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Robodebt Royal Commission must end heartless automated debt collection

As the Government begins drafting terms of reference for a Robodebt Royal Commission, a key outcome must be that the poor and vulnerable are never left at the mercy of such massive government maladministration and heartless automation ever again.

"Hundreds of thousands of Australia's most vulnerable were traumatised and harassed as a result of a faulty Centrelink debt collection scheme," Chair of Catholic Social Services Australia, Francis Sullivan, said today.

"This was a disaster that must never happen again. The scheme caused serious harm to many Australian families. It caused stress, anxiety, financial destitution and even suicide.

"And right up to the election, the Social Services minister responsible for the scheme when it was introduced in 2016, Scott Morrison, was still defending it."

Mr Sullivan said the term of reference for the Royal Commission must allow for a thorough investigation into how the scheme came about, the complaints handling process, the harm caused to the scheme's victims and the overall cost of the scheme.

The Commonwealth raised \$1.73 billion in Centrelink debts against 433,000 people through the program, leading to a Robodebt class action and a Federal Court settlement in 2020 worth at least \$1.8 billion for wrongly pursued Centrelink clients.

"The emotional and financial cost of the Robodebt scheme has been enormous," Mr Sullivan said.

Mr Sullivan said that the issues that vulnerable Australians faced due to Robodebt are still at play in other parts of the social services system.

"The lack of transparency, incomprehensible communications, and little or no information about how and on what basis decisions are made are often commonplace in Government social services programs.

"From housing to disability, and most services in between, the Government bureaucracies that manage these programs are often suspicious of clients and see them as the problem.

"Hopefully, this Royal Commission will change the attitude and approaches government officials take to dealing with many of Australia's most disadvantaged."

The Royal Commission hearings are expected to begin before the end of the year.

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