



National Women's
Equality Alliance

POLICY POSITION: REFORM THE AUSTRALIAN CHILD SUPPORT SYSTEM

Proudly led by YWCA Canberra, the Working with Women Alliance (WwWA) is one of the five National Women's Alliances that play a key role in ensuring women's voices are central in the policy development process by providing evidence-based, intersectional gender equality advice and civil society expertise to government on areas of most impact and influence to Working for Women: A Strategy for Gender Equality.

The National Women's Equality Alliance is a portfolio under the WwWA that champions the vision of a society where every woman has the opportunity to thrive, unencumbered by systemic barriers.

POLICY STATEMENT: REFORM THE AUSTRALIAN CHILD SUPPORT SYSTEM

Executive Summary

Gender inequality has far-reaching and lifelong consequences, shaping the economic security, safety, and well-being of people across Australia.

One in three Australians hold a negative bias about women's ability to participate fully economically, politically or in education. These biases shape how women move through the world and mean that many are at serious risk of violence, housing insecurity and poverty.

This policy position statement highlights the urgent need for policies that prioritise women's economic equality. By ensuring access to secure employment, fair wages, financial independence, and adequate care services, Australia can create pathways to long-term safety, stability, and equality for all.

Key Recommendations

Reform the Australian child support system:

1. Separate child support from family payments (Family Benefits Part A) to ensure financial independence for survivors of domestic violence.
2. Mandate annual taxation returns for child support payers and close loopholes that allow for minimised assessments, ensuring children receive their rightful financial support.



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Child Support as a Mechanism of Financial Abuse: The Need for Systemic Reform

The Australian child support system, designed to ensure financial stability for children of separated parents, is frequently weaponised as a tool of financial abuse against single mothers. The Blackbox Report highlights how the system enables economic control and manipulation, disproportionately impacting women.^[i] Financial abuse occurs through withheld payments, systemic loopholes, and coerced debt imposition, necessitating urgent reform.

One critical flaw is the linkage between child support and Family Tax Benefit Part A (FTBA) through the Maintenance Income Test (MIT). The MIT reduces FTBA by 50 cents per dollar of child support received above a modest threshold, even if payments are not received. This allows the non-primary carer- to manipulate payments, creating economic instability for women and children.

Non-resident parents often exploit income reporting loopholes to minimise child support obligations. Strategies include underreporting earnings, using business structures to obscure income, and avoiding tax returns.^[ii] These tactics deprive children of financial support and place undue burden on mothers.

Child support arrears and government debt recovery processes further entrench financial abuse. Retrospective adjustments can lead to Family Tax Benefit overpayments being clawed back from mothers, even when child support remains unpaid. This penalises women while allowing non-compliant payers to escape consequences.^[iii]

Delink Child Support from Family Payments

Abolishing the Maintenance Income Test will prevent financial abuse by ex-partners, increase income for the poorest families, and simplify the system for single mothers and their children.

Mandate Annual Tax Returns and Close Loopholes

Requiring both parents to file annual tax returns and eliminating indefinite provisional income will strengthen compliance, ensure fair child support contributions, and restore trust in the system.

Implementing these reforms would protect women from economic coercion and uphold children's right to financial stability. The Australian Government must act decisively to prevent the continued weaponisation of child support and ensure the system fulfils its intended purpose—supporting children and their primary caregivers.

References

[i] Cook, K., Byrt, A., Edwards, T., & Coen, A., 2024, Opening the black box of child support: Shining a light on how financial abuse is perpetrated.

[ii] Cook, K., Byrt, A., Edwards, T., & Coen, A., 2024, Opening the black box of child support

[iii] Cook, K., Byrt, A., Edwards, T., & Coen, A., 2024, Opening the black box of child support



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