

Senate Finance and Public Administration Standing Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES – 21 OCTOBER 2008

Human Services Portfolio

Department/Agency: Department of Human Services
Outcome/Output Group: Outcome 1/Output 2
Topic: Variations in Outstanding Child Support Payments

Senator: Ryan

Question reference number: HS3

Type of question: Hansard, F&PA page 125

Date set by the committee for the return of answer: 5 December 2008



Question:

HS3: It also struck me in the same article that there were references to the widely varying amounts outstanding in payments and the variations between states. I was wondering whether you could take on notice whether you had any knowledge or reasoning as to why it varied so strongly between New South Wales, the ACT and with Victoria and Tasmania being at opposite ends of the scale.

Answer:

HS3: The details cited in the news article in the *Australian* on 24 June 2008 were that total outstanding child support payments were distributed as follows:

- NSW/ACT region - \$249 million;
- QLD region - \$195 million; and
- VIC/TAS region - \$182 million.

The amount of debt recorded against a State or Territory generally follows in line with the proportion of paying parents within that State or Territory.

28 per cent of Paying Parents with outstanding child support payments reside in NSW/ACT and as at 30 June 2008 these parents owed approximately \$249 million or around 25 per cent of the total child support debt.

21 per cent of Paying Parents reside in Victoria and as at 30 June 2008 these parents owed around \$169 million or around 17 per cent of the total child support debt.

2.5 per cent of Paying Parents reside in Tasmania and as at 30 June 2008 these parents owed around \$13 million or around 1.3 per cent of the total child support debt.

The average debt in NSW/ACT as at 30 June 2008 was \$3,494 while the average debt in Victoria was \$3,480 and for Tasmania was \$2,169.

While the Child Support Agency has not undertaken exhaustive research into the differences between States, however, some factors that impact on the general level of debt within each State include:

- Demographic differences;
- Differences in average income levels across the States; and
- Levels of receipt of social security payments.

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