MEDIA RELEASE

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Single Mother Families Australia welcome Ombudsman's Report into Child Support All comments can be attributed to Terese Edwards, CEO:

Today's Ombudsman's report confirms child support is being weaponised against single mothers and that government systems have failed to recognise or respond to this. These failures mean the systems themselves have enabled financial abuse.

The concerns we have raised on behalf of single mothers over many years have been vindicated.

The report endorses our work exposing financial abuse in the child support scheme and its devastating consequences on the lives of too many mothers and children in Australia. Most recently this has included our Fix Child Support campaign launched in October 2024 and accompanying Swinburne University research Opening the Black Box of Child Support – shining a light on how financial abuse is perpetuated.

As the Ombudsman's report states the scheme "is not helping to get the money owed to parents when their kids need it the most".

The investigation reveals the debt for just half of the scheme was \$1.9 billion at December 2024, that it is increasing and that the debt owed in Private Collect (the other half of the scheme) "is likely to be significant". It confirms agencies can and should do much more to collect child support debts owed across both the agency and private collect elements. Importantly it recommends removing the time limit to pursue child support owed to women and children in the private collect half of the scheme (currently this is restricted to 3 months with up to 9 months in exceptional cases).

We welcome today's commitment from the Ministers for Government Services and Social Services that the government is "acting to ensure that the child support scheme cannot be misused as a vehicle for ongoing financial control or abuse after separation" and that already Services Australia have accepted all of the recommendations.

The recommendations address many of our concerns that financial abuse is enabled by the government agencies which administer child support. This includes how they allow ex-partners to exploit the system through income minimisation; non-lodgement of tax returns; deliberate non-payment and to incur debts for women and children.

One of the key recommendations is to remove the current presumption that all child support has been paid. This unfair provision means Family Tax Benefit Part A is automatically reduced. It has also meant vexatious former partners can create debts for the mother and children.

We welcome the Ombudsman's recommendation that these debts be waived or otherwise not accrued where child support has not been paid or has been underpaid. However, we believe a more effective and simpler solution to the problem of family tax debts would be to delink the child support and family payment systems so that child support does not reduce family payments at all. This would also help tackle extremely high rates of child poverty in single parent families.

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