

Australian Government Child Support Agency

# **Facts and Figures**



# Comments on this paper

# Comments on this paper are welcomed and should be addressed to:

The Director Business Research

Child Support Agency

Department of Human Services

40 Cameron Avenue

**BELCONNEN ACT 2617** 

www.csa.gov.au

#### © Commonwealth of Australia 2009

This work is copyright. Apart from any use as permitted under the **Copyright Act 1968**, no part may be reproduced by any process, nor may any other exclusive right be exercised without prior written permission from the Commonwealth. Requests and inquiries concerning reproduction and rights should be addressed to the Commonwealth Copyright Administration, Attorney General's Department, Robert Garran Offices, National Circuit, Barton Act 2600 or submitted online www.ag.gov.au/cca

# Contents

| Introduo | ction  | 3    |
|----------|--|------|
| 1.0      | A brief overview and history of the Australian Child Support Scheme                        | 3    |
| 1.1      | The aims of the Child Support Scheme   | .3   |
| 1.2      | A brief history of the Child Support Scheme  | .3   |
| 1.3      | Child Support Scheme Reforms 2006–08   | .4   |
| 1.4      | The child support formula  | .6   |
| 1.4.1    | The child support formula (up to 30 June 2008)   | . 6  |
| 1.4.2    | The child support formula (from 1 July 2008)   | . 8  |
| 1.5      | Administrative arrangements between the Child Support Agency                               |      |
|          | as part of the Department of Human Services and other government departments               | .9   |
| 1.5.1    | The role of the Child Support Agency in the Department of Human Services                   | . 9  |
| 1.5.2    | The role of the Department of Families, Housing, Community Services and Indigenous Affairs | . 10 |
| 1.5.3    | The role of Centrelink   | . 10 |
| 1.5.4    | The role of the Attorney-General's Department  | . 10 |
| 1.5.5    | The role of the Social Security Appeals Tribunal   |      |
| 1.6      | How the Child Support Scheme works   | .12  |
| 2.0      | Child support cases  | 13   |
| 2.1      | Caseload   | .14  |
| 2.2      | Caseload by stage and collection method  | .14  |
| 2.3      | International cases  | .19  |
| 2.4      | Assessment type  | .20  |
| 2.5      | Change of Assessment (CoA)   | .22  |
| 2.6      | Type of care arrangement   | .25  |
| 3.0      | Child support customers  | 26   |
| 3.1      | Number of customers  | .27  |
| 3.2      | Number of children   | .28  |
| 3.2.1    | Children subject to child support assessments (stage 2)                                    | . 28 |
| 3.2.2    | Paying parents' subsequent families  | . 30 |
| 3.3      | Number and gender of paying and receiving parents  | .31  |
| 3.4      | Age of cases   | .33  |
| 3.5      | Location of paying and receiving parents   | .34  |
| 3.5.1    | Customers by electorate  | . 36 |
| 3.6      | Income of paying and receiving parents   | .44  |
| 3.7      | Income sources of paying parents who lodged income tax returns                             | .46  |
| 3.8      | CSA customers on Centrelink benefits   | .47  |
| 4.0      | Liabilities, payments and transfers  | 48   |
| 4.1      | Liabilities  | .49  |
| 4.1.1    | Liabilities by CSA collect and private collect   | . 49 |
| 4.1.2    | Average child support liabilities  | . 51 |
| 4.2      | Payments   | .53  |
| 4.2.1    | Total credits and liabilities  | . 53 |
| 4.3      | Child support transferred  | .56  |
| 4.3.1    | Collections – CSA collect cases  | . 57 |

| 5.0     | Total Child Support Debt and compliance measures                   | 59   |
|---------|--|------|
| 5.1     | Total Child Support Debt (TCSD)                                    | .60  |
| 5.2     | Paying parent liability and overdue child support                  | .64  |
| 5.3     | Paying parent TCSD by child support income                         | .70  |
| 5.4     | Compliance measures  | .75  |
| 6.0     | CSA people and service options                                     | 77   |
| 6.1     | CSA people   | .78  |
| 6.2     | Service options  | .79  |
| 6.2.1   | CSA telephone performance  | 80   |
| 6.2.2   | CSA face-to-face service   | 81   |
| 6.2.3   | CSA website – www.csa.gov.au                                       | 82   |
| 6.2.4   | CSAonline  | 82   |
| 7.0     | Customer satisfaction, attitudes and perceptions                   | 83   |
| 7.1     | CSA customer service satisfaction                                  | .84  |
| 7.2     | Complaints and objections  | .85  |
| 7.2.1   | Objections   | 85   |
| 7.2.2   | Social Security Appeals Tribunal (SSAT)                            | 87   |
| 7.2.3   | Complaints   | 87   |
| 7.3     | Customer and community awareness of and attitudes to child support | .90  |
| 7.3.1   | Child Support Scheme   | 90   |
| 7.4     | Customers agreement with statements                                | .92  |
| 7.4.1   | Child Support Scheme   | 93   |
| 7.4.2   | Service Delivery   | 94   |
| 7.5     | Knowledge and awareness of the Child Support Scheme                | .97  |
| 7.6     | Customer relationships   | .98  |
| 8.0     | Increased support for parents                                      | 100  |
| 8.1     | CSA support products   | .101 |
| 8.2     | Online Services  | .101 |
| 8.3     | Legal Services Program overview                                    | .102 |
| 8.3.1   | Background   | 102  |
| 8.3.2   | Community legal services program statistics 2007–2008              | 103  |
| 8.4     | Support Services and contact details*                              | .104 |
| 9.0 Glo | ssary of terms   | 106  |

# Child support scheme-Key facts and figures

|   | 2005-06    | 2006-07    | 2007-08                               | % Change |
|---|------------|------------|---------------------------------------|----------|
| Child Support transfers                                       |            |            |                                       |          |
| CSA collect   | \$0.93bn   | \$0.98bn   | \$1.03bn                              | 5.10%    |
| Private collect   | \$1.63bn   | \$1.70bn   | \$1.79bn                              | 5.29%    |
| Total   | \$2.56bn   | \$2.68bn   | \$2.82bn                              | 5.22%    |
| CSA collection performance since inception - colle            | ct cases   |            |                                       |          |
| Total collections   | \$8.88bn   | \$9.90bn   | \$10.97bn                             | 10.81%   |
| Total liabilities   | \$9.77bn   | \$10.85bn  | \$11.99bn                             | 10.51%   |
| Percentage collected  | 90.80%     | 91.20%     | 91.50%                                | 0.33%    |
| Average annual liabilities per case                           |            |            |                                       |          |
| Stage 2 CSA collect   | \$4,914.26 | \$5,038.56 | \$5,351.21                            | 6.21%    |
| Stage 2 private collect                                       | \$6,434.12 | \$6,611.41 | \$6,916.79                            | 4.62%    |
| CSA caseload payment method                                   |            | '          | · · · · · · · · · · · · · · · · · · · |          |
| Total cases <sup>1</sup>                                      | 781,026    | 797,978    | 804,149                               | 0.77%    |
| % CSA collect <sup>2</sup>                                    | 47.40%     | 47.40%     | 47.90%                                | 1.14%    |
| % Private collect <sup>3</sup>                                | 52.60%     | 52.60%     | 52.10%                                | -1.03%   |
| CSA caseload by stage   |            | '          | · · · · · · · · · · · · · · · · · · · |          |
| Stage 1 court orders  | 14,060     | 11,563     | 9,834                                 | -14.95%  |
| Stage 2 formula assessment                                    | 766,966    | 786,415    | 794,315                               | 1.00%    |
| Total cases   | 781,026    | 797,978    | 804,149                               | 0.77%    |
| Eligible children   | 1,120,328  | 1,130,042  | 1,125,554                             | -0.40%   |
| CSA customer numbers  |            |            | · · · · · · · · · · · · · · · · · · · |          |
| Paying parents  | 722,113    | 735,758    | 739,112                               | 0.46%    |
| Receiving parents   | 720,459    | 735,304    | 739,645                               | 0.59%    |
| Total   | 1,442,572  | 1,471,062  | 1,478,757                             | 0.52%    |
| CSA costs <sup>4</sup>  | \$278.0m   | \$290.9m   | \$298.5m                              | 2.58%    |
| Dollars transferred by CSA for each dollar spent <sup>5</sup> | \$9.07     | \$8.99     | \$9.35                                | 4.00%    |
| Cost to transfer each CSA collect dollar <sup>6</sup>         | 23.4 cents | 23.5 cents | 22.3 cents                            | -5.11%   |
| Cost to transfer each private collect dollar                  | 4.3 cents  | 4.3 cents  | 4.2 cents                             | -2.33%   |

Notes:

1. This assumes that private collect cases transfer all their liability.

2. The figure was correct at the beginning of July 2008, but retrospective adjustments to prior year private collect liabilities can impact a later view of this figure.

3. All cases (active cases and cases ended with arrears) are included in these totals.

4. Percentages in these rows are calculated using active caseload totals (excluding cases ended with arrears).

5. CSA funding figures in this table do not include new policy initiatives. Collection figures do not include debt collected under new policy initiatives.

6. These figures are calculated using CSA business-as-usual and ongoing new policy funding.

# 1.0 A brief overview and history of the Australian Child Support Scheme

In this section:

A brief overview and history of the Australian Child Support Scheme Administrative arrangements



# Introduction

This report is the 12th edition of *Child Support Scheme Facts and Figures* and is an annual publication released jointly by Australian Government agencies and departments with responsibilities under the Child Support Scheme.

The tables in this publication contain data for all cases, unless otherwise labelled. All cases refer to active cases with a current assessment and cases that have ended with arrears.

# 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 Child Support Scheme aims to better balance the interests of both parents and be focused on the needs and costs of children. This aims to:

- reduce conflict between parents about parenting arrangements
- encourage shared parental responsibility and
- ensure child support is paid in full and on time.

### 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 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
- the reliance on social welfare payments.

A number of reviews and studies resulted in the Government establishing 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.

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

**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.

This is the last issue of *Facts and Figures* that will include data only from the above mentioned Child Support Scheme. Facts and Figures 2008-2009 will be based on the new Child Support Scheme that was introduced on 1 July 2008 (see details in 1.3).

### 1.3 Child Support Scheme Reforms 2006–08

Between 1 July 2006 and 1 July 2008, the Australian Government progressively implemented changes to the Child Support Scheme in three stages. Major changes to the Scheme, including changes to the child support formula, started on 1 July 2008.

In changing the Scheme, the Government accepted most of the recommendations in the report of the Ministerial Taskforce on Child Support,<sup>2</sup> chaired by Professor Patrick Parkinson (released in May 2005). This review was initiated in response to a recommendation in the House of Representatives Committee on the Family and Community Affairs report on child custody arrangements in the event of family separation. This report was titled, *Every Picture Tells a Story*,<sup>3</sup> and was released in December 2003.

The changes build on the Government's reform of the family law system to encourage shared parenting and reduce conflict. This complements the commitment of nearly \$400 million over four years to establish the Family Relationship Advice Line (FRAL) and the network of Family Relationship Centres (FRCs) and related services in the community. The services opened on 1 July 2006 and the CSA has been referring customers ever since.

The changes to the child support scheme occurred in three stages.

#### Stage one: 1 July 2006

- Recognised the costs incurred by non-resident parents on income support who have at least 14 per cent care of their children— these parents can receive "with child" rate of certain income support payments.
- Introduced clearer guidelines to determine that a parent has a higher capacity to earn money.
- Reduced payments for people with the highest child support rate to make sure payments better reflect the actual costs of children.
- Enabled non-resident parents to spend a greater percentage of their payments directly on essential costs for their children e.g. school fees (up to 30 per cent of the Child Support assessment).
- Increased minimum payment from \$5 a week to approximately \$6 a week, to be increased every year, to ensure child support payments kept pace with inflation.

<sup>2</sup> Ministerial Taskforce on Child Support, In the Best Interests of Children – Reforming the Child Support Scheme, Commonwealth of Australia, Canberra, May 2005.

<sup>3</sup> House of Representatives Standing Committee on Family and Community Affairs, Every Picture Tells a Story, Parliament of the Commonwealth of Australia, Canberra, December 2003.

#### Stage two, phase one: 1 January 2007

- Introduced independent review of the CSA's decisions by the Social Security Appeals Tribunal. Before this change, parents who were unhappy with the CSA's decisions could only appeal to the courts, which could be expensive and time-consuming.
- Simplified the relationship between the courts and the new Child Support Scheme by:
  - Making it possible for parents to take their own court action to recover any outstanding child support debts while the CSA continued to collect ongoing payments.
  - Increasing the power of courts, who determining child support matters, to gather information.
  - Increasing the court's power to make temporary arrangements for child support matters.
  - Generally limiting Change of Assessment decisions and departure orders made by a court to the previous 18 months.
  - Giving separating parents 13 weeks instead of 28 days to work out parenting arrangements for the family before their Family Tax Benefit Part A is affected.
  - Improving and simplifying the processes for parents who dispute a child's parentage.

#### Stage two, phase two: 1 January 2008

- A paying parent can apply to have their relevant dependent child taken into account in their child support assessment from the date the assessment started if they advise CSA within 28 days of the notice of assessment being issued to them and the notice was issued after 4 December 2007.
- CSA customers can apply to extend the time (until the end of the school year) a relevant dependent child is taken into account in their child support assessment, if the child will turn 18 during that year and is still in full-time secondary education.

Changes to income amount orders and estimates:

- The definition of an income amount order has changed to provide customers with an increased opportunity to lodge an estimate of income.
- The estimate provisions have changed to allow customers to lodge an estimate for the remainder of the child support period, after an income amount order expires.

Objections to CSA decisions:

- Parents can apply for an extension of time to submit an objection over the phone as well as in writing.
- Paying parents can object to the acceptance of their own application for a child support assessment.
- The CSA is not required to provide a copy of the objection and accompanying documents to the other parent where the objection is about departure determination (under Part 6A) and if the CSA is satisfied the rights of the other parent will not be affected by any decision made by the CSA.

Other changes:

- Garnishee (72A) notices (notices requiring employers or financial institutions to deduct child support) can be issued for less than the total amount of outstanding child support.
- Assessment notices have been amended to include only age ranges of relevant dependent children and liable children from other cases.
- The range of debts collectable via tax refund intercepts has been extended.
- The rental property definition has been updated.

#### Stage three: 1 July 2008

- A new and more balanced way of working out child support amounts based on recent Australian research on the costs of caring for children, and taking account of both parents' incomes after self support amounts are deducted.
- More flexible arrangements, with better protection for parents who want to make agreements between themselves about the payment of child support and the treatment of lump sum payments.
- More equal treatment of children from first and subsequent families.
- Where a paying parent has a minimum assessment and more than one case, child support will be paid for each case, not divided between them.
- Changes to the treatment of income from overtime and second jobs in the first three years following separation to help with re-establishment costs.

### 1.4 The child support formula

#### 1.4.1 The child support formula (up to 30 June 2008)

For the period of this publication (1 July 2007 to 30 June 2008) the CSA used a legislated formula to calculate the amount of child support to be paid. The data and tables in this issue of Facts and Figures are based on this formula. The data and tables in future issues of Facts and Figures, however, will change significantly as they will be based on the new formula introduced under the new Child Support Scheme on 1 July 2008 (see 1.4.2).

Prior to 1 July 2008, the formula was applied to the paying parent's taxable income and any supplementary income (which, for the CSA's purposes, includes rental property losses, exempt foreign employment income and reportable fringe benefits – this is known as their child support income). The paying parent's exempt income is then deducted. Exempt income includes:

- allowance for living expenses.
- allowance for each natural or adopted dependent child living with the liable parent.
- half the receiving 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 child 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 receiving parent income above the disregarded income amount.
- **D** is the child support percentage.
- E is the amount payable by the paying parent.

Taxable income used in the child support formula is the income shown on the paying parent's tax return for the last financial year. For child support purposes the maximum taxable income used in the formula from 1 January 2007 is \$109,135 and from 1 January 2008 is \$113,763.

#### Table 1.2: Exempt income amounts

|                                  | Exempt income<br>1.1.2007–31.12.2007 | Exempt income<br>1.1.2008–30.06.2008 |
|----------------------------------|--------------------------------------|--------------------------------------|
| No natural or adopted children   | \$14,646                             | \$15,378                             |
| With natural or adopted children | \$24,464                             | \$25,689                             |
| Allowance for a child under 13   | \$2,489                              | \$2,570                              |
| Allowance for a child 13–15      | \$3,504                              | \$3,705                              |
| Allowance for a child 16–17      | \$5,560                              | \$5,838                              |

Source: Child Support Agency's website www.csa.gov.au - The Guide.

If a receiving parent's child support income amount exceeds the disregarded income amount,<sup>4</sup> the paying parent's income is reduced by 50 per cent of the receiving parent'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 receiving parent had less than the disregarded income amount). The receiving parent's disregarded income amount is that part of the receiving parent's income below Average Weekly Earnings of all employees (\$45,505 for 1 January 2008 to 30 June 2008).

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.

<sup>4</sup> The 'disregarded income amount' recognises that the carer makes a significant contribution to the care of the children covered by the assessment.

#### 1.4.2 The child support formula (from 1 July 2008)

From 1 July 2008, the CSA has made administrative assessments for child support based on a new legislative formula. The next issue of Facts and Figures (2008-2009) will include data and tables significantly different from this issue (2007-2008) as the data in future issues will be based on the new child support formula.

The CSA uses this formula to calculate the annual rate of child support payable under an administrative assessment unless:

- the assessment is varied by a departure order or by a court order
- the assessment is varied by a change of assessment decision or
- the assessment is varied by the provisions of a child support agreement.

The Legislative reference is Division 2 of Part 5 of the Child Support Assessment Act 1989.

The key components of the formula are:

- the costs of raising children, based on independent research
- both parents' incomes are taken into account and considered equally
- the same self-support amount is deducted from each parent's income before child support is worked out
- the level of care each parent provides is taken into account and
- children from first and subsequent families are treated in a similar way.

Each parent's income is considered in the same way and combined to work out the costs of the children. Each parent's share of the total income shows how much of the children's costs they should meet.

The annual rate of child support payable is calculated using one of six variations of the formula (section 35B). In most cases, the basic formula is used. The formula is, however, flexible and takes into account various family circumstances.

The six variations of the formula are:

- single child support case (i.e. the basic formula) (section 35)
- single child support case, non parent-carer (section 36)
- one or both parents have multiple child support cases (section 37)
- parent has multiple child support cases, non-parent carer for one or more children (section 38)
- non-parent-carer, one parent not assessed because they are not a resident of Australia or there are special circumstances (section 39) and
- non-parent carer, one parent deceased (section 40).

A detailed description of the new formulas can be found on the CSA website www.csa.gov.au

### 1.5 Administrative arrangements between the Child Support Agency as part of the Department of Human Services and other government departments

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.

Between October 1998 and October 2004 the Child Support Scheme was administered by the Child Support Agency as part of the then Australian Government Department of Family and Community Services (FaCS). FaCS then became the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). The Scheme partners were the former Department of Family and Community Services, incorporating the CSA, and the Attorney-General's Department.

In October 2004, the CSA became part of the new Australian Government Department of Human Services (DHS). DHS incorporates six agencies: Centrelink, Health Insurance Commission, the Child Support Agency, Health Services Australia, Commonwealth Rehabilitation Services and Australian Hearing. The Department of Human Services and its agencies have the responsibility to deliver services, while the Department of Families, Housing, Community Services and Indigenous Affairs is responsible for policy development.

# 1.5.1 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 the CSA is to:

- register cases
- assess child support payable (Stage 2 cases only)
- collect payments where requested
- provide information for parents on child support matters
- refer customers to government and other organisations that support separated parents
- administer international cases where requested
- develop strategic service delivery approaches and micro-policy
- liaise with other agencies on service delivery issues and
- report to the Minister for Human Services and Parliament on child support issues.

As at 1 July 2008, these activities were undertaken in 14 offices around Australia, and 27 Regional Service Centres located in Centrelink offices in regional Australia.

The CSA accesses taxation and Centrelink information to efficiently assess and collect child support.

# **1.5.2** The role of the Department of Families, Housing, Community Services and Indigenous Affairs

The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) 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 for policy in relation to families, Indigenous people, carers, housing, community support, disability services and child care services. FaHCSIA also advises the Government on the social policy impact of wider government policy including taxation, superannuation and savings policy. The role of FaHCSIA 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.

#### 1.5.3 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 who are eligible for more than the base rate of Family Tax Benefit take reasonable action to obtain child support and adjusting Family Tax Benefit payments to individuals in receipt of child support payments.

Over 1,000 service delivery points ranging from large Customer Service Centres to small visiting services have been set up across Australia to provide families with easy access to Customer Services Officers, to ensure their family payment arrangements are the most suitable for their circumstances.

#### 1.5.4 The role of the Attorney-General's Department

The Attorney-General's Department advises the Australian Government on matters relating to family law and is responsible for a range of services to assist families. These services include advice and assistance provided through Legal Aid Commissions, community legal centres and a range services for separated families under the Family Relationship Services Program, including the Family Relationship Advice Line and Family Relationship Centres.

Legal Aid Commissions are funded to provide legal assistance for Commonwealth law matters, including family law matters. This assistance includes information, advice, duty lawyer services at the courts and grants for legal representation. From 2007–2008 onwards, an additional \$1.2 million annually has been provided to legal aid commissions to assist clients with the changes to the Child Support Scheme.

Community legal centres throughout Australia are also funded to provide legal assistance services. Thirteen specialist community legal centres located throughout Australia provide legal assistance to parents eligible to receive child support and parents responsible for paying child support. For services relating to child support issues, these thirteen centres received \$1.45 million in funding for 2007–2008.

Family Relationship Centres have also been established to strengthen family relationships, work through relationship difficulties and provide dispute resolution services for separating families needing assistance to determine parenting arrangements. There are 65 Centres across Australia.

Family Relationship Advice Line provides telephone information, referral, advice and dispute resolution. The CSA has been transferring or referring customers to the Family Relationship Centres and Family Relationship Advice Line since the initial 15 Family Relationship Centres were opened in July 2006.

Other family relationship services funded by the Attorney-General's Department include family dispute resolution, children's contact services, family counselling (jointly with FaHCSIA), services for children experiencing family separation and programs for high conflict families.

#### 1.5.5 The role of the Social Security Appeals Tribunal

The Social Security Appeals Tribunal (SSAT) was originally established in 1975, it is now a statutory body established under the Social Security (Administration) Act 1999 to conduct merits review of administrative decisions made under the social security law, the family assistance law, child support law and various other pieces of legislation. The Social Security (Administration) Act 1999, the A New Tax System (Family Assistance) (Administration) Act 1999 and the Child Support (Registration and Collection) Act 1988 set out the powers, functions and procedures of the SSAT.

The SSAT is within the portfolio of the Minister for Families, Housing, Community Services and Indigenous Affairs. From 1 January 2007, the SSAT has the authority to review most CSA decisions including:

- refusal of extension of time to lodge an objection
- application for assessment accept/not accept
- particulars of assessment (income or level of care)
- particulars of registration
- change of assessment
- low-income non-enforcement period
- refusal to remit penalties
- failure to collect arrears
- acceptance or refusal of a child support agreement
- credit or refusal to credit non agency payments and
- acceptance or refusal of an estimate.

The SSAT generally has the power to affirm, vary or set aside a decision under review. Where it sets aside a decision, the SSAT may either substitute a new decision or send the matter back to the CSA with directions or recommendations for further action.

# 1.6 How the Child Support Scheme works

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

- Self-administration: a private arrangement between parents, including cases where child support is not sought.
- Private collect: the case is registered and assessed by the CSA, but parents make payments directly to each other.
- CSA collect: the case is registered and assessed with the CSA who also collect and transfer payments.

Either parent can register a case with the CSA, either with a court order, a child support agreement or for the CSA to do an administrative assessment.

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

Where a payment is not made, and the CSA is unable to come to a voluntary payment arrangement with the paying parent, legislation gives the CSA powers to recover overdue child support in a number of ways, including:

- automatically deducting child support from your pay or income support payments
- working with banks to deduct money from bank accounts
- working with third parties to pay the money on the paying parent's behalf
- intercepting tax return refunds and
- stopping a parent from leaving the country with a Departure Prohibition Order.

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

# 2.0 Child support cases

In this section: Child Support cases International cases Assesment type and change assessment

# 2.1 Caseload

Each child support case has two CSA customers:

- the paying parent (the parent who pays child support) and
- the receiving parent (the parent or non-parent carer who receives child support).

There are fewer paying and receiving parents than active<sup>5</sup> cases as some parents are involved in more than one case. As a result, the CSA had 1,478,757 paying parents and receiving parents with 804,149 child support cases at June 2008. The majority (98.8 per cent) were stage 2<sup>6</sup> cases, which means that most children are eligible for administrative assessment of child support liabilities.

### 2.2 Caseload by stage and collection method

The stage 1 (see section 1.2) active caseload has been declining since 1993. This will continue as the children with stage 1 cases turn 18 and are no longer eligible for child support. The trends in both stage 1 and stage 2 caseloads are reflected in table 2.1, table 2.2 and chart 2.1.

| 30 June | Stage 1 |     | Stage 2 |      | Total number | Net monthly increase |
|---------|---------|-----|---------|------|--------------|----------------------|
|         | Number  | %²  | Number  | %    |              |                      |
| 2002    | 37,070  | 5.4 | 652,273 | 94.6 | 689,343      | N/A                  |
| 2003    | 30,359  | 4.3 | 681,182 | 95.7 | 711,541      | 1,850                |
| 2004    | 24,180  | 3.2 | 721,337 | 96.8 | 745,517      | 2,831                |
| 2005    | 18,702  | 2.4 | 749,835 | 97.6 | 768,537      | 1,918                |
| 2006    | 14,060  | 1.8 | 766,966 | 98.2 | 781,026      | 1,041                |
| 2007    | 11,563  | 1.4 | 786,415 | 98.6 | 797,978      | 1,413                |
| 2008    | 9,834   | 1.2 | 794,315 | 98.8 | 804,149      | 514                  |

Table 2.1: Total caseload<sup>1,2</sup> by stage

Source: Customer Research Extract, CSA, June 2008.

Note:

1. Total caseload figures include cases that have no current liability but debt is still being enforced.

2. Percentages may not add due to rounding.

*Key fact: There was only a small increase in the total number of cases between 30 June 2007 and 30 June 2008.* 

<sup>5</sup> 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.

<sup>6</sup> See section 1.2 for an explanation of stages.

| 30 June | Stage 1 |      | Stage 2 |      | Total   | Net average monthly increase |
|---------|---------|------|---------|------|---------|------------------------------|
|         | 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                        |
| 2006    | 5,868   | 0.8  | 736,295 | 99.2 | 742,163 | 794                          |
| 2007    | 2,645   | 0.4  | 749,144 | 99.6 | 751,789 | 802                          |
| 2008    | 2,093   | 0.3  | 750,493 | 99.7 | 752,586 | 66                           |

Table 2.2: Active caseload by stage<sup>1,2</sup>

Source: Child Support Report (CS5), CSA, June 2008.

Note:

 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'.

2. Percentages may not add due to rounding.

# *Key fact: The growth in total caseload was lower for the 2007-2008 period because of an increased number of cases ending, as well as a lower number of new customers registering in 2007-08.*

Table 2.2 shows the monthly net rate of increase in total cases i.e. total new cases less the cases that have ended during the same period. The net increase was significantly lower in 2007–08 compared to 2006–07. Five years ago, between 2001 and 2002, the caseload grew by an average of 3,750 cases per month. Due to stage 1 cases ending and not as many new customers registering, there is only 66 new cases per month increase for the 2007-2008 period.

A child support case ends when:

- a child turn 18 or enters into a defacto relationship
- if a parent or a child dies, or
- if the separated parents reconcile and are still together after six months.

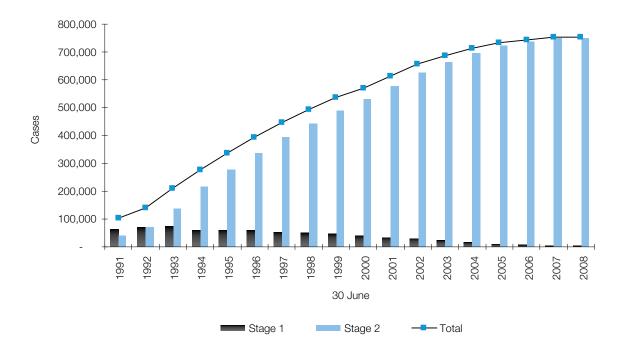


Chart 2.1: Active caseload 1991-2008

Source: Child Support Report (CS5), CSA, June 2008.

Key fact: In 2007-08 there was a net average monthly increase of 66 new cases per month.

| 30 June | CSA c   | collect | Private | Total |         |
|---------|---------|---------|---------|-------|---------|
|         | Number  | %       | Number  | %     |         |
| 2002    | 362,408 | 52.6    | 326,935 | 47.4  | 689,343 |
| 2003    | 367,335 | 51.6    | 344,206 | 48.4  | 711,541 |
| 2004    | 375,438 | 50.4    | 370,079 | 49.6  | 745,517 |
| 2005    | 385,059 | 50.1    | 383,478 | 49.9  | 768,537 |
| 2006    | 389,343 | 49.9    | 391,683 | 50.1  | 781,026 |
| 2007    | 401,198 | 50.3    | 396,780 | 49.7  | 797,978 |
| 2008    | 410,969 | 51.1    | 393,180 | 48.9  | 804,149 |

Table 2.3: Total caseload by collection method<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add due to rounding.

Key fact: The percentage of CSA collect and private collect cases has remained relatively steady since 2002.

On an 'all cases' basis, private collect cases decreased to 48.9 per cent by the end of June 2008 (see table 2.3). On an 'active cases' measure, however, private collect cases represented 52.1 per cent of the active caseload at the end of June 2008 (see table 2.4 and charts 2.2 and 2.3 below). This is consistent with the Government's aim to ensure child support arrangements are non-intrusive to personal privacy and demonstrates that parents are increasingly able to negotiate and manage their own circumstances.

| 30 June | CSA collect |                | Private collect |      |         |
|---------|-------------|----------------|-----------------|------|---------|
|         | Number      | % <sup>2</sup> | 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 |
| 2006    | 350,382     | 47.4           | 389,387         | 52.6 | 739,769 |
| 2007    | 355,254     | 47.4           | 393,696         | 52.6 | 748,950 |
| 2008    | 358,448     | 47.9           | 389,885         | 52.1 | 748,333 |

Table 2.4: Active caseload by collection method<sup>1,2</sup>

Source: Child Support Report (CS5), CSA, June 2008.

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.

2. Percentages may not add due to rounding.

Key fact: The majority of active cases are private collect (52.1 per cent). These parents agree to pay their child support privately.

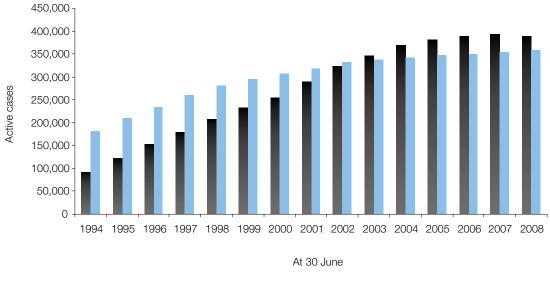
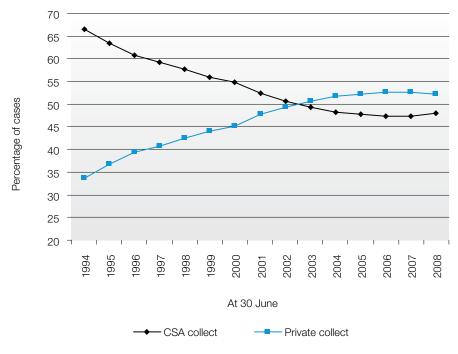


Chart 2.2: CSA caseload - private collect and CSA collect

Private collect
CSA collect

Source: Child Support Report (CS5), CSA, June 2008.





Source: Child Support Report (CS5), CSA, June 2008.

Key fact: Since the beginning of the Child Support Scheme there has been a reversal in the private collect to CSA collect ratios. This demonstrates the CSA's focus to encourage parents to create a business-like partnership with the other parent.

### 2.3 International cases

The CSA is able to administer child support where one parent lives overseas and the other parent lives in Australia in some cases.

This is done through existing child support arrangements with overseas countries. These are referred to as reciprocating jurisdictions. Some countries can only recognise court orders for child support. These are known as excluded jurisdictions.

| 30 June | International cases | International cases as<br>a percentage of the<br>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              | 2.9  | 732,634         |
| 2006    | 24,312              | 3.3  | 742,163         |
| 2007    | 27,562              | 3.7  | 751,789         |
| 2008    | 29,577              | 3.9  | 752,586         |

Table 2.5: International caseload as a percentage of active caseload, June 2008

Source: Child Support Report (CS5), CSA, June 2008.

# Key fact: International cases have continued to grow as a proportion of total active caseload.

Table 2.5 records the growth in international cases in the Australian Child Support Scheme. This steady increase over the past eight years is due to a number of legislative and regulatory amendments that came into force on 1 July 2000 that significantly changed Australia's international obligations for child and spousal maintenance. These legislative amendments, and agreements in overseas child support jurisdictions, have transferred the responsibility for the enforcement of a larger number of international child support matters to the CSA using Australia's administrative processes.

### 2.4 Assessment type

There are three ways child support can be assessed in stage 2 cases:

- Child support assessment: The CSA makes an assessment for child support based on a legislative formula.
- **Court order:** The court will make a decision on how child support will be initiated.
- Agreement: Both parents agree how their child should be supported financially.

Table 2.6: Total caseload by assessment type and collection method, June 2008<sup>1-5</sup>

| Assessment type              | CSA collect |       | Private colle | ct    | Total   |       |  |
|------------------------------|-------------|-------|---------------|-------|---------|-------|--|
|                              | Number      | %     | Number        | %     | Number  | %     |  |
| Stage 2 formula              | 335,040     | 81.5  | 370,439       | 94.2  | 705,479 | 87.7  |  |
| Stage 2 agreements           | 8,523       | 2.1   | 15,970        | 4.1   | 24,493  | 3.0   |  |
| Stage 2 change of assessment | 12,940      | 3.1   | 2,119         | 0.5   | 15,059  | 1.9   |  |
| Stage 2 court orders         | 688         | 0.2   | 370           | 0.1   | 1,058   | 0.1   |  |
| Ended with arrears           | 52,404      | 12.8  | 3,858         | 1.0   | 56,262  | 7.0   |  |
| Stage 1                      | 1,374       | 0.3   | 424           | 0.1   | 1,798   | 0.2   |  |
| Total                        | 410,969     | 100.0 | 393,180       | 100.0 | 804,149 | 100.0 |  |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. For an explanation of stages 1 and 2 refer to section chapter 1.2

2. The total number of cases with a stage 2 change of assessment (COA) differs from the total number of assessments varied because of a change of assessment (COA) application as reported in table 2.7: Change of Assessment—Applications Finalised During the Period 1 July 2007 to 30 June 2008. This is because table 2.7 reports total assessments varied by COA in the financial year 2007-08 whereas this table reports all current assessments that are varied by COA applications.

3. Percentages may not add due to rounding.

4. Private collect cases may end with arrears if the receiving parent has opted to collect an ongoing liability privately but leave responsibility for collecting an already outstanding amount with the CSA.

5. Total caseload includes all active cases and cases that have ended with debt.

Key fact: Stage 2 formula assessments are continuing to decline as a proportion of total caseload, while ended with arrears (EWARS) cases are increasing.

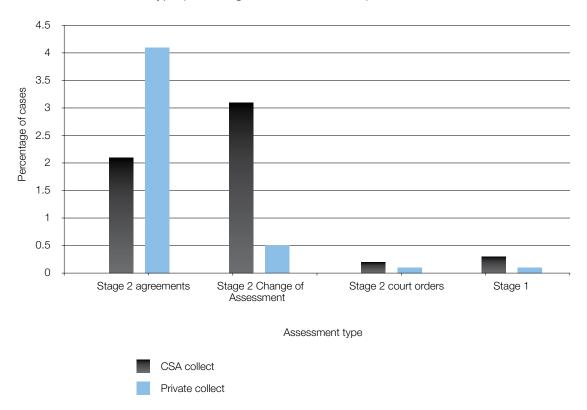


Chart 2.4: Assessment type (excluding formula assessment), June 2008

Table 2.6 and chart 2.4 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 (4.1 per cent) than are CSA collect arrangements (2.1 per cent). CSA collect cases are significantly more likely to have a liability that is based on a change of assessment from the formula than private collect cases (3.1 per cent compared to 0.5 per cent).

Source: Customer Research Extract, CSA, June 2008.

### 2.5 Change of Assessment (CoA)

In 1992 a change was introduced to allow stage 2 parents only to apply to the CSA for a departure from a formula assessment of child support<sup>7</sup>. Prior to that, an application had to be made to the Court. Since 1992 there have been more than 230,000 COA applications.

To apply for a change to your child support assessment, a parent's circumstances must fall within one of ten reasons to seek a change, these are:

- 1. The costs of maintaining a child are significantly affected by high costs of enabling a parent to spend time with, or communicate with, the child.
- **2.** The costs of maintaining a child are significantly affected by high costs associated with the child's special needs.
- **3.** The costs of maintaining a child are significantly affected by high costs of caring for, educating or training the child in the way both parents intended.
- **4.** The child support assessment is unfair because of the child's income, earning capacity, property or financial resources.
- **5.** The child support assessment is unfair because the paying parent has paid or transferred money, goods or property to the child, the receiving parent, or a third party for the benefit of the child.
- **6.** The costs of maintaining a child are significantly affected by the parent or non-parent carer's high child care costs for the child (and the child is under 12 years).
- 7. The parent's necessary expenses significantly affect their capacity to support the child.
- **8.** The child support assessment is unfair because of the income, earning capacity, property or financial resources of one or both parents.
- 9. The parent's capacity to support the child is significantly affected by:
  - their legal duty to maintain another child or person
  - their necessary expenses in supporting another child or person they have a legal duty to maintain
  - their high costs of enabling them to spend time with or communicate with, another child or person they have a legal duty to maintain.
- **10.** The parent's responsibility to maintain a dependent child significantly reduces their capacity to support the child support child.

<sup>7</sup> From 1 January 2007, a court may make a departure order (stage 2 court orders chart 3.4, above) only in limited circumstances – where the parent's circumstances are so complex that the CSA cannot make a decision, where the parents seek a change of assessment for more than 18 months retrospectively, or where the parents have other matters before the courts.

|                                       | Paying parent<br>initiated |       |        | Receiving parent initiated |       | Registrar initiated |        | Total |  |  |  |
|---------------------------------------|----------------------------|-------|--------|----------------------------|-------|---------------------|--------|-------|--|--|--|
|                                       | No.                        | %     | No.    | %                          | No.   | %                   | No.    | %     |  |  |  |
| Applications accepted                 | Applications accepted      |       |        |                            |       |                     |        |       |  |  |  |
| Assessment varied                     | 3,967                      | 45.5  | 7,108  | 68.5                       | 2,008 | 89.6                | 13,083 | 61.3  |  |  |  |
| Assessment not varied                 | 1,783                      | 20.5  | 1,359  | 13.1                       | 104   | 4.6                 | 3,246  | 15.2  |  |  |  |
| Refused to make decision <sup>1</sup> | 193                        | 2.2   | 37     | 0.4                        | 0     | 0.0                 | 230    | 1.1   |  |  |  |
| Customer agreement                    | 30                         | 0.3   | 40     | 0.4                        | 46    | 2.1                 | 116    | 0.5   |  |  |  |
| Subtotal                              | 5,973                      | 68.5  | 8,544  | 82.3                       | 2,158 | 96.3                | 16,675 | 78.2  |  |  |  |
| Applications not accep                | ted                        |       |        |                            |       |                     |        |       |  |  |  |
| Withdrawn                             | 1,779                      | 20.4  | 1,296  | 12.5                       | 74    | 3.3                 | 3,149  | 14.8  |  |  |  |
| Incomplete                            | 749                        | 8.6   | 415    | 4.0                        | 2     | 0.1                 | 1166   | 5.5   |  |  |  |
| Ineligible                            | 215                        | 2.5   | 121    | 1.2                        | 7     | 0.3                 | 343    | 1.6   |  |  |  |
| Subtotal                              | 2,743                      | 31.5  | 1,832  | 17.7                       | 83    | 3.7                 | 4,658  | 21.8  |  |  |  |
| Applications finalised                | 8,716                      | 100.0 | 10,376 | 100.0                      | 2,241 | 100.0               | 21,333 | 100.0 |  |  |  |

Table 2.7: Change of assessment applications during the period 1 July 2007 to 30 June 2008<sup>1,2</sup>

Source: Change of Assessment (CoA) Team, CSA, June 2008.

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.

2. Percentages may not add due to rounding.

Key fact: 61.3 per cent of applications received for a change of assessment resulted in a variation.

In 2007-08, 16,675 applications to change a child support assessment were accepted. This is more than 78 per cent of the 21,333 that were submitted. Receiving parents initiated 52 per cent of the successful applications, 36 per cent were initiated by paying parents and 12 per cent were registrar initiated. In 230 cases the CSA refused to make a decision where the case was too complex.

| Table O.O. All |                      | ما معرفا معالم مرا | v stata and by vacant              |  |
|----------------|----------------------|--------------------|------------------------------------|--|
| Table 2.8: All | i change of assessme | nt applications p  | y state and by reason <sup>1</sup> |  |

| Reason                                   | NSW/<br>ACT | QLD    | VIC/ TAS | SA     | WA    | International | Total by<br>reason   |
|--|-------------|--------|----------|--------|-------|---------------|----------------------|
| High contact costs                       | 608         | 1,322  | 879      | 525    | 425   | 474           | 4,233                |
| Children special needs                   | 1,302       | 1,631  | 1,544    | 717    | 492   | 182           | 5,868                |
| Children education/training              | 1,988       | 2,824  | 2,495    | 1,316  | 885   | 304           | 9,812                |
| Children inc/prop                        | 664         | 1,155  | 867      | 418    | 672   | 198           | 3,974                |
| Goods/money/property                     | 214         | 646    | 455      | 201    | 256   | 136           | 1,908                |
| High childcare costs                     | 431         | 691    | 454      | 246    | 203   | 107           | 2,132                |
| Necessary expenses                       | 974         | 2,553  | 1,786    | 946    | 673   | 383           | 7,315                |
| Parents' income/earning capacity         | 0           | 2      | 1        | 0      | 0     | 8             | 11                   |
| Legal duty                               | 431         | 1,275  | 880      | 660    | 377   | 287           | 3,910                |
| Extra income                             | 383         | 587    | 755      | 215    | 143   | 60            | 2,143                |
| Income, property or resources of parents | 7,919       | 8,866  | 5,558    | 928    | 3,774 | 276           | 2,7321               |
| Earning capacity                         | 3,824       | 5,659  | 7,468    | 4,810  | 957   | 825           | 23,543               |
| Other                                    | 1,671       | 320    | 5,739    | 124    | 97    | 234           | 8,185                |
| Total                                    | 20,409      | 27,531 | 28,881   | 11,106 | 8,954 | 3,474         | 100,355 <sup>1</sup> |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. There are more applications listed in table 2.8 than in table 2.7 as parents may make an application for more than one reason.

# Key fact: The main reason accepted for change of assessment was income, property or resources of parents.

Table 2.8 shows that in 2007-08 the three main reasons for a change of assessment application were:

- the child support assessment is unfair because of the income, earning capacity
- property or financial resources of one or both parents (27.2 per cent)
- a change in one or both parents earning capacity (23.5 per cent) and
- the parent's necessary expenses significantly affect their capacity to support the child (7.2 per cent).

# 2.6 Type of care arrangement

The amount of child support payable is also related to the number of nights the child or children spend with each parent in the first 12 months of the child support period. If the child or children spend time with both parents the formula is modified to reflect this. How much time the child spends with each parent decides under which 'type of care' category a parent falls.

| Care category and percentage of nights | CSA collect |       | Private co | llect | Total   |       |  |
|--|-------------|-------|------------|-------|---------|-------|--|
|  | Number      | %     | Number     | %     | Number  | %     |  |
| Substantial 30.0-39.9%                 | 1,803       | 0.4   | 4,039      | 1.0   | 5,842   | 0.7   |  |
| Shared 40.0-59.9%                      | 13,466      | 3.3   | 40,742     | 10.4  | 54,208  | 6.8   |  |
| Major 60.0-69.9%                       | 9,332       | 2.3   | 15,763     | 4.0   | 25,095  | 3.2   |  |
| Sole 70.0% and over                    | 378,615     | 93.9  | 330,555    | 84.5  | 709,170 | 89.3  |  |
| Total                                  | 403,216     | 100.0 | 391,099    | 100.0 | 794,315 | 100.0 |  |

Table 2.9: Stage 2 caseload by care category, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Includes stage 2 cases only, cases with a current liability and cases that have ended with arrears.

2. Percentages may not add due to rounding.

Key fact: Sole care (greater than 70 per cent) continued to decline during 2007-08 while all other categories continued to increase both in terms of percentage and actual numbers.

Table 2.9 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 are substantially higher than that of the CSA collect cases. New care definitions came into effect on 1 July 2008. These are detailed in the table below.

| Number of nights | Percentage of care    | Level of care      | Cost percentage                                |
|------------------|-----------------------|--------------------|--|
| 0 - 51           | 0 to less than 14%    | Below regular care | 0%   |
| 52 - 127         | 14% to less than 35%  | Regular care       | 24%  |
| 128 - 175        | 35% to less than 48%  | Shared care        | 25% plus 2% for each percentage point over 35% |
| 176 - 189        | 48% - 52%             | Shared care        | 50%  |
| 190 - 237        | More than 52% to 65%  | Shared care        | 51% plus 2% for each percentage point over 53% |
| 238 - 313        | More than 65% to 86%  | Primary care       | 76%  |
| 314 - 365        | More than 86% to 100% | Above primary care | 100%   |

# 3.0 Child support customers

In this section: Child Support customers Number and gender of paying and receiving parents Location and income of paying and receiving parents



# 3.1 Number of customers

As at June 2008 there were 804,149 cases (active cases and cases ended with arrears) that were covered by the Child Support Scheme. However, a number of customers are involved in more than one case, meaning that there are fewer receiving parents or paying parents than there are cases. The number of paying parents and receiving parents involved in multiple cases are recorded in tables 3.1 and 3.2 below.

An increasing number and percentage of paying parents have more than one case—this has been steadily increasing in recent years. This is being driven by the private collect customer segment, which has seen the percentage of paying parents with one case decline from 94.8 per cent in 2006-07 to 93.7 per cent in 2007-08. The proportion of the CSA collect paying parents with one case has increased over the same period, driven by the return of some private collect customers to the CSA collect arrangements over the last 12 months.

| Number of cases | CSA collect |       | Private co | llect | Total   |       |  |
|-----------------|-------------|-------|------------|-------|---------|-------|--|
|                 | Number      | %     | Number     | %     | Number  | %     |  |
| 1               | 325,122     | 90.3  | 355,096    | 93.7  | 680,218 | 92.0  |  |
| 2               | 31,359      | 8.7   | 21,937     | 5.8   | 53,296  | 7.2   |  |
| 3               | 3,222       | 0.9   | 1,814      | 0.5   | 5,036   | 0.7   |  |
| 4               | 295         | 0.1   | 175        | 0.0   | 470     | 0.1   |  |
| 5 and over      | 68          | 0.0   | 24         | 0.0   | 92      | 0.0   |  |
| Total           | 360,066     | 100.0 | 379,046    | 100.0 | 739,112 | 100.0 |  |

Table 3.1: Paying parents by number of cases and collection method, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008

Notes:

1. Percentages may not add due to rounding.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Table 3.2: Receiving parents by number of cases and collection method, June 2008<sup>1,2</sup>

| Number of cases | CSA collect |       | Private co | llect | Total   |       |  |
|-----------------|-------------|-------|------------|-------|---------|-------|--|
|                 | Number      | %     | Number     | %     | Number  | %     |  |
| 1               | 331,888     | 91.0  | 347,729    | 92.7  | 679,617 | 91.9  |  |
| 2               | 30,079      | 8.2   | 25,580     | 6.8   | 55,659  | 7.5   |  |
| 3               | 2,486       | 0.7   | 1,591      | 0.4   | 4,077   | 0.6   |  |
| 4 or more       | 206         | 0.1   | 86         | 0.0   | 292     | 0.0   |  |
| Total           | 364,659     | 100.0 | 374,986    | 100.0 | 739,645 | 100.0 |  |

Source: Customer Research Extract, CSA, June 2008.

Note:

1. Percentages may not add due to rounding.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: Eight per cent of both paying and receiving parents have more than one case.

Tables 3.1 and 3.2 show that around 92 per cent of paying parents and receiving parents are involved in just one case. About eight per cent of paying parents and receiving parents are involved in two cases, while less than one per cent of all paying parents and receiving parents are involved in three or more cases.

When compared to paying parents, there is less change in the percentage of receiving parents with one case. Between 2005-06 and 2007-08 there has been just a 0.3 per cent decline in the number of paying parents with one case. Both private and CSA collect arrangements have seen a small decline in the number of receiving parents with one case.

### 3.2 Number of children

#### 3.2.1 Children subject to child support assessments (stage 2)

There were 1,124,943 children involved in stage 2 cases registered with the CSA as at 30 June 2008. Children who are eligible to be included in an administrative assessment are:

- children who were born on or after 1 October 1989 or
- children whose parents separated on or after 1 October 1989 or
- 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 the application.

The vast majority of children in the Child Support Scheme are now eligible for administrative assessment, though some court orders and international liabilities continue to be registered as stage 1 cases (see section 3.2, above).

| No. of<br>eligible<br>children | CSA collect |          |            | Private collect |          |            | Total   |           |            |
|--------------------------------|-------------|----------|------------|-----------------|----------|------------|---------|-----------|------------|
|                                | Cases       | Children | % of cases | Cases           | Children | % of cases | Cases   | Children  | % of cases |
| 1                              | 234,418     | 234,418  | 65.9       | 222,425         | 222,425  | 57.4       | 456,843 | 456,843   | 61.5       |
| 2                              | 91,696      | 183,392  | 25.8       | 120,839         | 241,678  | 31.2       | 212,535 | 425,070   | 28.6       |
| 3                              | 22,855      | 68,565   | 6.4        | 33,865          | 101,595  | 8.7        | 56,720  | 170,160   | 7.6        |
| 4                              | 5,194       | 20,776   | 1.5        | 7,766           | 31,064   | 2.0        | 12,960  | 51,840    | 1.7        |
| 5                              | 1,094       | 5,470    | 0.3        | 1,743           | 8,715    | 0.5        | 2,837   | 14,185    | 0.4        |
| 6                              | 322         | 1,932    | 0.1        | 475             | 2,850    | 0.1        | 797     | 4,782     | 0.1        |
| 7                              | 83          | 581      | 0.0        | 119             | 833      | 0.0        | 202     | 1,414     | 0.0        |
| 8 or more                      | 33          | 276      | 0.0        | 45              | 373      | 0.0        | 78      | 649       | 0.0        |
| Total                          | 355,695     | 515,410  | 100.0      | 387,277         | 609,533  | 100.0      | 742,972 | 1,124,943 | 100.0      |

Table 3.3: Eligible children per active case-stage 2 cases only, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Note:

1. Percentages may not add due to rounding.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: The CSA assists parents to support more than 1.12 million children.

Table 3.3 shows the number of children covered by child support assessments by CSA collect and private collect groups. Approximately 66 per cent of stage 2 CSA collect cases have one eligible child, while over 57 per cent of stage 2 private collect cases have one eligible child. There are up to two eligible children in 92 per cent of CSA collect cases and 89 per cent in private collect cases. There are up to three children in about 98 per cent of CSA collect and private collect cases.

The number of eligible children has decreased by almost 4,000 on the previous year's total, due partly to a small decline in the active caseload (624 cases) but mostly due to there being a smaller case count where there are between two and four eligible children. The 1,124,943 eligible children total is less than reported in other CSA publications (1,125,554), the latter being a count of all children in stage 1 and 2 active cases.

| No. of<br>eligible<br>children | Domestic |           |            | International |          |            | Total   |           |            |
|--------------------------------|----------|-----------|------------|---------------|----------|------------|---------|-----------|------------|
|                                | Cases    | Children  | % of cases | Cases         | Children | % of cases | Cases   | Children  | % of cases |
| 1                              | 437,289  | 437,289   | 61.2       | 19,554        | 19,554   | 68.5       | 456,843 | 456,843   | 61.5       |
| 2                              | 205,719  | 411,438   | 28.8       | 6,816         | 13,632   | 23.9       | 212,535 | 425,070   | 28.6       |
| 3                              | 55,107   | 165,321   | 7.7        | 1,613         | 4,839    | 5.7        | 56,720  | 170,160   | 7.6        |
| 4                              | 12,564   | 50,256    | 1.8        | 396           | 1,584    | 1.4        | 12,960  | 51,840    | 1.7        |
| 5                              | 2,724    | 13,620    | 0.4        | 113           | 565      | 0.4        | 2,837   | 14,185    | 0.4        |
| 6                              | 763      | 4,578     | 0.1        | 34            | 204      | 0.1        | 797     | 4,782     | 0.1        |
| 7                              | 196      | 1,372     | 0.0        | 6             | 42       | 0.0        | 202     | 1,414     | 0.0        |
| 8 or more                      | 77       | 640       | 0.0        | 1             | 9        | 0.0        | 78      | 649       | 0.0        |
| Total                          | 714,439  | 1,084,514 | 100.0      | 28,533        | 40,429   | 100.0      | 742,972 | 1,124,943 | 100.0      |

Table 3.4: Eligible children per active case-stage 2 cases only, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Note:

1. Percentages may not add due to rounding.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: More than 68 per cent of international cases have only one eligible child while only 61 per cent of domestic cases have one eligible child.

Table 3.4 shows a comparison between international and domestic cases. International cases are more likely to have only one child than domestic cases. Domestic cases have on average 1.52 children per case while international cases have on average fewer eligible children (1.43) per case.

The number of eligible children is growing in the international caseload, as the international caseload itself increases. Importantly, however, the number of eligible children associated with international cases increased by 5.6 per cent during 2007-08, while the international caseload grew by 6.6 per cent in the same period. This has resulted in fewer eligible children per international case.

#### 3.2.2 Paying parents' subsequent families

Formula assessments make allowance for 'relevant dependent children' of the paying parent. These are children under the age of 18 years who are the natural or adopted child of the paying parent. The paying parent must be the sole or principal provider of ongoing daily care for the child, or have major care of the child.

Table 3.5: Relevant dependent children per case by collection method—stage 2 cases only, June 2008<sup>1,2</sup>

| No. of children                              | CSA coll | ect   | Private col | llect | Total   |       |  |
|--|----------|-------|-------------|-------|---------|-------|--|
|  | Number   | %     | Number      | %     | Number  | %     |  |
| 1  | 24,374   | 6.0   | 14,241      | 3.6   | 38,615  | 4.9   |  |
| 2  | 14,761   | 3.7   | 6,332       | 1.6   | 21,093  | 2.7   |  |
| 3  | 4,233    | 1.0   | 1,314       | 0.3   | 5,547   | 0.7   |  |
| 4  | 979      | 0.2   | 279         | 0.1   | 1,258   | 0.2   |  |
| 5 or more                                    | 261      | 0.1   | 62          | 0.0   | 323     | 0.0   |  |
| Total cases with relevant dependent children | 44,608   | 11.1  | 22,228      | 5.7   | 66,836  | 8.4   |  |
| Total stage 2 cases                          | 403,216  | 100.0 | 391,099     | 100.0 | 794,315 | 100.0 |  |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add due to rounding.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: Around eleven per cent of CSA collect cases have relevant dependent children.

The impact of the presence of relevant dependent children is to increase the paying parent's exempt income amount. More than eight per cent of all stage 2 cases are adjusted for relevant children, as shown in table 3.5.

The number and percentages of cases with relevant dependent children has continued to rise during 2007-08. Private collect cases with relevant dependent children increased from 5.2 per cent to 5.7 per cent of all private collect cases during the year. There was a less pronounced increase in the CSA collect category.

# 3.3 Number and gender of paying and receiving parents

Traditionally, paying parents are seen to be male and receiving parents are seen to be female. However, the number of females in paying parent roles has been increasing slowly in recent years and is expected to climb with the introduction of the new Scheme on 1 July 2008 due to the consideration of both parents income when assessing child support.

| Gender  | CSA collect |       | Private col | lect  | Total   |       |  |
|---------|-------------|-------|-------------|-------|---------|-------|--|
|         | Number      | %     | Number      | %     | Number  | %     |  |
| Male    | 364,009     | 88.6  | 338,870     | 86.2  | 702,879 | 87.4  |  |
| Female  | 43,689      | 10.6  | 49,743      | 12.7  | 93,432  | 11.6  |  |
| Unknown | 3,271       | 0.8   | 4,567       | 1.2   | 7,838   | 1.0   |  |
| Total   | 410,969     | 100.0 | 393,180     | 100.0 | 804,149 | 100.0 |  |

Table 3.6: Paying parent gender by collection method, June 2008 (all cases)<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008. Notes:

1. Percentages may not add due to rounding and due to the exclusion of cases where paying parent gender could not be determined from CSA.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: More than eleven per cent of paying parents are female.

Table 3.6 shows that, on a total caseload basis, 88.6 per cent of the CSA collect paying parents are male and 10.6 per cent are female. A higher percentage of private collect paying parents are female (12.7 per cent). The percentage of males in the paying parent roles continued in a declining trend, dropping from 87.8 per cent in 2006-07 to 87.4 per cent by the end of 2007-08.

Table 3.7: Paying parent gender by collection method for cases registered in 2008<sup>1,2</sup>

| Gender  | CSA collect |       | Private col | lect  | Total  |       |  |
|---------|-------------|-------|-------------|-------|--------|-------|--|
|         | Number      | %     | Number      | %     | Number | %     |  |
| Male    | 8,011       | 67.5  | 17,981      | 76.7  | 25,992 | 73.6  |  |
| Female  | 3,544       | 29.9  | 4,662       | 19.9  | 8,206  | 23.2  |  |
| Unknown | 305         | 2.6   | 801         | 3.4   | 1,106  | 3.1   |  |
| Total   | 11,860      | 100.0 | 23,444      | 100.0 | 35,304 | 100.0 |  |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add due to rounding and due to the exclusion of cases where paying parent gender could not be determined from CSA data.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: 23.2 per cent of paying parents of cases registered in 2008 were female.

Table 3.7 shows that for the 35,304 cases first registered in the first six months from 1 January 2008 until 30 June 2008 the percentage of female paying parents was 23.2 per cent while male paying parents accounted for 73.6 per cent.

Table 3.8: Receiving parent gender by collection method, June 2008 (all cases)<sup>1,2</sup>

| Gender  | CSA collect |       | Private collect |       | Total   |       |
|---------|-------------|-------|-----------------|-------|---------|-------|
|         | Number      | %     | Number          | %     | Number  | %     |
| Male    | 42,076      | 10.2  | 49,056          | 12.5  | 91,132  | 11.3  |
| Female  | 364,069     | 88.6  | 339,691         | 86.4  | 703,760 | 87.5  |
| Unknown | 4,824       | 1.2   | 4,433           | 1.1   | 9,257   | 1.2   |
| Total   | 410,969     | 100.0 | 393,180         | 100.0 | 804,149 | 100.0 |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add due to rounding and due to the exclusion of cases where paying parent gender could not be determined from CSA data.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: In about 88 per cent of cases the receiving parent is female and in 11 per cent they are male.

Table 3.8 shows that, on a total caseload basis, 10.2 per cent of CSA collect receiving parents are male and 88.6 per cent of CSA collect receiving parents are female. Furthermore, 12.5 per cent of private collect receiving parents are male and 86.4 per cent are female.

Table 3.9: Receiving parent gender by collection method for cases registered in 2008<sup>1,2</sup>

| Gender  | CSA collect |       | Private collect |       | Total  |       |
|---------|-------------|-------|-----------------|-------|--------|-------|
|         | Number      | %     | Number          | %     | Number | %     |
| Male    | 3,326       | 28.0  | 4,592           | 19.6  | 7,918  | 22.4  |
| Female  | 7,948       | 67.0  | 18,118          | 77.3  | 26,066 | 73.8  |
| Unknown | 586         | 4.9   | 734             | 3.1   | 1,320  | 3.7   |
| Total   | 11,860      | 100.0 | 23,444          | 100.0 | 35,304 | 100.0 |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add due to rounding and due to the exclusion of cases where paying parent gender could not be determined from CSA data.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

# *Key fact: For cases registered in 2008, 74 per cent of receiving parents were female and 22.4 per cent were male.*

Table 3.9 shows that for the 35,304 cases first registered in the first six months from 1 January 2008 until 30 June 2008, more than 22 per cent of receiving parents were male and almost 74 per cent were female.

### 3.4 Age of cases

Age data is related to the year that a case was first registered with the CSA. A number of the cases will have ended, as the child would have turned 18, but are still included as there is outstanding child support owing.

| Case age in years | Start date of case | Domesti | c     | Internatio | onal  | Total   |       |
|-------------------|--------------------|---------|-------|------------|-------|---------|-------|
|                   |                    | Number  | %     | Number     | %     | Number  | %     |
| 21                | 1988               | 1,225   | 0.2   | 111        | 0.3   | 1,336   | 0.2   |
| 20                | 1989               | 2,507   | 0.3   | 252        | 0.7   | 2,759   | 0.3   |
| 19                | 1990               | 7,361   | 1.0   | 402        | 1.0   | 7,763   | 1.0   |
| 18                | 1991               | 11,088  | 1.4   | 502        | 1.3   | 11,590  | 1.4   |
| 17                | 1992               | 19,041  | 2.5   | 653        | 1.7   | 19,694  | 2.4   |
| 16                | 1993               | 33,230  | 4.3   | 961        | 2.5   | 34,191  | 4.3   |
| 15                | 1994               | 33,992  | 4.4   | 952        | 2.5   | 34,944  | 4.3   |
| 14                | 1995               | 35,722  | 4.7   | 990        | 2.6   | 36,712  | 4.6   |
| 13                | 1996               | 39,596  | 5.2   | 1,078      | 2.8   | 40,674  | 5.1   |
| 12                | 1997               | 43,920  | 5.7   | 1,236      | 3.2   | 45,156  | 5.6   |
| 11                | 1998               | 41,047  | 5.4   | 1,153      | 3.0   | 42,200  | 5.2   |
| 10                | 1999               | 44,677  | 5.8   | 1,274      | 3.3   | 45,951  | 5.7   |
| 9                 | 2000               | 53,538  | 7.0   | 2,148      | 5.6   | 55,686  | 6.9   |
| 8                 | 2001               | 57,154  | 7.5   | 3,379      | 8.8   | 60,533  | 7.5   |
| 7                 | 2002               | 51,700  | 6.8   | 3,092      | 8.1   | 54,792  | 6.8   |
| 6                 | 2003               | 48,553  | 6.3   | 2,470      | 6.4   | 51,023  | 6.3   |
| 5                 | 2004               | 49,470  | 6.5   | 3,327      | 8.7   | 52,797  | 6.6   |
| 4                 | 2005               | 49,530  | 6.5   | 2,773      | 7.2   | 52,303  | 6.5   |
| 3                 | 2006               | 52,178  | 6.8   | 4,261      | 11.1  | 56,439  | 7.0   |
| 2                 | 2007               | 57,346  | 7.5   | 4,909      | 12.8  | 62,255  | 7.7   |
| 1                 | 2008               | 32,920  | 4.3   | 2,384      | 6.2   | 35,304  | 4.4   |
| Total             |                    | 765,821 | 100.0 | 38,328     | 100.0 | 804,149 | 100.0 |

Table 3.10: Age of cases by domestic and international status, June 2008 (all cases)<sup>1-3</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Data relates to the year the case was first registered.

2. The 2008 data is for the half year to 30 June.

3. This table is based on total caseload, including active cases and cases that have ended with debt.

Table 3.10 divides the caseload into age of cases by domestic and international cases. Over 46.1 per cent of international cases have been registered in the last five years, compared with 31.5 per cent for domestic cases.

## 3.5 Location of paying and receiving parents

This section reports on the location of all active cases and cases that have ended with arrears. The Australian Child Support Agency (CSA) may be able to administer child support cases where one parent lives overseas and the other parent lives in Australia.

|                               | Paying parents | Receiving parents | Cases <sup>1</sup> | Eligible children |
|-------------------------------|----------------|-------------------|--------------------|-------------------|
| Australia <sup>2</sup>        | 601,349        | 624,030           | 680,534            | 976,665           |
| International <sup>3</sup>    | 32,869         | 32,559            | 35,040             | 37,883            |
| Postcode not set <sup>4</sup> | 96,702         | 75,833            | 79,312             | 111,176           |
| Unused postcode <sup>5</sup>  | 4,838          | 2,882             | 3,092              | 4,318             |
| Total <sup>6</sup>            | 735,758        | 735,304           | 797,978            | 1,130,042         |

Table 3.11: Location of parents, children and cases, June 2008

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Each Child Support 'case' involves:

- a parent who is liable to make child support payments towards the cost of one or more children (termed a paying parent), and
- a person entitled to receive child support (termed a receiving parent), and
- one or more children for whom child support is payable.

2. These customer totals relate to all paying and receiving parents that could be distributed into the electorates above.

- 3. Some customers are associated with "International Cases" and therefore do not have an Australian postcode.
- 4. There are 172,535 parents for whom a postcode was unavailable as their whereabouts are unknown. 'Unused postcode' refers to those customers whose postcode does not appear in the algorithm used by the CSA to allocate customers into electorates. Postcodes are excluded where that postcode was created since the postcode to electorate algorithm was constructed.

5. These are the total number of customers (paying parents and receiving parents) of the Child Support Agency as at 30 June 2008, allocated to late 2007 electorate distribution.

#### Key fact: In 2007-08 there were 37,883 eligible children living overseas.

Table 3.11 shows that there are more than 600,000 paying and receiving parents that live in Australia and more than 32,000 paying and receiving parents that reside overseas.

There are more than 1.1 million children that are being supported by child support payments, 976,665 of them are located in Australia. The CSA has 35,040 cases where one parent is located overseas.

There are a small proportion of customers that we are unable to locate as they have not provided a postcode or provided an incorrect one.

| State that paying parent lives | Number of cases | %     |
|--------------------------------|-----------------|-------|
| ACT                            | 10,506          | 1.4   |
| NSW                            | 218,718         | 29.6  |
| NT                             | 7,402           | 1.0   |
| QLD                            | 160,588         | 21.7  |
| SA                             | 57,740          | 7.8   |
| TAS                            | 18,728          | 2.5   |
| VIC                            | 158,384         | 21.4  |
| WA                             | 71,815          | 9.7   |
| International                  | 35,231          | 4.8   |
| Total                          | 739,112         | 100.0 |

Table 3.12: Number of cases by the location of the paying parents, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. As parents can have more than one case, there will be more cases than parents.

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Table 3.12 shows that in 2007-08, 29.6 per cent of paying parents lived in New South Wales and 21.7 per cent lived in Queensland.

Table 3.13: Number of cases by the location of the receiving parents, June 2008<sup>1,2</sup>

| State that receiving parent lives | Number of cases | %     |
|-----------------------------------|-----------------|-------|
| ACT                               | 10,244          | 1.4   |
| NSW                               | 218,482         | 29.5  |
| NT                                | 6,878           | 0.9   |
| QLD                               | 160,781         | 21.7  |
| SA                                | 58,186          | 7.9   |
| TAS                               | 20,458          | 2.8   |
| VIC                               | 158,859         | 21.5  |
| WA                                | 70,749          | 9.6   |
| International                     | 34,944          | 4.7   |
| Unknown                           | 64              | 0.0   |
| Total                             | 739,645         | 100.0 |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. As parents can have more than one case there will be more cases than parents.

2. This table is based on total caseload, including active cases and cases that have ended with debt

Key fact: 29.6 per cent of paying parents and 29.5 per cent of receiving parents live in NSW.

Table 3.13 shows that similarly to paying parents, the highest proportion of receiving parents lives in New South Wales (29.5 per cent) and Queensland (21.7 per cent).

### 3.5.1 Customers by electorate

The CSA paying and receiving parent data in table 3.12 and 3.13 are based on postcode information extracted from the CSA computer system as at the end of June 2008. Paying and receiving parents without postcodes are not reflected in the electorates (data in table 3.14) but are recorded at the base of the table.

Postcodes in each electorate have been determined by use of a concordance provided by the Department of the Parliamentary Library, and in turn based on electorate boundary information provided by the Australian Electoral Commission (AEC). Where a postcode is spread across two or more electorates, the CSA uses these proportions to apportion the respective percentage of paying and receiving parents into those electorates. For example postcode 3174 falls 37.3 per cent within the electorate of Isaacs, so 37.3 per cent of the receiving parents and paying parents in postcode 3174 are counted as being in the electorate of Isaacs.

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| Adelaide           | 3,557                       | 2,999                          | 3,837   | 3,206  | 5,114   | 4,270   |
| Aston              | 2,665                       | 3,154                          | 2,823   | 3,352  | 4,015   | 4,831   |
| Ballarat           | 4,226                       | 5,015                          | 4,639   | 5,592  | 6,632   | 8,015   |
| Banks              | 3,033                       | 3,164                          | 3,211   | 3,347  | 4,759   | 5,049   |
| Barker             | 4,858                       | 5,345                          | 5,367   | 5,952  | 7,509   | 8,392   |
| Barton             | 2,707                       | 2,546                          | 2,828   | 2,628  | 4,127   | 3,850   |
| Bass               | 3,624                       | 4,043                          | 4,010   | 4,475  | 5,552   | 6,176   |
| Batman             | 3,315                       | 2,974                          | 3,583   | 3,175  | 5,067   | 4,350   |
| Bendigo            | 4,483                       | 5,228                          | 4,976   | 5,814  | 7,058   | 8,178   |
| Bennelong          | 1,743                       | 1,779                          | 1,821   | 1,853  | 2,507   | 2,542   |
| Berowra            | 1,574                       | 1,791                          | 1,639   | 1,870  | 2,454   | 2,721   |
| Blair              | 5,779                       | 6,344                          | 6,525   | 7,237  | 9,279   | 10,337  |
| Blaxland           | 4,644                       | 4,499                          | 4,923   | 4,705  | 7,577   | 7,457   |
| Bonner             | 3,408                       | 3,828                          | 3,699   | 4,164  | 5,043   | 5,643   |
| Boothby            | 2,652                       | 3,039                          | 2,813   | 3,225  | 3,872   | 4,427   |
| Bowman             | 3,719                       | 4,519                          | 4,038   | 4,917  | 5,608   | 6,981   |
| Braddon            | 3,805                       | 4,369                          | 4,259   | 4,890  | 5,929   | 6,801   |
| Bradfield          | 1,053                       | 1,119                          | 1,089   | 1,145  | 1,590   | 1,674   |
| Brand              | 5,521                       | 6,305                          | 6,025   | 6,977  | 8,375   | 9,772   |
| Brisbane           | 3,153                       | 2,454                          | 3,366   | 2,576  | 4,686   | 3,457   |
| Bruce              | 3,151                       | 2,947                          | 3,370   | 3,138  | 4,770   | 4,403   |
| Calare             | 4,475                       | 4,804                          | 5,047   | 5,358  | 7,323   | 8,030   |

Table 3.14: Number of customers, cases and children by electorate, June 20081

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| Calwell            | 5,094                       | 5,623                          | 5,468   | 5,999  | 8,219   | 9,136   |
| Canberra           | 4,084                       | 4,565                          | 4,404   | 4,914  | 6,207   | 7,000   |
| Canning            | 4,586                       | 5,261                          | 5,055   | 5,773  | 7,027   | 8,068   |
| Capricornia        | 5,438                       | 5,623                          | 6,108   | 6,283  | 8,455   | 8,713   |
| Casey              | 3,474                       | 4,165                          | 3,713   | 4,480  | 5,294   | 6,443   |
| Charlton           | 4,364                       | 5,141                          | 4,775   | 5,665  | 6,722   | 7,980   |
| Chifley            | 6,557                       | 7,140                          | 7,288   | 7,900  | 10,908  | 11,996  |
| Chisholm           | 1,866                       | 1,917                          | 1,961   | 2,005  | 2,748   | 2,781   |
| Cook               | 2,479                       | 2,475                          | 2,579   | 2,603  | 3,575   | 3,569   |
| Corangamite        | 3,153                       | 3,725                          | 3,398   | 4,063  | 4,848   | 5,857   |
| Corio              | 4,732                       | 5,095                          | 5,225   | 5,686  | 7,380   | 7,982   |
| Cowan              | 3,764                       | 4,565                          | 4,034   | 4,902  | 5,655   | 7,067   |
| Cowper             | 5,560                       | 6,367                          | 6,177   | 7,053  | 8,774   | 10,062  |
| Cunningham         | 3,465                       | 3,731                          | 3,720   | 4,037  | 5,196   | 5,630   |
| Curtain            | 1,829                       | 1,572                          | 1,918   | 1,623  | 2,612   | 2,134   |
| Dawson             | 4,766                       | 4,656                          | 5,276   | 5,141  | 7,284   | 7,073   |
| Deakin             | 2,379                       | 2,629                          | 2,518   | 2,798  | 3,638   | 3,942   |
| Denison            | 3,476                       | 3,600                          | 3,864   | 3,931  | 5,297   | 5,281   |
| Dickson            | 3,803                       | 4,522                          | 4,130   | 4,943  | 5,889   | 7,007   |
| Dobell             | 4,888                       | 5,811                          | 5,315   | 6,414  | 7,591   | 9,147   |
| Dunkley            | 4,707                       | 5,493                          | 5,107   | 5,980  | 7,156   | 8,304   |
| Eden-Monaro        | 4,059                       | 4,253                          | 4,418   | 4,662  | 6,259   | 6,677   |
| Fadden             | 4,955                       | 5,386                          | 5,380   | 5,848  | 7,258   | 7,989   |

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| Fairfax            | 4,225                       | 4,928                          | 4,564   | 5,324  | 6,353   | 7,314   |
| Farrer             | 4,895                       | 5,184                          | 5,463   | 5,780  | 7,758   | 8,116   |
| Fisher             | 4,490                       | 4,976                          | 4,926   | 5,471  | 6,772   | 7,556   |
| Flinders           | 4,165                       | 4,730                          | 4,500   | 5,158  | 6,293   | 7,307   |
| Flynn              | 5,028                       | 5,090                          | 5,613   | 5,743  | 7,707   | 7,978   |
| Forde              | 5,654                       | 6,230                          | 6,265   | 6,929  | 8,631   | 9,651   |
| Forrest            | 4,545                       | 5,213                          | 4,980   | 5,705  | 6,992   | 8,022   |
| Fowler             | 4,226                       | 4,612                          | 4,498   | 4,917  | 6,722   | 7,484   |
| Franklin           | 3,749                       | 4,245                          | 4,120   | 4,692  | 5,853   | 6,580   |
| Fraser             | 3,695                       | 4,001                          | 3,979   | 4,278  | 5,564   | 5,954   |
| Fremantle          | 3,609                       | 3,857                          | 3,897   | 4,153  | 5,316   | 5,743   |
| Gellibrand         | 4,414                       | 3,835                          | 4,739   | 4,063  | 6,709   | 5,688   |
| Gilmore            | 3,921                       | 4,584                          | 4,314   | 5,075  | 6,172   | 7,330   |
| Gippsland          | 4,831                       | 5,355                          | 5,381   | 6,024  | 7,706   | 8,607   |
| Goldstein          | 1,723                       | 1,873                          | 1,790   | 1,932  | 2,478   | 2,724   |
| Gorton             | 4,580                       | 5,126                          | 4,882   | 5,436  | 7,124   | 8,132   |
| Grayndler          | 2,905                       | 2,460                          | 3,074   | 2,559  | 4,170   | 3,398   |
| Greenway           | 3,859                       | 4,392                          | 4,153   | 4,783  | 6,054   | 6,967   |
| Grey               | 5,444                       | 5,652                          | 6,088   | 6,358  | 8,423   | 8,806   |
| Griffith           | 3,149                       | 2,685                          | 3,395   | 2,827  | 4,598   | 3,718   |
| Groom              | 4,291                       | 4,981                          | 4,775   | 5,576  | 6,678   | 7,911   |
| Hasluck            | 4,261                       | 4,742                          | 4,647   | 5,172  | 6,481   | 7,315   |
| Herbert            | 5,573                       | 5,878                          | 6,203   | 6,562  | 8,674   | 9,186   |

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| Higgins            | 1,464                       | 1,278                          | 1,538   | 1,320  | 2,080   | 1,799   |
| Hindmarsh          | 3,102                       | 2,876                          | 3,306   | 3,060  | 4,498   | 4,078   |
| Hinkler            | 4,937                       | 5,658                          | 5,578   | 6,363  | 7,762   | 9,008   |
| Holt               | 5,288                       | 6,066                          | 5,736   | 6,603  | 8,253   | 9,651   |
| Hotham             | 2,626                       | 2,671                          | 2,778   | 2,808  | 3,843   | 3,861   |
| Hughes             | 2,764                       | 3,201                          | 2,932   | 3,414  | 4,283   | 5,012   |
| Hume               | 3,975                       | 4,294                          | 4,341   | 4,724  | 6,135   | 6,808   |
| Hunter             | 5,327                       | 5,670                          | 5,940   | 6,309  | 8,497   | 9,141   |
| Indi               | 3,669                       | 4,329                          | 4,040   | 4,789  | 5,695   | 6,840   |
| Isaacs             | 4,086                       | 4,268                          | 4,381   | 4,555  | 6,181   | 6,417   |
| Jagajaga           | 2,447                       | 2,822                          | 2,594   | 2,989  | 3,703   | 4,185   |
| Kalgoorlie         | 6,298                       | 5,369                          | 7,073   | 6,030  | 9,821   | 8,367   |
| Kennedy            | 6,170                       | 6,090                          | 6,994   | 6,847  | 9,943   | 9,834   |
| Kingsford Smith    | 2,747                       | 2,590                          | 2,917   | 2,714  | 3,986   | 3,636   |
| Kingston           | 5,208                       | 6,210                          | 5,711   | 6,836  | 7,814   | 9,355   |
| Kooyong            | 1,118                       | 1,169                          | 1,157   | 1,185  | 1,676   | 1,703   |
| La Trobe           | 3,687                       | 4,407                          | 3,921   | 4,742  | 5,702   | 6,898   |
| Lalor              | 5,798                       | 6,646                          | 6,325   | 7,315  | 9,163   | 10,635  |
| Leichhardt         | 6,545                       | 6,271                          | 7,301   | 6,892  | 10,342  | 9,953   |
| Lilley             | 3,905                       | 3,522                          | 4,235   | 3,781  | 5,845   | 5,070   |
| Lindsay            | 5,289                       | 6,008                          | 5,803   | 6,631  | 8,218   | 9,417   |
| Lingiar            | 2,982                       | 2,695                          | 3,346   | 2,960  | 4,653   | 4,181   |
| Longman            | 5,516                       | 6,454                          | 6,124   | 7,239  | 8,506   | 10,209  |
| Lowe               | 1,738                       | 1,664                          | 1,821   | 1,719  | 2,531   | 2,296   |

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| Lyne               | 4,248                       | 4,985                          | 4,676   | 5,494  | 6,787   | 7,964   |
| Lyons              | 3,946                       | 4,118                          | 4,376   | 4,613  | 5,973   | 6,441   |
| Macarthur          | 4,291                       | 5,443                          | 4,692   | 5,953  | 6,916   | 8,863   |
| Mackellar          | 2,093                       | 2,158                          | 2,196   | 2,230  | 3,067   | 3,147   |
| Macquarie          | 3,822                       | 4,327                          | 4,209   | 4,767  | 5,907   | 6,738   |
| Makin              | 4,136                       | 4,841                          | 4,479   | 5,267  | 6,270   | 7,307   |
| Mallee             | 3,944                       | 4,439                          | 4,382   | 5,001  | 6,240   | 7,269   |
| Maranoa            | 4,319                       | 4,742                          | 4,889   | 5,406  | 6,808   | 7,698   |
| Maribyrnong        | 3,277                       | 3,157                          | 3,498   | 3,340  | 5,039   | 4,752   |
| Mayo               | 3,293                       | 3,997                          | 3,556   | 4,284  | 4,995   | 6,033   |
| McEwen             | 4,075                       | 4,761                          | 4,379   | 5,179  | 6,238   | 7,615   |
| McMillan           | 3,931                       | 4,676                          | 4,313   | 5,188  | 6,225   | 7,563   |
| McPherson          | 4,175                       | 4,798                          | 4,540   | 5,177  | 6,127   | 7,023   |
| Melbourne          | 3,312                       | 2,539                          | 3,546   | 2,636  | 4,942   | 3,685   |
| Melbourne Ports    | 2,382                       | 1,630                          | 2,507   | 1,696  | 3,356   | 2,151   |
| Menzies            | 1,634                       | 1,805                          | 1,712   | 1,892  | 2,462   | 2,677   |
| Mitchell           | 1,643                       | 1,925                          | 1,735   | 2,007  | 2,571   | 2,984   |
| Moncrieff          | 4,674                       | 4,344                          | 5,056   | 4,681  | 6,731   | 6,158   |
| Moore              | 2,412                       | 2,943                          | 2,543   | 3,116  | 3,629   | 4,380   |
| Moreton            | 3,052                       | 2,844                          | 3,297   | 3,034  | 4,652   | 4,229   |
| Murray             | 4,294                       | 4,751                          | 4,764   | 5,278  | 6,831   | 7,751   |
| New England        | 4,819                       | 5,349                          | 5,383   | 5,969  | 7,774   | 8,648   |
| Newcastle          | 4,523                       | 4,446                          | 4,971   | 4,838  | 6,816   | 6,533   |

| Electoral division | Number of paying<br>parents | Number of receiving<br>parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent |
|--------------------|-----------------------------|--------------------------------|---|--|---|---|
| North Sydney       | 1,401                       | 1,109                          | 1,451   | 1,129  | 1,972   | 1,475   |
| O'Connor           | 4,370                       | 4,562                          | 4,849   | 5,061  | 6,895   | 7,176   |
| Oxley              | 5,787                       | 6,172                          | 6,422   | 6,871  | 9,060   | 9,747   |
| Page               | 5,212                       | 5,767                          | 5,708   | 6,335  | 7,995   | 9,067   |
| Parkes             | 5,690                       | 5,923                          | 6,501   | 6,731  | 9,391   | 9,842   |
| Parramatta         | 3,406                       | 3,472                          | 3,663   | 3,738  | 5,234   | 5,289   |
| Paterson           | 4,105                       | 4,750                          | 4,475   | 5,245  | 6,328   | 7,491   |
| Pearce             | 4,920                       | 5,535                          | 5,351   | 6,057  | 7,554   | 8,760   |
| Perth              | 3,494                       | 3,137                          | 3,736   | 3,352  | 5,058   | 4,519   |
| Petrie             | 4,392                       | 4,804                          | 4,844   | 5,254  | 6,671   | 7,110   |
| Port Adelaide      | 6,140                       | 6,336                          | 6,784   | 6,984  | 9,276   | 9,575   |
| Prospect           | 4,103                       | 4,271                          | 4,410   | 4,583  | 6,602   | 6,887   |
| Rankin             | 6,832                       | 7,454                          | 7,672   | 8,341  | 10,659  | 11,858  |
| Reid               | 4,102                       | 3,703                          | 4,364   | 3,875  | 6,686   | 6,001   |
| Richmond           | 4,698                       | 5,303                          | 5,102   | 5,749  | 6,972   | 7,911   |
| Riverina           | 4,410                       | 4,953                          | 4,941   | 5,508  | 7,193   | 7,989   |
| Robertson          | 4,163                       | 4,844                          | 4,492   | 5,254  | 6,401   | 7,515   |
| Ryan               | 1,990                       | 2,001                          | 2,127   | 2,084  | 2,977   | 2,976   |
| Scullin            | 3,243                       | 3,731                          | 3,450   | 3,985  | 5,090   | 5,855   |
| Shortland          | 4,446                       | 5,265                          | 4,901   | 5,799  | 6,917   | 8,195   |
| Solomon            | 3,472                       | 3,447                          | 3,848   | 3,843  | 5,376   | 5,496   |
| Stirling           | 3,399                       | 3,322                          | 3,644   | 3,549  | 5,109   | 4,732   |
| Sturt              | 2,640                       | 2,948                          | 2,785   | 3,131  | 3,884   | 4,300   |

| Electoral division | Number of paying<br>parents | Number of receiving parents | Number of cases<br>based on paying parent<br>postcode | Number of cases based<br>on receiving parent<br>postcode | Number of eligible<br>children based on<br>paying parent postcode | Number of eligible<br>children based on<br>receiving parent<br>postcode |
|--------------------|-----------------------------|-----------------------------|---|--|---|---|
| Swan               | 3,729                       | 3,234                       | 4,062   | 3,461  | 5,517   | 4,612   |
| Sydney             | 2,640                       | 1,676                       | 2,835   | 1,785  | 3,778   | 2,227   |
| Tangney            | 2,128                       | 2,490                       | 2,268   | 2,611  | 3,197   | 3,724   |
| Throsby            | 4,517                       | 5,292                       | 4,962   | 5,868  | 7,201   | 8,530   |
| Wakefield          | 6,955                       | 7,789                       | 262'2   | 8,779  | 10,864  | 12,253  |
| Wannon             | 3,647                       | 4,077                       | 4,021   | 4,492  | 5,694   | 6,488   |
| Warringah          | 1,785                       | 1,721                       | 1,873   | 1,767  | 2,621   | 2,459   |
| Watson             | 3,354                       | 3,268                       | 3,521   | 3,404  | 5,326   | 5,038   |
| Wentworth          | 1,881                       | 1,404                       | 1,967   | 1,437  | 2,647   | 1,916   |
| Werriwa            | 5,047                       | 5,779                       | 5,514   | 6,329  | 8,076   | 9,423   |
| Wide Bay           | 4,915                       | 5,436                       | 5,519   | 6,090  | 7,670   | 8,599   |
| Wills              | 3,288                       | 3,024                       | 3,526   | 3,139  | 5,217   | 4,553   |
| Total Customers    | 587,133                     | 629,451                     | 640,940   | 687,304  | 904,660   | 974,229   |
| International      | 35,231                      | 34,944                      | 38,328  | 37,631   | 40,807  | 40,186  |
| Postcode not set   | 111,962                     | 72,350                      | 119,719   | 76,089   | 172,692   | 106,835   |
| Unused postcode    | 4,786                       | 2,900                       | 5,162   | 3,125  | 7,395   | 4,304   |
| Total              | 739,112                     | 739,645                     | 804,149   | 804,149  | 1,125,554   | 1,125,554   |

Source: Customer Research Extract, CSA, June 2008. Notes: 1. This table is based on total caseload, including active cases and cases that have ended with debt.

## 3.6 Income of paying and receiving parents

A broad range of income amounts are taken into account to work out a parent's child support income. Child support income is different to a taxable income as it includes any supplementary income such as overseas employment income that is exempt from Australian tax, as well as rental property losses and reportable fringe benefits. Paying parent and receiving parent income data is derived from two sources: the Tax Returns Database (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 TRDB information but also includes estimated or derived income amounts for parents who have not lodged a tax return.

| Table 3.15: | Paving  | parent | child | support | income. | June | 2008 <sup>1,2</sup> |
|-------------|---------|--------|-------|---------|---------|------|---------------------|
| 10010 0.10. | i uying | paroni | orma  | Support |         | ounc | 2000                |

| Paying parents | CSA collect | Private collect | Total cases |
|----------------|-------------|-----------------|-------------|
| Total number   | 410,969     | 393,180         | 804,149     |
| Median         | \$17,988    | \$31,860        | \$26,156    |
| Average        | \$26,188    | \$39,815        | \$32,851    |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. This table is based on total caseload, including active cases and cases that have ended with debt.

2. These incomes include cases with nil liabilities (zero incomes).

*Key fact: On average private collect paying parents have a child support income that is 52 per cent higher than CSA collect cases.* 

#### Table 3.16: Paying parent taxable income, June 2008<sup>1,2</sup>

| Paying parents | CSA collect | Private collect | Total no. of paying parent tax returns |
|----------------|-------------|-----------------|--|
| Total number   | 201,722     | 257,112         | 458,834                                |
| Median         | \$36,253    | \$40,696        | \$38,660                               |
| Average        | \$41,032    | \$48,012        | \$44,943                               |

Source: Tax Returns Data Base (TRDB) and the CSA Customer Research Extract, June 2008.

Notes:

1. There were 345,315 paying parents who were non-lodgers in the relevant year (209,247 CSA collect and 136,068 private collect)

2. This table is based on total caseload, including active cases and cases that have ended with debt.

Key fact: On average private collect paying parents have a taxable income that is only 17 per cent higher than CSA collect cases.

Tables 3.15 and 3.16 show paying parent child support and taxable income figures for 2007-08. On average a paying parent's taxable income is 63.8 per cent higher than their child support income, as a child support income takes into account a parent's supplementary income. The median income (both child support and taxable income) of private collect paying parents is higher than that of CSA collect parents.

Table 3.17: Receiving parent child support income, June 2008<sup>1,2</sup>

| Receiving parents | CSA collect | Private collect | Total cases |
|-------------------|-------------|-----------------|-------------|
| Total number      | 410,969     | 393,180         | 804,149     |
| Median            | \$13,330    | \$15,705        | \$13,962    |
| Average           | \$17,725    | \$20,448        | \$19,056    |

Source: Customer Research Extract, CSA, June 2008.

Notes:

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. Receiving parent child support income figures reported in this table will understate the total income available to receiving parents as it does not take into account access to taxable Centrelink benefits for those parents who have not lodged a tax return.

Table 3.17 shows that child support median and average incomes recorded do not include many of the benefits paid to resident parents by Centrelink. Receiving parent child support income figures reported in this table will understate the total income available to receiving parents as it does not take into account access to taxable Centrelink benefits for those parents who have not lodged a tax return.

Key fact: On average private collect receiving parents have a child support income that is 11 per cent higher than CSA collect cases.

| Receiving parents | CSA collect | Private collect | Total no. of receiving<br>parent tax returns |
|-------------------|-------------|-----------------|--|
| Total number      | 228,584     | 232,952         | 461,536                                      |
| Median            | \$25,390    | \$25,177        | \$25,281                                     |
| Average           | \$29,398    | \$29,353        | \$29,375                                     |

Table 3.18: Receiving parent taxable income (TRDB), June 2008<sup>1</sup>

Source: Tax Returns Database and the CSA (Customer Research Extract for all active cases and cases ended with arrears), June 2008. Notes:

1. There were 342,613 receiving parents who were non-lodgers in the relevant year (182,385 CSA collect and 160,228 private collect).

Key fact: On average private collect and CSA collect receiving parents have an almost identical taxable income.

Tables 3.15 to 3.18 shows that parents median taxable incomes (for those who lodged tax returns) are significantly greater than the median taxable income of receiving parents (for those who lodged tax returns). Family Tax Benefit payments are not included in the incomes shown, as they are not considered to be income for child support purposes.

Receiving parents from private collect and CSA collect collection methods have similar median incomes but paying parents in private collect arrangements have significantly higher median child support incomes than those in CSA collect arrangements. Receiving parent 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 benefits like the possession of a Health Care Card.

# 3.7 Income sources of paying parents who lodged income tax returns

A broad range of income sources are taken into account when working out a parent's child support income. When a parent lodges a tax return, the CSA has a clear indication of their income sources and therefore uses the correct amount for child support income. In 2007-08 only 458,834 paying parents lodged tax returns.

The CSA works closely with the Australian Taxation Office (ATO) to improve the rate and timeliness of a parents' tax return lodgement. This ensures child support calculations are more accurate and it reduces the number of assessments calculated using default incomes.

| Top 10 income sources            | Number  | % of paying parents<br>deriving income from<br>source | Average earnings (\$) |
|----------------------------------|---------|---|-----------------------|
| Salary and wages                 | 400,244 | 87.2  | 45,876                |
| Allowance, directors' fees       | 107,194 | 22.4  | 3,072                 |
| Gross interest                   | 87,789  | 19.1  | 1,082                 |
| Gov't benefits and allowance     | 65,415  | 14.3  | 4,769                 |
| Net income or loss from business | 56,591  | 12.3  | 16,952                |
| Dividends                        | 45,761  | 10.0  | 5,950                 |
| Gross rent                       | 36,224  | 7.2   | 11,999                |
| Partnerships and trusts          | 27,576  | 6.0   | 23,126                |
| Eligible termination payments    | 14,777  | 3.2   | 9,011                 |
| Lump sum payments                | 7,240   | 1.6   | 7,455                 |
| Total for CSA paying parents     | 458,834 | n/a   | 44,943                |

Table 3.19: Income sources of paying parents who lodge income tax returns, June 2008<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

 The results in this table are derived from the Tax Return Data Base (TRDB) of the ATO and only include those CSA paying parents who lodged tax returns for the 2007-08 financial year. For this reason the number of paying parents in receipt of benefits is particularly affected and under reports the number of paying parents in receipt of government benefits.

2. Paying parents can earn income from more than one source.

## *Key fact: The majority of all paying parents who lodged a current tax return earned income from wages and salaries.*

Table 3.19 shows the source of income for paying parents who lodged tax returns. Some paying parents may have earned income from a number of these sources. The most common source of income for paying parents who lodged tax returns was salary and wages, with more than 87 per cent of all paying parents deriving some or all of their income from this source. By comparison more than 14 per cent of paying parents who lodged tax returns received some or all of their income from Government benefits and allowances.

The average earnings from salary and wages have increased in 2007-08. For those paying parents who lodged a tax return in 2006-07, the average earnings from salary and wages was \$43,506, in 2007-08 the average was \$45,876. Income from partnerships and trusts (\$21,542 in 2006-07 compared to \$23,126 in 2007-08) has also increased as has net income or loss from business (\$15,333 in 2006-07 compared to \$16,952 in 2007-08).

Table 3.19 shows the average income for the 57 per cent of paying parents who had lodged a tax return for 2005-06 by June 2007. Therefore it is not the same as the average income for all paying parents.

### 3.8 CSA customers on Centrelink benefits

The majority of separated parents with care of children are entitled to receive some type of Centrelink benefit. Centrelink and the CSA therefore have a large number of mutual customers. A majority of these customers will receive Family Tax Benefit (FTB). As mentioned in section 1.5.3, Family Tax Benefit Part A (FTB Part A) customers who have children from a previous relationship must take reasonable action to obtain child support in order to be eligible to receive more than the base rate of FTB Part A. Reasonable action generally means lodging an application for assessment under the child support formula and either:

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

Some parents will also meet the reasonable action test by having a court order, or will be exempted due to special circumstances.

| Centrelink payment                                  | Paying  | g parents               | Receiving parents |                         |
|---|---------|-------------------------|-------------------|-------------------------|
|   | Number  | % of total<br>customers | Number            | % of total<br>customers |
| Aged pension  | 1,795   | 0.2                     | 1,218             | 0.2                     |
| Carer allowance                                     | 5,817   | 0.8                     | 10,973            | 1.5                     |
| Disability pension                                  | 46,812  | 6.3                     | 27,801            | 3.8                     |
| Newstart allowance                                  | 71,091  | 9.6                     | 34,316            | 4.6                     |
| Partner allowance                                   | 8,295   | 1.1                     | 47,385            | 6.4                     |
| Parenting payment — single                          | 35,237  | 4.8                     | 318,275           | 43.0                    |
| Parenting payment — partnered                       | 31      | 0.0                     | 62                | 0.0                     |
| Total receiving Centrelink benefits (excluding FTB) | 163,388 | 22.1                    | 411,442           | 55.6                    |
| Total CSA customers                                 | 739,112 | 100.0                   | 739,645           | 100.0                   |

Table 3.20: Number of parents on a Centrelink benefit, June 2008<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

 Some paying parents may have more than one case and therefore may also be a receiving parent. Additionally, some parents may be in receipt of more than one Centrelink benefit type and therefore the benefit categories add to more than the total number of CSA paying and receiving parents in receipt of Centrelink benefits.

### Key fact: 9 per cent of customers are on a Newstart allowance.

Table 3.20 above outlines the number and percentage of paying and receiving parents by their Centrelink benefit, as well as the total number of CSA customers on Centrelink benefits. In 2007-08, 43 per cent of the CSA's receiving parents received a 'Parenting payment - Single'.

## 4.0 Liabilities, payments and transfers

In this section: Liabilities, payments and transfers Child Support transferred



## 4.1 Liabilities

The following liability statistics are broken down into CSA collect and private collect categories.

### 4.1.1 Liabilities by CSA collect and private collect

Prior to 1 July 1999, if a paying parent had a liability of less than \$260 per year, they were not required to pay child support. On 1 July 2006 the minimum payment was increased to \$320 per year, and increased again in January 2008 to \$339 per year. The minimum payment is now indexed yearly, in line with the Consumer Price Index, allowing the minimum child support payment to keep pace with inflation. There are a number of reasons why a parent may not be required to pay child support, including:

- the paying parent's income and resources are less than the minimum payment amount
- stage 1 court orders can have a clause stating the paying parent will not have to pay child maintenance during periods of unemployment or in some other circumstances
- a stage 1 paying parent can apply to the CSA not to enforce the court order during periods of unemployment
- where parents have an agreement that the liability be nil (usually during periods of unemployment) and/or
- where the parents equally share the care of their child and their incomes are equal.

| Annual paying parent<br>liability(\$) | CSA collect |       | Private collect |       | Total   |       |
|---------------------------------------|-------------|-------|-----------------|-------|---------|-------|
|                                       | Number      | %     | Number          | %     | Number  | %     |
| Nil                                   | 20,959      | 5.1   | 44,213          | 11.2  | 65,172  | 8.1   |
| 1 to <333                             | 31,792      | 7.7   | 14,488          | 3.7   | 46,280  | 5.8   |
| 333                                   | 62,293      | 15.2  | 43,414          | 11.0  | 105,707 | 13.1  |
| 334 to <339                           | 189         | 0.0   | 145             | 0.0   | 334     | 0.0   |
| 339                                   | 45,938      | 11.2  | 29,546          | 7.5   | 75,484  | 9.4   |
| Over 339                              | 197,394     | 48.0  | 257,516         | 65.5  | 454,910 | 56.6  |
| Ended with arrears                    | 52,404      | 12.8  | 3,858           | 1.0   | 56,262  | 7.0   |
| Total                                 | 410,969     | 100.0 | 393,180         | 100.0 | 804,149 | 100.0 |

Table 4.1: Liability by collection method, June 2008 (all cases)<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. The \$333 and \$339 vales in this table and subsequent liability tables reflect the minimum liability values that currently apply to the cases of low income paying parents.

2. There has been a drop of just over 1,000 customers who have been assessed at the Nil Liability level, reversing the trend of previous years.

Key fact: 56.6 per cent of paying parents pay more than the minimum child support amount.

Tables 4.1 and 4.2 show the percentage of CSA collect and private collect paying parents within specified liability ranges. Chart 4.1 plots those percentages. The tables and charts demonstrate that a:

- smaller proportion of the CSA collect cases have nil liabilities than private collect cases
- higher proportion of the CSA collect cases have minimum liabilities than private collect cases
- higher proportion of the CSA collect paying parents have liabilities under \$3,000 and
- higher proportion of private collect paying parents have liabilities of between \$3,000 and \$14,000.

| Annual paying parent<br>liability(\$) |         |       | vate collect |       | Total   |       |
|---------------------------------------|---------|-------|--------------|-------|---------|-------|
|                                       | Number  | %     | Number       | %     | Number  | %     |
| 0                                     | 20,959  | 5.1   | 44,213       | 11.2  | 65,172  | 8.1   |
| 1-332                                 | 31,792  | 7.7   | 14,488       | 3.7   | 46,280  | 5.8   |
| 333                                   | 62,293  | 15.2  | 43,414       | 11.0  | 105,707 | 13.1  |
| 334-338                               | 189     | 0.0   | 145          | 0.0   | 334     | 0.0   |
| 339                                   | 45,938  | 11.2  | 29,546       | 7.5   | 75,484  | 9.4   |
| 340-500                               | 4,587   | 1.1   | 4,026        | 1.0   | 8,613   | 1.1   |
| 501-1,000                             | 14,896  | 3.6   | 13,645       | 3.5   | 28,541  | 3.5   |
| 1,001-2,000                           | 26,198  | 6.4   | 24,624       | 6.3   | 50,822  | 6.3   |
| 2,001-3,000                           | 27,933  | 6.8   | 29,149       | 7.4   | 57,082  | 7.1   |
| 3,001-4,000                           | 23,972  | 5.8   | 26,572       | 6.8   | 50,544  | 6.3   |
| 4,001-5,000                           | 19,625  | 4.8   | 23,041       | 5.9   | 42,666  | 5.3   |
| 5,001-6,000                           | 16,995  | 4.1   | 21,103       | 5.4   | 38,098  | 4.7   |
| 6,001-7,000                           | 13,047  | 3.2   | 18,143       | 4.6   | 31,190  | 3.9   |
| 7,001-8,000                           | 10,305  | 2.5   | 15,734       | 4.0   | 26,039  | 3.2   |
| 8,001-9,000                           | 7,749   | 1.9   | 12,881       | 3.3   | 20,630  | 2.6   |
| 9,001-10,000                          | 6,141   | 1.5   | 10,960       | 2.8   | 17,101  | 2.1   |
| 10,001-11,000                         | 4,909   | 1.2   | 9,374        | 2.4   | 14,283  | 1.8   |
| 11,001-12,000                         | 3,827   | 0.9   | 7,506        | 1.9   | 11,333  | 1.4   |
| 12,001-13,000                         | 3,137   | 0.8   | 6,260        | 1.6   | 9,397   | 1.2   |
| 13,001-14,000                         | 2,588   | 0.6   | 5,377        | 1.4   | 7,965   | 1.0   |
| 14,001-15,000                         | 2,378   | 0.6   | 4,748        | 1.2   | 7,126   | 0.9   |
| 15,001-16,000                         | 1,664   | 0.4   | 3,928        | 1.0   | 5,592   | 0.7   |
| 16,001-17,000                         | 1,286   | 0.3   | 3,182        | 0.8   | 4,468   | 0.6   |
| 17,001-18,000                         | 1,780   | 0.4   | 4,472        | 1.1   | 6,252   | 0.8   |
| 18,001-19,000                         | 611     | 0.1   | 1,545        | 0.4   | 2,156   | 0.3   |
| 19,001-20,000                         | 501     | 0.1   | 1,442        | 0.4   | 1,943   | 0.2   |
| >20,001                               | 3,265   | 0.8   | 9,804        | 2.5   | 13,069  | 1.6   |
| Ended with arrears                    | 52,404  | 12.8  | 3,858        | 1.0   | 56,262  | 7.0   |
| Total                                 | 410,969 | 100.0 | 393,180      | 100.0 | 804,149 | 100.0 |

Table 4.2: Paying parent liability by collection method, June 2008 (all cases)<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. Percentages may not add exactly due to rounding.

*Key fact: 13.1 per cent of paying parents pay \$333 per year (as their child support period began in 2007).* 

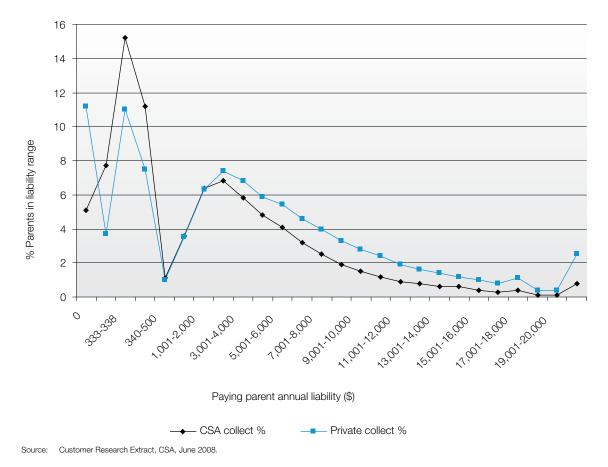


Chart 4.1: Paying parent liability (for active cases) by collection method, June 2008

### 4.1.2 Average child support liabilities

Tables 4.3, 4.4 and 4.5 show average child support liabilities on an annual and weekly basis and include the method by which these payments are collected, and whether or not the cases are domestic or international. The average annual liability with cases that have a liability of more than \$333 is \$6,237.13. The average weekly liability with cases that have an annual liability of more than \$333 is \$119.94.

| Collection method | Average annual liabilities \$ (all cases) |               |          | Average annual liabilities \$<br>(liability more than \$333) |               |          |
|-------------------|---|---------------|----------|--|---------------|----------|
|                   | Domestic                                  | International | Total    | Domestic   | International | Total    |
| CSA collect       | 3,245.25                                  | 3,355.27      | 3,252.10 | 5,372.69   | 5,057.75      | 5,351.21 |
| Private collect   | 5,259.03                                  | 4,346.91      | 5,239.63 | 6,928.40   | 6,321.34      | 6,916.79 |
| Total             | 4,284.34                                  | 3,611.81      | 4,256.39 | 6,272.57   | 5,395.98      | 6,237.13 |

Table 4.3: Average child support liability by collection method, June 2008 (all active cases)<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

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

Key fact: All average annual liabilities figures have increased in 2007-08.

Table 4.3 records the average annual child support liability by stage and collection method. There are two sets of averages—one includes all cases and the other excludes cases where the assessment is \$333 a year or less. Where liabilities of \$333 or less have been excluded, there is a difference of \$876.59 between the average domestic liability (\$6,272.57 per year) and the average international liability (\$5,395.98 per year). Where all cases have been included, the difference between the domestic and international average liability figures is \$672.53 per year.

| Collectio  | on method          | Average annual liabilities \$ (all cases) |               |          | Average annual liabilities \$<br>(Liability more than \$333) |               |          |
|------------|--------------------|---|---------------|----------|--|---------------|----------|
|            |                    | Domestic                                  | International | All      | Domestic   | International | All      |
|            | CSA<br>collect     | 2,304.78                                  | 6,098.05      | 3,569.20 | 2,672.75   | 6,274.46      | 3,981.27 |
| Stage<br>1 | Private collect    | 4,327.43                                  | 8,746.75      | 4,865.83 | 4,526.18   | 8,746.75      | 5,062.12 |
|            | All                | 3,032.26                                  | 6,455.18      | 3,956.81 | 3,388.94   | 6,616.45      | 4,321.45 |
|            | CSA<br>collect     | 3,247.08                                  | 3,314.55      | 3,251.23 | 5,380.39   | 5,030.16      | 5,356.93 |
| Stage<br>2 | Private collect    | 5,259.99                                  | 4,317.98      | 5,240.05 | 6,931.54   | 6,297.49      | 6,919.51 |
|            | All                | 4,286.18                                  | 3,575.72      | 4,256.97 | 6,278.21   | 5,372.54      | 6,242.19 |
|            | CSA<br>collect     | 3,245.25                                  | 3,355.27      | 3,252.10 | 5,372.69   | 5,057.75      | 5,351.21 |
| All        | Private<br>collect | 5,259.03                                  | 4,346.91      | 5,239.63 | 6,928.40   | 6,321.34      | 6,916.79 |
|            | All                | 4,284.34                                  | 3,611.81      | 4,256.39 | 6,272.57   | 5,395.98      | 6,237.13 |

Table 4.4: Average child support liability for all active cases by stage and collection method, June 2008<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008. Notes:

1. This is the first year this table has been reported in Facts and Figures and provides average annual liabilities for a greater range of customer categories.

### Key fact: Domestic cases have 16.2 per cent higher liability than international cases.

Table 4.4 outlines the average annual liability of stage 1 and 2 CSA collect cases and private collect cases, separately as well as overall averages. The average domestic annual liability is \$4,284.34 and the international annual liability is \$3,611.81. This table also shows that international cases have a higher average liability in stage 1 than stage 2 cases.

| Eligible children | CSA collect |            | Private | Private collect |         | Total      |  |
|-------------------|-------------|------------|---------|-----------------|---------|------------|--|
|                   | Number      | Average \$ | Number  | Average \$      | Number  | Average \$ |  |
| 1                 | 221,760     | 50.32      | 196,047 | 73.93           | 417,807 | 61.40      |  |
| 2                 | 86,054      | 83.57      | 107,663 | 131.09          | 193,717 | 109.98     |  |
| 3                 | 21,385      | 95.91      | 30,462  | 153.54          | 51,847  | 129.77     |  |
| 4                 | 4,892       | 86.31      | 7,082   | 141.45          | 11,974  | 118.92     |  |
| 5                 | 1,028       | 64.81      | 1,603   | 112.96          | 2,631   | 94.14      |  |
| 6                 | 302         | 62.08      | 434     | 106.96          | 736     | 88.54      |  |
| 7                 | 77          | 65.21      | 113     | 76.26           | 190     | 71.78      |  |
| 8                 | 24          | 27.66      | 31      | 89.56           | 55      | 62.55      |  |
| More than 8       | 8           | 21.80      | 9       | 83.20           | 17      | 54.31      |  |
| Total             | 335,530     | 62.33      | 343,444 | 100.53          | 678,974 | 81.66      |  |

Table 4.5: Average weekly liabilities by the number of eligible children by collection method—stage 2 cases only, June 2008<sup>1</sup>

Source: Customer Research Extract, CSA, June 2008.

Note:

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

## Key fact: Stage 2 cases with three eligible children receive the highest average weekly child support.

Table 4.5 outlines the total average weekly liability for stage 2 CSA collect and private collect cases based upon the number of eligible children. The average liabilities of private collect cases are higher than the average liabilities for CSA collect cases.

## 4.2 Payments

Payments looks at both private collect and CSA collect liabilities and collections both internationally and domestically. By comparing liabilities and collections the CSA can determine the degree to which its collection strategies have worked.

### 4.2.1 Total credits and liabilities

Cumulative liability refers to the total amount owed (as a collective) by paying parents. Cumulative credit is how much paying parents (as a collective) have paid in child support. The crediting rate is calculated by finding out what percentage of child support has been paid (cumulative credit) compared to the total owed (cumulative liability).

| 30 June   | Cumulative liabilities \$m | Cumulative credits \$m | Crediting rate % |
|-----------|----------------------------|------------------------|------------------|
| 1988–1991 | 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             |
| 1988–2006 | 9,774.8                    | 8,875.3                | 90.8             |
| 1988–2007 | 10,847.0                   | 9,895.2                | 91.2             |
| 1988–2008 | 11,988.4                   | 10,974.8               | 91.5             |

Table 4.6: Cumulative credits and liabilities for the CSA collect cases, June 2008<sup>1-3</sup>

Source: Child Support Report (CS5), CSA, June 2008.

Notes:

1. The difference between the 'All liabilities' figures and the 'All credits' figures are the Total Child Support 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.

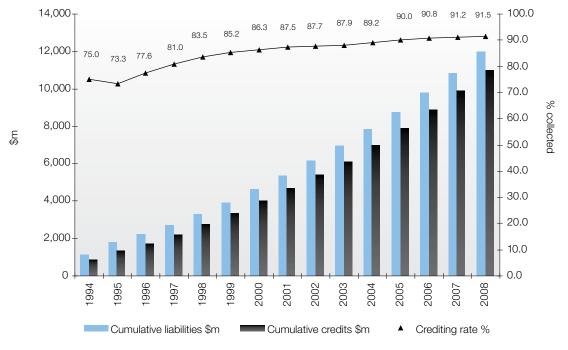
3. Credit rating refers to the percentage of liability that has been met.

Key fact: The crediting rate has been increasing steadily since Scheme inception and is currently at over 91 per cent.

Table 4.6 shows total liabilities and total credits for CSA collect cases since 1988. For the period 30 June 1988 to 30 June 1991 a total of \$283 million in liabilities had been registered for paying parents and \$185 million had been collected. In other words, the CSA collections represented 65 per cent of all liabilities. By June 2008 the CSA collect cumulative liabilities had risen to \$11,998 million and cumulative credits were up to \$10,974 million. This resulted in a 91.5 per cent crediting rate for the CSA collect cases.

The CSA figures show that in 2007-08, the 678,974 paying parents with a child support liability paid an average of \$4,246 in child support for the year (or \$81.66 a week).

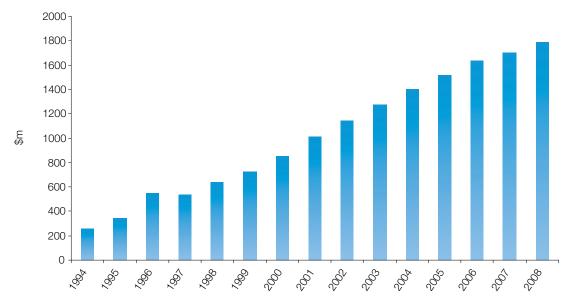
The liabilities and collections data in table 4.6 are also depicted in chart 4.2.





Source: Child Support Report (CS5), CSA, June 2008.

Key fact: Credits are increasing in line with the growth in liabilities and overall child support collection rates are increasing.





Source: Child Support Report (CS5), CSA, June 2008.

Chart 4.3 shows the total private collect liabilities from 1994 to 2008. As receiving parents are able to request collection by the CSA if the paying parent fails to meet their obligation, it is assumed the collection rate for privately collected child support is 100 per cent.

## 4.3 Child support transferred

'Transfers' refer to both child support liabilities that have been collected by the CSA (CSA collect), and payments have been paid directly between parents but where the eligible carers are registered with the CSA (private collect arrangements) <sup>8</sup>.

Parents have met about 96 per cent of all child support liabilities (private collect and the CSA collect cases combined). This represents almost \$28 billion since 1988.

| 30 June | CSA   | collect <sup>1</sup> | Private | e collect² | Total |
|---------|-------|----------------------|---------|------------|-------|
|         | \$m   | %                    | \$m     | %          | \$m   |
| 1994    | 274   | 52.0                 | 253     | 48.0       | 527   |
| 1995    | 327   | 48.6                 | 347     | 51.4       | 674   |
| 1996    | 389   | 41.5                 | 548     | 58.5       | 937   |
| 1997    | 458   | 46.2                 | 534     | 53.8       | 992   |
| 1998    | 526   | 45.3                 | 637     | 54.7       | 1,163 |
| 1999    | 571   | 44.0                 | 728     | 56.0       | 1,299 |
| 2000    | 598   | 41.3                 | 849     | 58.7       | 1,447 |
| 2001    | 619   | 37.9                 | 1,014   | 62.1       | 1,633 |
| 2002    | 636   | 35.8                 | 1,142   | 64.2       | 1,778 |
| 2003    | 672   | 34.6                 | 1,272   | 65.4       | 1,944 |
| 2004    | 791   | 36.2                 | 1,396   | 63.8       | 2,187 |
| 2005    | 866   | 36.4                 | 1,513   | 63.6       | 2,379 |
| 2006    | 932   | 36.4                 | 1,631   | 63.6       | 2,563 |
| 2007    | 977   | 36.5                 | 1,702   | 63.5       | 2,679 |
| 2008    | 1,032 | 36.6                 | 1,787   | 63.4       | 2,819 |

Table 4.7: Child support transferred between parents (\$m)<sup>1,2</sup>

Source: Child Support Report (CS5), CSA, June 2008.

Notes:

1. The CSA collect figures include amounts for interim disbursement, final disbursement, emergency disbursement and Non-Agency Payments.

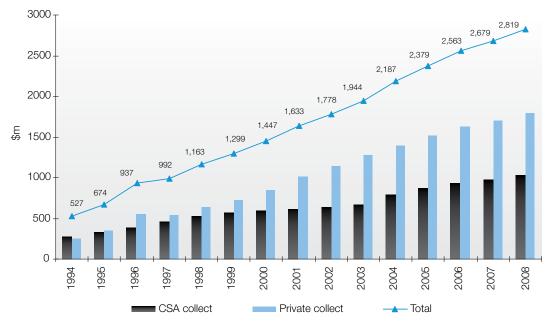
2. Private collect totals assume 100 per cent of privately paid child support is transferred. Where this is not so, the receiving parent is entitled to ask the CSA to collect the liability.

Key fact: Parents have met about 96 per cent of all child support liabilities since 1988, this represents more than \$28 billion.

The total amount of child support transferred in 2007–08 was \$2,819 million, including \$1,787 million in private collections and \$1,032 million in funds collected by the CSA. This is a 5.2 per cent (\$140 million) increase on the 'transfers' total of \$2,679 million reported in 2006–07 (see table 4.7 and chart 4.4).

<sup>8</sup> FaHCSIA policy assumes, for the purposes of calculating FTB(A), that all the child support is transferred between private collect parents. Consequently the CSA also makes this assumption. It is acknowledged, however, that parents may agree on lesser amounts to reflect payments in kind or emotional trade-offs. Currently FaHCSIA is sponsoring research to better understand these payment trade-offs.

Chart 4.4: CSA transfers by collection method



Source: Child Support Report (CS5), CSA, June 2008.

### 4.3.1 Collections-CSA collect cases

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

- **Employer withholding (EW):** monies withheld by the paying parent's employer and paid directly to the CSA by the employer on the employee's behalf (\$412.3 million in 2007-08).
- **Private payments:** monies paid by the paying parent directly to the CSA by mail, BPay, Direct Credit, BillPay or Benefit deduction.
- Tax Refund Intercept (TRIPs): monies intercepted by the CSA from a paying parent's tax refund (\$76 million in 2007-08).
- Non-Agency Payments: payments made directly to the receiving parent or a third party by the paying parent. These payments are made in lieu of child support and may include money or the payment of medical bills, tuition or school fees.

| 30 June | EW (%) | Private payments <sup>2</sup> (%) | 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      |
| 20021   | 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      |
| 2006    | 40.6   | 48.5                              | 6.6       | 4.3      |
| 2007    | 39.8   | 48.6                              | 7.3       | 4.2      |
| 2008    | 39.2   | 49.1                              | 7.2       | 4.5      |

#### Table 4.8: Child support payments - percentages<sup>1,2</sup>

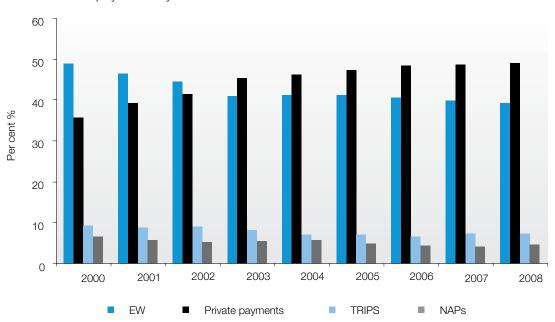
Source: The CSA's Money For Kids (MFK) Report, June 2008.

Notes:

1. The data for 2001–02 relates to the period up to the end of 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. Private payments in this table include Australia Post (predominantly Billpay), cheques, BPAY, and s72A enforcement payments.

Key fact: Private payments, mainly through Australia Post (Billpay) and electronic payment (BPAY), are now the most popular way for paying parents to meet their obligations.



#### Chart 4.5: CSA payments by method

Source: The CSA's Money For Kids (MFK) Report, June 2008.

## 5.0 Total Child Support Debt and compliance measures

In this section: Total Child Support Debt (TCSD) Paying parent liability Paying parent TCSD Compliance measures



The CSA's approach is to support parents to meet their child support responsibilities. This involves a balance of service, support, education, compliance and enforcement activities. While most parents do the right thing, some need some additional support to meet their child support responsibilities.

To ensure the integrity of the Child Support Scheme, we have a range of measures in place to detect non-compliance and ensure parents meet their child support responsibilities, based on their true financial capacity.

## 5.1 Total Child Support Debt (TCSD)

Total Child Support Debt (TCSD) is the total amount of money that is payable by one child support customer to another and is overdue. Almost all child support debt arises from child support assessments, but it also includes a small amount of court-ordered maintenance for children and spouses. In previous editions of Facts and Figures this has been referred to as Gross Maintenance Debt (GMD).

| Total debt    | 30 June 06 | %     | 30 June 07 | %     | 30 June 08 | %     |
|---------------|------------|-------|------------|-------|------------|-------|
| Domestic      | \$729.7m   | 81.2  | \$741.9m   | 77.9  | \$778.4m   | 76.8  |
| International | \$169.8m   | 18.8  | \$209.9m   | 22.1  | \$235.4m   | 23.2  |
| Total         | \$899.5m   | 100.0 | \$951.8m   | 100.0 | \$1013.8m  | 100.0 |

Table 5.1: Total Child Support Debt (TCSD)<sup>1,2</sup>

Source: Customer Research Extract, CSA, June 2008. Notes:

1. TCSD has been steadily rising in the past four years and reached over \$1 billion in June 2008. As shown in table 5.1, the international component of the overall level of debt is also increasing.

International debt is increasing (as a percentage), at a faster rate than domestic debt. In 2007-08 international debt rose by \$25.4 million (12.1 per cent), while domestic debt increased by \$36.5 million (4.9 per cent).

| 30 June | Cumulative net<br>child support<br>debt (\$m) | Write-Off<br>(\$m) | Cumulative<br>TCSD<br>(\$m) | Cumulative<br>TCSD on<br>domestic cases<br>(\$m) | Cumulative<br>TCSD on<br>overseas cases<br>(\$m) | Cumulative<br>TCSD on<br>overseas cases<br>as % of TCSD |
|---------|---|--------------------|-----------------------------|--|--|---|
| 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  |
| 2006    | 801.2   | 98.3               | 899.5                       | 729.7  | 169.8  | 18.9  |
| 2007    | 854.0   | 97.8               | 951.8                       | 741.9  | 209.9  | 22.1  |
| 2008    | 921.8   | 91.8               | 1,013.8                     | 778.4  | 235.4  | 23.2  |

Table 5.2: Total Child Support Debt (TCSD) and its components<sup>1</sup>

Source: Child Support Report (CS5), CSA, June 2008.

Notes:

1. Totals may not add due to rounding.

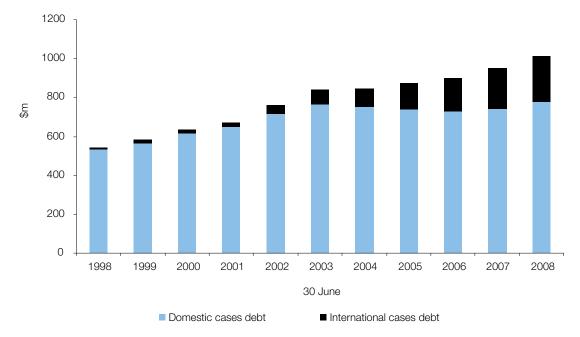
### Key fact: International cases accounts for 23.2 per cent of TCSD.

CSA monitoring indicated that TCSD increased between 1999 and 2004 as a result of three key factors:

- an increased number of overseas cases that came to Australia with large outstanding amounts
- an increase in overdue child support associated with cases that had a minimum liability and
- because of the rate of growth in the total caseload.

More recently TCSD has continued to increase as a consequence of other factors including:

- indexation of the minimum assessment (i.e. \$260 p.a. to \$339 p.a.) and
- increased liabilities due to more effective enforcement action, particularly in relation to taxation lodgement enforcement and parents involved in income minimisation. Whilst these enforcement actions have led to increased collections, they have also significantly contributed to growth in outstanding child support by increasing child support assessments.



#### Chart 5.1: Total Child Support Debt and its components

Source: Child Support Report (CS5), CSA, June 2008.

Table 5.2 and chart 5.1 record Scheme arrears amounts as at the end of the past eleven financial years. Column A in table 5.2 records cumulative net child support debt column B records write-off amounts (debt deemed to be currently uncollectible), and column C reports Cumulative TCSD, which is calculated by adding cumulative net child support debt and write-off together. Cumulative TCSD associated with overseas cases is recorded in Column E, while Column F expresses the Cumulative TCSD associated with overseas cases as a percentage of all TCSD.

Total cumulative TCSD increased by \$61.8 million (6.5 per cent) between June 2007 and June 2008. This compares with an increase of \$52.3 million (5.8 per cent) in the previous financial year. The majority of the increase in total cumulative TCSD was associated with domestic debt.

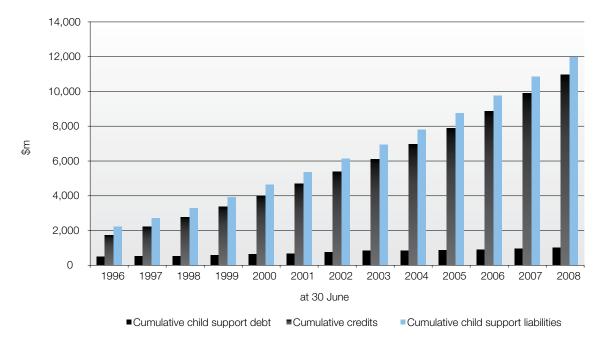
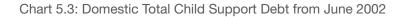
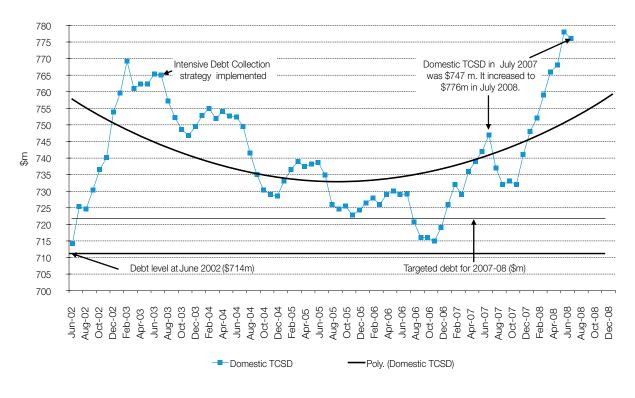


Chart 5.2: Cumulative liabilities, credits and debt for CSA collect cases 1996-2008

Chart 5.2 shows the significant difference between the cumulative TCSD and cumulative liabilities and credits. It demonstrates that while as a single figure TCSD may appear to be high, in comparison to the total amount of child support that has been collected it is relatively low. In other words the amount of child support that has been paid is significantly greater than what is owed.





Source: Child Support Report (CS5), CSA, June 2008.

Source: Child Support Report (CS5), CSA, June 2008.

Chart 5.3 shows a decline in the overall growth rate in domestic TCSD between 2002-03 and 2006–07. This confirmed the effectiveness of the CSA's debt reduction strategies for that period. In June 2003, before the introduction of the Intensive Debt Collection strategy, domestic TCSD stood at \$765.4 million and by June 2008 it had increased by \$12.9 million to \$778.3 million.

### 5.2 Paying parent liability and overdue child support

A paying parent liability is the amount of child support they have been assessed to pay. This section demonstrates the liability of parents with overdue child support.

| Paying parent annual liability <sup>3</sup> |         | Paid 0% |         | I       | Paid over 75 % | )       |
|---|---------|---------|---------|---------|----------------|---------|
| \$  | 2005–06 | 2006-07 | 2007–08 | 2005–06 | 2006–07        | 2007–08 |
| ≤ min                                       | 24.4    | 19.4    | 22.5    | 63.9    | 66.4           | 63.1    |
| >min-1,000                                  | 7.7     | 11.9    | 12.4    | 66.0    | 58.5           | 57.5    |
| 1,001–2,000                                 | 11.8    | 11.6    | 11.9    | 59.1    | 58.9           | 57.8    |
| 2,001–3,000                                 | 7.7     | 9.9     | 10.6    | 66.4    | 63.9           | 63.6    |
| 3,001–4,000                                 | 5.3     | 6.4     | 7.4     | 71.8    | 69.4           | 67.7    |
| 4,001–5,000                                 | 3.8     | 4.1     | 5.2     | 75.2    | 74.3           | 72.5    |
| 5,001–10,000                                | 3.4     | 4.1     | 4.6     | 77.6    | 76.9           | 75.3    |
| 10,001–30,000                               | 4.9     | 4.7     | 4.5     | 73.4    | 74.7           | 74.9    |
| 30,001 +                                    | 18.0    | 23.4    | 19.1    | 41.5    | 22.5           | 28.9    |
| Total                                       | 12.0    | 12.0    | 13.1    | 67.6    | 67.4           | 65.4    |

Table 5.3: Summary—percentages of paying parents by amount paid by paying parent liability (excluding nil liabilities)<sup>1-3</sup>

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. This table relates to customers rather than cases and excludes 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 column, not for the life of the Scheme.

3. The minimum liability for 2006-07 was \$333 or \$339, depending on the start date of the child support period.

## Key fact: In 2007-08, 19.1 per cent of parents who had an annual liability of \$30,000 or more paid nothing in child support.

The following tables 5.4, 5.5 and 5.6 compare the levels of compliance among CSA collect customers for the 2005-06, 2006-07 and 2007-08 financial years. This is summarised in table 5.1. From these tables it is evident there are more customers (in percentage terms) falling into the 'Paid 0 per cent' (12 per cent in 2006-07 and 13.1 per cent in 2007-08). In particular, it is noted from the three tables that the percentage of CSA collect paying parents who paid over 75 per cent has decreased from 67.4 per cent in 2006-07 to 65.4 per cent in 2007-08.

| Paying parent<br>liability (\$A) | Paid 0% | %    | Paid 1-<25% | 5%   | Paid 25–50% | %0  | Paid 50-≺75% | 75%  | Paid 75-<100% | %00  | Paid 100% | %(   | Total   | _     |
|----------------------------------|---------|------|-------------|------|-------------|-----|--------------|------|---------------|------|-----------|------|---------|-------|
|                                  | Number  | %    | Number      | %    | Number      | %   | Number       | %    | Number        | %    | Number    | %    | Number  | %     |
| < 260                            | 23,681  | 24.4 | 2,397       | 2.5  | 3,574       | 3.7 | 5,329        | 5.5  | 12,815        | 13.2 | 49,076    | 50.7 | 96,872  | 100.0 |
| 261-1,000                        | 4,436   | 7.7  | 3,519       | 6.1  | 5,506       | 9.6 | 6,091        | 10.6 | 18,341        | 31.9 | 19,618    | 34.1 | 57,511  | 100.0 |
| 1,001–2,000                      | 3,931   | 11.8 | 4,419       | 13.3 | 2,456       | 7.4 | 2,820        | 8.5  | 5,781         | 17.4 | 13,877    | 41.7 | 33,284  | 100.0 |
| 2,001–3,000                      | 2,078   | 7.7  | 2,842       | 10.5 | 1,861       | 6.9 | 2,310        | 8.5  | 5,715         | 21.1 | 12,271    | 45.3 | 27,077  | 100.0 |
| 3,001-4,000                      | 1,205   | 5.3  | 1,958       | 8.6  | 1,406       | 6.2 | 1,875        | 8.2  | 5,513         | 24.1 | 10,887    | 47.7 | 22,844  | 100.0 |
| 4,001–5,000                      | 703     | 3.8  | 1,375       | 7.5  | 1,047       | 5.7 | 1,427        | 7.8  | 4,609         | 25.1 | 9,202     | 50.1 | 18,363  | 100.0 |
| 5,001-10,000                     | 1,613   | 3.4  | 2,968       | 6.3  | 2,438       | 5.2 | 3,498        | 7.5  | 12,428        | 26.6 | 23,857    | 51.0 | 46,802  | 100.0 |
| 10,001–30,000                    | 965     | 4.9  | 1,532       | 7.8  | 1,188       | 6.1 | 1,544        | 7.9  | 4,978         | 25.4 | 9,409     | 48.0 | 19,616  | 100.0 |
| 30,001 +                         | 176     | 18.0 | 275         | 28.1 | 68          | 7.0 | 53           | 5.4  | 144           | 14.7 | 262       | 26.8 | 978     | 100.0 |
| Total                            | 38,788  | 12.0 | 21,285      | 6.6  | 19,544      | 6.0 | 24,947       | 7.7  | 70,324        | 21.7 | 148,459   | 45.9 | 323,347 | 100.0 |

Table 5.4: Paying parent liability by % paid in 2005-06 for CSA collect active customers (excluding nil liabilities), June 2006<sup>12</sup>

Customer Research Extract, CSA, June 2006. Source:

Notes:

These tables relate to customers rather than cases and exclude those customers who had nil liabilities during the year. -- ci

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.

| Paying parent<br>liability (\$A) |        | Paid 0% | Paid 1 | Paid 1-<25% | Paid 2 | Paid 25–50% | Paid 50-≺75% | -<75% | Paid 75-<100% | <100% | Paic    | Paid 100% |         | Total |
|----------------------------------|--------|---------|--------|-------------|--------|-------------|--------------|-------|---------------|-------|---------|-----------|---------|-------|
|                                  | Number | %       | Number | %           | Number | %           | Number       | %     | Number        | %     | Number  | %         | Number  | %     |
| < 333                            | 23,331 | 19.4    | 3,599  | 3.0         | 5,423  | 4.5         | 7,976        | 6.6   | 32,900        | 27.3  | 47,065  | 39.1      | 120,294 | 100.0 |
| 334-1,000                        | 3,897  | 11.9    | 2,367  | 7.2         | 3,543  | 10.8        | 3,766        | 11.5  | 5,590         | 17.1  | 13,523  | 41.4      | 32,686  | 100.0 |
| 1,001–2,000                      | 3,849  | 11.6    | 4,284  | 12.9        | 2,851  | 8.6         | 2,641        | 8.0   | 5,523         | 16.7  | 13,983  | 42.2      | 33,131  | 100.0 |
| 2,001–3,000                      | 2,748  | 9.9     | 3,156  | 11.4        | 1,843  | 6.6         | 2,282        | 8.2   | 5,308         | 19.2  | 12,378  | 44.7      | 27,715  | 100.0 |
| 3,001-4,000                      | 1,505  | 6.4     | 2,291  | 9.8         | 1,491  | 6.4         | 1,899        | 8.1   | 4,906         | 20.9  | 11,365  | 48.5      | 23,457  | 100.0 |
| 4,001–5,000                      | 627    | 4.1     | 1,475  | 7.8         | 1,101  | 5.8         | 1,510        | 8.0   | 4,271         | 22.5  | 9,835   | 51.8      | 18,971  | 100.0 |
| 5,001-10,000                     | 2,003  | 4.1     | 3,348  | 6.8         | 2,482  | 5.1         | 3,485        | 7.1   | 11,300        | 23.0  | 26,445  | 53.9      | 49,063  | 100.0 |
| 10,001-30,000                    | 1,023  | 4.7     | 1,719  | 7.9         | 1,195  | 5.5         | 1,573        | 7.2   | 5,077         | 23.4  | 11,133  | 51.3      | 21,720  | 100.0 |
| 30,001 +                         | 180    | 23.4    | 293    | 38.2        | 67     | 8.7         | 55           | 7.2   | 69            | 9.0   | 104     | 13.5      | 768     | 100.0 |
| Total                            | 39,315 | 12.0    | 22,532 | 6.9         | 19,996 | 6.1         | 25,187       | 7.7   | 74,944        | 22.9  | 145,831 | 44.5      | 327,805 | 100.0 |

Table 5.5: Paying parent liability by % paid in 2006-07 for CSA collect active customers (excluding nil liabilities), June 2007<sup>12</sup>

Source: Customer Research Extract, CSA, June 2007.

Notes:

1. These tables relate to customers rather than cases and exclude those customers who had nil liabilities during the year.

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. сi

Table 5.5 shows that categories in this table have seen a percentage increase, with the exception of "Paid 100%", which declined from 44.5 per cent in 2006-07 to 42.4 per cent in 2007-08. Table 5.6: Paying parent liability by % paid in 2007-08 for CSA collect active customers (excl. nil liabilities), June 2008

| Paying parent |        |         |        |                 | 10:00   | ,EO0/        |  | , <b>7</b> 6.0/ | и<br>С         | /000 F | ć       |           | - tot   |       |
|---------------|--------|---------|--------|-----------------|---------|--------------|--|-----------------|----------------|--------|---------|-----------|---------|-------|
| liability \$  | Ĺ      | Paid U% | Laid   | 222 - 1 - 222 % | Paid 25 | raid 25-<50% | Faid 50- 5%</th <th>%6/&gt;-</th> <th>Paia / 5-&lt;100%</th> <th>%001&gt;-</th> <th>ĩ</th> <th>raid 100%</th> <th>lotal</th> <th></th> | %6/>-           | Paia / 5-<100% | %001>- | ĩ       | raid 100% | lotal   |       |
|               | Number | %       | Number | %               | Number  | %            | Number   | %               | Number         | %      | Number  | %         | Number  | %     |
| <= 339        | 25,686 | 22.5    | 3,656  | 3.2             | 5,233   | 4.6          | 7,533  | 6.6             | 28,210         | 24.7   | 43,827  | 38.4      | 114,145 | 100.0 |
| 340-1,000     | 4,763  | 12.4    | 2,856  | 7.4             | 4,106   | 10.7         | 4,593  | 12              | 7,947          | 20.7   | 14,137  | 36.8      | 38,402  | 100.0 |
| 1,001-2,000   | 3,866  | 11.9    | 4,263  | 13.2            | 2,788   | 8.6          | 2,772  | 8.6             | 5,430          | 16.8   | 13,261  | 41.0      | 32,380  | 100.0 |
| 2,001-3,000   | 2,989  | 10.6    | 3,243  | 11.5            | 1,879   | 6.7          | 2,441  | 8.7             | 5,547          | 19.7   | 12,082  | 42.9      | 28,181  | 100.0 |
| 3,001-4,000   | 1,770  | 7.4     | 2,293  | 9.6             | 1,545   | 6.5          | 2,081  | 8.8             | 5,204          | 21.9   | 10,886  | 45.8      | 23,779  | 100.0 |
| 4,001-5,000   | 992    | 5.2     | 1,510  | 7.8             | 1,175   | 6.1          | 1,607  | 8.4             | 4,700          | 24.4   | 9,257   | 48.1      | 19,241  | 100.0 |
| 5,001-10,000  | 2,400  | 4.6     | 3,581  | 6.9             | 2,866   | 5.5          | 3,987  | 7.7             | 13,214         | 25.5   | 25,799  | 49.8      | 51,847  | 100.0 |
| 10,001-30,000 | 1,096  | 4.5     | 1,849  | 7.5             | 1,393   | 5.7          | 1,839  | 7.5             | 6,394          | 26.0   | 12,009  | 48.9      | 24,580  | 100.0 |
| 30,001+       | 159    | 19.1    | 302    | 36.2            | 84      | 10.1         | 48   | 5.8             | 66             | 11.9   | 142     | 17.0      | 834     | 100.0 |
| Total         | 43,721 | 13.1    | 23,553 | 7.1             | 21,069  | 6.3          | 26,901   | 8.1             | 76,745         | 23.0   | 141,400 | 42.4      | 333,389 | 100.0 |

Source: Customer Research Extract, CSA, June 2008.

| June 2008  |
|------------|
| customers, |
| collect    |
| CSA        |
| for        |
| -2008      |
| 2007-2008  |
| paid in    |
| %          |
| and by     |
| state      |
| parent by  |
| Paying pa  |
| 5.7:       |
| Table {    |

| Paying parent<br>state   | Paid 0%                                 | %      | Paid 1-<25% | 25%   | Paid 25-<50% | :50%  | Paid 50-<75% | د75%  | Paid 75-<100% | %00   | Paid 100% | %0    | Total   |       |
|--------------------------|---|--------|-------------|-------|--------------|-------|--------------|-------|---------------|-------|-----------|-------|---------|-------|
|                          | Number                                  | %      | Number      | %     | Number       | %     | Number       | %     | Number        | %     | Number    | %     | Number  | %     |
| ACT                      | 262                                     | 1.8    | 282         | 1.2   | 270          | 1.3   | 357          | 1.3   | 1,134         | 1.5   | 2,124     | 1.5   | 4,960   | 1.5   |
| NSW                      | 9,887                                   | 22.6   | 5,913       | 25.1  | 5,483        | 26.0  | 7,226        | 26.9  | 22,838        | 29.8  | 41,106    | 29.1  | 92,453  | 27.7  |
| NT                       | 398                                     | 0.9    | 291         | 1.2   | 284          | 1.3   | 379          | 1.4   | 896           | 1.2   | 1,636     | 1.2   | 3,884   | 1.2   |
| QLD                      | 8,980                                   | 20.5   | 5,710       | 24.2  | 5,276        | 25.0  | 6,563        | 24.4  | 16,939        | 22.1  | 31,786    | 22.5  | 75,254  | 22.6  |
| SA                       | 1,813                                   | 4.1    | 1,438       | 6.1   | 1,458        | 6.9   | 2,035        | 7.6   | 6,832         | 8.9   | 11,463    | 8.1   | 25,039  | 7.5   |
| TAS                      | 649                                     | 1.5    | 472         | 2.0   | 493          | 2.3   | 698          | 2.6   | 2,328         | 3.0   | 3,948     | 2.8   | 8,588   | 2.6   |
| VIC                      | 7,184                                   | 16.4   | 4,485       | 19.0  | 4,078        | 19.4  | 5,472        | 20.3  | 16,138        | 21.0  | 30,441    | 21.5  | 67,798  | 20.3  |
| WA                       | 4,066                                   | 9.3    | 2,508       | 10.6  | 2,302        | 10.9  | 2,773        | 10.3  | 7,313         | 9.5   | 13,878    | 9.8   | 32,840  | 9.9   |
| International            | 9,946                                   | 22.7   | 2,452       | 10.4  | 1,423        | 6.8   | 1,397        | 5.2   | 2,312         | 3.0   | 4,986     | 3.5   | 22,516  | 6.8   |
| Unknown                  | 5                                       | 0.0    | 2           | 0.0   | N            | 0.0   | -            | 0.0   | 15            | 0.0   | 32        | 0.0   | 57      | 0.0   |
| Total                    | 43,721                                  | 100.0  | 23,553      | 100.0 | 21,069       | 100.0 | 26,901       | 100.0 | 76,745        | 100.0 | 141,400   | 100.0 | 333,389 | 100.0 |
| Source: Customer Besearc | Customor Doccomb Extract CCA Turno 2008 | a000 ( |             |       |              |       |              |       |               |       |           |       |         |       |

Source: Customer Research Extract, CSA, June 2008.

Key fact: Of the total number of CSA collect paying parent who paid 100 per cent, 29 per cent lived in NSW.

particular column, are found in each of the Australian states and territories. The final column then records the percentage of all CSA collect paying parents that are This is the first time the data in table 5.7 has been reported in Facts and Figures and provides the number of CSA collect paying parents by level and percentage as well as the amount of their child support liability paid during the 2007-08 year. The percentages in the table record what proportion of the customers, in a found in each of the states and territories.

| Paying parent state |         | Liability     | Total Child Sup<br>write | Total Child Support Debt (including write off debt) | CSA collec<br>payments fr<br>rr | CSA collect paying parents<br>payments for the last twelve<br>months | Number of Cases | %     |
|---------------------|---------|---------------|--------------------------|---|---------------------------------|--|-----------------|-------|
|                     | Mean \$ | Total \$      | Mean \$                  | Total \$  | Mean \$                         | Total \$   |                 |       |
| ACT                 | 4,547   | 47,732,101    | 1,449                    | 16,491,748  | 1,742                           | 19,822,928   | 11,382          | 1.4   |
| NSN                 | 3,818   | 853,333,718   | 679                      | 231,805,471   | 1,306                           | 309,351,840  | 236,805         | 29.4  |
| NT                  | 3,869   | 29,653,055    | 1,165                    | 9,587,295   | 1,926                           | 15,847,697   | 8,229           | 1.0   |
| QLD                 | 3,814   | 629,777,837   | 1,149                    | 202,873,720   | 1,458                           | 257,370,659  | 176,528         | 22.0  |
| SA                  | 3,316   | 197,455,195   | 711                      | 44,889,565  | 1,232                           | 77,731,915   | 63,097          | 7.8   |
| TAS                 | 2,876   | 56,585,372    | 620                      | 12,865,048  | 1,191                           | 24,717,468   | 20,761          | 2.6   |
| VIC                 | 4,016   | 646,601,538   | 994                      | 169,760,410   | 1,359                           | 232,173,457  | 170,852         | 21.2  |
| WA                  | 4,737   | 344,637,200   | 1,155                    | 90,101,666  | 1,698                           | 132,507,689  | 78,021          | 9.7   |
| International       | 3,521   | 102,586,250   | 6,140                    | 235,321,435   | 1,416                           | 54,254,942   | 38,328          | 4.8   |
| Unknown             | 6,329   | 898,768       | 475                      | 69,375  | 2,298                           | 335,539  | 146             | 0.0   |
| Total               | 3,884   | 2,909,261,034 | 1,261                    | 1,013,765,733                                       | 1,398                           | 1,124,114,134  | 804,149         | 100.0 |

Table 5.8: Liability for all cases and payment for CSA cases by state, June 2008

Source: Customer Research Extract, CSA, June 2008.

| Amount of overdue child support |         |         | Annual | child suppor    | t liability       |          |         |
|---------------------------------|---------|---------|--------|-----------------|-------------------|----------|---------|
|                                 | \$0     | \$1-338 | \$339  | \$340-<br>1,000 | \$1,001-<br>5,000 | \$5,001+ | Total   |
| \$0                             | 59,228  | 66,705  | 38,615 | 21,256          | 124,938           | 174,691  | 485,433 |
| \$1-339                         | 12,846  | 29,599  | 16,158 | 4,611           | 11,613            | 7,237    | 82,064  |
| \$340-1,000                     | 6,666   | 10,030  | 7,498  | 2,619           | 10,267            | 7,064    | 44,144  |
| \$1,001-5,000                   | 12,389  | 12,998  | 10,344 | 3,575           | 19,137            | 14,833   | 73,276  |
| \$5,001-10,000                  | 5,108   | 3,397   | 2,807  | 1,269           | 6,840             | 6,268    | 25,689  |
| \$10,001+                       | 6,098   | 2,393   | 2,082  | 1,213           | 7,347             | 9,373    | 28,506  |
| Total                           | 102,335 | 125,122 | 77,504 | 34,543          | 180,142           | 219,466  | 739,112 |

Table 5.9: Paying parent liability by level of debt in 2007-08

Source: Customer Research Extract, CSA, June 2008.

Key fact: 79.6 per cent of paying parents who have a liability of greater than \$5,000 a year have no overdue child support.

Table 5.9 shows the amount of child support owed by paying parents in comparison to their child support liability. Paying parents with an annual liability of \$0 in 2007-08 may still have overdue child support as they may have incurred this debt prior to being assessed at nil liability. For example, there are 23,595 customers (3.2 per cent of all paying parents) who are currently on a nil liability who owe over \$1,000 in child support.

It also shows that 28,506 (3.9 per cent) of paying parents owe more than \$10,000 in child support.

## 5.3 Paying parent TCSD by child support income

The following shows the amount of overdue child support in comparison to the amount of a paying parent's child support income.

Table 5.10: Paying parent TCSD by child support income, June 2008 (all cases)<sup>12</sup>

| Overdue<br>child<br>support<br>amount<br>(\$) | \$0-12,000 Child support income         | ) Child su  | pport inc | ome      | \$12,001-20,000 Child support<br>income | 20,000 Ch<br>income | hild supp | oort     | \$ 20,001-50,000 Child support<br>income | 50,000 Ch<br>income | hild supp | oort     | \$ 50,000+ Child support income | Child sur | port inc   | ome      |                     | Total |         |          |
|---|---|-------------|-----------|----------|---|---------------------|-----------|----------|--|---------------------|-----------|----------|---------------------------------|-----------|------------|----------|---------------------|-------|---------|----------|
|   | No. of<br>customers                     | No. %       | Sum Sum   | Sum<br>% | No. of<br>customers                     | No. %               | Sum Sum   | Sum<br>% | No. of<br>customers                      | No %                | Sum<br>Sm | Sum<br>8 | No. of<br>customers             | No. %     | Sum<br>Sum | Sum<br>% | No. of<br>customers | No. % | Sum Sum | Sum<br>% |
| 0   | 102,716                                 | 44.1        | 0.0       | 0.0      | 67,493                                  | 61.6                | 0.0       | 0.0      | 210,301                                  | 71.3                | 0.0       | 0.0      | 140,643                         | 84.3      | 0.0        | 0.0      | 521,153             | 64.8  | 0.0     | 0        |
| 1-339   | 50,482                                  | 21.7        | 5.3       | 1.2      | 19,917                                  | 18.2                | 2.1       | 2.3      | 19,515                                   | 6.6                 | 2.6       | 0.8      | 5,462                           | 3.3       | 0.7        | 0.5      | 95,376              | 11.9  | 10.7    | 1.1      |
| 340-500                                       | 7,939                                   | 3.4         | 3.3       | 0.8      | 2,848                                   | 2.6                 | 1.2       | 1.3      | 4,739                                    | 1.6                 | 2.0       | 0.6      | 1,496                           | 0.9       | 0.6        | 0.4      | 17,022              | 2.1   | 7.1     | 0.7      |
| 501-<br>1,000                                 | 15,272                                  | 6.6         | 11.1      | 2.5      | 4,738                                   | 4.3                 | 3.4       | 3.7      | 10,536                                   | 3.6                 | 7.7       | 2.2      | 3,285                           | 2.0       | 2.4        | 1.7      | 33,831              | 4.2   | 24.6    | 2.4      |
| 1,001-<br>2,000                               | 16,278                                  | 0.7         | 23.6      | 5.4      | 4,366                                   | 4.0                 | 6.3       | 6.9      | 12,646                                   | 4.3                 | 18.4      | 5.3      | 3,625                           | 2.2       | 5.3        | 3.8      | 36,915              | 4.6   | 53.6    | 5.3      |
| 2,001-<br>5,000                               | 17,930                                  | 7.7         | 57.8      | 13.2     | 5,117                                   | 4.7                 | 16.4      | 17.9     | 16,729                                   | 5.7                 | 54.4      | 15.8     | 5,006                           | 3.0       | 16.4       | 11.7     | 44,782              | 5.6   | 145.0   | 14.3     |
| 5,001-<br>10,000                              | 10,700                                  | 4.6         | 76.0      | 17.4     | 2,888                                   | 2.6                 | 20.4      | 22.3     | 10,581                                   | 3.6                 | 75.2      | 21.8     | 3,259                           | 2.0       | 23.1       | 16.6     | 27,428              | 3.4   | 194.8   | 19.2     |
| >10,001                                       | 11,659                                  | 5.0         | 261.1     | 59.6     | 2,137                                   | 2.0                 | 41.6      | 45.5     | 9,857                                    | 3.3                 | 184.3     | 53.5     | 3,989                           | 2.4       | 91.0       | 65.2     | 27,642              | 3.4   | 578.0   | 57.0     |
| Total   | 232,976                                 | 100.0       | 438.3     | 100.0    | 1 09,504                                | 100.0               | 91.5      | 100.0    | 294,904                                  | 100.0               | 344.6     | 1 00.0   | 166,765                         | 100.0     | 139.4      | 1 00.0   | 804,149             | 100.0 | 1013.8  | 100.0    |
| Source: Custo                                 | Gustomer Besearch Extract CSA June 2008 | ract CSA Ju | ne 2008   |          |   |                     |           |          |  |                     |           |          |                                 |           |            |          |                     |       |         |          |

Source: Customer Research Extract, CSA, June 2008.

Notes:

1. This table records Total Child Support Debt (TCSD) associated with all CSA cases, both active cases and those that have ended with arrears.

2. Totals may not add due to rounding. Table includes the CSA collect and private collect cases that have ended with arrears.

Key fact: Over half of the total outstanding child support debt (\$578 million) is made up of individual customer debts greater than \$10,000.

Table 5.10 shows the number of paying parents in each income range by the size of TCSD attributable to both current liability cases and cases ended with arrears.

paying parent income groups, those with incomes of between \$0-\$12,000 p.a. and those with incomes over \$50,000. Debt associated with the former customer group increased by \$31.9 million or 7.8 per cent in 2007-08 over the previous year, while debt associated with the >\$50,000 income group increased by \$26.2 In 2007-08 TCSD increased from \$951.8 million to \$1,013.8 million. Significantly, however, most of the increase in overdue child support is attributable to two million or 23.1 per cent. Table 5.10 shows that only 3.4 per cent of paying parents have overdue child support greater than \$10,000. The overdue child support associated with these paying parents, however, comprises 57 per cent of the total outstanding child support. Of equal note is the \$438.3 million (or 43.2 per cent) of overdue child support associated with paying parents who have child support incomes of \$12,000 or less.

support. Only 2.7 per cent of domestic cases have outstanding child support of over \$10,000 but 18.4 per cent of international cases have overdue amounts of While 66.7 per cent of domestic cases in table 5.11 have no overdue amount, only 27.6 per cent of international cases have no amount of outstanding child over \$10,000.

| Overdue child<br>support (\$) |         | Domestic | estic   |       |        | International | ational |       |         | Total | tal     |       |
|-------------------------------|---------|----------|---------|-------|--------|---------------|---------|-------|---------|-------|---------|-------|
|                               | No.     | No. %    | Sum \$m | 8 mm  | No.    | No. %         | Sum \$m | % mnS | No.     | No. % | Sum \$m | 8 mm  |
| 0                             | 510,564 | 66.7     | 0.0     | 0.0   | 10,589 | 27.6          | 0.0     | 0.0   | 521,153 | 64.8  | 0.0     | 0.0   |
| 1-339                         | 91,031  | 11.9     | 10.1    | 1.3   | 4,345  | 11.3          | 0.6     | 0.2   | 95,376  | 11.9  | 10.7    | 1.1   |
| 340-500                       | 15,943  | 2.1      | 6.6     | 0.9   | 1,079  | 2.8           | 0.5     | 0.2   | 17,022  | 2.1   | 7.1     | 0.7   |
| 501-1,000                     | 31,165  | 4.1      | 22.6    | 2.9   | 2,666  | 7.0           | 2.0     | 0.8   | 33,831  | 4.2   | 24.6    | 2.4   |
| 1,001-2,000                   | 32,925  | 4.3      | 47.7    | 6.1   | 3,990  | 10.4          | 5.9     | 2.5   | 36,915  | 4.6   | 53.6    | 5.3   |
| 2,001-5,000                   | 39,962  | 5.2      | 129.3   | 16.6  | 4,820  | 12.6          | 15.7    | 6.7   | 44,782  | 5.6   | 145.0   | 14.3  |
| 5,001-10,000                  | 23,626  | 3.1      | 167.1   | 21.5  | 3,802  | 9.9           | 27.7    | 11.8  | 27,428  | 3.4   | 194.8   | 19.2  |
| >10,001                       | 20,605  | 2.7      | 395.0   | 50.7  | 7,037  | 18.4          | 183.0   | 77.8  | 27,642  | 3.4   | 578.0   | 57.0  |
| Total                         | 765,821 | 100.0    | 778.4   | 100.0 | 38,328 | 100.0         | 235.3   | 100.0 | 804,149 | 100.0 | 1,013.8 | 100.0 |
|                               |         |          |         |       |        |               |         |       |         |       |         |       |

Table 5.11: Paying parent TCSD - domestic and international cases, June 200812

Source: Oustomer Research Extract, CSA, June 2008.

Notes:

1. This table records Total Child Support Debt (TCSD) associated with all CSA cases, both active cases and those that have ended with arrears.

2. Totals may not add due to rounding. Table includes CSA collect and private collect cases that have ended with arrears.

Key fact: 12.6 per cent of international parents owe between \$2001-5000 in child support.

|                                    | יט אמייי |          |            |       | 1000   |       |               |       |         |       |         |       |
|------------------------------------|----------|----------|------------|-------|--------|-------|---------------|-------|---------|-------|---------|-------|
| Total paying parent income<br>(\$) |          | Domestic | stic       |       |        | Inter | International |       |         | Total | -re     |       |
|                                    | No.      | No. %    | Sum<br>\$m | Sum % | No.    | No. % | Sum \$m       | Sum % | No.     | No. % | Sum \$m | 8um % |
| 0-12,000                           | 112,359  | 44.0     | 280.5      | 36.0  | 17,901 | 64.5  | 157.7         | 67.0  | 130,260 | 46.0  | 438.3   | 43.2  |
| 12,001-20,000                      | 40,361   | 15.8     | 83.9       | 10.8  | 1,650  | 5.9   | 7.5           | 3.2   | 42,011  | 14.8  | 91.5    | 9.0   |
| 20,001-50,000                      | 78,114   | 30.6     | 297.8      | 38.3  | 6,489  | 23.4  | 46.8          | 19.9  | 84,603  | 29.9  | 344.6   | 34.0  |
| 50,000+                            | 24,423   | 9.6      | 116.2      | 14.9  | 1,699  | 6.1   | 23.3          | 9.0   | 26,122  | 9.2   | 139.4   | 13.8  |
| Total                              | 255,257  | 100.0    | 778.4      | 100.0 | 27,739 | 100.0 | 235.3         | 100.0 | 282,996 | 100.0 | 1013.8  | 100.0 |
|                                    |          |          |            |       |        |       |               |       |         |       |         |       |

Table 5.12 $\cdot$  TCSD for paving parents with overdue amounts only. Unne 2008 $^{1.2}$ 

Source: Customer Research Extract, CSA, June 2008.

Notes:

This table records Total Child Support Debt (TCSD) associated with all CSA cases, both active cases and those that have ended with arrears. *...* 

Totals may not add due to rounding. Table includes CSA collect and private collect cases that have ended with arrears.

Key fact: Paying parents in Australia whose child support income was between \$20,001-\$50,000 owe the highest amount (\$297.8 million) of domestic child support debt. Table 5.12 shows that 44 per cent of domestic paying parents with overdue amounts were in the \$0-12,000 income range, and their overdue amounts accounted overdue amounts, had incomes of \$50,000 or higher and they accounted for 14.9 per cent of the TCSD associated with domestic cases. Of international paying \$12,000 or less and account for 67 per cent of the TCSD associated with all international cases. Approximately 9.6 per cent of domestic paying parents, with for 36 per cent of the domestic TCSD. This compares with 64.5 per cent of international paying parents with outstanding child support who have incomes of parents with outstanding child support, 6.1 per cent had incomes of \$50,000 and over, and accounted for 9.9 per cent of the international TCSD. Table 5.13: Number of paying parents with overdue child support who have not paid anything for the life of the case, June 2008

| Paying parent' child support income | Number of non-<br>paying parents | % of non-paying<br>parents | Total paying<br>parents | % of total paying<br>parents |
|-------------------------------------|----------------------------------|----------------------------|-------------------------|------------------------------|
| \$0 - 5,000                         | 8,675                            | 50.6                       | 129,821                 | 6.7                          |
| \$5,001 – 10,000                    | 798                              | 4.7                        | 44,270                  | 1.8                          |
| \$10,001 – 25,000                   | 2,526                            | 14.7                       | 186,108                 | 1.4                          |
| \$25,001 – 50,000                   | 4,166                            | 24.3                       | 228,074                 | 1.8                          |
| 50,001 – \$75,000                   | 654                              | 3.8                        | 100,144                 | 0.6                          |
| \$75,001 – \$100,000                | 174                              | 1.0                        | 30,641                  | 0.6                          |
| \$100,001+                          | 139                              | 0.8                        | 20,054                  | 0.7                          |
| Total                               | 17,132                           | 100.0                      | 739,112                 | 2.3                          |

Source: Customer Research Extract, CSA, June 2008.

*Key fact: 17,132 (2.32 per cent) paying parents have paid nothing during the life of their case.* 

Table 5.13 shows that there are 17,132 paying parents who have paid nothing over the life of their case. This is only 2.32 per cent of the total number of paying customers in 2007-08.

The segment with the highest percentage of parents who paid nothing in the life of their case is parents with an income of \$5,000 or less. Some parents in this group may be eligible to be assessed to pay no child support, but have not provided the correct information to the CSA.

| Paying parents child support | Total paying parents with debt | % of paying parents with debt | Number of total paying parents |
|------------------------------|--------------------------------|-------------------------------|--------------------------------|
| \$0 - 5,000                  | 73,592                         | 29.0                          | 129,821                        |
| \$5,001 - 10,000             | 18,907                         | 7.4                           | 44,270                         |
| \$10,001 - 25,000            | 74,598                         | 29.4                          | 186,108                        |
| \$25,001 - 50,000            | 62,129                         | 24.5                          | 228,074                        |
| \$50,001 – 75,000            | 17,621                         | 6.9                           | 100,144                        |
| \$75,000 - 100,000           | 4,361                          | 1.7                           | 30,641                         |
| \$100,001+                   | 2,471                          | 1.0                           | 20,054                         |
| Total                        | 253,679                        | 100.0                         | 739,112                        |

Table 5.14: Paying parent with debt by level of income

Source: Customer Research Extract, CSA, June 2008.

Key fact: In June 2008 there were 485,433 paying parents who did not owe any child support.

| Paying parent child support income | CSA collect paying<br>parents paid nothing<br>in 2007-08 | %    | CSA collect<br>paying parents<br>paid something | %    | Total CSA<br>collect<br>paying<br>parents | Total % |
|------------------------------------|--|------|---|------|---|---------|
| \$0-5000                           | 29,118   | 8.1  | 59,112  | 16.4 | 88,230                                    | 24.5    |
| \$5001-10000                       | 4,218  | 1.2  | 18,958  | 5.3  | 23,176                                    | 6.4     |
| \$10001-25000                      | 16,155   | 4.5  | 80,190  | 22.3 | 96,345                                    | 26.8    |
| \$25001-50000                      | 13,420   | 3.7  | 85,367  | 23.7 | 98,787                                    | 27.4    |
| \$50001-75000                      | 2,482  | 0.7  | 34,749  | 9.7  | 37,231                                    | 10.3    |
| \$75001-100000                     | 618  | 0.2  | 9,430   | 2.6  | 10,048                                    | 2.8     |
| \$100001+                          | 425  | 0.1  | 5,824   | 1.6  | 6,249                                     | 1.8     |
| Total CSA collect                  | 66,436   | 18.5 | 293,630   | 81.5 | 360,066                                   | 100.0   |

Table 5.15: CSA collect paying parents who did not pay child support in 2007-08

Source: Customer Research Extract, CSA, June 2008.

*Key fact: Only 3.7 per cent of parents who earnt \$25,001-\$50,000 have paid no child support in 2007-08.* 

Table 5.15 shows the number of paying parents who paid nothing in the 2007-08 financial year and those that did not pay the total amount of their liability. Similar to table 5.14 the main group who paid nothing were those parents who had an income of less than \$5,000. 81.5 per cent of all CSA collect paying parents paid at least some child support in 2007-08.

## 5.4 Compliance measures

Parents who are not motivated to meet their child support responsibilities may structure their personal and financial affairs to avoid or minimise child support. The CSA has a comprehensive compliance program that aims to ensure that children are supported by their parents.

Between 2006 and 2010 the CSA aims to:

- Contact 67,500 customers as part of the Intensive Debt Collection and expect to deliver an additional \$140.2 million in child support payments by 30 June 2010.
- Issue 4,500 Departure Prohibition orders and expect to deliver an additional \$25.8 million in child support payments by 30 June 2010.
- Litigate against 2,400 parents and expect to deliver an additional \$35.4 million in child support payments by 30 June 2010.
- Undertake 6,300 income minimisation cases and expect to deliver an additional \$93.2 million in child support payments by 2010.
- Refer 400,000 non lodging customers to the ATO for lodgement enforcement activity, collecting \$15 million in child support payments by 30 June 2010.
- Intercept income support payments to collect outstanding payments, collecting \$26.5 million in child support payments by 30 June 2010.

Table 5.16 below demonstrates the progress on meeting these targets in 2006-07 and 2007-08.

|  | 2006-2007      | 2007-2008 |
|--|----------------|-----------|
| Departure Prohibition Orders (DPOs)                |                | •         |
| Issued   | 846            | 924       |
| Finalised  | 382            | 538       |
| Total collected                                    | \$4.1m         | \$5.7m    |
| Intensive debt collection (IDC)                    |                | •         |
| Actioned   | 44,993         | 26,385    |
| Attributed collections                             | \$48.7m        | \$28.4m   |
| Tax refund intercept (TRIPS)                       | ·              |           |
| Number of intercepts                               | 95,935         | 87,819    |
| Amount collected                                   | \$72.8m        | \$76.0m   |
| Employer withholding of arrears (automatic sala    | ry deductions) |           |
| Customers  | 74,840         |           |
| Number of employers                                | 30,319         |           |
| Amount collected                                   | \$397.3m       | \$412.3m  |
| Litigation (court proceedings)                     |                | •         |
| Case finalised                                     | 479            | 631       |
| Net reduction in debt                              | \$12.8m        | \$15.3m   |
| Income minimisers                                  |                | ·         |
| Investigations finalised (inc finalised no change) | 4,013          | 5,886     |
| Liability corrected                                | \$9.1m         | \$24.7m   |
| Amount collected                                   | \$2.9m         | \$12.5m   |
| Total collected through this program               | \$538.6m       | \$550.2m  |

Source: Compliance Team, CSA, June 2008.

Table 5.16 shows that through the compliance program the CSA has collected \$550.2 million in 2007-08. The two most successful programs were employer withholding of arrears (\$412 million) and Tax Refund Intercepts (\$76 million). Employer withholding of arrears is a collection method, where the CSA can legally ask that a paying parent's employer deducts a specified amount of overdue child support, as well as their current child support liability, directly from their wages or salary. The tax return intercepts program works directly with the ATO, who advises the CSA when a tax return has been completed by a paying parent, and a refund is available and is about to be paid. The CSA may take the refund and apply it to meet an outstanding child support payment.

## 6.0 CSA people and service options

In this section: CSA people Service options



The CSA is represented throughout Australia, with offices located in every state and territory. There are 16 major metropolitan sites and 27 Regional Service Centres (RSCs), helping CSA to connect with customers in regional and rural Australia. Here staff can deliver improved access to CSA services and use their local presence to offer a more personalised service.

## 6.1 CSA people

At the CSA over 70 per cent of CSA staff are involved in some form of direct customer service, however we also employ people from a broad range of specialised areas like business, communication and media, administration, project management and staff training.

Table 6.1: CSA Full-Time Equivalent (FTE) staff by region and Australian Public Service (APS) Level, June 2008

|                   | APS     | Executive level | Senior Executive Service | Total   |
|-------------------|---------|-----------------|--------------------------|---------|
| National Office   | 832.9   | 290.7           | 24.8                     | 1,148.4 |
| Victoria          | 704.6   | 34.6            | 2.0                      | 741.3   |
| Queensland        | 527.0   | 34.8            | 1.0                      | 565.8   |
| Western Australia | 265.4   | 16.8            | 1.0                      | 283.2   |
| ACT/NSW           | 820.7   | 46.2            | 1.0                      | 868.0   |
| Tasmania          | 184.3   | 10.8            | 1.0                      | 196.1   |
| SA/NT             | 215.3   | 11.0            | 1.0                      | 227.3   |
| Grand total       | 3,553.2 | 444.9           | 31.8                     | 4,030.1 |

Source: Child Support Agency, June 2008.

Key fact: Staff full-time equivalents have increased by only 1.3 per cent in 2007-08.

At the end of June 2008 there were 4,030 Full-Time Equivalent (FTE) staff in the CSA. This is 54 (1.3 per cent) more FTE staff than June 2007. This is a significant drop from the increase in FTE staff seen during 2006-07 (i.e. 15.2 per cent). The 2006-07 increase was due to the recruitment of staff for the introduction of the new Scheme on 1 July 2008.

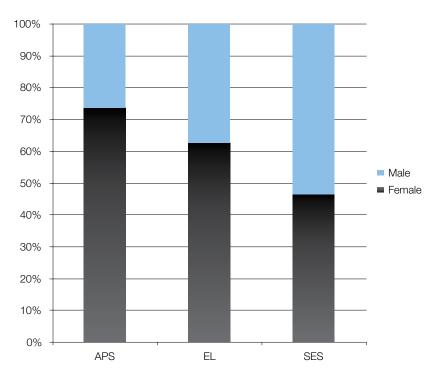


Chart 6.1: Percentage of total CSA FTE staff by gender

Source: Child Support Agency, June 2008.

Table 6.2: CSA Full Time Equivalent (FTE) staff pay scale groups by APS level and gender

|                          | Fe      | emale |         | Male |
|--------------------------|---------|-------|---------|------|
| Pay scale group          | Number  | %     | Number  | %    |
| APS                      | 2,622.2 | 73.8  | 931.1   | 26.2 |
| Executive Level          | 279.1   | 62.7  | 165.9   | 37.3 |
| Senior Executive Service | 14.8    | 46.6  | 17.0    | 53.4 |
| Total                    | 2,916.1 | 72.4  | 1,114.0 | 27.6 |

Source: Child Support Agency, June 2008.

Chart 6.1 and table 6.2 show the percentage differences between the CSA staff (male and female) and compares the different pay scale groups.

## 6.2 Service options

The CSA offers a range of services to customers to make their dealings with the agency easier. These include:

- Telephone services: Staff are available to take calls from customers on a daily basis during business hours (between 8.30am and 4.45pm EST). Customers will generally call the CSA's main phone number 131 272 (call charges may apply).
- Face-to-face: In 2007-08 the CSA's service delivery staff were located in all 14 metropolitan and 27 regional service sites.
- Online: The CSA website www.csa.gov.au includes a range of up-to-date information to support separated families. CSAonline is the Child Support Agency's secure online service and was developed to provide an online service channel option for customers as an alternative to phone, mail or face-to-face.

#### 6.2.1 CSA telephone performance

Research has established that the 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 6.3.

| 30 June | Main queue <sup>1</sup><br>(calls per day) | Response time <sup>2</sup> | IVR calls per<br>day³ | Total phone traffic<br>(queue and IVR total)<br>per day⁴ |
|---------|--|----------------------------|-----------------------|--|
| 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            | 4,154                 | 12,700   |
|         |  | 83.5% in 30 secs           |                       |  |
| 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            | 5,177                 | 13,856   |
|         |  | 79.3% in 30 secs           |                       |  |
| 2003    | 9,332                                      | 93.8% in 2 mins            | 6,499                 | 15,831   |
|         |  | 85.3% in 30 secs           |                       |  |
| 2004    | 8,763                                      | 97.3% in 2 mins            | 7,295                 | 16,058   |
|         |  | 91.3% in 30 secs           |                       |  |
| 2005    | 8,973                                      | 96.9% in 2 mins            | 7,916                 | 16,889   |
|         |  | 89.6% in 30 secs           |                       |  |
| 20065   | 9,221                                      | 96.6% in 2 mins            | 8,060                 | 17,281   |
|         |  | 89.3% in 30 secs           |                       |  |
| 2007    | 9,178                                      | 94.7% in 2 mins            | 7,966                 | 17,143   |
|         |  | 84.6% in 30 secs           |                       |  |
| 2008    | 9,264                                      | 90.0% in 2 mins            | 6,727                 | 15,991   |
|         |  | 78.4% in 30 secs           |                       |  |

Table 6.3: CSA telephone statistics

Source: The 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 complaint 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 seven days per week. In this instance, however, calls have been calculated on a daily basis using the following method. In 2006-07 there were 2.07 million calls 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 6,727. 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.

5. The 2005-06 figures have been revised from the figures recorded in previous editions of Facts and Figures, making this data consistent with other data in the table.

Key fact: In 2008 78.4 per cent of phone calls were answered within 30 seconds.

In 2007 the CSA received on average 17,143 calls per day, in the first six months of 2008 the average was 15,991. In 2007-08, 78.4 per cent of calls were answered within 30 seconds and 90 per cent within two minutes.

#### 6.2.2 CSA face-to-face service

The CSA offers face-to-face services through metropolitan and major CSP offices/sites and Regional Service Centres. All these sites are now developing Connecting Locally plans as part of a shift to local and community focus:

**Metropolitan sites (state offices):** The CSP has an office in every major city, including Canberra, Sydney, Melbourne, Brisbane, Adelaide, Perth and Hobart. All of these sites offer customer services.

**Major sites:** There are a number of major sites in key geographical areas, which offer face-to-face services to CSP customers.

**Regional Service Centres:** As part of the Building a Better CSA initiative, the Australian Government committed \$13 million to increase the CSP's face-to-face service delivery. The CSP increased resources, training, technical and leadership support of RSC staff, established mobile circuits and opened five new RSC sites in Mildura, Kalgoorlie, Warrnambool, Tamworth and Orange. There are 27 RSCs in total.

|         | NSW   | QLD   | SA | VIC/TAS | WA  | Total |
|---------|-------|-------|----|---------|-----|-------|
| 2006-07 | 614   | 2,962 | 28 | 114     | 132 | 3,850 |
| 2007-08 | 1,069 | 2,530 | 79 | 374     | 587 | 4,639 |

Table 6.4: Counter visits at RSCs

Source: Child Support Agency, June 2008.

Table 6.4 indicates that there was a 20 per cent increase in counter visits to RSCs in 2007-08, with Queensland experiencing the highest frequency of customers. In general there was an increase in visits across all states.

#### Table 6.5: Counter visits at all sites

|         | NSW    | QLD    | SA    | VIC/TAS | WA    | Total  |
|---------|--------|--------|-------|---------|-------|--------|
| 2006-07 | 9,814  | 11,928 | 1,728 | 8,275   | 2,090 | 33,835 |
| 2007-08 | 10,560 | 11,487 | 1,883 | 9,389   | 2,586 | 35,905 |

Source: Child Support Agency, June 2008.

Table 6.5 includes the statistics for all counter visits in all states of Australia, seeing an increase of 6 per cent over the period 2007 to 2008.

#### 6.2.3 CSA website – www.csa.gov.au

The CSA website provides information for customers, stakeholders, media, government and the community. This includes information on child support in general, changes in legislation and various publications that are available for download. Furthermore, there are links to family service groups, affiliated government agencies and other CSA initiatives such as CSAonline.

In 2007-2008 there were 1,569,561 unique visits to the websites. A unique visit relates to how many individuals visited the website.

In total, there were 2,882,765 visits to the CSA website. A visit is how many times the website is visited in general, and this figure includes the same people coming back multiple times.

#### 6.2.4 CSAonline

CSAonline is a secure online service for international and domestic parents and employers. It enables parents and employers to view and update their personal details, access most CSA letters and check their payment history and/or employee deductions.

As at 30 June 2008 there were 80,466 enrolled users for CSAonline including 73,723 customers and 3,228 employers. During 2007-2008 there were 54,501 enrolments by customers and 1,942 enrolments by employers. More information on CSAonline is available in Chapter 8.2.

## 7.0 Customer satisfaction, attitudes and perceptions

In this section: Customer satisfaction Customer complaints and objections Customer attitudes and perceptions



In line with the CSA's focus on providing excellent customer service, the Agency collects a range of data that assists in measuring customers' satisfaction levels with the CSA's services, attitudes and perceptions of their dealings with the CSA, and their experiences as a separated parent.

This information assists the CSA to determine where improvements need to be made and what information customers need.

## 7.1 CSA customer service satisfaction

Customers Having a Say (CHAS) is a phone-based survey that measures customer satisfaction immediately following telephone interaction with CSA staff. It is delivered via an interactive telephone survey offered to CSA customers who contact the Agency by telephone. Between 1,200 and 1,500 customers participate in the CHAS survey each month.

CHAS measures customer satisfaction with six elements of service: accuracy, clarity of information (informed), objectivity (objective), promptness (prompt), respectfulness (respect) and resolution of issues (resolve). Several questions are asked in relation to each element, and rated on a seven-point scale from 1 (very dissatisfied) to 7 (very satisfied). Each month, independent consultants analyse the results and report to the CSA.

Customer satisfaction in 2007-08 was 5.8 (out of a maximum of 7) up marginally from 2006-07 results.

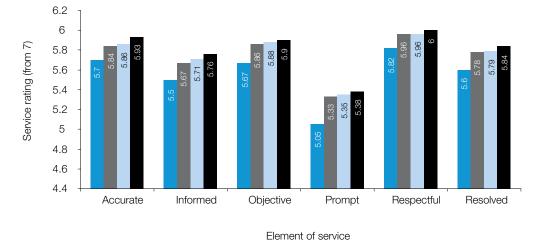


Chart 7.1: Overall customer satisfaction rating for 2004-05 to 2007-08



Source: Customers Having a Say (CHAS) survey, June 2008.

04-05 average 05-06 average 06-07 average 07-08 average

Key fact: Between 1,200 and 1,500 customers participate in the CHAS survey each month.

## 7.2 Complaints and objections

The number of customer complaints and objections to decisions is one measure of the level of satisfaction of customers in regards to the service given by the CSA.

#### 7.2.1 Objections

CSA customers have the right to object to certain decisions made by the Agency if they believe that the CSA has:

- used incorrect information
- not considered all the facts
- overlooked relevant details in making a decision (or new information has become available) or
- not applied the law correctly.

Table 7.1 shows that there has been little change in the total number of finalised objections from 2006-2007 to 2007-2008 (141). There have been changes to the numbers of specific objection types, with the number of 'other objections' falling by 947, while the number of 'care objections' has risen by a similar number (905).

Of the total numbers of objections, paying parents submitted the majority of applications in 2007-08, with 58 per cent (53.7 per cent in 06/07) of all finalised objections being initiated by paying parents. Allowed objections account for 18.5 per cent of all finalised objections, while disallowed objections account for 26.4 per cent of the total. Partially allowed/disallowed objections make up 8.8 per cent, while invalid and withdrawn objections make up the remaining 46.5 per cent (rounding of these percentages will affect the total). In 2007-08, allowed and partially disallowed objections are slightly up on 2006-07.

| Objection type                | Initiated<br>by  | Allo  | wed   | Disall | owed  | Part<br>disall |       | Inva<br>withdra<br>bla | awn or | To<br>objec<br>final | tions | % of<br>total<br>by<br>type |
|-------------------------------|------------------|-------|-------|--------|-------|----------------|-------|------------------------|--------|----------------------|-------|-----------------------------|
|                               |                  | No.   | %     | No.    | %     | No.            | %     | No.                    | %      | No.                  | %     | %                           |
|                               | Paying parent    | 540   | 70.0  | 1,301  | 75.2  | 580            | 73.7  | 907                    | 72.6   | 3,328                | 73.4  | 20.0                        |
| Change of<br>Assessment       | Receiving parent | 231   | 30.0  | 429    | 24.8  | 207            | 26.3  | 342                    | 27.4   | 1,209                | 26.6  | 7.3                         |
|                               | Total            | 771   | 100.0 | 1,730  | 100.0 | 787            | 100.0 | 1,249                  | 100.0  | 4,537                | 100.0 | 27.2                        |
|                               | Paying parent    | 33    | 63.5  | 96     | 66.2  | 16             | 84.2  | 537                    | 58.9   | 682                  | 60.5  | 4.1                         |
| Income details                | Receiving parent | 19    | 36.5  | 49     | 33.8  | 3              | 15.8  | 375                    | 41.1   | 446                  | 39.5  | 2.7                         |
|                               | Total            | 52    | 100.0 | 145    | 100.0 | 19             | 100.0 | 912                    | 100.0  | 1,128                | 100.0 | 6.8                         |
|                               | Paying parent    | 42    | 12.9  | 69     | 24.0  | 19             | 14.8  | 81                     | 23.4   | 211                  | 19.4  | 1.3                         |
| Non- Agency<br>Payment credit | Receiving parent | 283   | 87.1  | 219    | 76.0  | 109            | 85.2  | 265                    | 76.6   | 876                  | 80.6  | 5.3                         |
|                               | Total            | 325   | 100.0 | 288    | 100.0 | 128            | 100.0 | 346                    | 100.0  | 1,087                | 100.0 | 6.5                         |
| Particulars of                | Paying parent    | 155   | 38.8  | 165    | 29.3  | 64             | 71.9  | 394                    | 27.8   | 778                  | 31.5  | 4.7                         |
| assessment<br>- estimate      | Receiving parent | 244   | 61.2  | 398    | 70.7  | 25             | 28.1  | 1,023                  | 72.2   | 1,690                | 68.5  | 10.1                        |
|                               | Total            | 399   | 100.0 | 563    | 100.0 | 89             | 100.0 | 1,417                  | 100.0  | 2,468                | 100.0 | 14.8                        |
| Particulars of                | Paying parent    | 439   | 52.3  | 446    | 66.7  | 130            | 60.2  | 775                    | 61.0   | 1,790                | 59.7  | 10.7                        |
| assessment<br>- level of care | Receiving parent | 401   | 47.7  | 223    | 33.3  | 86             | 39.8  | 496                    | 39.0   | 1,206                | 40.3  | 7.2                         |
|                               | Total            | 840   | 100.0 | 669    | 100.0 | 216            | 100.0 | 1,271                  | 100.0  | 2,996                | 100.0 | 18.0                        |
| Particulars of                | Paying<br>parent | 162   | 53.5  | 245    | 69.6  | 46             | 66.7  | 972                    | 63.0   | 1,425                | 62.9  | 8.5                         |
| assessment<br>- other         | Receiving parent | 141   | 46.5  | 107    | 30.4  | 23             | 33.3  | 570                    | 37.0   | 841                  | 37.1  | 5.0                         |
|                               | Total            | 303   | 100.0 | 352    | 100.0 | 69             | 100.0 | 1,542                  | 100.0  | 2,266                | 100.0 | 13.6                        |
|                               | Paying<br>parent | 215   | 54.7  | 477    | 72.2  | 112            | 75.2  | 651                    | 66.0   | 1,455                | 66.5  | 8.7                         |
| Other                         | Receiving parent | 178   | 45.3  | 184    | 27.8  | 37             | 24.8  | 335                    | 34.0   | 734                  | 33.5  | 4.4                         |
|                               | Total            | 393   | 100.0 | 661    | 100.0 | 149            | 100.0 | 986                    | 100.0  | 2,189                | 100.0 | 13.1                        |
| Total                         | Paying parent    | 1,586 | 51.4  | 2,799  | 63.5  | 967            | 66.4  | 4,317                  | 55.9   | 9,669                | 58.0  | 58.0                        |
| objections<br>finalised       | Receiving parent | 1,497 | 48.6  | 1,609  | 36.5  | 490            | 33.6  | 3,406                  | 44.1   | 7,002                | 42.0  | 42.0                        |
|                               | Total            | 3,083 | 100.0 | 4,408  | 100.0 | 1,457          | 100.0 | 7,723                  | 100.0  | 16,671               | 100.0 | 100.0                       |

Table 7.1: Objections finalised by reason in 2007-08 financial year

Source: The CSA COGNOS Portal - The Objections Monthly report as at June 2008.

Key fact: Paying parents submitted 58 per cent of all finalised objection applications.

## 7.2.2 Social Security Appeals Tribunal (SSAT)

The Social Security Appeals Tribunal (SSAT) is an independent tribunal which is able to review most objection decisions made by the Child Support Agency after 1 January 2007. It aims to provide a fair, just, economical and informal review service to parents. The SSAT can affirm, vary or set the decision aside and substitute a new decision, or send the matter back to the CSA for reconsideration in accordance with any directions or recommendations of the SSAT.

In 2007–08, the SSAT received 2,536 applications to review an objection decision, or around 17.4 per cent of objection decisions made by the CSA during 2007–08. Of these, 2,070 were ruled valid and 466 invalid. Generally, applications for review were ruled invalid because no objection decision had been made before the customer appealed to the SSAT. The percentage of invalid appeals to the SSAT decreased from the 2006–07 year. The increase in SSAT appeals is in line with the predicted consequences of the introduction of the Child Support Scheme reforms.

The SSAT made decisions on 1,293 appeals during the 2007–08 year. The number of appeals to the SSAT rose significantly in the last few months of 2007–08, in line with the increase in objection decisions, and at 30 June 2008 the remaining matters had not been heard by the SSAT. Of the appeals where the SSAT had made a decision, 828 related to change of assessment objection decisions, and the remainder concerned CSA decisions in other areas, such as care and income decisions. The SSAT confirmed CSA's decisions in 628 decisions (49 per cent of appeals).

### 7.2.3 Complaints

The CSA continually works to provide excellent customer service. However, if a parent is not satisfied with the service the CSA has provided, or they do not agree with the CSA's actions, there are avenues available to make a complaint.

The CSA has a three step complaints process:

- **Step one:** Parents are asked to contact the CSA and speak to a Customer Service Officer who will try to solve the problem.
- Step two: If the parent is still not satisfied, they may ask to speak to the Customer Service Officer's Team Leader.
- Step three: If the parent is still not satisfied, they are able to call the CSA's Complaints Service on 132 919 (call charges may apply) and speak to a Complaints Resolution Officer, who will independently look at the complaint.

If a parent has been unable to resolve a complaint with the CSA they may contact the Commonwealth Ombudsman. The Commonwealth Ombudsman can consider and investigate complaints from people who believe they have been treated unfairly or unreasonably by an Australian Government Department or Agency.

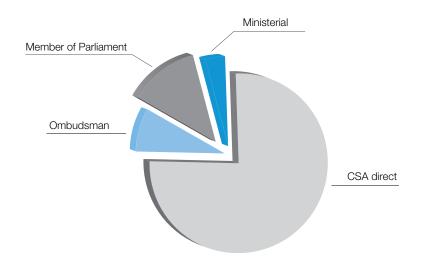
|          | CSA direct | Ministerial | Member of Parliament | Ombudsman | Total  |
|----------|------------|-------------|----------------------|-----------|--------|
| 2006- 07 | 7,056      | 736         | 1,143                | 216       | 9,151  |
| 2007-08  | 7,885      | 787         | 1,290                | 385       | 10,347 |

Source: CSA, June 2008.

Notes:

1. Complaints data in this table relate to the number of Step 3 complaints received by the CSA, the Office of the Minister for Human Services, the Ombudsman and the offices of other MPs, and differs to the complaints finalised figures reported in Table 7.4.

#### Chart 7.2: Avenue of complaints received in 2007-08



Source: CSA, June 2008

Table 7.2 and chart 7.2 above shows that there were a total of 10,347 complaints made about the CSA in 2008. A majority of these (7,885) were made directly to the CSA. Complaints were also received by the Minister for Human Services' Office, the Ombudsman and other MPs' Offices.

| Reason for complaint                    | Total number | %   |
|---|--------------|-----|
| Decision making                         | 1,318        | 13  |
| Outcome                                 | 412          | 4   |
| Process                                 | 870          | 8   |
| Inaction                                | 1,364        | 13  |
| Call documentation                      | 39           | 1   |
| Call return                             | 300          | 3   |
| Amount disputed                         | 1,385        | 13  |
| Affordability                           | 1,016        | 10  |
| Behaviour                               | 921          | 9   |
| Objectivity / Bias                      | 81           | 1   |
| Information inconsistent                | 223          | 2   |
| Information inadequate                  | 407          | 4   |
| Information inaccurate                  | 325          | 3   |
| Timeliness                              | 557          | 5   |
| Compliment                              | 27           | 0   |
| Letters, notes and statements           | 267          | 3   |
| Service continuity                      | 55           | 1   |
| Pls application                         | 13           | 1   |
| Legislation and policy - application    | 306          | 3   |
| Government policy/ inter agency effects | 227          | 2   |
| CS Scheme design & legislation          | 254          | 2   |
| Total step 3 complaints finalised       | 10,367       | 100 |

Table 7.3: Nature of step 3 complaints finalised

Source: Child Support Agency, June 2008.

Table 7.3 shows that of the 10,367 complaints finalised 1,385 (13 per cent) were about the child support assessment amount and 1,318 (13 per cent) were about concerns about the decision making process.

# 7.3 Customer and community awareness of and attitudes to child support

The CSA undertook benchmarking customer research as part of the development of the new Child Support Scheme.

The overall aim of the research is to evaluate the reach and impact of the Child Support communication campaign (involving the Scheme reforms and the Building a Better CSA program) on separated parents and the general community. The primary audience for this campaign were separated parents who are CSA customers. The research measured separated parents agreement with a range of statements about the scheme and the CSA's services.

#### 7.3.1 Child Support Scheme

Table 7.4: How well does the child support system work?<sup>1</sup>

|        | Paying parents                     | Receiving parents |  |  |  |
|--------|------------------------------------|-------------------|--|--|--|
|        | Mean rating out of 10 <sup>1</sup> |                   |  |  |  |
| Aug-07 | 4.9                                | 6.1               |  |  |  |
| Aug-08 | 6.2                                | 6.3               |  |  |  |

Source: Open Mind Research, August 2008 findings.

Notes:

1. Mean rating out of 10, with "1" being not working well and "10" being working well.

Table 7.4 shows the mean rating out of 10 that both paying and receiving parents gave in answer to the question 'How well does the child support system work?' The question asked in August 2007 reflects the old system of child support and the answer in August 2008 shows parents' responses at the beginning of the new Child Support Scheme.

Analysis of the ratings shows that the gap between the ratings provided by paying and receiving parents has reduced significantly with the introduction of the new system. The mean ratings provided by the two groups are now similar (6.3 for receiving parents and 6.2 for paying parents) suggesting the introduction of the changes has achieved a more balanced approach to child support.

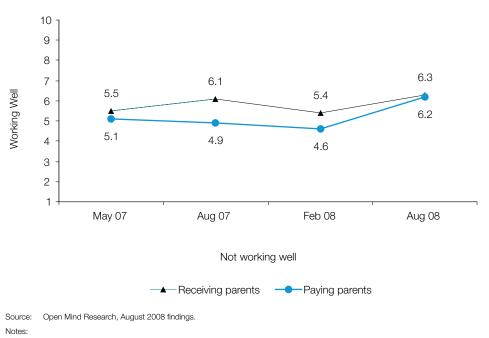


Chart 7.3: Both parents' attitudes towards how well the child support system works in 2007 and 2008.

1. Mean rating out of 10, with "1" being not working well and "10" being working well.

Chart 7.3 shows that the gap between the ratings provided by paying parents and receiving parents has reduced significantly with the introduction of the new system. During August 2007 the old system was operating, with levels at 6.1 for receiving parents and 4.9 for paying parents. There was an increase in these figures recorded in August 2008 to 6.3 for receiving parents and 6.2 for paying parents.

| How well does the system work? | Reco   | eiving parents % | Pa     | aying parents % |
|--------------------------------|--------|------------------|--------|-----------------|
|                                | Aug-07 | Aug-08           | Aug-07 | Aug-08          |
| Working well                   | 55     | 59               | 37     | 63              |
| Sometimes works well           | 10     | 2                | 8      | 5               |
| Not working well               | 33     | 21               | 54     | 16              |
| Don't know/ Refused            | 2      | 18               | 2      | 15              |

Table 7.5: How well does the child support system work?<sup>1</sup>

Source: Open Mind Research, August 2008 findings.

Notes:

1. The question asked was 'In your opinion, do you think that overall the child support system works well?

Key fact: Around one in three customers – both paying and receiving parents – give the new system 8, 9 or 10 out of 10 for "working well".

Chart 7.3 and table 7.5 show that there has been a significant improvement in the perception of the child support system, particularly amongst paying parents where there has been an increase from 37 per cent in August 2007 to 63 per cent in August 2008.

Table 7.6: How fair is the Child Support Scheme?

| How fair is the<br>Child Support Scheme? | Receiv | ing parents % | Pa     | ying parents % |
|--|--------|---------------|--------|----------------|
|  | Aug-07 | Aug-08        | Aug-07 | Aug-08         |
| Fair                                     | 40     | 55            | 20     | 60             |
| Sometimes fair                           | 13     | 4             | 6      | 3              |
| Not fair                                 | 42     | 32            | 72     | 26             |
| Don't know/ Refused                      | 5      | 10            | 2      | 11             |

Source: Open Mind Research, August 2008 findings.

Key fact: There was a significant increase in the number of paying and receiving parents who agreed that the Child Support Scheme was fair.

Table 7.6 illustrates the differences in the ratings of fairness of the new child support system for paying and receiving parents. The perceived fairness of the new child support system amongst paying parents is higher than for the old system.

## 7.4 Customers agreement with statements

Parents were asked whether they agreed or disagreed with a range of statements about the Child Support Scheme, service delivery and awareness of scheme changes. There was strong agreement with many of the statements in 2007, with significant increases seen across the majority in August 2008.

### 7.4.1 Child Support Scheme

| Statements  | Paying pare | ents % | Receiving parents % |        |  |
|---|-------------|--------|---------------------|--------|--|
|   | Aug-07      | Aug-08 | Aug-07              | Aug-08 |  |
| The CSA supports separated parents<br>to help them transfer payments for the<br>benefit of their children | 59          | 70     | 73                  | 79     |  |
| The new Child Support Scheme aims to<br>be in the best interests of the children of<br>separated parents. | 68          | 79     | 81                  | 79     |  |
| Initiatives will help ensure a fairer child support system for separated families                         | 63          | 75     | 72                  | 73     |  |
| The new system uses a more balanced formula to work out how much people pay or receive                    | 40          | 76     | 56                  | 63     |  |
| Despite challenges, post separation<br>single parenting is a positive experience<br>for many families     | 36          | 40     | 48                  | 52     |  |

Table 7.7: Parents agreement with statements about the Child Support Scheme<sup>1</sup>

Source: Open Mind Research, August 2008 findings.

Notes:

1. The opposite of agreement maybe a rating of neutral, don't know and disagree. It cannot be assumed that for example 50 per cent means 50 per cent agree and 50per cent disagree.

Key fact: 79 per cent of both paying and receiving parents agree that the new Child Support Scheme aims to be in the best interests of children.

Table 7.7 shows the results of paying and receiving parents who were asked whether they agreed with a range of statements. In the August 2008 wave, agreement with many statements increased significantly. The largest increase was seen in agreement that the new system uses a more balanced formula to work out how much people pay or receive, which for paying parents increased from 40 per cent to 76 per cent. Agreement among paying parents (76 per cent) in August 2008 was higher than for receiving parents (63 per cent), in comparison to August 2007 where only 40 per cent of paying parents agreed while 56 per cent of receiving parents agreed. The gap between the views of paying and receiving parents declined by August 2008.

#### 7.4.2 Service Delivery

Service delivery aims to support separated parents to assist them to transfer payments for the benefit of their children. CSA wants to improve its service delivery by communicating better with parents, the community and organisations. The new formula ensures that both parents' incomes are treated equally. The customer research aimed to identify areas for improvement in service delivery.

| Statements  | Pay    | ving parents % | Receiving parents % |        |
|---|--------|----------------|---------------------|--------|
|   | Aug-07 | Aug-08         | Aug-07              | Aug-08 |
| The CSA is improving its service delivery to customers                                      | 60     | 74             | 74                  | 79     |
| The CSA now communicating better with parents, the community and organisations              | 48     | 64             | 59                  | 74     |
| CSA is putting greater effort into delivering more money for children of separated families | 55     | 70             | 59                  | 64     |

Table 7.8: Customer agreement to statements about service delivery<sup>1</sup>

Source: Open Mind Research, August 2008 findings.

Table 7.8 shows that receiving parents think that the CSA is improving its service delivery to customers and that there is better communication with parents, the community and organisations.

Table 7.9: Receiving parent satisfaction with staff understanding the needs of the customer

| Receiving parent's satisfaction with staff understanding the needs of the customer. | Feb-08 | Aug-08 |
|---|--------|--------|
|   | %      | %      |
| Very dissatisfied   | 15     | 8      |
| Somewhat dissatisfied   | 10     | 8      |
| Neither satisfied or dissatisfied   | 11     | 5      |
| Somewhat satisfied  | 32     | 31     |
| Very satisfied  | 33     | 49     |

Source: Open Mind Research, August 2008 findings.

Table 7.10: Paying parents' satisfaction with staff understanding the needs of the customer

| Paying parents satisfaction with<br>consistent advice and information | Feb-08 | Aug-08 |
|---|--------|--------|
|   | %      | %      |
| Very dissatisfied   | 29     | 10     |
| Somewhat dissatisfied   | 17     | 11     |
| Neither satisfied or dissatisfied                                     | 11     | 11     |
| Somewhat satisfied  | 26     | 34     |
| Very satisfied  | 17     | 34     |
| Unknown   | 2      | 0      |

Source: Open Mind Research, August 2008 findings.

Tables 7.9 and 7.10 shows that there has been a significant increase in the percentage of receiving parents who rated themselves as being very satisfied (33 per cent to 49 per cent). Paying parents who previously said that they were very dissatisfied dropped from 31 per cent to 13 per cent.

Table 7.11: Receiving parents' satisfaction with consistent advice and information

| Receiving parents satisfaction with consistent advice and information | Feb-08 | Aug-08 |
|---|--------|--------|
|   | %      | %      |
| Very dissatisfied   | 13     | 6      |
| Somewhat dissatisfied   | 13     | 8      |
| Neither satisfied or dissatisfied                                     | 7      | 10     |
| Somewhat satisfied  | 35     | 26     |
| Very satisfied  | 32     | 50     |
| Unknown   | 1      | 0      |

Source: Open Mind Research, August 2008 findings.

Table 7.12: Paying parents' satisfaction with consistent advice and information

| Paying parents satisfaction with<br>consistent advice and information | Feb-08 | Aug-08 |
|---|--------|--------|
|   | %      | %      |
| Very dissatisfied   | 29     | 10     |
| Somewhat dissatisfied   | 17     | 11     |
| Neither satisfied or dissatisfied                                     | 11     | 11     |
| Somewhat satisfied  | 26     | 34     |
| Very satisfied  | 17     | 34     |
| Unknown   | 2      | 0      |

Source: Open Mind Research, August 2008 findings.

Table 7.11 shows that receiving parents were significantly more likely to be satisfied with the consistency of advice and information that they were receiving in August 2008 than in the previous wave of tracking in February 2008. Table 7.12 had similar results with 68 per cent of the total number of paying parents considering themselves very or somewhat satisfied. This shows that there was an overall increase in customer satisfaction with the advice and information that was received between February and August 2008.

Table 7.13: Receiving parents' satisfaction with being dealt with fairly

| Receiving parent's satisfaction with being dealt with fairly | Feb-08 | Aug-08 |
|--|--------|--------|
|  | %      | %      |
| Very dissatisfied  | 16     | 7      |
| Somewhat dissatisfied  | 12     | 9      |
| Neither satisfied or dissatisfied                            | 12     | 8      |
| Somewhat satisfied   | 23     | 29     |
| Very satisfied   | 37     | 47     |
| Unknown  | 1      | 1      |

Source: Open Mind Research, August 2008 findings.

Table 7.14: Paying parents' satisfaction with being dealt with fairly

| Paying parent's satisfaction with being dealt with fairly | Feb-08 | Aug-08 |
|---|--------|--------|
|   | %      | %      |
| Very dissatisfied   | 33     | 13     |
| Somewhat dissatisfied                                     | 11     | 9      |
| Neither satisfied or dissatisfied                         | 10     | 11     |
| Somewhat satisfied  | 24     | 31     |
| Very satisfied  | 22     | 35     |
| Unknown   | 2      | 2      |

Source: Open Mind Research, August 2008 findings.

Table 7.13 demonstrates a significant increase in the percentage of receiving customers who were satisfied with being dealt with fairly by the CSA. Table 7.14 highlights an increase in the amount of paying parents who consider themselves satisfied, up from 46 per cent in February 2008 to 66 per cent in August 2008.

## 7.5 Knowledge and awareness of the Child Support Scheme

The Open Mind Research aimed to measure awareness of certain aspects of the new Child Support Scheme. The CSA wants the new system to support separated parents, to help them transfer payments for the benefit of their children. This has meant there is an improved system of communication with parents, the community and organisations.

| Awareness   | Paying parents % |        | Receiv | ving parents % |
|---|------------------|--------|--------|----------------|
|   | Aug-07           | Aug-08 | Aug-07 | Aug-08         |
| From 1 July 2008 a new way of<br>calculating child support based on<br>research costs of children | 43               | 77     | 39     | 75             |
| Child Support assessments can<br>affect family assistance payments or<br>Family Tax Benefit       | 53               | 72     | 77     | 79             |
| The new formula will treat both parents' incomes equally.   | 42               | 74     | 47     | 77             |
| Everyone who pays or receives child<br>support will be affected and get a<br>new assessment       | 56               | 80     | 48     | 80             |

Table 7.15: Parents' awareness of Scheme reform changes

Source: Open Mind Research, August 2008 findings.

Key fact: 77 per cent of receiving parents and 75 per cent of paying parents were aware that the new Child Support Scheme was based on research about the costs of children.

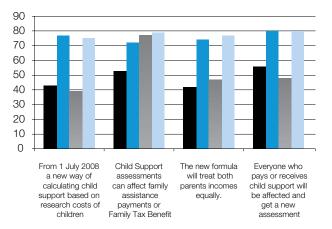


Chart 7.4: Parents' awareness of Scheme reform changes

Paying parents % Aug-07
Paying parents % Aug-08
Receiving parents % Aug-07
Receiving parents % Aug-08

Source: Open Mind Research, August 2008 findings.

Table 7.15 and chart 7.4 show the changes in awareness of the specific changes to the Child Support Scheme amongst receiving parents increased significantly across the board in August 2008.

Awareness of the specific changes amongst paying parents also increased significantly by August 2008, with large increases seen for all statements. Awareness among paying parents is consistent with that of the receiving parents, with around three quarters aware of most changes. These results reflect strong communication and recall among parents of the campaign's key messages.

Clearly the communication of the campaign's key messages has produced a positive result.

## 7.6 Customer relationships

The CSA recognises that children benefit from the love and support of both parents. Making parenting decisions, providing education, looking after their health and providing a home requires both parents to work together for the benefit of their children.

A key goal for the CSA during the introduction of the new Scheme was to deliver Scheme and parent support tools that assisted parents to share parental responsibility, and manage their child support relationships independently.

Table 7.16: Paying parents' relationship with their ex partner

| Relationship with ex partner | Paying parents % |        |  |
|------------------------------|------------------|--------|--|
|                              | Aug-07           | Aug-08 |  |
| Refused to answer            | 0                | 0      |  |
| Not sure                     | 1                | 2      |  |
| Fearful                      | 6                | 6      |  |
| Lots of conflict             | 21               | 19     |  |
| Distant                      | 26               | 21     |  |
| Cooperative                  | 46               | 51     |  |

Source: Open Mind Research August 2008.

Notes:

1. Question asked: 'would you describe your relationship with your ex-partner as cooperative, distant, lots of conflict or fearful?'

| Table 7.17: Rece | eivina parents | relationship | with their | ex partner |
|------------------|----------------|--------------|------------|------------|
|                  |                |              |            |            |

| Relationship with your ex partner | Receiving parents % |        |
|-----------------------------------|---------------------|--------|
|                                   | Aug-07              | Aug-08 |
| Refused to answer                 | 0                   | 0      |
| Not sure                          | 2                   | 3      |
| Fearful                           | 9                   | 9      |
| Lots of conflict                  | 13                  | 17     |
| Distant                           | 36                  | 22     |
| Cooperative                       | 41                  | 49     |

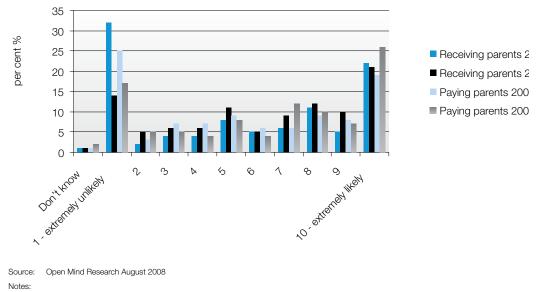
Source: Open Mind Research August 2008.

Notes:

1. Question asked: 'would you describe your relationship with your ex-partner as cooperative, distant, lots of conflict or fearful?'

Table 7.16 shows that when asked to describe their relationship 51 per cent of paying parents describe their relationship with their ex partner as cooperative. A smaller number described their relationship as distant. Table 7.17 shows a decrease in the number of distant relationships and an increase in the number of receiving parents who considered themselves in a cooperative relationship with their expartner.





1. Mean rating out of 10, with 1 being extremely unlikely and 10 being extremely likely.

When asked how likely they were to be able to liaise with their former partner in a business-like way table 7.16, 7.17 and chart 7.5 shows that one quarter of receiving parents in August 2008 said they were unlikely to do so (25 per cent giving a rating of 1-3). This is a significant decrease compared to August 2007. A further 31 per cent gave a neutral response (4-7) with 43 per cent saying that they were likely to liaise in a business like way (8-10).

## 8.0 Increased support for parents

In this section: Increased support for parents CSA support products, online products and legal services



## 8.1 CSA support products

Separation can be a difficult and confusing time. To help and support separated parents the CSA has produced a series of free booklets that parents can read in their own time:

- **The Parent's Guide to Child Support** —has relevant and important information to help parents understand the Child Support Scheme, the services we offer and your rights and responsibilities.
- Family Separation: a guide for teens—guiding teens through the emotions and changes that can happen when a family separates Me and My Kids—contains practical information about staying involved with your children after separation.
- *Me and My Money*—addresses the challenges that arise around money issues that follow separation and provides budgeting tips.
- What about Me—is for anyone who wants information about looking after themselves and their children during and after separation.
- *Me, My Kids and My Ex*—provides tips on how to achieve a business-like relationship with your ex-partner in order to have a quality ongoing relationship with your children.
- *Me and My Changing Family*—is for people who are thinking about starting or are already in a new relationship and are looking for tips on making it easier.

In addition to the Me and My books, the interactive 'Separation' CD-Rom shares real customer experiences, tips and tools on how to deal with separation.

To order copies, or view the range of other products available, visit the CSA website at **www.csa.gov.au**, or call **1800 040 972**.

## 8.2 Online Services

CSAonline is an easy and convenient way for customers to access the CSA via a secure internet service. CSAonline gives parents greater choice and flexibility about how they interact with the CSA and reduces the impact on the environment by limiting paper correspondence.

Since its launch in April 2006, over 70,000 customers have signed up. CSAonline customers are able to:

- view account details
- access and send information securely
- view and update personal CSA details
- view and print selected letters
- advise the CSA of any change in the care arrangements for children
- advise the CSA of any changes to income and
- complete an enquiry form to get in touch with the CSA.

To enrol go to **www.csa.gov.au**, select CSAonline and follow the prompts or contact the CSAonline Help Desk on **1800 637 445**.

## 8.3 Legal Services Program overview

#### 8.3.1 Background

The Child Support Scheme Legal Services Program is an Australian Government 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 program aims to provide information, legal advice, minor assistance, and, when appropriate, legal representation, to low income parents and those with special needs (particularly Centrelink customers), to ensure that children with separated parents benefit from the Child Support Scheme.

Legal Aid Commissions in each State and Territory, and thirteen specialist community legal 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 and process and
- court representation as appropriate.

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

- assisting customers to understand their rights of appeal under the change of assessment arrangements
- assisting customers to interpret their child support obligations
- assisting with preparing and completing legal documents and
- advising self-representing customers about what is involved in attending court and 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 CSA actively supports customers by liaising directly with the legal service providers to resolve child support issues. The CSA also refers customers to independent legal services as appropriate, to ensure that customers are fully informed and have access to legal advice and information.

Australian Government funding for child support matters is also provided through the Community Legal Services Program to thirteen centres in Australia, which provide specialist child support legal services to customers.

### 8.3.2 Community legal services program statistics 2007–2008

During 2007-08 community legal centres recorded the following activities for child support matters:

| Advice                      | 2177 |
|-----------------------------|------|
| Cases opened                | 899  |
| Cases closed                | 879  |
| Community legal action      | 9    |
| Law reform and legal policy | 8    |

Additional child support information collected by community legal services relating to child support activities for 2007-08:

| Total clients with a child support problem              | 2841 |
|---|------|
| Parent type:  |      |
| Receiving (only)  | 1184 |
| Paying (only)   | 584  |
| Both paying and receiving                               | 109  |
| Stages:   |      |
| Stage 1   | 212  |
| Stage 2   | 2599 |
| Both Stage 1 and 2                                      | 27   |
| Number of matters requiring DNA testing                 | 286  |
| Number of matters involving applications for departures | 34   |
| Number of other applications for child support issues   | 69   |

| Age of client                          |      |  |
|--|------|--|
| Less than 18 years                     | 16   |  |
| 18 – 34 years                          | 624  |  |
| 35 – 49 years                          | 991  |  |
| Over 50 years                          | 201  |  |
| Income Scale:                          |      |  |
| \$26,000 or less per year              | 1358 |  |
| Between \$26,000 and \$52,000 per year | 360  |  |
| More than \$52,000 per year            | 68   |  |

## 8.4 Support Services and contact details\*

The CSA understands that parents have different needs. Listed below are a variety of services available to assist parents with the support they need during their separation.

Alternatively, the CSA Community Service Directory provides information on service providers located across Australia. Details of services in your area can be accessed on the CSA website **www.csa.gov.au** or by calling **131 272** Call charges apply.

#### **Child Support Agency**

| General enquiries  | 131 272        |
|--|----------------|
| The CSA info service (IVR automated service for quick account enquiries and general information) | 131 107        |
| Child Support change of assessment   | 131 141        |
| CSA complaints   | 132 919        |
| Publication ordering line  | 1800 040 972   |
| Website  | www.csa.gov.au |

#### Centrelink

| Services                         |                       |
|----------------------------------|-----------------------|
| Appointments                     | 131 021               |
| Self-Service                     | 136 240               |
| Customer Relations Freecall      | 1800 050 004          |
| Centrelink Multilingual Call     | 131 202               |
| TTY (text phone): Freecall       | 1800 810 586          |
| TTY Customer Relations: Freecall | 1800 000 567          |
| Programs                         |                       |
| Employment services              | 132 850               |
| Retirements services             | 132 300               |
| Disability, sickness and carers  | 132 717               |
| Youth and student services       | 132 490               |
| ABSTUDY                          | 132 317               |
| Centrelink website               | www.centrelink.gov.au |

#### Other government departments

| Medicare                                | 132 011                 |
|---|-------------------------|
| Medicare website                        | www.medicare.gov.au     |
| FaHCSIA                                 | 1300 653 227            |
| FaHCSIA website                         | www.fahcsia.gov.au      |
| Family Assistance Office                | 136 150                 |
| Family Assistance Office website        | www.familyassist.gov.au |
| Department of Veterans' Affairs         | 133 254                 |
| Department of Veterans' Affairs website | www.dva.gov.au/         |

#### **Family Court**

| Family Court of Australia         | 1300 352 000              |
|-----------------------------------|---------------------------|
| Website                           | www.familycourt.gov.au    |
| Family Court of Western Australia | 08 9224 8222              |
| Website                           | www.familycourt.wa.gov.au |

#### Other support services

#### **Family Relationship Services**

| Family Relationship Centres                | www.familyrelationships.gov.au |
|--|--------------------------------|
| Family Relationship Advice Line            | 1800 050 321                   |
| Centacare                                  | 1300 138 070                   |
| Australian Parenting and Relationship Line | 1300 365 859                   |
| Relationships Australia                    | 1300 364 277                   |
| Telephone Interpreting Service             | 131 450                        |
| Lifeline                                   | 131 114                        |
| Mensline Australia                         | 1300 789 978                   |
| Kids Helpline                              | 1800 551 800                   |

Financial counselling services are available in each state

| ACT | 02 6257 1788 | WA  | 08 9221 9411 |
|-----|--------------|-----|--------------|
| NSW | 1800 808 488 | NT  | 1800 898 500 |
| Vic | 1300 55 8181 | Qld | 07 3321 3192 |
| Tas | 1800 243 232 | SA  | 08 8202 5180 |

#### Family Law

| Federal Magistrates Court of<br>Australia | 1300 352 000   |
|---|----------------|
| Website                                   | www.fmc.gov.au |
| Family Law Hotline                        | 1800 050 321   |

#### Legal Aid

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.

| ACT | (02) 6243 3471         | www.legalaid.canberra.net.au |
|-----|------------------------|------------------------------|
| NSW | 1800 451 784 Toll Free | www.legalaid.nsw.gov.au      |
| Vic | 1800 677 402           | www.legalaid.vic.gov.au      |
| TAS | 1300 366 611           | www.legalaid.tas.gov.au      |
| WA  | 1300 650 579           | www.legalaid.wa.gov.au       |
| NT  | 1800 019 343           | www.ntlac.nt.gov.au          |
| QLD | 1300 651 188           | www.legalaid.qld.gov.au      |
| SA  | 1300 366 424           | www.lsc.sa.gov.au            |

Notes: \*Call charges may apply for the above phone numbers. Please check with your service provider.

# 9.0 Glossary of terms



**Stage 1 cases** - were introduced by the Child Support (Registration and Collection) Act 1988. This collection is undertaken on application from the parent entitled to receive child support.

**Stage 2 cases** - were 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.

**Cases ended with arrears** - This refers to cases that have ended where the paying parent still has outstanding child support and over due penalties owing to the CSA and/or receiving parent.

Active cases – Stage 1 and Stage 2 cases that are registered and have a current liability being collected.

Adjusted taxable income - The total of taxable income plus other income components: gross reportable fringe benefits total, target foreign income, net investment losses, reportable superannuation contributions and some tax-free pensions or benefits.

Change of assessment - If parents believe their child support assessment does not reflect their special circumstances, they may be able to apply for a change of assessment to reassess the amount of child support that is paid.

**Child support agreement** - A flexible way of arranging child support if both parents agree on how the children should be supported financially.

**Child support assessment** - An outline of how CSA calculated a parent's child support case using the formula. An example of what a child support assessment looks like can be viewed online.

**Child support formula** - Annual rates of child support are calculated according to a basic child support formula, or a variation of the formula.

**Court-registered agreement** - An agreement between parents that is registered with the court.

**CSA collect** - CSA collects the payment from the paying parent(s) and transfers it to the receiving parent or non-parent carer.

**Estimate of income** - An estimate of what the receiving parent or paying parent's income details will be, from the date of making the estimate until the end of a child support period.

Family Tax Benefit Part A - A government payment designed to help support families with children.

**Minimum assessment** - Paying parents who receive income support may be required to pay a minimum amount per week for each child support family, capped at three times that amount.

**Paying parent** - The parent, either natural or adoptive, who pays child support.

**Private collect** - CSA-registered child support that is collected privately, i.e. paid directly from the paying parent to receiving parent or non-parent carer (not through CSA).

**Receiving parent** - The person who is eligible to receive child support and is responsible for the ongoing care of the child/children.

**Taxable income** - The income that appears on a parent's tax assessment from the Australian Taxation Office after lodging a tax return.

Variation - A variation to a child support assessment due to a change in circumstances, for example a change in income, change in level of care or an additional child.

**Self-administration** - A private arrangement between parents, including cases where child support is not sought.

**International case** - The CSA is able to administer child support where one parent lives overseas and the other parent lives in Australia in some cases. This is known as an international case.

**Domestic case** - A domestic case is where both parents reside in Australia.

**Total Child Support Debt (TCSD)** - Total Child Support Debt (TCSD) is the total amount of overdue money that is payable by one child support customer to another.

Write off amounts - Debt deemed to be currently uncollectible

