Child Support Program - March quarter 2018

About Child Support Number of active

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,

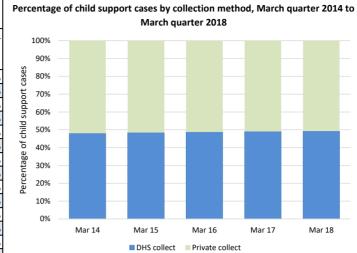
-work incentives for both parents to participate in the labour force are not impaired, and

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

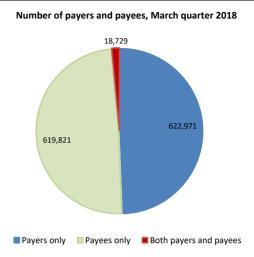
Cases that involve parents/carers who transfer child support through the Department of Human Services (DHS) are referred to as DHS Collect Cases. Cases that transfer child support by private arrangement are referred to as Private Collect Cases.

Quick Facts		Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Change Mar- 14 to Mar- 18	Change Mar- 17 to Mar- 18
Active Cases	DHS collect	345,035	344,188	342,172	342,363	340,631	-1.3%	-0.5%
	Private collect	372,915	366,556	359,728	355,091	351,056	-5.9%	-1.1%
	Total	717,950	710,744	701,900	697,454	691,687	-3.7%	-0.8%
Parent/ carers	DHS collect	645,174	643,718	640,379	641,174	638,217	-1.1%	-0.5%
	Private collect	727,453	715,064	701,691	692,445	684,094	-6.0%	-1.2%
	Total*	1,309,099	1,296,085	1,280,322	1,272,292	1,261,521	-3.6%	-0.8%
Children ¹	DHS collect	500,874	501,025	499,542	502,035	501,329	0.1%	-0.1%
	Private collect	594,197	585,404	575,496	570,300	564,120	-5.1%	-1.1%
	Total	1,095,071	1,086,429	1,075,038	1,072,335	1,065,449	-2.7%	-0.6%
Payers	Male	580,810	572,447	563,802	558,209	551,998	-5.0%	-1.1%
	Female	70,307	70,753	70,809	71,470	71,019	1.0%	-0.6%
	Total	666,053	659,325	651,162	647,065	641,700	-3.7%	-0.8%
Payees	Male	69,952	70,210	70,132	70,574	69,934	0.0%	-0.9%
	Female	578,502	571,907	564,482	560,106	553,710	-4.3%	-1.1%
	Total	662,211	655,758	647,894	644,057	638,550	-3.6%	-0.9%

* A parent can be in both collection methods for different children. Therefore, the components won't add to total.



-0.9% In the March quarter 2018, child support cases with a liability being collected privately made up 51% of the active case load, the remaining 49% are collected by DHS.



In the March quarter 2018, there were 18,729 (1.5%) parents who were both payees and payers.

Parents by collection method and care arrangements, March Quarter 2018²

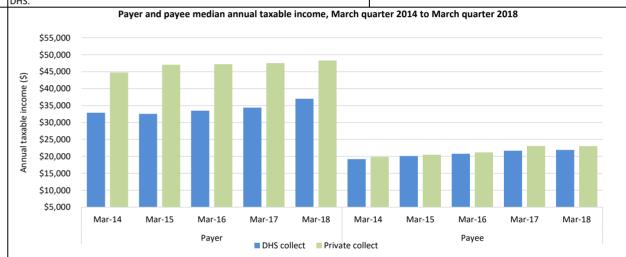
	DHS (Collect	Private Collect	
Amount of Care	Payers	Payees	Payers	Payees
Below regular care (0 to 51 nights per year <14%)	234,341	2,584	201,714	4,524
Regular care (52 to 127 nights per year or 14% to 35%)	63,487	529	89,900	1,314
Shared care (128 to 237 nights per year or 35% to 65%)	24,323	24,525	48,581	48,645
Primary care (238 to 313 nights per year or <65% to 86%)	530	63,442	1,311	89,961
Above primary care (314 to 365 nights per year or >86%)	2,515	235,058	4,467	202,079

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 around double that of DHS collect cases.

Median annual taxable income by payers and payees, March quarter 2018



In the March quarter 2018, the median annual taxable income for payers was \$46,060 and for payees was \$22,314.



In the March quarter 2018, median annual taxable income for Payers in Private Collect cases is around \$11,300 higher than for Payers in DHS Collect cases. Payee median annual taxable income is about the same for both collection methods.

Median annual assessment, March quarter 2014 to March quarter 2018 \$4.500 \$4,000 ± \$3.500 \$3,000 \$2,500 \$2.000 ल \$1,500 ₹ \$1,000 \$500 ŚΩ Mar 14 Mar 15 Mar 16 Mar 17 ■ DHS Collect ■ Private Collect

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

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

Income type	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
Declared taxable income	485,943	484,908	480,839	478,610	482,591
Default or derived income	129,139	124,336	122,188	123,663	121,976
Estimated income	52,976	51,993	50,023	46,823	38,782
No income details	1,025	966	938	1,032	958
Total	666,053	659,325	651,162	647,065	641,700

Declared taxable income was used to calculate child support payable for the majority of payers in active cases (over 70%) from March 2014 to March 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.

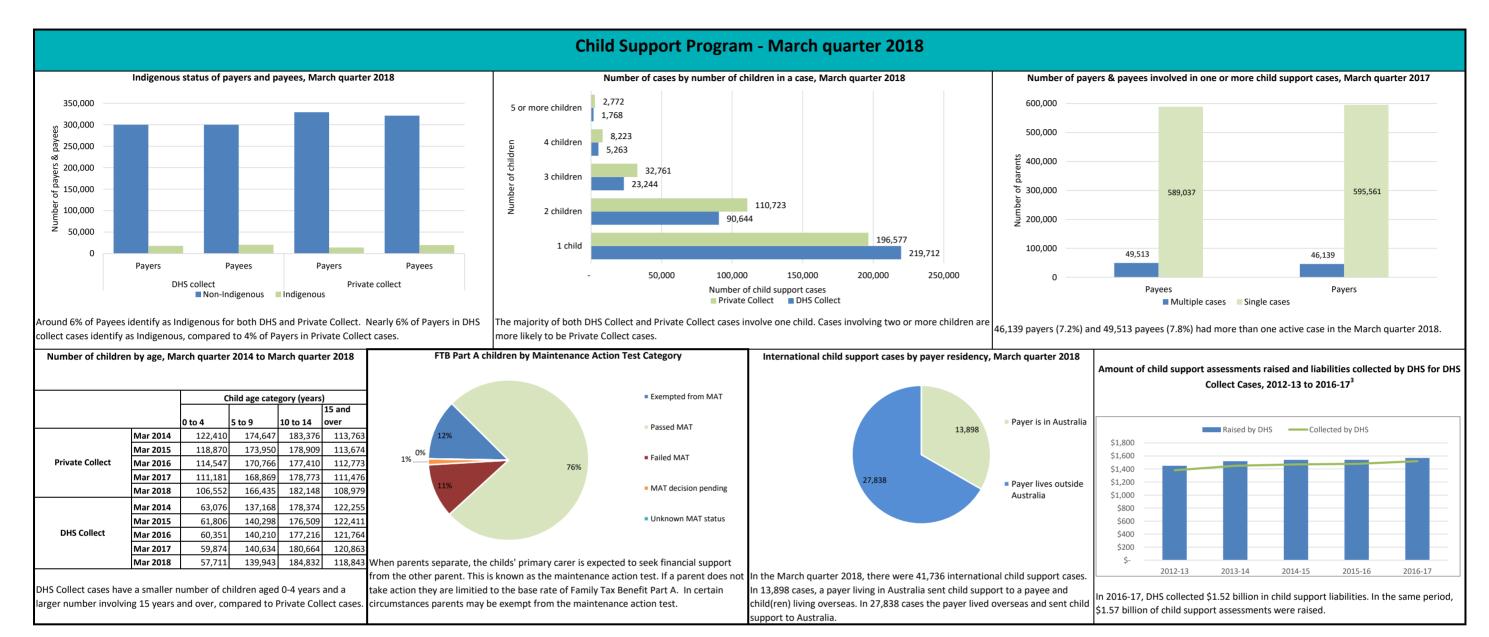
Minimum Annual Rate, March quarter 2014 to March quarter 2018 120,000 106,619 105,273 103,852 103,655 99 649 100,000 80,000 1,340 62,699 1,671 58,901 60,000 40.000 20,000 Mar 2014 Mar 2015 Mar 2016 Mar 2017 Mar 2018 Minimum annual rate ■ DHS collect ■ Private collect

More than 150,000 cases every quarter are on the minimum annual rate which equates to a child support payment of around \$8 a week. In the March quarter 2018, around 36% of these are Private Collect cases.

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

March quarter 2014 to March quarter 2018								
Annual rate range	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018			
\$0 - \$500	230,977	235,368	231,006	225,276	217,622			
\$501 - \$2,000	81,720	80,573	78,124	77,276	75,879			
\$2,001 - \$5,000	155,072	149,716	147,643	146,305	145,510			
\$5,001 - \$10,000	149,005	144,022	144,117	145,143	145,816			
\$10,001 - \$20,000	82,031	80,584	80,784	82,849	85,489			
\$20,001 +	19,145	20,481	20,226	20,605	21,371			
Total	717,950	710,744	701,900	697,454	691,687			

The proportion of active cases with an annual liability of \$0-\$500 has stayed relatively constant over the five years to March 2018, with nearly one-third of cases (around 218,000) having an annual liability of \$0-500 in the March quarter 2018.



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:

- 1. The number of children includes child support children only and excludes other dependent children. Payer, Payee totals include individuals with no gender recorded.
- 2. The data excludes 5,827 children in 3,194 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 level category.
- 3. 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.