PO Box 4093
Ainslie ACT 2602
T (02) 6230 1775
F (02) 6230 1704
anglicare@anglicare.asn.au
www.anglicare.asn.au

25 September 2025

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary,

Social Security and Other Legislation Amendment (Technical Changes No. 2) Bill 2025

Anglicare Australia welcomes the opportunity to provide input to the Senate Standing Committees on Community Affairs' (the Committee) Inquiry into the Social Security and Other Legislation Amendment (Technical Changes No. 2) Bill 2025 (the Bill).

As one of Australia's largest charitable networks, Anglicare Australia members support people experiencing poverty, disadvantage and exclusion in every community across the country. Our work includes financial counselling, emergency relief, homelessness services, and advocacy for people who rely on income support. We advocated consistently against the system that became known as Robodebt and published several pieces of research exploring how it affected people caught up in the system.

This Bill contains important reforms to debt waiver provisions which we warmly support. However, we are concerned that the proposed resolution of income apportionment debts will not deliver justice for the people most affected.

Debt waiver reforms

The reforms to debt waivers are sensible, fair, and long overdue. The proposal to raise the threshold for small-debt waivers and to index this threshold in future will ease hardship for people on the lowest incomes while also reducing the administrative burden on Services Australia. It is important to note that if the threshold had been indexed since its introduction, it would be more than $440 today. We therefore believe that the threshold should be lifted higher than $250 in recognition of this lost value over time. Anglicare Australia recommends that the threshold for small-debt waivers be increased to reflect the true cost of recovery and the lost value over decades.

The expansion of the special waiver provisions to include debts incurred through family and domestic violence, coercive control, or other comparable circumstances is a vital reform. For too long, women who have been coerced into misreporting their income have faced debts that compound the abuse they have already endured. Allowing for debts to be waived in these circumstances is an essential step towards making the social security system fairer and safer. To be effective, this reform

should not exclude victims who are unable to provide documentary or third-party evidence of violence. Experience from our own services shows that some women cannot safely obtain this kind of evidence. In these cases, their own testimony should be accepted as sufficient. Anglicare Australia recommends that special waiver be considered where family and domestic violence is present, even in the absence of documentary evidence.

Income Apportionment Resolution Scheme

The most complex and contentious issue in this Bill is how to resolve the injustice of income apportionment. For decades, people have been burdened with debts that were incorrectly calculated, with some overcharged, others pursued for debts they did not owe, and many more losing access to entitlements they should have received. The Government's proposed resolution scheme recognises the problem but does not go far enough to put it right.

The scheme as drafted places strict limits on what people can recover. Compensation is capped at $600, regardless of the size of the debt or the losses people experienced. More troublingly, people are required to sign away their right to hold the Commonwealth liable in exchange for this capped payment. This means that people would need to accept a relatively small amount of compensation and give up any future claim, even if their actual losses were far greater. For people living on very low incomes, this creates an unfair dilemma. Many will feel they have no choice but to accept what is offered, even though it falls far short of the amount they wrongly paid.

Requiring people to waive their rights in this way shifts responsibility away from the Commonwealth and onto those who were wronged. It is not fair to force people to resolve unlawful debts on such terms. Nor is it acceptable to validate income apportionment retrospectively, which denies people the chance to have their cases properly considered and undermines confidence in the rule of law.

A fairer approach would be to remove the retrospective provisions from the Bill, ensure that people retain their right to pursue their claim even if they accept a resolution payment, and review the proposed caps so that compensation better reflects the losses people have endured. There should be no arbitrary time limit on claims, given the years people have already spent waiting for resolution.

Anglicare Australia recommends that the Bill be amended to remove retrospective validation of income apportionment, to protect people's right to hold the Commonwealth accountable, to lift the cap on compensation, and to ensure Services Australia identifies those affected without imposing further deadlines.

Finally, Anglicare Australia believes that it is not practical to expect people to come forward and prove they were affected. Many will not even know they were impacted, yet their entitlements may have been reduced. It would be both fairer and more practical for the onus to be on Services Australia to identify and notify people who are eligible, and to ensure there are no time limits that exclude people from fair treatment after years of waiting. Anglicare Australia recommends that Services Australia carry the responsibility for identifying affected people, and that no time limit be imposed on claims.

Statute of limitations on debt recovery

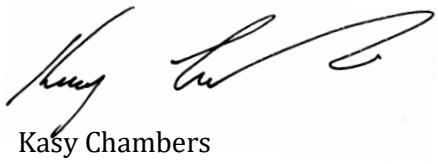
This Bill also presents an important opportunity to restore a statute of limitations on debt recovery. Its removal in 2017 has allowed old and sometimes inaccurate debts to be pursued many years after they were incurred. The Robodebt Royal Commission highlighted the dangers of unchecked debt recovery and recommended stronger safeguards. A six-year limit, in line with other areas of law, would bring balance back into the system and prevent people from being haunted indefinitely by debts they may not even owe. Anglicare Australia recommends that a six-year statute of limitations be reinstated for social security debts.

Overall, this Bill takes welcome steps in updating outdated waiver provisions and recognising the reality of family and domestic violence in the debt system. These reforms will improve fairness and restore some dignity to people caught up in debt recovery. However, the income apportionment resolution scheme, as drafted, risks repeating the injustices it seeks to resolve.

Anglicare Australia calls on the Committee to strengthen the Bill by ensuring that people are properly compensated for their losses, by rejecting retrospective lawmaking, and by restoring a statute of limitations on debts. These amendments would uphold fairness, provide genuine resolution for people affected, and help rebuild trust in the social security system.

We appreciate the opportunity to provide input on the Bill. We would welcome the opportunity to further discuss anything raised in this submission. Please do not hesitate to contact us at anglicare@anglicare.asn.au.

Yours sincerely,



Kasy Chambers
Executive Director