

## **Legal Aid intervenes in Centrelink test case**

Legal Aid NSW is intervening in Full Federal Court proceedings on March 6 to challenge the way the Department of Social Services wants to calculate Centrelink debts.

Legal Aid NSW advocates for an approach that is accurate, fair and transparent. The outcome of the proceedings could affect millions of disadvantaged Australians who received social security payments over many years.

Before 2021, the department calculated debts using a method called income apportionment. That method was later found to be unlawful and was discontinued. But Legal Aid NSW believes the alternative approach is also flawed.

Legal Aid NSW has intervened in the proceedings *Matthew Chaplin v the Department of Social Services* to challenge the department's proposed method.

### **Have lessons been learned?**

“After the Robodebt experience, we urge caution,” says Legal Aid NSW CEO Monique Hitter.

“The department is not properly fixing past wrongs and is proposing to calculate debts in a way that is not fair, accurate or transparent. That’s why we are involved in this Federal Court test case.”

### **Why this matters**

Legal Aid NSW has worked with Victoria Legal Aid and Economic Justice Australia to examine the department's approach and bring their concerns before the court.

“Australians expect the social security system to be fair and transparent,” says Ms Hitter.

“In situations where the department says there is a debt, it must provide proper evidence and use clear and robust processes that minimise financial distress and confusion for those affected.

“This case draws on our expertise and decades of frontline experience assisting people with social security issues. We are taking a stand on behalf of many people who live below the poverty line and receive social security payments.”

Debt recovery has been paused by the department pending the outcome of this case.

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