

Child Support Program - December quarter 2018

About Child Support

Child Support is a private transfer between separated parents for the support of their child.

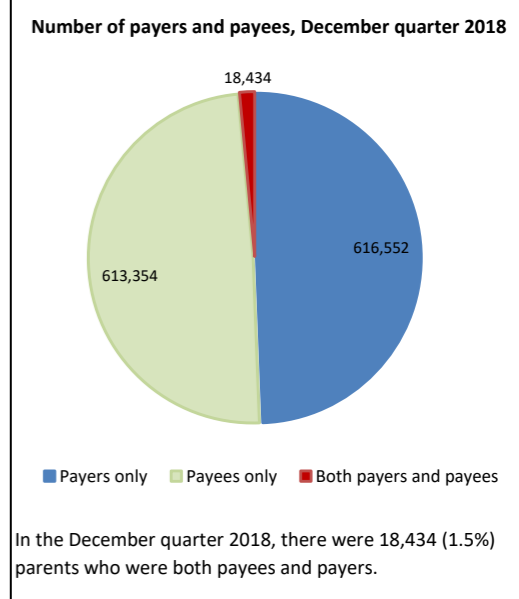
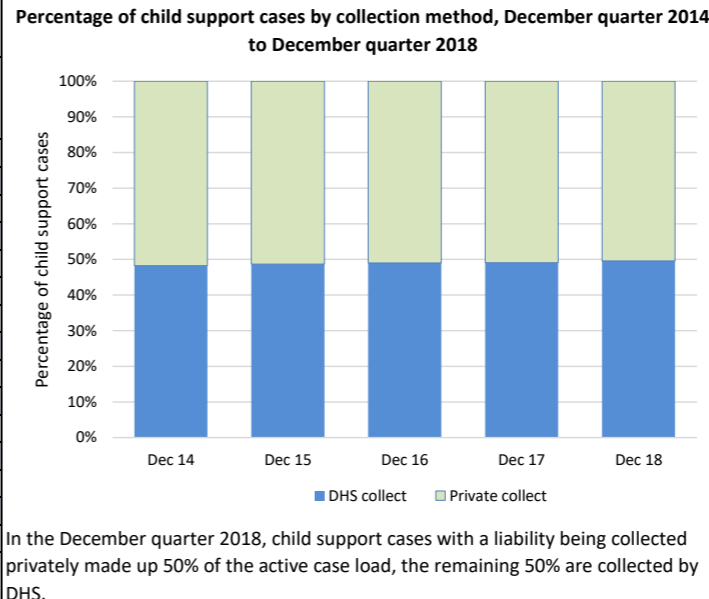
The objective of the Child Support Scheme is to ensure that:

- parents share in the costs of supporting their children according to their capacity,
- adequate support is available to all children not living with both parents,
- Commonwealth involvement and expenditure is limited to the minimum necessary for ensuring children's needs are met,
- work incentives for both parents to participate in the labour force are not impaired, and
- 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 the Department of Human Services (DHS) are referred to as DHS Collect Cases. Cases that transfer child support by private arrangement are referred to as Private Collect Cases.

Quick Facts		Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Change Dec-14 to Dec-18	Change Dec-17 to Dec-18
Active Cases	DHS collect	343,727	342,296	341,268	340,251	339,291	-1.3%	-0.3%
	Private collect	368,614	361,256	355,428	353,227	345,157	-6.4%	-2.3%
	Total	712,341	703,552	696,696	693,478	684,448	-3.9%	-1.3%
Parent/ carers *	DHS collect	642,856	640,470	638,973	637,475	635,959	-1.1%	-0.2%
	Private collect	719,069	704,613	693,197	688,419	672,425	-6.5%	-2.3%
	Total*	1,298,953	1,282,954	1,270,963	1,264,830	1,248,340	-3.9%	-1.3%
Children ¹	DHS collect	499,896	499,349	499,632	500,181	500,733	0.2%	0.1%
	Private collect	588,529	577,339	570,460	567,912	554,398	-5.8%	-2.4%
	Total	1,088,425	1,076,688	1,070,092	1,068,093	1,055,131	-3.1%	-1.2%
Payers	Male	574,639	565,435	558,450	554,101	544,264	-5.3%	-1.8%
	Female	70,236	70,706	70,814	70,959	70,967	1.0%	0.0%
	Total**	660,748	652,610	646,354	643,385	634,986	-3.9%	-1.3%
Payees	Male	69,728	70,008	69,957	69,939	69,666	-0.1%	-0.4%
	Female	573,690	565,663	559,950	555,742	545,889	-4.8%	-1.8%
	Total**	657,159	649,190	643,236	640,133	631,788	-3.9%	-1.3%

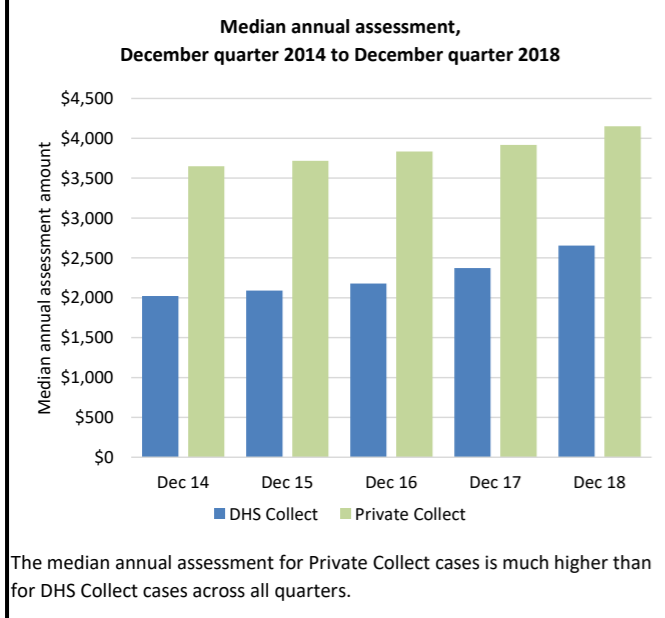
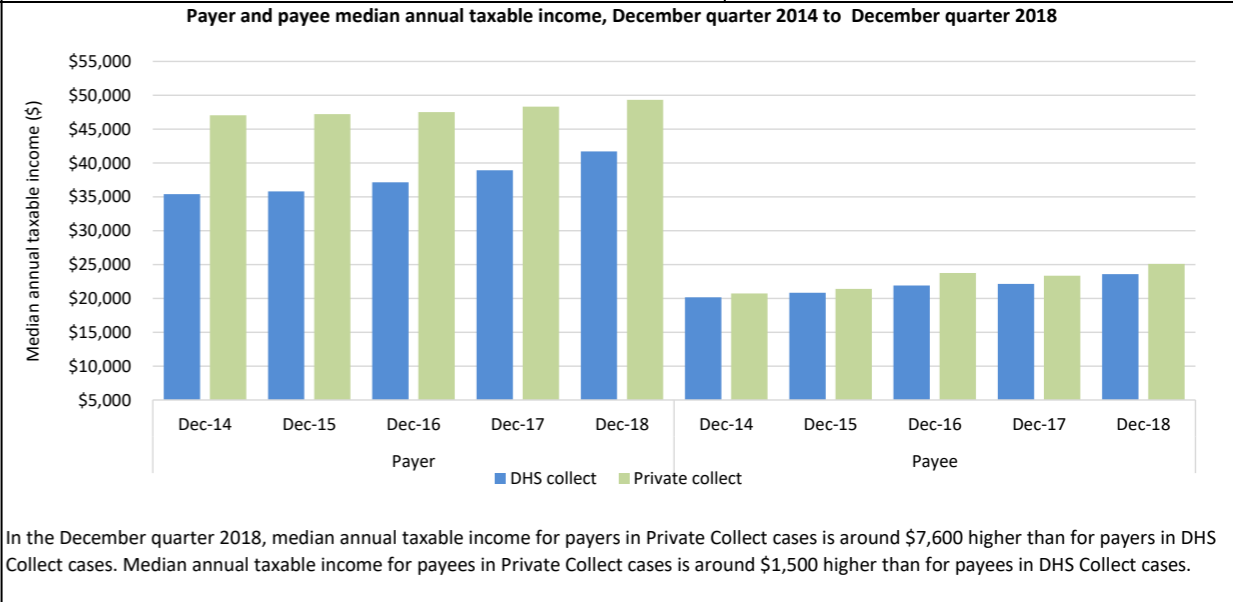
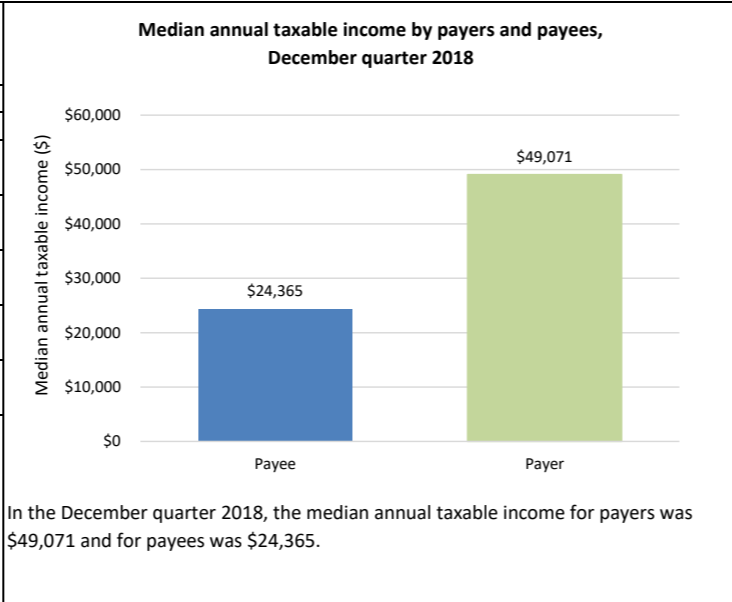
* A parent can be in both collection methods for different children. Therefore, the components won't add to total. ** Total includes payers and payees with no gender recorded.



Parents by collection method and care arrangements, December Quarter 2018²

Amount of Care	DHS Collect		Private Collect	
	Payers	Payees	Payers	Payees
Below regular care (0 to 51 nights per year or < 14%)	232,491	2,011	196,404	3,447
Regular care (52 to 127 nights per year or 14% to < 35%)	63,989	464	89,766	1,122
Shared care (128 to 237 nights per year or 35% to 65%)	25,020	25,219	49,191	49,267
Primary care (238 to 313 nights per year or > 65% to 86%)	465	63,929	1,124	89,824
Above primary care (314 to 365 nights per year or > 86%)	1,944	232,973	3,405	196,994

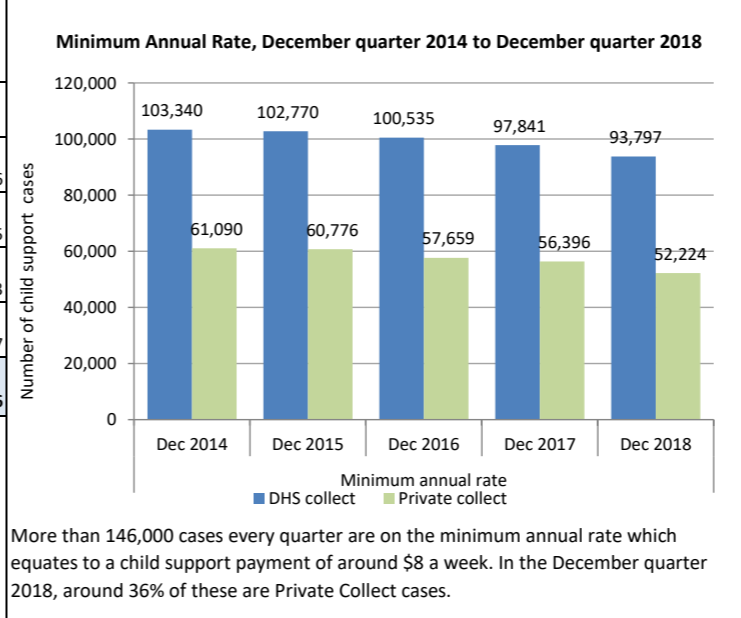
The majority (around two-thirds) of payees have care of their child support child for at least 314 nights a year. Whereas the majority of payers have care for less than 51 nights a year. Around 11% of child support parents have shared care arrangements. The number of Private Collect parents with a Shared care arrangement is double that of DHS collect cases.



Number of payers in child support active cases by Income type, December quarter 2014 to December quarter 2018

Income type	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18
Declared taxable income	485,100	482,762	476,725	481,210	472,086
Default or derived income	135,732	130,098	133,728	132,540	134,025
Estimated income	43,351	42,143	39,578	32,902	31,893
No income details	1,176	2,157	1,057	1,045	937
Total	660,748	652,610	646,354	643,385	634,986

Declared taxable income was used to calculate child support payable for the majority of payers in active cases (around 74%) from December 2014 to December 2018 and the proportion has remained stable over this period. Payers in multiple cases can have different income for different cases. Therefore, the components won't add to total.

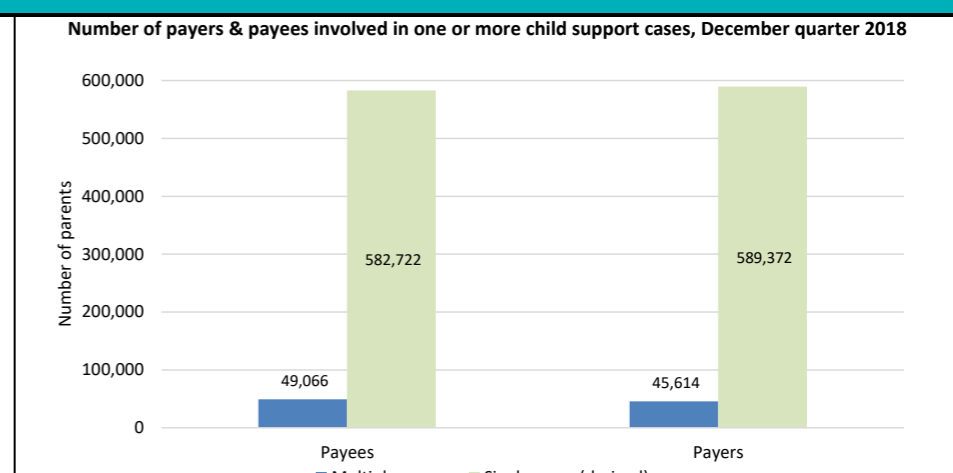
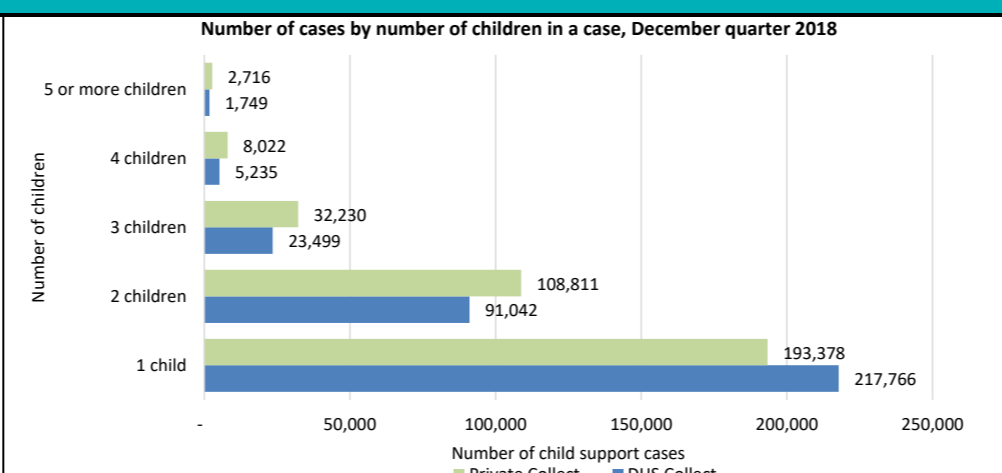
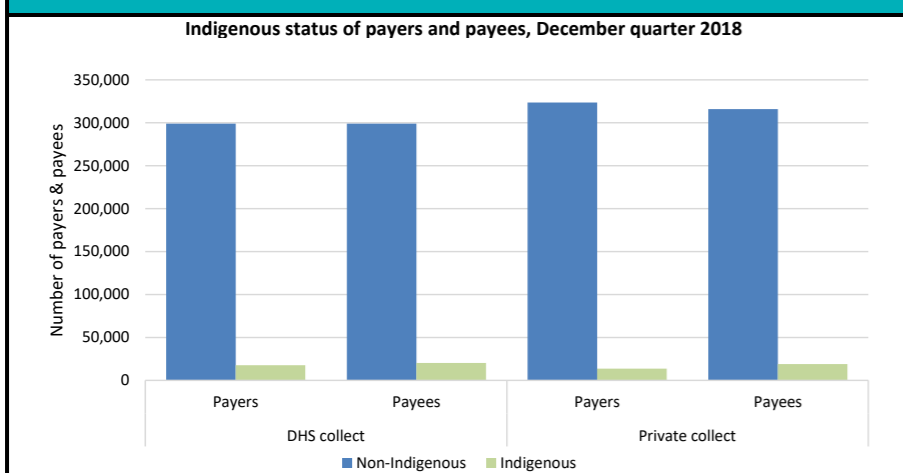


Number of child support cases by the annual rate payable, December quarter 2014 to December quarter 2018

Annual rate range	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18
\$0 - \$500	230,700	227,373	220,489	215,836	202,536
\$501 - \$2,000	80,670	78,400	77,289	75,792	73,711
\$2,001 - \$5,000	151,774	149,286	148,428	147,085	144,619
\$5,001 - \$10,000	146,702	145,967	146,610	147,202	150,351
\$10,001 - \$20,000	81,858	81,964	83,193	86,112	90,235
\$20,001 +	20,637	20,562	20,687	21,451	22,996
Total	712,341	703,552	696,696	693,478	684,448

The proportion of active cases with an annual liability of \$0-\$500 has stayed relatively constant over the five years to December 2018, with 30% of cases (around 202,500) having an annual liability of \$0-\$500 in the December quarter 2018.

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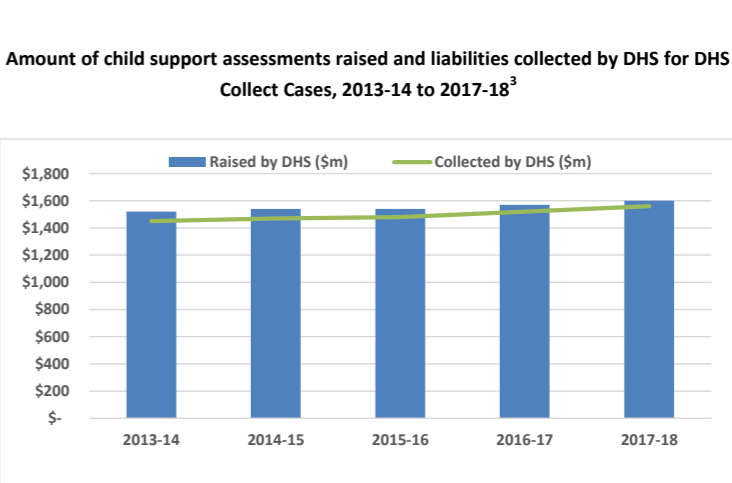
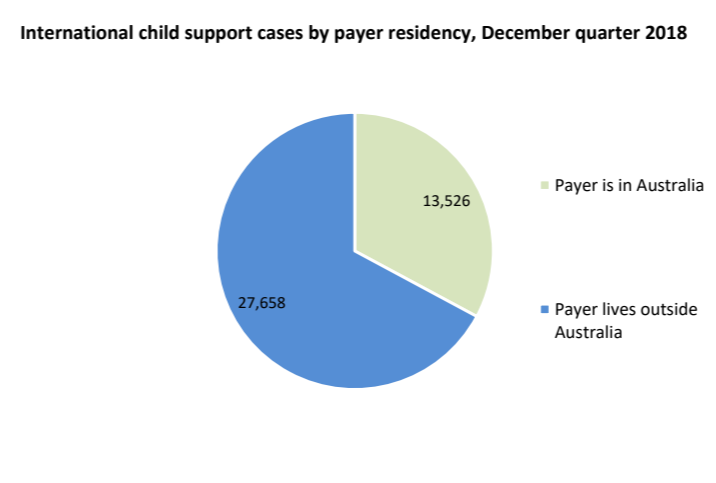
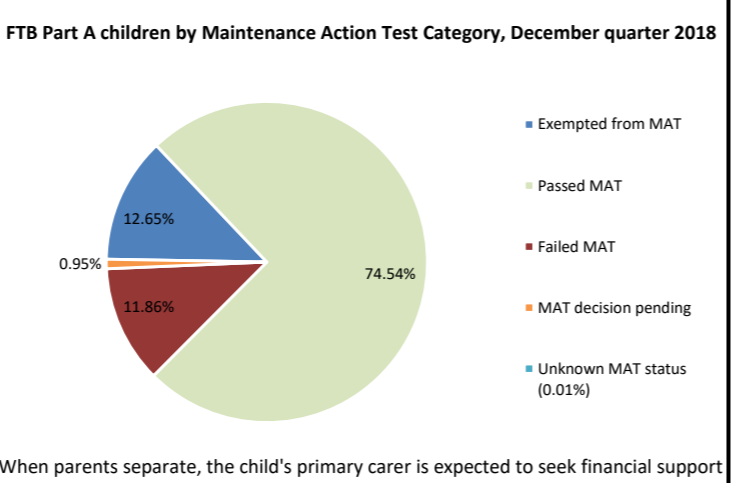


Around 6% of Payees identify as Indigenous for both DHS Collect and Private Collect. Nearly 6% of Payers in DHS collect cases identify as Indigenous, compared to 4% of Payers in Private Collect cases.

The majority of both DHS Collect and Private Collect cases involve one child. Cases involving two or more children are more likely to be Private Collect cases.

45,614 payers (7.2%) and 49,066 payees (7.8%) had more than one active case in the December quarter 2018.

		Child age category (years)			
		0 to 4	5 to 9	10 to 14	15 and over
Private Collect	Dec 2014	120,324	175,002	180,331	112,871
	Dec 2015	116,208	171,336	177,749	112,046
	Dec 2016	111,997	169,681	178,142	110,640
	Dec 2017	109,137	167,962	181,619	109,188
	Dec 2018	101,538	162,643	183,119	107,093
DHS Collect	Dec 2014	61,889	139,661	176,770	121,576
	Dec 2015	60,725	140,226	177,080	121,316
	Dec 2016	60,283	140,418	179,533	119,398
	Dec 2017	58,247	140,078	183,667	118,189
	Dec 2018	56,738	138,989	187,750	117,256



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

When parents separate, the child's primary carer is expected to seek financial support from the other parent. This is known as the maintenance action test. If a parent does not take action they are limited to the base rate of Family Tax Benefit 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 December quarter 2018, there were 41,184 international child support cases. In 13,526 cases, a payer living in Australia sent child support to a payee and child(ren) living overseas. In 27,658 cases the payer lived overseas and sent child support to Australia.

In 2017-18, DHS collected \$1.56 billion in child support liabilities. In the same period, \$1.60 billion of child support assessments were raised.

Source: Department of Human Services and Child Support Extract Data (CSED). Data is based on the relationship case count, excludes spousal maintenance cases, and includes Department of Human Services collect and private collect cases. These figures may not align with those published elsewhere, due to different reporting methodologies.

Notes:

- The number of children includes child support children only and excludes other dependent children.
- The data excludes 5,500 children in 2,993 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 for different children may vary, a payer or payee may be counted in more than one care level category.
- This figure includes child support received by DHS 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.