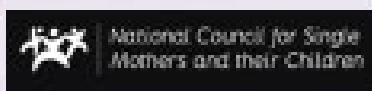
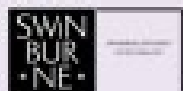


# FINANCIAL ABUSE

## The Weaponisation of Child Support in Australia

Kay Cook, Adrienne Byrt, Rachael Burgin,  
Terese Edwards, Ashlea Coen, Georgina Dimopoulos



**Report available:**

<https://doi.org/10.26185/72DY-M137>

# Acknowledgements

We acknowledge the Traditional Owners of the lands on which we live and work, and pay our respects to their Elders past and present. We also acknowledge the Traditional Owners of the lands across Australia on which the survey participants and readers of this report may be located.

**These lands were never ceded and always were and always will be Aboriginal land.**

We thank the 540 participants who took part in the survey.

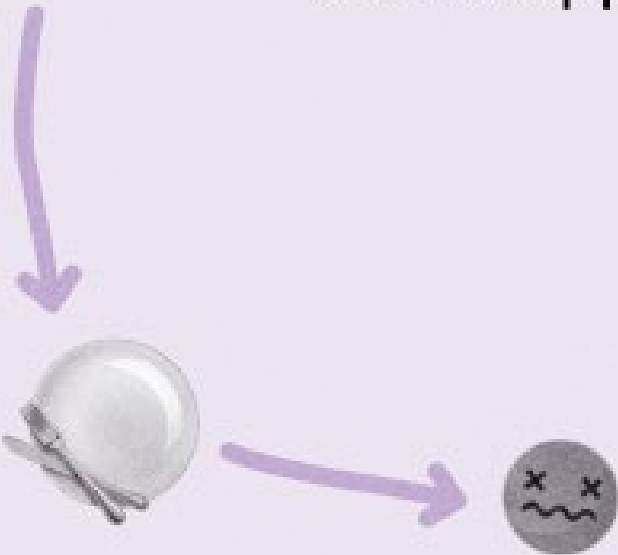
# 12 things you should know about child support

- 1** Child support is compulsory for most single parents
- 2** Up to 15% of parents fail the compulsory test
- 3** Services Australia determines the amount of child support to be paid
- 4** Services Australia or parents can collect payments
- 5** Half of all parents collect child support privately
- 6** Private collect is assumed to be paid on time and in full without any arrears
- 7** Child support income reduces family tax benefit payments by 50c for every dollar
- 8** If you collect privately, family payments are reduced irrespective of whether you received child support
- 9** There is currently \$1.7 billion in unpaid child support – for the half collecting via Services Australia
- 10** Child support liabilities can be changed retrospectively, which can lead to family tax benefit overpayments
- 11** Services Australia accepts 'provisional' and estimated income.
- 12** Resident parents are responsible for enacting the system but have very little power within it

# The study



- Online survey
- 1 December 2022 – 31 January 2023
- 540 participants
- Child support, family violence, financial abuse



# The participants



**99%**

identified as female



**96%**

were single, sole or re-partnered parents with a dependent child under 18



**81%**

received a family payment, including those who also received wages or salary



**5%**

of mothers, and 6 per cent of their children, identified as Aboriginal or Torres Strait Islander



**64%**

were the main carer of their child(ren)



**70%**

had a child support agreement in place



**88%**

of women respondents had experienced someone controlling their money or finances, occurring over years or decades.





# 80%

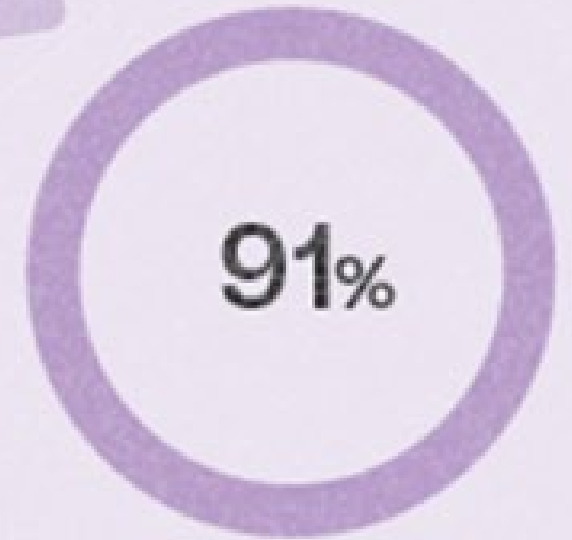
of women reported that their ex-partner  
**had replaced physical abuse with financial  
abuse via child support** as a way to  
control them since they separated.



experienced the deliberate withholding of child support



of women who have experienced financial abuse in the last year also experienced the deliberate withholding of child support



of women who are currently experiencing financial abuse also experienced the deliberate withholding of child support



“Doesn't pay and results in not being able to give children things they need. Non-payment will result in a debt by Centrelink as I'm on disbursement otherwise I won't survive financially.”

“Uses identified men's rights activists' actions to avoid parental responsibilities. Lodges tax return early and sets the CSA schedule so that my actual income isn't applied in the assessment, and I am disadvantaged always, CSA won't recognise financial abuse.”

“He contacts cs [child support] and lies about his capacity to pay even though his tax return showed he was on \$240k, I had to pay all the money paid to me back to him and from then on he didn't pay or do tax returns.”

“He still has many years of tax not done so I limit using the CS [child support money] in case I get a FTB debt one day. I already have 1 FTB debt because of this exact reason.”

# Impact of financial abuse on women's lives



**79%**

Contending with an increase in anxiety and stress



**64%**

Had to stop socialising with friends and family



**64%**

Having to ask for help from friends and/or family



**60%**

Forgone medical appointments and or medication for self



**60%**

Cannot afford dental care



**53%**

Struggle to provide the basics each fortnight



**52%**

Cannot afford preventative health care



**51%**

Forced to seek support from charities, emergency relief providers

# Recommendations

## 1

Close the loopholes that allow child support to be minimised or not paid

Rules that prioritise payer autonomy over payee safety or place the burden of a payer's non-compliance on the payee need to be removed. The onus should be on the payer to do the right thing.

## 2

Decouple social security from child support

The government must stop forcing the poorest mothers experiencing financial insecurity to 'contribute' to the cost of running the Child Support Scheme through reduced Family Tax Benefit payments.

# Recommendations

## 3

Compel child support payers to lodge tax returns

Ensuring timely tax returns will ensure that mothers and children receive their correct entitlements, and do not become liable for the payment of government debts as a result of the actions of an ex-partner.

## 4

Encourage and reward child support payment by linking non-compliance to payer's credit ratings

A greater incentive would be to include child support compliance in the calculation of consumer credit scores.

# Recommendations

## 5

Introduce a child support guarantee, paid by Services Australia when payers do not make payments.

A guaranteed child support payment, paid by the Government, is a practical option for women who are affected by family and domestic violence. The Government - rather than individual women - could be the child support payee in such cases, continuing to seek collection and enforce compliance of the payer, to ensure that violent ex-partners are not rewarded for their abusive behaviour.

# An opportunity for reform

- Government response to the Joint Select Committee Inquiry into Australia's Family Law System
  - Agreed to make changes to the Child Support Scheme to improve women's safety, financial security and income certainty
  - Child Support Stakeholder Consultation Group and Expert Panel
- Economic Inclusion Advisory Committee
  - Recommended that the Maintenance Income Test be removed to decouple FTBA and child support
- Women's Budget Statement 2023-24
  - Committed to removing opportunities for financial abuse to be perpetrated through the Child Support Scheme

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Mothers and their Children

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