updates about this issue will be available on the [QCOSS website](http://www.qcross.org.au) (www.qcross.org.au) and the [National Welfare Rights Network website](http://www.welfarerights.org.au) (www.welfarerights.org.au).

QCOSS policy paper

This [draft policy paper](#) has been developed based on stories and experiences from QCOSS members as well as work done with the state, territory and national Councils of Social Service.

When finalised it will form the basis for QCOSS' advocacy on the issue.

Read the policy paper on the [QCOSS website](http://www.qcross.org.au/centrelink-debt-issues-january-2017) (http://www.qcross.org.au/centrelink-debt-issues-january-2017).