



## **Yfoundations welcomes changes to Centrelink Robodebt scheme**

### **FOR IMMEDIATE RELEASE**

**Wednesday 20 November 2019**

Yfoundations welcomes the news that the Australian Government is overhauling a key component of the controversial Robodebt scheme.

News yesterday from the Department of Human Services advised all compliance staff that a change to the Robodebt scheme was made which requires additional proof when using income averaging to identify overpayments. The general manager of the debt appeal division wrote "This means the department will no longer raise a debt where the only information we are relying on is our own averaging of Australian Taxation Office income data".

Yfoundations had previously brought awareness to this issue in a [recent submission to the Senate Standing Committee on Community Affairs](#). One of the key recommendations from Yfoundations submissions was that "The Centrelink online compliance system, known as Robodebt, should be redesigned so that Centrelink staff are responsible for cross-referencing ATO data with reporting data to verify whether a legitimate debt exists before issuing debt notices".

Robodebt scheme unfairly disadvantages young Australians. It is particularly problematic for young people who work seasonal, temporary or casual jobs, but rely on Youth Allowance or Newstart for the rest of the year. Averaging income data is often misleading as it can look like a Centrelink recipient has misreported their income, and it (unfairly) puts the onus of proof on the Centrelink recipient who struggle to track down documents to prove the debt was invalid.

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## **About Yfoundations**

Yfoundations is the peak body for youth homelessness in NSW. It represents young people at risk of and experiencing homelessness in NSW, and also represents the services that provide direct support to children and young people.

<http://yfoundations.org.au/>

Since it was founded as the “Youth Refuge Action Group” in 1979, Yfoundations has been supporting young people who are at risk of and experiencing homelessness and works collaboratively with members, NGOs, government departments and community members, to provide policy and structural advocacy, services for young people, health projects, and research and sector development.

Yfoundations believes that with access to mechanisms that support the development and attainment of each foundation, a young person is more likely to enter adulthood with the skills, interests, competencies and healthy behaviours necessary build a productive and bright future.