

Child Support Program - June quarter 2022

About Child Support

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 capacities
- adequate financial support is available to all children not living with both parents
- Commonwealth involvement and expenditure is limited to the minimum amount 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.

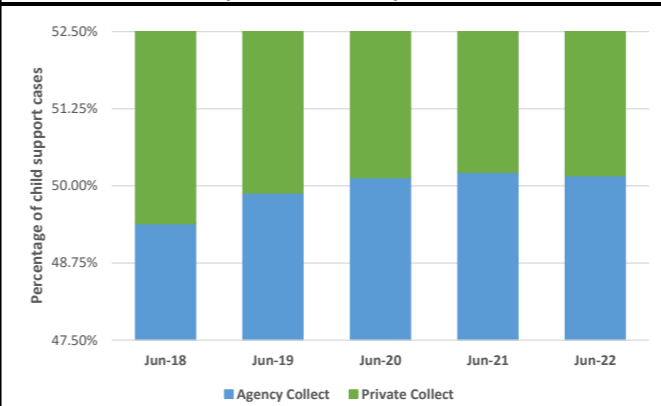
Cases that involve parents/carers who transfer child support through Services Australia are referred to as Agency Collect Cases. Cases that transfer child support by private arrangement are referred to as Private Collect Cases.

Number of active child support cases, parents and children, June quarter 2018 to June quarter 2022

| Quick Facts | | Jun-18 | Jun-19 | Jun-20 | Jun-21 | Jun-22 | Change Jun-18 to Jun-22 | Change Jun-21 to Jun-22 |
|-----------------------|-----------------|------------------|------------------|------------------|------------------|------------------|-------------------------|-------------------------|
| Active Cases | Agency Collect | 341,778 | 340,751 | 340,155 | 338,364 | 332,020 | -2.9% | -1.9% |
| | Private Collect | 350,265 | 342,328 | 338,358 | 335,396 | 329,848 | -5.8% | -1.7% |
| | Total | 692,043 | 683,079 | 678,513 | 673,760 | 661,868 | -4.4% | -1.8% |
| Parents/carers | Agency Collect | 640,381 | 638,758 | 638,004 | 635,002 | 623,694 | -2.6% | -1.8% |
| | Private Collect | 682,428 | 666,926 | 658,793 | 652,883 | 641,700 | -6.0% | -1.7% |
| | Total* | 1,262,072 | 1,246,042 | 1,237,971 | 1,229,408 | 1,207,395 | -4.3% | -1.8% |
| Children ¹ | Agency Collect | 503,944 | 503,689 | 504,071 | 501,704 | 491,187 | -2.5% | -2.1% |
| | Private Collect | 562,899 | 549,947 | 544,082 | 539,336 | 529,583 | -5.9% | -1.8% |
| | Total | 1,066,843 | 1,053,636 | 1,048,153 | 1,041,040 | 1,020,770 | -4.3% | -1.9% |
| Payers | Male | 551,836 | 542,710 | 536,299 | 528,925 | 515,898 | -6.5% | -2.5% |
| | Female | 71,005 | 70,813 | 71,634 | 72,640 | 73,017 | 2.8% | 0.5% |
| | Total** | 641,946 | 633,815 | 629,797 | 625,563 | 614,770 | -4.2% | -1.7% |
| Payees | Male | 69,832 | 69,398 | 70,027 | 70,739 | 70,923 | 1.6% | 0.3% |
| | Female | 553,549 | 544,146 | 537,166 | 529,480 | 516,469 | -6.7% | -2.5% |
| | Total** | 638,732 | 630,621 | 626,456 | 622,315 | 611,507 | -4.3% | -1.7% |

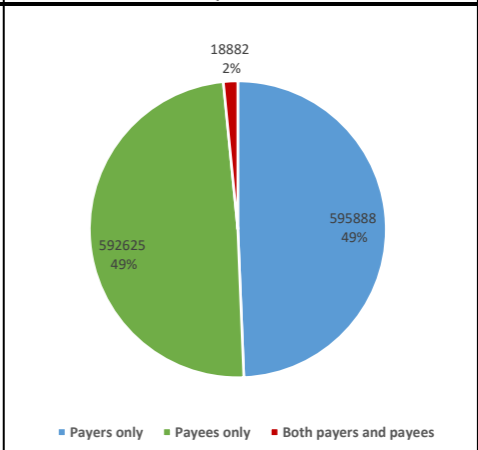
* A parent can be in both collection methods for different children. Therefore, the components won't add to total.
** Total includes payers and payees with no gender recorded.

Percentage of child support cases by collection method, June quarter 2018 to June quarter 2022



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

Number of payers and payees, June quarter 2022



Payment by collection method and care arrangements, June quarter 2022²

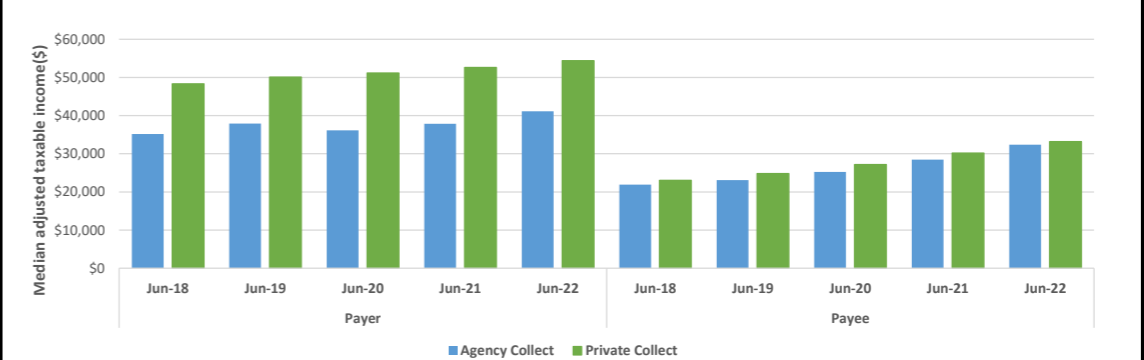
| Amount of Care | Agency Collect | | Private Collect | |
|---|----------------|---------|-----------------|---------|
| | Payers | Payees | Payers | Payees |
| Below regular care (0 to 51 nights per year or < 14%) | 224,509 | 1,440 | 179,783 | 2,962 |
| Regular care (52 to 127 nights per year or 14% to < 35%) | 62,340 | 408 | 86,628 | 1,029 |
| Shared care (128 to 237 nights per year or 35% to 65%) | 29,135 | 29,313 | 55,212 | 55,255 |
| Primary care (238 to 313 nights per year or > 65% to 86%) | 408 | 62,454 | 1,032 | 86,601 |
| Above primary care (314 to 365 nights per year or > 86%) | 1,405 | 224,204 | 2,946 | 180,493 |

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 Collect is around double that of parents who use Agency Collect.

Median adjusted taxable income by payers and payees, June quarter 2022

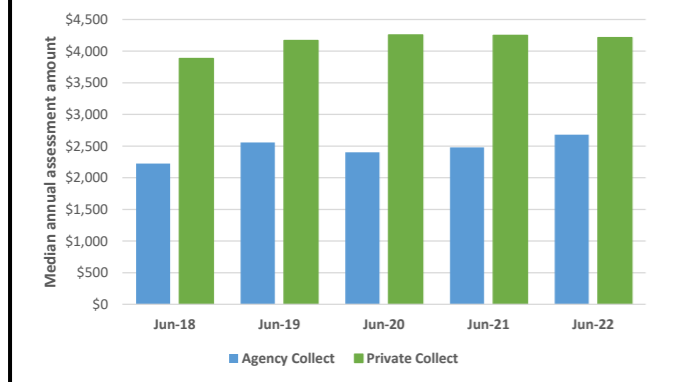


Payer and payee median adjusted taxable income, June quarter 2018 to June quarter 2022



In the June quarter 2022, the median adjusted taxable income for payers in Private Collect cases is around \$13,200 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 \$800 higher than for payees in Agency Collect cases.

Median annual assessment, June quarter 2018 to June quarter 2022



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

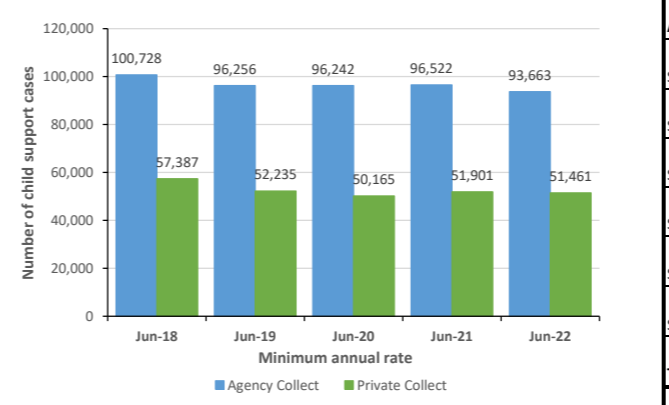
Number of payers in child support active cases by income type, June quarter 2018 to June quarter 2022

| Income type | Jun-18 | Jun-19 | Jun-20 | Jun-21 | Jun-22 |
|---|----------------|----------------|----------------|----------------|----------------|
| Actual, declared or derived (e.g. ATO, ISO, overseas) | 504,506 | 493,024 | 490,429 | 487,702 | 496,775 |
| Default or deemed (e.g. 2/3 MTAW, indexed, nil) | 94,974 | 97,535 | 86,048 | 84,500 | 72,526 |
| Estimated income | 42,941 | 43,632 | 53,835 | 53,856 | 45,673 |
| Post-separation income or no income details | 1,031 | 972 | 760 | 710 | 798 |
| Total *** | 641,946 | 633,815 | 629,797 | 625,563 | 614,770 |

*** 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 (around 81%) of payers in active cases from June 2018 to June 2022 and the proportion has remained stable over this period.

Minimum annual rate, June quarter 2018 to June quarter 2022



In the June quarter 2022, more than 145,000 cases were assessed at the Minimum Annual Rate, which equates to around \$8.80 per week. Almost 65% of these were agency cases. The proportion of all cases that were assessed at the Minimal Annual Rate has reduced from around 23% in the June 2018 quarter to around 22% in the June 2022 quarter.

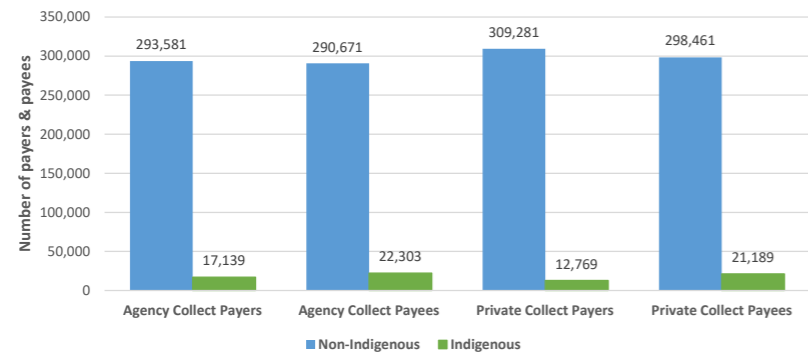
Number of child support cases by annual rate payable, June quarter 2018 to June quarter 2022

| Annual rate range | Jun-18 | Jun-19 | Jun-20 | Jun-21 | Jun-22 |
|---------------------|----------------|----------------|----------------|----------------|----------------|
| \$0 - \$500 | 219,078 | 205,759 | 203,651 | 205,884 | 199,993 |
| \$501 - \$2,000 | 76,250 | 73,796 | 75,774 | 73,113 | 71,309 |
| \$2,001 - \$5,000 | 143,910 | 140,793 | 136,418 | 130,102 | 126,031 |
| \$5,001 - \$10,000 | 144,943 | 148,332 | 145,484 | 143,791 | 139,515 |
| \$10,001 - \$20,000 | 86,018 | 90,884 | 92,383 | 94,450 | 96,833 |
| \$20,001 + | 21,844 | 23,515 | 24,803 | 26,420 | 28,187 |
| Total | 692,043 | 683,079 | 678,513 | 673,760 | 661,868 |

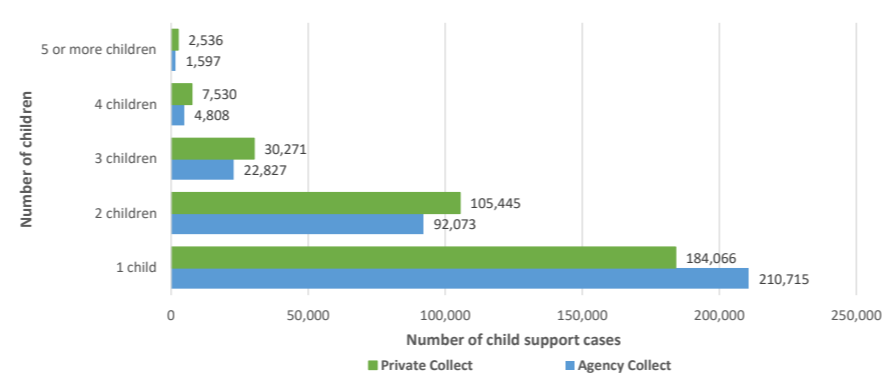
The proportion of active cases with an annual liability of \$0-\$500 has stayed relatively constant over the 5 years to June 2022 with around 30% of cases (199,993) having an annual liability of \$0-\$500 in the June quarter 2022.

Child Support Program - June quarter 2022

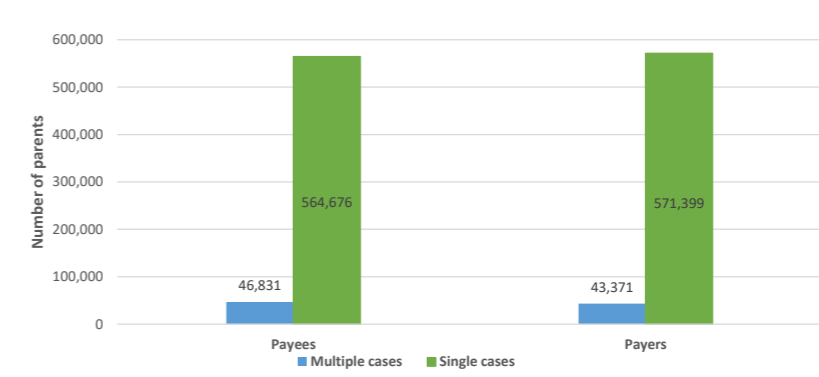
Indigenous status of payers and payees, June quarter 2022



Number of cases by number of children in a case, June quarter 2022



Number of payers & payees involved in one or more child support cases, June quarter 2022



In Agency Collect cases, almost 7% of payees and over 5% of payers identify as Indigenous. In Private Collect cases, over 7% of payees and over 4% of payers identify as indigenous.

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

43,371 payers (7.1%) and 46,831 payees (7.7%) had a more than one active case in the June quarter 2022.

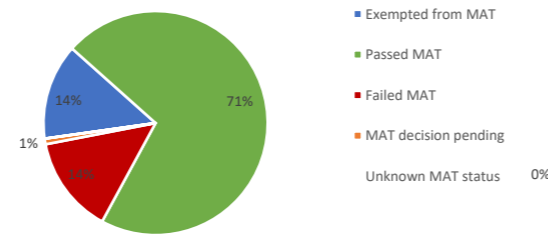
Number of children by age, June quarter 2018 to June quarter 2022****

| | | Child age category (years) | | | |
|-----------------|--------|----------------------------|---------|----------|-------------|
| | | 0 to 4 | 5 to 9 | 10 to 14 | 15 and over |
| Private Collect | Jun-18 | 105,308 | 165,202 | 182,592 | 109,790 |
| | Jun-19 | 97,802 | 160,513 | 183,728 | 107,899 |
| | Jun-20 | 94,244 | 156,824 | 184,713 | 108,299 |
| | Jun-21 | 90,872 | 154,323 | 183,601 | 110,540 |
| | Jun-22 | 87,215 | 149,294 | 181,025 | 112,049 |
| Agency Collect | Jun-18 | 57,373 | 139,944 | 185,912 | 120,715 |
| | Jun-19 | 55,883 | 138,655 | 189,654 | 119,497 |
| | Jun-20 | 54,131 | 137,451 | 192,194 | 120,292 |
| | Jun-21 | 52,028 | 135,606 | 191,690 | 122,378 |
| | Jun-22 | 48,195 | 129,821 | 188,354 | 124,815 |

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

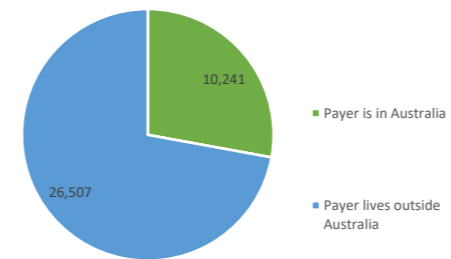
Agency Collect cases have a smaller number of children aged 0-4 years and a larger number involving 15 years and over, compared to Private Collect cases.

FTB Part A children by Maintenance Action Test (MAT) Category, June quarter 2022



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.

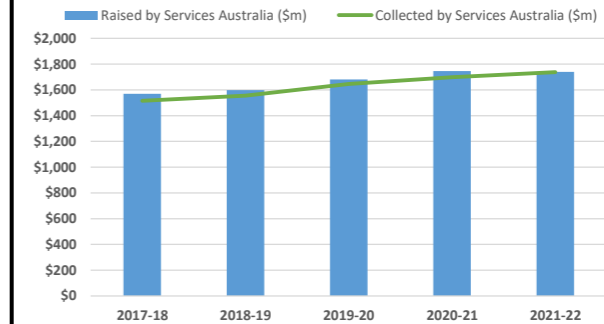
International child support cases by payer residency, June quarter 2022



In the June quarter 2022, there were 36,748 international child support cases. In 10,241 cases, a payer living in Australia sent child support to a payee and child(ren) living overseas. In 26,507 cases, the payer lived overseas and sent child support to a payee and child(ren) living in Australia.

Source: Services Australia - International Business Area.

Amount of child support assessments raised and liabilities collected by Services Australia for Agency Collect cases, 2017-18 to 2021-22³



In 2021-22, Services Australia collected around \$1.74 billion in child support liabilities. In the same period, around \$1.74 billion of child assessments were raised in Agency Collect cases.

Source:

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.

Notes:

- The number of children includes child support children only and excludes other dependent children
- The data excludes 4,905 children in 2,725 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.
- 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 August 19, 2022