

PART B: PORTFOLIO OVERVIEW

FaCS Portfolio Environment

This year the wider economy has been characterised by a continued decline in the rate of unemployment and there has been growth in both employment and workforce participation. Wages growth has remained in line with productivity growth and GDP growth remains strong.

Demographic and social factors that are altering the age profile of the community continue to influence trends in social security payments. Over past decades the proportion of couples with children has fallen, while the proportions of lone parent families and couples without children have grown. Lone parent families now represent one fifth of families with dependent children.

As a result of declining fertility and continuing increases in average life expectancy, the workforce-age population grew steadily older during the 1980s and 1990s. The proportion of this group, aged from 15 to 64 years, that receives income support payments has grown. As well as reflecting wider longer term labour force trends, income support receipt has risen among groups who are not considered to be in the workforce.

The proportion of the population that is of age pension age is gradually increasing. As a result the number of people in receipt of age pension and similar payments continues to rise gradually. Currently approximately 2 million people receive these payments, which represents approximately 80 per cent of people in this age group.

Strategic Priorities of the Portfolio

The formation of the Family and Community Services Portfolio in October 1998 signalled a marked shift in social policy development towards developing holistic, systemic approaches that emphasise prevention and early intervention.

The portfolio has focused its attentions on achieving the three key social policy outcomes identified for the Department of Family and Community Services, which are:

- Stronger Families;
- Stronger Communities; and
- Economic and Social Participation.

The outcomes reflect the changes that have been occurring in the broader community and respond to the increasing awareness that the provision of income support is not adequate in itself in terms of addressing long term economic and social disadvantage. The outcomes and strategies to achieve them are spelt out in more detail in the budget statement of the Department of Family and Community Services.

Since October 1998, the portfolio has addressed a significant range of issues across the whole range of its activities focused on inter-related outcomes. There has been the task of implementing the new family assistance arrangements and the other changes associated with the Government's tax reforms, which will both strengthen families and enhance economic and social participation. There has been substantial

developmental work associated with the welfare reform process and work will continue on that.

There has also been much developmental activity over the past year that has produced the new innovative strategies that form part of the 2000-01 Budget. These strategies will significantly increase the capacity of families, communities and individuals to support themselves and to be less reliant on Government support. The 2000-01 Budget measures are described in the budget statement for the Department of Family and Community Services (Part C).

In addition to these activities, the portfolio has further strengthened its supporting activities. It has refined its approaches to accrual budgeting, which has resulted in the new, more transparent, performance indicators that are shown in the budget statement for the Department of Family and Community Services. These new indicators will enhance the capacity of the portfolio's stakeholders to judge the extent to which the three key social policy outcomes are being achieved.

Major in-roads continue to be made towards more effective and innovative approaches to service delivery across the portfolio. For example, Centrelink's budget statement (Part D) outlines the innovative changes taking place in service delivery. The establishment of the Family Assistance Office (which will enable delivery through a range of Centrelink, Australian Taxation Office (ATO) and Medicare offices), together with the establishment of a significantly expanded network of Child Support Agency outlets, will significantly improve access to services by the Australian public. These changes, by making service delivery more effective, will further enhance the portfolio's capacity to achieve its key social policy outcomes.

In summary, the Portfolio's strategic priorities have focused on achieving the three key social policy outcomes identified for the Department of Family and Community Services and substantive steps have already been taken towards that achievement.

Agencies of the Portfolio

The Family and Community Services Portfolio comprises three autonomous agencies:

- the Department of Family and Community Services;
- Centrelink; and
- the Australian Institute of Family Studies (AIFS).

The Department of Family and Community Services (the Department, or FaCS) incorporates the Child Support Agency (CSA), Commonwealth Rehabilitation Service (CRS) Australia (formerly Commonwealth Rehabilitation Service) and the Social Security Appeals Tribunal (SSAT). These three administrative entities operate in a semi-autonomous way.

The Department of Family and Community Services

The Department's vision is 'Towards a fair and cohesive Australian society'. The Department's purpose is 'Delivering social policy outcomes for Australian families, communities and individuals'.

The vision statements of the three entities incorporated within the Department are:

CRS Australia

The CRS Australia vision statement is 'A future where all Australians achieve their potential for economic and community participation'.

Child Support Agency

The Child Support Agency's vision statement is 'All Australian parents meet their child support responsibilities'.

Social Security Appeals Tribunal

The role of the Social Security Appeals Tribunal as set out in its Charter is to 'make decisions on pensions, benefits and allowances' as 'an independent body, which reviews individual cases in a fair and just manner'.

Centrelink

Centrelink's vision statement is 'Making a difference to the Australian community through responsive, high quality Government services and opportunities, and giving value for money'. Its purpose is to deliver services to customers.

- Centrelink operates under Business Partnership Agreements with each of its client departments. The Agreements specify the services to be performed, the outcomes required and the reporting arrangements.
- Centrelink's strategic outcome is to provide 'effective delivery of Commonwealth services to eligible customers'.

Australian Institute of Family Studies

The Institute's strategic outcome is 'To inform governments, policy makers and other stakeholders on factors influencing how families function'.

Delivery of Services by the Portfolio

Centrelink, CRS Australia, the Child Support Agency and the Social Security Appeals Tribunal provide services to customers. In addition, a range of other providers, including not-for-profit organisations and State governments are funded to provide services.

Legislation Administered by the Portfolio

The portfolio administers the following legislation:

- *A New Tax System (Family Assistance) Act 1999;*
- *A New Tax System (Family Assistance) (Administration) Act 1999;*
- *A New Tax System (Family Assistance and Related Measures) Act 2000, Schedule 5 and 6;*
- *A New Tax System (Bonuses for Older Australians) Act 1999, Parts 1 and 5 in so far as they relate to Family and Community Services customers and Part 2;*
- *Child Care Act 1972;*
- *Child Support (Assessment) Act 1989;*
- *Child Support (Registration and Collection) Act 1988;*
- *Commonwealth and State Housing Agreement Acts;*
- *Commonwealth Services Delivery Agency Act 1997;*
- *Commonwealth Services Delivery Agency (Consequential Amendments) Act 1997;*
- *Data-matching Program (Assistance and Tax) Act 1990;*
- *Defence (Re-establishment) Act 1965, Parts V and VA, and section 59 in respect of powers and functions under Parts V and VA;*
- *Disability Services Act 1986;*
- *Family Law Act 1975, Part XIVA;*
- *First Home Owners Act 1983;*
- *Home Deposit Assistance Act 1982;*
- *Home Savings Grants Acts;*
- *Homeless Persons Assistance Act 1974;*
- *Housing Agreements Acts;*
- *Housing Assistance Acts;*
- *Marriage Act 1961, Part IA;*
- *Social Security Act 1991;*
- *Social Security (Rewrite) Transition Act 1991;*
- *Social Security (Administration) Act 1999;*
- *Social Security (International Agreements) Act 1999;*
- *Social Welfare Commission (Repeal) Act 1976;*
- *States Grants (Housing) Act 1971; and*
- *Supported Accommodation Assistance Acts.*

Map 1: Structure of Portfolio Outcomes

