

13 April 2022

Minister Shorten announces that Services Australia will cease contracting external debt collection agencies for recovery of Centrelink debts

Economic Justice Australia is very pleased with Minister Shorten's announcement today that Services Australia will cease contracting private agencies to collect Centrelink debts. This represents an important first step in recognising and addressing harmful debt recovery policies and practices highlighted by witnesses appearing before the Robodebt Royal Commission. The Government is to be commended for making this announcement now, pre-empting the release of the Robodebt Royal Commission report.

Unethical and harmful Centrelink debt recovery practices preceded Robodebt – but were embellished as a central feature of the Robodebt scheme, with Services Australia effectively distancing itself from criticism of private debt recovery agencies' aggressive tactics, including baseless threats of criminal prosecution and bans on overseas travel. The announcement means that responsibility ensuring ethical and transparent policies for collection of Centrelink debt sits squarely with Services Australia, and we look forward to working with the Department on the development of ethical guidelines.

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