



Australian Government

Child Support Agency

Child Support Scheme



Facts and Figures

2004-05



Australian Government

Attorney-General's Department

Child Support Scheme: Facts and Figures 2004-05



Comments on this paper

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Summary

Child Support Scheme – Key Facts and Figures

	2002-03	2003-04	2004-05
Support for Children			
Child Support Transfers			
CSA Collect	\$672.0m	\$790.5m	\$866.4m
Private Collect	\$1,272.0m	\$1,395.7m	\$1,513.4m
Total	\$1,944.0m	\$2,186.2m	\$2,379.8m
CSA Collection Performance Since Inception:	87.9%	89.2%	90.0%
Total Collections	\$6,113.1m	\$6,970.4m	\$7,887.0m
Total Liabilities	\$6,957.2m	\$7,818.0m	\$8,759.2m
Average Annual Liabilities per Case:			
Stage 1 CSA Collect	\$2,889.16	\$2,902.73	\$2,992.39
Stage 1 Private Collect	\$2,554.06	\$2,616.91	\$2,731.61
Stage 2 CSA Collect	\$4,402.59	\$4,560.01	\$4,751.17
Stage 2 Private Collect	\$5,777.56	\$5,943.52	\$6,182.82
Support for Parents			
CSA Caseload:	685,969	712,680	732,634
% CSA Collect	49.4%	48.2%	47.8%
% Private Collect	50.6%	51.8%	52.2%
% Stage 1 Court Orders	3.2%	2.3%	1.4%
% Stage 2 Formula Assessment	96.8%	97.7%	98.6%
Children who are eligible for child support payments (Eligible Children – Stage 2 cases only)	1,034,593	1,078,761	1,105,701
CSA Customer Numbers:			
Payers	630,701	661,243	680,815
Payees	626,739	657,339	676,575
Total	1,257,440	1,318,582	1,357,390
CSS Savings and Costs to Government			
Total Savings to Government Outlays	\$433.5m	\$458.0m	\$510.0m
Scheme Costs by Agency:			
CSA	\$233.2m	\$257.4m	\$274.7m
FaCS	\$1.4m	\$1.5m	n/a
AGD	\$5.5m	\$5.5m	n/a
Dollars transferred/collected by CSA for each dollar spent.	\$8.30	\$8.49	\$8.55
CSA cost to transfer/collect each dollar.	12.0 cents	11.8 cents	11.5 cents

Introduction

This report is the ninth edition of the *Child Support Scheme Facts and Figures* and is an annual publication released jointly by the Agencies and Commonwealth 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.

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 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.

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.

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

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

Table 1.1: Child Support Percentages

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 2005 was \$130,767.

A payer's exempt income is an allowance for living expenses and is deducted before the child support percentage is applied (see Table 1.2).

Table 1.2: Exempt Income Amounts

	Exempt Income 1.1.2004-31.12.2004	Exempt Income 1.1.2005-31.12.2005
No natural or adopted children	\$12,950	\$13,462
With natural or adopted children	\$21,622	\$22,480
Allowance for child under 13	\$2,307	\$2,362
Allowance for child 13-15	\$3,219	\$3,296
Allowance for child 16-17	\$4,914	\$5,109

Source: relevant FaCS Pension Rates 2004-05, CCH Court Handbook and at the Child Support Agency's website www.csa.gov.au.

If a payee's child support income amount exceeds the disregarded income amount³, then the payer'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 (\$39,312 for 1.1.2005 to 31.12.2005).

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

1.4 Administrative Arrangements between the Child Support Agency as part of the Department of Human Services, 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.

From October 1998 until October 2004 the Child Support Scheme was administered by the Child Support Agency as part of the Commonwealth Department of Family and Community Services (FaCS). The Scheme partners were the Department of Family and Community Services, incorporating CSA, and the Attorney-General's Department.

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.

In October 2004 CSA became part of the new Commonwealth Department of Human Services (DHS). DHS incorporates six agencies: Centrelink, Health Insurance Commission, Child Support Agency, Health Services Australia, Commonwealth Rehabilitation Services and Australian Hearing. In total they administer about \$80 billion in government services. The Department of Human Services and its agencies have the responsibility for the delivery of services, while the Department of Family and Community Services has the responsibility for policy development.

1.4.1 The Role of the Child Support Agency in the Department of Human 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;
- provide an information service for parents on child support matters;
- refer customers to government and other organisations where requested; and
- administer international cases where requested.

These activities are undertaken in Branch Offices (currently 16) around Australia. CSA also has Regional Service Centres located in 20 Centrelink offices and one ATO Office (Darwin) in regional Australia.⁴

CSA continues to have access to taxation and Centrelink information to enable efficient assessment and collection of child support.

1.4.2 The Role of the Department of Family and Community Services

The Commonwealth Department of Family and Community Services (FaCS) portfolio is responsible for a broad range of social policy issues affecting Australian society and the living standards of Australian families, communities and individuals. More specifically, the portfolio is responsible policy in relation to income support, housing, community support, disability services, child care services and families. FaCS also advises the Government on the social policy impact of wider government policy including taxation, superannuation and savings policy.

The role of FaCS in the Child Support Scheme covers:

- strategic policy development, analysis and research;
- liaison with other agencies;
- ensuring appropriate linkages between income support and child support; and
- reporting to Government and Parliament.

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

1.4.3 The Role of Centrelink

Centrelink is the primary service delivery agency for the Department of Human Services and delivers a range of Government assistance programs, including family payments through the Family Assistance Office. Centrelink's primary role in terms of the Child Support Scheme is:

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

Over 550 Family Assistance Offices have been set up across Australia in Centrelink Customer Service Centres, Medicare offices and Australian Tax Office shopfronts to provide families with a range of family payments.

1.4.4 The Role of 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 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 and assessment by the Child Support Agency but with payment made directly between the parents; or
- CSA Collect: registration, assessment and collection by the Child Support Agency.

Registration with CSA can proceed on the application of either parent. 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 administrative enforcement powers available, including:

- deduction from salary and wages;
- interception of income tax refunds;
- 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;

- deductions from Centrelink benefits for the minimum liability of \$260 a year and deductions from Family Tax Benefit in limited circumstances (when separated parents are sharing the care of a child for whom child support is being collected).

In addition, debts can be pursued through the courts to seek orders for sale of assets and property, or for the garnishment of regular non wage income sources where administrative collection is not possible.

2.0 Reasonable Action to Obtain Child Support

2.1 Child Support Customers

Centrelink and CSA have mutual customers primarily as a result of the Maintenance Action Test. As mentioned in section 1.4.3, *Family Tax Benefit Part A* (FTB Part A) 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 Family Tax Benefit 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 FTB Part A customers. By June 2005:

- a total of 95.9 per cent of children of FTB Part A customers had maintenance action completed on their behalf. This means these cases were registered with CSA or an application had been lodged;
- another 2.9 per cent of children of FTB Part A customers were granted an exemption; and
- the remaining 1.2 per cent of children of FTB Part A customers at that time did not have reasonable maintenance action requirements met on their behalf or their application was still in progress.

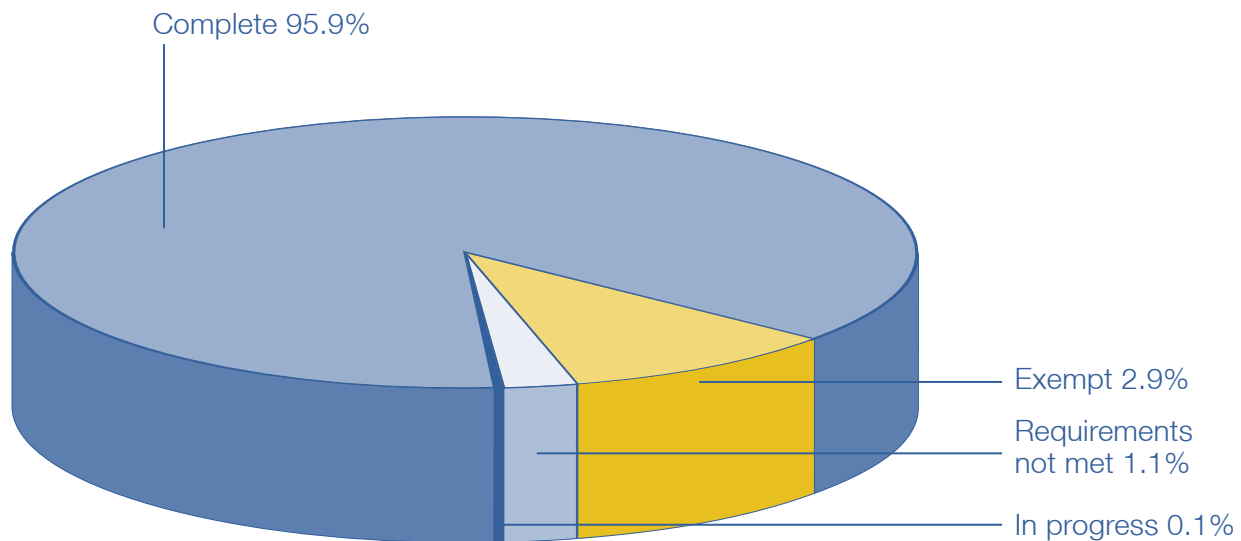
Table 2.1: Action Taken to Obtain Child Support, June 2005

Maintenance Action	Number of Children	%
Complete	1,210,725	95.9
In progress	1,635	0.1
Exempt	35,984	2.9
Requirements Not Met	14,097	1.1
Total	1,262,441	100.0

Source: FaCS, June 2005.

Note: Percentages may not add due to rounding.

Chart 2.1: Maintenance Action



Source: Family Payments Branch, FaCS, June 2005.

Based on the figures in Table 2.1 and the chart above, it can be seen that reasonable maintenance action requirements have been met for almost 99 per cent of children (95.9 per cent 'complete' plus 2.9 per cent 'exempted') of FaCS child support customers. In fact, at June 2005, only 1.2 per cent of children did not have reasonable maintenance action requirements met on their behalf or their application was still in progress.

3.0 Caseload

3.1 Active Caseload⁵

As at June 2005 there were 732,634 active cases. Some 1.4 per cent (or 10,440 cases) were Stage 1 active cases, and 98.6 per cent (or 722,194 cases) were Stage 2 active cases.⁶ Each case has two CSA customers; 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 customers than active cases as some payers and payees are involved in more than one case. As a result, CSA had approximately 1.4 million payers and payees by June 2005.

3.2 Caseload by Stage and Collection Method

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.

Table 3.1: Caseload by Stage 1

30 June	Stage 1		Stage 2		Total	Average monthly increase
	Number	%	Number	%	Number	
1991	62,758	60.9	40,348	39.1	103,106	-
1992	70,787	50.7	68,865	49.3	139,652	3,046
1993	73,819	34.9	137,762	65.1	211,581	5,994
1994	61,082	22.0	217,103	78.0	278,185	5,550
1995	60,226	17.9	276,091	82.1	336,317	4,844
1996	58,442	14.8	336,466	85.2	394,908	4,883
1997	54,645	12.2	393,400	87.8	448,045	4,428
1998	50,935	10.3	443,599	89.7	494,534	3,874
1999	45,986	8.6	489,583	91.4	535,569	3,420
2000	40,664	7.1	529,046	92.9	569,710	2,845
2001	34,650	5.7	577,682	94.3	612,332	3,552
2002	30,626	4.7	626,706	95.3	657,332	3,750
2003	22,235	3.2	663,734	96.8	685,969	2,386
2004	16,048	2.3	696,632	97.7	712,680	2,226
2005	10,440	1.4	722,194	98.6	732,634	1,663

Source: Child Support Agency, June 2005.

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.

⁵ '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.

⁶ Child Support Agency Monthly Performance Report for June 2005 (CS5), p. 7.

Chart 3.1 shows the monthly rate of increase in active cases has decreased in 2004-05 over 2003-04. Between 1993 and 1994 the caseload grew by an average of 5,550 cases per month. This compares with an increase 1,663 cases between June 2004 and June 2005.

Chart 3.1: Active Caseload 1991-2005



Source: Child Support Agency, June 2005.

Notes: Active caseload figures do not include cases ended with arrears. There were 38,255 EWAR cases as at end of June 2005.

The percentage of all cases that were Private Collect cases rose to 52.2 per cent by the end of June 2005 (see Table 3.2 and Charts 3.2 and 3.3 below). Of the 32,800 cases first registered in the first six months of 2005, almost 72 percent were Private Collect. This is consistent with the Government's aim to ensure child support arrangements are non-intrusive to personal privacy.

Table 3.2: Caseload by Collection Method¹

30 June	CSA Collect		Private Collect		Total
	Number	%	Number	%	
1994	180,581	66.4	91,468	33.6	272,049
1995	209,477	63.3	121,514	36.7	330,991
1996	235,008	60.7	152,018	39.3	387,026
1997	261,000	59.3	179,241	40.7	440,241
1998	281,473	57.6	207,569	42.4	489,042
1999	295,290	56.0	232,064	44.0	527,354
2000	308,047	54.8	254,237	45.2	562,284
2001	317,724	52.3	289,443	47.7	607,167
2002	331,202	50.6	323,234	49.4	654,436
2003	338,055	49.4	346,815	50.6	684,870
2004	342,414	48.2	368,619	51.8	711,033
2005	348,833	47.8	381,523	52.2	730,356

Source: Child Support Agency, June 2005.

Notes: 1. The active caseload numbers in this table exclude cases where processing has not been finalised and therefore does not agree with caseload figures elsewhere in this publication.
Percentages may not add due to rounding.

Chart 3.2: CSA Caseload - Private Collect and CSA Collect

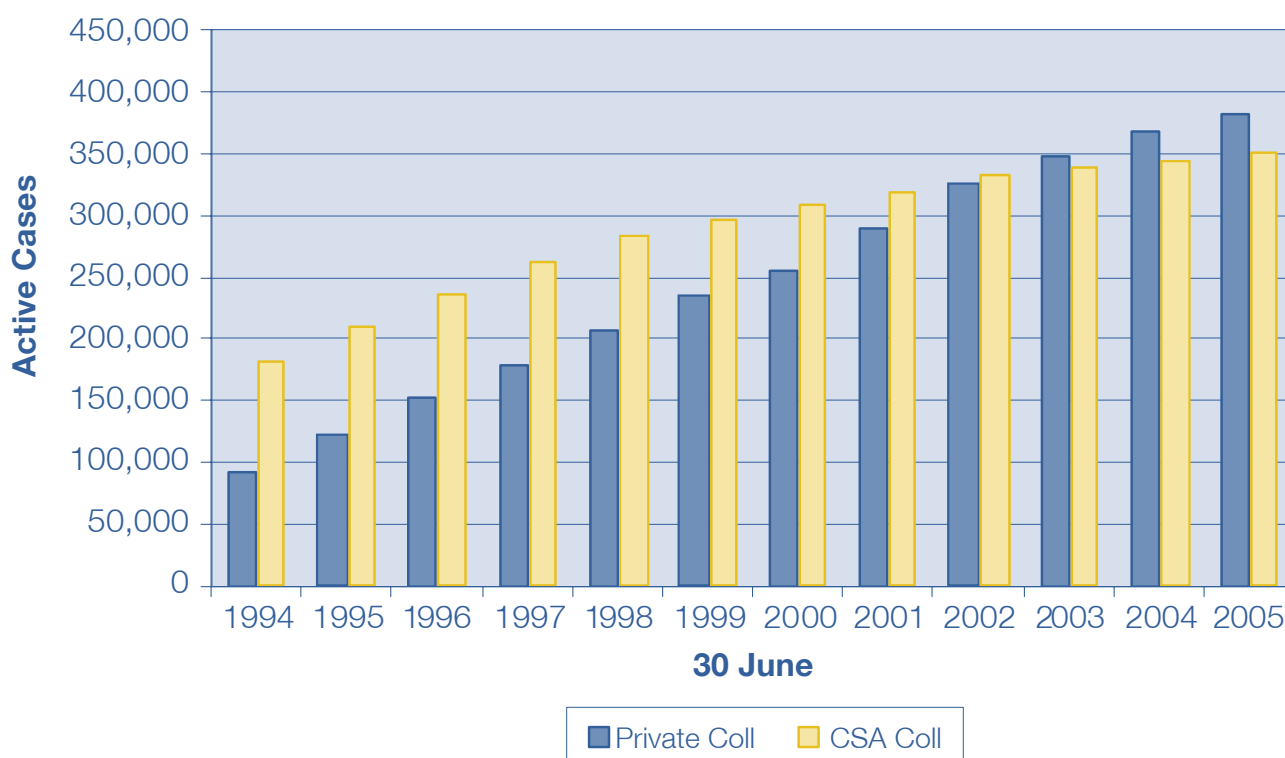
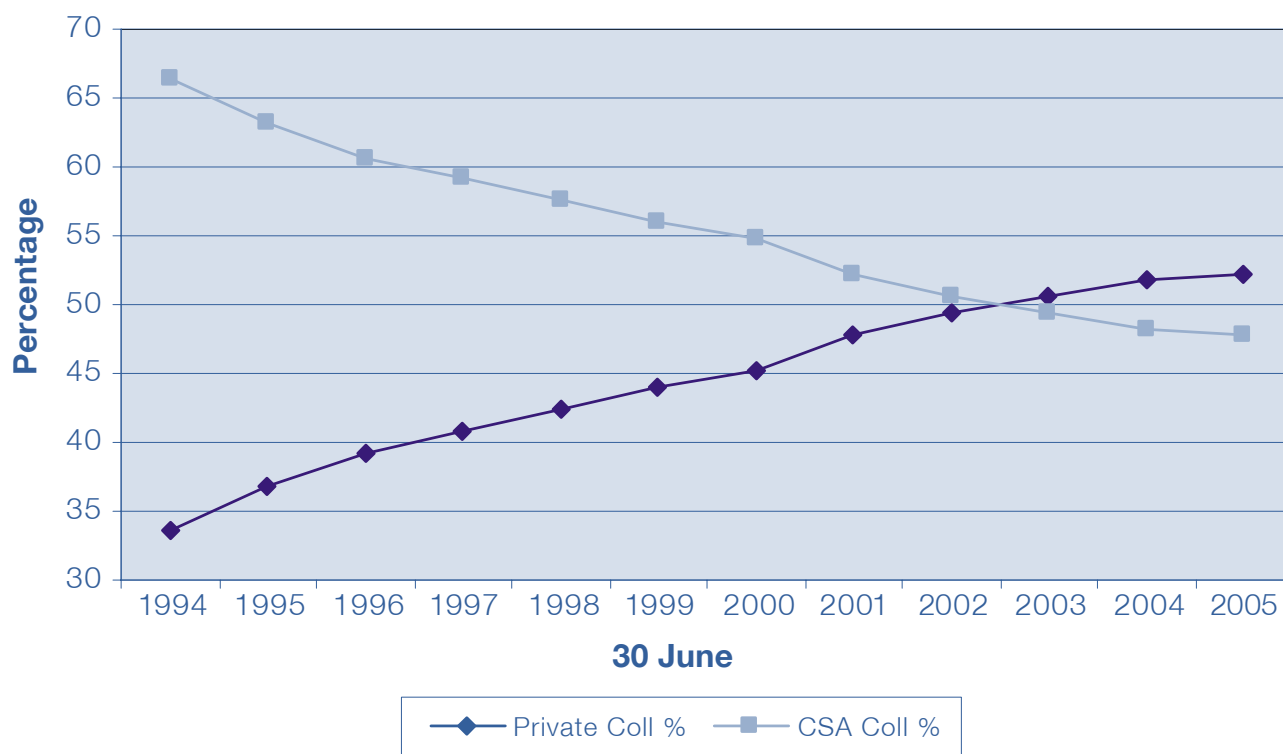


Chart 3.3: Growth in Private Collect Cases



3.3 International Cases

Table 3.3 records the growth in international cases in the Australian Child Support Scheme. The increase has arisen due to a number of legislative and regulatory amendments that came into force on 1 July 2000 that significantly changed how Australia gives effect to its international obligations in relation to child and spousal maintenance. These amendments, and Australia's entry into three international maintenance agreements, have broadened child support arrangements and have transferred the responsibility for the majority of international child support matters to the Child Support Agency (CSA) using administrative processes.

Table 3.3: International Caseload and International Cases as a Percentage of Active Caseload

30 June	International Cases	International Cases as a % of the Active Caseload	Active Caseload
1997	1,702	0.4	448,045
1998	1,876	0.4	494,534
1999	2,510	0.5	535,569
2000	2,718	0.5	569,710
2001	5,806	1.0	612,332
2002	9,007	1.4	657,332
2003	14,247	2.1	685,969
2004	17,490	2.5	712,680
2005	20,992 ¹	2.9	732,634

Source: CS5 Report, CSA, June 2005.

Notes: 1. In this table the International Cases total for 2005 is 369 higher than the total recorded in Table 4.8 because this table also includes international cases where processing has not been finalised.

3.4 Assessment Type

Table 3.4 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 (4.7 per cent as opposed to 2.8 per cent). CSA Collect cases are over 7 times more likely to have a liability that is based on a change of assessment from the formula than Private Collect cases (3.8 per cent to 0.5 per cent).

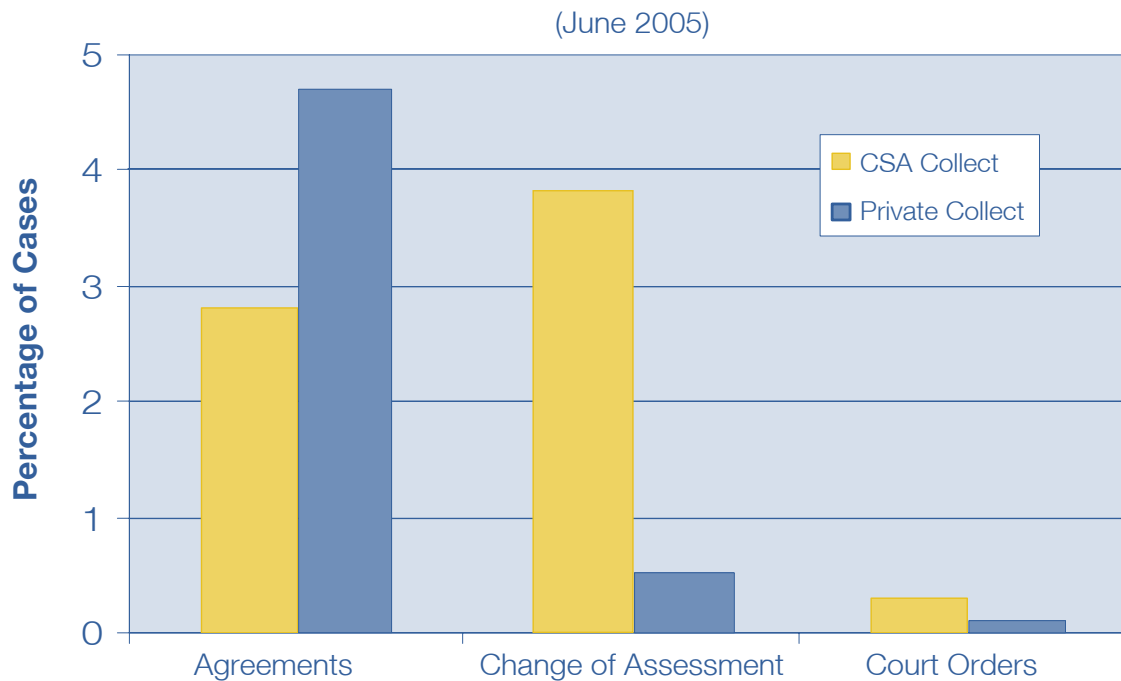
Table 3.4: Stage 2 Caseload by Assessment Type and Collection Method, June 2005

Assessment Type	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
Formula	318,506	93.1	357,343	94.7	675,849	94.0
Agreements	9,553	2.8	17,658	4.7	27,211	3.8
Change of Assessment	12,986	3.8	1,921	0.5	14,907	2.1
Court Orders	933	0.3	441	0.1	1,374	0.2
Total	341,978	100.0	377,363	100.0	719,341	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

Chart 3.4: Assessment Type (excluding formula assessment) for Stage 2 Cases



Source: Child Support Agency, June 2005.

3.5 Change of Assessment

In 1992 a change was introduced to allow Stage 2 parents only 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. 78 percent of applications were accepted for the 12 months ending June 2005. Of these 20,092 accepted applications, 71 percent (14,277) 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, 3.9 per cent in 2003-04 and 3.6 per cent in 2004-05.

Table 3.5: Change of Assessment – Applications Finalised During the Period 1 July 2004 to 30 June 2005

	Payer Initiated		Payee Initiated		Registrar Initiated		Total	
	No.	%	No.	%	No.	%	No.	%
Applications accepted								
Assessment varied	5,785	43.1	8,133	67.1	359	91.4	14,277	55.1
Assessment not varied	3,062	22.8	1,820	15.0	10	2.5	4,892	18.9
Refused to make decision ¹	781	5.8	104	0.9	0	0.0	885	3.4
Customer agreement	20	0.2	15	0.1	3	0.8	38	0.2
Total	9,648	71.9	10,072	83.1	372	94.7	20,092	77.5
Applications not Accepted								
Withdrawn	1,627	12.1	936	7.7	18	4.6	2,581	10.0
Incomplete	1,749	13.0	901	7.4	1	0.3	2,651	10.2
Ineligible	390	2.9	219	1.8	2	0.5	611	2.4
Total	3,766	28.1	2,056	17.0	21	5.3	5,843	22.5
Applications finalised	13,414	100.0	12,128	100.0	393	100.0	25,935	100.0

Source: Child Support Agency, June 2005.

Note: 1. The CSA case officer may refuse to make a decision where the case is too complex, Section 98E of the *Child Support (Registration and Collection) Act*.
Percentages may not add due to rounding.

3.6 Type of Care Arrangement

Table 3.6 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 'substantial', 'shared' and 'major' care, however, are more than twice that of CSA Collect cases.

Table 3.6: Stage 2 Caseload by Care Code, June 2005

Time children spend with payee		CSA Collect		Private Collect		Total	
Care code	% of Nights	Number	%	Number	%	Number	%
Substantial	30.0-39.9	1,346	0.4	3,167	0.8	4,513	0.6
Shared	40.0-59.9	8,453	2.5	28,677	7.6	37,130	5.2
Major	60.0-69.9	7,204	2.1	13,227	3.5	20,431	2.8
Sole	70.0 and over	324,975	95.0	332,292	88.1	657,267	91.4
Total		341,978	100.0	377,363	100.0	719,341	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

4.0 Customer Overview by Collection Method and Stage

4.1 Number of Customers

As at June 2005 there were 732,634 active cases recorded on the Child Support System. However, a number of customers 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.

Table 4.1: Payers by Number of Cases and Collection Method, June 2005

Number of Cases	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	283,029	89.6	346,740	95.0	629,769	92.5
2	29,760	9.4	17,094	4.7	46,854	6.9
3	2,701	0.9	1,095	0.3	3,796	0.6
4	249	0.1	90	0.0	339	0.0
5 and over	42	0.0	15	0.0	57	0.0
Total	315,781	100.0	365,034	100.0	680,815	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

Table 4.2: Payees by Number of Cases and Collection Method, June 2005

Number of Cases	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	283,072	90.9	339,299	92.9	622,371	92.0
2	26,353	8.5	24,314	6.7	50,667	7.5
3	1,979	0.6	1,360	0.4	3,339	0.5
4 and over	127	0.0	71	0.0	198	0.0
Total	311,531	100.0	365,044	100.0	676,575	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

Tables 4.1 and 4.2 show that around 92 per cent of payers and payees are involved in just one case. About 7 per cent of payers and payees are involved in two cases, while just 0.5 per cent of all payers and payees are involved in three or more cases.

4.2 Number of Children

4.2.1 Children Subject to Child Support Assessments (Stage 2)

There were 1,105,701 children involved in cases registered with CSA as at 30 June 2005. 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 4.3 shows the number of children covered by child support assessments by CSA Collect and Private Collect groups. Sixty-four per cent of Stage 2 CSA collect cases have one eligible child while fifty-six per cent of Stage 2 Private Collect cases have one eligible child. There are up to two eligible children in 91 per cent of CSA Collect cases and 88 per cent in Private Collect cases. There are up to three children in about 98 per cent of cases in both CSA Collect and Private Collect categories.

Table 4.3: Eligible Children per Case – Stage 2 cases only, June 2005

No. of eligible children	CSA Collect			Private Collect			Total		
	Cases	Children	% of Cases	Cases	Children	% of Cases	Cases	Children	% of Cases
1	217,695	217,695	63.7	212,670	212,670	56.4	430,365	430,365	59.9
2	92,906	185,812	27.2	119,370	238,740	31.7	212,276	424,552	29.5
3	24,045	72,135	7.0	34,668	104,004	9.2	58,713	176,139	8.2
4	5,368	21,472	1.6	7,983	31,932	2.1	13,351	53,404	1.9
5	1,138	5,690	0.3	1,750	8,750	0.5	2,888	14,440	0.4
6	318	1,908	0.1	472	2,832	0.1	790	4,740	0.1
7	90	630	0.0	115	805	0.0	205	1,435	0.0
8 or more	32	269	0.0	42	357	0.0	74	626	0.0
Total	341,592	505,611	100.0	377,070	600,090	100.0	718,662	1,105,701	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

Table 4.4 shows a comparison between international and domestic cases. International cases are about 6 percent more likely to have only one child than domestic cases. Domestic cases have on average 1.54 children per case while international cases have on average less eligible children (1.45) per case.

Table 4.4: Eligible Children per Case – Stage 2 cases only, June 2005

No. of eligible children	Domestic cases			International Cases			Total		
	Cases	Children	% of Cases	Cases	Children	% of Cases	Cases	Children	% of Cases
1	417,444	417,444	59.7	12,921	12,921	65.4	430,365	430,365	59.9
2	207,046	414,092	29.6	5,230	10,460	26.5	212,276	424,552	29.5
3	57,499	172,497	8.2	1,214	3,642	6.1	58,713	176,139	8.2
4	13,066	52,264	1.9	285	1,140	1.4	13,351	53,404	1.9
5	2,811	14,055	0.4	77	385	0.4	2,888	14,440	0.4
6	766	4,596	0.1	24	144	0.1	790	4,740	0.1
7	200	1,400	0.0	5	35	0.0	205	1,435	0.0
8 or more	74	626	0.0	0	0	0	74	626	0.0
Total	698,906	1,076,974	100.0	19,756	28,727	100.0	718,662	1,105,701	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

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 the payer and that payer 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 8 per cent of all assessments are adjusted for relevant children as shown in Table 4.5.

Table 4.5: Relevant Dependent Children per Case by Collection Method – Stage 2 Cases only, June 2005

No. of Children	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
1	22,095	6.5	11,785	3.1	33,880	4.7
2	12,347	3.6	4,779	1.3	17,126	2.4
3	3,092	0.9	1,027	0.3	4,119	0.6
4	679	0.2	209	0.1	888	0.1
5 or more	183	0.1	46	0.0	229	0.0
Total cases with relevant dependent children	38,396	11.2	17,846	4.7	56,242	7.8
Total Stage 2 cases	341,978	100.0	377,363	100.0	719,341	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

4.3 Number and Gender of Payers and Payees

Table 4.6 shows that 88.6 per cent of CSA Collect payers are male and 10.9 per cent are female. A higher percentage of Private Collect payers are female (12.1 per cent), compared with CSA Collect payers (9.6 per cent). Of the 32,800 cases first registered in the first six months of 2005 approximately 21 per cent of payers were female and 77 per cent were male.

Table 4.6: Payer Gender by Collection Method, June 2005

	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
Male	313,973	90.0	332,214	87.3	646,187	88.6
Female	33,656	9.6	45,896	12.1	79,552	10.9
Total¹	348,787	100.0	380,374	100.0	729,161	100.0

Source: Child Support Agency, June 2005.

Notes: 1. The 'total' figure includes 3,422 cases where the gender of the payer could not be identified from data held on the Child Support System (1,158 CSA Collect and 2,264 Private Collect).
Percentages may not add due to rounding and due to the exclusion of cases where payer gender could not be determined from data held on the Child Support computer system.

Table 4.7: Payee Gender by Collection Method, June 2005

	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
Male	32,738	9.4	45,258	11.9	77,996	10.7
Female	314,604	90.2	322,990	87.5	647,594	88.8
Total¹	348,787	100.0	380,374	100.0	729,161	100.0

Source: Child Support Agency, June 2005.

Notes: 1. The 'total' figure includes 3,571 cases where the gender of the payee could not be identified from data held on the Child Support System (1,445 CSA Collect and 2,126 Private Collect).
Percentages may not add due to rounding and due to the exclusion of cases where payer gender could not be determined from data held on the Child Support computer system.

Table 4.7 shows that 9.4 per cent of CSA Collect payees are male and 90.2 per cent of CSA Collect payees are female. Furthermore, 11.9 per cent of Private Collect payees are male and 87.5 per cent are female. Of the 32,800 cases first registered in the first six months of 2005, approximately 21 per cent of payees were male and 77 per cent were female.

4.4 Age of Cases

Table 4.8 divides the caseload into age of cases by domestic and international cases. Age data relates to the year that the case was first registered. Over 46 per cent of international cases have been registered in the last 4 years; compared with over 29 per cent for domestic cases.

Table 4.8: Age of Cases by Domestic and International Status, June 2005

Case Age in Years ¹		Domestic Cases		International Cases		Total	
		Number	%	Number	%	Number	%
1	2005 ²	31,484	4.4	1,320	6.4	32,804	4.5
2	2004	59,114	8.3	3,240	15.7	62,354	8.6
3	2003	56,833	8.0	2,189	10.6	59,022	8.1
4	2002	60,219	8.5	2,789	13.5	63,008	8.6
5	2001	65,479	9.2	3,061	14.8	68,540	9.4
6	2000	61,301	8.7	1,796	8.7	63,097	8.7
7	1999	50,475	7.1	873	4.2	51,348	7.0
8	1998	46,960	6.6	833	4.0	47,793	6.6
9	1997	50,209	7.1	837	4.1	51,046	7.0
10	1996	45,653	6.4	723	3.5	46,376	6.4
11	1995	41,875	5.9	657	3.2	42,532	5.8
12	1994	41,227	5.8	634	3.1	41,861	5.7
13	1993	42,518	6.0	638	3.1	43,156	5.9
14	1992	25,126	3.5	407	2.0	25,533	3.5
15	1991	15,641	2.2	305	1.5	15,946	2.2
16	1990	11,553	1.6	215	1.0	11,768	1.6
17	1989	2,361	0.3	82	0.4	2,443	0.3
18	1988	502	0.1	24	0.1	526	0.1
Total		708,530	100.0	20,623	100.0	729,153	100.0

Source: Child Support Agency, June 2005.

Notes: 1. Data relates to the year the case was first registered.
 2. The 2005 data is for the half year to 30 June.
 Percentages may not add due to rounding.

4.5 Income of Payers and Payees

Tables 4.9, 4.10, 4.11 and 4.12 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.

Table 4.9: Payer Child Support Income, June 2005¹

Payers	CSA Collect	Private Collect	Totals
Total number	348,787	380,374	729,161
Median	\$18,794	\$27,110	\$23,059
Average	\$25,077	\$33,659	\$29,554
Maximum	\$4,917,519	\$8,273,995	\$8,273,995

Source: Child Support Agency, June 2005.

Note: 1. These incomes include cases with nil liabilities (zero incomes).

Table 4.10: Payer Taxable Income (TRDB), June 2005

Payers ¹	CSA Collect	Private Collect	Total
Total number	176,902	248,587	425,489
Median	\$32,046	\$35,720	\$34,105
Average	\$35,340	\$40,457	\$38,330
Maximum	\$15,455,956	\$8,244,031	\$15,455,956

Source: Tax Returns Database and Child Support Agency, June 2005.

Notes: 1. There were 303,672 payers who were non-lodgers in the relevant year (171,885 CSA Collect and 131,787 Private Collect).

Table 4.11: Payee Child Support Income, June 2005^{1, 2}

Payees	CSA Collect	Private Collect	Total
Total number	348,787	380,374	729,161
Median	\$11,772	\$11,841	\$11,794
Average	\$16,405	\$16,136	\$16,265
Maximum	\$1,824,236	\$2,107,855	\$2,107,855

Source: Child Support Agency, June 2005.

Note: 1. Child Support Median and Average Incomes recorded in this table do not include many of the benefits paid to resident parents by Centrelink.
2. Payee Child Support Income figures reported in this table will understate the total income available to payee parents as it does not take into account access to taxable Centrelink benefits for those parents who have not lodged a tax return.

Table 4.12: Payee Taxable Income (TRDB), June 2005

Payees¹	CSA Collect	Private Collect	Total
Total number	198,362	230,881	429,243
Median	\$20,187	\$19,671	\$19,916
Average	\$22,687	\$22,150	\$22,399
Maximum	\$1,741,030	\$3,336,024	\$3,336,024

Source: Tax Returns Database and Child Support Agency, June 2005.

Notes: 1. There were 299,918 payees who were non-lodgers in the relevant year (150,425 CSA Collect and 149,493 Private Collect).

Tables 4.9 to 4.12 show that payer median taxable incomes are significantly greater than the median taxable income of payees. Family Tax Benefit payments are not included in the incomes shown. Payees from Private Collect and CSA Collect collection methods have similar median incomes but payers in Private Collect arrangements have significantly higher median child support incomes than those in CSA Collect arrangements. Payee Child Support Income and Taxable Income amounts do not fully reflect the income available to these parents. For example, these incomes do not include untaxed income amounts such as some Centrelink benefits, or financial benefits associated with the possession of a Health Care Card. The CSA publication *Disposable Income Tables: Demonstrating Family Income Before and After Separation* takes into consideration some of these factors. To illustrate this point, an intact family with a single taxable income of \$35,000 and two children aged between 5-12 years and 16-17 years actually has a disposable income of \$37,850 p.a. after tax has been deducted and Centrelink benefits added. After separation, the parent with full-time care of the children and not in paid employment, has an income of \$27,373 p.a., comprising \$12,384 in Parenting Payment Single, \$4,646 in Youth Allowance, \$2,082 in FTB Part A, \$2,446 in FTB Part B and a child support entitlement of \$5,815. By contrast, the payer parent with a taxable income of \$35,000 pays tax and \$5,815 in child support, leaving them with a disposable income of \$22,300 p.a.

4.6 Income Sources of CSA Payers who Lodge Income Tax Returns

Table 4.13 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 approximately 86 per cent of all payers deriving some or all of their income from this source. By comparison almost 16 per cent of payers who lodged tax returns received some or all of their income from Government benefits and allowances.

For those payers who lodged a tax return in 2003-04 the source with the highest average earnings was Salary and Wages (\$39,728) followed by Partnerships and Trusts (\$19,738) and Net Income or Loss from Business (\$15,436).

Table 4.13: Income Sources of CSA Payers who Lodge Income Tax Returns, June 2005¹

Top 10 Income Sources	Number	%	Average Earnings (\$)
Salary and Wages	364,478	85.7	39,728
Allowance, Director's Fees	103,931	24.4	2,573
Gross Interest	68,911	16.2	838
Government Benefits and Allowances	66,291	15.6	4,666
Net Income or Loss From Business	53,141	12.5	15,436
Dividends	47,428	11.1	3,534
Gross Rent	33,535	7.9	10,006
Partnerships and Trusts	25,490	6.0	19,738
Eligible Termination Payments	13,615	3.2	8,333
Lump Sum Payments	7,625	1.8	6,541
Total for CSA Payers²	425,489		38,330³

- Note:
1. The results in this table are derived from the Tax Return Data Base (TRDB) of the ATO and only include those CSA payers who lodged tax returns for the 2003-04 financial year. For this reason the number of payers in receipt of benefits is particularly affected and under reports the number of payers in receipt of government benefits.
 2. This total differs from the sum of the main income sources because payers can earn income from more than one source.
 3. This is the average income for all payers who lodged a tax return. Therefore it is not the sum of the average incomes.

5.0 Scheme 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

From 1 July 1999 a minimum liability of \$260 per year applies to payers if their liability calculated under the formula is less than \$260 per year. Until 30 June 1999 payers in that situation were not required to pay child support

There are a number of reasons why a parent is not required to pay any 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 (usually for during periods of unemployment); and
- Where the parents equally share the care of their child and their incomes are also equal.

Table 5.1: Liability by Collection Method, June 2005

Annual Payer Liability (\$)	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
Over \$260	183,976	52.7	250,298	65.8	434,274	59.6
\$260	114,202	32.7	74,391	19.6	188,593	25.9
\$1 to \$259	30,920	8.9	12,968	3.4	43,888	6.0
Nil	19,689	5.6	42,717	11.2	62,406	8.6
Total	348,787	100.0	380,374	100.0	729,161	100.0

Source: Child Support Agency, June 2005.

Note: Percentages may not add due to rounding.

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 minimum liabilities than Private Collect cases;
- a higher proportion of CSA Collect payers have liabilities under \$3,000; and

- a higher proportion of Private Collect payers have liabilities of between \$3,000 and \$14,000, which is in line with the data presented in Tables 4.9 and 4.10, indicating that payer median incomes are significantly higher in Private Collect cases.

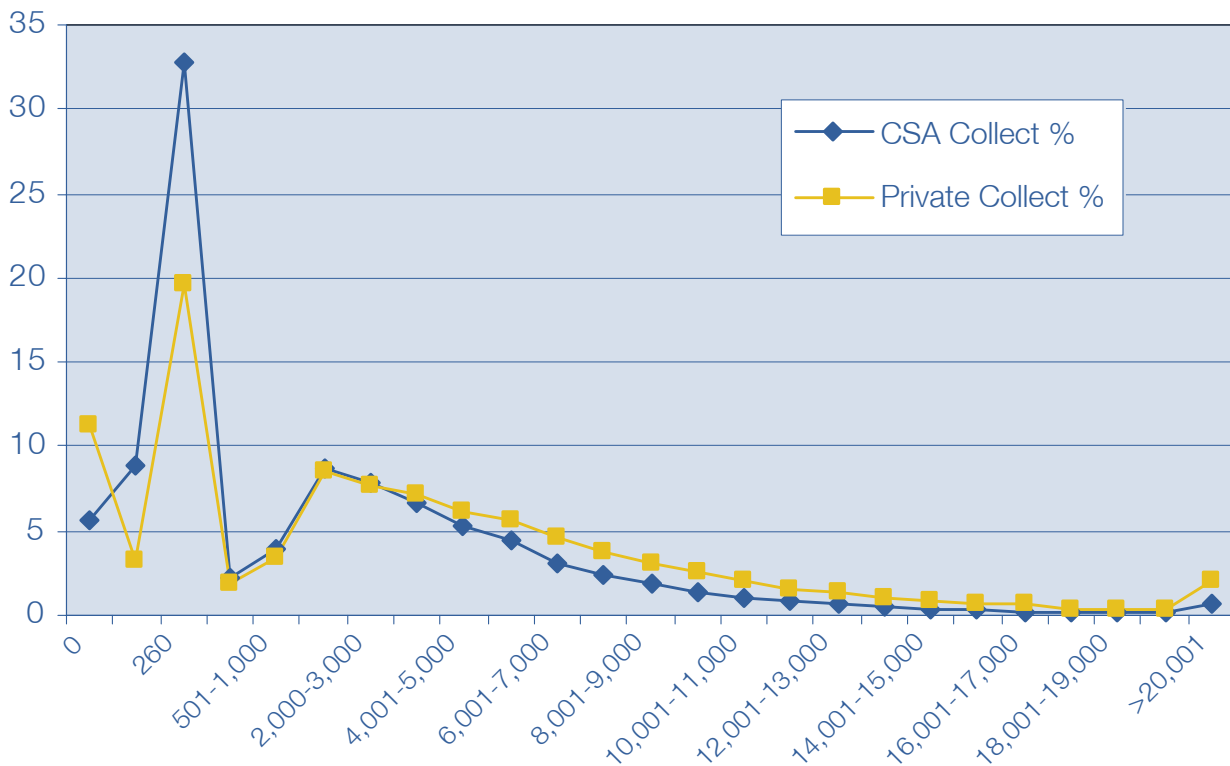
Table 5.2: Liability by Collection Method, June 2005

Annual Payer Liability (\$)	CSA Collect		Private Collect		Total	
	Number	%	Number	%	Number	%
0	19,689	5.6	42,717	11.2	62,406	8.6
1-259	30,920	8.9	12,968	3.4	43,888	6.0
260	114,202	32.7	74,391	19.6	188,593	25.9
261-500	7,671	2.2	7,177	1.9	14,848	2.0
501-1,000	13,910	4.0	13,318	3.5	27,228	3.7
1,001-2,000	30,270	8.7	32,201	8.5	62,471	8.6
2,001-3,000	27,243	7.8	29,293	7.7	56,536	7.8
3,001-4,000	23,533	6.7	27,014	7.1	50,547	6.9
4,001-5,000	18,568	5.3	23,467	6.2	42,035	5.8
5,001-6,000	15,512	4.4	21,703	5.7	37,215	5.1
6,001-7,000	10,968	3.1	17,534	4.6	28,502	3.9
7,001-8,000	8,495	2.4	14,473	3.8	22,968	3.1
8,001-9,000	6,192	1.8	11,619	3.1	17,811	2.4
9,001-10,000	4,546	1.3	9,529	2.5	14,075	1.9
10,001-11,000	3,416	1.0	7,739	2.0	11,155	1.5
11,001-12,000	2,701	0.8	6,128	1.6	8,829	1.2
12,001-13,000	2,124	0.6	4,978	1.3	7,102	1.0
13,001-14,000	1,669	0.5	4,082	1.1	5,751	0.8
14,001-15,000	1,287	0.4	3,229	0.8	4,516	0.6
15,001-16,000	1,071	0.3	2,714	0.7	3,785	0.5
16,001-17,000	741	0.2	2,153	0.6	2,894	0.4
17,001-18,000	624	0.2	1,702	0.4	2,326	0.3
18,001-19,000	631	0.2	1,556	0.4	2,187	0.3
19,001-20,000	449	0.1	1,242	0.3	1,691	0.2
>20,001	2,355	0.7	7,447	2.0	9,802	1.3
Total	348,787	100.0	380,374	100.0	729,161	100.0

Source: Child Support Agency, June, 2005.

Note: Percentages may not add due to rounding.

Chart 5.1: CSA Payer Liability by Collection Method June 2005



5.1.2 Average Child Support Liabilities

Table 5.3 records the average annual child support for each Stage and Collection Method. 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 \$508.30 per year between the average Stage 2 Domestic liability (\$5,597.82 per year) and the average International liability (\$5,089.52 per year). Where all cases have been included, the difference between the Stage 2 Domestic and Stage 2 International average liability figures is \$411.80 per year.

Table 5.3: Average Child Support Liability by Stage and Collection Method, June 2005

Stage	Collection Method	Average Annual Liabilities (all cases)			Average Annual Liabilities (liability more than \$260)		
		Domestic \$	International \$	Total \$	Domestic \$	International \$	Total \$
Stage 1	CSA coll.	2,713.19	5,261.14	3,008.52	2,701.81	5,202.30	2,992.39
	Private coll.	2,417.53	6,163.44	2,571.10	2,582.49	6,239.46	2,731.61
	Total	2,615.62	5,385.99	2,871.93	2,662.40	5,344.93	2,910.91
Stage 2	CSA coll.	2,707.56	3,058.01	2,722.69	4,745.91	4,855.05	4,751.17
	Private coll.	4,644.37	3,955.16	4,634.04	6,189.93	5,676.43	6,182.82
	Total	3,707.19	3,295.39	3,695.31	5,597.82	5,089.52	5,583.48
All	CSA coll.	2,707.65	3,149.35	2,727.23	4,688.44	4,879.33	4,698.02
	Private coll	4,629.17	3,996.99	4,619.58	6,154.51	5,692.83	6,147.99
	Total	3,695.58	3,369.82	3,685.95	5,546.73	5,104.50	5,533.72

Source: Child Support Agency, June 2005.

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 CSA Collect cases.

Table 5.4: Average Weekly Liabilities by the Number of Eligible Children by Collection Method¹ – Stage 2 Cases only, June 2005

Eligible Children	CSA Collect		Private Collect		Total	
	Number	Average \$	Number	Average \$	Number	Average \$
1	205,952	41.83	186,202	63.86	392,154	52.29
2	87,931	68.77	107,726	115.14	195,657	94.30
3	22,737	78.41	31,477	137.33	54,214	112.62
4	5,083	70.01	7,280	126.07	12,363	103.02
5	1,070	53.26	1,621	105.78	2,691	84.90
6	299	43.67	428	97.53	727	75.38
7	85	40.33	108	76.56	193	60.60
8	21	57.70	27	69.48	48	64.33
Total ²	323,186	52.21	334,881	88.87	658,067	70.87

Source: Child Support Agency, June 2005.

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 as the numbers are insignificant (20 cases have been excluded).

5.2 Payments

5.2.1 Total Credits and Liabilities

Table 5.5 shows total liabilities and all credits for CSA collect cases 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 2005 CSA Collect cumulative liabilities had risen to \$8,759.2 million and cumulative credits were up to \$7,887.0 million. This resulted in a 90.0 per cent collection rate for CSA collect cases.

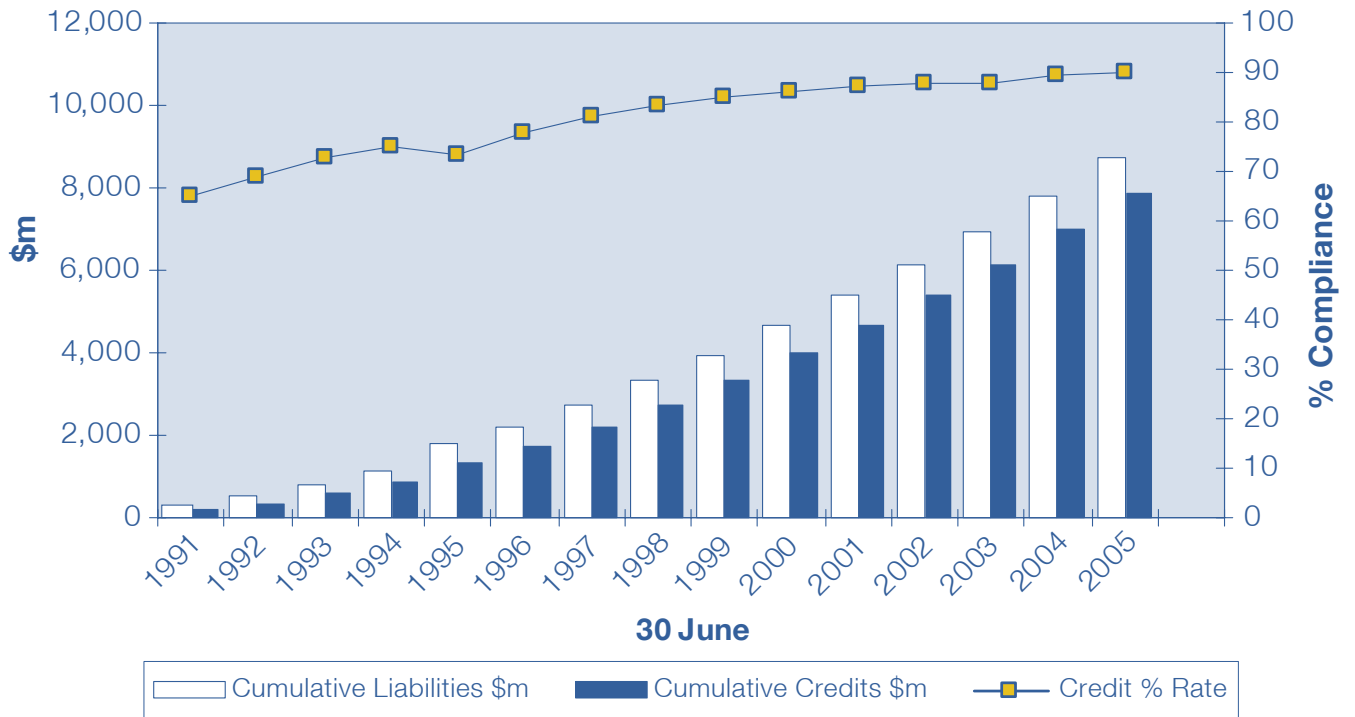
Table 5.5: Cumulative Credits and Liabilities for CSA Collect Cases, June 2005¹

End June	Cumulative Liabilities \$m	Cumulative Credits \$m	Collection Rate %
1988-1991 ²	283.0	185.0	65.0
1988-1992	505.1	346.4	69.0
1988-1993	784.9	569.4	73.0
1988-1994	1,131.3	848.2	75.0
1988-1995	1,795.8	1,315.8	73.3
1988-1996	2,228.4	1,729.1	77.6
1988-1997	2,725.7	2,209.1	81.0
1988-1998	3,305.6	2,761.3	83.5
1988-1999	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
1988-2002	6,151.7	5,392.9	87.7
1988-2003	6,957.2	6,113.1	87.9
1988-2004	7,818.0	6,970.4	89.2
1988-2005	8,759.2	7,887.0	90.0

Source: Child Support Agency, June 2005.

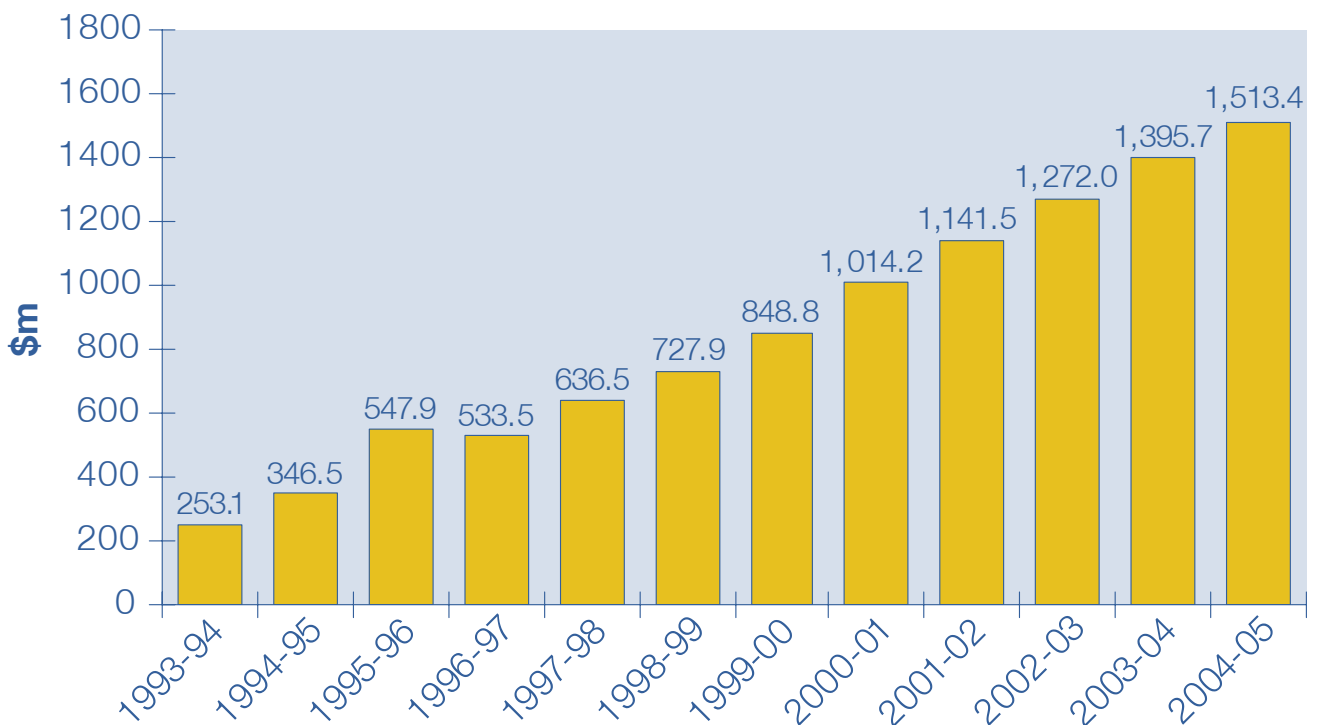
- Notes:
1. The difference between the 'All Liabilities' figures and the 'All Credits' figures are the Gross Maintenance Debt figures, not Net Maintenance Debt figures reported elsewhere in this publication. Net Maintenance Debt figures exclude Write Off amounts.
 2. The 1991 credit and liability totals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

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



Source: Child Support Agency, June 2005.

Chart 5.3: Private Collect Liabilities since 1993-94



Source: Child Support Agency, June 2005.

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 2003-04. 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 if the payer fails to meet their obligation.

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 2004-05 was \$2,379.8 million, including \$1,513.4 million in private collections and \$866.4 million in funds collected by the CSA. This is a \$193.6 million (8.9 per cent) increase on the 'transfers' total of \$2,186.2 million reported in 2003-04 (see Table 5.6 and Chart 5.4).

Ninety-five per cent of all (Private Collect and CSA collect cases combined) child support has been transferred between parents. This represents about \$17 billion since 1988.

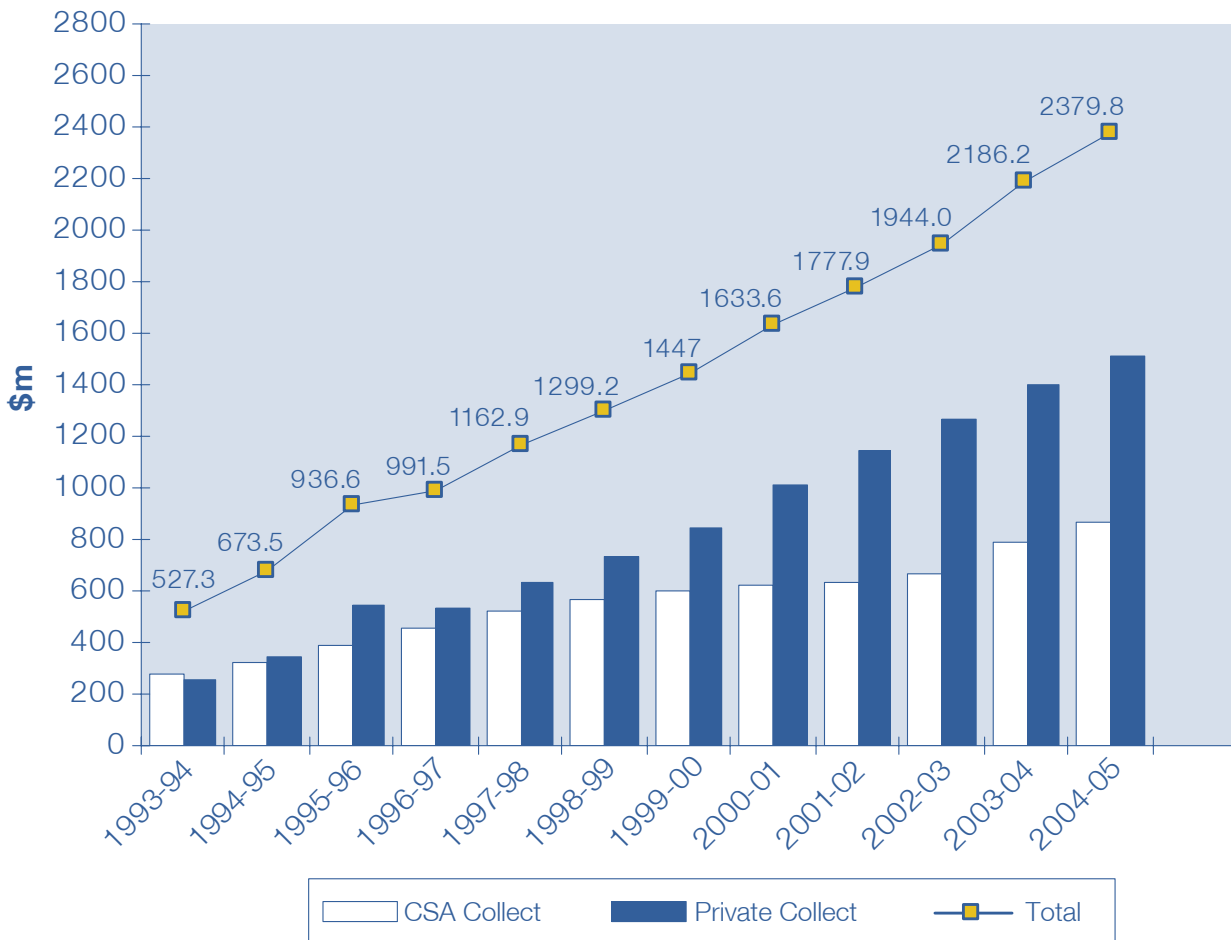
Table 5.6: Transfers (\$m.)

30 June	CSA Collect ¹		Private Collect ²		Total
	\$	%	\$	%	\$
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	41.3	848.8	58.7	1,447.0
2001	619.4	37.9	1,014.2	62.1	1,633.6
2002	636.4	35.8	1,141.5	64.2	1,777.9
2003	672.0	34.6	1,272.0	65.4	1,944.0
2004	790.5	36.2	1,395.7	63.8	2,186.2
2005	866.4	36.4	1,513.4	63.6	2,379.8

Source: Child Support Agency, June 2005.

- Notes:
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 Collection Method



Source: Child Support Agency, June 2005.

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 payers tax refund by CSA.
- **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 TRIPs are decreasing. The percentage amount collected through NAPs and Employer Withholding has been relatively stable in recent years.

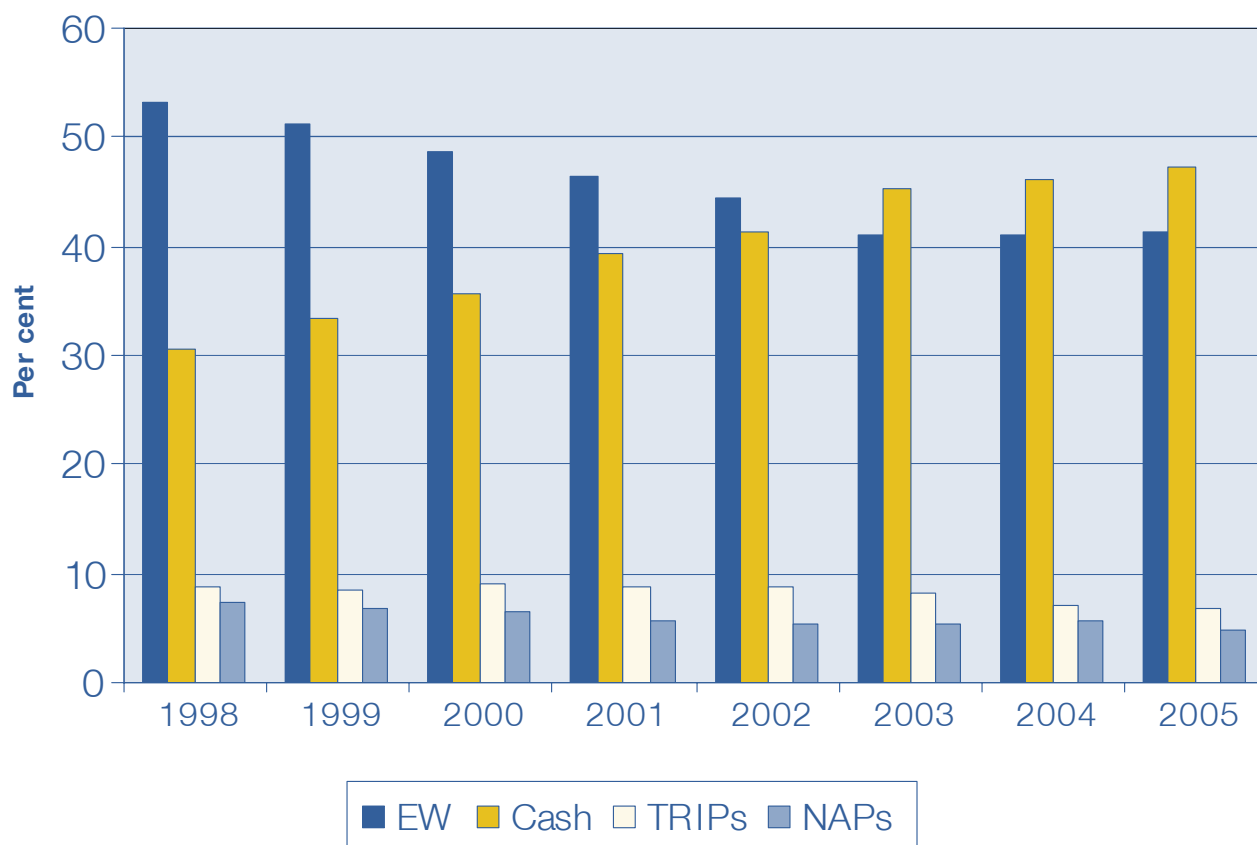
Table 5.7: Child Support Payments - Percentages

30 June	Employer Withholding	Cash ²	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
2002 ¹	44.4	41.3	8.9	5.3
2003	40.9	45.4	8.2	5.4
2004	41.1	46.2	7.1	5.6
2005	41.2	47.2	6.9	4.8

Source: Child Support Agency, June 2005.

Notes: 1. The data for 2001-02 relates to the period up to the end February 2002. Data was not available for the remainder of the financial year due to the redevelopment of the CSA's computer system (Cuba).
2. Cash in this table includes cheques, Australia Post Billpay, BPay, and s72A enforcement payments.

Chart 5.5: CSA Payments by Method



Source: Child Support Agency, June 2005.

5.2.4 Compliance

Tables 5.8, 5.9 and 5.10 compare the levels of compliance among CSA Collect customers for the 2002-03, 2003-04 and 2004-05 financial years. From these tables it is evident there is increasing compliance, with fewer customers in terms of numbers and percentages falling in the 'Paid 0%' and 'Paid < 25%' in 2004-05 compared to previous years. In particular, it will be noted from the three tables that the percentage of CSA Collect paying parents who paid nothing during the year has dropped from 18.4% of all CSA Collect customers in 2002-03, to 13.2% in 2004-05.

Table 5.8: Payer Liability by % paid in 2002-03 for CSA Collect active clients (excluding nil liabilities), June 2003

Payer liability (\$A)	Paid 0%		Paid 1 - <25%		Paid 25 - <50%		Paid 50 - <75%		Paid 75 - <100%		Paid 100%		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
≤ 260	23,186	28.5	4,467	5.5	4,675	5.7	5,333	6.5	9,957	12.2	33,822	41.5	81,440	100.0
261-1,000	10,709	18.0	5,465	9.2	7,684	12.9	7,293	12.3	13,558	22.8	14,703	24.7	59,412	100.0
1,001-2,000	8,852	22.8	6,492	16.7	3,119	8.0	3,207	8.3	5,250	13.5	11,924	30.7	38,844	100.0
2,001-3,000	4,779	16.0	4,207	14.1	2,415	8.1	2,596	8.7	5,353	17.9	10,520	35.2	29,870	100.0
3,001-4,000	2,747	12.2	2,600	11.6	1,614	7.2	1,931	8.6	4,832	21.5	8,752	38.9	22,476	100.0
4,001-5,000	1,394	8.4	1,565	9.4	1,171	7.1	1,409	8.5	3,913	23.6	7,118	43.0	16,570	100.0
5,001-10,000	2,542	6.8	3,092	8.2	2,289	6.1	2,932	7.8	9,362	24.9	17,374	46.2	37,591	100.0
10,001-30,000	831	6.3	1,308	9.9	894	6.7	1,012	7.6	3,394	25.6	5,831	43.9	13,270	100.0
30,001 +	100	18.8	211	39.7	58	10.9	28	5.3	47	8.8	88	16.5	532	100.0
Total	55,140	18.4	29,407	9.8	23,919	8.0	25,741	8.6	55,666	18.6	110,132	36.7	300,005	100.0

Notes: 1. This table relates to customers rather than cases and exclude those customers who had nil liabilities during the year.
2. The liability and payment amounts used to calculate compliance in these tables refer to the entire twelve months covered by each table, not for the life of the Scheme.
3. Data in these tables is from the Customer Research Extract of the CSA.
4. If Private Collect cases were to be included, then the percentage of parents paying 100% would have been 66.6% by the end of June 2003.

Table 5.9: Payer Liability by % paid in 2003-04 for CSA collect active clients (excluding nil liabilities), June 2004

Payer liability (\$A)	Paid 0%		Paid 1- <25%		Paid 25 - <50%		Paid 50 - <75%		Paid 75 - <100%		Paid 100%		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
≤ 260	30,007	30.8	3,594	3.7	4,152	4.3	5,084	5.2	11,032	11.3	43,402	44.6	97,271	100.0
261-1,000	5,466	10.4	4,786	9.1	4,775	9.1	5,704	10.8	14,073	26.8	17,800	33.8	52,604	100.0
1,001-2,000	5,554	16.2	4,676	13.6	2,522	7.3	2,733	8.0	4,918	14.3	13,948	40.6	34,351	100.0
2,001-3,000	2,933	10.6	3,034	10.9	1,873	6.8	2,261	8.2	4,908	17.7	12,703	45.8	27,712	100.0
3,001-4,000	1,622	7.4	1,889	8.6	1,342	6.1	1,767	8.1	4,483	20.4	10,833	49.4	21,936	100.0
4,001-5,000	834	5.0	1,213	7.2	953	5.7	1,267	7.6	3,639	21.7	8,834	52.8	16,740	100.0
5,001-10,000	1,683	4.3	2,468	6.3	2,001	5.1	2,678	6.8	8,944	22.7	21,700	55.0	39,474	100.0
10,001-30,000	611	4.3	1,032	7.3	842	5.9	961	6.8	3,247	22.8	7,540	53.0	14,233	100.0
30,001	125	23.2	184	34.2	43	8.0	23	4.3	53	9.9	110	20.4	538	100.0
Total	48,835	16.0	22,876	7.5	18,503	6.1	22,478	7.4	55,297	18.1	136,870	44.9	304,859	100.0

- Notes:
1. This table relates to customers rather than cases and exclude those customers who had nil liabilities during the year.
 2. The liability and payment amounts used to calculate compliance in these tables refer to the entire twelve months covered by each table, not for the life of the Scheme.
 3. Data in these tables is from the Customer Research Extract of the CSA.
 4. If Private Collect cases were to be included, then the percentage of parents paying 100% would have been 70.9% by the end of June 2004.

Table 5.10: Payer Liability by % paid in 2004-05 for CSA collect active clients (excluding nil liabilities), June 2005

Payer liability (\$A)	Paid 0%		Paid 1 - <25%		Paid 25 - <50%		Paid 50 - <75%		Paid 75 - <100%		Paid 100%		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
≤ 260	25,472	25.4	2,594	2.6	3,768	3.8	5,293	5.3	12,642	12.6	50,514	50.4	100,283	100.0
261-1,000	4,470	9.1	4,294	8.8	4,932	10.1	5,378	11.0	11,682	23.9	18,138	37.1	48,894	100.0
1,001-2,000	4,207	12.7	4,342	13.1	2,423	7.3	2,773	8.4	5,197	15.7	14,096	42.7	33,038	100.0
2,001-3,000	2,226	8.1	2,866	10.5	1,843	6.7	2,299	8.4	5,579	20.4	12,510	45.8	27,323	100.0
3,001-4,000	1,260	5.7	1,792	8.1	1,405	6.4	1,743	7.9	4,963	22.5	10,904	49.4	22,067	100.0
4,001-5,000	713	4.1	1,343	7.7	950	5.4	1,351	7.7	4,297	24.5	8,866	50.6	17,520	100.0
5,001-10,000	1,570	3.7	2,753	6.4	2,173	5.1	3,014	7.0	10,779	25.1	22,651	52.8	42,940	100.0
10,001-30,000	735	4.4	1,458	8.8	991	6.0	1,158	7.0	4,178	25.2	8,057	48.6	16,577	100.0
30,001 +	124	16.5	211	28.1	67	8.9	46	6.1	109	14.5	195	25.9	752	100.0
Total	40,777	13.2	21,653	7.0	18,552	6.0	23,055	7.5	59,426	19.2	145,931	47.2	309,394	100.0

- Notes:
1. These tables relate to customers rather than cases and exclude those customers who had nil liabilities during the year.
 2. The liability and payment amounts used to calculate compliance in these tables refer to the entire twelve months covered by each table, not for the life of the Scheme.
 3. Data in these tables is from the Customer Research Extract of the CSA.
 4. If Private Collect cases were to be included, then the percentage of parents paying 100% would have been 72.0% by the end of June 2005.

5.2.5 Liabilities and Debt – CSA Collect Cases

Table 5.11 shows the number of payers in each income range by the size of gross maintenance debt (GMD) attributable to both current liability cases and ended cases. The table shows that only 3.0 per cent of payers have a maintenance debt greater than \$10,000. The debt associated with these payers, however, comprises 51.5 per cent of the total debt. Of equal note is the \$360.7 million (or 41.4 per cent) of debt associated with payers who have incomes of \$12,000 or less.

While 66.3 per cent of domestic cases in Table 5.12 have no debt, only 30.6 per cent of international cases have no debt. Only 2.6 per cent of domestic cases have debts of over \$10,000 but 14.8 per cent of international cases have debts of over \$10,000.

Table 5.13 shows that 50.3 per cent of domestic payers with debt were in the \$0-12,000 income range, and their debt accounted for 37.7 per cent of the domestic gross maintenance debt. This compares with 62.0 per cent of international payers with debt who have incomes of \$12,000 or less and account for 61.7 per cent of the gross maintenance debt associated with all international cases. Approximately 6.1 per cent of domestic payers with debt had incomes of \$50,000 or higher, and they accounted for 9.1 per cent of the gross maintenance debt associated with domestic cases. About 5.5 per cent of international payers with debt had incomes of \$50,000 and over, and accounted for 9.9 per cent of the international gross maintenance debt.

Table 5.11: Payer Gross Maintenance Debt by Payer Child Support Income, June 2005

Payer Child Support Income												
	\$0-12,000		\$12-20,000		\$20-50,000		\$50,000+		Total			
	No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	Sum \$m	No.	No. %	Sum \$m	Sum %
0	129,181	0.0	56,647	0.0	217,760	0.0	96,453	0.0	500,041	65.1	0.0	0.0
1-260	48,336	4.2	10,454	1.0	15,996	1.6	3,412	0.3	78,198	10.2	7.0	0.8
261-500	15,093	5.6	3,293	1.2	7,154	2.7	1,428	0.5	26,968	3.5	10.1	1.2
501-1,000	18,887	13.7	4,136	3.0	9,705	7.1	2,079	1.5	34,807	4.5	25.3	2.9
1,001-2,000	17,393	24.7	4,211	6.1	11,753	17.1	2,251	3.3	35,608	4.6	51.1	5.9
2,001-5,000	18,419	59.5	5,257	17.0	16,858	55.3	2,895	9.4	43,429	5.7	141.2	16.2
5,001-10,000	10,389	73.2	3,293	23.0	11,077	78.8	1,888	13.6	26,647	3.5	188.5	21.6
10,000+	8,696	179.9	2,334	43.2	9,501	173.6	2,308	52.2	22,839	3.0	448.9	51.5
Total	266,394	360.7	89,625	94.6	299,804	336.1	112,714	80.8	768,537	100.0	872.2	100.0

Source: Child Support Agency, June 2005.

Note: This table records Gross Maintenance Debt associated with all CSA cases, both active cases and those that have ended with arrears.

Totals may not add due to rounding.

Including CSA Collect and Private Collect cases that have ended with arrears.

Table 5.12: Payer Gross Maintenance Debt, June 2005

Debt (\$)	Payer Location									
	Domestic			International			Total			
	No.	No. %	Sum \$m	No.	No. %	Sum \$m	No.	No. %	Sum \$m	Sum %
0	492,126	66.3	0.0	7,915	30.6	0.0	500,041	65.1	0.0	0.0
1-260	75,764	10.2	6.8	2,434	9.4	0.3	78,198	10.2	7.0	0.8
261-500	25,693	3.5	9.6	1,275	4.9	0.5	26,968	3.5	10.1	1.2
501-1,000	32,446	4.4	23.5	2,361	9.1	1.7	34,807	4.5	25.3	2.9
1,001-2,000	33,413	4.5	48.0	2,195	8.5	3.1	35,608	4.6	51.1	5.9
2,001-5,000	40,169	5.4	130.3	3,260	12.6	10.9	43,429	5.7	141.2	16.2
5,001-10,000	24,028	3.2	169.5	2,619	10.1	19.0	26,647	3.5	188.5	21.6
10,000+	18,994	2.6	350.9	3,845	14.8	98.0	22,839	3.0	448.9	51.5
Total	742,633	100.0	738.8	25,904	100.0	133.4	768,537	100.0	872.2	100.0

Source: Child Support Agency, June 2005.

Note: This table records Gross Maintenance Debt associated with all CSA cases, both active cases and those that have ended with arrears.
Totals may not add due to rounding.
Including CSA Collect and Private Collect cases that have ended with arrears.

Table 5.13: Payer Gross Maintenance Debt for Payers with Debt only, June 2005

	Payer Location											
	Domestic				International				Total			
	No.	No. %	Sum (\$m)	Sum %	No.	No. %	Sum (\$m)	Sum %	No.	No. %	Sum (\$m)	Sum %
Total Payer Income (\$)												
0-12,000	126,062	50.3	278.4	37.7	11,151	62.0	82.3	61.7	137,213	51.1	360.7	41.4
12,000-20,000	31,858	12.7	89.0	12.0	1,120	6.2	5.6	4.2	32,978	12.3	94.6	10.8
20,000-50,000	77,310	30.9	303.9	41.1	4,734	26.3	32.3	24.2	82,044	30.6	336.1	38.5
50,000+	15,277	6.1	67.5	9.1	984	5.5	13.3	9.9	16,261	6.1	80.8	9.3
Total	250,507	100.0	738.8	100.0	17,989	100.0	133.4	100.0	268,496	100.0	872.2	100.0

Source: Child Support Agency, June 2005.

Note: This table records Gross Maintenance Debt associated with all CSA cases, both active cases and those that have ended with arrears.

Totals may not add due to rounding.

Including CSA Collect and Private Collect cases that have ended with arrears.

5.2.6 Debt – CSA Collect Cases

Table 5.14 and Chart 5.6 record Scheme arrears amounts as at the end of the past eight financial years. Column A in Table 5.14 records Cumulative Net Maintenance Debt (NMD). Column B records write-off amounts (debt deemed to be currently uncollectible) while Column C reports Cumulative Gross Maintenance Debt (GMD), which is calculated by adding NMD and write-off together. Cumulative GMD associated with overseas cases is recorded in Column E, while Column F expresses the Cumulative GMD associated with overseas cases as a percentage of all GMD.

CSA research indicates that GMD has been increasing over recent years as a result of three key factors: the dramatic increase in the number of overseas cases that have come to Australia with large debts; the increase in debt associated with cases that have a \$260 p.a. minimum liability; and because of the rate of growth in the total caseload, including ended cases with debt.

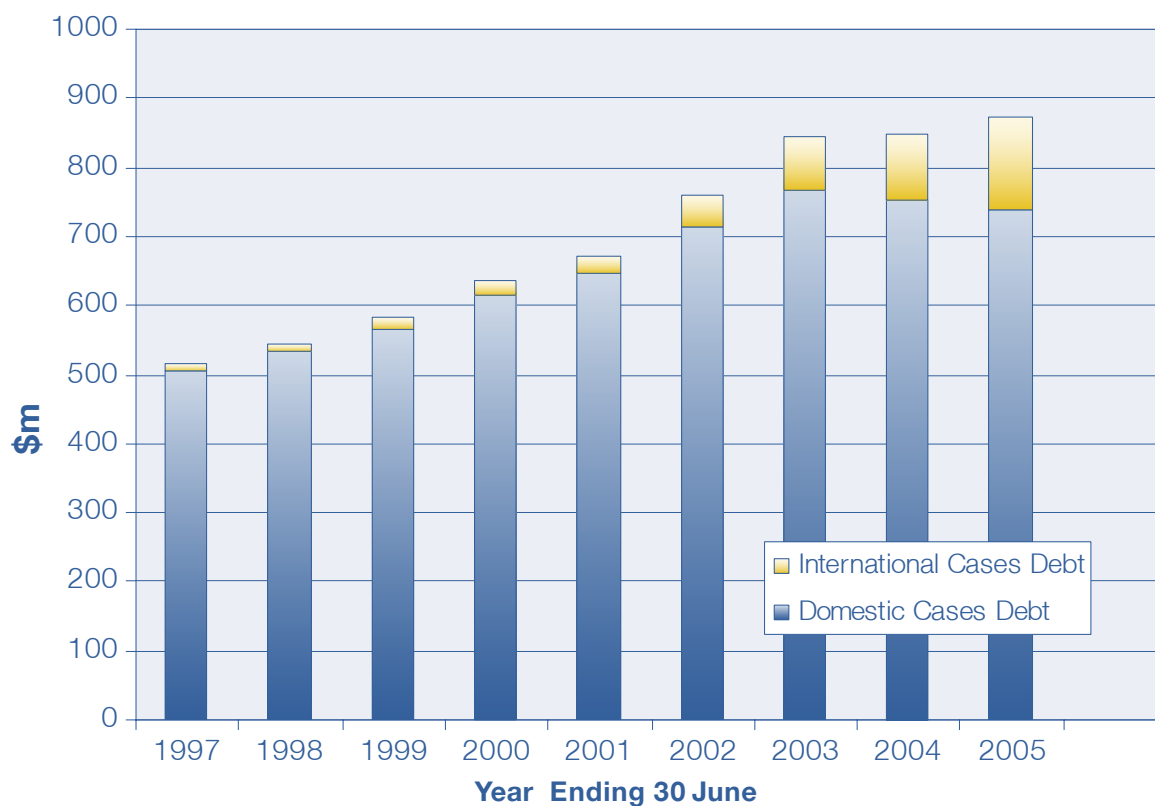
Table 5.14: Child Support Gross Maintenance Debt and its Components

	A. Cumulative Net Maintenance Debt (\$m.)	B. Write-Off (\$m.)	C. Cumulative Gross Maintenance Debt (GMD) (\$m.)	D. Cumulative GMD on Domestic Cases (\$m.)	E. Cumulative GMD on Overseas Cases (\$m.)	F. Cumulative GMD on Overseas Cases as % of Total GMD
30 June						
1997	458.4	58.2	516.6	506.7	9.9	1.9
1998	450.3	94.0	544.3	532.2	12.1	2.2
1999	455.6	127.2	582.8	564.2	18.6	3.2
2000	542.6	92.2	634.7	613.8	20.9	3.3
2001	595.9	73.7	669.7	645.8	23.9	3.6
2002	673.7	85.1	758.7	714.2	44.5	5.9
2003	762.0	82.1	844.1	765.4	78.7	9.3
2004	763.1	84.5	847.6	752.3	95.3	11.2
2005	790.4	81.7	872.2	738.8	133.4	15.3

Source: Child Support Agency, June 2005.
Totals may not add due to rounding.

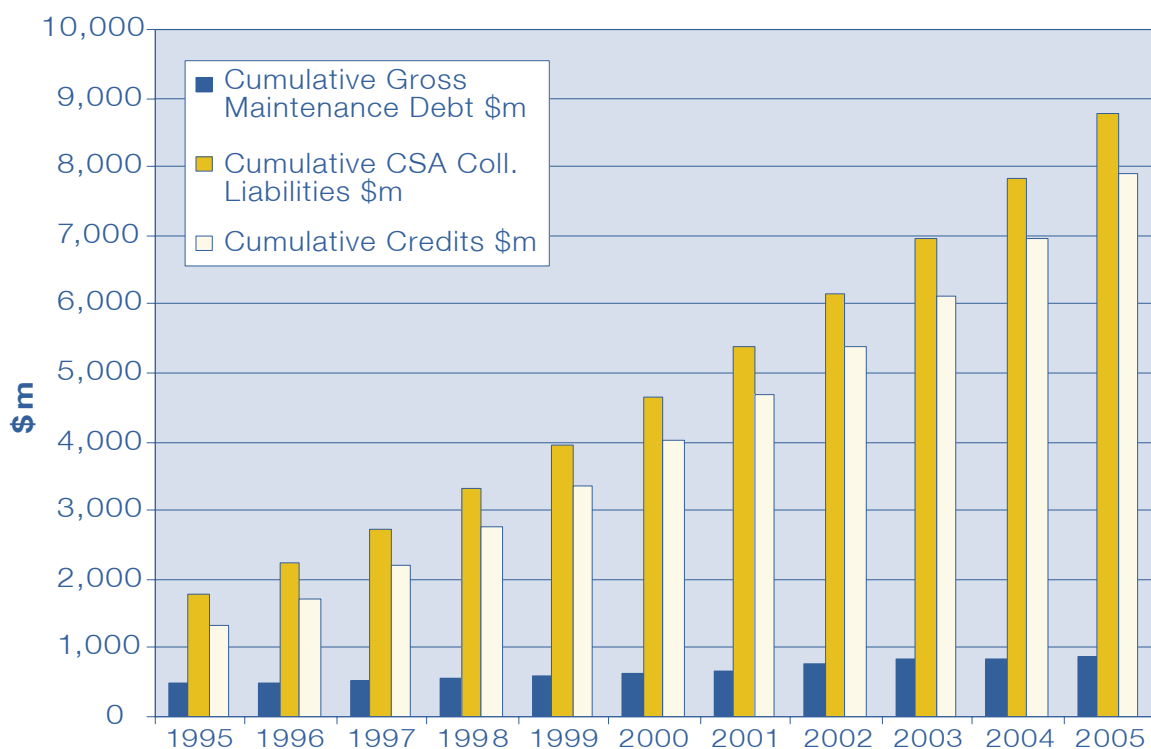
Total cumulative gross maintenance debt has increased by \$24.6 million (2.9 per cent) between June 2004 and June 2005. This compares with the increase of \$3.5 million (0.4 per cent) in the previous financial year. The majority of the increase in total cumulative gross maintenance debt was associated with international debt. International debt has increased by \$38.1 million while domestic debt has decreased by \$13.5m. Domestic debt has decreased by \$13.5 million from \$752.3 million at June 2004 to \$738.8 million at June 2005. At the same time international debt has increased by \$38.1 million (40.0 per cent) from \$95.3 million to \$133.4 million.

Chart 5.6: Gross Maintenance Debt and its Components



Source: Child Support Agency, June 2005.

Chart 5.7: Cumulative Liabilities, Credits and Debt for CSA Collect Cases 1995-2005



Source: Child Support Agency, June 2005.

Chart 5.8: CSA Domestic Gross Maintenance Debt from June 2002

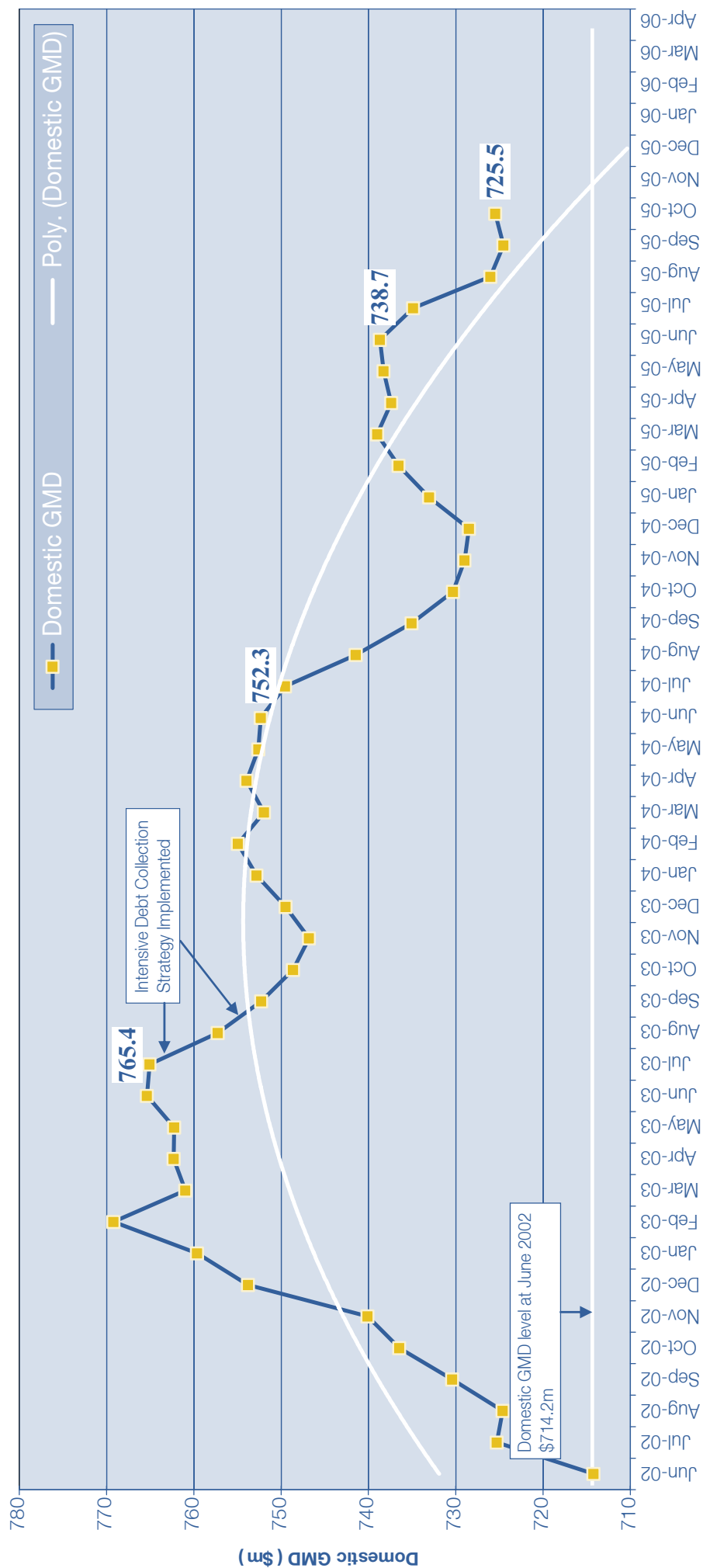


Chart 5.8 shows a decline in the overall growth rate in domestic gross maintenance debt in 2004-05 compared with 2002-03. This confirms that the Child Support Agency's debt reduction strategies are clearly working. In June 2003, before the introduction of the Intensive Debt Collection strategy, domestic gross maintenance debt stood at \$765.4 million and by June 2005 it had reduced by \$26.7 million to \$738.7 million.

6.0 Legal Services Overview

6.1 Background

The Child Support Scheme Legal Services Program is a national Commonwealth program designed to help disadvantaged parents who receive or who are seeking child support and parents who pay child support to understand their rights and responsibilities under the Child Support Scheme (the Scheme).

The Scheme aims to provide information, legal advice, minor assistance, and—when appropriate—legal representation to low income parents (particularly Centrelink customers) to ensure that children with separated parents benefit from the Child Support Scheme. The scheme also aims to secure an appropriate level of financial support for separated parents with children.

Legal aid commissions in each State and Territory, and thirteen specialist community legal centres (CLCs) located throughout Australia, provide services to parents eligible to receive child support and parents responsible for paying child support.

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

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

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

- assisting customers understand their rights of appeal under the change of assessment arrangements;
- assisting customers interpret their child support obligations;
- assisting with preparing and completing legal documents;
- advising self-representing customers about what is involved in attending court;
- court representation as appropriate.

Legal aid commissions expend funds on child support matters in accordance with Commonwealth priorities and guidelines as set out in agreements with the States and Territories and legal aid commissions.

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

CLCs Commonwealth funding for child support matters is also administered through the Community Legal Services Program to thirteen centres in Australia who provide specialist child support legal services to customers. In the 2004-05 financial year, the total allocation was \$1,368,061.

6.2 Statistics and Advice Work Types

6.2.1 Community Legal Services Statistics

During 2004-05 community legal services funding specifically to provide child support services recorded the following number of activities:

Advice	3,382
Cases opened	1,024
Cases closed	979
Community legal education	25
Law reform and legal policy	12

Additional child support information collected by community legal services relating to child support activities for 2004-05:

Total customers with a child support problem:	3269
---	------

Parent type:

Carer (only)	1374
Liable (only)	728
Both carer and liable	88

Stages:

Stage 1	412
Stage 2	2802
Both Stage 1 and 2	43

No of matters requiring DNA testing:	329
--------------------------------------	-----

No of matters involving applications for departures:	31
--	----

No of other applications for child support issues:	4
--	---

Age of customer:

less than 18 years	23
18-34 years	700
35-49 years	1,187
over 50 years	507

Income scale:

Low income	1,716
Medium income	337
High income	229

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 base rate Family Tax Benefit (FTB) Part A. As at July 2005 payments of more than the base rate Family Tax Benefit Part A are reduced by 50 cents for each dollar of maintenance received above \$1,183 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.

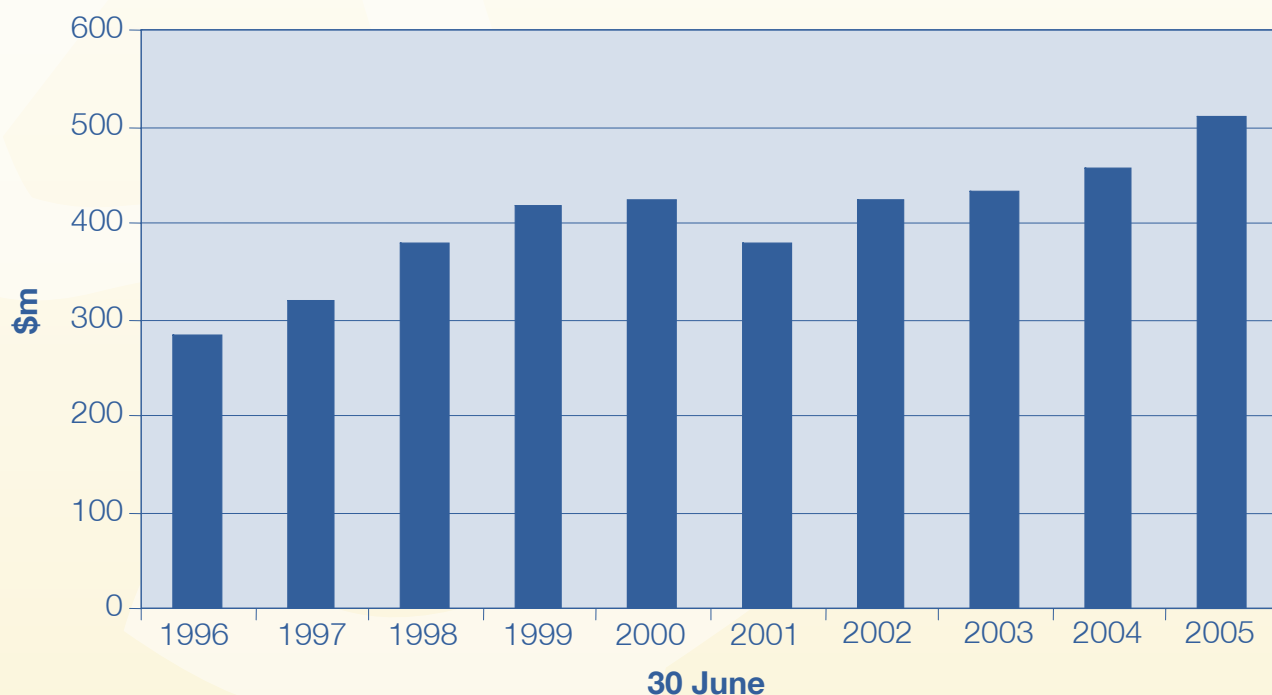
Table 7.1: Total Savings Assigned to the Child Support Scheme (\$m)

1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
283	318	378.3	419.2	425.0 ¹	380.4	423.0	433.5	458.0	510.0

Source: Department of Family and Community Services, June 2005.

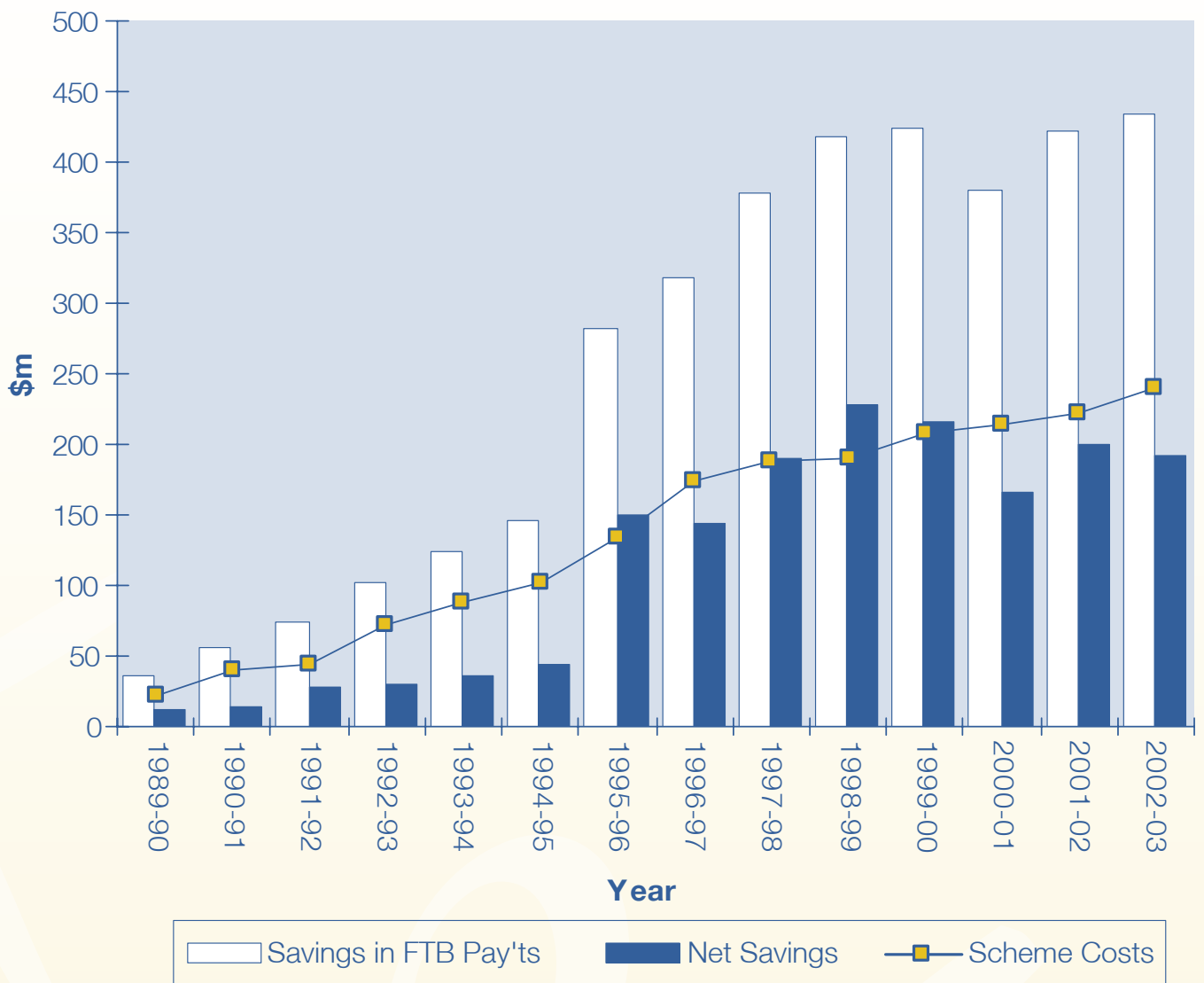
Notes: 1. This figure was revised from the \$594.4m reported by FaCS in July 2000.

Chart 7.1: Total Savings Attributable to the Child Support Scheme



Source: Department of Family and Community Services, June 2005.

Chart 7.2: Savings and Costs of the Child Support Scheme



Source: Child Support Agency Monthly Performance Report (CS5), CSA, June 2003.

7.2 Scheme Costs

Table 7.2: Savings and Costs of the Child Support Scheme^{1, 2, 3}

Agency/ Dept	1995-96 \$m	1996-97 \$m	1997-98 \$m	1998-99 \$m	1999-00 \$m	2000-01 \$m	2001-02 \$m	2002-03 \$m
CSA	114.8	160.6	169.7	108.1	198.2	203.7	214.0	233.2
FaCS	12.4	8.6	10.4	2.7 ⁴	3.0	2.3	2.3	1.4
AGD	4.3	4.7	7.5	7.8	7.8	7.8	5.3 ⁵	5.5 ⁵
Scheme Costs	131.6	173.9	187.7	190.6	209.0	213.8	221.6	240.1
Savings in FaCS pay't	283	318	378	419	425	380	423	433.5
Net Savings ⁶	151	144	191	228	216	166	201	193

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

- Notes:
1. 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.
 2. The 1999-00 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.
 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. With the creation of the Department of Family and Community Services in the 1998-99 year and the establishment of Centrelink as an entity separate to FaCS, a decision was taken by FaCS to remove Centrelink costs in relation to the Child Support Scheme.
 5. Expenditure by Legal Aid Commissions on Commonwealth matters is undertaken by Commissions in accordance with Commonwealth legal aid priorities. As such the Attorney-General's Department does not set funding levels to be expended by Legal Aid Commissions on particular areas of law. In 2002-03, Legal Aid Commissions (excluding Tasmania, ACT and NT) expended \$4.169 million on child support representation. Expenditure excludes resources dedicated to the provision of advice/information for child support matters. In addition, Community Legal Centres expended \$1.303 million on the provision of services for child support matters.
 6. Net Savings equals Net Savings to Government outlays minus Scheme Costs.

7.3 Comparisons with Overseas Agencies

The Australian Child Support Agency continues to liaise with child support jurisdictions, including those in Canada, New Zealand, the United Kingdom and the United States in relation to comparative performance. While the figures in Table 7.3 have not been standardised using internationally-agreed definitions, they do give broadly indicative information on the collections performance of the surveyed jurisdictions. There is, however, some incompatibility between the program costs of the Canadian CSA and the Australian figure, as the following advice from the Department of Justice Canada confirms:

The figures I have provided you only include those [costs] from the departments where the maintenance enforcement programs are housed, e.g. the Department of Justice, the Attorney-General's Department etc. They do not include parts of the same or other departments such as social services, research or policy units, etc. which may also be involved with the enforcement of support. ...This likely shows how our 'system' varies from one such as yours. All the figures I have provided you include only those efforts towards the enforcement of support orders in Canada, which is the responsibility of the provinces and territories of Canada.⁷

If the program costs in the table only reflected expenditure on enforcement activities, the Australian and other child support agencies results would be considerably different. For example, in 2003-04 the Australian CSA spent approximately 20 per cent of its \$257.4 million budget on the enforcement of child support, which would equate to approximately \$51.5 million. This, in turn, would have meant that the Australian CSA transferred almost \$42.50 for each enforcement dollar spent, or it would have cost 2.4 cents to transfer each dollar. There are, of course, a range of other non-enforcement costs that are central to the effective administration of the Australian scheme that are not reflected in these figures.

In other respects—such as child support transfers, caseload numbers, full-time equivalent (FTE) staff numbers and arrears amounts—the Canadian child support data was more comparable to the Australian data.

7

E-mail from the Department of Justice Canada to the then Client Research Unit of the Australian CSA, 29 June 2000.

Table 7.3: Comparative Statistics for Australian and Overseas Child Support Programs (2001-02 to 2003-04)

Country	End of Financial Year	Collections or Transfers (\$ million)	Program costs (\$ million)	\$ collected for each \$ spent	Cost to collect a \$	Caseload	Cases per Agency FTE	Cost per case (\$)	Agency Staff Numbers (FTEs)	Cost per Agency FTE (\$)	Debt (\$m)
Australia	2001-02	1,450.60	214.00	6.78	14.7 cents	657,332	253	325.56	2,594	82,498.07	758.70
	2002-03	1,944.00	233.20	8.30	12.0 cents	685,969	239	339.96	2,873	81,169.51	844.10
	2003-04	2,186.20	257.40	8.49	11.8 cents	712,680	242	361.17	2,941	87,521.25	847.60
Canada	2001-02	1,411.73	105.75	13.35	7.5 cents	445,884	259	237.17	1,724	61,333.62	2,158.66
	2002-03	1,474.53	110.03	13.40	7.5 cents	457,681	263	240.41	1,738	63,304.37	2,241.81
	2003-04	1,555.73	115.02	13.53	7.4 cents	471,641	267	243.87	1,767	65,092.47	2,298.60
New Zealand	2001-02	231.06	43.25	5.34	18.7 cents	204,885	428	211.09	479	90,292.28	251.26
	2002-03	251.26	46.29	5.43	18.4 cents	216,386	428	213.92	506	91,482.21	296.45
	2003-04	271.37	51.06	5.31	18.8 cents	232,577	406	219.54	573	89,109.95	339.52
United Kingdom	2001-02	1,861.46	702.37	2.65	37.7 cents	n/a	n/a	n/a	9,471	74,160.07	5,569.61
	2002-03	1,910.30	711.80	2.68	37.3 cents	1,700,000	165	418.71	10,287	69,194.13	6,523.16
	2003-04	1,880.08	781.19	2.41	41.6 cents	n/a	n/a	n/a	10,215	76,474.79	7,111.29
United States	2001-02	26,148.42	6,730.68	3.88	25.7 cents	16,065,728	259	418.95	61,797	108,915.97	119,883.13
	2002-03	27,498.25	6,769.25	4.06	24.6 cents	15,923,353	260	425.11	61,185	110,635.78	124,399.43

Notes: 1. All currency amounts have been converted to Australian dollars (A\$) using exchange rates current at 8 April 2005, Australian Financial Review, 11 April 2005.

For the rates used, please see Appendix 2 at the rear of this paper.

2. In Australia and New Zealand the financial year ends 30 June, in the UK it ends 31 March and in the US it ends 30 September.

3. Canadian Program Costs data is not comparable with the costs of other agencies included in the table and should be used with caution when making comparisons.

4. The latest official US data is for 2002-03.

Sources: Data is obtained from the respective child support jurisdictions.

7.4 CSA Staff

Table 7.4 records staffing levels for CSA at June 2005. The table also reports the gender breakdown by classification levels.

Table 7.4: CSA Total Staff by Gender and Classifications, June 2005^{1, 2, 3}

	Male	%	Female	%	Total Staff
CSO 1-6	750	25.0	2,249	75.0	2,999
EL1-2	93	39.1	145	60.9	238
SES	6	50.0	6	50.0	12
Total	849	26.1	2,400	73.9	3,249

Source: Child Support Agency, June 2005.

Notes: 1. Numbers are Actual Full Time Equivalents (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.

At the end of June 2005 there were 3,249 FTE staff in the CSA. Of that number 2,400 are female (74 per cent) and 849 are male (26 per cent). At levels Child Support Officer (CSO) 1-6 (and equivalents) 75 per cent of all officers are female but at the Senior Executive Staff levels males accounted for 50 per cent of CSA staff.

7.5 CSA Telephone Performance

Research has established that CSA customers 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 7.5.

Table 7.5: 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	5,753	15,124
2002	8,679	88.5% in 2 mins 79.3% in 30 secs	5,177	13,856
2003	9,332	93.8% in 2 mins 85.3% in 30 secs	6,499	15,831
2004	8,763	97.3% in 2 mins 91.3% in 30 secs	7,295	16,058
2005	8,973	96.9% in 2 mins 89.6% in 30 secs	7,916	16,889

Source: CSA, as at 30 June for the years in question.

- 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 113,159 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.

Appendices

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
Web site	www.csa.gov.au
International	+61 3 6216 0864

Centrelink

Services

Appointments	Phone 131 021
Self-Service	Phone 136 240
Customer Relations FreeCALL	Phone 1800 050 004
Centrelink Multilingual Call	Phone 131 202
TTY: FreeCALL	Phone 1800 810 586
TTY Customer Relations: FreeCALL	Phone 1800 000 567

Programs

Employment Services	Phone 132 850
Retirements Services	Phone 132 300
Disability, Sickness and Carers	Phone 132 717
Family Assistance Office	Phone 136 150
Youth and Student Services	Phone 132 490
ABSTUDY	Phone 132 317
Centrelink website	www.centrelink.gov.au
Family Assistance Office website	www.familyassist.gov.au

More contact details over the page . . .

Contact Details cont'd:

Family Court of Australia

Website www.familycourt.gov.au

Adelaide	Phone 08 8205 2666	Newcastle	Phone 02 4926 1255
Brisbane	Phone 07 3248 2200	Parramatta	Phone 02 9893 5555
Canberra	Phone 02 6267 0511	Sydney	Phone 02 9217 7111
Dandenong	Phone 03 9767 6200	Townsville	Phone 07 4722 9333
Darwin	Phone 08 8981 1488	Family Court of Western Australia	Phone 08 9224 8222
Hobart	Phone 03 6232 1725		
Melbourne	Phone 03 860 03777		

Federal Magistrates Service

Phone 1300 367 110

Website www.fms.gov.au

Other Support Services

Family Relationship Services:

Centacare	Phone 1300 138 070
Family Services Australia	Phone 1300 365 859
Relationships Australia	Phone 1300 364 277
Telephone Interpreting Service	Phone 131 450
Lifeline	Phone 131 114
Mensline Australia	Phone 1300 789 978
Kids Helpline	Phone 1800 789 978

Financial counselling services are available in each state:

NSW	Phone 1800 808 488
Vic.	Phone 03 9614 5433
Qld	Phone 07 3257 1957
WA	Phone 08 9221 9411
SA	Phone 08 8202 5182
Tas.	Phone 03 6223 4595
ACT	Phone 02 6257 1788
NT	Phone 08 8932 6111

Family Law Hotline: 1800 050 321 (Toll free information line).

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
Advice Line: 1300 654 314

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 or 1300 366424

Southern Community Justice Centre

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

(Hobart) Phone: (03) 6233 8383
(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
Advice Line: 1800 019 343

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 or 1800 677 402

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
Carer parents: phone: (08) 9261 6253
1300 650 579

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
Advice Line: 1300 654314

New South Wales

Legal Aid Commission of NSW

Child Support Service
Phone: (02) 9744 3833 or
1800 451 784 Toll-Free

South Australia

Legal Services Commission of South Australia

Child Support Section
Phone: (08) 8463 3576 or 1300 366424

Southern Community Justice 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

Northern Territory

Northern Territory Legal Aid Commission

Family Law Advice Sessions
Phone: (08) 8999 3000 or 1800 019343

Western Australia

Legal Aid Western Australia

Child Support Legal Unit
Liabie Parent Forums
Phone: (08) 9261 6318 or 1800 199 363

Bunbury Community Legal Centre

Phone: (08) 9791 3206

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 or 1800 677402

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 (By Child Support Year)

	1997-98 \$	1998-99 \$	1999 \$	2000 \$	2001 \$	2002 \$	2003 \$	2004 \$	2005 \$
Liabe Parent's Exempted Income Amount									
Single yearly rate of pension (no relevant dependents)	9,006	9,043	10,219	10,482	11,271	11,740	12,315	12,950	13,462
Twice married pension rate (with relevant dependents)	15,023	15,085	17,051	17,498	18,813	19,597	20,557	21,622	22,480
Additional amount for child under 13 at end of child support year	1,888	1,895	1,958	2,018	2,049	2,169	2,235	2,307	2,362
Additional amount for child 13-15 at end of child support year	2,639	2,649	2,733	2,813	2,857	3,025	3,119	3,219	3,296
Additional amount for child 16 or over at end of child support year	3,756	3,771	3,875	3,977	4,276	4,454	4,672	4,914	5,109

Source: Social Security Act 1991

Resident Parent's Disregarded Income Amount									
Yearly equivalent of average weekly earnings.	37,424	38,787	31,351	31,699	33,717	35,012	36,213	38,168	39,312
Additional amount for first child under 6 as at start of c.s. year	4,304	4,461	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Additional amount for each other child under 6 as at start of c.s. yr.	936	970	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Additional amount for child 6 or over and under 12 as at start of c.s. yr.	1,871	1,939	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Other Amounts									
Yearly equivalent of 2.5 times AWE	93,560	96,968	101,153	103,103	108,732	113,542	119,470	126,659	130,767
Inflation factor	1.045	1.040	1.040	1.0375	1.0375	1.0375	1.0375	1.0400	1.0400
Weekly Protected Earnings Rate (for the period 1 Jan. to 31 Dec.)	216.68	217.58	218.85	221.03	237.3	246.68	253.58	260.48	267.00

- Notes:
1. The values recorded for the years 1994-95 to 1998-99 cover financial years i.e. 1 July to 30 June for those years.
 2. The 1999 values apply to the period 1 July 1999 to 31 December 1999.
 3. For the years 2000 and after the values are for the calendar years – 1 January to 31 December.

Support for Parents

More than just a 'collection agency'

As part of the Department of Human Services, the Child Support Agency (CSA) recognises and acts on its unique opportunities to support separated parents through the delivery of a variety of products such as the *Me & My* series of booklets and the CD-ROM *Dealing with Separation*.

For more information, or to order any of these free products and services, please contact CSA on 131 272, or visit the CSA website at www.csa.gov.au

Me & My Kids: Parenting from a distance provides parents with practical ideas on developing and maintaining relationships with their kids after separation.

Me and My Money: Practical money ideas addresses the challenges that arise around money issues following separation. It includes hints and tips on budgeting, making informed consumer choices and establishing positive money habits that can be passed on to children.

What About Me: Taking Care of yourself provides resources and guidance to separated parents about looking after their emotional and physical wellbeing during and after separation.

Me, My Kids and My Ex focuses on practical techniques on how to develop a workable relationship with the other parent for the benefit of their children.

Coming soon. . . *Me and My New Family* - planned for release in 2006.

CD-ROM Dealing with Separation is an interactive CD which captures key elements of the *Me and My* series, together with information for dealing with an ex-partner and new relationships. It delivers interactive activities and a toolbox that allows users to collect and print information, lists and activities.

My family is separating—what now? offers a starting point for separating parents and provides contact details for help lines, the Family Court of Australia, Centrelink, Federal Magistrates Court and CSA.

Community Information Sessions are free and conducted by CSA staff, along with legal, financial and parenting groups within the community. These sessions focus on providing information about issues faced by separated parents. They aim to help parents examine their options and make choices on how they can both be responsible for the wellbeing of their children.

Other services

CSA has been trialing referral support services for separated parents for many years. Parents can access information from CSA or through the **Community Service Directory** on the CSA website at www.csa.gov.au

