

# Child Support debt recovery enforcement powers

National Legal Aid | 29 June 2026



Prepared for: **Australian National Audit Office**

# Acknowledgement of Country

National Legal Aid acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters and communities. We pay our respects to Aboriginal and Torres Strait Islander cultures, and to Elders both past and present.

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<http://www.nationallegalaid.org.au>

# About National Legal Aid

## Who are we?

National Legal Aid (**NLA**) represents the directors of the eight state and territory Legal Aid Commissions (**Legal Aids**) in Australia. Legal Aids are independent, statutory bodies established under respective state or territory legislation. They are funded by Commonwealth and respective state or territory governments to provide legal assistance services to the public, with a particular focus on the needs of people who are economically and/or socially disadvantaged.

## What do we do?

NLA brings together the experience of the eight Australian state and territory Legal Aids. Legal Aids work across areas of criminal, civil and family law to provide legal representation, legal tasks, community legal education, integrated services and policy and project work.

## Legal Aid Child Support Service

Legal Aids provide a unique and comprehensive service for child support payees and payers, across legal advice and representation. The national referral page for Legal Aid child support services is available at the link here: [Legal Aid National Child Support | National Legal Aid](#).

# Executive summary

National Legal Aid welcomes this opportunity to provide a submission to the Australian National Audit Office's audit of the effectiveness of Services Australia's use of its enforcement powers for child support debt.

Legal Aids have extensive expertise and oversight in child support payments, due to our role in providing specialist child support advice and representation.

Each year Legal Aids provide approximately 3,000 legal advice services and 400 grants of legal aid/representation for child support matters.

Legal Aids support clients with advice and representation to navigate a child support system that lacks oversight, transparency and accountability in the enforcement of child support payments.

There is a lack of accountability from Services Australia in implementing the Child Support Scheme and utilising legislative and government powers. This exists across all areas of the Child Support Scheme from individuals understanding entitlements to enforcement of payments. There are major flow-on effects including weaponisation of child support payments and non-compliance of large amounts owing by overseas payers.

# Summary of recommendations

## **Recommendation 1**

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NLA recommends that Services Australia Child Support Agency uses its suite of existing legislative powers to enforce child support payments.

## **Recommendation 2**

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NLA recommends that to improve accountability and transparency of Child Support, that Services Australia:

- a. publish data that provides adequate detail for enforcement of payments, and
- b. regularly report data about unpaid debt and its debt collection activities.

## **Recommendation 3**

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Services Australia's engagement with all stakeholders in child support payments requires widescale change, with clear and transparent guidelines and accountability on enforcement.

# Discussion

National Legal Aid (**NLA**)’s submission is provided against the three audit questions in the following sections, supported with examples from the specialist child support legal services across Legal Aid Commissions (**Legal Aids**).

## Does Services Australia have fit-for-purpose oversight arrangements for child support debt recovery?

NLA does not believe that Services Australia has fit-for-purpose oversight arrangements for child support debt recovery.

As of 31 March 2026, there was almost \$2.0 billion in unpaid child support debt across 229,235 paying parents, with an average debt of \$8,699 in the government collection system, Agency Collect. These figures do not account for outstanding debt among parents who manage child support between themselves, known as Private Collect.

Legal Aids provide legal assistance to payers and payees for child support. Legal Aids receive clients as payees who do not receive child support, have large debts owing to them as payees, and are unaware of any activity Services Australia Child Support Agency (**Child Support**) is undertaking to enforce payment.

Services Australia approach the Child Support Scheme as a benefit rather than an entitlement. There is no information published on criteria for enforcement action or guidelines provided to payees, and notice is usually through money paid into bank accounts or payees being told that they are not eligible for child support payments.

Legal Aids attempt numerous avenues to determine correct eligibility including referring clients to the Services Australia complaints service and letter writing, however there is no oversight on debt recovery.

There is an objection right to apply to the Administrative Review Tribunal (**ART**) if Services Australia have failed to take an action on outstanding debt, but this is a limited avenue given Child Support are able to raise their objection to the decision and the amount of work required for parties to undertake this process.

The reported number of enforcement actions are extremely low. Legal Aid child support service teams have observed the number of people being taken to court for enforcement decreasing over time. Legal Aids would usually be providing duty advice to those appearing before court, such as the costs orders that would be applied.

Services Australia Child Support does not on enough occasions, proactively prioritise the use of collection enforcement powers in cases including litigation action where Child Support knows or suspects on reasonable grounds the paying parent is deliberately not paying child support.

Legal Aid client stories, such as Samanta's story below, demonstrate the lack of oversight and enforcement action despite information being provided to Services Australia to support enforcement action.

### **Samanta's story**

Samanta\* (not her real name) is a single mother, reliant on Centrelink to make ends meet and a victim of family violence and financial abuse. The payer had breached a Family Violence Intervention Order multiple times and deliberately obtained an ex parte order to stop the children holidaying with her to exert control which was a traumatic experience for Samanta and her children.

The payer owned his own house unencumbered, valued at \$800 000 and had multiple collectible vintage motor vehicles. Following an accident, he was unemployed and assessed to pay the minimum amount from his Centrelink benefits. Due to nonpayment of child support, arrears owing to Samanta accumulated to \$30 000.

Despite contacting Child Support and providing information including searches, no litigation action to threaten to sell the house or cars has been taken by the Child Support Agency and the payer continues to be able to sell his vehicles for cash without any child support arrears being recovered, with a most recent car sale of approximately \$25 000.

## **Recommendation 1**

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**NLA recommends that Services Australia Child Support Agency uses its suite of existing legislative powers to enforce child support payments.**

Services Australia have existing powers to enforce child support debt through litigation. If Services Australia had a reputation as a reliable enforcement agency this would make a significant difference to rates of enforcement.

Public confidence in the Child Support Scheme is being eroded by a lack of effective enforcement action for child support debts owed by parents who are not wage and salary earners or Centrelink recipients. This is compounded by a lack of transparency about the efforts that Child Support has taken to attempt collection and to assess whether a particular case is suitable for enforcement via court proceedings against the debtor.

While legislation on the Child Support Scheme imposes an obligation to protect personal information, the Child Support Registrar (**Registrar**) is permitted to “to take such steps as the Registrar considers appropriate to keep the payee informed .... of action taken by the Registrar to recover debts”. However, very little information about attempted enforcement action is conveyed to the payee.

Furthermore, the Registrar’s conservative approach to case selection for debt litigation has meant that many unwilling payers are able to avoid their child support obligations, for very lengthy periods. This results in very few cases ever finding their way to court. An increased focus on debt litigation, and publicly reporting on the results, is necessary to rebuild public confidence in the Child Support Scheme. This should have a flow on effect for other cases, as it becomes apparent that ignoring or avoiding child support when you have the capacity to pay, is likely to lead to the inconvenience and expense of court proceedings.

Each year, the Services Australia annual report states the number of litigation “actions” and the amount collected/corrected because of those actions (Table 1).

*Table 1. Services Australia annual reports: Reported litigation actions and amounts collected, 2005/06 to 2024/25*

| Year    | Number of reported litigation “actions” | Amount collected/corrected |
|---------|-----------------------------------------|----------------------------|
| 2024/25 | 43                                      | \$9 million                |
| 2023/24 | 39                                      | \$9.5 million              |
| 2022/23 | 37                                      | \$11.8 million             |
| 2021/22 | 33                                      | \$9.8 million              |
| 2020/21 | 76                                      | \$13.3 million             |
| 2019/20 | 53                                      | \$12 million               |
| 2018/19 | 75                                      | \$15 million               |
| 2017/18 | 113                                     | \$7.5 million              |
| 2016/17 | 208                                     | \$8.1 million              |
| 2015/16 | 1841                                    | \$6.4 million              |
| 2014/15 | 169                                     | \$3.7million               |
| 2013/14 | 186                                     | \$4.4 million              |
| 2012/13 | 162                                     | \$4.1 million              |
| 2011/12 | 290                                     | \$7.4 million              |

|                |         |                               |
|----------------|---------|-------------------------------|
| <b>2010/11</b> | 179     | \$6.9 million                 |
| <b>2009/10</b> | 372     | \$9.8 million                 |
| <b>2008/09</b> | 559     | \$12.2 million                |
| <b>2007/08</b> | 631     | \$15.3 million                |
| <b>2006/07</b> | 479     | \$12.8 million <sup>[2]</sup> |
| <b>2005/06</b> | unknown |                               |

Child Support previously published annual detailed data in “Facts and Figures” <https://www.servicesaustralia.gov.au/child-support-scheme-facts-and-figures?context=22> . This has been discontinued, with the last report covering 2008-2009. Since then, the two reduced sources of official child support data are the Services Australia Annual Report and the Child Support Program Dataset<sup>1</sup>. However, the latter source is not mentioned on the Services Australia webpage.<sup>2</sup>

## Recommendation 2

**NLA recommends that to improve accountability and transparency of Child Support, that Services Australia:**

- a. publish data that provides adequate detail for enforcement of payments, and**
- b. regularly report data about unpaid debt and its debt collection activities.**

Services Australia could readily report on the following debt information using the data they already collect.

Total Agency Collect child support, broken down as follows:

- Active cases/ended cases
- Amount owed per payer (total and per case)
- Amount owed to each payee (total and per case)
- Period outstanding
- Amounts and numbers of payer debts written off as irrecoverable and reason (including payer deceased, no available means of collection, etc.)
- Late payment penalties, broken down to identify amounts charged, amounts collected, amounts remitted, amounts outstanding
- Overseas debt – broken down according to the type of liability: registered overseas court liability; domestic child support assessment payable by a payer located overseas (payee and children in Australia); domestic child support

<sup>1</sup> [Child Support Program Information - Dataset - Data.gov.au](https://data.gov.au/dataset/child-support-program-information-dataset)

<sup>2</sup> [Child Support statistics - About us - Services Australia.](https://www.servicesaustralia.gov.au/about-us)

assessment payable by a payer located overseas (payee and children located in Australia). Ideally, that data would be further refined by jurisdiction, and by the earlier dot points.

- Debt litigation actions attempted (rather than just finalised) – broken down by stages: Letter of demand, proceedings commenced, matters settled, orders made, and costs of proceedings.

This data would then allow tracking of debt collection performance across time and identify areas for further attention.

This does not include Private Collect debt, because we understand that Services Australia does not currently capture any data about this beyond the numbers of cases and how much is supposed to be transferred.

### Weaponisation of child support payments

The lack of transparency and oversight of the scheme facilitates payers exerting financial control through deliberately lying about the care arrangements or deliberately withholding children to stop paying child support and creating Family Tax Benefit (**FTB**) overpayment to the payee. Lily's story below illustrates the need for actions to prevent and respond to weaponisation.

#### **Lily's story**

Lily\* (not her real name) identified as Torres Strait Islander, a victim survivor of family violence and had shared care of their two daughters. The father abducted the daughters and took them to Queensland and withheld them there for 2 months. Lily, fearing for the children's safety applied for a Family Violence Intervention Order and contacted the Police and Child Protection to seek help. A few months later the children were removed from his care and the father charged with rape. As the care percentage was based on actual care, a child support overpayment of about \$2000 was raised against Lily and she was not entitled to FTB for the relevant period.

## Enforcement of child support debt across international jurisdictions

There is a lack of transparency about overseas collection, as payees must obtain their own enforcement orders from the Federal Circuit and Family Court of Australia and ask Child Support to transmit this overseas. This undermines the entire system of the Child Support Scheme when there is no proper enforcement, despite the large number of overseas child support debt payers. Amina's story below illustrates the impact on payees when enforcement actions are not undertaken.

### **Amina's story**

Amina\* (not her real name) was a single mother, victim survivor of financial abuse, from a CALD background and at risk of homelessness. Due to non-payment of child support, the Payer had accumulated arrears of \$14 000 and was flying overseas to Thailand. Via a 3-way call with Child Support, Legal Aids sought a Departure Prohibition Order (**DPO**) be imposed against the Payer restraining him from travelling overseas until a reasonable payment arrangement was negotiated. Despite details of the travel arrangement being provided, Child Support was reluctant to impose the DPO resulting in the Payer travelling overseas and the arrears remaining unenforced.

## Does Services Australia have appropriate arrangements in place to undertake child support debt recovery?

The case study below highlights the extensive amount of work undertaken by Legal Aids and payees, often with detrimental impact on the wellbeing of payees, when enforcement should be undertaken by Services Australia from the outset, using the existing suite of powers.

The case study highlights the practice of Legal Aids to engage in child support debt recovery. This is only for the clients that Legal Aids can assist, after complying with a means and asset tests. This does not apply to all the private collect arrangements and challenges to oversight outside of those in Agency Collect arrangements.

Legal Aids assist clients with long-term and large child support payments owing, and lack of enforcement action undertaken by Services Australia.

**Case study: Legal Aids assist in enforcement of child support payment following delays in collection**

This year, Legal Aid NSW finalised a long-running child support matter which resulted in \$52,000 of child support and interest being transferred to the payee client, on top of the sum separately collected by the Child Support Registrar.

In 2019, Legal Aid NSW granted legal aid to a woman who was owed substantial arrears of child support for her then 15-year-old child. The Child Support Registrar had commenced court proceedings to collect the unpaid child support that had accrued since 2012, when they accepted the case for collection. The client was frustrated with the Child Support Registrar's delay in enforcing the debt but also wanted Legal Aid's help to enforce the arrears that had accrued before 2012, when the father was supposed to pay her directly.

Legal Aid NSW "piggy-backed" on the enforcement proceedings already started by the Child Support Registrar. Legal Aid NSW obtained enforcement orders for \$47,000, representing the pre-2012 arrears, plus a capitalised lump sum for child support payable until the client's child turned 18. The Child Support Registrar also obtained enforcement orders for the (much larger) debt payable to them.

The entire debt was to be paid from the proceeds of the sale of the father's property, with the Child Support Registrar placing a caveat on the title.

In 2023, Legal Aid NSW were notified of the imminent transfer of the property. At settlement, \$52,000 was paid directly to the client (including \$5,000 interest accrued since 2020), with a further payment of almost \$100,000 paid via the Child Support Registrar.

## Does Services Australia effectively manage its engagement with stakeholders on child support debt recovery?

NLA does not consider that Services Australia effectively manages engagement with stakeholders. Clients of Legal Aids and Services Australia should be considered a stakeholder, and Services Australia should be accountable to the public as a government institution.

The lack of transparency in the communication and follow-up mechanisms for payees means that individuals often contact Legal Aids for assistance.

Larissa's story below demonstrates the level of discretion applied to Services Australia child support process of enforcement, such as Child Support asking the client to find the lawyer of the payer, and lack of accountability, even with Legal Aid representation.

Most payees would not have the capacity to undertake the work of following up their own enforcement processes.

NLA notes that the 2026-27 Federal Budget reforms to the Child Support Scheme and initiatives such as the Services Australia Advocates Channel provide tailored support to legal assistance staff on Services Australia issues, and are positive initiatives to improve enforcement, transparency and accountability.

### **Recommendation 3**

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**Services Australia's engagement with all stakeholders in child support payments requires widescale change, with clear and transparent guidelines and accountability on enforcement.**

### **Larissa's story**

Legal Aid assisted Larissa\* (not her real name) to advocate for Services Australia Child Support (Child Support) to use its administrative garnishee power to collect overdue child support payments from Peter\* (not his real name), her child's father.

Larissa was owed \$55,000 in back payment of child support. She found out that Peter had claimed compensation for an injury; accepted a settlement offer and was awaiting payment. Larissa believed this was her last chance to get child support payments from Peter. When she reported this to Services Australia Child Support, they told her they could not do anything unless she could find out the name of Peter's solicitor. Larissa called many solicitors in her city but they would not confirm if Peter was their client.

Legal Aid helped Larissa by:

- Calling Services Australia to advocate that they follow up the leads that Larissa had provided about Peter's claim, the identity of the defendant and the court where he filed proceedings.
- Helping Larissa to understand the documents that she read when she inspected the court file.
- Suggesting that Larissa also contact the Ombudsman and her Federal MP about her situation.
- Advising her about her legal options if Services Australia missed this collection opportunity.
- Writing a letter of demand to Peter.

Over several weeks, Legal Aid encouraged Larissa to keep in contact with Services Australia. After three months, Larissa emailed us to say:

"I just wanted to let you know that the funds in full came into my account! I can't believe it! I just wanted to say a huge! Thank you to you. Without your help this wouldn't have happened. What you do is amazing and I'm so thankful."