Working with Women Alliance

Child Support and Family Assistance Legislation Amendment (Ending Financial Abuse in the Child Support Scheme No. 1)

Submission to the Community Affairs Legislation Committee

October 2026

Acknowledgment of Country

The Working with Women Alliance acknowledges the Traditional Custodians of the land on which we work and live.

We pay our respects to Aboriginal and Torres Strait Islander Elders past and present, and we value the enduring connection Aboriginal and Torres Strait Islander people have to this land.

We value Aboriginal and Torres Strait Islander histories, cultures, and knowledge.

About WwWA

The Working with Women Alliance (WwWA) brings together a diversity of voices, expertise, and lived experience to inform and guide national policy on women's equality, leadership, and safety. We are one of five national women's alliances, funded through the Department of the Prime Minister and Cabinet to ensure that women's voices are central to policy development.

The Working with Women Alliance (WwWA) represents more than 800 organisation and individual members across two key portfolios: gender-based violence and gender equality. The WwWA connects the critical areas of gender-based violence and the advancement of women's economic equality and leadership, bridging these important policy fields for greater impact.

We work with members and stakeholders, including the Australian Government, to provide expertise and advice on gender equality and women's safety.

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Executive Summary

The Working with Women Alliance (WwWA) welcomes the opportunity to provide feedback on the *Child Support and Family Assistance Legislation Amendment (Ending Financial Abuse in the Child Support Scheme No. 1) Bill 2026* (the Bill).

WwWA's interest in the Bill is grounded in women's safety and *Ending the Weaponisation of the Child Support System*. Single Mother Families Australia is a key member of the WwWA, and this submission echoes issues raised by Single Mother Families Australia, building on the large body of work calling for significant reform to the Child Support system.

Weaponisation of the Child Support Scheme has emerged as a recurrent mechanism for perpetration of intimate-partner violence and financial abuse, with cascading consequences for single mothers and their children. In 2025 the Commonwealth Ombudsman reported that the actions of Services Australia in countering the weaponisation of the Child Support system are 'unfair and unreasonable.'[1] The Child Support system is so ineffective that 71% of recipient parents expect no payment at all, or significant underpayments from paying parents. Single mothers, with a median taxable income of $39,629, and who care for their children more than 313 nights per year,[2] cannot afford for the Child Support system to continue failing, and nor can their children.

The government has demonstrated a commitment to addressing these failures through the 2026-27 Budget measure '*A Safer and More Effective Child Support System*,' the systems abuse audit, continuing amendments to the Child support Scheme, and clarification in August 2026, that a special circumstances waiver is available in cases involving family, domestic, and sexual violence for FTB debts linked to child support.

This submission is written from a position of support for the proposed changes to the Child Support Scheme. These changes will deliver a more effective and transparent system, acknowledging the prolonged system failures that have allowed the Child Support Scheme to be used to perpetrate violence against women and children.

Schedule 1 – Reducing harmful use of the Child Support Scheme

Evidence shows that paying parents often use processes within the Child Support Scheme to perpetrate violence against recipient parents, particularly by lodging change of assessment applications or objections to care percentage decisions. A 2023 survey recorded that 80% of separated mothers reported that their former partner had used the Child Support system to commit financial abuse.[3] The current system compels a choice for single mothers: violence or poverty.

Schedule 1 of the Bill delivers stronger protections for recipient parents and children in cases where family violence, or system misuse is evident. In such cases, the Bill enables Services Australia to exercise discretion, allowing the agency to refuse ill-intended change of assessment applications and objections to care percentage decisions in cases.

These discretionary powers also allow Services Australia to operate within a new information sharing model. Currently, there is a legal obligation that personal information, including contact details and financial information be exchanged with both parents engaged in a child support agreement. This creates enormous risks for people experiencing, and at risk of experiencing violence, and can deter recipient parents from seeking a change of assessment.[4]

WwWA supports the introduction of these discretionary powers and emphasises the need to support Services Australia in implementing discretionary powers and recognising risk factors for experiences of systems weaponisation.

Schedule 2 – Strengthening Collection Arrangements

Schedule 2 of the Bill addresses the link between child support payments and Family Tax Benefits (FTB). Currently, FTB are linked to child support to ensure that government income support is adjusted to account for additional income from child support payments.

This link is often weaponised. While the child support formula relies on both parents' incomes, there is a widespread practice of Services Australia estimating incomes where they do not have access to both parents' tax returns. This allows paying parents to weaponise the system by reducing their taxable income and therefore, the amount of child support they pay. When they do eventually lodge their tax return (or multiple years' worth of tax returns), the amount of child support owing is retrospectively calculated, and is a much larger sum than what was paid. The recipient parents' FTB is also retrospectively assessed, resulting in a FTB debt due to the additional income. As of December 2024, there was $1.9 billion of debt in unpaid Child Support, with paying parents owning an average debt of $7,261.[5] These figures are an underrepresentation of the total debt owed: only reflective of debt accrued through Agency Collect, excluding the 51% of Child Support paid through Private Collect agreements.[6]

Recipient parents in Agency Collect are largely protected from accruing unpaid FTB debts, as FTB entitlement is based on annual child support paid, so any resulting FTB debt is simply deducted from the additional child support payment when the paying parent provides it. However, recipient parents with private collect arrangements have no protections because Services Australia has no visibility of when/if that additional payment is made, nor any ability to deduct the resulting FTB.

The government is implementing new processes that inform parents about the advantages of Agency Collect and risks of private arrangements. The Bill also allows paying parents who have experienced systems weaponisation to move to Agency Collect from private arrangements. This is an important measure in ensuring that victims of weaponisation are protected regardless of whether they are paying or recipient parents.

For parents with private arrangements, the Bill will pause the collection of FTB debts for three months, allowing paying parents to take appropriate action, such as pursuing the extra child support owed by the paying parent, applying for an exemption to extinguish the debt, or moving to Agency Collect where Services Australia can help pursue the outstanding child support debt owed by the paying parent and reassess the FTB debt owed by the recipient parent. The Bill ensures that parents who move to Agency Collect from private arrangements can request that Services Australia recover unpaid debts raised in the previous three months, even where the debt relates to a period outside the three-month timeframe. However, the recipient parent must action this within 13 weeks of the notice of a new assessment.

WwWA support Schedule 2 measures which will increase transparency about the benefits and risks associated with Agency Collect versus private arrangements, and the available debt recovery mechanisms. We encourage the Committee to consider circumstances where a parent is coerced into agreeing to private arrangements. Increased education and transparency measures will not address this form of systems weaponisation.

Recommendation 1: Make Agency Collect the default agreement. Private agreements should be enabled after 12 months of regular payments and a meeting with Services Australia to discuss the rules associated with private arrangements.

Recommendation 2: Ensure affected people are informed about the 13-week timeframe and necessary actions to remedy unpaid debts.

Schedule 3 – Improving access to child support for overseas parents

Schedule 3 of the Bill makes child support assessments easier to access, allowing applications to the child support system from overseas parents. This ensures that Australian parents with children born overseas do not escape their responsibilities to that child.

Currently, parents living in reciprocating jurisdictions (countries that have child support arrangements with Australia) cannot apply directly to Services Australia, but must send their application through their jurisdiction's designated authority. The amendment allows those parents to apply to Services Australia directly, and would allow the Minster for Social Services to specify additional reciprocating jurisdictions.

WwWA support Schedule 3, which will increase accessibility of child support for children of Australian parents.

[1] Commonwealth Ombudsman, (2025), Weaponising Child Support: when the system fails families, Australian Government. h
ttps://www.ombudsman.gov.au/__data/assets/pdf_file/0022/318460/Weaponising Child-Support-when-the-system-fails-families.pdf
[2] Department of Social Services, (2025), Child Support Program Data – June 2025, Data.gov.au, Australian Government, https://data.gov.au/data/dataset/6379b974 e547-4303-a361-6edebbb52550/resource/18214bed-8639-470b-91eb 51b2a811470d/download/ child-support-program-data-june-2025.pdf Department of Social Services, (2025), Child Support Program Data – June 2025, Data.gov.au, Australian Government, https://data.gov.au/data/dataset/6379b974 e547-4303-a361-6edebbb52550/resource/18214bed-8639-470b-91eb 51b2a811470d/download/ child-support-program-data-june-2025.pdf
[3] Commonwealth Ombudsman, (2025), Weaponising Child Support: when the system fails families, Australian Government. https://www.
ombudsman.gov.au/__data/assets/pdf_file/0022/318460/Weaponising Child-Support-when-the-system-fails-families.pdf
[4] Opening the black box of child support: Shining a light on how financial abuse is perpetrated
[5] Commonwealth Ombudsman, (2025), Weaponising Child Support: when the system fails families, Australian Government. https://www.ombudsman.gov.au/__data/assets/pdf_file/0022/318460/Weaponising Child-Support-when-the-system-fails-families.pdf
[6] Annual Report, (2024), Services Australia, Australian Government, https://www.servicesaustralia.gov.au/sites/default/files/2024-10/annual-report-2023 24.pdf