

## SECTION 2: REVISIONS TO OUTCOMES AND OUTPUTS

### OUTCOME 1 – STRONGER FAMILIES

#### Resources

Table 2.1.1 shows total resourcing in 2001-02 for Outcome 1, including Total Administered Expenses, Revenue from Government (Appropriation) for Outputs and the Total Price of Outputs.

Total resourcing in 2001-02 for Outcome 1 is estimated to be \$16.9 billion, which represents an increase on the \$16.7 billion estimated at budget. The increase is mainly due to higher than earlier assumed expenditure on Family Tax Benefit, as a result of more families than estimated accessing family assistance through Centrelink rather than through the tax system.

#### Changes to Administrative Arrangements Orders

As noted, the AAO changes resulted in Youth Affairs moving from the former Department of Education, Training and Youth Affairs to FaCS, and has been incorporated within *Output Group 1.2 – Youth and Students*. The following administered items have been added to this output group:

- Job Placement, Employment and Training Programme;
- Green Corps;
- Targeted Youth Assistance Programme; and
- Components of the Strategic Intervention Programme.

The resourcing associated with these items is not reflected in the portfolio's estimates and will be reported in the 2002-03 Portfolio Budget Statements.

#### Measures

Table 2.1.2 documents the impact of new measures and variations to previous measures on Outcome 1 resourcing. These are explained in detail in Section 3, and are:

- *Family Tax Benefit and Child Care Benefit Tolerance* – Families who have been overpaid Family Tax Benefit or Child Care Benefit for the 2000-01 tax year because they incorrectly estimated their income or shared care arrangements will have the first \$1,000 of their overpayment waived. The measure has no impact on the forward estimates as the recovery of the higher than expected level of overpayments had not been reflected in previous estimates.
- *Compliance Package* – The Government will introduce additional compliance activity to improve the control of incorrect or fraudulent payments.
- *Additional Funding to Allow Better Targeted Investigations from 2002-03* – The Government will reduce fraud and better control incorrect payments of benefits and improve programme outcomes with the use of risk profiling. It will identify Youth

Allowance customers at risk of receiving incorrect payment or not meeting programme outcomes.

- *Child Support measures not supported by the Parliament* – Provisions in the Child Support Package announced in the 2000-01 Budget, relating to lower formula ‘percentages’ for payers exercising contact with their children, and a lower ‘cap’ on payer income subject to child support formula assessment, were not supported by the Parliament.
- *Early Intervention, Parenting and Family Relationship Support* – Administration mechanisms have now been developed for delivering family counselling services in rural and regional areas as part of the Stronger Families and Communities Strategy. As a result, departmental resources are now being appropriated to FaCS.

These measures have a negligible impact on resourcing in 2001-02 although the combined effect of the compliance package and risk profiling will deliver more significant savings in later years. The defeat of the Child Support measures announced in the 2000-01 Budget will also reduce expenses.

### **Other Variations**

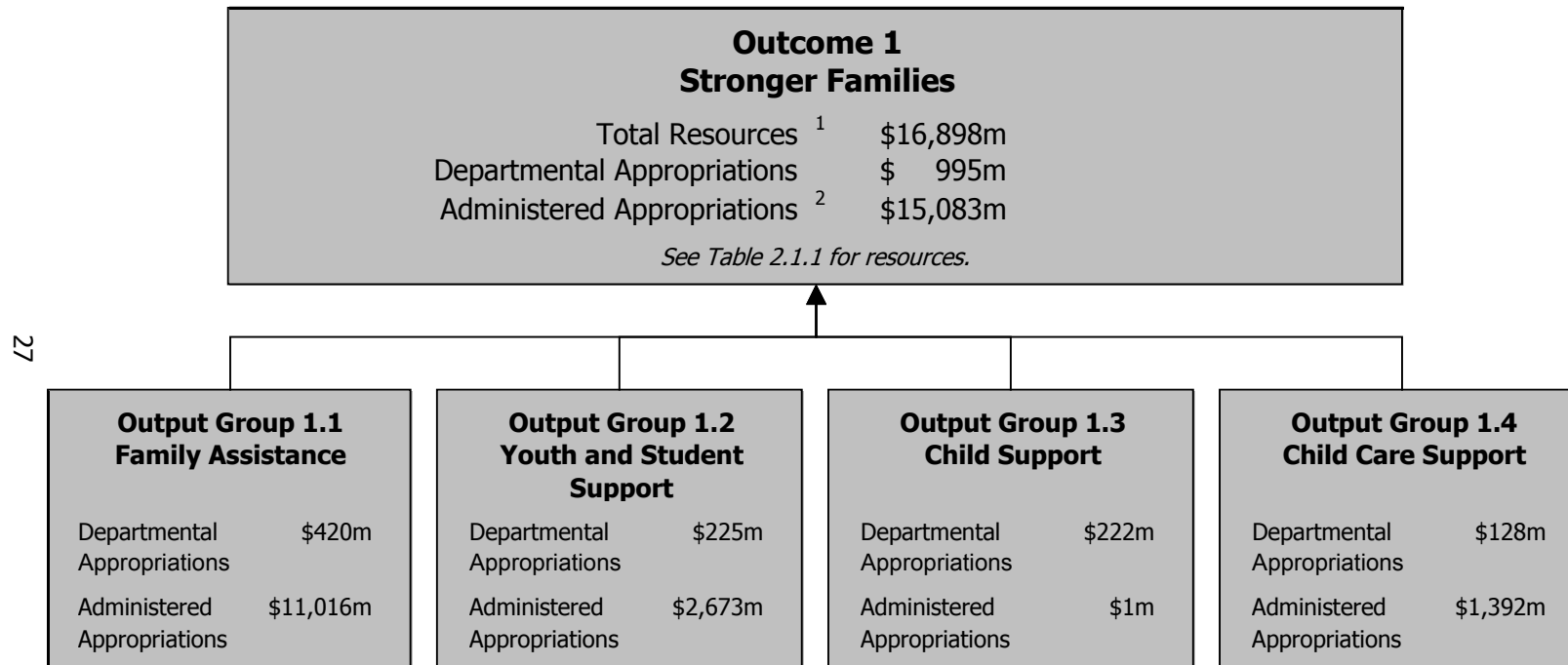
Estimated expenses in 2001-02 have varied because of a range of other adjustments. Significant variations reflect the following:

- *Transfer between portfolios* – Funds are to be transferred from the Department of Health and Ageing to provide supplementation for some organisations under the 2000-01 Budget measure "Fringe Benefits Tax supplementation for Aboriginal and Torres Strait Islander organisations". The transfer comprises \$0.016 million for Services for Families with Children and \$0.028 million for Support for Child Care.
- *Child Care Assistance* – Revision to estimates of \$10.0 million to provide for payment of claims for Child Care Assistance outstanding after Child Care Assistance was replaced by Child Care Benefit on 1 July 2000.

### **Performance Information**

The performance indicators that the Department of Family and Community Services will use to assess the level of its achievement against Outcome 1 are unchanged. Performance indicators for new measures affecting Outcome 1 are included in Section 3 of Part C to these statements.

Map 2.1: Outcome 1 and Contributing Output Groups



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1. 'Total Resources' includes Departmental and Administered Appropriations, Non-Directly Appropriated Expenses, and Revenue from Other Sources.
2. 'Administered Appropriations' include 'Administered Items across Outcome'.

Table 2.1.1: Detail of Total Resources for Outcome 1

	Actual Expenses 2000-01 \$'000	Budget Estimates 2001-02 \$'000	Revised Estimates 2001-02 \$'000
<b>ADMINISTERED APPROPRIATIONS</b>			
<b>Items applicable across Outcome 1</b>			
<b>Appropriation Bill (No. 3)</b>			
Ex Gratia payments and savings provisions for DVA pensioners receiving Family Tax Benefit A and Child Care Benefit <sup>1</sup>	-	514	514
National Secretariats	598	674	674
Payments to universities and other organisations for special studies and research	143	79	79
<b>Subtotal</b>	<b>741</b>	<b>1,267</b>	<b>1,267</b>
<b>Total items across Outcome 1</b>	<b>741</b>	<b>1,267</b>	<b>1,267</b>
<b>Output Group 1.1 - Family Assistance</b>			
<b>Appropriation Bill (No. 3)</b>			
Child Abuse Prevention	2,190	3,923	3,923
Domestic Violence Programmes	1,265	-	-
Family Adjustment Payment	192	350	350
Family and Community Network Initiative	3,785	2,167	2,167
Grants to Family Relationship Support Organisations (including payments under the Family Law Act 1975 and the Marriage Act 1961)	24,411	27,615	27,615
Indigenous Parenting and Family Wellbeing	516	2,038	2,038
Pre marriage education vouchers	245	-	-
Services for families with children	7,458	8,281	8,297
Stronger Families and Communities Strategy : Families Initiatives	429	18,495	18,495
<b>Subtotal</b>	<b>40,491</b>	<b>62,869</b>	<b>62,885</b>
<b>Appropriation Bill (No. 4)</b>			
Family and Youth Support (National Illicit Drugs Strategy) SPP	1,144	4,753	4,753
Services for families with children SPP	358	360	360
<b>Subtotal</b>	<b>1,502</b>	<b>5,113</b>	<b>5,113</b>
<b>Special Appropriations</b>			
Double Orphan Pension	1,977	1,868	2,057
Family Allowance <sup>2</sup>	-39,532	214	-
Family Tax Benefit	10,076,463	10,465,075	10,722,011
Family Tax Payment <sup>2</sup>	-2,286	-	-
Maternity Allowances	217,899	222,536	223,883
<b>Subtotal</b>	<b>10,254,521</b>	<b>10,689,693</b>	<b>10,947,951</b>
<b>Total Output Group 1.1</b>	<b>10,296,514</b>	<b>10,757,675</b>	<b>11,015,949</b>

1. Actual Expenses for 2000-01 are included in the figures for Family Tax Benefit and Child Care Benefit.
2. Family Allowance and Family Tax Payment were replaced with Family Tax Benefit on 1 July 2000. Amounts reported in 2000-01 relate to recoveries of overpayments in Family Allowance and Family Tax Payment made in prior years.

	Actual Expenses 2000-01 \$'000	Budget Estimates 2001-02 \$'000	Revised Estimates 2001-02 \$'000
<b>ADMINISTERED APPROPRIATIONS</b>			
<b>Output Group 1.2 - Youth and Student Support</b>			
<b>Appropriation Bill (No. 3)</b>			
Reconnect	12,658	20,244	20,244
Youth Activities Services	6,116	6,601	6,601
Youth Homelessness Pilot Programme	59	-	-
<b>Subtotal</b>	<b>18,833</b>	<b>26,845</b>	<b>26,845</b>
<b>Special Appropriations</b>			
Austudy Payment	249,258	241,692	262,583
Fares Allowance	644	1,095	1,095
Student Financial Supplement Scheme	161,501	159,233	159,233
Youth Allowance	2,101,915	2,259,407	2,222,987
<b>Subtotal</b>	<b>2,513,318</b>	<b>2,661,427</b>	<b>2,645,898</b>
<b>Total Output Group 1.2</b>	<b>2,532,151</b>	<b>2,688,272</b>	<b>2,672,743</b>
<b>Output Group 1.3 - Child Support</b>			
<b>Appropriation Bill (No. 3)</b>			
Child Support Agency - Payments to cover cheque dishonours, incorrect maintenance payments and refunds of overpayments	3,630	802	802
<b>Subtotal</b>	<b>3,630</b>	<b>802</b>	<b>802</b>
<b>Special Appropriations</b>			
<i>Child Support (Registration and Collection) Act 1988 - Payment to cover shortfalls in the Child Support Trust Account</i>	66,265	43	43
<i>Child Support (Registration and Collection) Act 1988 - Unexplained Remittances</i>	283	2	2
<b>Subtotal</b>	<b>66,548</b>	<b>45</b>	<b>45</b>
<b>Total Output Group 1.3</b>	<b>70,178</b>	<b>847</b>	<b>847</b>

	Actual Expenses 2000-01 \$'000	Budget Estimates 2001-02 \$'000	Revised Estimates 2001-02 \$'000
<b>ADMINISTERED APPROPRIATIONS</b>			
<b>Output Group 1.4 - Child Care Support</b>			
<b>Appropriation Bill (No. 3)</b>			
Child Care Assistance	154	-	10,000
Child care for eligible parents undergoing training	7,301	10,363	10,363
Support for child care	169,954	173,943	173,971
<b>Subtotal</b>	<b>177,409</b>	<b>184,306</b>	<b>194,334</b>
<b>Appropriation Bill (No. 4)</b>			
Support for child care SPP	10,276	11,155	11,155
<b>Subtotal</b>	<b>10,276</b>	<b>11,155</b>	<b>11,155</b>
<b>Special Appropriations</b>			
Child Care Benefit	1,037,137	1,166,245	1,186,160
Child Care Rebate <sup>3</sup>	-14,597	-	85
<b>Subtotal</b>	<b>1,022,540</b>	<b>1,166,245</b>	<b>1,186,245</b>
<b>Total Output Group 1.4</b>	<b>1,210,225</b>	<b>1,361,706</b>	<b>1,391,734</b>
<b>Total Administered Appropriations</b>			
Appropriation Bill (No. 3)	241,104	276,089	286,133
Appropriation Bill (No. 4)	11,778	16,268	16,268
Special appropriations	13,856,927	14,517,410	14,780,139
<b>Total Administered Appropriations</b>	<b>14,109,809</b>	<b>14,809,767</b>	<b>15,082,540</b>
<b>Total Non-Directly Appropriated Expenses</b>	<b>711,005</b>	<b>862,891</b>	<b>818,409</b>
<b>Total Administered Resourcing (A)</b>	<b>14,820,814</b>	<b>15,672,658</b>	<b>15,900,949</b>

3. Child Care Rebate was replaced with Child Care Benefit from 1 July 2000. Amounts reported in 2000-01 relate to recoveries of Child Care Rebate payments made in prior years.

	Actual Expenses 2000-01 \$'000	Budget Estimates 2001-02 \$'000	Revised Estimates 2001-02 \$'000
<b>DEPARTMENTAL APPROPRIATIONS</b>			
<b>Output Group 1.1 - Family Assistance</b>			
Policy Advice	13,779	18,156	18,312
Purchasing, Funding & Relationship Management	16,804	22,141	22,331
Research and Evaluation	3,025	3,985	4,020
Service Delivery			
Centrelink	366,117	364,754	364,902
Service Delivery (other)	11,239	10,863	10,872
<b>Total Output Group 1.1</b>	<b>410,964</b>	<b>419,899</b>	<b>420,437</b>
<b>Output Group 1.2 - Youth and Student Support</b>			
Policy Advice	5,574	5,029	5,048
Purchasing, Funding & Relationship Management	5,175	4,670	4,687
Research and Evaluation	2,521	2,275	2,284
Service Delivery			
Centrelink	209,913	210,179	211,459
Service Delivery (other)	1,219	1,202	1,208
<b>Total Output Group 1.2</b>	<b>224,402</b>	<b>223,355</b>	<b>224,686</b>
<b>Output Group 1.3 - Child Support</b>			
Policy Advice	244	168	169
Purchasing, Funding & Relationship Management	84	58	58
Research and Evaluation	369	255	257
Service Delivery			
Child Support Agency	208,969	218,672	218,131
Centrelink	1,632	3,279	3,279
<b>Total Output Group 1.3</b>	<b>211,298</b>	<b>222,432</b>	<b>221,894</b>
<b>Output Group 1.4 - Child Care Support</b>			
Policy Advice	4,876	3,406	3,424
Purchasing, Funding & Relationship Management	32,916	22,988	23,110
Research and Evaluation	2,845	1,987	1,997
Service Delivery			
Centrelink	90,987	91,396	91,396
Service Delivery (other)	14,531	8,091	8,091
<b>Total Output Group 1.4</b>	<b>146,155</b>	<b>127,867</b>	<b>128,018</b>
<b>Total Revenue from Government (Appropriations) (B)</b>	<b>992,819</b>	<b>993,553</b>	<b>995,035</b>
<b>Revenue from Other Sources</b>			
Section 31 of the <i>FMA Act 1997</i>	4,325	1,764	1,764
<b>Total Revenue from Other Sources (C)</b>	<b>4,325</b>	<b>1,764</b>	<b>1,764</b>
<b>Total Price of Departmental Outputs (B+C)</b> (Total revenue from Government and from other sources)	<b>997,144</b>	<b>995,317</b>	<b>996,799</b>
<b>Total Estimated Resourcing for Outcome 1 (A+B+C)</b> (Total price of outputs and administered expenses)	<b>15,817,958</b>	<b>16,667,975</b>	<b>16,897,748</b>
<b>Average Staffing Level (units)</b>	<b>3,241</b>	<b>3,241</b>	<b>3,241</b>

Table 2.1.2: Summary of Measures Since the 2001-02 Budget for Outcome 1

New Measures - FaCS	Output Group	Page	Appropriations 2001-02 (\$'000)			Appropriations 2002-03 (\$'000)			Appropriations 2003-04 (\$'000)			Appropriations 2004-05 (\$'000)		
			Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total
Family Tax Benefit and Child Care Benefit Tolerance <sup>1</sup>	1.1 & 1.4	47	-	-	-	-	-	-	-	-	-	-	-	-
Compliance Package	1.1	48	-1,632	272	-1,360	-16,320	2,720	-13,600	-13,056	2,176	-10,880	-13,056	2,176	-10,880
Additional Funding to Allow Better Targeted Investigations from 2002-03	1.2	49	-	1,156	1,156	-8,000	-	-8,000	-8,000	-	-8,000	-8,000	-	-8,000
<b>Sub-Total</b>			<b>-1,632</b>	<b>1,428</b>	<b>-204</b>	<b>-24,320</b>	<b>2,720</b>	<b>-21,600</b>	<b>-21,056</b>	<b>2,176</b>	<b>-18,880</b>	<b>-21,056</b>	<b>2,176</b>	<b>-18,880</b>
<b>Variations to Previous Measures</b>														
Lower Formula "Percentages" for Payers Exercising Contact with their Children – defeated	1.1 & 1.3	51	-	-1,400	-1,400	-11,471	-5,721	-17,192	-12,208	-3,000	-15,208	-12,208	-3,000	-15,208
Lower "Cap" on Payer Income subject to Child Support Formula Assessment – defeated	1.1 & 1.3	52	3	-	3	7	-	7	7	-	7	7	-	7
Early Intervention, Parenting and Family Relationship Support	1.1	53	-	298	298	-	304	304	-	311	311	-	317	317
<b>Sub-Total</b>			<b>3</b>	<b>-1,102</b>	<b>-1,099</b>	<b>-11,464</b>	<b>-5,417</b>	<b>-16,881</b>	<b>-12,201</b>	<b>-2,689</b>	<b>-14,890</b>	<b>-12,201</b>	<b>-2,683</b>	<b>-14,884</b>
<b>TOTAL</b>			<b>-1,629</b>	<b>326</b>	<b>-1,303</b>	<b>-35,784</b>	<b>-2,697</b>	<b>-38,481</b>	<b>-33,257</b>	<b>-513</b>	<b>-33,770</b>	<b>-33,257</b>	<b>-507</b>	<b>-33,764</b>

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1. This measure is budget neutral.