Child Support Program - September guarter 2022

About Child Support September quarter 2018 to September quarter 2022 Child Support is a private transfer of money between separated parents for the support of their children.

The objective of the Child Support Scheme is to ensure that: parents share in the costs of supporting their children according to their financial

- adequate financial support is available to all children not living with both parents Commonwealth involvement and expenditure is limited to the minimum amount
- work incentives for both parents to participate in the labour force are not impaired, and

necessary for ensuring children's needs are met

the overall arrangements are non-intrusive to personal privacy and are simple, flexible and efficient.

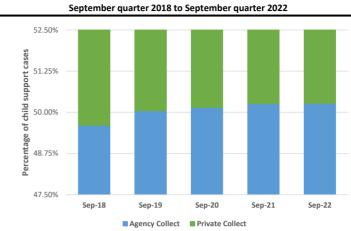
Cases that involve parents/carers who transfer child support through Services Australia are referred to as Agency Collect Cases. Cases that transfer child support by private arrangement are referred to as Private Collect Cases.

Quick Facts		Sep-18	Sep-19	Sep-20	Sep-21	Sep-22	Change Sep- 18 to Sep- 22	Change Se 21 to Sep- 22
	Agency Collect	343,432	342,486	341,084	338,968	332,776	-3.1%	-1.89
Active Cases	Private Collect	348,945	341,863	339,124	335,433	329,223		-1.99
Lases	Total	692,377	684,349	680,208	674,401	661,999	-4.4%	-1.89
rents/ F	Agency Collect	643,529	642,090	639,886	636,194	625,012	-2.9%	-1.89
	Private Collect	679 840	665 865	660 192	652 872	640 397	-5.8%	-1 99

Number of active child support cases, parents and children,

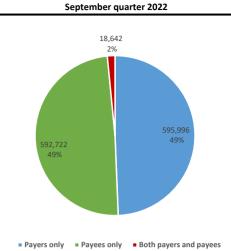
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Parents/ carers	Private Collect	679,840	665,865	660,192	652,872	640,397	-5.8%	-1.9%
carcis	Total*	1,262,466	1,248,243	1,241,060	1,230,133	1,207,360	-4.4%	-1.9%
	Agency Collect	507,063	507,097	506,138	502,723	492,362	-2.9%	-2.1%
Children ¹	Private Collect	561,075	549,669	545,981	539,911	528,612	-5.8%	-2.1%
	Total	1,068,138	1,056,766	1,052,119	1,042,634	1,020,974	-4.4%	-2.1%
Payers	Male	551,222	543,051	536,404	527,957	515,594	-6.5%	-2.3%
	Female	71,544	71,401	72,705	73,614	72,629	1.5%	-1.3%
	Total**	642,183	634,972	631,441	626,083	614,638	-4.3%	-1.8%
Payees	Male	70,327	69,876	71,075	71,627	70,470	0.2%	-1.6%
	Female	552.849	544.243	536.966	528.508	516.144	-6.6%	-2.3%

Total** 638,979 631,741 628,090 622,867 611,364 -4.3% A parent can be in both collection methods for different children. Therefore, the components won't add to total. Total includes payers and payees with no gender recorded



Percentage of child support cases by collection method,

-1.8% In the September quarter 2022, child support cases with a liability being collected privately made up 50% of the active caseload, the remaining 50% are ollected by Services Australia.

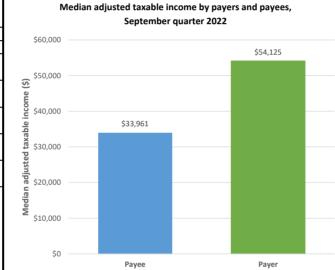


Number of payers and payees,

Payment by collection method and care arrangements, September quarter 2022²

	Agency (Collect	Priva	te Collect	
Amount of Care	Payers	Payees	Payers	Payees	
Below regular care (0 to 51 nights per year or < 14%)	224,779	1,574	178,887	2,973	
Regular care (52 to 127 nights per year or 14% to < 35%)	62,344	412	86,221	1,024	
Shared care (128 to 237 nights per year or 35% to 65%)	29,606	29,798	55,716	55,741	
Primary care (238 to 313 nights per year or > 65% to 86%)	413	62,470	1,025	86,196	
Above primary care (314 to 365 nights per year or > 86%)	1,540	224.475	2.946	179.687	

The majority (around two-thirds) of payees have care of their child support child for more than 313 nights a year, whereas the majority (around two-thirds) of payers have care for less than 52 nights a year. Over 13% of child support parents have shared care arrangements. The number of parents with a shared care arrangement who use Private ollect is almost double that of parents who use Agency Collect.

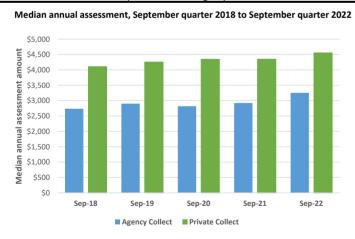


\$60,000 Sep-22

Payer and payee median adjusted taxable income, September quarter 2018 to September quarter 2022

n the September quarter 2022, the median adjusted taxable income for payers in Private Collect cases is around \$6,600 higher than for payers in Agency Collect cases. For the same quarter, the median adjusted taxable income for payees in Private Collect cases is around \$200 lower than for ayees in Agency Collect cases.

■ Agency Collect ■ Private Collect



The median annual assessment for Private Collect cases is much higher than for Agency Collect cases across all quarters

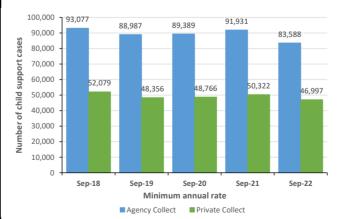
Number of payers in child support active cases by income type, September quarter 2018 to September quarter 2022

Income type	Sep-18	Sep-19	Sep-20	Sep-21	Sep-22
Actual, declared or derived (e.g. ATO, ISO, overseas)	489,286	479,920	472,684	485,791	477,706
Default or deemed (e.g. 2/3 MTAWE, indexed, nil)	134,409	134,486	130,290	117,276	119,216
Estimated income	23,763	25,403	33,228	27,262	21,972
Post-separation income or no income details	941	787	730	728	765
Total ***	642,183	634,972	631,441	626,083	614,638

** Payers in multiple cases can have different incomes for different cases. Therefore, the components won't add to total.

Declared taxable income was used to calculate child support payable for the majority (almost 78%) of payers in active cases from September 2018 to September 2022 and the proportion has remained stable over this period.

Minimum annual rate, September quarter 2018 to September quarter 2022



In the September quarter 2022, more than 131,000 cases were assessed at the Minimum Annual Rate, which equates to around \$8.80 per week. Around 64% of these were agency cases. The proportion of all cases that were assessed at the Minimal Annual Rate has reduced from around 21% in the September 2018 quarter to almost 20% in the September 2022 quarter.

Number of child support cases by annual rate payable, September quarter 2018 to September quarter 2022

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Annual rate range	Sep-18	Sep-19	Sep-20	Sep-21	Sep-22
\$0 - \$500	202,421	192,077	192,774	197,098	180,629
\$501 - \$2,000	75,203	71,932	75,688	70,965	69,512
\$2,001 - \$5,000	147,770	143,316	138,352	132,109	128,649
\$5,001 - \$10,000	152,615	155,584	150,793	147,362	147,469
\$10,001 - \$20,000	91,114	96,359	96,432	98,784	104,461
\$20,001 +	23,254	25,081	26,169	28,083	31,279
Total	692,377	684,349	680,208	674,401	661,999

The proportion of active cases with an annual liability of \$0-\$500 has stayed relatively constant over the 5 years to September 2022 with around 27% of cases (180,629) having an annual liability of \$0-\$500 in the September quarter 2022.

Child Support Program - September quarter 2022 Number of cases by number of children in a case, September quarter 2022 Indigenous status of payers and payees, September quarter 2022 Number of payers & payees involved in one or more child support cases, September quarter 2022 350.000 600 000 297.578 294,262 291 052 300,000 500.000 250,000 400,000 200.000 <u>2</u> 150,000 300.000 105.129 100 000 200.000 **ž** 50,000 21,436 17.152 12,683 1 child 100,000 47,053 43.576 50,000 100,000 150,000 200,000 250,000 Agency Collect Payers **Agency Collect Payees** Private Collect Payers Private Collect Payees Number of child support cases Payees Multiple cases Single cases Payers ■ Non-Indigenous ■ Indigenous ■ Private Collect Agency Collect The majority of both Agency Collect and Private Collect cases involve one child. Cases involving two or more children are n Agency Collect cases, almost 7% of payees and over 5% of payers identify as Indigenous. In Private Collect cases, 43,576 payers (7.1%) and 47,053 payees (7.7%) had a more than one active case in the September quarter 2022. over 7% of payees and almost 4% of payers identify as indigenous. nore likely to be Private collect cases. Number of children by age, September quarter 2018 to September quarter 2022**** FTB Part A children by Maintenance Action Test (MAT) Category, International child support cases by payer residency, September quarter 2022 Amount of child support assessments raised and liabilities collected by Services Australia for Agency Collect cases, 2017-18 to 2021-223 September quarter 2022 Child age category (years) ■ Exempted from MAT Raised by Services Australia (\$m) ——Collected by Services Australia (\$m) 0 to 4 5 to 9 10 to 14 15 and over \$2.000 ■ Passed MAT Sep-18 103,598 163,791 182,429 111,25 \$1,800 159.688 183.72 109.27 Sep-19 96.981 ■ Payer is in Australia \$1,600 ■ Failed MAT Private Collect Sep-20 93,654 156,559 184,778 110,990 \$1,400 90 624 153 681 182 970 112.630 Sep-21 MAT decision pending \$1.200 147,983 179,742 Sep-22 86,622 114,265 \$1,000 Unknown MAT status 0% Sep-18 57.079 139.862 186.877 123.24 \$800 Sep-19 55,555 138,595 190,603 122,341

47,404 **** There are children with missing age values. Therefore, row totals for a quarter may not match with the child population shown elsewhere.

53,125

50,919

136,775

134,445

128,735

192,116

191,174

187,296

124,116

126,183

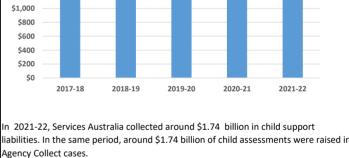
128,925

Agency Collect cases have a smaller number of children aged 0-4 years and a larger number involving 15 years and over, compared to Private Collect cases.

Under the Family Tax Benefit Part A Maintenance Action Test, separated parents must take reasonable action to obtain child support to be eligible for more than the base rate of FTB Part A. In certain circumstances parents may be exempt from the Maintenance Action Test. Percentages in this chart may not total 100 per cent due to rounding.

In the September guarter 2022, there were 36,420 international child support cases. In 9,970 cases, a payer living in Australia sent child suport to a payee and child(ren) living overseas. In 26,450 cases, the payer lived overseas and sent child support to a payee and child(ren) living in Australia.

Source: Services Australia - International Business Area.



Source:

Agency Collect

Sep-20

Sep-21

Sep-22

Services Australia Child Support Extract Data (CSED) unless stated otherwise. Data is based on the relationship case count, excludes spousal maintenance cases, and includes Agency Collect and Private Collect cases. These figures may not align with those published elsewhere due to different reporting methodologies.

- 1. The number of children includes child support children only and excludes other dependent children
- 2. The data excludes 5,109 children in 2,837 cases for whom payer and payee care details cannot be determined (e.g. data invalid as it exceeds 365 care nights combined). As the care levels that payers and payees have of different children in a case may vary, a payer or payee may be counted in more than one category.
- 3. This figure includes child support received by Services Australia in the financial year for liabilities raised in previous years. The percentage collected for assessments raised in the financial year is not able to be calculated based on current available data. Last updated December 9, 2022