

Child Support Scheme Facts and Figures

2000-2001



ChildSupport
*Helping parents manage
their responsibilities*



**ATTORNEY
GENERAL'S
DEPARTMENT**

April 2002

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Comments on this Paper

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Child Support Scheme - Key Facts and Figures

	1998-99	1999-00	2000-01
Support for Children			
Child Support transfers:			
CSA Collect	\$571.3m	\$598.2m	\$619.4m
Private Collect	\$727.9m	\$788.0m	\$780.7m
Total	\$1,299.2m	\$1,386.2m	\$1,400.1m
CSA collection performance since inception:	85.2%	86.3%	87.5%
Total Collections	\$3,357.5m	\$4,010.5m	\$4,698.4m
Total Liabilities	\$3,940.4m	\$4,645.2m	\$5,368.1m
Average weekly liabilities per case:			
Stage 1 CSA Collect	\$53.99	\$52.64	\$56.37
Stage 1 Private Collect	\$51.03	\$49.42	\$49.56
Stage 2 CSA Collect	\$94.93	\$51.59	\$47.01
Stage 2 Private Collect	\$107.14	\$86.66	\$80.52
Support for Parents			
CSA Caseload:	535,569	569,710	612,332
% CSA Collect	56.0%	54.8%	52.3%
% Private Collect	44.0%	45.2%	47.7%
% Stage 1 Court Orders	8.6%	7.1%	5.7%
% Stage 2 Formula Assessment	91.4%	92.9%	94.3%
Children whose parents have or are now taking Reasonable Maintenance Action to ensure eligibility for Family Allowance	970,439	999,261	1,015,962
CSA client numbers:			
Payers	507,272	539,166	582,316
Payees	506,692	539,154	582,518
Total	1,013,964	1,078,320	1,164,834
Legal Services Funding	\$7.6m	\$7.7m	\$7.8m
CSS Savings & Costs to Government			
Total savings to Government outlays	\$419.2m	\$425.0m	\$380.4m
Scheme costs by agency:			
CSA	\$180.1m	\$198.2m	\$203.7m
FaCS	\$2.7m	\$3.0m	\$2.3m
A-GD	\$7.8m	\$7.8m	\$7.8m
Dollars collected by CSA for each dollar spent.	\$7.21	\$7.00	\$6.87
CSA cost to collect each dollar. ¹	13.9 cents	14.3 cents	14.6 cents

1. In previous years this was measured as Scheme costs to collect a dollar.

Introduction

This report is the fifth edition of *Child Support Scheme Facts and Figures*. The first edition dealing with 1996-97 data for the Scheme was released in 1998. This is an annual publication released jointly by the Agencies and Departments with responsibilities under the Child Support Scheme.

1.0 A Brief Overview and History of the Australian Child Support Scheme

1.1 The Aims of the Child Support Scheme

The Australian Child Support Scheme was introduced in 1988 to “strike a fairer balance between public and private forms of support [for children] to alleviate the poverty of sole parent families.”¹ The Scheme aims to ensure that:

- parents share in the cost of supporting their children according to their capacity;
- adequate support is available to all children not living with both parents;
- Commonwealth involvement and expenditure is limited to the minimum necessary for ensuring children’s needs are met;
- work incentives for both parents to participate in the labour force are not impaired; and
- the overall arrangements are non-intrusive to personal privacy and are simple, flexible and efficient.²

1.2 A Brief History of the Child Support Scheme

Prior to the introduction of the Child Support Scheme, child support could only be obtained by the parents reaching an agreement or by seeking an order from a court. This meant that child support was effectively denied to those parents who could not reach an agreement with their former partner and could not afford to take court action.

During the 1970s and 1980s there was a rapid growth in the number of single parents with day-to-day care and responsibility for the children of a former marriage or relationship. There was community concern and criticism about the prevailing child maintenance system. Three issues were of particular concern:

- the non payment of maintenance;
- the low levels of maintenance payments; and
- reliance on social welfare payments.

A number of reviews and studies resulted in the government deciding to establish a child support system to overcome these problems. The government published *Child Support – A discussion paper on child maintenance* in 1986 and, after extensive consultation with external parties, it implemented the Child Support Scheme in two stages.

Stage 1 was introduced by the *Child Support (Registration and Collection) Act 1988*. This Act gave the Commissioner of Taxation, as Child Support Registrar, the responsibility for collecting child support payments in respect of court orders and court-registered agreements. This collection is undertaken on application from the parent entitled to receive child support.

¹ Cabinet Sub-Committee on Maintenance, *Child Support: discussion paper on child maintenance* (1986), p. 14.

² *An examination of the operation and effectiveness of the Child Support Scheme, Government Response to the Report by the Joint Select Committee on Certain Family Law Issues*, November 1997, p.3.

Stage 2 was introduced by the *Child Support (Assessment) Act 1989*. This Act established a further responsibility on the Child Support Registrar to administratively assess child support using a formula based on the income of both parents, and therefore their capacity to pay. Stage 2 applies only to parents who separated on or after 1 October 1989, or who have a child born on or after that date.

Legislative reforms of the Scheme are ongoing. The *Child Support Legislation Amendment Act 2001* received Royal Assent on 30 June 2001 and the reforms were implemented from 1 July 2001.

The measures included:

- support for second families with an additional reason for changing a formula assessment for parents who have income derived from a second job, regular overtime or other additional income source which is earned for the benefit of children from a subsequent family (commenced 1 July 2001);
- further support for second families with changes to the Family Tax Benefit and Child Care Benefit income tests to take into account 100 per cent of child support liabilities paid (commenced 1 July 2001);
- support for resident parents with a measure to allow child support debts to be recovered from the non-resident parent's share of the Family Tax Benefit for the children for whom they have a child support debt (commences 1 July 2002);
- introducing Departure Prohibition Orders to prevent non-resident parents from leaving Australia where they have persistently failed to meet their child support obligations;
- changes to recognise that the Child Support Agency is a part of FaCS.

1.3. The Child Support Formula

CSA uses a legislative formula to calculate the amount of child support to be paid. The formula is applied to the liable parent's taxable income (which, for CSA purposes, includes rental losses, exempt foreign employment income and Reportable Fringe Benefits):

1. Less an allowance for living expenses and for each natural or adopted dependent child living with the liable parent;
2. Less half the resident parent's excess income over average weekly earnings.

After making the above deductions, a percentage of the remaining income is paid as support. The percentage varies according to the number of children:

No. of Children	1	2	3	4	5 or more
Child Support	18%	27%	32%	34%	36%

The basic formula used to assess the annual rate of child support is:

$$\{ (A - B) - (C / 2) \} \times D = E$$

Where:

- A is the child support income amount (taxable income)
- B is the exempted income amount
- C is the amount of payee income above the disregarded income amount
- D is the child support percentage
- E is the amount payable by the payer

Taxable income used in the child support formula is the income shown on the payer's tax return for the last financial year. For child support purposes the maximum taxable income used in the formula from January 2001 was \$108,732.

A payer's exempt income is an allowance for living expenses and is deducted before the child support percentage is applied. It is based on 110 per cent of the single rate of social security pension. If the payer has care of other natural or adopted children, the exempt amount is increased to 220 per cent of the partnered pension rate plus an allowance for each child depending on their age (see Table 1.2).

Table 1.2: Exempt Income Amounts

	Exempt Income 1.1.2000-31.12.2000	Exempt Income 1.1.2001-31.12.2001
No natural or adopted children	\$10,482	\$11,271
With natural or adopted children ¹	\$17,498	\$18,813
Allowance for child under 13	\$2,018	\$2,049
Allowance for child 13-15	\$2,813	\$2,857
Allowance for child 16-17	\$3,977	\$4,276

Source: Relevant FaCS Pension Rates 2000-01, CCH Court Handbook.

If a payee's child support income amount exceeds the disregarded income amount³, then the liable parent's income is reduced by 50 per cent of the payee's excess income for the period concerned (the annual rate of the child support amount cannot be reduced below 25 per cent of the rate that would have been payable if the payee had less than the disregarded income amount). The payee's disregarded income amount is that part of the payee's income below Average Weekly Earnings of all employees.

If either parent's income has decreased by 15 per cent or more since the previous year of income, they could apply for the assessment to be varied to reflect their current income.

1.4 Administrative Arrangements Between the Child Support Agency, the Department of Family and Community Services and the Attorney-General's Department

Until October 1998 the Child Support Scheme was administered by the Child Support Agency as part of the Australian Taxation Office, the Department of Social Security and the Attorney-General's Department.

In October 1998 it was announced CSA would be removed from the Australian Taxation Office and become part of the new Commonwealth Department of Family and Community Services (FaCS). As a result of these changes the Scheme partners are now the Department of Family and Community Services, incorporating CSA, and the Attorney-General's Department

1.4.1 The Child Support Agency in the Department of Family and Community Services

The Child Support Agency was created to administer the *Child Support (Registration and Collection) Act 1988* and the *Child Support (Assessment) Act 1989*.

The role of CSA is to:

- register cases;
- to assess child support payable (Stage 2 cases only);
- collect payments where requested; and
- provide an information service for parents on child support matters.

³ The "disregarded income amount" recognises that the carer makes a significant contribution to the care of the children covered by the assessment. See Appendix 2 for more details.

These activities are undertaken in Branch Offices (currently 17) around Australia. CSA also has Regional Service Centres located in 21 Centrelink offices and one ATO Office (Darwin) in regional Australia.⁴

CSA has access to taxation information to enable efficient assessment and collection of child support.

The Commonwealth Department of Family and Community Services (FaCS) has a general responsibility to advise the government on matters relating to income support and social welfare policy, including child support. In addition to CSA, there are two further roles in the administration of the Child Support Scheme:

- strategic policy development, analysis and research; and
- ensuring appropriate linkages between income support and child support.

In relation to the latter, Centrelink undertakes the following:

- ensuring applicants for more than the minimum rate of Family Tax Benefit take reasonable action to obtain child support; and
- adjusting family allowance payments to individuals in receipt of child support payments.

Centrelink has 337 customer service and call centres across Australia. It makes an estimated 300 million payments per annum with 5.6 million customers.⁵

CSA and Centrelink are working together to enhance service delivery to mutual clients. Centrelink receives child support applications, and from late December 1998 has transmitted these electronically to CSA.

1.4.2 The Attorney-General's Department

The Attorney-General's Department (AGD) has a general responsibility to advise the Government on matters relating to family law. The Department also provides Legal Aid support to eligible parents under the Child Support Scheme.

1.5 How the Child Support Scheme Works

Australian families may make child support arrangements in one of three ways:

- Self-Administration: an entirely private arrangement between the parents, which includes cases where child support is not sought;
- Private Collect: registration with the Child Support Agency but with payment made directly between the parents; or
- CSA Collect: registration and collection by the Child Support Agency.

Registration with CSA can proceed on the application of either parent, however only the payee can apply for child support to be collected. The application can be to register a court order, a child support agreement or for CSA to issue an administrative assessment.

Payers can make payments directly to CSA where CSA collection is required. Alternatively, child support can be deducted from a payer's salary or wages in much the same way that income tax is deducted.

Where a payment is not made, and CSA is unable to come to a voluntary payment arrangement with the payer, the Registrar has a range of

⁴ "More child support services for Regional Australia", Media Release, Hon. Larry Anthony, Minister for Community Services, 31 August 1999.

⁵ *Centrelink Information*. A guide to payments and services, 2001-01, July 2001, p. 2.

administrative enforcement powers available, including:

- deduction from salary and wages (46.4 per cent or \$285.2 million of all CSA collections were paid this way in 2000-01);
- interception of income tax refunds (8.8 per cent or \$54.2 million of all CSA collections were paid this way in 2000-01);
- collection of monies owed to the defaulting parent from third parties under Section 72A, e.g. accessing funds in savings accounts, superannuation funds and solicitors' trust accounts (0.6 per cent or \$3.6 million of all CSA collections were paid this way in 2000-01).

In addition, debts can be pursued through the courts to seek orders for sale of assets and property, or debts can be pursued by instituting bankruptcy proceedings.

2.0 Child Support in the Department of Family and Community Services

2.1 Child Support Customers

Centrelink and CSA have mutual clients primarily as a result of the Maintenance Action Test. As mentioned in section 1.4.1, Family Allowance customers who have children from a previous relationship must take reasonable action to obtain child support. A high proportion of applications for registration with CSA, therefore, come from Centrelink. Reasonable action for Stage 2 customers means lodging an application for assessment under the child support formula and either:

- having the payments collected by CSA; or
- privately collecting 100 per cent of the assessed amount; or
- lodging a child support agreement that meets 100 per cent of the assessed amount.

2.2 Maintenance Action Being Taken by FaCS Child Support Customers

Maintenance action is recorded by Centrelink for each child because a parent may have different maintenance action in progress for different children e.g. where the children have different fathers.

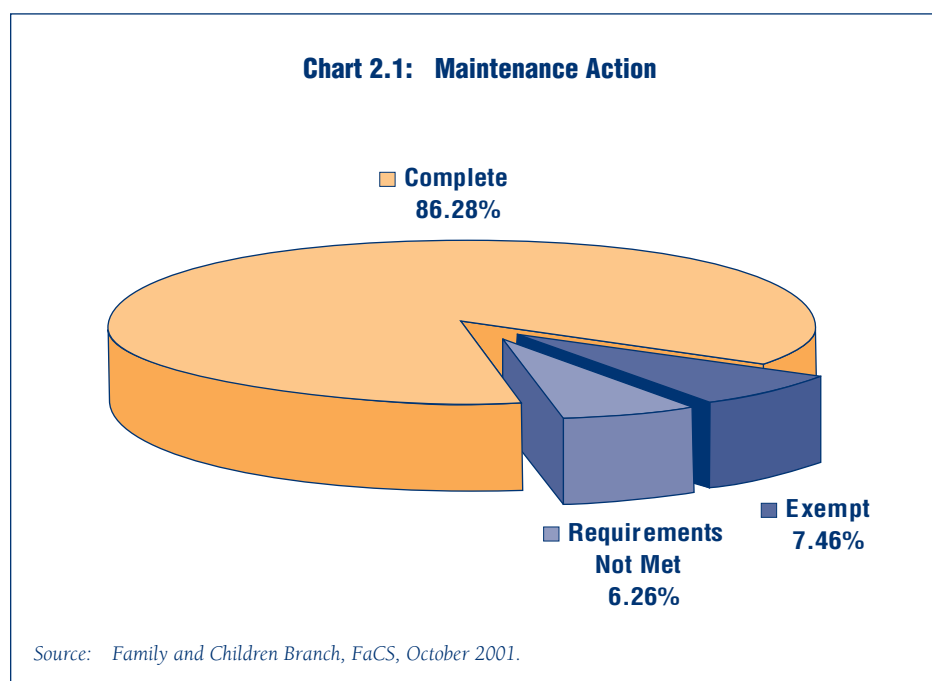
The following is a summary of maintenance action being taken on behalf of children of FaCS Family Allowance customers. At June 2001:

- a total of 86.3 per cent of children of FaCS Family Allowance customers had maintenance action completed on their behalf. This means these cases were registered with CSA or an application had been lodged;
- another 7.5 per cent of children of FaCS Family Allowance customers were granted an exemption; and
- the remaining 6.3 per cent of children of FaCS customers at that time did not have reasonable maintenance action requirements met on their behalf.

Based on the figures in Table 2.1 and Chart 2.1, it can be seen that reasonable maintenance action requirements have been met for about 94 per cent of children (86 per cent "complete" plus 8 per cent "exempted") of FaCS child support customers. In fact, at June 2001, only 6 per cent of children did not have reasonable maintenance action requirements met on their behalf and, in many cases, this can be a temporary situation.

Maintenance Action	Number of Children	%
Complete	876,583	86.3
Exempt	75,812	7.5
Requirements Not Met	63,567	6.3
Total	1,015,962	100.0

Source: FaCS, June 2001.
 Note: Percentages may not add due to rounding.



3.0 Caseload

3.1 Active Caseload⁶ at June 2001

As at June 2001 there were 612,332 active cases. Some 5.7 per cent (34,650) were Stage 1 active cases, and 94.3 per cent (577,682) were Stage 2 active cases.⁷ Each case has two CSA clients; the payer (the parent who pays the child support) and the payee (the parent who receives the child support). There are fewer payer and payee clients than active cases as some payers and payees are involved in more than one case. As a result, CSA had about 1.2 million payers and payees by June 2001.

3.2 Caseload by Stage and Payment Arrangement

The Stage 1 active caseload has been declining since 1993. This will continue as the children in Stage 1 move out of the child support eligible population. The trends in both Stage 1 and Stage 2 caseloads are reflected in Table 3.1 and Chart 3.1.

Chart 3.1 shows growth in active cases has increased slightly after having slowed over the past five years. Between 1993 and 1994 the caseload grew by an average of 5,550 cases per month. This compares with an increase of 2,845 between 1999 and 2000 and an average of 3,552 cases per

⁶ "Active Cases" include Stage 1 and Stage 2 cases that are registered and have a current liability collected, where processing is not finalised, and cases that have been assessed but where the liability is being collected privately.

⁷ *Child Support Agency Monthly Performance Report for June 2001 (CS5)*, p. 9.

Chart 3.1: Active Caseload 1991-2001

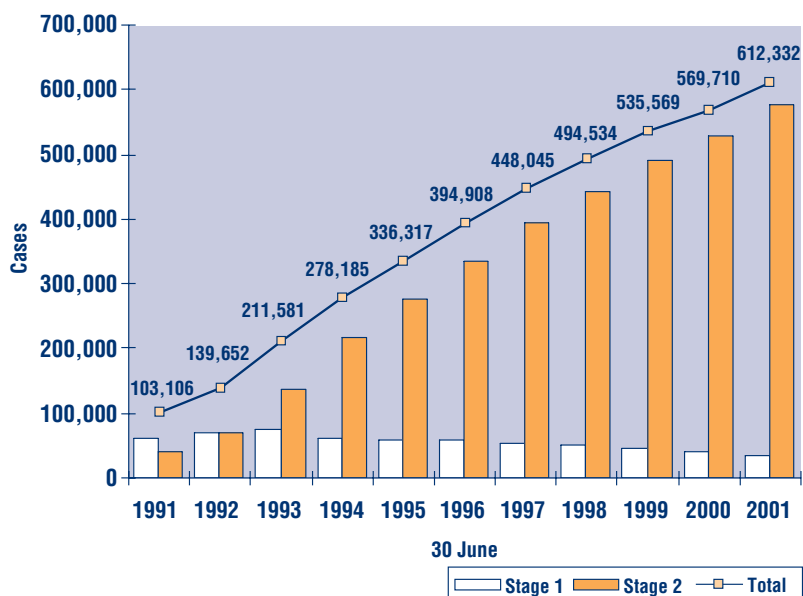


Table 3.1: Caseload Growth by Stage and Payment Arrangement¹

30 June	Stage 1 Active Caseload		Stage 2 Active Caseload		Total
	Number	%	Number	%	
1991	62,758	60.9	40,348	39.1	103,106
1992	70,787	50.7	68,865	49.3	139,652
1993	73,819	34.9	137,762	65.1	211,581
1994	61,082	22.0	217,103	78.0	278,185
1995	60,226	17.9	276,091	82.1	336,317
1996	58,442	14.8	336,466	85.2	394,908
1997	54,645	12.2	393,400	87.8	448,045
1998	50,935	10.3	443,599	89.7	494,534
1999	45,986	8.6	489,583	91.4	535,569
2000	40,664	7.1	529,046	92.9	569,710
2001	34,650	5.7	577,682	94.3	612,332

Source: Child Support Agency, June 2001.

Note: 1. Active caseload figures for Stage 1 in this table include “processing not finalised”, “registered and collecting”, “elections not to collect” and “keyed court orders/no applications”. Active caseload figures for Stage 2 in this table include “processing not finalised”, “total assessed, registered and collecting” and “total assessed but not collecting”.

Percentages may not add due to rounding.

month between 2000 and 2001.

The increase in the percentage of Private Collect cases to 47.7 per cent of all cases (see Table 3.2 and Charts 3.2 and 3.3 below) is consistent with the Government’s aim to ensure arrangements are non-intrusive to personal privacy.

3.3 Assessment Type

Table 3.3 and Chart 3.4 show the assessment types by CSA collect and Private Collect arrangements. The majority of assessments are formula based. Private Collect arrangements are more likely to be based on agreements than CSA Collect arrangements (5.9 per cent as opposed to 3.3 per cent).

Table 3.2: Active Caseload by Private Collect and CSA Collect Split¹

End June	Private Collect		CSA Collect		Total
	Number	%	Number	%	
1994	91,468	33.6	180,581	66.4	272,049
1995	121,514	36.7	209,477	63.3	330,991
1996	152,018	39.3	235,008	60.7	387,026
1997	179,241	40.7	261,000	59.3	440,241
1998	207,569	42.4	281,473	57.6	489,042
1999	232,064	44.0	295,290	56.0	527,354
2000	254,237	45.2	308,047	54.8	562,284
2001	289,443	47.7	317,724	52.3	607,167

Source: Child Support Agency, June 2001.

Notes: 1. The active caseload numbers in this table exclude cases where processing has not been finalised. Percentages may not add due to rounding.

Chart 3.2: CSA Caseload - Private Collect and CSA Collect

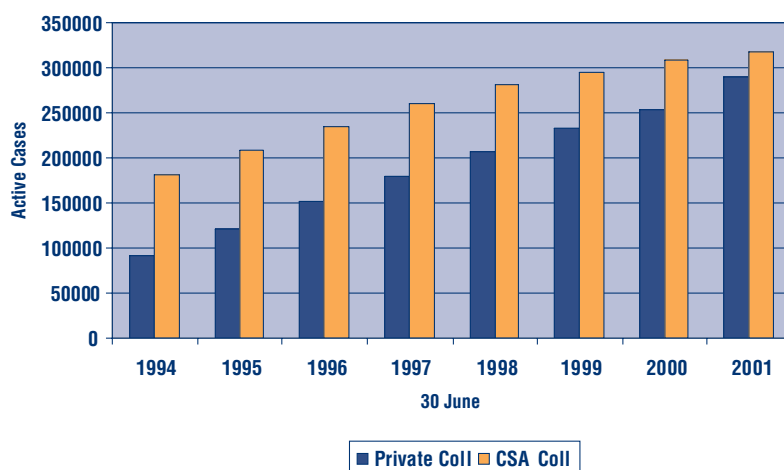
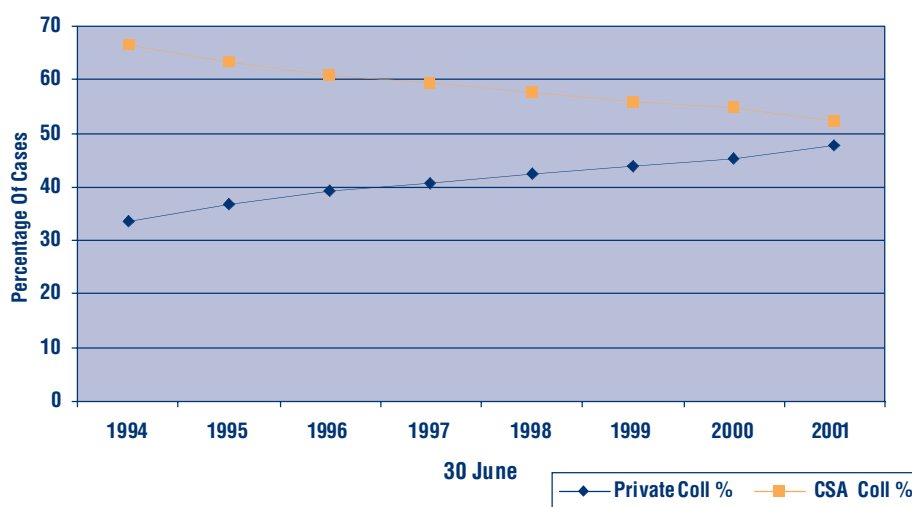


Chart 3.3: Growth In Private Collect Cases



CSA Collect cases are more than 6 times more likely to have a liability that is based on a change of assessment from the formula than Private Collect cases (4.4 per cent to 0.7 per cent).

3.4 Change of Assessment

In 1992 a change was introduced to allow parents to apply to CSA for a departure from a formula assessment of child support. Prior to that, an application had to be made to the Court. Since 1992 there have been more than 200,000 applications. For the 12 months ending June 2001, 86 per cent of applications were accepted, and of these, 56.4 per cent have resulted in the

assessment being varied. Change of Assessment applications have been declining as a percentage of the active Stage 2 caseload, being 8.3 per cent in 1997-98, 6.4 per cent in 1998-99, 5.8 per cent in 1999-2000 and 5.5 per cent in 2000-01.

3.5 Type of Care Arrangement

The table indicates that care arrangements other than "sole" (where the child spends more than 70 per cent of the nights with one parent) are a small minority of cases in both groups. Private Collect percentages for cases with "shared" and "major" care, however, are almost twice that of CSA Collect cases.

Table 3.3: Stage 2 Caseload by Assessment Type and Payment Arrangement (June 2001)¹

Assessment Type	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
Formula	269,642	92.0	260,471	93.2	530,113	92.6
Agreements	9,668	3.3	16,526	5.9	26,194	4.6
Change of Assessment	12,867	4.4	1,932	0.7	14,799	2.6
Court Orders	1,056	0.4	415	0.1	1,471	0.3
Total	293,233	100.00	279,344	100.00	572,577¹	100.00

Source: Child Support Agency, June 2001.
 Notes: 1. Excludes cases where processing was not finalised.
 Percentages may not add due to rounding.

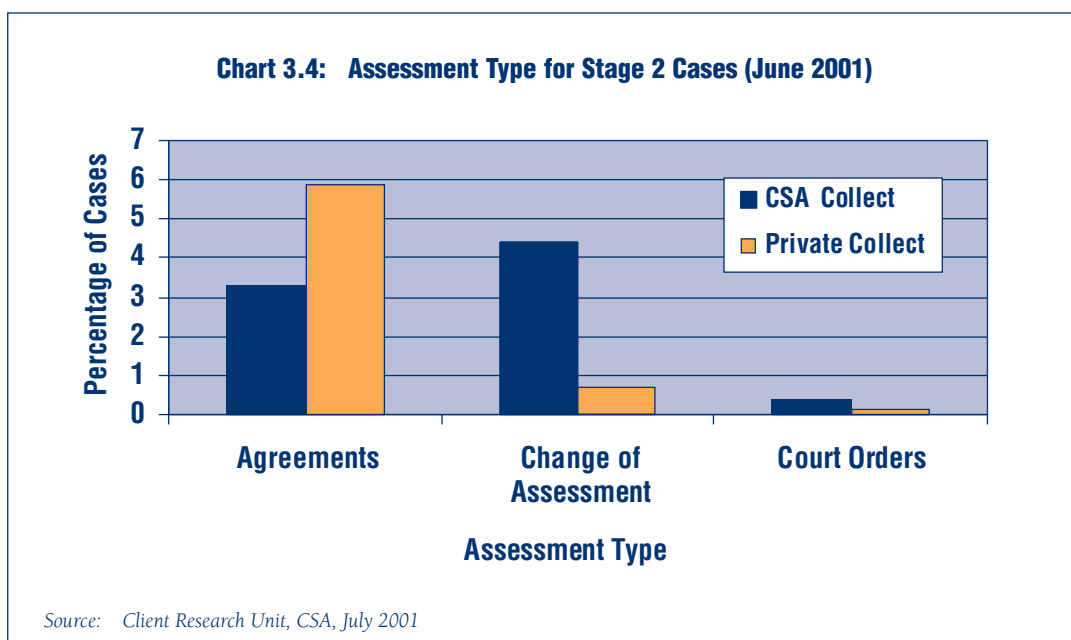


Table 3.4: Change of Assessment – Stage 2 Only, 1 July 2000 to 30 June 2001

	Payer Initiated		Payee Initiated		Registrar Initiated		Total	
	No.	%	No.	%	No.	%	No.	%
Applications accepted								
Assessment varied	9,988	49.7	8,402	66.1	290	91.2	18,680	56.4
Assessment not varied	5,793	28.8	2,630	20.7	8	2.5	8,431	25.5
Refused to make decision	1,041	5.2	243	1.9	2	0.6	1,286	3.9
Client Agreement	39	0.2	26	0.2	4	1.3	69	0.2
Total	16,861	83.9	11,301	88.9	304	95.6	28,466	85.9
Applications not accepted								
Withdrawn	1,405	7.0	713	5.6	8	2.5	2,126	6.4
Incomplete	1,286	6.4	463	3.6	0	0	1,749	5.3
Ineligible	535	2.7	238	1.9	6	1.9	779	2.4
Total	3,226	16.1	1,414	11.1	14	4.4	4,654	14.1
Applications finalised	20,087		12,715		318		33,120	

Source: Child Support Agency, June 2001.

Note: Percentages may not add due to rounding.

Table 3.5: Stage 2 Caseload by Care Code (June 2001)

Time children spend with payee Care Code	% of Nights	CSA Collect		Private Collect		Total	
		No.	%	No.	%	No	%
Substantial	30.0-39.9	746	0.3	1,237	0.4	1,983	0.3
Shared	40.0-59.9	5,615	1.9	14,233	5.1	19,848	3.5
Major	60.0-69.9	4,652	1.6	8,054	2.9	12,706	2.2
Sole	70.0 and over	282,220	96.2	255,820	91.6	538,040	94.0
Total		293,233		279,344		572,577	

Source: Client Research Dataset, CSA, June 2001.

Notes: Percentages may not add due to rounding.

4.0 Client Overview by Payment Arrangement and Stage

4.1 Number of Clients

As at June 2001 there were 612,332 active cases recorded on the Child Support System. However, a number of clients are involved in more than one case, meaning that there are fewer payees or payers than there are cases. The number of payers and payees involved in multiple cases are recorded in Tables 4.1 and 4.2 below.

Tables 4.1 and 4.2 show that over 96 per cent of payers and payees are involved in just one case. About 3.7 per cent of payers and payees are involved in two cases, while just 0.2 per cent of all payers and payees are involved in three or more cases.

4.2 Number of Children

The following tables record the number of "eligible children" and the number of "relevant dependent

children" under Stage 2 of the Child Support Scheme.

4.2.1 Children Covered by Child Support Assessments (Stage 2)

Cases registered with CSA as at 30 June 2001 accounted for a total of 901,356 children. Children who are eligible to be included in a formula assessment are:

1. children who were born on or after 1 October 1989; or
2. children whose parents separated on or after 1 October 1989; or
3. children who have a sibling born on or after 1 October 1989. The child must also be under 18, not married or in a de facto relationship, not adopted by someone else and either an Australian citizen or resident or present in Australia on the day of application.

Table 4.1: Payer Caseload by Number of Cases and Payment Arrangement, June 2001

Number of Cases	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	271,725	92.5	287,758	99.7	559,483	96.1
2	20,567	7.0	781	0.3	21,348	3.7
3	1,328	0.5	44	0	1,372	0.2
4	99	0	3	0	102	0
5	11	0	0	0	11	0
Total	293,730		288,586		582,316	

Source: Child Support Agency, June 2001.

Notes: Percentages may not add due to rounding.

Table 4.2: Payee Caseload by Number of Cases and Payment Arrangement, June 2001

Number of Cases	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	271,892	92.5	287,867	99.7	559,759	96.1
2	20,609	7.0	750	0.3	21,359	3.7
3	1,295	0.4	31	0	1,326	0.2
4	67	0	1	0	68	0
5	6	0	0	0	6	0
Total	293,868		288,650		582,518	

Source: Child Support Agency, June 2001.

Notes: Percentages may not add due to rounding.

Table 4.3: Eligible Children per Case – Stage 2 cases only, June 2001

No. of Children Per Case	CSA Collect			Private Collect			Total		
	Cases	Children	% of Cases	Cases	Children	% of Cases	Cases	Children	% of Cases
1	175,703	175,703	59.9	154,209	154,209	55.2	329,912	329,912	57.6
2	85,953	171,906	29.3	89,779	179,558	32.1	175,732	351,464	30.7
3	24,404	73,212	8.3	27,447	82,341	9.8	51,851	155,553	9.1
4	5,657	22,628	1.9	6,356	25,424	2.3	12,013	48,052	2.1
5	1,123	5,615	0.4	1,196	5,980	0.4	2,319	11,595	0.4
6	287	1,722	0.1	261	1,566	0.1	548	3,288	0.1
7	77	539	0	70	490	0	147	1,029	0
8 or more	29	239	0	26	224	0	55	463	0
Total	293,233	451,564		279,344	449,792		572,577	901,356	

Source: Child Support Agency, July 2001.

Notes: Percentages may not add due to rounding.

Table 4.3 records the number of children covered by child support assessments by CSA Collect and Private Collect groups. There is little difference in the distribution of eligible children between CSA Collect and Private Collect cases. For example, 60 per cent of Stage 2 CSA Collect cases have one eligible child, while 55 per cent of Stage 2 Private Collect cases have one eligible child. There are up to two eligible children in 89 per cent of CSA Collect cases and 87 per cent in Private Collect cases. There are up to three children in over 97 per cent of cases in both CSA Collect and Private Collect categories.

4.2.2 Payers' Subsequent Families

Formula assessments make allowance for "relevant dependent children" of the payer. These are children under the age of 18 years who are the natural or adopted child of a parent and that parent is the sole or principal provider of ongoing daily care for the child, or has major care of the child.

The impact of the presence of relevant dependent children is to increase the payer's exempt income amount. Almost 15 per cent of all assessments are adjusted for relevant children as shown in Table 4.4.

Table 4.4: Relevant Dependent Children per Case by Payment Arrangement – Stage 2 Cases only, June 2001

Number of Children	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	26,046	8.9	29,612	10.6	55,658	9.7
2	10,561	3.6	10,705	3.8	21,266	3.7
3	2,460	0.8	2,595	0.9	5,055	0.9
4	522	0.2	667	0.2	1,189	0.2
5 or more	169	0.1	245	0.1	414	0.1
Total cases with relevant dependent children	39,758	13.6	43,824	15.7	83,582	14.6
Total Stage 2 cases	293,233	100.0	279,344	100.0	572,577	100.0

Source: Child Support Agency, June 2001.

Notes: Percentages may not add due to rounding.

Table 4.5: Payer Gender by Payment Arrangement, June 2001

	CSA Collect	% CSA Collect	Private Collect	% Private Collect	Total	% Total Cases
Male	289,089	91.1	258,742	89.4	547,831	90.3
Female	27,890	8.8	30,477	10.5	58,367	9.6
Total¹	317,291		289,465		606,756	

Source: Client Research Unit, CSA, June 2001.

Notes: 1. This figure includes 558 cases where the gender of the payee could not be identified from data held on the Child Support System (312 CSA collect and 246 Private collect).

Percentages may not add due to rounding.

Table 4.6: Payee Gender by Payment Arrangement, June 2001

	CSA Collect	% CSA Collect	Private Collect	% Private Collect	Total	% Total Cases
Male	27,143	8.6	30,013	10.4	57,156	9.4
Female	290,021	91.4	259,321	89.6	549,342	90.5
Total¹	317,291		289,465		606,756	

Source: Client Research Unit, CSA, June 2001.

Notes: 1. This figure includes 258 cases where the gender of the payee could not be identified from data held on the Child Support System (127 CSA collect and 131 Private collect).

Percentages may not add due to rounding.

4.3 Number and Gender of Payers and Payees

Table 4.5 shows that 90.3 per cent of CSA Collect payers are male and 9.6 per cent are female. Furthermore, 89.4 per cent of all Private Collect payers are male and 10.5 per cent are female.

Table 4.6 shows that 9.4 per cent of CSA Collect payees are male and 90.5 per cent of CSA Collect payees are female. Furthermore, 10.4 per cent of Private Collect payees are male and 89.6 per cent are female.

4.4 Age of Cases

Table 4.7 breaks the caseload into age of cases by Stage.⁸ Age data relates to the year that the case was first registered. Almost 56 per cent of Stage 1 cases are between 11 and 13 years old while over 78 per cent of Stage 2 cases are 8 years old and under.

4.5 Income of Payers and Payees

Tables 4.8, 4.9, 4.10 and 4.11 show payer and payee incomes by CSA Collect and Private Collect arrangements from two sources, the Tax Returns Data Base (TRDB) and the Child Support System (CSS). The data from the TRDB is for all parents who have lodged a tax return, and is the taxable income, i.e. after taxable deductions have been made. The data from the Child Support System includes the TRDB information but also includes estimated or derived income amounts for parents who have not lodged a tax return.

Some parents are exempted from lodging an income tax return where their income is received from Centrelink and/or they have informed the ATO they are not required to lodge, and the ATO agrees (see notes to Tables 4.9 and 4.11 for numbers of non-lodgers).

⁸ Caseload figures exclude "processing not finalised" cases.

Table 4.7: Age of Cases by Stage, June 2001

Case Age in Years. ¹	Stage 1		Stage 2		Total Cases by Age	
	Number	%	Number	%	Number	%
1 2001 ²	(288)	(0.8)	(44,974)	(7.9)	(45,262)	(7.5)
2 2000	583	1.7	76,583	13.4	77,166	12.7
3 1999	606	1.8	59,596	10.4	60,202	9.9
4 1998	778	2.3	55,177	9.6	55,955	9.2
5 1997	986	2.9	59,211	10.3	60,197	9.9
6 1996	1,087	3.2	54,242	9.5	55,329	9.1
7 1995	1,135	3.3	50,167	8.8	51,302	8.5
8 1994	1,493	4.4	50,624	8.8	52,117	8.6
9 1993	2,069	6.1	54,011	9.4	56,080	9.2
10 1992	2,843	8.3	32,131	5.6	34,974	5.8
11 1991	4,266	12.5	20,221	3.5	24,487	4.0
12 1990	6,480	19.0	14,874	2.6	21,354	3.5
13 1989	8,303	24.3	698	0.1	9,001	1.5
14 1988	3,263	9.5	68 ³	0	3,331	0.5
Totals	34,180		572,577		606,757	

Source: Child Support Agency, June 2001.

- Notes: 1. Data relates to the year the case was registered.
 2. The 2001 data is for the half year to 30 June.
 3. These are cases that began as Stage 1 cases but are now Stage 2 cases.
 Percentages may not add due to rounding.

The tables show that payer median taxable incomes are significantly greater than the median taxable income of payees. Family tax benefits are not included in the incomes shown. Payees from private collect and CSA collect payment arrangements have similar median incomes but payers in private collect arrangements have significantly higher median child support incomes than those in CSA Collect arrangements.

Table 4.8: Payer Child Support Income, June 2001

Payers	CSA Collect	Private Collect	Totals
Total number	317,764	288,993	606,757
Median	\$13,886	\$23,711	\$18,367
Minimum	\$0	\$0	\$0
Maximum	\$9,553,903	\$5,757,072	\$9,553,903

Source: Child Support System of the Child Support Agency, June 2001.

Table 4.9: Payer Taxable Income (TRDB), June 2001

Payers ¹	CSA Collect	Private Collect	Totals
Total number	164,354	190,323	354,677
Median	\$28,038	\$31,922	\$30,111
Minimum	- \$1,555,671	- \$4,868,289	- \$4,868,289
Maximum	\$9,553,903	\$5,715,621	\$9,553,903

Source: Tax Returns Database and Child Support System of the Child Support Agency, June 2001.

- Notes: 1. There were 252,080 payers who were non-lodgers (153,410 CSA Collect and 98,670 Private Collect).

Table 4.10: Payee Child Support Income, June 2001

Payees	CSA Collect	Private Collect	Totals
Total number	317,764	288,993	606,757
Median	\$9,506	\$9,452	\$9,487
Minimum	\$0	\$0	\$0
Maximum	\$1,326,579	\$3,183,821	\$3,183,821

Source: Child Support System of the Child Support Agency, June 2001.

Table 4.11: Payee Taxable Income (TRDB), June 2001

Payees ¹	CSA Collect	Private Collect	Totals
Total number	144,540	142,702	287,242
Median	\$18,581	\$18,143	\$18,372
Minimum	- \$399,400	- \$519,952	- \$519,952
Maximum	\$1,355,356	\$2,864,326	\$2,864,326

Source: Tax Returns Database and Child Support System of the Child Support Agency, June 2001.

Notes: 1. There was a total of 319,515 payees who were non-lodgers (173,224 CSA Collect and 146,291 Private Collect).

4.6 Income Sources of CSA Payers Who Lodge Tax Returns

Table 4.12 shows the source of income for payers who lodged tax returns. It shows the numbers of payers who earned some or all of their income from these different sources. One payer may have earned income from a number of these sources.

The most common source of income for payers who lodged tax returns was salary and wages,

with almost 86 per cent of all payers deriving some or all of their income from this source. By comparison just 20 per cent of payers who lodged tax returns received some or all of their income from Government benefits and allowances.

For those payers with an income the source with the highest average earnings was Salary and Wages (\$33,951) followed by Net Income or Loss for Business (\$19,352) and Partnerships and Trusts (\$17,496).

Table 4.12: Income Sources of CSA Payers Who Lodge Tax Returns, June 2001

10 Main Income Sources	Number	%	Average Earnings (\$)
Salary and Wages	303,304	85.5	33,951
Allowance, Director's Fees	92,345	26.0	2,059
Gross Interest	71,817	20.2	404
Government Benefits and Allowances	71,002	20.0	3,809
Net Income or Loss From Business	46,998	13.3	19,352
Dividends	39,924	11.3	2,524
Gross Rent	27,801	7.8	7,775
Partnerships and Trusts	24,246	6.8	17,496
Eligible Termination Payments	15,914	4.5	9,102
Lump Sum Payments	10,358	2.9	6,085
Total for CSA Payers	354,677^{1,3}		35,119²

Notes: 1. This total differs from the sum of the main income sources because payers can earn income from more than one source
 2. This is the average income for all payers who lodged a tax return. Therefore it is not the sum of the average incomes
 3. This total includes an additional 527 payers who received incomes from sources other than those noted in this table.
 Percentages may not add due to rounding.

5.0 Program Outcomes

5.1 Liabilities

The following liability statistics are broken down into CSA Collect and Private Collect categories.

5.1.1 Liabilities by CSA and Private Collect

Until 30 June 1999 payers were not required to pay child support if their liability calculated under the formula was less than \$260 per year. From 1 July 1999, however, a minimum liability of \$260 per year now applies to most parents.

There are a number of reasons why a parent is not required to pay child support, including the following:

- Stage 1 court orders can have a clause that the payer will not have to pay child maintenance during periods of unemployment or in other circumstances;
- A Stage 1 payer can apply to CSA not to enforce the court order during periods of unemployment;

- Where parents have an Agreement that the liability be nil;
- Where the parent has no income in a year; and
- Where the parents share the care of their child and their incomes are equal.

Tables 5.1 and 5.2 show the percentage of CSA Collect payers and Private Collect payers within specified liability ranges, while Chart 5.1 plots those percentages. The table and chart demonstrate that:

- a smaller proportion of CSA Collect cases have nil liabilities than Private Collect cases;
- a higher proportion of CSA Collect cases have \$260 liabilities than Private Collect cases;
- a higher proportion of CSA Collect payers have liabilities under \$4,000; and
- a higher proportion of Private Collect payers have liabilities of between \$4,000 and \$14,000, which is in line with the data presented in Tables 4.8 and 4.9, indicating that payers' median incomes are significantly higher in Private Collect cases.

Table 5.1: Liability by Payment Arrangement, June 2001

Liability	CSA Collect	% CSA Collect	Private Collect	% Private Collect	Total	% of Total Cases
Over \$260	173,230	54.6	197,003	68.1	370,233	61.0
\$260	103,121	32.5	56,611	19.6	159,732	26.3
\$1 to \$259	20,136	6.3	7,179	2.5	27,315	4.5
Nil	20,804	6.6	28,673	9.9	49,477	8.2
Total	317,291		289,466		606,757	

Source: Client Research Unit, Child Support Agency, June 2001.

Note: Percentages may not add due to rounding.

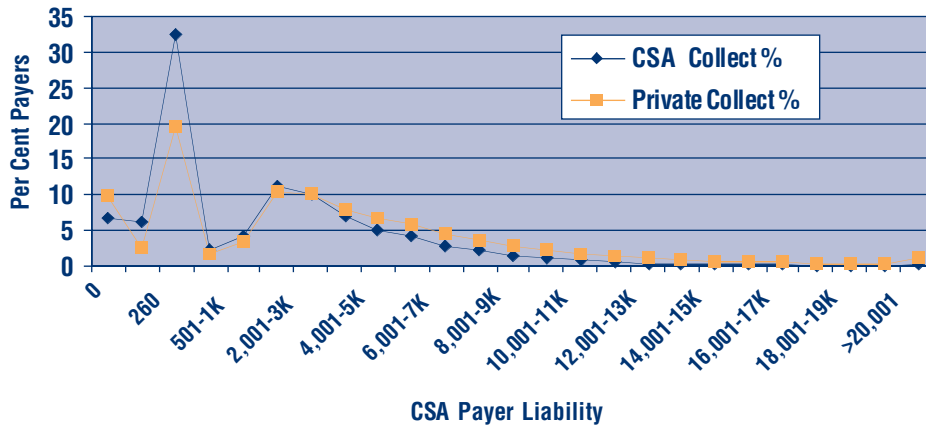
**Table 5.2: Payer Liabilities (June 2000)
(Nil and Above-Nil Liabilities)**

Payer Liability (\$pa)	CSA Collect Total	CSA Collect %	Private Collect Total	Private Collect %	Total Caseload	Total Caseload %
0	20,804	6.6	28,673	9.9	49,477	8.2
1-259	20,136	6.3	7,179	2.5	27,315	4.5
260	103,121	32.5	56,611	19.6	159,732	26.3
261-500	6,675	2.1	5,043	1.7	11,718	1.9
501-1,000	13,039	4.1	10,270	3.5	23,309	3.8
1,001-2,000	35,910	11.3	29,795	10.3	65,705	10.8
2,001-3,000	32,031	10.1	28,862	10.0	60,893	10.0
3,001-4,000	22,007	6.9	22,493	7.8	44,500	7.3
4,001-5,000	16,340	5.1	19,165	6.6	35,505	5.9
5,001-6,000	12,955	4.1	17,226	6.0	30,181	5.0
6,001-7,000	8,809	2.8	13,064	4.5	21,873	3.6
7,001-8,000	6,584	2.1	10,816	3.7	17,400	2.9
8,001-9,000	4,576	1.4	8,138	2.8	12,714	2.1
9,001-10,000	3,427	1.1	6,448	2.2	9,875	1.6
10,001-11,000	2,624	0.8	5,179	1.8	7,803	1.3
11,001-12,000	1,846	0.6	4,017	1.4	5,863	1.0
12,001-13,000	1,279	0.4	3,104	1.1	4,383	0.7
13,001-14,000	1,042	0.3	2,537	0.9	3,579	0.6
14,001-15,000	820	0.3	1,903	0.7	2,723	0.4
15,001-16,000	674	0.2	1,636	0.6	2,310	0.4
16,001-17,000	621	0.2	1,532	0.5	2,153	0.4
17,001-18,000	412	0.1	1,029	0.4	1,441	0.2
18,001-19,000	229	0.1	658	0.2	887	0.1
19,001-20,000	191	0.1	526	0.2	717	0.1
>20,001	1,139	0.4	3,562	1.2	4,701	0.8
Total	317,291		289,466		606,757	

Source: Child Support Agency, June 2001.

Note: Percentages may not add due to rounding.

**Chart 5.1: CSA Payer Liability by Payment Arrangement
(June 2001)**



5.1.2 Average Child Support Liabilities

Table 5.3 records the average daily and weekly child support for each Stage and payment arrangement. There are two sets of averages: one set includes all cases and the other excludes cases where the assessment is \$260 a year or less. In Stage 2 cases, where liabilities of \$260 or less have been excluded, there is a difference of \$25.39 per week between the average Stage 2 CSA Collect liability (\$80.86 per week) and the average Private Collect liability (\$106.25 per week). Where all cases have been included, the difference between the Stage 2 CSA Collect and Stage 2 Private Collect average liability figures is \$33.51 per week.

Table 5.4 outlines the total average weekly liability for Stage 2 CSA Collect and Private Collect cases based upon the number of eligible children. In all cases the average liabilities of the Private Collect cases are higher than the average liabilities for Stage 2 CSA Collect cases.

5.2 Payments

5.2.1 Total Credits and Liabilities

Table 5.5 shows total liabilities and all credits since 1988. As at June 1991 a total of \$283 million in liabilities had been registered for payers, and \$185 million had actually been collected. In other words CSA collections represented 65 per cent of all liabilities. By June 2001 CSA Collect cumulative liabilities had risen to \$5,368.1 million and cumulative credits were up to \$4,698.4 million. This resulted in an 87.5 per cent collection rate.

The liabilities and collections in Table 5.5 are also depicted in Chart 5.2. Total liabilities are represented by the white bars, while the credits are recorded in the blue bars. Running across the top of the chart are the credit amounts as a percentage of all liabilities.

Chart 5.3 shows the total Private Collect liabilities for 1993-94 to 2000-01. The CSA assumes that the collection rate for privately collected child support is 100 per cent as payees are able to request collection by the CSA where the payer fails to meet their obligation.

Table 5.3: Average Child Support Liability by Stage and Payment Arrangement, June 2001

Stage	Payment Arrangement	Average Liabilities (all cases)		Average Liabilities (Liability more than \$260)	
		Weekly \$	Annual \$	Weekly \$	Annual \$
Stage 1	CSA	56.37	2,939.21	56.67	2,955.02
	Private	49.56	2,584.04	49.80	2,596.60
	Total	54.14	2,823.04	54.42	2,837.75
Stage 2	CSA	47.01	2,451.21	80.86	4,216.52
	Private	80.52	4,198.52	106.25	5,540.18
	Total	62.94	3,282.02	94.80	4,943.07
Total	CSA	47.61	2,482.43	78.23	4,079.14
	Private	79.42	4,141.43	103.62	5,403.09
	Total	62.50	3,258.80	91.74	4,783.62

Sources: Data obtained from the Client Research Unit dataset.

Table 5.4: Average Weekly Liabilities by the Number of Eligible Children by Payment Arrangement¹ – Stage 2 Cases only, June 2001

Eligible Children	CSA Collect		Private Collect		Total	
	Number	Average \$	Number	Average \$	Number	Average \$
1	165,494	36.71	136,070	56.18	301,564	45.50
2	81,691	60.67	82,483	104.15	164,174	82.52
3	23,276	67.73	25,510	124.00	48,786	97.15
4	5,394	61.53	5,945	119.16	11,339	91.75
5	1,068	52.23	1,108	100.73	2,176	76.92
6	280	56.89	245	81.16	525	68.22
7	74	42.52	68	66.83	142	54.16
8	23	53.44	15	65.64	38	58.26
Total²	277,303	46.94	251,455	80.51	528,758	62.91

Source: Child Support Agency, June 2001.

Note: 1. Nil liability cases have been excluded from this table.

2. Cases with more than 8 Eligible Children have been excluded from this table for privacy reasons because of the small numbers involved. A total of 14 cases have been deleted.

Percentages may not add due to rounding.

Table 5.5: Cumulative Credits and Liabilities for CSA Collect Cases, June 2001

30 June	Cumulative Liabilities \$m	Cumulative Credits \$m	Collection Rate %
1988-91	283.0	185.0	65.0
1988-92	505.1	346.4	69.0
1988-93	784.9	569.4	73.0
1988-94	1,131.3	848.2	75.0
1988-95	1,795.8	1,315.8	73.3
1988-96	2,228.4	1,729.1	77.6
1988-97	2,725.7	2,209.1	81.0
1988-98	3,305.6	2,761.3	83.5
1988-99	3,940.4	3,357.5	85.2
1988-2000	4,645.2	4,010.5	86.3
1988-2001	5,368.1	4,698.4	87.5

Source: Child Support Agency, June 2001.

Notes: The difference between the "All Liabilities" figures and the "All Credits" figures are the Gross Maintenance Debt figures, not Net Maintenance Debt figures reported elsewhere in this publication. Net Maintenance Debt figures exclude Write Off amounts. The 1991 credit and liability totals include amounts for 1988, 1989 and 1990.

Chart 5.2: Cumulative Liabilities and Collections (GSA Collect Cases) since 1991

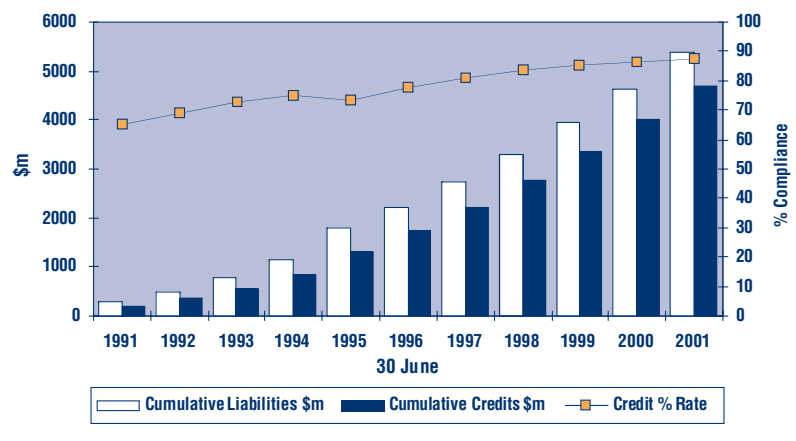
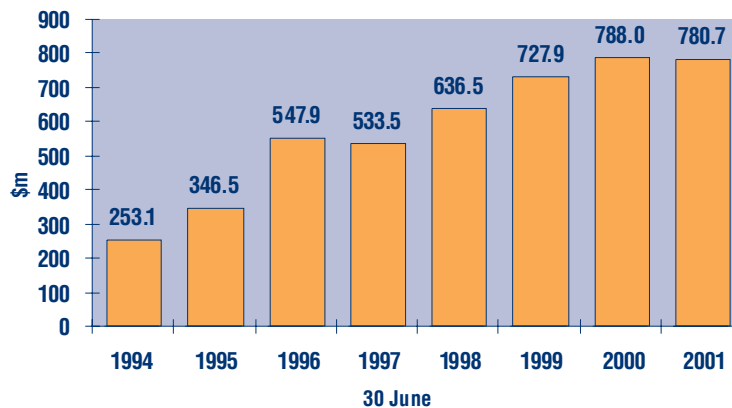


Chart 5.3: Private Collect Liabilities Since 1993-94



Source: Client Research Unit, CSA, July 2001.

5.2.2 Child Support Transferred

"Transfers" are child support liabilities that have been collected by CSA (CSA Collect), as well as payments that have been paid directly between parents but where the eligible carers are registered with CSA (Private Collect arrangements). The total amount of

child support transferred in 2000-01 was \$1,400.1 million, including \$780.7 million in private collections and \$619.4 million in funds collected by the CSA. This is a \$13.9 million (1.0 per cent) increase from the transfers total of \$1,386.2 million in 1999-2000 (see Table 5.6 and Chart 5.4).

Table 5.6: Transfers (\$m.)

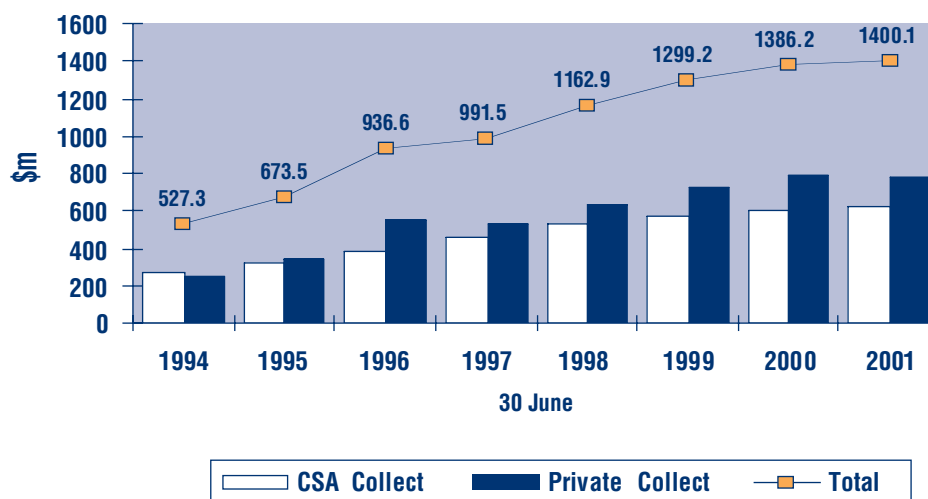
End June	CSA Collect ¹		Private Collect ²		Total Number
	Number	%	Number	%	
1994	274.2	52.0	253.1	48.0	527.3
1995	327.0	48.6	346.5	51.4	673.5
1996	388.7	41.5	547.9	58.5	936.6
1997	458.0	46.2	533.5	53.8	991.5
1998	526.4	45.3	636.5	54.7	1,162.9
1999	571.3	44.0	727.9	56.0	1,299.2
2000	598.2	43.2	788.0	56.8	1,386.2
2001	619.4	44.2	780.7	55.8	1,400.1

Source: CSA, June 2001

Note: 1. The CSA Collect figures include amounts for Interim Disbursement, Final Disbursement, Emergency Disbursement and Non-Agency Payments (NAPs).

2. Private Collect totals assume 100 per cent of privately paid child support is transferred. Where this is not so, the payee is entitled to ask the CSA to collect the liability.

Chart 5.4: CSA Transfers by Payment Arrangement



Source: Child Support Agency Monthly Performance Report, (CS5), June 2001.

5.2.3 Collections - CSA Collect Cases

Child support payments can be received by the CSA in a number of ways:

- Employer Withholding: these are monies withheld by the parent's employer and paid directly to CSA by the employer on the employee's behalf;
- Cash: monies paid by the parent directly to the CSA by cheque or money order;
- Tax Refund Intercept Payments (TRIPs): these are monies intercepted from a payer's tax refund by CSA; or

- Non-Agency Payments (NAPs): these are payments made directly to the payee or a third party by the payer instead of to the CSA. These payments are made in lieu of child support and might include money or the payment of medical bills, school fees etc.

Table 5.7 and Chart 5.5 show that the cash component, as a percentage of child support payments, is increasing while Employer Withholding and NAPs are decreasing. The percentage amount collected through TRIPs has been relatively stable.

30 June	Employer Withholding	Cash	TRIPs	NAPs
1998	53.1	30.6	8.9	7.4
1999	51.1	33.4	8.5	6.9
2000	48.8	35.6	9.1	6.5
2001	46.4	39.2	8.8	5.7

Source: Money for Kids Report, Child Support Agency, June 2001.

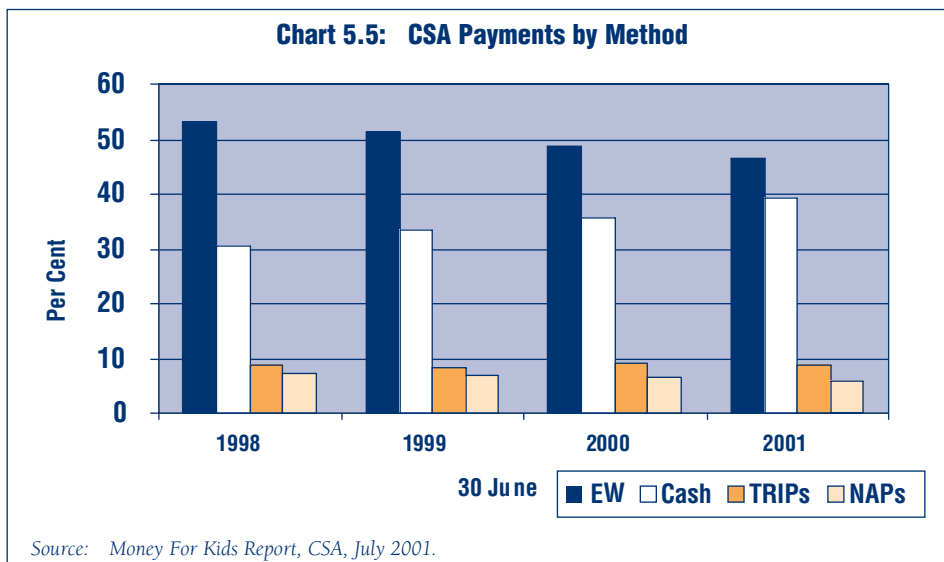


Table 5.8: Payer Maintenance Debt^{1,2} by Payer Child Support Income, June 2001

Maint. Debt (\$)	Payer Child Support Income													
	\$0		\$1-12,000		\$12-20,000		\$20-50,000		\$50,000+		Total			
No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	Sum %	
0	5,579	0	28,300	0	9,978	0	40,311	0	11,553	0	95,721	29.5	0	0
1-260	6,087	0.7	37,149	4.0	5,276	0.6	16,806	1.6	3,450	0.3	68,768	21.2	7.2	1.2
261-500	3,511	1.5	18,031	7.3	2,736	1.0	5,875	2.2	1,110	0.4	31,263	9.6	12.4	2.1
501-1K	1,655	1.2	9,879	7.3	3,767	2.7	8,077	5.9	1,229	0.9	24,607	7.6	18.0	3.0
1,001-2K	2,656	3.8	12,492	18.2	4,277	6.2	9,970	14.5	1,286	1.9	30,681	9.4	44.6	7.4
2,001-5K	2,609	8.2	15,477	49.3	6,316	20.7	13,222	42.9	1,579	5.1	39,203	12.1	126.2	20.9
5,001-10K	1,216	8.6	7,329	50.9	3,370	23.6	7,791	55.1	946	6.7	20,652	6.4	144.8	24.0
10,000+	1,237	26.9	4,072	71.7	2,199	38.8	5,399	93.6	941	19.5	13,848	4.3	250.6	41.5
Total	24,550	50.8	132,729	208.6	37,919	93.7	107,451	215.9	22,094	34.8	324,743	100.0	603.8	100.0

Source: Client Research Unit database, June 2001.

Notes: 1. Debt figures in this table are Net Maintenance Debt.

2. The difference in the debt total included in this table (\$603.8 million) and Table 5.9 (\$595.9 million) is debt attached to Stage 2 Private Collect cases. Totals may not add due to rounding.

5.2.4 Liabilities and Debt – CSA Collect Cases

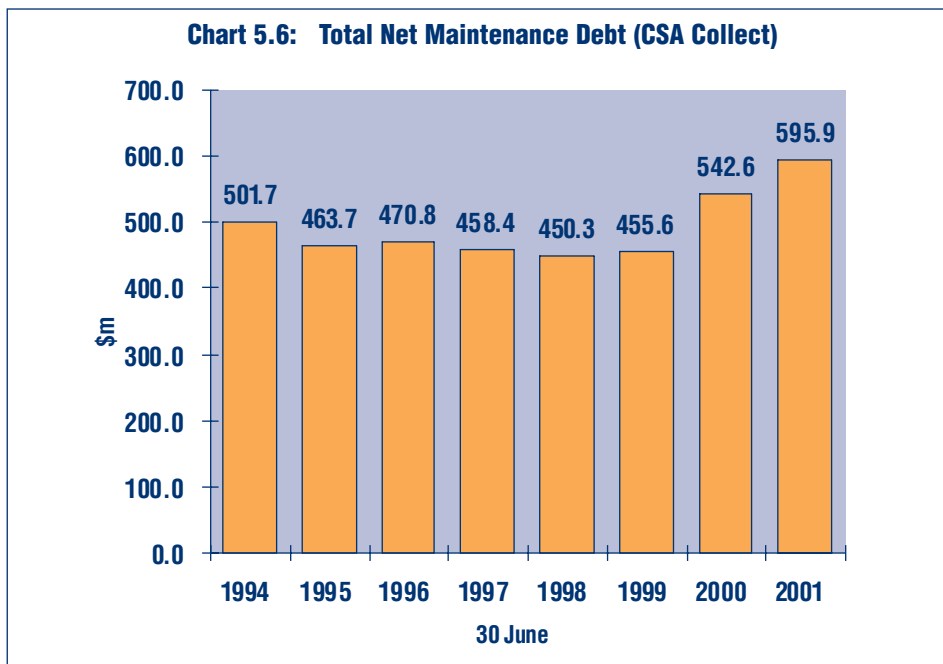
Table 5.8 shows the number of payers in each income range by the size of maintenance debt. The table shows that only 4.1 per cent of payers have a maintenance debt of greater than \$10,000 but that these payers comprise 40.7 per cent of the total debt.

5.2.5 Debt – CSA Collect Cases

Table 5.9 and Chart 5.6 record Scheme arrears amounts as at the end of the past eight financial years.

End June	Cumulative Maintenance Debt \$m.	Cumulative Liabilities \$m.	Annual Change in Debt %	Debt as % Liabilities
1994	501.7	1,131.3	n/a	44.4
1995	463.7	1,795.8	-7.6	25.8
1996	470.8	2,228.4	1.5	21.1
1997	458.4	2,725.7	-2.6	16.8
1998	450.3	3,305.6	-1.8	13.6
1999	455.6	3,940.4	1.2	11.6
2000	542.6	4,645.2	19.1	11.7
2001	595.9	5,368.1	9.8	11.1

Source: Child Support Agency Monthly Performance Report, (CS5), June 2001.
 Note: 1. The Net Maintenance Debt total of \$595.9 million in this table varies from the total of \$603.8 million in Table 5.8 as data in this table excludes Stage 2 Private Collect Debt of about \$7 million.



6.0 Legal Services Overview

6.1 Background

The Child Support Scheme Legal Services Program aims to provide information to low income parents (particularly Department of Family and Community Services customers) about their rights and responsibilities under the Child Support Scheme. These legal services assist with legal advice, information, minor assistance, and, when appropriate, legal representation to ensure that children with separated parents benefit from the Child Support Scheme.

Legal Aid Commissions in each State and Territory, and thirteen specialist Community Legal Services located throughout Australia, provide services to parents eligible to receive child support (carer parents) and parents responsible for paying child support (liable parents).

The following activities are undertaken by legal services on behalf of carer parents:

- assistance in preparing and completing legal documents;
- obtaining court orders;
- advising self-representing clients about what is involved in attending court;
- assistance with establishing proof of parentage;
- assisting clients interpret child support documents from other government bodies;
- assisting stage 2 clients understand the change of assessment process; and
- court representation as appropriate.

In addition to the above activities for carer parents, a number of specific activities are undertaken on behalf of liable parents including:

- assisting clients understand their rights of appeal under the change of assessment arrangements;

- assisting clients interpret their child support obligations;
- assisting with preparing and completing legal documents;
- advising self-representing clients about what is involved in attending court;
- court representation as appropriate.

The Child Support Agency also actively supports clients by liaising directly with the legal service providers to resolve child support issues. The Child Support Agency also refers clients to independent legal services as appropriate, to ensure that clients are fully informed and have access to legal advice and information.

Legal aid commissions expend funds on child support matters in accordance with Commonwealth priorities and guidelines.

The new legal aid agreements for 2000-01 to 2003-04 incorporate an outputs-based reporting framework which will enable a more accurate identification of the amount of expenditure on particular categories of service delivery, including child support. The agreements also incorporate a range of improved performance measures. The Commonwealth will assess each commission's performance in terms of effectiveness (the extent to which outcomes have been achieved), efficiency (the outputs produced for the quantum of funds provided) and service quality. Monitoring of performance will be undertaken on an ongoing basis through the examination of information and data provided by commissions in accordance with the agreements.

Commonwealth funding for child support matters is also administered through the Community Legal Services Program to 13 centres in Australia who provide specialist child support legal services to clients. In the 2000-01 financial year, the total allocation was \$1,251,070.

6.2 Statistics and Advice Work Types

6.2.1 Legal Aid Commission Statistics

At time of writing, New South Wales had not submitted data for the 2000–01 period.

During 2000-01 legal aid commissions (with the exception of New South Wales) recorded the following child support related activities.

- A total of 1,653 clients attended child support forums
- A total of 3,276 clients applied for legal aid assistance under the Child Support Scheme
- 3,247 applications for child support related legal aid assistance were approved
- 33 applications for child support related legal aid assistance were refused
- 3,311 child support related cases were finalised

The following number of advice interviews by work type were recorded nationally:

- Advice 2,295
- Minor Assistance 708
- CSS assisting with application for maintenance 1,581
- CSS assisting with application to vary existing maintenance/order/agreement 971
- Draft letter to FaCS seeking exemption 315
- CSS phone advice – non-1800 number 2,683
- CSS phone advice – 1800 number 1,285
- Not specified 1,223

6.2.2 Community Legal Services Statistics

During 2000-01 community legal services funding specifically to provide child support services recorded the following number of activities:

(Activity type for problem type)

- Advice 3,759
- Information 1,686
- Community Legal Education 40
- Cases Opened 1,221
- Cases Closed 1,151

6.3 Additional Child Support Information Collected by Community Legal Services Relating to Child Support Activities for 2000-01

Parent Type:	Number
Carer (only)	782
Liable (only)	465
Both carer and liable	0
Stages:	
Stage 1	160
Stage 2	1,088
Parentage:	
Not disputed	790
Other proof sought	96
Test required	140
Test positive	21
Test negative	4
Age of Client:	
Less than 26 years	396
26-35 years	1,045
36-45 years	1,360
over 45 years	507
Income Source:	
Employed full-time	770
Employed part-time	425
Self employed	134
Centrelink benefit	1,766
Other Government benefit	107
No income	123
Employed temporarily	4
Student allowance	3
Community development employment program	2
Other	123

7.0 Savings and Costs

7.1 Savings

Savings to Government outlays are achieved as a result of the application of the maintenance income test to payments of more than minimum rate Family Tax Benefit. As at June 2001, payments of

more than the minimum rate Family Tax Benefit are reduced by 50 cents for each dollar of maintenance received above \$1,062.15 per annum for a parent with one child from a previous relationship. The threshold is increased where there are additional children or if there is a couple with both partners receiving maintenance.

Table 7.1: Savings Attributed to the Child Support Scheme

	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Savings	36	56	74	103	124	146¹	283	318	378.3	419.2	425.0²	380.4²

Source: Department of Family and Community Services, June 2001.

Notes: 1. There is no direct comparability between the 1994-95 and later years' savings figures. In 1995-96 the then DSS amended its modelling procedures, resulting in additional clients being counted. Nor is there any direct comparability between the 1998-99 and later years' savings figures.

2. These figures for 1999-2000 and 2000-01 are indicative only and may be revised. These totals are calculated by The Department of Family and Community Services.

Chart 7.1: Savings Attributable to the Child Support Scheme

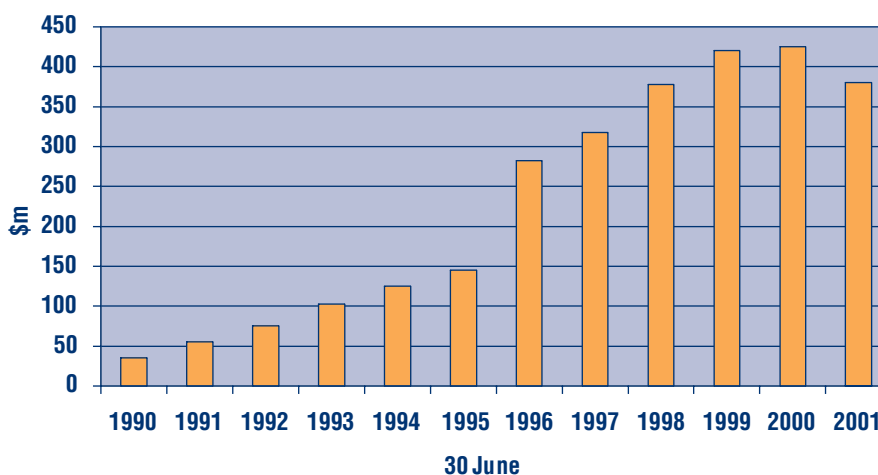
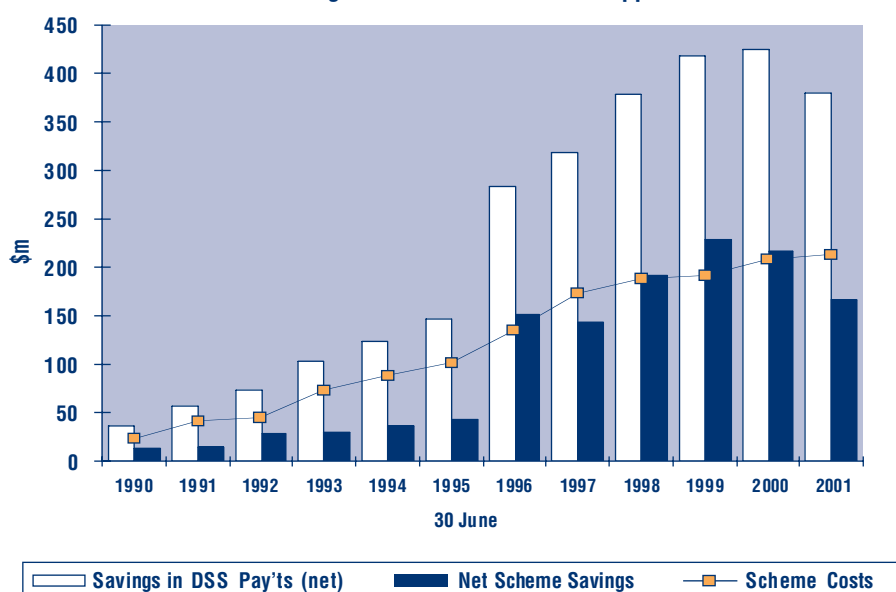


Chart 7.2: Savings and Costs of the Child Support Scheme



Source: Child Support Agency Monthly Performance Report (CS5), CSA, June 2001.

7.2 Scheme Costs

Table 7.2: Savings and Costs of the Child Support Scheme¹

Agency/Dept	89-90 \$m	90-91 \$m	91-92 \$m	92-93 \$m	93-94 \$m	94-95 \$m	95-96 \$m	96-97 \$m	97-98 \$m	98-99 \$m	99-00 \$m	00-01 \$m
CSA ²	13.5	26.3	33.7	57.0	70.1	84.8	114.8	160.6	169.7	180.1	198.2	203.7
FaCS	3.6	4.7	6.0	9.6	10.4	10.4	12.4	8.6	10.4	2.7	3.0	2.3
AGD ³	5.7	10.0	5.8	6.4	7.2	7.2	4.3	4.7	7.5	7.8	7.8	7.8
Scheme Costs	22.8	41.0	45.5	73.0	87.8	102.4	131.6	173.9	187.7	190.6	209.0	213.8
Savings in												
FaCS pay'ts⁴	36	56	74	103	124	146	283	318	378	419	425⁶	380⁶
Net Savings⁵	13	15	29	30	36	44	151	144	191	228	216⁶	166⁶

Source: Child Support Agency, Department of Family and Community Services and Attorney-General's Department, June 2001.

- Notes:
1. There is no comparability between data in this table for years up to and including 1994-95 with data for 1995-96 and later years, due to changes in savings calculations.
 2. The 1996-97, 1997-98 and 1998-99 CSA costs figures are not directly comparable with the 1995-96 figure of \$114.85 million. The later figures are accrued cost estimates which include, for example, all CSA costs for salaries, administrative costs, leave, IT redevelopment, internal user charges (IUCs) etc.
 3. Attorney-General's Department 1996-97, 1997-98 and 1998-99 costs for its responsibilities within the Child Support Scheme are not comparable with data for earlier years. The 1996-97, 1997-98 and 1998-99 figures are the actual amounts that A-G's spent administering its child support work: earlier figures are amounts that were allocated by the Department of Finance for those CSS responsibilities.
 4. The 1999-2000 savings attributable to the Child Support Scheme are not comparable with data for earlier years. The increase in savings reflects steps taken by Centrelink to streamline the process for private collection customers.
 5. Net Savings equals Net Savings to Government outlays minus Scheme Costs.
 6. These figures for 1999-2000 and 2000-01 are indicative only and may be revised. These totals are calculated by the Department of Family and Community Services.

7.3 Comparisons with Overseas Agencies

The Australian Child Support Agency has conducted preliminary research into how broad cost-effectiveness indicators of the Australian Child Support Scheme compare with other child support organisations.

The reader should note that these figures have not been standardised using agreed definitions, although an international project is continuing to develop such standards between the Australia, New Zealand, USA,

Canada and UK child support organisations. Given the lack of standardisation between the information for each jurisdiction, close comparisons between these data is inadvisable. Surveyed agencies define collections in different ways.⁹

7.4 CSA Staff

Table 7.5 records staffing levels for CSA at June 2001. The table also notes the gender breakdown by classification levels.

Table 7.4: Comparative Statistics for Australian and Overseas Child Support Programs (1998-99)^{1,2}

Country		Total A\$m. Collected or Transferred	Program Costs A\$m.	A\$ Collected for each \$1 Spent	Cost of Collecting \$1	Caseload	Agency Staff Numbers (FTEs)	Cost A\$ per Agency FTE	Arrears A\$
Australia	1997-98	1,162.9	169.7	6.85	14.6 cents	494,534	2,587	65,597	450.3
	1998-99	1,299.2	180.1	7.21	13.9 cents	535,569	2,663	67,634	455.6
	1999-00	1,386.2	198.2	6.99	14.3 cents	569,710	2,714	75,055	542.6
Canada ³	1998-99	1,225.6	n/a	n/a	n/a	389,273	1,590	62,830	1,746.6
New Zealand	1997-98	153.2	33.7	4.55	22.0 cents	131,750	509	66,220	224.9
	1998-99	160.2	36.4	4.40	22.7 cents	132,500	475	76,571	259.1
United Kingdom	1998-99	1,686.7	589.3	2.86	35.0 cents	923,960	9,299	63,372	n/a
United States ⁴	1996-97	22,673.9	5,815.8	3.90	25.6 cents	19,057,164	52,483	110,987	75,703.8
	1997-98	24,342.9	6,082.4	4.00	25.0 cents	19,419,449	56,212	n/a	n/a

Notes: 1. Currency amounts in this table are A\$ and were converted using the exchange rate quoted in *The Australian Financial Review*, 7 July 2000. These topline results do not necessarily reflect different policy aims and administrative arrangements between agencies.
2. Australian staff numbers in this table are Average Staffing Level (ASL). There was also a small number of FaCS staff dedicated to the Child Support Scheme, and a small number of staff in the Attorney-General's Department who had child support responsibilities.

Table 7.5: CSA Total Staff by Gender and Classifications, June 2001^{1, 2, 3}

	Male	%	Female	%	Total Staff
APS 1-6	685	27.2	1,835	72.8	2,520
SOG/EL1-2	80	47.6	88	52.4	168
SES	3	42.9	4	57.1	7
Total	768	28.5	1,927	71.5	2,695

Source: Child Support Agency, June 2001.

Notes: 1. Numbers are Actual Full Time Equivalent (FTE) which include staff on unpaid leave. Unpaid categories include staff who are on leave without pay, unpaid maternity leave, and compensation.
2. Staff on Higher Duties Allowance (HDA) are recorded at HDA level rather than their nominal classification.
3. The bulk of Scheme staff are employed by the CSA. There is also a small number of staff employed in other areas of FaCS, and the Attorney-General's Department, both of which also have administrative responsibilities under the Child Support Scheme.
Percentages may not add due to rounding.

⁹ The reader is referred to the paper *Child Support Schemes: Australia and Comparisons*, Client Research Unit, Child Support Agency, March 2001.

At the end of June 2001 there were 2,695 FTE staff in the CSA. Of that number 1,927 were females (71.5 per cent) and 768 were males (28.5 per cent). At levels ASO 1-6 (and equivalents) 73 per cent of all officers were female but at the Senior Officer levels males accounted for 43 per cent of CSA staff.

7.5 CSA Telephone Performance

Research has established that CSA clients prefer communicating by telephone. Recognising this fact, the CSA has allocated considerable time and funding to improving its telephone system. This effort is reflected in the telephone performance statistics in Table 7.6.

Table 7.6: CSA Telephone Statistics

End June	Main Queue ¹ (calls per day)	Response Time ²	IVR Calls per day ³	Total Phone Traffic (queue and IVR total) ⁴
1994	5,000	n/a	n/a	5,000
1995	9,000	80% in 3 mins	n/a	9,000
1996	6,000	80% in 2 mins	n/a	6,000
1997	8,000	90% in 2 mins	2,308	10,300
1998	8,500	93.3% in 2 mins 83.5% in 30 secs	4,154	12,700
1999	8,500	86% in 2 mins	4,681	13,200
2000	8,450	87% in 2 mins	6,287	14,700
2001	9,371	95.5% in 2 mins 84.5% in 30 secs	5,753	15,124

Source: CSA, June 2001.

Notes: 1. Main Queue includes public calls, which have been logged on to the CSA phone system. The total excludes Change of Assessment (COA) and Complaints calls.

2. Response time is calculated on calls logged in to the Main Queue.

3. IVR (Interactive Voice Response) was introduced by the CSA during 1995-96. An IVR traffic figure for that year is not available. The calls to the Main Queue decreased during that year as a result of the introduction of the IVR. IVR calls are counted on a monthly basis given that the system operates 7 days per week. In this instance, however, calls have been calculated on a daily basis using the following method. In 2000-01 there were 124,641 IVR calls per month or 1.5 million for the year. This figure was then divided by 260, which is the number of days in a working year, to produce the result of 5,753. This makes the IVR calls per day consistent with the way the calls per day are measured for the Main Queue.

4. The totals in this column include all Main Queue calls and IVR calls calculated on a daily basis using the method described in note 3 above.

Appendix 1: Contact Details

Parents are able to obtain information from the Child Support Agency, Centrelink and legal service providers on the following numbers.

Child Support Agency

- General Enquiries **Phone 131 272**
- CSA Info Service (IVR automated service for quick account enquiries and general information) **Phone 131 107**
- Child Support Change of Assessment **Phone 131 141**
- CSA Complaints **Phone 132 919**
- Website **www.csa.gov.au**

Centrelink

- Pensions Information **Phone 132 300**
- Family Payments **Phone 136 150**
- Enquiries in languages other than English **Phone 131 202**
- Appointments **Phone 131 021**

Family Assistance Office

- General Enquiries **Phone 136 150**

Carer Parent Services

Child Support Scheme

If you require assistance to understand your rights and responsibilities under the Child Support Scheme, a number of Legal Aid related agencies throughout Australia provide specialised independent services. For more information or advice about how the Scheme applies to you, please contact one of the services listed below.

AUSTRALIAN CAPITAL TERRITORY

Legal Aid Office (ACT)

Phone: (02) 6243 3411

NEW SOUTH WALES

Legal Aid Commission of NSW

Phone: (02) 9744 3833

Phone: 1800 451 784 Toll Free

Macarthur Legal Centre

Phone: (02) 4628 2042

Illawarra Legal Centre Inc.

Phone: (02) 4276 1939

Southwest Sydney Legal Centre

Phone: (02) 9601 7777

SOUTH AUSTRALIA

Legal Service Commission of South Australia

Child Support Section

Phone: (08) 8463 3576

Noarlunga Community Legal Service

Phone: (08) 8384 5222

Westside Community Lawyers

Phone: (08) 8243 5521

Para District Legal Service

Phone: (08) 8281 6911

TASMANIA*

Legal Aid Commission of Tasmania
(Launceston)

Phone: (03) 6336 2050

Hobart Community Legal Service

Phone: (03) 6223 2500

* Carer parents in the south of the state should contact the Hobart Community Legal Service. Carers in the north and northwest of the state should contact the Legal Aid Commission.

NORTHERN TERRITORY

Northern Territory Legal Aid Commission

Family Law Advice Sessions

Phone: (08) 8999 3000

QUEENSLAND

Legal Aid Queensland

Child Support Unit

Phone: 1300 651 188 (Toll Free)

Fax: (07) 3238 3545

Caxton Legal Centre Inc.

Phone: (07) 3254 1811

VICTORIA

Victoria Legal Aid

Phone: (03) 9269 0408

Peninsula Community Legal Centre Inc.

Phone: (03) 9783 3600

Geelong Community Legal Service Inc.

Phone: (03) 5229 0775

Springvale Monash Legal Service

Phone: (03) 9562 3144

Springvale Community Aid and Advice Bureau Inc.

Phone: (03) 9546 5255

WESTERN AUSTRALIA

Legal Aid Western Australia

Child Support Legal Unit

Phone: (08) 9261 6253

Bunbury Community Legal Centre

Phone: (08) 9791 3206

Gosnells Community Centre

Phone (08) 9398 1455

Liabie Parent Services

Child Support Scheme

If you require assistance to understand your rights and responsibilities under the Child Support Scheme, a number of Legal Aid related agencies throughout Australia provide specialised independent services. These services may be able to assist you to purchase a self-help kit, attend an information session or receive telephone information and/or advice. For more information or advice about how the Scheme applies to you, please contact one of the services listed below.

AUSTRALIAN CAPITAL TERRITORY

Legal Aid Office (ACT)

Phone: (02) 6243 3411

NEW SOUTH WALES

Legal Aid Commission of NSW Child Support Service

Phone: (02) 9744 3833
1800 451 784 Toll-Free

SOUTH AUSTRALIA

Legal Services Commission of South Australia
Child Support Section

Phone: (08) 8463 3576

Noarlunga Community Legal Centre

Phone: (08) 8384 5222

Westside Community Lawyers

Phone: (08) 8243 5521

TASMANIA

Legal Aid Commission of Tasmania Child Support Information Sessions
Launceston Office

Phone: (03) 6336 2050

Hobart Office

Phone: (03) 6233 8383

WESTERN AUSTRALIA

Legal Aid Western Australia
Child Support Legal Unit
Liabie Parent Forums

Phone: (08) 9261 6318
Phone: 1800 199 363

Bunbury Community Legal Centre

Phone: (08) 9791 3206

NORTHERN TERRITORY

Northern Territory Legal Aid Commission
Family Law Advice Sessions

Phone: (08) 8999 3000

QUEENSLAND

Legal Aid Queensland Child Support Unit
(Liabie Parent Project)

Phone: 1300 651 188 Toll-Free
Fax: (07) 3238 3545

Caxton Legal Centre

Phone: (07) 3254 1811

VICTORIA

Victoria Legal Aid
Liabie Parents Information Service

Phone: (03) 9269 0408

Peninsula Community Legal Service

Phone: (03) 9783 3600
1800 064 784 (0359 area only)

Geelong Community Legal Service

Liabie Parent Child Support Worker

Phone: (03) 5221 4744

Springvale Legal Service

Phone: (03) 9562 3144

Springvale Monash Community Aid and Advice Bureau

Phone: (03) 9546 5255

Appendix 2

Amounts Used in Child Support Assessments

	Child Support Year									
	1994-95	1995-96	1996-97	1997-98	1998-99	1999	2000	2001		
Liabie Parent's exempted income amount	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Single yearly rate of pension (no relevant dependents)	8,221	8,362	8,733	9,006	9,043	10,219	10,482	11,271		
Twice married pension rate (with relevant dependents)	13,712	13,946	14,570	15,023	15,085	17,051	17,498	18,813		
Additional amount for child under 13 at end of child support year	1,669	1,747	1,830	1,888	1,895	1,958	2,018	2,049		
Additional amount for child 13-15 at end of child support year	2,356	2,447	2,558	2,639	2,649	2,733	2,813	2,857		
Additional amount for child 16 or over at end of child support year	3,428	3,487	3,643	3,756	3,771	3,875	3,977	4,276		
<i>Source: Social Security Act 1991</i>										
Resident Parent's disregarded income amount										
Yearly equivalent of average weekly earnings	33,259	34,549	36,130	37,424	38,787	31,351	31,699	33,717		
Additional amount for first child under 6 as at start of child support year	3,825	3,973	4,155	4,304	4,461	n/a	n/a	n/a		
Additional amount for each other child under 6 as at start of child support year	831	864	903	936	970	n/a	n/a	n/a		
Additional amount for child 6 or over and under 12 as at start of child support year	1,663	1,727	1,807	1,871	1,939	n/a	n/a	n/a		
Other amounts										
Yearly equivalent of 2.5 times AWE	83,148	86,373	90,325	93,560	96,968	101,153	103,103	108,732		
Inflation factor	1.020	1.035	1.040	1.045	1.040	1.040	1.0375	1.0375		
Weekly Protected Earnings Rate (for the period 1 Jan to 31 Dec)	197.78	201.15	210.15	216.68	217.58	218.85	221.03	237.3		

