

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
ATTORNEY-GENERAL'S DEPARTMENT

Program 1.1

Question No. 100

Senator Adams asked the following question at the hearing on 22 February 2011:

- 1) I am concerned about the proposed changes to the Government's Family Relationship Services Program. This Program assists couples and families to develop and sustain strong and supportive relationships. I understand the Government is planning to retarget family relationship counselling and education courses to "at risk" and "disadvantaged" children and their families. These services are currently available to everyone and may prevent major difficulties from occurring. I understand there will be funding cuts to programs assisting separated and divorced couples leading to longer waiting times for help. In 2010, the Budget included cuts in the order of \$48 million to the Family Relationship Services Program including cuts to Family Relationship Services, Family Dispute Resolution and Family Counselling.
 - a) How are these cuts justified in the face of a 5% increase in divorce (ABS Social Trends)?
 - b) How will these cuts be applied and what impact will they have on services, e.g job losses, waiting lists, reduced capacity and other services?
 - c) What analysis or modelling has been done on the impact of cuts? What data is available?
- 2) Currently Service Agencies know generally which service types will be subject to cuts but not necessarily the percentage of cuts across program types and regions
 - a) When will Services Agencies know what changes to funding will apply from 1 July 2011?
 - b) What will be the cumulative impact in terms of reduced service capacity and job losses across post separation services?
- 3) I understand that a 'Means Test' is to be introduced in relation to the Family Dispute Resolution through the Family Relationship Centres.
 - a) How will the 'Means Test' be applied?
 - b) What modelling was used to inform that decision?
 - c) What modelling has been undertaken by the Department on:
 - i) The projected take-up rate of mediation sessions beyond the first free session now that families themselves will have to pay?
 - ii) The impact on children and families of reducing the number of free mediation sessions from 3 to 1?

The answer to the honourable senator's question is as follows:

1. a) Of the \$48.4 million savings from the Family Relationship Services Program announced as part of the 2010-11 Budget, the majority has been found by reducing internal Government spending. The balance of savings has been made from Family Relationships Services Program post-separation services.

There will be no narrowing of the target group for post separation services, including post separation counselling, towards "at risk" and disadvantaged clients. Post

separation services under the Family Relationship Services Program will continue to be available to all families experiencing relationship difficulties.

- b) In 2010, the Department consulted with service providers on the best way to implement the 2010 Budget decision. The feedback is being used to inform the Government's decision on how the funding reductions will be applied. A decision has not yet been made.
 - c) Family Relationship Services Program (FRSP) providers input data into the FRSP Online system which is managed through the Department of Families, Housing, Community Services and Indigenous Affairs. Data on client volume, income, presenting need and fees charged by services as well as publicly available data from the Australian Bureau of Statistics was used to inform the analysis.
2. a) Service providers will be advised of the Government's decision in the near future.
 - b) The Department is actively working with service providers to ensure the impact on services will be minimal.
3. a) All clients accessing dispute resolution services at Family Relationship Centres can currently access three hours of free family dispute resolution (FDR) regardless of income. From 1 July 2011, all clients will receive the first hour of mediation at no cost. Clients earning over \$50,000 per annum will be charged a fee of \$30 per hour for the second and third hour of FDR. Those who earn less than \$50,000 and those who receive Commonwealth health and social security benefits (regardless of income) will continue to receive three hours free mediation.
 - b) See response to question 1c.
 - c) i) The Department does not expect that this change will affect the demand for family dispute resolution services in Family Relationship Centres beyond the first free hour.
ii) The only impact expected for children and families is that clients who earn over \$50,000 per annum will be charged a fee (as outlined above at the response to question 3a). Clients who access family dispute resolution in Family Relationship Centres will continue to receive professional assistance from accredited family dispute resolution practitioners in a child focussed environment.