

Senate Finance and Public Administration Legislation Committee

ADDITIONAL ESTIMATES – 9 FEBRUARY 2010 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: CSP customers with invalid addresses

Question reference number: HS1 (a – b)

Senator: KROGER

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Question:

Senator KROGER – I want to turn straightaway to an update on the audit report on the Child Support Agency. I will quote one part of that report because it leads into my questions: In 2007, CSA identified 21 000 customers with invalid addresses. These customers had a total outstanding debt of \$93.5 million, and 75 per cent of those customers did not lodge tax returns. In the same year, CSA identified an additional 28 000 customers with invalid addresses; increasing to 49 000 the number of customers for whom CSA did not have valid addresses. Can I ask how many customers you have identified who do not have valid addresses now?

Mr Pratt—The CSP team will no doubt be able to enlighten us around that issue.

Ms Godwin—I do not have those updated figures with me. I would have to take that on notice.

Senator KROGER—That would be great. Could you also take on notice what the total value of outstanding debt would be for those that have invalid addresses and so have not fulfilled their obligations.

Answer:

A customer's address is deemed invalid where correspondence has been sent to the customer and subsequently returned to the Child Support Program (CSP) unopened. The CSP classifies customers with invalid addresses as being "on tracing".

The Senator's reference is to paragraph 3.40 of the Australian National Audit Office's (ANAO) audit report "Child Support Reforms: Stage One of the Child Support Scheme Reforms and Improving Compliance". The ANAO reference is to an internal CSP report "Client Location and Compliance: Initial report and recommendations 2007" which discussed a subset of 21,000 tracing cases with Total Child Support Debt (TCSD) totalling \$93.5 million which could be targeted for collection.

Paragraph 4.11 of the same ANAO audit report says that in April 2009 there were 164,737 customers on tracing with associated TCSD of \$224.1 million.

As at 31 January 2010, there were 165,185 customers on tracing. Of them, 36,002 customers had associated TCSD totalling \$253.5 million.

Customers with Invalid Address				
Customer Role	Customer without Debt	Customer with Debt	Total Customer	TCSD
Paying Parent	66,649	34,900	101,549	\$250.2m
Receiving Parent	54,163	-	54,163	-
Both roles	8,371	1,102	9,473	\$3.3m
Total	129,183	36,002	165,185	\$253.5m