



# The New Zealand Economic Cost of Family Violence

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Coopers & Lybrand  
DECEMBER 1994

Published by the Family Violence Unit  
Department of Social Welfare  
Private Bag 21, Wellington

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ISBN 0-9583357-2-9

Cover Design and Electronic Artwork by Wellington Typesetters Limited  
Printed by City Print Limited

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DEPARTMENT OF

*Social Welfare*  
*Te Tari Toko i te Ora*

**FAMILY VIOLENCE UNIT**

The Family Violence Unit welcomes the report by Suzanne Snively of Coopers and Lybrand into the economic cost of family violence in New Zealand.

We commissioned this report following interest in the New South Wales Domestic Violence Strategic Plan, which included a report on the costs of domestic violence. A process of strategic planning of government's response to family violence is underway in New Zealand, focused around the New Zealand Crime Prevention Strategy. The goal of reducing the incidence of family violence is one of the key elements of the crime prevention strategy.

Sound information on the nature and impact of family violence is seen as vital in shaping an effective response by government agencies. This study of the New Zealand Economic Cost of Family Violence will contribute to that information base and provide a platform from which to refine our understanding of the economic costs and consequences of family violence. It is hoped that there will be vigorous debate about the theoretical model used, the assumptions employed and the data used. In particular the impact of family violence on women's participation in the labour force requires further research. The spreadsheets used to calculate costs will be maintained by the Family Violence Unit and will be revised and updated as new information becomes available.

Many people participated in this project, contributing time, information and expert opinion. Thanks are due to all those who assisted and especially to Eva Cox and Distaff Associates, who kindly made their working papers from the NSW study available; Debbie Parker, formerly of Coopers and Lybrand, who provided research assistance in the early stages of this project; Paula Martin of the Family Violence Unit; and George Kanelos of Coopers and Lybrand for patient reworking of an ever-multiplying number of spreadsheets. In particular, I wish to acknowledge the report's author, Suzanne Snively, who approached this difficult task with skill and an understanding that underlying the economic costs of family violence are the human and social costs borne by those affected by family violence.

Brenda Pilott  
Manager, Family Violence Unit

## EXECUTIVE SUMMARY

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### *Summary and Conclusion*

- 0.1 The purpose of this assignment, The New Zealand Economic Cost of Family Violence (“NZECFV”), is to provide a framework for estimating the economic cost of family violence in New Zealand. Although the costings differ depending on the assumptions, the conclusion is the same in all cases - the economic cost of family violence in New Zealand is significant for both the individual and society.
- 0.2 The results of the analysis indicate that the annual cost of family violence in New Zealand is at least \$1.2 billion. This is more than the \$1.0 billion earned from our wool exports in 1993/94, nearly as much as the total amount of \$1.4 billion spent on the unemployment benefit and around half of the \$2.5 billion earned from forestry exports.
- 0.3 This project owes its origins to a study conducted in July 1991 in New South Wales, Australia (NSW). The NSW study, “Costs of Domestic Violence” was part of the NSW Domestic Violence Strategic Plan.
- 0.4 The Family Violence Unit of the Department of Social Welfare commissioned Coopers & Lybrand to replicate the NSW study. Using the NSW study as a starting point, this assignment co-ordinated and compiled New Zealand data on family violence and further developed the methodology to suit the New Zealand analysis.

### *The Assignment*

- 0.5 The NSW study developed a three stage model to represent the “cycle” of domestic violence. The second or middle stage forms the main focus of the study as it encompasses those women who have acknowledged and sought help. This is the area most serviced by specific Government services and the area where there are the most activities that can be measured. Any costing model requires a countable population and clearly defined activities that can be costed for robustness.
- 0.6 The methodology used by NZECFV has addressed the measurement issues raised by the NSW study. Aspects providing a distinctly “New Zealand flavour” were explored. Where there is data available, the NSW methodology has been modified for New Zealand.
- 0.7 A seminar was held in June 1994, with interested parties as participants, to collect data for New Zealand. Seminar participants included representatives of Women’s Refuge and Men for Non-Violence. Government agencies represented included Accident Rehabilitation and Compensation Insurance Corporation, Department of

Social Welfare (CFA, CYPS, SPA, as well as the Family Violence Unit), Education, Justice, Health, Labour, Police, Public Health Commission, Te Puni Kokiri and Women's Affairs. The Institute of Criminology and the Office of the Commissioner for Children were also represented.

0.8 The most recent data available was obtained from those agencies involved in providing services to the survivors of family violence. The data was collected in a number of forms:

- annual cost of providing the service
- unit costs per item or service
- typical pattern of service usage (in this case, a template was designed and then tested)
- case studies to form template examples
- ranges of overall prevalence in populations identified.

0.9 A spreadsheet approach has been developed to increase the usefulness and portability of results to interested parties and future researchers. The spreadsheets incorporate all the main variables, assumptions and sources of data so that interested analysts and policy makers can test different assumptions both about what is a legitimate cost of family violence and about ways of measuring the costs.

0.10 A range of scenarios have been analysed for this assignment using a spreadsheet model to document changed assumptions and the consequent results. The scenarios are named after the method used to calculate direct costs for those who acknowledge family violence. They are:

- (a) **base scenario**, where direct costs are associated with the number of police callouts which are seen as a measure of the number acknowledging family violence;
- (b) the **five times callout scenario**, which assumes that five times as many people acknowledge family violence as callout the police, when measuring direct costs; and
- (c) the **income foregone scenario**, which imputes the costs of labour market income foregone because of work days assumed to be lost through family violence.

- 0.11 Those who do not acknowledge violence also incur costs from family violence. Stage One of the spreadsheets imputes costs for “unreported” family violence. There is considerable debate about how to define and measure this group. Since there is no census question which asks people to describe whether they have experienced family violence, the usual process is to survey it. International and New Zealand studies put the total prevalence of family violence at between **1 in 10** and **1 in 4** members of the population. Each scenario has three cases which cost family violence using these three prevalence assumptions. The familiar estimate for New Zealand is **1 in 7**. This means 1 in 7 families experience violence. To estimate a countable population, this assignment further assumes 1 in 7 women and 1 in 7 children.
- 0.12 In all three scenarios, the assumptions chosen err on the conservative side. The results are sensitive to assumptions about prevalence and labour market behaviour. Further research about prevalence and labour market behaviour will help test these results. Another area where further work is required to better understand the costs of family violence is the cost of the justice system - costs of family counselling, of courts and incarceration.
- 0.13 Appendix D publishes the spreadsheets assuming 1 in 7 prevalence for the three scenarios.
- 0.14 The table below shows how the results vary with different assumptions grouped into scenarios. The costings from the base scenario can be more directly measured. The base scenario assumes that the maximum number of women acknowledging violence is equal to the number of police callouts and then focuses on costing mainly the actual services known to be used by survivors of family violence.

### Economic Cost of Family Violence for 1993/94 in New Zealand

	PREVALENCE RATE		
	1:10	1:7	1:4
	SB	SB	SB
Base Scenario <sup>(1)</sup>	1.187	1.235	1.352
Five Times Callout Scenario <sup>(2)</sup>	2.691	2.739	2.855
Income Foregone Scenario <sup>(3)</sup>	3.770	4.206	5.302

<sup>(1)</sup> Calculates direct costs for families who called out the police.

<sup>(2)</sup> Calculates direct costs for 5 times the number who called out the police.

<sup>(3)</sup> Calculating income foregone as well as direct costs for 5 times the number who called out the police plus the value of life.

- 0.15 The base scenario results in between \$1.187 billion and \$1.352 billion, depending on which prevalence assumption is applied. The most conservative estimate of the economic cost of family violence in New Zealand is \$1.187 billion, assuming 1 in 10 prevalence.
- 0.16 We have used the base scenario with 1:7 prevalence as the base case spreadsheet (see Appendix D). According to the base case, the economic cost of family violence is \$1.235 billion.
- 0.17 In the base scenario, there is a difference of \$165 million in the estimated cost of family violence between the 1:10 prevalence assumption and the 1:4 assumption. In contrast, there is over \$1 billion dollars difference between the different prevalence assumptions in the income foregone scenario.
- 0.18 Assuming prevalence of 1 in 7 and income foregone, the costs of family violence are estimated at \$4.206 billion. Based on the estimate of prevalence of 1 in 4, our income foregone scenario estimates the economic costs of family violence in New Zealand as \$5.302 billion. Note that although this is the highest costing displayed, it is based on a below average proportion of women experiencing loss of earnings from family violence. If the labour market participation of women was assumed to be the average for all women (this is a likely assumption), the annual economic cost of domestic violence would be nearly double the highest figure in the table.
- 0.19 NZECFV is the first study of its kind in New Zealand. It is hoped that the spreadsheet methodology followed will act as a pilot to methodology for combining known, accurate, measurable data with information derived from case studies or hypotheses. While every effort has been taken to use accurate data, the measurement of the effects of family violence is very difficult. This approach enables easy recalculation as new data becomes available. The framework achieves the objective of illustrating the magnitude of the economic costs of family violence to both the individual and government. The comparison of different scenarios enables costings based on different sets of assumptions about the effects of family violence to be compared.



## I INTRODUCTION

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- 1.1 The purpose of this assignment is to provide an estimate of the economic costs of family violence in New Zealand. The starting point was to replicate in New Zealand the New South Wales (NSW), Australia study entitled: "Costs of Domestic Violence", published in July 1991 by the NSW Women's Co-ordination Unit as Part 3 of the NSW Domestic Violence Strategic Plan.
- 1.2 Using the methodology of the NSW study, this assignment co-ordinated and compiled New Zealand data on family violence. As it turned out, there are a number of areas where the specific service is able to be directly costed and so it was less necessary to rely on assumptions as in the NSW study.
- 1.3 The New Zealand Economic Cost of Family Violence study (NZECFV) attempts to apply the NSW study to New Zealand and specifically to focus on the definitions of key concepts, the methodology used and its application to this country.
- 1.4 A seminar was held in June 1994 with parties interested in aspects of family violence (see Appendix C). The purpose of the seminar was to address areas where data was available that could describe and cost the parameters measuring the effects of family violence for New Zealand. The seminar provided a key opportunity to reference the appropriate, most recent data sources and to draw on the expertise of those knowledgeable in the field of family violence. Seminar participants included representatives Women's Refuge and Men for Non-Violence. Government agencies represented included Accident Rehabilitation and Compensation Insurance Corporation, Department of Social Welfare (NZCFA, NZCYPS, SPA as well as the Family Violence Unit), Education, Justice, Health, Labour, Police, Public Health Commission, Te Puni Kokiri and Women's Affairs. The Institute of Criminology and the Office of the Commissioner for Children were also represented.
- 1.5 The seminar provided Coopers and Lybrand with an opportunity to explain the methodology and framework it was adopting and to get feedback about ways of refining the methodology. A further focus of the seminar was to describe different data sources and discuss the design of a framework which would be able to make best use of available data.
- 1.6 It is intended the NZECFV play a part in the evaluation of the Hamilton Abuse Intervention Pilot Project (HAIPP). The evaluation programme is co-ordinated by the Crime Prevention Unit (Department of the Prime Minister and Cabinet) with the participation of a number of government agencies who share a key interest in the outcomes of the evaluation.

- 1.7 As originally specified, it was intended that this assignment replicate the NSW study. In the end, though, the spreadsheet framework enabled a more ambitious approach.
- 1.8 The basic approach modelled by the spreadsheets has been strengthened to reflect New Zealand conditions through the addition of five factors:
  - (a) where possible, New Zealand data has been used instead of assumptions
  - (b) further research based on New Zealand data is noted which could, in time, provide data which could be integrated into the model to improve the robustness of the results
  - (c) the seminar provided the opportunity to clearly specify and directly cost some services which could only be estimated in NSW
  - (d) it has been possible to design the spreadsheets so that costs based on different assumptions (grouped into scenarios) can be compared
  - (e) the spreadsheets are also designed so that the costs of family violence can be easily re-estimated once there is a change in assumptions or better data.
- 1.9 The spreadsheets will be made available to the Family Violence Unit of the Department of Social Welfare upon the completion of this project. By providing this portable version of our framework, we are assisting future researchers to continuously improve understanding of the costs of family violence. As better data becomes available, it can be incorporated into the framework.
- 1.10 Like the NSW study, the assignment has gone beyond just the immediate costs to the government to measure costs to the individual and so it is called the “New Zealand Economic Cost of Family Violence”.
- 1.11 Although this assignment is very much a starting point for further research about the costs of family violence, it represents a strong position from which to identify and encourage further research. It also presents a perspective on the significant cost of family violence which must be taken seriously. It is hoped that an understanding of economic costs of family violence will assist in the further development of appropriate programmes which reduce the cycle of violence.

## II DEFINITIONS

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- 2.1 An important issue raised by the NSW study is the requirement for a clear definition of violence. This is important, especially when it comes to attempting to describe and identify the true costs of domestic or family violence. It is important to note that different studies of family violence use different definitions and this could be one reason that prevalence rates differ.
- 2.2 In the broadest sense, the NSW study views family violence (called “domestic” violence) as encompassing all “violence and abuse perpetrated upon a partner”. The NSW definition excludes other family members.
- 2.3 In New Zealand, it is customary to include violence perpetrated on any family members, not only partners. The definition also includes threats of violence and encompasses men, women and children. This definition forms the essential basis on which our assignment (NZECFV) has been developed.
- 2.4 The New Zealand Domestic Protection Act (1982) defined domestic violence as “violence which occurs within a particular range of relationships that one person may have with another, and as such can be perpetrated by any one person against another.” Family violence has been since defined to encompass “domestic violence” in the most general sense. Changes proposed to the Domestic Protection Act (in the Domestic Violence Bill 1994) will widen the definition of violent behaviours to include emotional or psychological abuse, and other non-physical acts. Protection is extended to all family members.
- 2.5 In contrast, the NSW study applies the “most commonly accepted” Australian definition of violence as “physical abuse”. This is further defined to reflect only that abuse which has been defined as family violence by the victim themselves to a third party (such as a social worker, refuge worker or medical worker).
- 2.6 The NSW study’s choice of definition reflects an approach to achieve credibility by basing any estimates on countable information. A women who has acknowledged her violent treatment and has sought assistance quite clearly qualifies to be counted and to be included in any measure of prevalence. New Zealand has other countable measures of woman and child abuse and so it is possible to widen the definition without losing credibility.
- 2.7 Prevalence studies indicate that there are many people who experience regular and continuing abuse but who choose not to acknowledge it, often not even to themselves.

### *NSW Three - Staged Approach*

2.8 The NSW approach attempts to deal with the issues of prevalence by defining three stages to domestic violence, with the focus of its work on the second or middle stage where the woman becomes part of the countable population as a result of seeking assistance. Although this assignment does not directly replicate the NSW approach for New Zealand, the following discussion gives a flavour of some of the issues which arise in measuring the costs of family violence.

2.9 The three stages as defined by the NSW study include:

- Stage One: Non-disclosure
- Stage Two: Acknowledgement and Help Seeking, and
- Stage Three: Building an Alternative Life.

#### *NSW Study Stage One: Non-Disclosure*

2.10 Stage One analyses the costs of violence to women who are subjected to violence but who do not acknowledge it. They deny any violence occurs, failing to recognise that it is unusual behaviour and hence do not appear in any countable populations. As they are not seeking assistance, they continue to bear personally the full burden of all costs directly associated with the violence (such as GP visits, drug use, medical attention and so on). Costs will also be incurred by third parties with whom they are in contact in an employment-related capacity and less directly in terms of lost resources to their community as a whole. Although there is evidence in support of the existence of this group, they cannot be identified if they fail to acknowledge their violent treatment. Estimates obtained from studies examining the prevalence of family violence in the general populations can provide a basis for a limited measure of probable economic costs. This measure, however, is also likely to be on the low side for each case, since it is based on little information about the women's experience. The significant factor determining the aggregate economic cost here, though, is the measure of prevalence.

#### *NSW Study Stage Two: Acknowledgement and Help Seeking*

2.11 Stage Two analyses the costs of family violence to women who acknowledge current violent involvements and who constitute the countable population by virtue of their attempts to seek assistance. The NSW study focuses on this stage because it is the only area where data is available and from which realistic estimates can be drawn. Assistance sought encompasses immediate relief from violence through to seeking a

new life with separate accommodation and even retraining and re-entry into the workforce.

- 2.12 The most conservative estimate of the number of women subjected to domestic violence is NSW Study's Stage Two. The basis for estimating the number of women in Stage Two is the number who seek police assistance. It is assumed that there will also be other women who will show they have acknowledged family violence by seeking forms of assistance other than that offered by the police. The ratio selected in NSW is 1 in 5. In this instance, it is believed that for every one woman who seeks help from the police, there are five who seek help from other sources.

#### *NSW Study Stage Three: Building An Alternative Life*

- 2.13 In this stage, women do not form part of the countable population as they are no longer in violent relationships. This may be post-separation or a consequence of intervention which allows cohabitation to continue. Some forms of family violence, however, can last long after the relationship which caused it has ceased and the effects of violence may also last. The women's challenge is to become incorporated back within the general population.

#### *Total Economic Resource Cost of Family Violence*

- 2.14 Clearly, we would be able to form a much better understanding of the total economic resource cost of family violence if the costs of all three stages could be measured. Family violence is one of those conditions which thrives on lack of robust information. In the absence of information about those who are abused, the general tendency in the past has been to believe that they were not abused. An implication of this is that the economic costs of family violence were underestimated.
- 2.15 For this assignment, as for the NSW study, more analysis has been carried out for Stage Two where family violence is defined in relation to those who have acknowledged violence and sought help. Readers may feel that the Stage Two costings are more accurate and less hypothetical than a study which aggregates the costs using the wider measures of prevalence as in Stages One and Three. It is likely, however, that the focus on Stage Two leads to an underestimation of the total economic resource cost of family violence.

### III METHODOLOGY

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- 3.1 The results of NZECFV depend considerably on the availability of data consistent with the definition of family violence pursued for estimation purposes. Since there is little quantitative data available as to unit and annual costs incurred, the approach uses the most recently available data sets (generally 1992 and 1993), perceptions and informed estimates from service-providers.
- 3.2 The model for New Zealand is built from unit costs where available, with total costs achieved through the establishment of a spreadsheet in Appendix D. The process of designing and calculating the spreadsheet framework is described in Appendix A.
- 3.3 Our first step was to build a framework based on the NSW study. The required data sets were defined.
- 3.4 Secondly, we agreed on a list of experts in the field of family violence with the Family Violence Unit of DSW. The list was narrowed down to those who had a particular background in the services areas where data would be required for NZECFV.
- 3.5 The June 1994 seminar (see Appendix C) provided support for the methodology used by the NSW study. The seminar also supported the use of a spreadsheet model for measuring the known costs and describing services and estimating costs where the available data was limited. It was regarded as a good way to record the methods used for imputations and costings, the sources of data and assumptions.
- 3.6 An unexpected outcome of the seminar was the discovery of more detailed and accurate costings in several areas. These included costs of social welfare, health and refuge services. Other groups were doing work in the area of family violence which provided useful insights for estimation.
- 3.7 The seminar participants expressed different views on the prevalence of family violence. There was agreement to use 1:4, 1:7 and 1:10 ratios to estimate the number of families experiencing family violence (survivors). For this project these ratios are applied to estimate the number of women and children without any attempt to adjust for different family types.
- 3.8 Based on data provided at the seminar, the base scenario spreadsheet model was constructed with detailed explanations given for each data set included. After the spreadsheet framework was developed using 1:7 as the prevalence assumption, it was possible to design further cases using the 1:4 and 1:10 prevalence assumptions.
- 3.9 Even given the wide variation in the prevalence measures, there was little variation in the results. This is explained by the fact that most of the costs measured are direct

costs applied to the number of police callouts. The number of police callouts stayed the same in each base case - different prevalence measures changed the population size to which indirect costs were imputed.

- 3.10 There was more difference in the results when different sets of assumptions were costed. For the purposes of this assignment, we have grouped them into three different scenarios: (1) base scenario; (2) five times callout scenario; and (3) income foregone scenario. Each scenario has three cases which cost family violence using these three prevalence assumptions.

#### *Base Scenario*

- 3.11 The direct costings in the base scenario are largely based on the characteristics of those families who acknowledge family violence by calling out the police.
- 3.12 Indirect costings are calculated for some of the other known activities related to family violence for those who do not acknowledge violence by calling the police.

#### *Five Times Callout Scenario*

- 3.13 Studies indicate, however, that police are only called out to a proportion of families who experience family violence. The number acknowledging violence and seeking help is larger than the number calling out the police. The NSW study assumed that there were five women who directly acknowledged family violence and sought help for every one who called out the police.
- 3.14 The five times callout scenario multiplies the direct costings in the base scenario by 5 on the premise that there are 5 people acknowledging family violence for every 1 callout of the police in New Zealand.

#### *Income Foregone Scenario*

- 3.15 There is a growing body of evidence (based on the NZISS COMPASS Scheme and NZ Employment Service experience) that family violence is a barrier to women entering and remaining in the workforce. This, and evidence that the number of police callouts is likely to under-represent the number of women who acknowledge family violence, underpins the income foregone scenario. The income foregone scenario estimates the loss in earning experienced by those who had paid employment prior to acknowledgement of family violence.
- 3.16 The results of this assignment are very sensitive to assumptions about income foregone. The NSW study assumed a value of income foregone throughout. It was decided to do two scenarios which excluded the cost of income foregone for the

NZECFV. This is easily done using the spreadsheet approach calculations. It is possible to compare the results under different assumptions by spreadsheets varying the different assumptions.

- 3.17 The use of spreadsheets to measure results under a variety of assumption is an approach for costing work where there is both known and unknown data. Instead of needing to justify a certain set of numbers, it is possible to make comparisons of costs using different assumptions. At the end, an absolute result may not be achieved, but a better idea of the factors which produce significant effects is obtained. For example, the work done for this study indicates that the results are extremely sensitive to prevalence assumptions and labour market income foregone points. This points to areas where further work would provide useful insights.
- 3.18 Another issue is estimating the number of survivors who acknowledge family violence and place demand on support services as a result. The basis for the calculation in the NSW study is that police callouts constitute a fifth of cases.
- 3.19 We adopt two different sets of assumptions in NZECFV about the relationship between the costs of family violence and the number of police callouts. First, we assume that in New Zealand, recent more assertive law enforcement practice has meant that all acknowledged cases of family violence are reported to the police. Since there were 37,144 callouts in 1993/94, this results in 37,144 survivors. Our other two scenarios (five times callouts and income foregone) use the same assumption as the NSW studies - that for every five cases of family violence acknowledged, one is reported to the police. Based on this, we calculate 185,720 reported cases of family violence for Stage Two of these two scenarios.



## IV SPREADSHEET DEVELOPMENT

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### *Issues Addressed by Seminar Participants*

- 4.1 NZECFV's aim was to replicate NSW but it was also important that the approach best reflected the situation and reporting needs in New Zealand. This led to some adjustments to the NSW approach. Time constraints did not permit the development of a model which was totally unique to New Zealand. However, there was some information available in New Zealand not available to the NSW researchers and so our approach is a further development of their model.
- 4.2 The June 1994 seminar was a process for obtaining agreement as to the definitions to be used. It focused first on how family violence was to be defined in New Zealand. Direct and indirect costs based on the approach in the NSW study were to be identified prior to the seminar. The seminar discussed what they represented in New Zealand (encompassing both the definition of individual items to be costed and of what items should be included in direct and indirect costs).
- 4.3 Seminar participants agreed that we would follow the NSW model and focus on Stage Two. This was because data and estimates would not be as robust for Stages One and Three. It was agreed that costs for Stage One could be generated by utilising general estimates of prevalence. It was decided to exclude Stage Three entirely.
- 4.4 Shortage of data in Australia led to a considerable amount of estimation for the NSW study. Although similar problems were experienced here, the dedication and follow up of seminar participants meant we were able to obtain more robust information for New Zealand. Actual data have been incorporated where available and additional research has been described which will give rise to additional data for future inclusion in the model framework provided.
- 4.5 The most difficult area to obtain information was that pertaining to the development of estimates for sample size and subsequent extrapolation to the estimated population base for each category of expenditure addressed. A difficult conceptual area was the cost to the woman and society of lost labour market earnings because of family violence. Careful attention has been given to each estimate used, in order to strengthen the project's credibility. Further, nine different scenarios were costed to provide a perspective on the impact of different assumptions.

### *Model Development*

- 4.6 To assist seminar participants with data collection, data requirements were listed. Based on this, the spreadsheet approach has been adopted to aggregate all the current known costs, but also to be able to incorporate the findings for interested parties and future researchers in this field.

- 4.7 A spreadsheet approach also has the added advantage of portability. Different researchers can use it without needing to specify the framework from the start.
- 4.8 The spreadsheet is accompanied by footnotes which are referenced to every result obtained to explain the data source, assumptions and basis of any estimation.
- 4.9 It was considered essential that every result be identified and qualified in the spreadsheet.
- 4.10 NZECFV forms a basis to guide future research and data generation. It is envisaged that as new data becomes available it can be incorporated into the spreadsheet, thus providing a continually updated recording medium. Seminar participants have already indicated data recording modifications are being developed to assist with the identification of those costs directly attributable to family violence.
- 4.11 The Family Violence Unit in the Department of Social Welfare intends to maintain and update this spreadsheet.

#### *Data Spreadsheet*

- 4.12 Our results are summarised in the accompanying spreadsheets (Appendix D). Where data was not available and estimates were not forthcoming, reliance has been placed on the estimates generated by the NSW study on the assumption that population characteristics of NSW are not too dissimilar to New Zealand given the comparable population base.
- 4.13 The estimates used aim to provide a realistic, if conservative, indicator of the true costs of family violence in New Zealand.
- 4.14 Readers are invited to apply their own assumptions to the framework where they may hold divergent views. Although the results are highly sensitive to assumptions about prevalence and labour market income, even our most conservative approach costs family violence at nearly \$1.2 billion. Although the costings differ depending on the assumptions, the conclusion is the same in all cases - the economic cost of family violence in New Zealand is significant for both the individual and society.
- 4.15 A further application of the spreadsheet framework would be to monitor the cost effectiveness of different programmes aimed at providing care to survivors of family violence. Cost effectiveness could be measured by monitoring the cost of the delivery of services to survivors from year to year. The spreadsheets could also track any improved effects, such as more people with jobs or voluntary positions, less child abuse and so on.

## V DISCUSSION OF RESULTS

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### *Prevalence*

- 5.1 In New Zealand, it is widely accepted that family violence constitutes any violence (including the threat of violence) perpetrated by family members against other family members - men, women and children. This definition forms the essential basis on which our assignment (NZECFV) has been developed.
- 5.2 A commonly agreed prevalence rate of family violence amongst service providers in New Zealand is estimated as 14% or 1:7. It is also the middle assumption between 1 in 10 and 1 in 4 measured by other studies attempting to assess the prevalence of family violence. When applied to the New Zealand population base (in March 1994) this would mean that there are an estimated 481,989 people experiencing family violence either as victims (survivors) or perpetrators (largely men) in New Zealand. This assignment looks at the cost to women and children “survivors” of family violence. Based on the New Zealand population as at end March 1994, one in seven children is 129,556 and one in seven women is 172,125, a total of 301,691.
- 5.3 Recent studies in Commonwealth countries such as Canada (Canadian Panel on Violence Against Women 1993), have shown comparable trends in prevalence rates. Some, though, indicate that the prevalence rate may be as high as 1:4 or 25% (which would increase the numbers affected to 858,738 in New Zealand). Other studies (United Nations, 1993; McLeod in Canadian Panel on Violence Against Women, 1993) have estimated the prevalence of family violence at one in ten. Note that most of these studies focus on women in contrast to our New Zealand focus on families.
- 5.4 There is considerable public disbelief about even the lower 1 in 10 estimate of those exposed to family violence. Although there is now greater public understanding of the depth of the problem than in the past, there are still members of the public who seek to discredit any research done about family violence by discrediting the information about prevalence that is applied.
- 5.5 Researchers in the field will be the first to admit that it is difficult to get a good measure of prevalence for many reasons, not the least because those families experiencing it often do not wish to bring it to the attention of others. Nevertheless, one test of the robustness of data is whether the results can be replicated using a similar methodology. It is interesting to see that measures of prevalence seem to be replicated when similar methodologies are applied in different countries.
- 5.6 The assumptions used in NZECFV have been grouped into three scenarios with three different measures of prevalence used in each scenario.

- 5.7 The **base scenario** costings are mainly based on the characteristics of those families who acknowledge family violence by calling out the police. The **five times callout scenario** multiplies the direct costings in the base scenario by five on the premise that there are five people who acknowledge family violence for every one police callout. The **income foregone scenario** estimates the loss in earnings experienced by those who had paid employment prior to their acknowledgement of family violence. The direct costs in the income foregone scenario relate to five times police callouts.
- 5.8 For this assignment, we have adopted the approach of recalculating our costings based on different measures of prevalence. For the base scenario, which is largely focused on the direct costs of services provided to family members reporting violence to the police, the different prevalence measures make relatively little change to the results. While multiplying police callouts to estimate the numbers acknowledging violence by five makes a difference to the level of costs, this scenario is little changed using different prevalence measures. It is when we start to add up the other possible costs to the individual and the economy of family violence, such as income foregone (lost labour market earnings), that the assumptions about prevalence make a significant difference to the results. For example, if it is one in ten households, then the total estimated cost of family violence, including lost labour market income, is \$3.770 billion. If prevalence is assumed to be one in four households, the total estimated cost of family violence is \$5.302 billion.

**Table A: The Economic Cost of Family Violence**

	PREVALENCE RATE		
	1:10	1:7	1:4
	\$B	\$B	\$B
Base Scenario <sup>1)</sup>	1.187	1.235	1.352
Five Times Callout Scenario <sup>2)</sup>	2.691	2.739	2.855
Income Foregone Scenario <sup>3)</sup>	3.770	4.206	5.302

<sup>1)</sup> Calculates direct costs for families who called out the police.

<sup>2)</sup> Calculates direct costs for 5 times the number who called out the police.

<sup>3)</sup> Calculating income foregone as well as direct costs for 5 times the number who called out the police plus the value of life.

- 5.9 Readers can make up their own minds as to what figure seems more likely. Note, however, that even for the higher prevalence figures, the assumptions are conservative. In the income foregone scenario, a very small proportion of women were assumed to have had employment in the first place. A view could be taken that a major effect of family violence is that it leads to low self esteem and fears about being able to turn up to work on a regular basis. In this case, there would be a far

higher number of women assumed to be losing income as a result of violence and the total estimated costs of family violence would be as much as double our highest costings.

- 5.10 The NSW and NZECFV studies estimate the costs of family violence borne by society at both the individual and government level. They are also likely to incur the cost of income foregone as paid work is jeopardised and even lost through injury and associated concerns and this is taken into account by our other scenarios. Excluded from both studies is the measure of the cost to the survivor at the physical, emotional and psychological level.

#### *Estimated Number of Survivors: Stages One and Two*

- 5.11 For NZECFV, the estimated number of survivors for Stage One is calculated by applying the prevalence assumptions to the population of women and children. To avoid double counting, the numbers acknowledging violence, who are counted in Stage Two, are subtracted from this to derive the number of survivors in Stage One.
- 5.12 New Zealand police statistics report a total of 37,144 reported domestic violence-related incidents and offences for the year ended 31 December 1993. This has been accepted as a conservative estimate of the number of survivors for the base scenario currently in Stage Two. The other two scenarios assume that those acknowledging violence are five times the number of police callouts.
- 5.13 To calculate those in Stage One of the base scenario, we derive an estimate of 264,547 (301,691 prevalence at 1:7 less 37,144 reported as recorded by police callouts)<sup>11</sup>. This implies a reporting rate of 1:8 (12.3%) of those affected by family violence.
- 5.14 NSW has a similar population to New Zealand. Therefore, the NSW estimate of 150,000 survivors of domestic violence for Stages One and Two (giving a ratio of 1:23 individuals in Stages One and Two combined) seems low, given that estimated prevalence of family violence in Commonwealth nations generally follow similar trends. The similar total for New Zealand is 301,691. One key difference between this study for New Zealand and the NSW study is that we have included children in our measure of the prevalence of family violence.

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<sup>11</sup> The NZECFV project differs from the method used in NSW where having, examined prevalence, an estimate was made for Stage Two which was halved for Stage One. We can find little justification for such treatment particularly as the prevalence of family violence in the New Zealand population has been estimated identifying those currently affected.

### *Direct Costs to Stage One Survivors*

- 5.15 Stage One covers unreported family violence. Estimates have been compiled to indicate costs incurred and the degree of loss for unreported family violence. These estimates are based on the likelihood of individual use against the cost to the patient of each service (in the case of medical services).
- 5.16 For the income foregone scenarios, an estimated frequency for work given up has been entered and compared to the average female wage. These total costs are assumed to be borne by the abused alone. The real economic costs would also include their lost contribution to society and the economy; this contribution is made through both paid and unpaid work.

### *Direct Costs to Stage Two Survivors*

- 5.17 Stage Two covers reported family violence. Stage Two survivors, like their Stage One counterparts, must also bear the cost of medical services and suffer the loss of income foregone.
- 5.18 However, they face additional direct costs because the acknowledgement of family violence may result in the separation of family members (whether temporary or permanent) as a solution is found. In many cases (but by no means the majority), the family will split into two, requiring additional accommodation and other associated costs.
- 5.19 Accommodation costs range from the expense of staying in a refuge to entering the private rental market, or even in some cases the purchase of a separate property. Estimates of the proportion of families affected have been compared with the costs of each option.
- 5.20 Likewise, legal costs are incurred as survivors seek to stop the violence and abuse they have suffered. Further costs are incurred against income through direct falls in income and reductions in the average family income. Work time is directly lost as a result of seeking and obtaining assistance and additional child care costs are likely to be incurred with a reduction in family member assistance because of the split in family structure.

### *The Value of Life*

- 5.21 A significant cost is incurred to a family where a member is actually killed or suffers serious injury as a result of family violence. The New Zealand Police reported 19 homicides for the year ended 31 December 1993 which were directly attributable to

family violence. These accounted for 40.4% of all murders for that year. Eleven of those killed were women and the other eight were children.

- 5.22 As part of market research on road safety in 1991, Miller et al (1991) valued a statistical life in New Zealand at \$2 million. Thus, statistically the value of these 19 lives lost as a result of family violence cost the economy \$38 million. Since there are likely to be a similar number of deaths from family violence each year, this \$38 million is the appropriate annualised figure for the purposes of the NZECFV study. Our income foregone scenario includes this assumption.
- 5.23 On a more conservative basis, the cost of a family member's death to the family becomes the lost sum of the victim's earnings, the loss of the offender's earnings whilst incarcerated and the cost of welfare for the children, plus the cost to the government of imprisonment of the offender. Not all these costs are readily identifiable but all are taken into account where possible with the spreadsheets explaining the assumptions applied. This is the basis used for the base scenario and five times callout scenario.

#### *Different Data About Reported Family Violence*

- 5.24 As pointed out earlier, the results of NZECFV are highly sensitive to assumptions about the loss of earnings which result from family violence. We have set up the income foregone scenario to show this. Another difference in the income foregone scenarios compared to the base scenario is that we increase the number of those acknowledging violence on the basis that reports to the police will include only a part of those who acknowledge violence. The NSW study estimated that police callouts were only a fifth of actual acknowledged violence. The current assertive role taken by New Zealand police could have resulted in a higher callout rate than this and we have adopted two assumptions. One is that police callouts represent all those who acknowledge family violence and the second assumes police callouts account for a fifth of those acknowledging violence.
- 5.25 A source of information about family violence which suggests the number of survivors acknowledging family violence is greater than police callouts is DSW data on care and protection services (see Table B). Depending on how you define it, this data shows a greater incidence of child abuse than the 3,433 recorded police callouts for child abuse offences for 1993/94.

**Table B: DSW Child Protection Intake and Interventions**

	FISCAL 1993 <sup>(1)</sup>	FISCAL. 1994
Total general welfare enquiries <sup>(2)</sup>	55,358	52,542
Notifications for child abuse and neglect	12,409	13,580
Notifications alleging child or young persons with problem behaviour	5,496	5,660
Notifications alleging child or young person leaving home	2,093	2,231
Notifications alleging relationship difficulties	2,033	1,785
Notifications alleging child or young person in detrimental environment	5,919	6,628
Parents or caregivers seeking respite	806	668
Total number of general Care and Protection notifications	28,756	30,552

<sup>(1)</sup> All fiscal 93 figures from the Fiscal 93 Annual Report.

<sup>(2)</sup> A single notification may encompass concern about more than one child. There may be more than one notification per child in the reporting period. One child (under the age of 14) or young person (over the age of 14 but under 17 years) may be the subject of more than one notification, enquiry, consultation or agreement. A notification is established when NZCYPs is notified or informed of a concern about a child or young person.

Source: Table 70 DSW Fiscal 1994 Statistical Information Report (accompanying report to DSW 1994 Annual Report).

- 5.26 Care and protection notifications are the key entry point to care and protection services. Notifications continue to show the steady upward growth evident over the last decade. Although the rate of growth between 1993 and 1994 has slowed to 6.25%, the more serious categories continue to show a significant increase.
- 5.27 Notifications for child abuse and neglect increased by 9.4%, while notifications alleging that a child or young person is in a detrimental environment increased by 12.0%. This suggests that notifications to the service may be of a more serious nature.
- 5.28 The increase in notifications, however, should not necessarily be taken to mean an increase in prevalence. The prevalence studies indicate that there has always been a higher level of family violence than is brought to the attention of service providers. The increase illustrates that, like the Police, DSW have taken a more assertive role in identifying the existence of family violence and this has led to greater numbers of survivors being able to notify DSW.

#### *Costs to Government*

- 5.29 The New Zealand Government incurs the economic cost of family violence through its expenditure on health care, welfare payments (both directly to beneficiaries and indirectly to community support agencies) and law enforcement.



- 5.30 Application of the accepted prevalence rate for family violence in the New Zealand population to the estimated proportion of survivors utilising each service by service costs allows the calculation of the magnitude of health care costs to be absorbed by the Government.
- 5.31 Estimated service use is assumed to be consistent with the framework under direct costs calculations. There are figures available in New Zealand about the direct costs of specific health services.
- 5.32 Categories applied to NZECFV, particularly for hospital costs, differ from those used in NSW. The NZ Ministry of Health records identify such costs with the usual outpatient rate of \$51.00 for the majority of its services.
- 5.33 Total health care costs to the government as a consequence of family violence in this country are high. This is particularly true when it is recognised that many of the costs are the consequence of deliberate violence and abuse within the family unit as opposed to accidents and disease.
- 5.34 A proportion of government expenditure is directly attributable to supporting those families suffering from the effects of family violence. Where this funding can be separately identified, it has been used to cost the activities of supporting organisations such as Women's Refuge and Rape Crisis. These particular agencies are funded through the New Zealand Community Funding Agency purchase of services for families in need of support. Where it is not possible to define a related source of funding, a different approach has been taken. The estimated number of family violence survivors adjusted to the estimated number who are likely to require welfare assistance. Based on this information, the probable cost to the government per benefit type is calculated.
- 5.35 Welfare services include the general cost of delivery, accommodation, infrastructure and provision. These can only be conservative indicators of the true cost of family violence to society as it is not possible to accurately identify every government agency contribution to family violence by way of general service delivery nor the numbers of survivors obtaining welfare benefits as a direct result or partial result of family violence. Further, a large number of volunteers service the needs of the survivors of family violence.
- 5.36 Government appropriated \$109 million to the Children and Young Persons Service for the care and protection of New Zealand's youth and children in 1993/94.

- 5.37 Law enforcement costs include the combination of police, court and legal costs, which quickly multiply with the frequency and severity of the family violence. There are also costs for those not incarcerated including the costs of managing community-based sentences. The cost to the police alone to attend domestic/family-related incidents and offences for the year ended 31 December was \$13 million. The Justice Department has estimated that the average cost of incarceration per person per year is \$33,000 for 1993/94. To this must be added their lost productivity to society.
- 5.38 Victim compensation provided to survivors of family violence cannot be readily identified by the Accident Rehabilitation and Compensation Insurance Corporation. However, the funding provided to female victims of physical assault can be used as a reasonably conservative estimate of this cost given that most violent assaults against women are known through police statistics to be perpetrated by those with whom the victim has a “family” relationship.
- 5.39 Compensation for sexual abuse has also been added for the same reasons. Separate figures on child abuse compensation are not available, however, they are likely to be incorporated elsewhere (eg Children and Young Persons Service, and the compensation figures noted above).

#### *Costs to Others*

- 5.40 Other services for those affected by family violence are provided by the voluntary sector through families, churches, trusts and so on. These are not included in the spreadsheet.
- 5.41 A significant area in which little data is available is the calculation of the cost of family violence to “Others”, notably employers and what is referred to generally as “Third Parties”.
- 5.42 Employers lose working days as a result of family violence where both the victim and offender take leave to achieve safety or tend to injuries, meet with lawyers, attend court and for the offender to fulfil sentencing requirements. In particular, time taken to tend to injuries and visit medical practitioners and counsellors is paid for by the employer through statutory sick leave provisions.
- 5.43 As discussed above, even more difficult to estimate is the cost to the employer of lost productivity as employees attempt to maintain a “normal” working life whilst suffering the consequences of family violence. Only a very broad estimate can presently be made of such losses, though this is a priority area for further research by the Department of Social Welfare and the New Zealand Employment Service.

5.44 Lastly, costs to the “Third Parties” have been identified, principally the loss incurred when the young leave school early to find independence and hence escape their home life. The number of young school leavers (15 and 16 years old) totalled 9,177 in 1993. A significant proportion of these will have left as a result of family violence. In 1994, the school leaving age was raised to 16. As a result, the 1,691 who left school aged 15 in 1993 will have to wait another year in the future.

## VI CONCLUSION AND FURTHER WORK

- 6.1 The New Zealand economic cost of family violence is estimated to be at least \$1.2 billion. It is based on the mid-range prevalence assumptions and does not include an allowance for income foregone. Appendix D, Base Scenario, includes the spreadsheets which are the basis for this calculation.
- 6.2 This total cost is made up of imputed costs for non-reported violence, of direct costs to the survivor and costs to the government and others. The breakdown of costs calculated is as follows:

**Table C: The Estimated Economic Cost of Family Violence to the Individual and to the Government**

*Base Scenario, 1:7 Prevalence (Income Losses Excluded)*

	\$000
<i>Direct Cost to Individuals Affected by Family Violence</i>	
Stage 1 Non-Reported	14,897
Stage 2 Reported	383,673
<b>Total Cost to the Individual</b>	<b>398,570</b>
<i>Other Costs</i>	
To the Government:	
Healthcare	140,721
Welfare	581,596
Justice <sup>(1)</sup>	26,112
Law Enforcement	87,707
<b>Total Cost to the Government</b>	<b>836,136</b>
<b>Total Estimated Costs</b>	<b>1,234,706</b>

<sup>(1)</sup> Does not include legal aid or other family court costs because these could not be separated out for survivors of family violence. Legal costs alone could add as much as \$1.3 million to the amount shown.

- 6.3 The estimates in Table C have been reached as a result of a replication of the NSW study modified for the New Zealand situation. Estimates have been based on a prevalence rate for family violence of 1:7 and our more conservative assumptions. The accuracy of the data owes much to those working in the field of family violence who have set up systems for collecting relevant data.

- 6.4 Taking the total costs to the individual and dividing by number of survivors of 37,144, the average total cost per individual is nearly \$11,000 (\$10,730.37). If all the estimated government costs were divided among the 37,144, then the average government cost per survivor is \$22,510.66. The total economic cost per person, based on conservative estimates to the individual and the government is then \$33,241.03.
- 6.5 If prevalence is measured as 1:7 and relates to the existing assignment, the average total cost is estimated at \$4,092.61 per survivor.

#### *Further Work*

- 6.6 Much more needs to be understood about family violence. This assignment has provided a context for understanding that the magnitude of the problem is significant and this is reason for the work to be done.
- 6.7 A key area where more information is required is the field of labour force participation. We need to better understand how family violence affects work behaviour. The results of this are highly sensitive to indirect costs, especially the cost of labour market income foregone. In our view, this is the most important area for future research and will involve theoretical as well as quantitative research.
- 6.8 More needs to be understood about individual behaviour in relation to family violence and how this impacts on self esteem and the extent to which this alienates people from mainstream activities, including participation in the paid workforce, but also in activities related to child care (such as Play Centre) and the volunteer sector.
- 6.9 Another area of development is by income groups. Surveys of family violence indicate that there are abused families at every income level. Further work is required to better understand which services are cost effective at different income levels.
- 6.10 Work in the area of Justice also helps identify key areas for further research. Further work is required to better understand direct costs of family counselling, family court, other court costs and imprisonment of perpetrators of family violence.
- 6.11 The spreadsheet approach we have adopted will enable future researchers to further develop and extend this model as more relevant and accurate data becomes available. One area of development might be to analyse the use of services and costs by ethnic group. To do this, much more information is needed about ethnic groups, especially Maori for example.
- 6.12 Other areas of research include education. Is education hampered by loss of self-esteem because of family violence?

- 6.13 Further research is required about the delivery of services aimed to break the cycle of violence. What are the costs to the community and how could service pathways be improved?
- 6.14 More rapid progress could be made in costing family violence by developing systems of data collection, monitoring and review which result in relevant information for analysis.

### *Conclusion*

- 6.15 Although much work remains to be done, this assignment itself provides a basis for understanding the magnitude of the cost of family violence. It presents a clear account of the known economic costs of family violence. At a conservatively estimated cost of \$1.2 billion, the cost of family violence is a major cost to individuals and to the government. Even without further research, the results of the NZECFV project enhance the understanding required to support appropriate programmes which reduce the cycle of violence.

## APPENDICES

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Appendix A Framework Behind the Spreadsheet Model

Appendix B Bibliography

Appendix C Economic Costs of Family Violence Study - Contributors

Appendix D Spreadsheets

1. Base Scenario (1:7 Prevalence)

2. Five Times Callout Scenario (1:7 Prevalence)

3. Income Foregone Scenario (1:7 Prevalence)

Summary of Results

### FRAMEWORK BEHIND THE SPREADSHEET MODEL

The following six steps were followed to design and calculate results within the spreadsheet model.

#### Step One

Establishing the total annual costs of providing assistance to those affected by family violence where service figures are available, or by developing a reasonable estimate where they are not.

Data sources constitute: Government statistics where available; Women's Refuge statistics; Police callout statistics; Health services and other welfare services.

#### Step Two

Establishing the unit costs of an item or service in order to cost the possible effects of changes and to identify who bears the cost. The concept is to allocate these unit costs on a continuum of usage and hence develop a model.

Data sources as above.

#### Step Three

The basis of the spreadsheet model is provided through the application of estimates of typical patterns of service usage obtained from practitioners and experts.

By following this process the collective knowledge of service providers is incorporated to supplement inadequate data sets.

A "template" is created by:

- identifying the typical patterns of services provided
- estimating the frequency that clients of each service identified fitted the template
- estimating those clients that fit the template and determining these as a percentage of total clients with whom contact has been established.
- thus the costs identified will provide a best-guess snapshot and can be applied to the modelling exercise with the addition of further information on the items within the framework developed.

#### Step Four

Defining the items included within the model framework. NSW defines an item as "a discrete costable unit of time or service which can be used to assess costs".

As such it was restricted to those things provided in the public market sphere and those where market equivalents could be used. These included direct costs incurred and indirect



costs such as income foregone or losses sustained as a result of certain performances or actions not being possible.

### **Step Five**

Categorising items and applying weightings to determine levels to be included.

NSW has developed the following classifications which have been reviewed for appropriateness from the New Zealand perspective:

#### ***Category 1***

Directly assessable costs arising as a consequence of an episode or repeated episodes of family violence: for example, police callout costs.

For weighting purposes it is assumed that each time family violence occurs a direct cost is incurred.

#### ***Category 2***

Costs where a reasonable causal assumption can be made: for example, seeking custody and access orders defining contact and moving from the family home.

Appropriate weighting is determined by the general assessment as to the proportion of costs which should be allocated to family violence.

#### ***Category 3***

Items correlated to family violence but which do not necessarily have a causal relationship with it and which in reality could be a joint consequence of another problem. (An example is poor relationships due to alcoholism leading to divorce.)

As these items assume a correlation with family violence a token cost should be allocated following determination (through research) as to their causal relationship to family violence. These items would then be weighted accordingly.

### **Step Six:**

The modelling exercise followed the process of development outlined on the next page (examples are from the NSW study).

#### ***Items Individually Costed***

Example: Item - a legal aid lawyer receiving instruction

Cost: \$x per hour for an average number of hours

Sources: Primarily obtained from records of service provision agencies, including government departments.

#### ***Case Studies - Template Examples***

- sample case studies established from available information representing patterns of post-abuse procedures and estimating the costs of these

- such information used where there was no longitudinal or usage pattern data or where it was only available from small surveys
- practitioners were asked to speculate from experience about typical patterns.

Sources: submissions from practitioners in the field.

#### *Assessment of The Relative Frequencies of Sample Patterns*

- to be used as a way of estimating proportions of the population. Demographic indicators and field observation assist with the allocation of population proportions in relation to age, marital status, number of dependants amongst other factors.

Sources: submissions from practitioners in the field and available statistics.

#### *Overall Prevalence Figures*

- ranges established using a series of best-guesses.

Sources: result of information obtained from 3 above.

#### *Estimating Costs of Possible Service Usage and Other Items for Various Ranges of Prevalence*

- tested against use figures obtained from services.

Example: police statistics provide an estimate of Domestic Protection Orders per week.

However, information is not available on actual numbers of people as these statistics include repeat orders.

Sources: result of other steps above.

## APPENDIX B

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### *Spreadsheets*

1. Base Scenario (1:7 Prevalence)
2. Five Times Callout Scenario (1:7 Prevalence)
3. Income Foregone Scenario (1:7 Prevalence)
4. Summary of Results

# Spreadsheet 1: Base Scenario (1:7 Prevalence)

## Estimated Population Prevalence Rate of Family Violence in New Zealand

INPUTS		MEASUREMENT	FOOTNOTES
Estimated Prevalence rate		1:7	1
Population of New Zealand (for year ended March 1994)		3,373,923	2

  

REQUIRED STATISTIC	DESCRIPTION/FORMULA	TOTAL	FOOTNOTES
Population	Estimated Prevalence Rate x Population of New Zealand	481,989	3
Survivors	Estimated Prevalence Rate x Survivors	301,691	4

### FOOTNOTES:

- 1 Estimated Prevalence Rate determined as average:  
Mullen et al 1988 1:7 (16%) [Page 844].  
UN Report 1993 1:10.  
McLeod quoted in the Canadian Study 1:4.  
Canadian Study 1:4.
- 2 Statistics New Zealand - the current population of New Zealand stands at 3,373,923 as at March 1994.
- 3 Calculated by taking 1:7 of population at 3,373,923.
- 4 SURVIVORS: Number of those affected by family violence  

Calculated by taking:	1:7 children up to age of 14:	906,963/7	= 129,566
	1:7 females aged 14 and over:	1,204,875/7	= 172,125
	TOTAL:	301,691	

*Note:* Women and children used because definition of family violence for New Zealand includes both. (Although there are some male survivors, men over 14 are generally the perpetrators; males under 14 are included as survivors).



**Direct Costs to Individuals Affected by Family Violence  
Stage One: Estimated Costs for Non-Reported Survivors**

INPUTS		INPUT DATA	FOOTNOTES
<b>Number of Survivors:</b>		264,547	1
<b>Medical Services: GP'S</b>	Cost of visit	\$24	2
	Frequency of visits	200%	3
	Counsellors		
	Cost of visit	NIL	4
	Frequency of visits	10%	5
	Psychiatrists		
	Cost of visit	NIL	6
	Frequency of visits	4%	7
	Suicide Attempts		
	Cost of Medical Service	\$31	8
	Frequency of admittances	1%	9
	Admittance to Psychiatric hospitals		
	Cost of admittances	NIL	10
	Frequency of admittances	0.2%	11
	Drugs		
	Cost of script	\$4	12
	Frequency of scripts	200%	13

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL STATISTIC
<b>Medical Services:</b>	GP visits	Cost per visit x No. of visit	\$12,698,256
	Counsellor visits	Cost per visit x No. of visit	\$0
	Psychiatrist visits	Cost per visit x No. of visit	\$0
	Suicide Attempts	Cost per attempt x No. of attempts	\$82,010
	Admittance to Psychiatric hospital	Cost per admit. x No. of admitt's	\$0
	Drug prescriptions	Cost per script x No. of scripts	\$2,116,376
<b>Total</b>			<b>\$14,896,642</b>

**FOOTNOTES:**

- 1 Number of Stage 1 survivors determined by calculating population prevalence rate by population to give 321,691 from which those reported in Stage 2 [37,144] have been deducted as they are separately addressed (see discussion), giving a total of 264,547 for Stage 1.
- 2 Ministry of Health June 1994: Average GP cost to patient per visit.
- 3 Two additional visits to GP per individual as per NSWCDV acceptable estimate to New Zealand Health service providers.
- 4 Ministry of Health findings are that counselling is generally provided by voluntary providers in New Zealand.
- 5 NSWCDV rate of 10% accepted as also being reflective of the New Zealand experience [NSWCDV, Page 22].
- 6 Ministry of Health: Visits to psychiatrists are included as outpatient consultations and are generally at no cost to the patient for a mental health service. Numbers of visits are likely to be higher than NSWCDV as only 1 in 4 presenting a mental health problem are hospitalised in New Zealand.
- 7 Ministry of Health: Supports assumption of double the rate of visits in NSWCDV [1 in 50, Page 17] or 4% of New Zealand survivors.
- 8 Ministry of Health: Suicide attempts generally lead to treatment in an Accident and Emergency Clinic, where the user charge is \$31 (no cost if the patient is admitted).
- 9 Ministry of Health: NSWCDV 1% estimate acceptable in New Zealand [NSWCDV, Page 17], but would be treated in outpatients.
- 10 Ministry of Health: No cost for admittance to public health system hospitals.
- 11 Ministry of Health: Frequency of admissions reduced in New Zealand due to extremely low admission rate: only 1 in 4 presenting a mental health problem are hospitalised. This supports the NSWCDV estimate of 1 in 500 [NSWCDV, Page 17].
- 12 Ministry of Health: Average cost to patient. (This is a subsidised item.)
- 13 Estimated conservatively that each additional visit to the GP results in the issuance of, on average, one additional script (anti-inflammatory pain killers/tranquillisers/anti-depressants).

*Spreadsheet 1: Base Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors**

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>			37,144	1
<b>Accommodation:</b>				
Refuge	Number of Nights		136,472	2
	Cost Per Night		\$10	
Private Rental	Number in Private Rental	25%	9,286	3
	Cost of deposits etc		\$120	
	Cost of Furniture, household goods etc		\$1,000	
	Annual Rental		\$9,360	
	Other Household Expense (annual)		\$730	
Home Purchase	Number Purchasing Own Homes	1%	371	4
	Cost of Deposit		\$8,000	
	Other Costs of purchase		\$500	
<b>Legal Costs:</b>				
Domestic Protection	Number of Domestic Protection Orders		5,802	5
	Cost per Order		NIL	
Legal Representation	Number Requiring Representation		5,802	6
	Minimum Cost		\$500	
Custody Disputes	Number of Disputes		4,642	7
	Cost per Dispute		NIL	
<b>Medical Costs:</b>				
GP visits	Number Requiring Medical Treatment	57%	21,172	8
	Number of additional patient visits per year		2	
	Cost of visit		\$24	
Hospital Stays	Number of Patient Days	12%	4,457	9
	Cost Per Day		NIL	
Drugs	Number of additional Prescription	57%	21,172	10
	Cost per Prescription		\$4	
Dental	Number requiring Dental treatment	12.5%	4,643	11
	Cost of Visit		\$120	

*Spreadsheet 1: Base Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence**  
**Stage Two: Estimated Costs for Reported Survivors - *continued***

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Accommodation:</b>	Refuge	Cost per night stay x No. of night stays	\$1,364,720
	Private Rental	Annual Costs per rental x No. of Rentals	\$104,096,060
	Home Purchase	Cost of Purchase x No. of Purchases	\$3,157,240
<b>Legal Costs:</b>	Domestic Protection	Cost per Order x No. of DP Orders	\$0
	Legal Representation	Cost per Dispute x No. of Disputes	\$2,901,000
	Custody Disputes	Cost per Dispute x No. of Disputes	\$0
<b>Medical Costs:</b>	GP visits	Cost Per Visit x No. of Additional Visits	\$1,016,260
	Hospital Stays	Cost per Day x No. of Patient Days	\$0
	Drugs	Cost per Prescription x No. of Prescriptions	\$84,688
	Dental	Cost of Visit x No. requiring treatment	\$557,160
<b>Total</b>			<b>\$113,177,128</b>

**FOOTNOTES:**

Estimates are based on survivors who report to the police

- 1 Number of Survivors: NZ Police 1994 statistics provided by NZ Police for year ended 31 December 1993. Includes all reported Family/Domestic Associated Incidents/Offences:
- |   |        |
|---|--------|
| 1) Domestic dispute incidents           | 21,008 |
| 2) Violence against women offences      | 11,139 |
| 3) Child abuse offences                 | 3,443  |
| 4) All domestic related breach offences | 1,554  |
| TOTAL                                   | 37,144 |

Callouts are based on information about incidents and are used as a proxy for prevalence of those who acknowledge violence.

- 2 Women's Refuge Annual Report 1992: Bed Occupancy  
 Cost per night obtained from National Collective of Women's Refuge
- 3 Women's Refuge Annual Report 1992: Based on statistics gathered on 3610 contacts
- |  |                              |
|--|------------------------------|
| % rental   | 25%                          |
| % purchase property  | 11%                          |
| % Family/friends   | 19%                          |
| % Other (incl other refuge)                                  | 42%                          |
| % return to own home   | 41%                          |
| Women residents  | 5,148                        |
| Child residents  | 7,779                        |
| Community cases  | 6,638                        |
| Total New Contacts   | 19,565                       |
| Total Readmissions   | 725                          |
| Private Rental (average)                                     | \$180                        |
| Cost of Bond (usually 2-4 weeks \$180*2)                     | \$360 (assumed to be repaid) |
| Deposits (connection fees Phone/power)                       | \$120                        |
| Household goods (est based on purchase of second hand goods) | \$1,000                      |
| Annual Rental \$180*52                                       | \$9,360                      |
| Other expenses (phone/power)                                 | \$730                        |
- 4 Home purchase: Use 1% as obtained from Women's Refuge Statistics  
 Cost of Deposit: \$8,000  
 Other costs: \$500  
 For cost of house assume average cost basic home \$80,000 and 10% deposit is adequate (Source: Banking sector advertising)
- 5 Justice Department 1990: Number of applications for Non-Violence Orders 2,409 and number of applications for Non-Molestation Orders 3,393. There is no charge for filing order applications at the Family Court.
- 6 Legal representation is required to file the order. This has been estimated as a minimum of two hours spent with a lawyer at a charge rate of \$250 per hour (current market rates).
- 7 Victims Task Force 1992: Women filing Domestic Protection Orders often have to file custody/access orders at the same time. It has been estimated that 83% of applicants have children so an 82% adjustment to the number of orders filed has been made accordingly.
- 8 Synergy Applied Research Limited (1983): A socio-economic assessment of Women's Refuges revealed that 57% of women and children had visited a GP as the result of physical violence. Number of visits and cost per visit as for stage 1 estimations. Service providers have confirmed that the results of this study are still relevant.
- 9 Ministry of Health 1994: No cost to user for hospital stay.  
 A small proportion of survivors end up in a hospital as a result of family violence. Synergy Applied Research Limited (1983) provides an estimates of 12% of women and children hospitalised as a result of family violence (10 out of 83 sampled).
- 10 Ministry of Health 1994: Average cost of patient is \$4 (allows for community services cardholders where maximum charge to user is \$3 excluding manufacturer's part charges).  
 Number estimated in accordance to those visiting GP on the assumption one visit on average gives rise to the issue of one script (pain relief or psychological relief).
- 11 Ministry of Health 1994: Average cost to patient is \$120 for visit to private practitioner. Number estimated as 1:8 or 12.5%.

Spreadsheet 1: Base Scenario (1:7 Prevalence)

Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors – *continued*

INPUTS	ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT-NOTES	
Number of Survivors:		37,144		
<b>Income costs:</b>				
Direct Income Cost	Number suffering a direct fall in income	100%	37,144	12
	Estimated drop in direct income		\$6,303	
<b>Paid Work Costs:</b>				
Child Care - Full-time	Number requiring full-time child care services	8%	2,972	13
	Annual cost per child		\$7,200	
Child Care - Part time	Number requiring part-time child care services	15%	5,572	14
	Annual cost per child		\$2,450	
Loss of work time	Number in paid employment			15
	Average Daily Wage		\$379,730	
<b>Unallocated Costs:</b>				
Death/Serious Injury	Number Suffering Death		11	16
	Loss of victims earnings		\$25,865	
	Loss of offenders earnings		\$35,155	17

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Income Costs:</b>	Direct income cost	Estimated drop x No. suffering from fall	\$234,118,632
<b>Paid Work Costs:</b>	Child care - full-time	Annual cost per child x No. of Children requiring care	\$21,394,944
	Child care - part-time	Annual cost per child x No. of Children requiring care	\$13,650,420
	Loss of work time	No. in paid employment x Lost days - average rate	\$379,730
<b>Unallocated Costs:</b>	Death or Serious Injury	No. involved x Total loss involved	\$952,460
<b>Total</b>			<b>\$270,496,186</b>
<b>Total from previous table</b>			<b>\$113,177,128</b>
<b>Total Stage Two Reported</b>			<b>\$383,673,314</b>

FOOTNOTES:

- It is generally accepted that every family affected by family violence will suffer a direct fall in family income at the time they acknowledge the violence. A 25% drop in income during this time has been estimated and applied to the average weekly earnings. Gross ordinary time weekly average wage for women is \$484.85 at mid-February 1994 (Statistics New Zealand). Thus \$25,212 at 25% is \$6,303 (Note: a proportion will not have had any earnings other than the benefit. The 25% income drop is applied to them on the assumption that the condition of family violence kept them from entering the workforce).
- An estimated 8% (see note 15) remaining in the paid workforce who report violence, will require full-time child-care service. The Department of Social Welfare 1994 estimates that the cost of full-time child care to the user is \$150 per week for 48 weeks (\$7,200). This is a subsidised rate (based on those reporting).
- The 15% estimated to be in part-time work whilst reporting family violence (25% estimated by service providers, less 10% full-time) will also require child-care part-time. The Department of Social Welfare 1994 has estimated that this costs the individual \$50 per week for 49 weeks (\$2450). This is a subsidised rate. It is noted that not all of these will be using child care in order to go out to paid employment. Also many women use informal child care such as other family and friends (based on those reporting).
- It has been estimated that 2% of those reporting family violence give up their paid employment entirely and only 8% stay in full-time paid employment. The average stay in Refuge is 10 days; 8 days away from paid employment. Of the 15% who stay in paid part-time employment, 8 working days will also be lost whilst seeking refuge. The loss of work-time, which is assumed to be unpaid (unlikely to constitute sick leave) will be:  
 Full-time = 8% of 3,610 x \$497.21 (total average female weekly earnings at mid-February 1994) x 8.5 (8 Days) = \$229,843  
 Part-time = 15% of 3,610 x \$173.00 (Based on median part-time wage of \$9,000 as quoted 1993 Yearbook: x 8.5 (8 Days)) = \$149,887  
 Total = \$379,730
- NZ Police 1994: For year ended 31 December 1993 there were 19 domestic-related murders, accounting for 42.4% of all murders in New Zealand. Note that 8 of those 19 murdered were children. Labour Department: Average weekly earning for males \$676.55 for quarter at mid-February 1994. Average female \$497.21. Total annual \$35,155 and \$25,865 respectively. Neilson (1994): cost of a statistical life is \$2,000,000 (Ministry of Transport, 1992 dollars) This has been ignored for the purposes of this scenario.
- Assuming all 19 murderers were incarcerated.

Spreadsheet 1: Base Scenario (1:7 Prevalence)

Government Cost of Health Care

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>			301,691	1
<b>Health Care Costs:</b>				
General Practitioner	Estimated No. of visits	200%	603,382	2
	Cost per GP visit		\$7	
	Cost per Script		\$37	
Psychiatrists	Estimated No. of visits	4%	12,067	3
	Cost per visit		\$51	
Community Health/welfare				
Psychologist/ Social Worker	Estimated No. of visits	135%	407,229	4
	Cost per visit		\$51	
Groups	Estimated No. of times		0	
	Cost per time		NII.	
<b>Hospital costs</b>				
Accident & Emergency	Estimated No. of days	50%	150,846	5
Outpatients	Cost per day		\$51	
Admissions	Estimated No. of contacts	5.6%	\$16,955	
	Cost per contact		\$3,394	
Psychiatric Hospital	Estimated No. of contacts	0.2%	603	
	Cost per average stay		\$7,175	
Dental Hospital	Estimated No. of contacts	12.5%	37,711	6
	Cost per contact		\$200	
Child Guidance Clinic Costs	Estimated No. of contacts	5%	259,132	7
	Cost per contact	(2 x 129,566)	\$51	

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Health Care Costs:</b>	General Practitioner	Cost per visit x No. of Visits	\$26,548,808
	Psychiatrists	Cost per visit x No. of Visits	\$3,077,248
<b>Community Health/welfare</b>	Psychologists/ Social Worker Groups	Cost per visit x No. of Visits	\$20,768,685
		Cost per contact x No. of contacts	\$0
<b>Hospital Costs</b>	Accident & Emergency	Cost per day x No. of days	\$7,693,146
	Admissions	Cost per contact x No. of contacts	\$57,545,666
	Psychiatric	Cost per day x No. of days	\$4,329,265
	Dental Hospital	Cost per contact x No. of contacts	\$7,542,200
	Child Guidance Clinic costs	Cost per contact x No. of contacts	\$13,215,732
<b>Total</b>			<b>\$140,720,750</b>

FOOTNOTES:

- Estimate based on prevalence rate of survivors (refer note 4, page 32) Gondolf:
  - 5% presented to police (USA)
  - 6% from Otago study
  - Crime Prevention Unit thinks 5 to 6 times police call out
- Ministry of Health 1994: On average the cost to government is \$7 for each visit to GP and \$37 for each script. For consistency with direct cost data average of two additional visits per annum is calculated. This is higher than for those reporting family violence because GP care is being substituted for services specifically designed for survivors of family violence.
- Ministry of Health 1994: Average cost to government per visit to psychiatrist calculated on average outpatient cost of \$51. For consistency with direct cost data, 1 in 25 or 4% (see footnote 7, Page 33) used again assuming 5 visits.
- Ministry of Health 1994: Psychologist/Social Worker: Again average outpatient cost of \$51 used. Assumed that all survivors would at least once utilise community health workers (although not all would acknowledge violence as the main reason).
- Ministry of Health 1994: Hospital cost records in New Zealand limited to Accident and Emergency/Outpatient where an average cost to the Government of \$51 per patient is used. Hospital admissions cost the Government on average \$556. The average stay is 6.1 days, giving a total cost of \$3,394. Estimated admissions are at 5.6% conservatively reflecting findings from Synergy Applied Research Ltd (footnote 9, Page 35). Psychiatric Hospital costs an average of \$7,175 per stay, being on average 23 days (first 14 days cost \$4,200 per day, and thereafter \$175 per day). Psychiatric admissions are estimated at 0.2% as per NSWCDV (Page 17)
- Ministry of Health 1994: Estimated on average to cost the Government per visit approximately \$220. Percentage estimate as per direct cost data 1:8 (footnote 11, Page 35).
- Ministry of Health 1994: Again estimate based on average cost to Government of Outpatient service. Estimated number of contacts currently unknown. A conservative estimate has been made as being 5% of children up to age 14 (refer footnote 4, Page 32).

*Spreadsheet 1: Base Scenario (1:7 Prevalence)*

**Government Cost of Welfare**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>		301,691	
<b>Department of Justice:</b>			
Community Funding Programme	Total Funding relating to Family Violence	\$550,460	1
<b>Department of Social Welfare:</b>			
<i>Community Funding Agency</i>			
Rape Crisis		\$1,350,771	
Women's Refuge		\$2,917,691	2
Marriage Guidance/ Te Korowai Aroha		\$0	
<i>Children &amp; Young Persons Service</i>	Total Funding relating to Family Violence	\$108,407,000	
<i>Income Support Services</i>			
Domestic Purposes Benefit	Number relating to Family Violence	13,672	3
	Annual Payment per person	\$12,039	
Unemployment Benefit	Number relating to Family Violence	24,334	
	Annual Payment per person	\$9,197	
Sickness Benefit	Number relating to Family Violence	4,104	
	Annual Payment per person	\$9,906	
Accommodation Supplement	Number relating to Family Violence	21,524	
	Annual Payment per person	\$1,400	
Independent Youth	Number relating to Family Violence		
	Annual Payment per person		
Special Needs Grants (non-recoverable)	Number relating to Family Violence	24,868	
	Annual Payment per person	\$104	
Child Care Subsidy	Number relating to Family Violence	3,724	
	Annual Payment per person	\$1,481	

Spreadsheet 1: Base Scenario (1:7 Prevalence)

Government Cost of Welfare - continued

REQUIRED STATISTICS	FORMULA	TOTAL
Department of Justice:	Total funding x Percent relating to family violence	\$550,460
Department of Social Welfare:		
<i>Community Funding Agency</i>		
Rape Crisis	Total funding x Percent relating to family violence	\$1,350,771
Women's Refuge	Total funding x Percent relating to family violence	\$2,917,691
Marriage Guidance/ Te Korowai Aroha	Total funding x Percent relating to family violence	\$0
<i>Children and Young Persons Service</i>	Total funding x Percent relating to family violence	\$108,407,000
<i>Income Support Service</i>		
Domestic Purposes Benefit	No. receiving allowance x Annual payment per person	\$165,680,718
Unemployment Benefit	No. receiving allowance x Annual payment per person	\$223,799,798
Sickness Benefit	No. receiving allowance x Annual payment per person	\$40,654,224
Accommodation Supplement	No. receiving allowance x Annual payment per person	\$30,133,600
Independent Youth	No. receiving allowance x Annual payment per person	\$0
Special Needs Grants	No. receiving allowance x Annual payment per person	\$2,586,272
Child-care subsidy	No. receiving allowance x Annual payment per person	\$5,515,244
<b>Total</b>		<b>\$581,595,778</b>

FOOTNOTES:

- 1 Department of Justice: Community Programme Funding schedule for 1993/4 financial year, estimated \$550,400 expenditure relates to purchase of specific services from non-government organisations directly for family violence relief through, for example sexual abuse rehabilitation programmes and male violence prevention programmes. Children and Young Persons Service: Fiscal budget for 1994 year relating to the care and protection of New Zealand's youth. Department of Social Welfare: Rape Crisis Funding \$1,350,771.
- 2 Department of Social Welfare: Women's Refuge direct funding \$2,654,252 and Housing Rental Compensatory Funding \$263,439. In addition many local projects are funded by NZCFA about which, at this stage, information cannot be readily obtained. However it is understood that this will change from 1 July 1994.
- 3 Department of Social Welfare 1994: Domestic Purposes Benefit/ Unemployment/ Sickness per week range from \$140 alone to \$237 with two or more children. Statistical Information Report for Fiscal year 1993 reports: Totals by benefit type for funds paid for the year and number of beneficiaries receiving each benefit. By applying the prevalence rate for family violence we can get an indication of the number of benefits paid as a result of family violence.

Benefit type	Funds paid	Beneficiaries	Average Benefit	1:7 Beneficiaries
DPB	\$1,159,737,000	96,335	\$12,039	13,762
Unemployment	\$1,560,669,000	170,339	\$9,197	24,334
Sickness	\$284,597,000	28,729	\$9,906	4,104
Accommodation	\$210,834,000	150,669	\$1,400	21,524
Special Needs	\$18,197,354	174,078	\$104	24,868
Child care	\$38,619,000	26,071	\$1,481	3,724

Note the following:

Accommodation supplement per week ranges from \$55 to \$100, depending on location (Auckland most expensive). Independent Youth rate (for 16-17 year olds) per week is \$112, which is \$5,824 per annum. Payment of this benefit is included within the figures provided for the unemployment benefit. Child Care Subsidy: Payment of \$65 per week where child is under five.

The general incidence rate has been applied to the number of beneficiaries in this table as a conservative estimate. These figures are likely to be a lot higher in reality. This is particularly true for the DPB as Women's Refuge reports show 23% of residents are on the DPB at the time they enter the refuge and a further 51% are likely to become beneficiaries given at the time of entering they are supported by their partners.

*Spreadsheet 1: Base Scenario (1:7 Prevalence)*

**Government Cost of Family Court Services**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>		37,144	
<b>Family Court Services:</b>			
Police	Cost of calls for Family Violence	\$12,918,729	1, 2
<b>Domestic Protection Orders</b>			
DPO sought	No. of non-violence orders sought	2,409	3
	No. non-molestation orders	3,393	
	Cost per order	\$296	4
Counselling referral	Average Cost	\$350	5
	Number of Referrals	5,802	
Court Costs - Chambers & Mediation	Average Cost	\$467	6
	Number	5,802	
Court Costs - Defended Hearing & Final Order - Custody/Access	Number	1,934	7
	Average Cost	\$1,974	
	Number	1,547	
	Average Cost	\$1,887	



## Spreadsheet 1: Base Scenario (1:7 Prevalence)

### Government Cost of Family Court Services - *continued*

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
Family Court Services:	Police	No. of call outs x Hours per call out	\$12,918,729
	Domestic Protection Orders		
	DPO sought	No. of DPO sought x Cost per order	\$1,717,392
	Counselling referral	Average cost x No. of referrals	\$2,030,700
	Court Costs		
	- Chambers & Mediation	Average cost x No.	\$2,706,691
	Court Costs		
	- Defended Hearing & Final Order	Cost	\$3,818,412
	- Custody/Access	Cost	\$2,920,123
<b>Total</b>			<b>\$26,112,048</b>

#### FOOTNOTES:

1 New Zealand Police 1994: For year ended 31 December 1993:

Number Incidents reported	21,008
Number Offences reported	16,136
Total	37,144

2 Cost per hour for police time is \$33

Average is 1.5 hours per incident  
Average 22.3 hours per Offence

Domestic Dispute Incidents:

Total 315,620 hours cost \$1,042,304

Domestic Offences

Total 359,832 \$11,876,425

TOTAL \$12,918,729

Note: These do not include proportion of overhead and capital commitments. If used average cost increases to \$26 million.

3 Department of Justice: In 1990 2,409 applications were received for Non-Violence Orders and 3,393 for Non-Molestation Orders (married and non-married couples). Of these applications only 1,010 Non-Violence Orders and 1,159 Non-Molestation Orders were issued. The number of custody and access applications were 5,449 and 784 respectively (orders made 2,168 and 476 respectively). It is also noted that in 1993 the family court received 9,000 applications for dissolution and 20,500 other applications.

4 Department of Justice: Cost per Order 1989: Total cost of interim and final undefended order is \$296. Of these 54% awarded a custodial sentence.

5 Department of Justice 1989: Average cost of counselling referral \$350. In 1993-94, there were 17,347 referrals to counselling from the family courts. We have used 5,802 as the number of orders sought, as a conservative indicator of the number of referrals as a result of family violence.

6 Department of Justice 1989: Court costs estimated where total resolution by chambers and mediation with consent orders:

Cost of chambers (meeting 10 minutes)	\$123.33
Mediation conference (1 hour)	\$343.18
Total	\$466.51

Note: Where no interim order, cost drops to \$422.77 Estimated that all those applying for Domestic Protection Orders will attend chambers and mediation.

7 Department of Justice 1989: Court costs estimated where interim order followed by a defended hearing and final order:

Cost of chamber hearing	\$123.33
Mediation conference	\$299.45
Additional chambers hearing without orders	\$55.13
Pre-trial conference (thirty minutes)	\$196.62
Defended hearing with final order (three hours)	\$1,299.83
Total	\$1,974.36

For cases involving custody/access additional costs are:

Cost of Counsel	\$1,089.92
Cost of Specialist Report	\$797.44
Total	\$1,887.36

Thus total case cost involving custody/access is \$3,861.72

Victims Task Force 1992: About a third of Non-Molestation Orders result in final orders. The rate for Non-Violence Orders is slightly higher. One third of the total applications of 5,802 is thus 1,934. The Victims Task Force has identified that 83% of applicants for these orders have children, and thus the number of final custody orders is adjusted accordingly.

Spreadsheet 1: Base Scenario (1:7 Prevalence)

Government Cost of Law Enforcement

INPUTS			ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:				37,144
District Court	<i>Legal Aid</i>			
High Court	Representation costs	Estimated No. requiring legal Aid	0	1
Court of Appeal		Cost per client		
	Court Costs	Estimated No. of cases going to court	0	
		Cost per court day		
	<i>Community Corrections</i>			
	Periodic Detention	Estimated No. of detainees	1,978	
		Average Cost	\$2,325	2
	Community Sentences	Estimated Number Supervised	1,327	
		Average Cost	\$940	
	Incarceration	Estimated Number Incarcerated	1,842	
		Average Cost per Stay	\$41,250	3
	<i>Victim Compensation</i>			
	Physical Assaults	Estimated No. of assaults	1,291	4
		Average award	\$2,748	
	Sexual Abuse	Estimated No. of assaults	4,415	
		Average award	\$524	

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
District Court	<i>Legal Aid</i>		
High Court	Remuneration Costs	Est No. requiring legal aid x Cost per client	\$0
Court of Appeal	Court Costs	Est No. of cases going to court x Cost	\$0
	<i>Community Corrections</i>		
	Detention	Est No. of Detainees x Average cost	\$4,599,780
	Community Sentences	Est No. of Detainees x Average cost	\$1,247,568
	Incarceration	Est No. of Detainees x Average cost	\$75,999,000
	<i>Victim Compensation</i>		
	Physical assaults	Est No. of assaults x Average award	\$3,547,668
	Sexual Abuse	Est No. of assaults x Average award	\$2,313,460
<b>Total</b>			<b>\$87,707,476</b>

FOOTNOTES:

- Legal Services Board 1993: Does not include legal aid or other family court costs because these could not be separated out for survivors of family violence. Legal aid alone could add as much as \$1.3 million to the amount shown.
- Department of Justice 1993: Number cases involving violent offences resulting in sentences: % cases resulting in each type of sentence

Custodial	2,303	25.5%
Periodic Detention	2,473	27.3%
Community Sentences	1,659	21.1%
Monetary	1,742	19.3%
Other (Deferment)	627	6.9%
<b>Total</b>	<b>8,804</b>	

Average custodial sentence length in months is 22. Number of breaches of Non-Molestation Orders is 193. Means offenders are eligible for parole after 11 months - thus use a year in calculations.  
Costs involved include:  
Community corrections  
Pre-sentence Reports \$365  
Parole Reports \$300  
Non-custodial Supervision  
Periodic Detention \$2,325  
Community sentences \$940

Police report that 85% of all violence cases are family related (Roper Report and Police Strategic Plan 1993-98). An adjustment to reflect this ratio has been made to the numbers of violent cases reported by the Justice Department in the table above.
- Department of Justice: Incarceration:  
Based on average prison sentence for all forms of violence 22 months: eligible for parole after serving two thirds of sentence which is approximately 15 months. At average cost per year of \$33,000 have used this to reflect cost of imprisonment: \$33,000 x 15/12.
- Accident Compensation: Are unable to segregate data as to that which is the result of family violence. However have assumed virtually all violence against women is domestic violence given less likely to be involved in same gender violence. For year ended 1991: 1,292 females paid for claims where contact was fight/struggle/quarrel. Total paid \$3,547,713 (average \$2,748)  
Sexual abuse claims: 4,415 females paid total of \$11,874,928 (Average \$524).

*Spreadsheet 1: Base Scenario (1:7 Prevalence)*

**Summary: Total Costs**

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**Direct Costs to the Survivor**

Stage One: Non- Reported	\$14,896,642
Stage Two: Reported	\$383,673,314

**Other Costs**

To the Government	\$836,136,052
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<b>TOTAL</b>	<b>\$1,234,706,008</b>
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## Spreadsheet 2: Five Times Callout Scenario (1:7 Prevalence)

### Estimated Population Prevalence Rate of Family Violence in New Zealand

INPUTS		MEASUREMENT	FOOTNOTES
Estimated Prevalence rate		1:7	1
Population of New Zealand (for year ended March 1994)		3,373,923	2

  

REQUIRED STATISTIC	DESCRIPTION/FORMULA	TOTAL	FOOTNOTES
Population	Estimated Prevalence Rate x Population of New Zealand	481,989	3
Survivors	Estimated Prevalence Rate x Survivors	321,691	4

#### FOOTNOTES:

- 1 Estimated Prevalence Rate determined as average  
Mullen et al. 1988 (1:7 (16%)) (p844)  
UN Report 1993 (1:10)  
McLeod quoted in the Canadian Study (1:10)  
Canadian Study (1:4)
- 2 "Statistics New Zealand" - the current population of New Zealand stands at 3,373,923 as at March 1994
- 3 Calculated by taking 1:7 of population at 3,373,923
- 4 SURVIVORS: Number of those affected by family violence  
Calculated by taking:
 

1:7 children up to age of 14:	926,963 / 7	= 129,566
1:7 females aged 14 and over:	1,224,875 / 7	= 172,125
TOTAL		321,691

*Note:* Women and children used because definition of family violence for New Zealand includes both. (Although there are some male survivors, men over 14 are generally the perpetrators; males under 14 are included as survivors.)

*Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage One: Estimated Costs for Non-Reported Survivors**

INPUTS		INPUT DATA	FOOTNOTES
<b>Number of Survivors:</b>		115,971	1
<b>Medical Services: GP'S</b>	Cost of visit	\$24	2
	Frequency of visits	200%	3
Counsellors	Cost of visit	NIL	4
	Frequency of visits	10%	5
Psychiatrists	Cost of visit	NIL	6
	Frequency of visits	4%	7
Suicide Attempts	Cost of Medical Service	\$31	8
	Frequency of admittances	1%	9
Admittance to Psychiatric hospitals	Cost of admittances	NIL	10
	Frequency of admittances	0.2%	11
Drugs	Cost of script	\$4	12
	Frequency of scripts	200%	13

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL STATISTIC
<b>Medical Services:</b>	GP visits	Cost per visit x No. of visit	\$5,566,608
	Counsellor visits	Cost per visit x No. of visit	\$0
	Psychiatrist visits	Cost per visit x No. of visit	\$0
	Suicide Attempts	Cost per attempt x No. of attempts	\$35,951
	Admittance to Psychiatric hospital	Cost per admit. x No. of admitt's	\$0
	Drug prescriptions	Cost per script x No. of scripts	\$927,768
<b>Total</b>			<b>\$6,530,327</b>

**FOOTNOTES:**

- Number of Stage 1 survivors determined by calculating population prevalence rate by population to give 321,691 from which those reported in Stage 2 survivors (185,720) have been deducted as they are separately addressed (see discussion), giving a total of 115,971 for Stage 1.
- Ministry of Health June 1994: Average GP cost to patient per visit.
- Two additional visits to GP per individual as per NSWCDV acceptable estimate to New Zealand Health service providers.
- Ministry of Health findings are that counselling is generally provided by voluntary providers in New Zealand.
- NSWCDV rate of 10% accepted as also being reflective of the New Zealand experience [NSWCDV, Page 22].
- Ministry of Health: Visits to psychiatrists are included as outpatient consultations and are generally at no cost to the patient for a mental health service. Numbers of visits are likely to be higher than NSWCDV as only 1 in 4 presenting a mental health problem are hospitalised in New Zealand.
- Ministry of Health: Supports assumption of double the rate of visits in NSWCDV (one in 50 Page 17) or 4% of New Zealand survivors.
- Ministry of Health: Suicide attempts generally leads to treatment in an Accident and Emergency Clinic, where the user charge is \$31 (no cost if the patient is admitted).
- Ministry of Health: NSWCDV 1% estimate acceptable in New Zealand [NSWCDV, Page 17] but would be treated as outpatients.
- Ministry of Health: No cost for admittance to public health system hospitals
- Ministry of Health: Frequency of admissions reduced in New Zealand due to extremely low admission rate: only 1 in 4 presenting a mental health problem are hospitalised. This supports the NSWCDV estimate of 1 in 500 [NSWCDV, Page 17].
- Ministry of Health: Average cost to patient. (This is a subsidised item.)
- Estimated conservatively that each additional visit to the GP result in the issuance of, on average, one additional script (anti-inflammatory pain killers/tranquillisers/anti-depressants)

*Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors**

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>			185,720	1
<b>Accommodation:</b>				
Refuge	Number of Nights		136,472	2
	Cost Per Night		\$10	
Private Rental	Number in Private Rental	25%	46,430	3
	Cost of deposits etc		\$120	
	Cost of Furniture, household goods etc		\$1,000	
	Annual Rental		\$9,360	
	Other Household Expense (annual)		\$730	
Home Purchase	Number Purchasing Own Homes	1%	1,857	4
	Cost of Deposit		\$8,000	
	Other Costs of purchase		\$500	
<b>Legal Costs:</b>				
Domestic Protection	Number of Domestic Protection Orders		5,802	5
	Cost per Order		NIL	
Legal Representation	Number Requiring Representation		5,802	6
	Minimum Cost		\$500	
Custody Disputes	Number of Disputes		4,642	7
	Cost per Dispute		NIL	
<b>Medical Costs:</b>				
GP visits	Number Requiring Medical Treatment	57%	105,860	8
	Number of additional patient visits per year		2	
	Cost of visit		\$24	
Hospital Stays	Number of Patient Days	12%	22,286	9
	Cost Per Day		NIL	
Drugs	Number of additional Prescription	57%	105,860	10
	Cost per Prescription		\$4	
Dental	Number requiring Dental treatment	12.5%	23,215	11
	Cost of Visit		\$120	

## Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)

### Direct Costs to Individuals Affected by Family Violence Stage Two: Estimated Costs for Reported Survivors - *continued*

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Accommodation:</b>	Refuge	Cost per night stay x No. of night stays	\$1,364,720
	Private Rental	Annual Costs per rental x No. of Rentals	\$520,480,300
	Home Purchase	Cost of Purchase x No. of Purchases	\$15,786,200
<b>Legal Costs:</b>	Domestic Protection	Cost per Order x No. of DP Orders	\$0
	Legal Representation	Cost per Dispute x No. of Disputes	\$2,901,000
	Custody Disputes	Cost per Dispute x No. of Disputes	\$0
<b>Medical Costs:</b>	GP visits	Cost Per Visit x No. of Additional Visits	\$5,081,299
	Hospital Stays	Cost per Day x No. of Patient Days	\$0
	Drugs	Cost per Prescription x No. of Prescriptions	\$423,442
	Dental	Cost of Visit x No. requiring treatment	\$2,785,800
<b>Total</b>			<b>\$548,822,761</b>

#### FOOTNOTES:

Estimates are based on survivors who report to the police

1 Number of Survivors: NZ Police 1994 statistics provided by NZ Police for year ended 31 December 1993. Includes all reported Family/Domestic Associated Incidents/Offences:

1) Domestic dispute incidents	21,008
2) Violence against women offences	11,139
3) Child abuse offences	3,443
4) All domestic related breach offences	1,554
TOTAL	37,144

Assuming that only 1 in 5 incidents are reported to the police [NSWCDV Page 3] we get 185,720 (37,144 x 5).

Callouts are based on information about incidents and are used as a proxy for prevalence of those who acknowledge violence.

2 Women's Refuge Annual Report 1992: Bed Occupancy

Cost per night obtained from National Collective of Women's Refuge

3 Women's Refuge Annual Report 1992: Based on statistics gathered on 3610 contacts

% rental	25%
% purchase property	11%
% Family/friends	19%
% Other (incl other refuge)	42%
% return to own home	41%
Women residents	5,148
Child residents	7,779
Community cases	6,638
Total New Contacts	19,565
Total Readmissions	725
Private Rental (average)	\$180
Cost of Bond (usually 2-4 weeks \$180*2)	\$360 (assumed to be repaid)
Deposits (connection fees Phone/power)	\$120
Household goods (est based on purchase of second hand goods)	\$1,000
Annual Rental \$180*52	\$9,360
Other expenses (phone/power)	\$730

4 Home purchase: Use 1% as obtained from Womens's Refuge Statistics

Cost of Deposit: \$8,000

Other costs: \$500

For cost of house assume average cost basic home \$80,000 and 10% deposit is adequate (Source: Banking sector advertising)

5 Justice Department 1990: Number of applications for Non-Violence Orders 2,459 and number of applications for Non-Molestation Orders 3,393. There is no charge for filing order applications at the Family Court.

6 Legal representation is required to file the order. This has been estimated as a minimum of two hours spent with a lawyer at a charge rate of \$250 per hour (current market rates).

7 Victims Task Force 1992: Women filing Domestic Protection Orders often have to file custody/access orders at the same time. It has been estimated that 83% of applicants have children so an 80% adjustment to the number of orders filed has been made accordingly.

8 Synergy Applied Research Limited (1983): A socio-economic assessment of Women's Refuges revealed that 57% of women and children had visited a GP as the result of physical violence. Number of visits and cost per visit as for stage 1 estimations. Service providers have confirmed that the results of this study are still relevant.

9 Ministry of Health 1994: No cost to user for hospital stay.

A small proportion of survivors end up in a hospital as a result of family violence Synergy Applied Research Limited (1983) provides an estimates of 12% of women and children hospitalised as a result of family violence (10 out of 83 sampled).

10 Ministry of Health 1994: Average cost of patient is \$4 (allows for community services cardholders where maximum charge to user is \$3 (excluding manufacturer's part charges).

Number estimated in accordance to those visiting GP on the assumption one visit on average gives rise to the issue of one script (pain relief or psychological relief).

11 Ministry of Health 1994: Average cost to patient is \$120 for visit to private practitioner. Number estimated as 1:8 or 12.5%.

*Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors – *continued***

INPUTS	ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES	
<b>Number of Survivors:</b>		185,720		
<b>Income costs:</b>				
Direct Income Cost	Number suffering a direct fall in income	100%	185,720	12
	Estimated drop in direct income		\$6,303	
<b>Paid Work Costs:</b>				
Child Care - Full-time	Number requiring full-time child care services	8%	14,858	13
	Annual cost per child		\$7,200	
Child Care - Part time	Number requiring part-time child care services	15%	27,858	14
	Annual cost per child		\$2,450	
Loss of work time	Number in paid employment			15
	Average Daily Wage		\$379,730	
<b>Unallocated Costs:</b>				
Death/Serious Injury	Number Suffering Death		11	16
	Loss of victims earnings		\$25,865	
	Loss of offenders earnings		\$35,155	17

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Income Costs:</b>	Direct income cost	Estimated drop x No. suffering from fall	\$1,170,593,100
<b>Paid Work Costs:</b>	Child care - full-time	Annual cost per child x No. of Children requiring care	\$106,974,720
	Child care - part-time	Annual cost per child x No. of Children requiring care	\$68,252,100
	Loss of work time	No. in paid employment x Lost days - average rate	\$379,730
<b>Unallocated Costs:</b>	Death or Serious Injury	No. involved x Total loss involved	\$952,460
<b>Total</b>			<b>\$1,347,152,170</b>
<b>Total from previous table</b>			<b>\$548,822,761</b>
<b>Total Stage Two: Reported</b>			<b>\$1,895,974,931</b>

**FOOTNOTES:**

- 12 It is generally accepted that every family affected by family violence will suffer a direct fall in family incomes. A 25% drop in income during this time has been estimated and applied to the average weekly earnings. Gross ordinary time weekly average wage for women is \$484.85 at mid-February 1994 (Statistics New Zealand). Thus \$25,212 at 25% is \$6,303 (Note: a proportion will not have had any earnings other than the benefit. The 25% income drop is applied to them as well on the assumption that the condition of family violence kept them from entering the workforce).
- 13 An estimated 8% (see note 15) remaining in the paid workforce who report violence, will, require full-time child-care service. The Department of Social Welfare 1994 estimates that the cost of full-time child care to the user is \$150 per week for 48 weeks (\$7,200). This is a subsidised rate (based on those reporting).
- 14 The 15% estimated to be in part-time work whilst reporting family violence (25% estimated by service providers less 10% full-time) will also require child-care part-time. The Department of Social Welfare 1994 has estimated that this costs the individual \$50 per week for 49 weeks (\$2450). This is a subsidised rate. It is noted that not all of these will be using child care in order to go out to paid employment. Also many women use informal child care such as other family and friends (based on those reporting).
- 15 It has been estimated that 2% of those reporting family violence give up their paid employment entirely and only 8% stay in full-time paid employment. The average stay in Refuge is 10 days: 8 days away from paid employment. Of the 15% which stay in paid part-time employment 8 working days will also be lost whilst seeking refuge. The loss of work-time, which is assumed to be unpaid (unlikely to constitute sick leave) will be:  
 Full-time 8% of 3,610 x \$497.21 (total average female weekly earnings at mid-February 1994) x 8/5 (8 Days) = \$229,843  
 Part-time 15% of 3,610 x \$173.00 (Based on median part-time wage of \$9,000 as quoted 1993 Yearbook) x 8/5 (8 Days)  
 = \$149,887  
 Total = \$379,730
- 16 NZ Police 1994: For year ended 31 December 1993 there were 19 domestic-related murders, accounting for 40.4% of all murders in New Zealand. Note that 8 of those 19 murdered were children. Labour Department: Average weekly earning for males \$676.25 at mid-February 1994. Average female \$497.21. Total annual \$35,155 and \$25,865 respectively. Neilson 1994: cost of a statistical life is \$2,000,000 (Ministry of Transport, 1990 dollars) This has been ignored for the purposes of this scenario.
- 17 Assuming all 19 murderers were incarcerated.



Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)

Government Cost of Health Care

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:			301,691	1
<b>Health Care Costs:</b>				
General Practitioner	Estimated No. of visits	200%	603,382	2
	Cost per GP visit		\$7	
	Cost per Script		\$37	
Psychiatrists	Estimated No. of visits	4%	12,067	3
	Cost per visit		\$51	
Community Health/welfare				
Psychologist/ Social Worker	Estimated No. of visits	135%	407,229	4
	Cost per visit		\$51	
Groups	Estimated No. of times		0	
	Cost per time		NIL	
<b>Hospital costs</b>				
Accident & Emergency	Estimated No. of days	50%	150,846	5
Outpatients	Cost per day		\$51	
Admissions	Estimated No. of contacts	5.6%	16,955	
	Cost per contact		\$3,394	
Psychiatric Hospital	Estimated No. of contacts	0.2%	603	
	Cost per average stay		\$7,175	
Dental Hospital	Estimated No. of contacts	12.5%	37,711	6
	Cost per contact		\$200	
Child Guidance Clinic Costs	Estimated No. of contacts	5%	259,132	7
	Cost per contact	(2 x 129,566)	\$51	

  

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Health Care Costs:</b>	General Practitioner	Cost per visit x No. of Visits	\$26,548,808
	Psychiatrists	Cost per visit x No. of Visits	\$3,077,248
	Community Health/welfare		
	Psychologists/ Social Worker Groups	Cost per visit x No. of Visits	\$20,768,685
		Cost per contact x No. of contacts	\$0
	<b>Hospital Costs</b>		
	Accident & Emergency	Cost per day x No. of days	\$7,693,146
	Admissions	Cost per contact x No. of contacts	\$57,545,666
	Psychiatric	Cost per day x No. of days	\$4,329,265
	Dental Hospital	Cost per contact x No. of contacts	\$7,542,200
Child Guidance Clinic costs	Cost per contact x No. of contacts	\$13,215,732	
<b>Total</b>			<b>\$140,720,750</b>

FOOTNOTES:

- Estimate based on prevalence rate of survivors (refer note 4, page 32) Gondolf:
  - 5% presented to police (USA)
  - 6% from Otago study
  - Crime Prevention Unit thinks 5 to 6 times police call out
- Ministry of Health 1994: On average the cost to government is \$7 for each visit to GP and \$37 for each script. For consistency with direct cost data average of two additional visits per annum is calculated. This is higher than for those reporting family violence because GP care is being substituted for services specifically designed for survivors of family violence.
- Ministry of Health 1994: Average cost to government per visit to psychiatrist calculated on average outpatient cost of \$51. For consistency with direct cost data, 1 in 25 or 4% [see footnote 7, Page 33] used again assuming 5 visits.
- Ministry of Health 1994: Psychologist/Social Worker: Again average outpatient cost of \$51 used. Assumed that all survivors would at least once utilise community health workers (although not all would acknowledge violence as the main reason).
- Ministry of Health 1994: Hospital cost records in New Zealand limited to Accident and Emergency/Outpatient where an average cost to the Government of \$51 per patient is used. Hospital admissions cost the Government on average \$556. The average stay is 6.1 days, giving a total cost of \$3,394. Estimated admissions are at 5.6% conservatively reflecting findings from Synergy Applied Research Ltd [footnote 9, Page 35]. Psychiatric Hospital costs an average of \$7,175 per stay, being on average 23 days (first 14 days cost \$4,000 per day, and thereafter \$175 per day). Psychiatric admissions are estimated at 0.2% as per NSWCDV Page 17.
- Ministry of Health 1994: Estimated on average to cost the Government per visit approximately \$200. Percentage estimate as per direct cost data 1:8 [footnote 11, Page 35].
- Ministry of Health 1994: Again estimate based on average cost to Government of Outpatient service. Estimated number of contacts currently unknown. A conservative estimate has been made as being 5% of children up to age 14 [refer footnote 4, Page 32].

*Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)*

**Government Cost of Welfare**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>		301,691	
<b>Department of Justice:</b>			
Community Funding Programme	Total Funding relating to Family Violence	\$550,460	1
<b>Department of Social Welfare:</b>			
<i>Community Funding Agency</i>			
	Rape Crisis	\$1,350,771	
	Women's Refuge	\$2,917,691	
	Marriage Guidance/ Te Korowai Aroha	0	
<i>Children &amp; Young Person's Service</i>	Total Funding relating to Family Violence	\$108,407,000	
<i>Income Support Services</i>			
Domestic Purposes Benefit	Number relating to Family Violence	13,762	3
	Annual Payment per person	\$12,039	
Unemployment Benefit	Number relating to Family Violence	24,334	
	Annual Payment per person	\$9,197	
Sickness Benefit	Number relating to Family Violence	4,104	
	Annual Payment per person	\$9,906	
Accommodation Supplement	Number relating to Family Violence	21,524	
	Annual Payment per person	\$1,400	
Independent Youth	Number relating to Family Violence		
	Annual Payment per person		
Special Needs Grants (non-recoverable)	Number relating to Family Violence	24,868	
	Annual Payment per person	\$104	
Child Care Subsidy	Number relating to Family Violence	3,724	
	Annual Payment per person	\$1,481	

## Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)

### Government Cost of Welfare - continued

REQUIRED STATISTICS	FORMULA	TOTAL
Department of Justice:	Total funding x Percent relating to family violence	\$550,460
Department of Social Welfare:		
<i>Community Funding Agency</i>		
Rape Crisis	Total funding x Percent relating to family violence	\$1,350,771
Women's Refuge	Total funding x Percent relating to family violence	\$2,917,691
Marriage Guidance/ Te Korowai Aroha	Total funding x Percent relating to family violence	\$0
<i>Children and Young Persons Service</i>	Total funding x Percent relating to family violence	\$108,407,000
<i>Income Support Service</i>		
Domestic Purposes Benefit	No. receiving allowance x Annual payment per person	\$165,680,718
Unemployment Benefit	No. receiving allowance x Annual payment per person	\$223,799,798
Sickness Benefit	No. receiving allowance x Annual payment per person	\$40,654,224
Accommodation Supplement	No. receiving allowance x Annual payment per person	\$30,133,600
Independent Youth	No. receiving allowance x Annual payment per person	\$0
Special Needs Grants	No. receiving allowance x Annual payment per person	\$2,586,272
Child-care subsidy	No. receiving allowance x Annual payment per person	\$5,515,244
<b>Total</b>		<b>\$581,595,778</b>

#### FOOTNOTES:

- 1 Department of Justice: Community Programme Funding schedule for 1993/4 financial year. estimated \$550,460 expenditure relates to purchase of specific services from non-government organisations directly for family violence relief through, for example sexual abuse rehabilitation programmes and male violence prevention programmes. Children and Young Person's Service: Fiscal budget for 1994 year relating to the care and protection of New Zealand's youth. Department of Social Welfare: Rape Crisis Funding \$1,350,771.
  - 2 Department of Social Welfare: Women's Refuge direct funding \$2,654,252 and Housing Rental Compensatory Funding \$263,439. In addition many local projects are funded by NZCFA about which, at this stage, information cannot be readily obtained. However it is understood that this will change from 1 July 1994.
  - 3 Department of Social Welfare 1994: Domestic Purposes Benefit/ Unemployment/ Sickness per week range from \$140 alone to \$237 with two or more children.
- Statistical Information Report for Fiscal year 1993 reports: Totals by benefit type for funds paid for the year and number of beneficiaries receiving each benefit. By applying the prevalence rate for family violence we can get an indication of the number of benefits paid as a result of family violence.

Benefit type	Funds paid	Beneficiaries	Average Benefit	1:7 Beneficiaries
DPB	\$1,159,737,000	96,335	\$12,039	13,762
Unemployment	\$1,562,669,000	172,339	\$9,197	24,334
Sickness	\$284,597,000	28,729	\$9,926	4,104
Accommodation	\$210,834,000	150,669	\$1,400	21,524
Special Needs	\$18,197,354	174,078	\$104	24,868
Child care	\$38,619,000	26,071	\$1,481	3,724

Note the following:

Accommodation supplement per week ranges from \$55 to \$100, depending on location (Auckland most expensive). Independent Youth rate (for 16-17 year olds) per week is \$112, which is \$5,824 per annum. Payment of this benefit is included within the figures provided for the Unemployment benefit. Child Care Subsidy: Payment of \$65 per week where child is under five. The general incidence rate has been applied to the number of beneficiaries in this table as a conservative estimate. These figures are likely to be a lot higher in reality. This is particularly true for the DPB as Women's Refuge reports show 23% of residents are on the DPB at the time they enter the refuge and a further 51% are likely to become beneficiaries given at the time of entering supported by their partners.

*Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)*

**Government Cost of Family Court Services**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:		185,720	
Family Court Services:			
Police	Cost of calls for Family Violence	\$12,918,729	1, 2
Domestic Protection Orders			
DPO sought	No. of non-violence orders sought	2,409	3
	No. non-molestation orders	3,393	
	Cost per order	\$296	4
Counselling referral	Average Cost	\$350	5
	Number of Referrals	5,802	
Court Costs - Chambers & Mediation	Average Cost	\$467	6
	Number	5,802	
Court Costs - Defended Hearing & Final Order - Custody/Access			7
	Number	1,934	
	Average Cost	\$1,974	
	Number	1,547	
	Average Cost	\$1,887	

## Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)

### Government Cost of Family Court Services - continued

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
Family Court Services:	Police	No. of callouts x Hours per callout	\$12,918,729
	Domestic Protection Orders		
	DPO sought	No. of DPO sought x Cost per order	\$1,717,392
	Counselling referral	Average cost x No. of referrals	\$2,030,700
	Court Costs		
	- Chambers & Mediation	Average cost x No.	\$2,706,691
	Court Costs		
	- Defended Hearing & Final Order	Cost	\$3,818,412
	- Custody/Access	Cost	\$2,920,123
<b>Total</b>			<b>\$26,112,048</b>

#### FOOTNOTES:

- New Zealand Police 1994: For year ended 31 December 1993:

Number Incidents reported	21,028
Number Offences reported	16,136
Total	37,144

Assuming only 1 in 5 incidents are reported to police (NSWGDV, Page 3) thus giving 185,720
- |                                   |              |
|-----------------------------------|--------------|
| Cost per hour for police time is  | \$33         |
| Average is 1.5 hours per incident |              |
| Average 22.3 hours per Offence    |              |
| Domestic Dispute Incidents:       |              |
| Total 315,620 hours cost          | \$1,042,354  |
| Domestic Offences                 |              |
| Total 359,832                     | \$11,876,425 |
| TOTAL                             | \$12,918,729 |

Note: These do not include proportion of overhead and capital commitments. If used average cost increases to \$26 million.
- Department of Justice: In 1990 2,409 applications were received for Non-Violence Orders and 3,393 for Non-Molestation Orders (married and non-married couples). Of these applications only 1,010 Non-Violence Orders and 1,159 Non-Molestation Orders were issued. The number of custody and access applications were 5,449 and 784 respectively (orders made 2,168 and 476 respectively). It is also noted that in 1993 the family court received 9,000 applications for dissolution and 20,500 other applications.
- Department of Justice: Cost per Order 1989: Total cost of interim and final undefended order is \$296. Of these 54% awarded a custodial sentence.
- Department of Justice 1989: Average cost of counselling referral \$350. In 1993-94, there were 17,347 referrals to counselling from the family courts. We have used 5,822 as the number of orders sought, as a conservative indicator of the number of referrals as a result of family violence.
- Department of Justice 1989: Court costs estimated where total resolution by chambers and mediation with consent orders:

Cost of chambers (meeting 10 minutes)	\$123.33
Mediation conference (1 hour)	\$343.18
Total	\$466.51

Note: Where no interim order, drops to \$422.77 Estimated that all those applying for Domestic Protection Orders will attend chambers and mediation.
- Department of Justice 1989: Court costs estimated where interim order followed by a defended hearing and final order:

Cost of chamber hearing	\$123.33
Mediation conference	\$299.45
Additional chambers hearing without orders	\$55.13
Pre-trial conference (thirty minutes)	\$196.62
Defended hearing with final order (three hours)	\$1,299.83
Total	\$1,974.36

For cases involving custody/access additional costs are:

Cost of Counsel	\$1,089.92
Cost of Specialist Report	\$797.44
Total	\$1,887.36
Thus total case cost involving custody/access is	\$3,861.72

Victims Task Force 1992: About a third of Non-Molestation Orders result in final orders. The rate for Non-Violence Orders is slightly higher. One third of the total applications of 5,822 is thus 1,954. The Victims Task Force has identified that 85% of applicants for these orders have children, and thus the number of final custody orders is adjusted accordingly.

Spreadsheet 2: Five Time Callout Scenario (1:7 Prevalence)

Government Cost of Law Enforcement

INPUTS		ESTIMATED NUMBER/COSTS	FOOT-NOTES
Number of Survivors:		185,720	
<b>District Court</b>	<i>Legal Aid</i>		
<b>High Court</b>	Representation costs	Estimated No. requiring legal Aid Cost per client	0 1
<b>Court of Appeal</b>	Court Costs	Estimated No. of cases going to court Cost per court day	0
	<i>Community Corrections</i>		
	Periodic Detention	Estimated No. of detainees Average Cost	1,978 \$2,325
	Community Sentences	Estimated Number Supervised Average Cost	1,327 \$940
	Incarceration	Estimated Number Incarcerated Average Cost per Stay	1,842 \$41,250
	<i>Victim Compensation</i>		
	Physical Assaults	Estimated No. of assaults Average award	1,291 \$2,748
	Sexual Abuse	Estimated No. of assaults Average award	4,415 \$524

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>District Court</b>	<i>Legal Aid</i>		
<b>High Court</b>	Remuneration Costs	Est No. requiring legal aid x Cost per client	\$0
<b>Court of Appeal</b>	Court Costs	Est No. of cases going to court x Cost	\$0
	<i>Community Corrections</i>		
	Detention	Est No. of Detainees x Average cost	\$4,599,780
	Community Sentences	Est No. of Detainees x Average cost	\$1,247,568
	Incarceration	Est No. of Detainees x Average cost	\$75,999,000
	<i>Victim Compensation</i>		
	Physical assaults	Est No. of assaults x Average award	\$3,547,668
	Sexual Abuse	Est No. of assaults x Average award	\$2,313,460
<b>Total</b>			<b>\$87,707,476</b>

FOOTNOTES:

- 1 Legal Services Board 1993: Does not include legal aid or other family court costs because these could not be separated out for survivors of family violence. Legal aid alone could add as much as \$1.3 million to the amount shown.
- 2 Department of Justice 1993: Number cases involving violent offences resulting in sentences: % cases resulting in each type of sentence.

Custodial	2,303	25.5%
Periodic Detention	2,473	27.3%
Community Sentences	1,659	21.1%
Monetary	1,742	19.3%
Other (Deferment)	627	6.9%
Total	8,804	

Average custodial sentence length in months is 22. Number of breaches of Non-Molestation Orders is 193. Means offenders are eligible for parole after 11 months - thus use a year in calculations.  
Costs involved include:  
Community corrections  
Pre-sentence Reports \$365  
Parole Reports \$300  
Non-custodial Supervision  
Periodic Detention \$2,325  
Community sentences \$940
- 3 Police report that 80% of all violent cases are family related (Roper Report and Police Strategic Plan 1993-98). An adjustment to reflect this ratio has been made to the numbers of violent cases reported by the Justice Department in the table above.
- 4 Department of Justice: Incarceration:  
Based on average prison sentence for all forms of violence 22 months; eligible for parole after serving two thirds of sentence which is approximately 15 months. At average cost per year of \$33,000 have used this to reflect cost of imprisonment: \$33,000\*15=12.  
Accident Compensation: Are unable to segregate data as to that which is the result of family violence. However have assumed virtually all violence against women is domestic violence given less likely to be involved in same gender violence. For year ended 1991: 1,292 females paid for claims where contact was fight/struggle/quarrel. Total paid \$3,547,713 (average \$2,748)  
Sexual abuse claims: 4,415 females paid total of \$11,874,928 (Average \$524).

*Spreadsheets 2: Five Time Callout Scenario (1:7 Prevalence)*

**Summary: Total Costs**

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**Direct Costs to the Survivor**

Stage One: Non- Reported	\$6,530,327
Stage Two: Reported	\$1,895,974,931

**Other Costs**

To the Government	\$836,136,052
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<b>TOTAL</b>	<b>\$2,738,641,310</b>
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## Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

### Estimated Population Prevalence Rate of Family Violence in New Zealand

INPUTS		MEASUREMENT	FOOTNOTES
Estimated Prevalence rate		1:7	1
Population of New Zealand (for year ended March 1994)		3,373,923	2

  

REQUIRED STATISTIC	DESCRIPTION/FORMULA	TOTAL	FOOTNOTES
Population	Estimated Prevalence Rate x Population of New Zealand	481,989	3
Survivors	Estimated Prevalence Rate x Survivors	301,691	4

#### FOOTNOTES:

1 Estimated Prevalence Rate determined as average:

Mullen et al. 1988 1:7 (16%) [p844].

UN Report 1993 1:10.

McLeod quoted in the Canadian Study 1:10.

Canadian Study 1:4.

2 "Statistics New Zealand" - the current population of New Zealand stands at 3,373,923 as at March 1994.

3 Calculated by taking 1:7 of population at 3,373,923.

4 SURVIVORS: Number of those affected by family violence

Calculated by taking: 1:7 children up to age of 14: 906,963/7 = 129,566

1:7 females aged 14 and over: 1,204,875/7 = 172,125

TOTAL 301,691

*Note:* Women and children used because definition of family violence for New Zealand includes both. (Although there are some male survivors, men over 14 are generally the perpetrators; males under 14 are included as survivors.)



*Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage One: Estimated Costs for Non-Reported Survivors**

INPUTS			INPUT DATA	FOOTNOTES
<b>Number of Survivors:</b>			115,971	1
<b>Medical Services:</b>	GPs	Cost of visit	\$24	2
		Frequency of visits	200%	3
	Counsellors	Cost of visit	NIL	4
		Frequency of visits	10%	5
	Psychiatrists	Cost of visit	NIL	6
		Frequency of visits	4%	7
	Suicide Attempts	Cost of Medical Service	\$31	8
		Frequency of admittances	1%	9
	Admittance to Psychiatric hospitals	Cost of admittances	NIL	10
		Frequency of admittances	0.02%	11
	Drugs	Cost of script	\$4	12
		Frequency of scripts work	200%	13
<b>Income Foregone:</b>	Giving up or being unable to enter paid work	Average wage foregone	\$25,855	14
		Numbers who give up work	49,916	15

### Spreadsheets 3: Income Foregone Scenario (1:7 Prevalence)

#### Direct Costs to Individuals Affected by Family Violence Stage One: Estimated Costs for Non-Reported Survivors - *continued*

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL STATISTIC
Medical Services:	GP visits	Cost per visit x No. of visit	\$5,566,608
	Counsellor visits	Cost per visit x No. of visit	\$0
	Psychiatrist visits	Cost per visit x No. of visit	\$0
	Suicide Attempts	Cost per attempt x No. of attempts	\$35,951
	Admittance to Psychiatric hospital	Cost per admit. x No. of admitt's	\$0
	Drug prescriptions	Cost per script x No. of scripts	\$927,768
Income Foregone:	Giving up paid work	No. who give up x Av. wage foregone	\$1,291,083,806
<b>Total</b>			<b>\$1,297,614,133</b>

#### FOOTNOTES:

- Number of Stage 1 survivors determined by calculating population prevalence rate by population to give 301,691 from which those reported in Stage 2 survivors (185,720) have been deducted as they are separately addressed (see discussion), giving a total of 115,971 for Stage 1
- Ministry of Health June 1994: Average GP cost to patient per visit.
- Two additional visits to GP per individual as per NSWCDV acceptable estimate to New Zealand Health service providers.
- Ministry of Health findings are that counselling is generally provided by voluntary providers in New Zealand
- NSWCDV rate of 10% accepted as also being reflective of the New Zealand experience [NSWCDV, Page 22].
- Ministry of Health: Visits to psychiatrists are included as outpatient consultations and are generally at no cost to the patient for a mental health service. Numbers of visits are likely to be higher than NSWCDV as only 1 in 4 presenting a mental health problem are hospitalised in New Zealand.
- Ministry of Health: Supports assumption of double the rate of visits in NSWCDV [1 in 50, Page 17] or 4% of New Zealand survivors.
- Ministry of Health: Suicide attempts generally leads to treatment in an Accident and Emergency Clinic, where the user charge is \$31 (no cost if the patient is admitted).
- Ministry of Health: NSWCDV 1% estimate acceptable in New Zealand [NSWCDV, Page 17] but would be treated as outpatients.
- Ministry of Health: No cost for admittance to public health system hospitals.
- Ministry of Health: Frequency of admissions reduced in New Zealand due to extremely low admission rate; only 1 in 4 presenting a mental health problem are hospitalised. This supports the NSWCDV estimate of 1 in 500 [NSWCDV, Page 17].
- Ministry of Health: Average cost to patient. (This is a subsidised item.)
- Estimated conservatively that each additional visit to the GP result in the issuance of, on average, one additional script (anti-inflammatory pain killers/tranquillisers/anti-depressants).
- Department of Labour: Total average weekly earnings for females at mid-February 1994, was \$497.21 giving an annual wage of \$25,855 (taken from Quarterly Employment Time Series)
- Frequency of work given up is extremely difficult to estimate. Calculated as:  

Statistics New Zealand	
No. of females	1,711,371
No. of males	1,662,552
Children (0-14)	906,963
No. of male children	400,467
No. of female children	506,496
Therefore number of women over 14 are in the workforce	
Population range is:	1,711,371-506,496
	1,204,875

When the population prevalence rate of 1:7 is applied we have an estimated 172,125 women in paid employment affected by family violence  
 Statistics New Zealand estimates 55% of women are in paid work; 45% over 20 hours per week. Thus on average, the labour force participation rate of women is 54%.  
 However service providers estimate that those involved in family violence had a labour force participation rate of 25%. (Women's Refuge Statistics).  
 The differential is: 54%-25% = 29% x 172,125 = 49,916  
 Service providers perceptions are that women survivors of family violence in paid work are less inclined to give up paid work than suggested in NSWCDV. This is supported by statistical trends which shows that the number of women in the paid workforce has been steadily increasing.

*Spreadsheets 3: Income Foregone Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors**

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>			185,720	1
<b>Accommodation:</b>				
Refuge	Number of Nights		136,472	2
	Cost Per Night		\$10	
Private Rental	Number in Private Rental	25%	46,430	3
	Cost of deposits etc		\$120	
	Cost of Furniture, household goods etc		\$1,000	
	Annual Rental		\$9,360	
	Other Household Expense (annual)		\$730	
Home Purchase	Number Purchasing Own Homes	1%	1,857	4
	Cost of Deposit		\$8,000	
	Other Costs of purchase		\$500	
<b>Legal Costs:</b>				
Domestic Protection	Number of Domestic Protection Orders		5,802	5
	Cost per Order		NIL	
Legal Representation	Number Requiring Representation		5,802	6
	Minimum Cost		\$500	
Custody Disputes	Number of Disputes		4,642	7
	Cost per Dispute		NIL	
<b>Medical Costs:</b>				
GP visits	Number Requiring Medical Treatment	57%	105,860	8
	Number of additional patient visits per year		2	
	Cost of visit		\$24	
Hospital Stays	Number of Patient Days	12%	22,286	9
	Cost Per Day		NIL	
Drugs	Number of additional Prescription	57%	105,860	10
	Cost per Prescription		\$4	
Dental	Number requiring Dental treatment	12.5%	23,215	11
	Cost of Visit		\$120	

### Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

#### Direct Costs to Individuals Affected by Family Violence Stage Two: Estimated Costs for Reported Survivors - *continued*

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Accommodation:</b>	Refuge	Cost per night stay x No. of night stays	\$1,364,720
	Private Rental	Annual Costs per rental x No. of Rentals	\$520,480,300
	Home Purchase	Cost of Purchase x No. of Purchases	\$15,786,200
<b>Legal Costs:</b>	Domestic Protection	Cost per Order x No. of DP Orders	\$0
	Legal Representation	Cost per Dispute x No. of Disputes	\$2,901,000
	Custody Disputes	Cost per Dispute x No. of Disputes	\$0
<b>Medical Costs:</b>	GP visits	Cost Per Visit x No. of Additional Visits	\$5,081,299
	Hospital Stays	Cost per Day x No. of Patient Days	\$0
	Drugs	Cost per Prescription x No. of Prescriptions	\$423,442
	Dental	Cost of Visit x No. requiring treatment	\$2,785,800
<b>Total</b>			<b>\$548,822,761</b>

#### FOOTNOTES:

Estimates are based on survivors who report to the police

1 Number of Survivors: NZ Police 1994 statistics provided by NZ Police for year ended 31 December 1993. Includes all reported Family/Domestic Associated Incidents/Offences:

1) Domestic dispute incidents	21,008
2) Violence against women offences	11,139
3) Child abuse offences	3,443
4) All domestic related breach offences	1,554
<b>TOTAL</b>	<b>37,144</b>

Callouts are based on information about incidents and are used as a proxy for prevalence of those who acknowledge violence.

2 Women's Refuge Annual Report 1992: Bed Occupancy

Cost per night obtained from National Collective of Women's Refuge

3 Women's Refuge Annual Report 1992: Based on statistics gathered on 3610 contacts

% rental	25%
% purchase property	11%
% Family/friends	19%
% Other (incl other refuge)	42%
% return to own home	41%
Women residents	5,148
Child residents	7,779
Community cases	6,638
Total New Contacts	19,565
Total Readmissions	725
Private Rental (average)	\$180
Cost of Bond (usually 2-4 weeks \$180*2)	\$360 (assumed this is to be repaid)
Deposits (connection fees Phone/power)	\$120
Household goods (est based on purchase of second hand goods)	\$1,000
Annual Rental \$180*52	\$9,360
Other expenses (phone/power)	\$730

4 Home purchase: Use 1% as obtained from Womens's Refuge Statistics

Cost of Deposit : \$8,000

Other costs : \$500

For cost of house assume average cost basic home \$80,000 and 10% deposit is adequate (Source: Banking sector advertising)

5 Justice Department 1990: Number of applications for Non-Violence Orders 2,409 and number of applications for Non-Molestation Orders 3,393. There is no charge for filing order applications at the Family Court.

6 Legal representation is required to file the order. This has been estimated as a minimum of two hours spent with a lawyer at a charge rate of \$250 per hour (current market rates).

7 Victims Task Force 1992: Women filing Domestic Protection Orders often have to file custody/access orders at the same time. It has been estimated that 83% of applicants have children so an 80% adjustment to the number of orders filed has been made accordingly.

8 Synergy Applied Research Limited (1983): A socio-economic assessment of Women's Refuges revealed that 57% of women and children had visited a GP as the result of physical violence. Number of visits and cost per visit as for stage 1 estimations. Service providers have confirmed that the results of this study are still relevant.

9 Ministry of Health 1994: No cost to user for hospital stay.

A small proportion of survivors end up in a hospital as a result of family violence. Synergy Applied Research Limited (1983) provides an estimates of 12% of women and children hospitalised as a result of family violence (15 out of 83 sampled)

10 Ministry of Health 1994: Average cost of patient is \$4 (allows for community services cardholders where maximum charge to user is \$3 (excluding manufacturer's part charges).

Number estimated in accordance to those visiting GP on the assumption one visit on average gives rise to the issue of one script (pain relief or psychological relief).

11 Ministry of Health 1994: Average cost to patient is \$120 for visit to private practitioner. Number estimated as 1:8 or 12.5% (half those visiting GP).

*Spreadsheets 3: Income Foregone Scenario (1:7 Prevalence)*

**Direct Costs to Individuals Affected by Family Violence  
Stage Two: Estimated Costs for Reported Survivors – *continued***

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:			185,720	
<b>Income costs:</b>				
Direct Income Cost	Number suffering a direct fall in income	100%	185,720	12
	Estimated drop in direct income		\$6,303	
Income Foregone	Number suffering foregone income	2%	3,714	13
	Estimated Foregone Income		\$7,739	
<b>Paid Work Costs:</b>				
Child Care - Full-time	Number requiring full-time child care services	8%	14,858	14
	Annual cost per child		\$7,200	
Child Care - Part time	Number requiring part-time child care services	15%	27,858	15
	Annual cost per child		\$2,450	
Loss of work time	Number in paid employment			16
	Average Daily Wage		\$379,730	
<b>Unallocated Costs:</b>				
Death/Serious Injury	Number Suffering Death		19	17
	Loss of victims earnings		\$25,865	
	Loss of offenders earnings		\$35,155	18
	Cost of statistical life		\$2,000,000	

### Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

#### Direct Costs to Individuals Affected by Family Violence Stage Two: Estimated Costs for Reported Survivors – *continued*

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
Income Costs:	Direct income cost	Estimated drop x No. suffering from fall	\$1,170,593,160
	Income Foregone	Estimated IF x No. suffering from IF	\$28,745,742
Paid Work Costs:	Child care x full-time	Annual cost per child x No. of Children requiring care	\$106,974,720
	Child care x part-time	Annual cost per child x No. of Children requiring care	\$68,252,100
	Loss of work time	No. in paid employment x Lost days - average rate	\$379,730
Unallocated Costs:	Death or Serious Injury	No. involved x Total loss involved - statistical life	\$39,159,380
<b>Total</b>			<b>\$1,414,104,332</b>
<b>Total from previous table</b>			<b>\$548,822,761</b>
<b>Total Stage Two: Reported</b>			<b>\$1,962,924,093</b>

#### FOOTNOTES:

- 12 It is generally accepted that every family affected by family violence will suffer a direct fall in family incomes. A 25% drop in income during this time has been estimated and applied to the average weekly earnings. Gross weekly ordinary time average wage for women is \$484.85 at mid-February 1994 (Statistics New Zealand). Thus \$25,212 at 25% is \$6,303 (Note: a proportion will not have had any earnings other than the benefit. The 25% income drop is applied to them on the assumption that the condition of family violence kept them from entering the workforce).
- 13 Service providers perceive that only 25% of those women in family violence situations are in any kind of employment. This is further broken down to 10% in full-time employment and 15% in part-time employment. Synergy Applied Research Limited (1983): only 241 of those reporting to refuges sampled were earning income to support themselves (87% were performing earning duties but were unemployed). Of those women reporting family violence assumed to be in full-time work (10%), it is estimated that some will have to give up full-time employment (for example to relocate for safety reasons). This has been estimated as 20% of the 10% (ie 2%). One quarter average wage also used for income foregone.
- 14 An estimated 3% (see note 15) remaining in the paid workforce who report violence, will require full-time child care service. The Department of Social Welfare 1994 estimates that the cost of full-time child care to the user is \$150 per week for 48 weeks (\$7,200). This is a subsidised rate (based on those reporting).
- 15 The 15% estimated to be in part-time work whilst reporting family violence (25% estimated by service providers less 10% full-time) will also require child-care part-time. The Department of Social Welfare 1994 has estimated that this costs the individual \$50 per week for 49 weeks (\$2450). This is a subsidised rate. It is noted that not all of these will be using child care in order to go out to paid employment. Also many women use informal child care such as other family and friends (based on those reporting).
- 16 It has been estimated that 2% of those reporting family violence give up their paid employment entirely and only 8% stay in full-time paid employment. The average stay in Refuge is 10 days: 8 days away from paid employment. Of the 15% which stay in paid part-time employment 8 working days will also be lost whilst seeking refuge. The loss of work-time, which is assumed to be unpaid (unlikely to constitute sick leave) will be:
 

Full-time	8% of 3,610 x \$497.21 (average total female weekly earnings at mid-February 1994) x 8/5 (8 Days) = \$229,843
Part-time	15% of 3,610 x \$173.00 (Based on median part-time wage of \$9,000 as quoted 1993 Yearbook) x 8/5 (8 Days)
=	\$149,887
Total	= \$379,730
- 17 NZ Police 1994: For year ended 31 December 1993 there were 19 domestic-related murders, accounting for 40.4% of all murders in New Zealand. Please note that 8 of those 19 murdered were children. Labour Department: Average weekly earning for males \$676.05 at mid-February 1994. Average female \$497.21. Total annual \$35,155 and \$25,865 respectively. Neilson 1994: cost of a statistical life is \$2,000,000 (Ministry of Transport, 1990 dollars) This has been ignored for the purposes of this scenario
- 18 Assuming all 19 murderers were incarcerated.

Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

Government Cost of Health Care

INPUTS		ENTER % OF TOTAL	ESTIMATED NUMBER/ COSTS	FOOT- NOTES
<b>Number of Survivors:</b>			301,691	1
<b>Health Care Costs:</b>				
General Practitioner	Estimated No. of visits	200%	603,382	2
	Cost per GP visit		\$7	
	Cost per Script		\$37	
Psychiatrists	Estimated No. of visits	4%	12,067	3
	Cost per visit		\$51	
<b>Community Health/welfare</b>				
Psychologist/ Social Worker	Estimated No. of visits	135%	407,229	4
	Cost per visit		\$51	
Groups	Estimated No. of times		0	
	Cost per time		NIL	
<b>Hospital costs</b>				
Accident & Emergency	Estimated No. of days	50%	150,846	5
Outpatients	Cost per day		\$51	
Admissions	Estimated No. of contacts	5.6%	16,955	
	Cost per contact		\$3,394	
Psychiatric Hospital	Estimated No. of contacts	0.2%	603	
	Cost per average stay		\$7,175	
Dental Hospital	Estimated No. of contacts	12.5%	37,711	6
	Cost per contact		\$200	
Child Guidance Clinic Costs	Estimated No. of contacts	5%	259,132	7
	Cost per contact	(2 x 129,566)	\$51	

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
<b>Health Care Costs:</b>	General Practitioner	Cost per visit x No. of Visits	\$26,548,808
	Psychiatrists	Cost per visit x No. of Visits	\$3,077,248
	<b>Community Health/welfare</b>		
	Psychologists/ Social Worker Groups	Cost per visit x No. of Visits	\$20,768,685
		Cost per contact x No. of contacts	\$0
	<b>Hospital Costs</b>		
	Accident & Emergency	Cost per day x No. of days	\$7,693,146
	Admissions	Cost per contact x No. of contacts	\$57,545,666
	Psychiatric	Cost per day x No. of days	\$4,329,265
	Dental Hospital	Cost per contact x No. of contacts	\$7,542,200
Child Guidance Clinic costs	Cost per contact x No. of contacts	\$13,215,732	
<b>Total</b>			<b>\$140,720,750</b>

FOOTNOTES:

- 1 Estimate based on prevalence rate of survivors (refer note 4, page 32) Gondolf:  
(a) 5% presented to police (USA)  
(b) 6% from Otago study  
(c) Crime Prevention Unit thinks 5 to 6 times police call out
- 2 Ministry of Health 1994: On average the cost to government is \$7 for each visit to GP and \$37 for each script. For consistency with direct cost data average of two additional visits per annum is calculated. This is higher than for those reporting family violence because GP care is being substituted for services specifically designed for survivors of family violence.
- 3 Ministry of Health 1994: Average cost to government per visit to psychiatrist calculated on average outpatient cost of \$51. For consistency with direct cost data, 1 in 25 or 4% see footnote 7, Page 33] used again assuming 5 visits.
- 4 Ministry of Health 1994: Psychologist/Social Worker: Again average outpatient cost of \$51 used. Assumed that all survivors would at least once utilise community health workers (although not all would acknowledge violence as the main reason)
- 5 Ministry of Health 1994: Hospital cost records in New Zealand limited to Accident and Emergency/Outpatient where an average cost to the Government of \$51 per patient is used. Hospital admissions cost the Government on average \$556. The average stay is 6.1 days, giving a total cost of \$3,394. Estimated admissions are at 5.6% conservatively reflecting findings from Synergy Applied Research Ltd [footnote 9, Page 35]. Psychiatric Hospital costs an average of \$7,175 per stay, being on average 25 days (first 14 days cost \$4,000 per day, and thereafter \$175 per day). Psychiatric admissions are estimated at 0.2% as per NSWCDV [Page 17].
- 6 Ministry of Health 1994: Estimated on average to cost the Government per visit approximately \$200. Percentage estimate as per direct cost data [8] [footnote 11, Page 35].
- 7 Ministry of Health 1994: Again estimate based on average cost to Government of Outpatient service. Estimated number of contacts currently unknown. A conservative estimate has been made as being 5% of children up to age 14 [refer footnote 4, Page 32].

*Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)*

**Government Cost of Welfare**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:		301,691	
<b>Department of Justice:</b>			
Community Funding Programme	Total Funding relating to Family Violence	\$550,460	1
<b>Department of Social Welfare:</b>			
<i>Community Funding Agency</i>			
Rape Crisis		\$1,350,771	
Women's Refuge		\$2,917,691	2
Marriage Guidance/ Te Korowai Aroha		\$0	
<i>Children &amp; Young Person's Service</i>	Total Funding relating to Family Violence	\$108,407,000	
<i>Income Support Services</i>			
Domestic Purposes Benefit	Number relating to Family Violence	13,672	3
	Annual Payment per person	\$12,039	
Unemployment Benefit	Number relating to Family Violence	24,334	
	Annual Payment per person	\$9,197	
Sickness Benefit	Number relating to Family Violence	4,104	
	Annual Payment per person	\$9,906	
Accommodation Supplement	Number relating to Family Violence	21,524	
	Annual Payment per person	\$1,400	
Independent Youth	Number relating to Family Violence		
	Annual Payment per person		
Special Needs Grants (non-recoverable)	Number relating to Family Violence	24,868	
	Annual Payment per person	\$104	
Child Care Subsidy	Number relating to Family Violence	3,724	
	Annual Payment per person	\$1,481	



*Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)*

Government Cost of Welfare - *continued*

REQUIRED STATISTICS	FORMULA	TOTAL
<b>Department of Justice:</b>	Total funding x Percent relating to family violence	\$550,460
<b>Department of Social Welfare:</b>		
<i>Community Funding Agency</i>		
Rape Crisis	Total funding x Percent relating to family violence	\$1,350,771
Women's Refuge	Total funding x Percent relating to family violence	\$2,917,691
Marriage Guidance/ Te Korowai Aroha	Total funding x Percent relating to family violence	\$0
<i>Children and Young Persons Service</i>	Total funding x Percent relating to family violence	\$108,407,000
<i>Income Support Service</i>		
Domestic Purposes Benefit	No. receiving allowance x Annual payment per person	\$165,680,718
Unemployment Benefit	No. receiving allowance x Annual payment per person	\$223,799,798
Sickness Benefit	No. receiving allowance x Annual payment per person	\$40,654,224
Accommodation Supplement	No. receiving allowance x Annual payment per person	\$30,133,600
Independent Youth	No. receiving allowance x Annual payment per person	\$0
Special Needs Grants	No. receiving allowance x Annual payment per person	\$2,586,272
Child-care subsidy	No. receiving allowance x Annual payment per person	\$5,515,244
<b>Total</b>		<b>\$581,595,778</b>

FOOTNOTES:

- 1 Department of Justice: Community Programme Funding schedule for 1993/4 financial year, estimated \$550,460 expenditure relates to purchase of specific services from non-government organisations directly for family violence relief through, for example sexual abuse rehabilitation programmes and male violence prevention programmes. Children and Young Person's Service: Fiscal budget for 1994 year relating to the care and protection of New Zealand's youth. Department of Social Welfare: Rape Crisis Funding \$1,350,771.
- 2 Department of Social Welfare: Women's Refuge direct funding \$2,654,252 and Housing Rental Compensatory Funding \$263,439. In addition many local projects are funded by NZCFA about which, at this stage, information cannot be readily obtained. However it is understood that this will change from 1 July 1994.
- 3 Department of Social Welfare 1994: Domestic Purposes Benefit/ Unemployment Sickness per week range from \$140 alone to \$237 with two or more children. Statistical Information Report for Fiscal year 1993 reports: Totals by benefit type for funds paid for the year and number of beneficiaries receiving each benefit. By applying the prevalence rate for family violence we can get an indication of the number of benefits paid as a result of family violence.

Benefit type	Funds paid	Beneficiaries	Average Benefit	1:7 Beneficiaries
DPB	\$1,159,737,000	96,335	\$12,039	13,762
Unemployment	\$1,560,669,000	170,339	\$9,197	24,334
Sickness	\$284,597,000	28,729	\$9,906	4,154
Accommodation	\$210,834,000	150,669	\$1,400	21,524
Special Needs	\$18,197,354	174,078	\$104	24,868
Child care	\$38,619,000	26,071	\$1,481	3,724

Note the following:

Accommodation supplement per week ranges from \$55 to \$100, depending on location (Auckland most expensive). Independent Youth rate (for 16-17 year olds) per week is \$112, which is \$5,824 per annum. Payment of this benefit is included within the figures provided for the Unemployment benefit. Child Care Subsidy: Payment of \$65 per week where child is under five.

The general incidence rate has been applied to the number of beneficiaries in this table as a conservative estimate. These figures are likely to be a lot higher in reality. This is particularly true for the DPB as Women's Refuge reports show 23% of residents are on the DPB at the time they enter the refuge and a further 51% are likely to become beneficiaries given at the time of entering the supported by their partners.

*Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)*

**Government Cost of Family Court Services**

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT- NOTES
Number of Survivors:		185,720	
Family Court Services:			
Police	Cost of calls for Family Violence	\$12,918,729	1, 2
Domestic Protection Orders			
DPO sought	No. of non-violence orders sought	2,409	3
	No. non-molestation orders	3,393	
	Cost per order	\$296	4
Counselling referral	Average Cost	\$350	5
	Number of Referrals	5,802	
Court Costs - Chambers & Mediation	Average Cost	\$467	6
	Number	5,802	
Court Costs			
- Defended Hearing & Final Order	Number	1,934	7
	Average Cost	\$1,974	
- Custody/Access	Number	1,547	
	Average Cost	\$1,887	

### Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

#### Government Cost of Family Court Services - continued

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
Family Court Services:	Police	No. of callouts x Hours per callout	\$12,918,729
	Domestic Protection Orders		
	DPO sought	No. of DPO sought x Cost per order	\$1,717,392
	Counselling referral	Average cost x No. of referrals	\$2,030,700
	Court Costs		
	- Chambers & Mediation	Average cost x No.	\$2,706,691
	Court Costs		
	- Defended Hearing & Final Order	Cost	\$3,818,412
	- Custody/Access	Cost	\$2,920,123
<b>Total</b>			<b>\$26,112,048</b>

#### FOOTNOTES:

- New Zealand Police 1994: For year ended 31 December 1993:  

Number Incidents reported	21,008
Number Offences reported	16,136
Total	37,144

Assuming only 1 in 5 incidents are reported to the police [NSWCDW Page 3], thus giving 185,720.
  - Cost per hour for police time is \$33  
Average is 1.5 hours per incident  
Average 22.3 hours per Offence  
Domestic Dispute Incidents:  

Total 315,620 hours cost	\$1,042,304
Domestic Offences	
Total 359,832	\$11,876,425
<b>TOTAL</b>	<b>\$12,918,729</b>

Note: These do not include proportion of overhead and capital commitments. If used average cost increases to \$26 million.
  - Department of Justice: In 1992 2,429 applications were received for Non-Violence Orders and 3,393 for Non-Molestation Orders (married and non-married couples). Of these applications only 1,210 Non-Violence Orders and 1,159 Non-Molestation Orders were issued. The number of custody and access applications were 5,449 and 784 respectively (orders made 2,168 and 476 respectively). It is also noted that in 1993 the family court received 9,000 applications for dissolution and 20,500 other applications.
  - Department of Justice: Cost per Order 1989 Total cost of interim and final undefended order is \$296 Of these 54% awarded a custodial sentence.
  - Department of Justice 1989: Average cost of counselling referral \$350 In 1993-94, there were 17,347 referrals to counselling from the family courts. We have used 5,802 as the number of orders sought, as a conservative indicator of the number of referrals as a result of family violence.
  - Department of Justice 1989: Court costs estimated where total resolution by chambers and mediation with consent orders:  

Cost of chambers (meeting 10 minutes)	\$123.33
Mediation conference (1 hour)	\$343.18
Total	\$466.51

Note: Where no interim order, drops to \$422.77 Estimated that all those applying for Domestic Protection Orders will attend chambers and mediation.
  - Department of Justice 1989: Court costs estimated where interim order followed by a defended hearing and final order:  

Cost of chamber hearing	\$123.33
Mediation conference	\$299.45
Additional chambers hearing without orders	\$55.13
Pre-trial conference (thirty minutes)	\$196.62
Defended hearing with final order (three hours)	\$1,299.83
Total	\$1,974.36

For cases involving custody/access additional costs are:  

Cost of Counsel	\$1,289.92
Cost of Specialist Report	\$797.44
Total	\$1,887.36

Thus total case cost involving custody/access is \$3,861.72
- Victims Task Force 1992: About a third of Non-Molestation Orders result in final orders. The rate for Non-Violence Orders is slightly higher. One third of the total applications of 5,802 is thus 1,934. The Victims Task Force has identified that 83% of applicants for these orders have children, and thus the number of final custody orders is adjusted accordingly.

Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

Government Cost of Law Enforcement

INPUTS		ESTIMATED NUMBER/ COSTS	FOOT-NOTES
Number of Survivors:		185,720	
District Court	<i>Legal Aid</i>		
High Court	Representation costs	Estimated No. requiring legal Aid Cost per client	0 1
Court of Appeal	Court Costs	Estimated No. of cases going to court Cost per court day	0
	<i>Community Corrections</i>		
	Periodic Detention	Estimated No. of detainees Average Cost	1,978 \$2,325 2
	Community Sentences	Estimated Number Supervised Average Cost	1,327 \$940
	Incarceration	Estimated Number Incarcerated Average Cost per Stay	1,842 \$41,250 3
	<i>Victim Compensation</i>		
	Physical Assaults	Estimated No. of assaults Average award	1,291 \$2,748 4
	Sexual Abuse	Estimated No. of assaults Average award	4,415 \$524

REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL
District Court	<i>Legal Aid</i>		
High Court	Remuneration Costs	Est No. requiring legal aid x Cost per client	\$0
Court of Appeal	Court Costs	Est No. of cases going to court x Cost	\$0
	<i>Community Corrections</i>		
	Detention	Est No. of Detainees x Average cost	\$4,599,780
	Community Sentences	Est No. of Detainees x Average cost	\$1,247,568
	Incarceration	Est No. of Detainees x Average cost	\$75,999,000
	<i>Victim Compensation</i>		
	Physical assaults	Est No. of assaults x Average award	\$3,547,668
	Sexual Abuse	Est No. of assaults x Average award	\$2,313,460
<b>Total</b>			<b>\$87,707,476</b>

FOOTNOTES:

- 1 Legal Services Board 1993: Does not include legal aid or other family court costs because these could not be separated out for survivors of family violence. Legal aid alone could add as much as \$1.3 million to the amount shown.
- 2 Department of Justice 1993: Number cases involving violent offences resulting in sentences; % cases resulting in each type of sentence

Custodial	2,323	25.5%
Periodic Detention	2,473	27.3%
Community Sentences	1,659	21.1%
Monetary	1,742	19.3%
Other (Deferment)	627	6.9%
<b>Total</b>	<b>8,824</b>	

Average custodial sentence length in months is 22. Number of breaches of Non-Molestation Orders is 193. Means offenders are eligible for parole after 11 months - thus use a year in calculations.  
Costs involved include:  
Community corrections  
Pre-sentence Reports \$365  
Parole Reports \$300  
Non-custodial Supervision  
Periodic Detention \$2,325  
Community sentences \$940  
Police report that 80% of all violent cases are family related (Roper Report and Police Strategic Plan 1993-98). An adjustment to reflect this ratio has been made to the numbers of violent cases reported by the Justice Department in the table above.
- 3 Department of Justice: Incarceration:  
Based on average prison sentence for all forms of violence 22 months; eligible for parole after serving two thirds of sentence which is approximately 15 months. At average cost per year of \$33,000 have used this to reflect cost of imprisonment: \$33,000\*15/12.
- 4 Accident Compensation: Are unable to segregate data as to that which is the result of family violence. However have assumed virtually all violence against women is domestic violence given less likely to be involved in same gender violence. For year ended 1991: 1,292 females paid for claims where contact was fight/struggle/quarrel. Total paid \$3,547,713 (average \$2,748)  
Sexual abuse claims: 4,415 females paid total of \$11,874,928 (Average \$524).

Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)

Indirect Cost Others

INPUTS		ENTER NUMBER	ESTIMATED NUMBER/ COSTS	FOOT-NOTES
Number of Survivors:			301,691	
Other Indirect Costs:				
<i>Employer Costs</i>				
Lost Working Days	Estimated lost No. of working days	2	94,669	1
	Charge per day		\$119	2
Productivity Losses	Portion of total cost attributable to labour	25%	0	3
<i>Costs to Third Parties</i>				
School/Young Leavers	Portion of young who leave school early	50%		4
	No. of young who leave early	9,177	4,589	
	Annual wage differential		\$23,303	
<hr/>				
REQUIRED STATISTIC	DESCRIPTION	FORMULA	TOTAL	
Other Indirect Costs:	<i>Employer Costs</i>	Lost working days x charge per day/ portion labour	\$2,816,395	
	<i>Cost to Third Parties</i>			
	School/Young Leavers	Portion who leave school early x income differential	\$106,925,816	
<b>Total</b>			<b>\$109,742,211</b>	

FOOTNOTES:

- Estimated number of adults affected:  
Using prevalence rate of family violence as 1:7 in population proportion affected calculated as:
 

	301,691
Males	1,662,552
Females	1,711,371
Children	906,963

 Labour force participation rate is lower for those affected by family violence, but current rates stand at: (Statistics New Zealand)
 

Women	55%
Men	74%

 Proportion of women in paid workforce affected by family violence:
 

Population females 14+	1,204,875
1:7 affect	172,125 x 0.55
Total	94,669
- Lost working days: Population affected (158,829) estimated to lose on average 2 working days per annum (following NSWCDV) Average weekly wage as previously calculated. Working days per annum total 260 (including paid holidays). Average wage per day \$30,957/260 = \$119 per day.
- Productivity Losses: Following NSWCDV estimated lost productivity based on calculation of labour costs accepted as 25% of total costs overall.
- Ministry of Education 1994: For 1993 (when the school leaving age was 15, it has now been raised to 16 in 1994). The number of young school leavers who had not entered into further education or training (excluding any private training) were:
 

Aged 15	1,691
Aged 16	7,486
Total	9,177

 Given that the majority of young school leavers do so for stress-related reasons principally family, we can assume at least half of those leaving school early do so as a result of family violence. Fifty percent of 9,177 is 4,589.  
The subsequent loss is the differential between the average wage and youth rates. Using a youth rate of \$3.68 per hour (Employers Association - minimum wage for 16 to 19 year olds), an annual wage \$7,654 is calculated (\$147.25 per week). Average wage as previously calculated is \$30,957: giving differential of \$23,303.

*Spreadsheet 3: Income Foregone Scenario (1:7 Prevalence)*

**Summary: Total Costs**

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	TOTAL
<b>Direct Costs to the Survivor</b>	
Stage One: Non-Reported	\$1,297,614,133
Stage Two: Reported	\$1,962,927,093
<b>Other Costs</b>	
To the Government	\$836,136,052
To Others	\$109,742,211
<b>Total</b>	<b>\$4,206,419,489</b>

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# Summary of Results

## Total Costs

	PREVALENCE RATES		
	1:10	1:7	1:4
Base Scenario	\$1,186,854,954	\$1,234,706,007	\$1,351,641,829
Five Times Callout Scenario	\$2,690,790,256	\$2,738,641,310	\$2,855,577,131
Income Foregone Scenario	\$3,770,415,040	\$4,206,419,489	\$5,301,989,477



DEPARTMENT OF

*Social Welfare*  
*Te Tari Toko i te Ora*

FAMILY VIOLENCE UNIT