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Human Services QTB

**INCREASING CENTRELINK CALL CENTRE CAPACITY****Issue:**

The Department is increasing Centrelink call centre capacity to better meet demand for services and reduce call wait times.

**Headline statement:**

The Government is bolstering the operations of the Department of Human Services to make it easier for Australians to access Centrelink services.

**Key facts and numbers:**

In 2015–16, the Department handled around 56 million calls through a workforce distributed around Australia. Centrelink manages around 22 million calls per annum with the average wait time being 15 minutes and fifty-eight seconds.

**KEY POINTS**

- In 2017–18 the Department will pilot accredited Australian based service providers to increase Centrelink call centre capacity by an additional 250 full-time equivalent roles.
- The additional operators will answer enquiries about select Centrelink payments and services and assist in reducing call wait times,
- The operators will not handle enquires relating to the Government's Online Compliance Initiative or Medicare or Child Support Services.
- The additional operators will be provided through one of the existing accredited providers of telephony services to the Australian Government.
- This is not a new approach. For example, the Australian Taxation Office has successfully delivered telephony services with accredited

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third party providers for some 10 years and currently some 70 per cent of its calls are answered by these providers.

- Particular attention will be given to ensuring the additional operators are carefully selected, trained and fully comply with Commonwealth privacy and security requirements.
- No services or data will go offshore. The Department will work closely with the Privacy Commissioner on the implementation of the initiative.
- The Government is also working hard to reduce the need for people to call in the first place, including through improvements to digital services, website capability and processing times.

**How will this improve Departmental services?**

- The additional operators will add capacity to the Department's existing Centrelink call centre workforce.
- The Department will use this additional capacity to help reduce call wait times.
- This is in addition to other work the Department is doing to reduce the need for people to call Centrelink in the first place, including improvements to the Department's digital services, website capability and processing times.

**What type of work will the additional operators be doing?**

- The details of the work will be determined through the engagement of the accredited provider.

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- It could, for example, include calls relating to less complex Centrelink work involving online helpdesk services, myGov helpdesk functions, applications for Advance Payments, income reporting requirements.
- It will not involve enquires relating to the Government's Online Compliance Initiative or Medicare or Child Support Services.

**Are there plans to expand to other services such as Medicare and Child Support?**

- No. The operators will only assist with handling less complex Centrelink phone enquiries.

**Why is the Department engaging a commercial provider to deliver these services? Why doesn't it just hire more public servants?**

- The provision of the additional operators will increase the Department's capacity to respond to peaks in demand and enable its highly trained staff to focus on more complex work.
- This is not a new approach. For example, the Australian Taxation Office has successfully delivered telephony services with accredited third party providers for some 10 years and currently some 70 per cent of its calls are answered by these providers.
- The Department of Human Services can be equally successful in leveraging third party expertise and capability.

**How do you know that there are existing Australian providers who can provide these services?**

- The Australian Taxation Office has successfully delivered telephony services with Australian based accredited third party providers for some 10 years and currently some 70 per cent of its calls are answered by these providers.

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**Is this the beginning of privatising government services?**

- No. The Department will continue to be fully accountable for the delivery of all Centrelink, Medicare and Child Support services.
- The Department will also continue to have its staff deliver the vast majority of Centrelink services and 100 per cent of all Medicare and Child Support services.
  - The operators will only complement the provision of some Centrelink telephony services.
- This is not a new approach. For example, the Australian Taxation Office has successfully delivered telephony services with accredited third party providers for some 10 years and currently some 70 per cent of its calls are answered by these providers.
- It makes sense for the Department to use an accredited provider to deliver a small range of Centrelink services so that it can focus on more complex work and address demand, particularly in peak periods.

**Will the Government scale beyond the 250 full-time equivalent roles?**

- The Government has announced it will provide funding to put in place the 250 full-time equivalent roles to assist with handling less complex Centrelink phone enquiries in order to improve capacity.
  - It is not appropriate to release the details of the funding given it is for a commercial procurement process.
- The current focus is on establishing the pilot. The key objective is to bolster the Department's call centre capacity to make it easier for Australians to access Centrelink services.

**How much will this cost?**

- It is not appropriate to release the details of the funding given it is for a commercial procurement process.

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**How will this be implemented?**

- The Department will implement the Government's announcement in a staged approach.
- The Department has been consulting with staff and their representatives on the implementation of the measure. The formal consultation period commenced on 10 May 2017 and concluded on 7 June 2017.
- Work will also commence on the procurement of an existing accredited Australian provider of telephony services to assist with the piloting of these services.
- This procurement process will occur in line with Commonwealth procurement rules, including satisfying value for money requirements.
- The Department will also work closely with the Privacy Commissioner on the implementation of the measure.
- The piloting of these services will only start once the Government is satisfied that all the necessary operational, technical, privacy and security requirements have been met.

**How will the additional operators be engaged?**

- The Department will engage an existing accredited Australian based provider of telephony services to the Australian Government.
- Once selected, the Department will then work with the provider to train the operators.
- As part of this, the Department will ensure that the operators fully comply with existing Commonwealth privacy and security requirements.

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- Importantly, no services or data will go offshore and the Department will work closely with the Privacy Commissioner on the implementation of the initiative.

**Will the Department use a company like Probe for both debt collection and the additional telephony services?**

- The Department will not speculate on who the provider will be, particularly as the commercial procurement process is yet to begin.
- The procurement of the accredited provider will be undertaken in line with the Commonwealth procurement rules and it would be inappropriate to speculate on the successful outcome of that process.

**Where will the operators be located? Will it be in regional Australia?**

- The Department will work with the selected provider to determine the location of the operators.

**How soon will this be introduced?**

- The Department has commenced consultation on the implementation of the measure and anticipates it will take a number of months to have the operators in place.

**How will the pilot be evaluated?**

- A rigorous evaluation will be undertaken by the Department towards the end of the pilot to determine the impact of the use of the operators.

**How can you guarantee the privacy and security of personal information?****FOR OFFICIAL USE ONLY**

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- The Department will ensure the operators fully comply with existing Commonwealth privacy and security requirements.
- No services or data will go offshore and the Department will work closely with the Privacy Commissioner on the implementation of the measure.
- Services will also be delivered using Departmental systems and cyber security protections. The Department will also closely monitor the quality of the services provided by the operators once they are in place.
- All operators will complete mandatory privacy training and be required to abide by Departmental policies to protect information in line with the *Privacy Act 1988*.

**Is the plan to engage a third party provider in response to the Department's staff voting down a new Enterprise Agreement for the third time?**

- No. The engagement of the additional operators is not related to the Enterprise Agreement in any way.
- This initiative is part of the Government's ongoing effort to improve the delivery of services to Australians and reduce call wait times. This includes trying to reduce the need for people to call Centrelink in the first place and making improvements to digital services, website capability and processing times.
- The Department will consult staff and their representatives and take their views into account.
- At the same time, the Department will continue to bargain with the CPSU before the Fair Work Commission on a new Enterprise Agreement.
- The Department is committed to giving staff the opportunity to vote on a new Enterprise Agreement as soon as possible.

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**How is the Department managing the staff consultation on this measure?**

- The Department regularly consults its staff and their representatives on a wide range of issues.
- The Department has commenced consultation with staff and their representatives on the implementation of this measure.
- The department met with the CPSU on 10 May 2017 to provide them with a briefing on the measure
- The Department has an information site on its intranet and dedicated channel for staff to provide comments and thoughts about the implementation and suggestions including how it could be improved.
- The formal consultation period commenced on 10 May 2017 and concluded on 7 June 2017. However, staff and their representatives are able to continue to provide feedback.

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**BACKGROUND**

- This measure was announced in the 2017 Budget.
- There is media attention on the Department of Immigration and Border Protection announcement to outsource call centre operations in *The Canberra Times* on 17 May 2017 (Attachment A Page 5),
- There has also been media attention on the announcement of this measure, including a story on Channel 9's *A Current Affair* on 10 May 2017 (Attachment B).
  - The story details claims that their reporters have tested several Centrelink 'hotlines' to see how long the average caller has to wait and also includes statements from Shadow Minister for Human Services, the Hon Linda Burney MP.

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- The *Department of Human Services Agreement 2011–2014* (the Enterprise Agreement) requires the Department to consult with its employees and their representatives on issues of 'major change' where such a change is likely to have a 'significant effect' on employees, as defined by the Enterprise Agreement. These consultation obligations are enforceable under the *Fair Work Act 2009*.

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Attachment A – Canberra Times – 17 May 2017



17 May 2017  
Canberra Times, Canberra

Author: Noel Towell • Section: General News • Article type : News Item  
Audience : 17,953 • Page: 5 • Printed Size: 256.00cm<sup>2</sup> • Market: ACT  
Country: Australia • ASR: AUD 1,659 • Words: 480 • Item ID: 776062124

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**Immigration** Call centres to be outsourced

# Hundreds of workers face sack

■ Noel Towell

More than 250 public servants at the Department of Immigration and Border Protection face the sack as the department moves to outsource its key call centres to a private operator.

The move presents a “serious security” risk, with no guarantee that the call centres would continue to be staffed by Australian workers, according to the main public service union.

Most of the job losses will be at Immigration’s Sydney Service Centre, where more than 220 employees take calls about visas, citizenship and other compliance matters.

The work of two overseas centres, provided by Immigration to cover different time zones, are also to go to the private sector.

The centre in London employs 20 workers, while another in the Canadian capital, Ottawa, where 12 people work, will also be farmed out to private players in the next 12 months, departmental boss Mike Pezzullo says.

The offices take calls from a variety of users, including businesses with inquiries about sponsoring overseas workers, and have traditionally been an entry point for people to get a start working with the department.

Last week’s budget papers re-

vealed the department was to downsize by 250 workers, but provided no details on where the axe was to fall.

But Mr Pezzullo has told his public servants in his post-budget address that the call centres are to go private.

“The budget will result in the call centre functions performed by the department in Sydney, London and Ottawa being outsourced,” the departmental secretary said.

“The change to a private provider is still at least 12 months away, and in the meantime we need to continue the valuable work that is performed at these centres in supporting Australia’s economy and our national security.”

The Community and Public Sector Union’s national president Rupert Evans said the decision was “devastating” for the affected workers.

“This is devastating news for more than 250 people who are committed to providing an essential public service. They’re concerned not just at losing their jobs, but the serious security and other risks posed by farming their work out for the private sector to chase a profit.

“These call centre staff deal with a wide range of often complex inquiries and have access to extremely sensitive information.

“Given those training and security issues, they can’t see how a private operator will result in any outcome other than the department paying a higher price for an inferior service.”

Mr Evans said there was no guarantee that the department’s telephone service would continue to be provided by Australian workers.

“We are particularly concerned that the department has refused to guarantee that the company that wins this tender will use a call centre based in Australia,” he said.

“Public services should be locally provided. The general public knows that service standards are going to slip further when private interests put their profits above people.”

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**Attachment B - Current Affair – 10 May 2017**

**Channel 9 Melbourne (A Current Affair, Tracy Grimshaw, 10 May)**

Special report on Centrelink's call centres' waiting times. Extra funding will be allocated for Centrelink's call centre staff. There are claims that Centrelink's waiting times have gotten worse. Three years ago, Joe Hockey spent billions of dollars to address the wait time. Minister for Human Services Alan Tudge says the average call time is 15 minutes, and it is reasonable. The average waiting time in January was 31 minutes. Neil Mitchell, 3AW commentator, says there are no other options. The Government will employ 250 new staff for its call centres. They will also plan to drug-test 5000 Dole recipients. Jo Ucakalo, Handle My Complaint, says it is better to visit a Centrelink shopfront.

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