

# **SPEECH**

# **CEO David Hazlehurst**

Mid-Year Report

10.35am Friday, 13 June, 2025

Speech 20 minutes, Q&A 20 minutes

# Mid-Year Report 2025 speech

## Welcome and acknowledgements

Thank you, Bevan. Good morning, everyone. Fantastic to see you here or to be joining you online from beautiful Ngunnawal country.

On behalf of everyone at Services Australia, I acknowledge that we're meeting today on Aboriginal land. I pay my respects to elders past and present.

I thank Uncle Warren for his gracious welcome this morning.

I also acknowledge and warmly welcome all Aboriginal and Torres Strait Islander people joining us today.

It was also wonderful to hear from our Minister, the Honourable Senator Katy Gallagher. We're so pleased to have you with us today. Thank you for sharing your vision for government services.

Let me start with a big thank you, to all of you, our community partners and stakeholders for making the time to join us in person – or online - today.

And, thank you for your commitment to the people we serve together, and for your feedback, and engagement, and for working with us over the past 12 months.

I also want to acknowledge the presence of Victor Dominello, the Chair, Caroline Edwards, Deputy Chair, and other members of the Minister's Independent Advisory Board on Government Services, who are here today. Your advice,

probing and wise counsel has also been a vital ingredient in the progress we've made over the past year and hope to make in the future.

## **Setting the scene**

Almost a year ago to the day, we welcomed you all to our first mid-year event at Services Australia. It was an important step in our journey of 'bringing the outside in'.

An important step along the path of transparency, accountability and building trust.

It seemed to be helpful last year. The feedback was positive. So, we're doing it again.

Today, I want to do three things:

1. Update you on how we're going, including on the commitments I made last year.
2. Give you a sense of what's next.
3. Answer your questions.

## Delivering on our promises

### Service Delivery Performance

Our vision is to deliver Simple, Helpful, Respectful, Transparent services that help Australians get on with their lives. So, the starting point for us is to get the basics right.

In the words of the 1990s advertising campaign by UK wood stain company, Ronseal - we need to 'do what it says on the tin'.

Process claims, answer phones and meet with people at our service centres in a timely way – being there for people when they need us.

As Minister Gallagher described, with additional resourcing provided to us over the past 18 months, our people are processing claims faster, and customers are getting their benefits sooner.

And even with staff diverted to help with emergencies in recent months, we continue to provide a better service than 12 months ago.

While the results are welcome, we will always have the challenge of managing peak servicing periods like tax time and students starting the school year.

And, there's more to do too, particularly in processing complex claims, like the Disability Support Pension.

Three other important areas of focus for us over the next 12 months will be addressing our appeals and debt backlogs and, most significantly, improving our timeliness and care as the child support agency.

### **Centrepay reform**

When we met last year, I first talked about ‘bringing the outside in’. Of course, it wasn’t just about coming to a meeting.

It was about working together on things. From understanding a problem or opportunity, to coming up with solutions, and then putting them in place.

It was about us engaging with you in the mixing of the concrete, not just consulting you once it’s poured.

You’ll remember I said at the time ‘talk is cheap’.

I said, we weren’t always going to get this right, that it didn’t mean we’d always agree, but that we were going to fundamentally change our approach.

We’re still working on it, but I hope it feels to you like we’re making progress.

One example I touched on last year was Centrepay reform.

As you know, for many people on income support Centrepay is a helpful tool for managing their bills. But many of you - and many customers - told us for them it wasn’t working as intended. Too often it was leading to disempowerment and exploitation.

Built in 1998, it was no longer fit-for-purpose.

So, we formed a Centrepay Reform Peak Advisory Reference Group to review operations and design improvements.

And we ran an extensive consultation process, visiting communities across the country.

For us, it's been about listening deeply. First, trying to understand the problem we're trying to solve, and asking customers to tell us how to improve things.

At one community barbecue in Nhulunbuy in East Arnhem Land, the team spoke to a man who had come across by boat from Bremer Island for the day.

Over a sausage in bread, he told us he uses Centrepay – and he really likes it.

But, he had no idea how much money was going out of his account.

He said he had a wife at home, who was unwell, along with their daughter and her family, and a nephew.

He was getting older, and felt a great sense of responsibility to support everyone at home, and worried what would happen to them after he's gone.

This was one of many stories that opened our eyes to being able to do so much better.

It reinforced the need to give people visibility of where their money is going, and empower them to make decisions about their financial security.

With the introduction of our Centrepay Service Commitments, we're taking proactive steps to ensure customers are better informed about what they can expect from us, and from businesses that are registered to offer Centrepay.

We know we have more work to do to ensure customers receive better communication from us, particularly in making sure they have the right information available to them, when they need it, about their own deductions.

We're currently undertaking final consultation on proposals based on other feedback. This includes removing high-risk services, like consumer leases and household goods, to realign Centrepay as a regular bill-paying service.

We're proposing improved safeguards for customers, like mandatory target amounts and end dates for deductions across most services, and implemented a stronger compliance framework to hold businesses to account.

Again, subject to the consideration of feedback we've received through our final consultations, we expect New Terms of Use will be rolled out progressively from mid-July.

Businesses will be able to apply to use Centrepay, under these new terms, from this date.

We expect businesses already using Centrepay will automatically transition to the new Terms of Use from 1 September. Giving them time to comply or opt-out of the service.

People using Centrepay don't need to take any action now. Depending on the final decisions on the content and timing of reforms, there will be ongoing

communication in the lead-up to their commencement ensuring both customers and businesses have time to prepare for these changes.

Centrepay reform will be a real achievement for the advocates, like you, who've been telling us we needed to fix the system.

We know processes like this will help us build enduring partnerships with you, to build trust.

We're adopting this approach of 'bringing the outside in' across much of our work. For example, we're doing this as we review our vulnerability indicators so we're better equipped to identify and record customer vulnerabilities.

We've also engaged broadly on our Safety by Design review to understand the impact on customers when our services and payments are mis-used by perpetrators to inflict family and domestic violence.

### **Community engagement and servicing redesign**

Another focus for 'bringing the outside in' is the work we want to do with you later today on refreshing our approach to community engagement and servicing.

We know that for many people with complex needs and vulnerable circumstances engaging directly with us can be too difficult.

They aren't going to engage online, or ring us, or visit a service centre.

For many years we've evolved approaches to meeting people where they are, and through those who they do naturally engage with. In effect, we've worked on ways to 'take the inside out'.

At last count, we had 10,000 community relationships across the country, spanning 11 servicing programs.

We have more than 1400 social workers and specialist officers.

They work with Indigenous and multicultural communities through to people with disability, farmers, grandparents, foster carers and older Australians entering care. People who often require extra care and support to connect with us.

Our specialist officers and social workers on the ground do a great job. They are out in communities, and can quickly connect people to our services or resolve complex issues for customers.

But these different streams have been introduced and then evolved over time in different ways. We think it's timely now to work with you on whether we can improve them.

We also know people would like more of them.

Our goal, over time, is to enable more people to more easily self-serve, and for us to be more efficient processing claims and answering calls, so that we can do more to help those who need the most support. This would include engaging them where they are rather than expecting them to come to us.

But, I want to make sure that if we're going to grow this capacity, that we have it set up right.

We've formed a Community Steering Group who have been meeting with us fortnightly to guide this work. Today we want to go deeper with you.

So, in the workshop later today we'll be asking:

- How do you work with our services to support people?
- What do your communities value most about the way we engage and deliver services?
- How can we work better together to achieve the outcomes communities want?

For those online, you can have your say by completing our Online Servicing Scan before 23 June. We will put the link to the scan in the meeting chat.

### **Royal Commission recommendations**

Across our implementation of the government's response to Robodebt we've also been engaging with you. I mentioned earlier the work on vulnerability indicators.

There's also the work we've done on the Advocates Channel.

Last year I said we'd begun a six-month pilot with Economic Justice Australia.

This was in response to many people in this room, over many years, telling us there needed to be a better way for legal advocates to engage with Services Australia on behalf of their most vulnerable customers.

The pilot offered community legal advocates a secure and streamlined channel into Services Australia to help deliver better outcomes for customers experiencing vulnerability and complex circumstances

I'm pleased to say, the Advocates Channel is now an ongoing service – and we've recently expanded it to more legal peak bodies.

We have 101 registered users from 16 community legal services. More than 2700 enquiries have been resolved via the channel since the pilot began.

Of course, we also heard that others who advocate on someone's behalf would like access to the channel. Given the special relationship a legal representative has with their client we've needed to think creatively about how to respond.

Building on the rollout last year of online booking of appointments, I'm pleased to say that from the end of this month people will be able to include in that booking an advocate or support person.

We've also been experimenting with joining an advocate to a booked appointment at a service centre via Microsoft Teams, and beyond this, we're planning to enable both the customer and their advocate be able to join a booked video appointment separately.

## Lived Experience Reference Group

The Robodebt Royal Commission also recommended we consider establishing a customer experience reference group. Some of you would know we were initially sceptical about how this would add value to myriad of ways in which we engage customers in the design of our service delivery.

But, we listened to your voices, and we're giving it a go. We've established the group and, based on their feedback, we're calling it the Lived Experience Reference Group.

This group of customers use our services and can tell us what it's like to interact with us.

They've met half a dozen times, with participants sharing personal stories of their interactions with us, often with great courage.

One customer's story really stuck with me. She said: "When my daughter passed away, due to the circumstances of her death, I had no death certificate. Centrelink said: 'We can't do anything without it'."

It's a great example of the need to prioritise people over process, of the need to meet people where they're at, and conduct our business with empathy and personalisation.

I really want to emphasise, there are many, many times when our staff get this right. I've seen it, and heard many stories, directly from customers, of wonderful ways in which our staff have acted with judgement, creativity and compassion to solve problems for customers.

Our business is complex, our customers' lives can be complex, and our organisation is huge. There are times when we get things wrong.

We know it comes back to putting the customer at the centre of everything we do. Not just saying no because it doesn't fit neatly into set criteria, but talking and working with people to find a way we can support them.

### **Safer, more secure service centres**

There's many other things I could mention by way of an update, but let me touch briefly on just one.

When people ask me what keeps me up at night, my number one is always keeping customers and staff safe.

We're around half way through implementing the recommendations of the review by former Victoria Police Chief Commissioner Graham Ashton after an assault on one of our staff in Melbourne 2 years ago. We're on track to complete this over the next 12 months.

We're transforming our service centres – so far 174 of 318 across the country. Last weekend it was our centres in Strathpine and Armadale. This weekend it's Toowoomba and Blacktown.

The new centres are about them being more welcoming and easier places to visit and but also making them more secure and safer for staff and visitors.

We've deployed more security guards to our sites based on risk. Two are based at centres at risk of high levels of customer aggression.

We've upgraded our CCTV systems, with appropriate regard to privacy, to store and share images of customers who are known to pose a risk to staff and customer safety.

And to ensure customers experiencing vulnerability get access to professional support and referrals, we've increased our social work presence across our sites.

We can't reduce the risk to zero, but we have an evidence-based program of work we're methodically working our way through.

## **What's next?**

We will never forget the lessons of Robodebt.

- to serve the public with respect, empathy and compassion
- to have a speak-up culture
- to act lawfully and ethically.

While we've nearly completed the formal implementation of the government's response to Robodebt, these lessons must be seared into our DNA. They need us to be persistent, vigilant and involve programs of work which will be an ongoing journey, rather than destination.

Equally, we're determined not to be paralysed by Robodebt. Australians need and deserve a Services Australia which is optimistic, confident and innovative.

A Services Australia focussed on being better and better for those we serve.

## **2030 Vision & Strategy**

We've been thinking a lot about this.

Last November we launched our 2030 Vision with staff. It described what success looks like for our customers, staff and stakeholders.

Last week, we published our Services Australia 2030 Strategy, which is also our response to the independent Capability Review by the Australian Public Service Commission last year.

Taken together the Vision and Strategy define our 'why, what and how' for the next five years.

At the heart of our Vision and our Strategy is our Customer 360 model - our commitment to put customers at the centre of everything we do.

It describes the experiences we're aiming to deliver and the capabilities we need to deliver them.

You can learn more about our 2030 Strategy over at the market stalls, where the team can provide detail on our work across 6 strategic themes.

You can even grab a copy to take with you.

And, now that we've published the Strategy, we'll also be making some minor updates and publishing our 2030 Vision in the coming weeks.

## **Artificial Intelligence and Automation**

Of course any conversation about the future inevitably includes AI and automation.

I've said many times, we're exploring the opportunities – we owe it to the public we serve, if it can help us deliver better services - but we're not going to rush.

We already use automation to support our staff in processing disaster payments, ensuring people in crisis receive timely financial assistance.

Our myGov Digital Assistant handles millions of customer inquiries each year, providing crucial information on how to access our services.

In terms of what comes next, we recently released our Automation and Artificial Intelligence Strategy. This follows the release of our Transparency Statement earlier this year.

In developing these, we gathered perspectives from across the agency, government, industry, academia, the community sector and the CPSU.

Both are publicly available on our website and will guide us to ensure any use of emerging technologies is human-centered, safe, transparent, ethical, legal and fair.

We know how important it is to get this right. And, I know just like my promise to 'bring the outside in', talk is cheap.

Our actions will need to match our words.

## Legislative reform

Minister Gallagher touched on the opportunity for legislative reform to deliver better connected services for customers. Just like AI, no conversation about the future would be complete without covering legislative reform.

People often talk about legacy IT systems. We also have legacy legislation -legal frameworks that made a lot of sense when they were originally crafted but can look pretty strange now.

For example, more than a decade after Medicare, Centrelink and Child Support were brought together in the one agency we can only share data, even with consent, in limited circumstances.

Often for even simple changes, such as a name change, customers must interact with each program separately to successfully update their name on each record.

This isn't just about convenience and efficiency. For a woman escaping domestic violence it can involve her being re-traumatised by having to tell her story three times.

Or worse still, Medicare not knowing about the circumstances she's explained to Centrelink and inadvertently disclosing her new address to her former partner.

I acknowledge too the Commonwealth Ombudsman's conclusion in his report released last week that legislation we administer has played a role in the weaponisation of Child Support.

The Ombudsman argues for legislative reform to improve our capacity to enforce child support payments. We will work with DSS and of course with Ministers on these issues.

And, while legislative reform is part of the solution, the Ombudsman also identified things we need to do better within the current legal framework.

We will.

## Conclusion

There are many, many other things I could cover in a review of the last twelve months or a forecast of things to come.

From:

- myGov improvements to protect people from the scourge of online scams
- to, work with the ABS to enable people to complete the Census next year through myGov
- to, exploring with the Department of Finance and the ATO the use of verifiable digital credentials - government-issued digital copies of cards and documents, stored in a digital wallet – to enable people to prove who are they are, qualifications, licenses and other things about them, without having to hand over personal information.

But, I won't!

Perhaps in Q&A.

I've covered a lot this morning. So, in closing, let me come back to the purpose of today - bringing the outside in.

Those of you here in person will get a chance to immerse yourselves in our service delivery landscape – with a tour of our Operations Centre and a service delivery immersion with our customer service staff.

I also encourage you to visit the market stalls outside the theatre. Our teams are on hand to tell you more.

We also want to hear from you. All ideas and feedback welcome.

I hope bringing the outside in will help you, help us, provide the simple, helpful, respectful and transparent services that help Australians to get on with their lives.

Now, over to you for questions.

**ENDS**