

Australian “robodebt” lies expose how governments work

Mike Head, SEP candidate for NSW Legislative Council
6 March 2023

In a revealing declaration, former federal Government Services Minister Stuart Robert last week bluntly told a royal commission that he had deliberately misled the public on the legality and human impact of the robodebt crackdown on welfare recipients in order to maintain “cabinet solidarity.”

Robodebt, officially known as Online Compliance Intervention, was introduced in 2015 to accelerate the already existing hounding and persecution of welfare recipients. It automated the dispatch of letters alleging that recipients owed massive debts to the government, supposedly due to exceeding harsh income limits.

Robert’s extraordinary admission to the robodebt inquiry laid bare the reality that, far from this being an exception, all governments, federal and state, whether led by Labor or Liberal-National, lie and deceive the population on every front.

Asked several times why he had made public media comments in 2019 that he believed at the time were false, in which he vehemently defended the robodebt system, Robert told royal commissioner Catherine Holmes: “As a dutiful cabinet minister, ma’am, that’s what we do.”

Robert was not alone in this deception. A plethora of ministers in the Liberal-National Coalition government, including two prime ministers, Malcolm Turnbull and Scott Morrison, hailed and defended the automated system, which illegally claimed nearly \$2 billion from at least 433,000 welfare recipients.

Collectively, these ministers are directly responsible for causing grief, stress, trauma and, inevitably, suicide among some of the most vulnerable members of the working class—including those suffering homelessness, medical conditions, mental ill-health, family and domestic violence, or facing crisis situations or caring responsibilities.

Despite terrible individual cases reported to the media and the robodebt inquiry, no reliable statistics exist on the number of suicides that resulted. In 2018, however, the Senate was provided with figures showing that, from July 2016 to October 2018, 2,030 people had died after receiving

a robodebt notice.

The Socialist Equality Party (SEP) is standing in the March 25 New South Wales state election to take forward the fight against the entire profit-driven system that inflicts such social misery on the working class for the benefit of the wealthy elite.

Although the cruel robodebt process was finally ended in late 2019, after four years of public outcry, the underlying offensive against working-class living and working conditions is intensifying, supported by every other party, in which prices, rents and home mortgage payments are soaring.

The robodebt process was based on “income-averaged” data from the Australian Tax Office that distorted the meagre incomes of victims who took often-irregular casual or part-time work because they could not survive on the sub-poverty welfare payments.

After receiving computer-generated letters declaring that they owed the government thousands of dollars, the victims were subjected to harassment by profit-driven debt collectors. The government threatened to jail them unless they paid the demanded amounts or produced documents, going back up to seven years, to disprove alleged over-payments.

Robert admitted that he had continued to make false comments on the scheme throughout 2019, including that “99.2 percent” of the alleged debts were accurate, and that an ultimately successful \$1.2 billion class action against the government by the victims was a “political stunt.”

Robert also claimed he was waiting for official legal advice from the solicitor-general on the automated system before publicly conceding its illegality and shutting it down.

But the Liberal-National government had known since at least 2016 that the regime was unlawful. Media reports, including on the *World Socialist Web Site*, had already exposed its arbitrary and false methodology and shocking personal toll on distressed welfare recipients.

During 2017 moreover, the illegality was officially proven repeatedly. Longstanding Administrative Appeals Tribunal

member Terry Carney ruled in five appeals cases that a person's failure to "disprove" a possible debt was not a legal foundation for a debt. The government subsequently terminated Carney's membership of the tribunal.

Robodebt was not a "mistake." Whether fully automated or not, the "income compliance" programs continue. They are part of a wider offensive to drive people off welfare and into cheap labour for the benefit of employers, and to meet the demands of the corporate elite for ever-lower company and income taxes.

When robodebt was launched, the government boasted it would save billions of dollars. Human Services Minister Alan Tudge insisted people were cheating the welfare system. "We'll find you, we'll track you down, you will have to pay those debts and you may end up in prison," he said.

Yet Tudge was not the first government minister to declare such a war on welfare recipients. It was the previous Labor government, from 2007 to 2013, that launched the "income averaging" and "data matching" drive.

As assistant treasurer in the Greens-backed Gillard Labor government in 2011, Bill Shorten, currently the government services minister, vowed: "The new matching data link is expected to increase the number of former customers identified for this process by an additional 65,000, above current detection levels, over four years." It would see "more people being referred to the tax garnishee process, retrieving more outstanding debt." The only difference was that a Centrelink staff member checked the debt letters before they were dispatched.

Over the past two decades, Coalition and Labor governments alike have driven thousands of people off benefits or denied them eligibility in the first place. The number of people aged 18–64 receiving income support fell from 2.6 million in 1999 to 2.3 million in 2018, despite a rising population.

This has been achieved primarily through punishing "work tests" for unemployment benefits, harsher rules for disability pensions, and higher means tests and eligibility requirements for various entitlements, including aged pensions. In 2012, the Gillard Labor government played a key part in this process by cutting thousands of single parents off benefits.

Labor's utter hypocrisy is underscored by the fact that the present Albanese Labor government is continuing the assault on welfare recipients, notably by refusing to lift the below-poverty levels of benefits. Jobseeker unemployment payments average around \$50 a day, far below the \$88 that would meet the updated Henderson Poverty Line, which was accepted in the 1960s as the best measure of poverty.

The Labor government is also enforcing the Morrison government's "Points Based Activation System" that

mandates an extensive series of tasks to be completed by unemployed workers to receive their JobSeeker payments.

People living in poverty continue to be treated like criminals. By contrast, the banks and finance houses that have defrauded customers of millions of dollars, via scams such as fees-for-no service, compromised financial advice and predatory mortgage defaults, have escaped with token penalties compared to their profits.

As we explain in our election statement, the SEP advances a socialist program to reorganise society to meet the pressing social needs of the working class, the vast majority, not the private profits of the super-rich. That means placing the banks and huge corporations under public ownership and democratic workers' control.

Decent welfare entitlements on which the recipients, including the jobless, disabled and elderly, can live are a basic social right. We say: "Hundreds of billions for public education, healthcare and other essential social programs, not for corporate enrichment and war!" And "Everyone who wishes to work must be given a decent job, with enough pay for a dignified and comfortable life!"

We urge all workers and young people to support and participate in our election campaign and to join the SEP to build the mass revolutionary party of the working class needed to lead this struggle in Australia and globally.

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