



Australian Government

Services Australia

Our Ref: EC25-900113

Chief Executive Officer
David Hazlehurst

The Hon Jim Chalmers MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

Input for the Economic Reform Roundtable

Thank you for your correspondence of 4 July 2025, providing Services Australia (the Agency) the opportunity to identify regulatory reform opportunities to bolster productivity growth and inform discussions at the Economic Reform Roundtable.

With limited regulatory functions, relating to fraud investigation, debt recovery and monitoring of the Australian Government Digital Identity System accreditation scheme, the biggest contribution of the Agency to improving Australia's productivity is making it easier for millions of Australians to access government services.

Consistent with the Government's agenda, our 2030 Vision commits the Agency to 'making government services simple so people can get on with their lives'. A significant contribution to this is to simply answer phones and process claims in a timely way. As you know, the Government made an investment of \$1.8 billion in service delivery as part of the *Services Australia – additional resourcing* measure in the 2024-25 Budget. This investment has contributed to improvements in the Agency's customer service delivery performance by processing timely customer payments and reducing telephone enquiries on customer applications. This has enabled the Agency to help vulnerable customers receive the services and support they need, to allow them to get on with their lives.

Beyond this, the Agency is continuously exploring ways to improve efficiency and save Australians time. Over the past 12 months, two significant initiatives we have commenced are:

- In September 2024, the Agency implemented online Centrelink face-to-face appointment bookings through myGov or the Express Plus Centrelink mobile app to schedule, amend or cancel appointments. Previously these appointments could only be made over the phone or in a service centre. With more than half a million appointments booked to date, customers have saved an average of 30 minutes, reducing travel time

and cost, and increasing accessibility for remote and regional customers. Our next steps are to expand this service to Medicare and Child Support.

- In October 2024, a 'place-in-queue' service was implemented, providing inbound callers with a call-back at their turn in the queue instead of waiting on the line. We have just passed one million call backs, each time giving Australians on average 25 minutes back in their day. More benefits will flow as we complete the rollout over the coming months.

These initiatives demonstrate the high value and low-cost opportunities that can be implemented to improve government service delivery within current legislation. Just these two have saved Australians more than 500,000 hours in less than 12 months.

While they have made a contribution, there is greater capacity to unlock lasting improvements to meet the Government's productivity agenda. The Agency is developing an agenda of continuous improvement and innovation to leverage key technology capabilities, including:

- digital productivity, including further up-lift in myGov services
- a shift towards more joined up and consistent government services
- increased utilisation of AI solutions
- use of automated decision-making.

[REDACTED]
[REDACTED] A key challenge for the Agency is administering legislation that is complex and often inconsistent, hindering a digitally-enabled service environment, information sharing and automated decision making.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] More broadly, the Agency is in discussions with the Australian Taxation Office (ATO), Treasury and Department of Finance on opportunities to improve information sharing between Services Australia and the ATO.

A summary of the key areas that will provide opportunities within the government services domain is attached.

I trust this information will assist your consideration of matters for discussion at the Economic Reform Roundtable.

I have also sent this letter to the Minister for Finance.

Yours sincerely

[REDACTED]
David Hazlehurst

1 August 2025

Encl: (1)

Opportunities for improved productivity and efficiency

1. Digital productivity

Further adoption of digital services by our customers, whether childcare payments, Medicare claims, other government payments, or tax returns, will significantly reduce the time and resources required for both government and customers, allowing individuals to redirect their efforts toward other activities.

Delivering new capabilities, including digital public infrastructure through the myGov platform and Digital ID, can:

- improve or automate time-consuming and manual processes,
- improve the customer experience, and
- strengthen trust in the modern economy, by reducing the risk of data breaches and increasing business and customer confidence to transact digitally.

In 2021, Lateral Economics estimated that myGov could offer citizens \$2.3 billion in time savings over a 10-year period, and for every dollar invested in myGov, Australia receives an economic return on investment of \$9.

The new myGov Pipeline brings in whole-of-government perspectives to shape ideas early, maximising the utility of new capabilities to serve many potential future use cases, including:

- ***Using myGov, Digital ID and verifiable credentials to:***
 - improve employee onboarding, streamlining compliance with Know Your Customer obligations to mitigate risks of money laundering and terrorism financing,
 - partnering with the private sector to expand Digital ID use in areas such as rental, bank and credit applications,
 - share occupational licenses, skills and qualifications across jurisdictions, employers, and training organisations,
 - provide integrated worker screening and criminal history checks across jurisdictions and different sectors of the economy, and
 - streamline disaster management payments across state and federal governments.
- ***Whole of government tasks and appointments*** – providing a single place in myGov for customers to see tasks, appointments and notifications across all government services.
- ***Using myGov to extend digital document execution*** – this will realise substantial time and cost savings for individuals, businesses, and Government. The document execution capability in myGov can be extended to support deeds, contracts, and document certification, including digital execution of Commonwealth legal documents.
- ***Customer tell us once*** – this provides the opportunity for customers to tell Government once about key life events and access connected information and services, which span multiple agencies and levels of government.
- ***Simplifying the authority/nominee process*** – provides individuals and representatives acting on behalf of someone to provide myGov users with a centralised view of who they have authorised to act on their behalf with government.

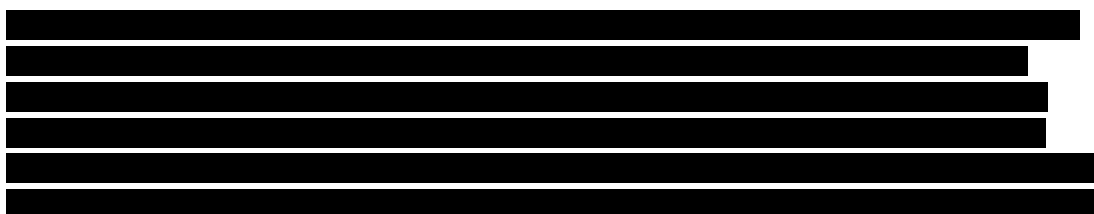
2. Joined up government services

Navigating government services can be confusing, and customers often have to engage with government repeatedly to receive simple services. Customers are required to engage with a fragmented and disconnected system where services that should work together feel like they are working against each other. Vulnerable people, who often need to access multiple services and supports are disproportionately affected by these inefficiencies.

Moving to a more joined up government service experience, as outlined in the myGov User Audit, the Data and Digital Government Strategy and the Services Australia 2030 Vision, will deliver significant public benefits, but requires changes to legislation and investment in service delivery systems and staff.

Legislation is a key barrier to achieving joined-up government services, for both the Agency and Government. Current legislation limits information sharing between the Agency's master programs (Centrelink, Medicare and Child Support) as well as with other agencies, which may be supporting a customer. Inconsistent requirements for decision-making and administration of government services creates the need for bespoke systems and results in fragmented customer experiences.

The Agency is investigating potential solutions to overcome legislative barriers, working with policy and central agencies to make incremental change through targeted amendments, while considering broader reforms for the future.



More broadly, the Agency is engaging with the Australian Taxation Office (ATO), Treasury and Department of Finance on opportunities to improve information sharing between agencies, particularly between Services Australia and the ATO.

With any change, a balance between enabling effective and efficient delivery of services and protecting personal information needs to be struck. An approach centred around people's needs, including the ability to tell government once, would make interacting with government easier and more efficient, enabling the delivery of simple, connected and secure government services.

Key opportunities are:

- ***Increasing information sharing within Services Australia*** – providing the ability for people to update their information, circumstances and provide evidence to the Agency once, through any channel, will deliver significant benefits to people who access more than one service.
- ***Increasing interoperability and information sharing between agencies providing government services*** – by expanding interoperability and information sharing between Services Australia and other government service providers, the government can deliver a broader range of tell us once style services. This will deliver significant benefits to customers who have to liaise with multiple agencies.

- ***Making the requirements for the administration of government services simpler and more consistent*** – the administrative requirements for government services can be inconsistent across different enabling legislation, creating the need for bespoke service delivery solutions. There is an opportunity to create standard approaches for common service delivery processes such as managing a nominee arrangement, proving eligibility or notifying a customer of a required action. This could include creating operational efficiencies and provide a more consistent experience for customers.
- ***Providing staff with a connected view of customers*** – this will enable a better understanding of customer circumstances, particularly for those with complex or intersecting needs.

3. Increased utilisation of AI solutions

The safe, lawful and ethical use of AI presents opportunities to enhance service delivery. It could strengthen frontline capability by providing better support for staff to access information that enables more informed and tailored responses. AI can help the Agency to identify areas for optimisation, enabling more targeted and effective service delivery and supporting the detection and prevention of fraud and organised crime, particularly as the sophistication of criminal activity grows.

The Agency is exploring a set of low risk, high value use cases where AI can be applied to enhance service delivery, including:

- ***Digital product and software productivity*** – supporting the agency by automating repetitive tasks, streamlining code generation, and enhancing quality assurance. This will enable faster delivery of features, reduce errors and support more responsive and adaptive digital services.
- ***Telephone and self-service*** – improved service delivery performance, such as call summarisation which allows customers to be directed to the most appropriate support area to deal with their range of enquiries.
- ***Payment and integrity*** – debt prevention and overpayment detection, through improved analytics on the drivers of payment non-compliance.
- ***Fraud detection and investment*** – AI could be used to identify patterns and anomalies in data, strengthening the Agency's ability to detect and act on emerging fraud patterns. This would support the agency to proactively detect fraud and organized crime, particularly as the sophistication of criminal activity grows.

Human oversight and accountability in the use of automation and AI is a key consideration. A skilled human will be retained in critical stages of AI-enabled processes from design through to implementation and monitoring. Establishing clear guardrails, upholding ethical use and communicating the tangible benefits for both customers and staff will be critical to building the social licence needed for sustainable implementation.

Use of automated decision-making

The safe, lawful and ethical use of automation has the potential to reduce processing times, improve consistency, and enable faster access to services. Enabling automation, including automated decision-making, is a key priority for the agency, noting the potential productivity benefits for government and customers.

The Agency has deployed the use of automation to create capacity gains and simplify processes. Two specific examples are outlined below:

- Use of automation to update the claim status for Jobseeker claims pending future appointments. This has saved 6,566 staff hours per year by reducing manual processing steps.
- Use of automation to identify and return pending case work items that are outside the agreed timeframe to the person responsible for immediate action. This has removed approximately 73,700 process steps, enabling staff to focus on other activities.

The legislation the Agency administers can impede the use of automation in delivering services. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] In order to have an impact on service delivery operations, a pathway will need to be provided for automating processes that involve discretion and evaluative decisions, as these are common across the legislation that the Agency administers.

The Agency has developed a Partial Claim Automation (PCA) capability that allows the Agency to apply automation where appropriate, and to direct other parts of claim processing to a staff member. Currently, this has only been deployed for one claim type, the Australian Government Disaster Recovery Payment, following a legislative amendment to add more objective eligibility criteria for assessment of residency.

In recent disaster events such as the North Queensland and Northern New South Wales floods, 22 per cent of claims have been processed using Straight Through Processing (STP) or PCA. Initial estimates are that staff efficiencies of up to 5 minutes have been achieved per claim for PCA claims and up to 16 minutes for STP claims.