



Final Report

Child support and housing outcomes

authored by

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EXECUTIVE SUMMARY

This research describes the relationship between the payment and receipt of child support and housing outcomes. The focus is informed by diversifying family forms and household structures, which have implications for parenting, financial arrangements and the housing needs and outcomes of Parents Apart and their children. While these patterns are recognised as important social changes and policy challenges, they are relatively under-researched. In particular, there is a need to:

- extend common approaches to housing outcomes for Parents Apart. Most research focuses on female resident Parents Apart and their children; there is a relative absence of material on how the different care arrangements associated with parenting apart affect non-resident Parents Apart (most commonly fathers).
- generate contemporary Australian data. Much of the information on the housing circumstances of Parents Apart is dated, conducted under previous policy regimes or refers to overseas studies, where housing markets and legislative and policy frameworks differ from those in Australia.
- explore the housing needs and circumstances of Parents Apart (men and women) not eligible for government support, and those who are owner-purchasers. Filling this gap is important in light of declining housing affordability in Australian capital cities (National Shelter and Australian Council of Social Services 2003) and a tight rental market (Productivity Commission 2004). Broadening the research focus in this area will offer a contemporary and comprehensive picture of the housing challenges of Parents Apart from a range of income levels and asset bases.
- consider what policy approaches and initiatives can most effectively meet the specific parenting, financial and housing challenges of Parents Apart and their children. While the Child Support Scheme has been the focus of extended discussion and review, the 'fit' between housing policy and programs and the needs of Parents Apart remains relatively unexplored.

This study contributes to the evidence base for child support and housing outcomes by investigating the question:

How does the payment and receipt of child support, along with the receipt of government income and housing assistance, affect the housing outcomes of Parents Apart (both resident and non-resident parents)?

The primary aim of the project is to assess the contribution of child support, government income support and housing assistance to the housing outcomes of Parents Apart. The research seeks to present child support as one of potentially multiple sources of income and/or financial obligations, and investigates how it affects the multiple dimensions of housing outcomes.

The study also aims to:

- deepen our understanding of the housing experiences and outcomes of both resident and non-resident Parents Apart
- extend current understandings of the relationship between care of children and financial and housing outcomes, and
- inform policy approaches that recognise and respond to the circumstances and needs of Parents Apart, particularly in the realm of housing.

The data for this study were collected and analysed prior to key changes to the Child Support Scheme (discussed in more detail in Chapter 2). However, the study's focus on the relationship between amounts paid and housing outcomes, rather than the

process of calculation of obligations or the legislative and administrative frameworks *per se*, mean the study has relevance beyond the outgoing regime.

In this study, we use the term 'Parents Apart' to refer to the substantial group of Australian men and women who are the parents of dependent children, but who do not live in the same household as the other parent of their child. In the following report, 'Parents Apart' refers to all parents (mothers and fathers) of dependent children who do not, or no longer, reside in the same household as the other parent of their child. This term includes those living together in the same household with their child/ren (irrespective of whether the parent is alone or with a new partner) as well as those who live away from their children in a different household (again irrespective of whether alone or with a new partner).

This study adopts a broad focus on child support. The data and discussion address the payment and receipt of child support as they occur the framework of the Child Support Scheme as it is administered by the Child Support Agency and as transfers that occur privately or informally, without reference to the Scheme. In this study, the term 'Child Support' is used to refer to transfers made under the Child Support Scheme; 'child support' is used to refer to the transfer of monies for the purposes of contributing to the costs of children without reference to the formalised Child Support Scheme.

The study uses a dual method approach incorporating quantitative data analysis of the HILDA Wave 4 dataset and qualitative analysis of in-depth interviews with resident and non-resident Parents Apart. This approach has facilitated the investigation of the objective and interpretive dimensions of the relationships between housing outcomes and the payment and receipt of child support

The quantitative component of the study uses data from HILDA Wave 4, collected between August 2004 and February 2005, and released in January 2006. HILDA Wave 4 represents the fourth wave of a nationally representative panel study of over 7,000 households and 12,408 respondents aged 15 years or older (Wooden & Watson 2007). This dataset is the most appropriate for this study due to its comprehensiveness and recency. Analysis focuses on (i) classifying in a systematic way the characteristics (including housing situations) of parents who are eligible to either pay or receive child support and (ii) investigating whether any statistical association exists between child support status and the housing situation of the parents.

The qualitative component of the study draws on data from in-depth interviews exploring the attitudes, meanings and processes associated with the payment and receipt of child support, and its impact on housing circumstances of Parents Apart. Interviews were conducted with resident ($n = 33$) and non-resident ($n = 27$) Parents Apart in Brisbane and Tasmania. The size and diversity of the sample and the detailed focus of the interviews has facilitated a nuanced analysis of housing experiences, needs and aspirations of Parents Apart, and the material and symbolic significance of child support to housing outcomes.

In reading the findings of this report, it should be acknowledged that the research sample used in each of the study's phases is not, and is not intended to be, representative of registered Child Support Agency customers. These differences in sample profile mean that these results cannot be discussed as if they directly reflect CSA customers. Rather, the discussion offers a broader focus on the payment and receipt of child support.

The quantitative component of the study established a comparative statistical profile of Parents Apart (resident and non-resident) and Parents Together across key

housing, child support partnering, welfare and socio-economic and demographic dimensions. Key findings are as follows:

- Around 28 per cent of all parents with children aged less than 18 years are either a resident or non-resident Parent Apart.
- Resident and non-resident Parents Apart experience more negative housing outcomes than Parents Together. Compared to Parents Together, they are less likely to be owner-purchasers, more likely to live in small dwellings, more likely to rate their home as in poor or average condition, more likely to report lower levels of housing satisfaction, and score lower on the Housing Index developed in this study.¹
- Parents Apart who receive no child support are more likely to report difficulties in paying their rent or mortgage on time.
- Parents Apart receiving above the median rate of child support are more likely to be owner-purchasers, live in good-quality housing and rate highly on the Housing Index, compared to those who receive no child support and those who receive below the median rate.
- For resident Parents Apart, those receiving above the median amount of child support were more likely to be older, female and without a current partner.
- For non-resident Parents Apart, those paying above the median amount of child support were more likely to be older, male, employed and with higher household incomes.
- For resident Parents Apart, the following factors were predictive of higher Housing Index scores independent of other factors: being female; being older; having higher household income; working part-time; being separated for 3–5 years; having never been married or being currently separated or divorced; and being in receipt of child support above the median amount.
- For non-resident Parents Apart, the following factors were predictive of higher Housing Index scores independent of other factors: being older; having higher household income; and being currently married.

The overarching finding of the quantitative analysis is that child support receipt is statistically related to housing outcomes for resident Parents Apart but that payment of child support is not statistically significant on the housing outcomes for non-resident Parents Apart.

The qualitative component of the study builds our knowledge of some of the processes and perceptions underpinning the patterns identified through statistical analysis.

- Resident and non-resident Parents Apart owner-purchasers have benefited from pre-separation home ownership, retaining a significant share of pre-separation property and an adequate and reliable income generated through paid work. Many owner-purchasers describe difficulties in meeting their housing costs but most believe they will remain in this tenure.
- There are key differences between resident and non-resident Parents Apart owner-purchasers. Resident Parents Apart in this tenure have enjoyed stable

¹ The Housing Index is a composite measure derived from the following variables: dwelling condition; tenure; dwelling type; and number of bedrooms. Scores range from 4 to 15 with very high scores indicating housing that is generally owned outright, detached with more than three bedrooms and in excellent condition. Low to very low Housing Index score suggest rental housing, in the form of small flats or apartments, and in poor to very poor condition.

housing circumstances. In contrast, a majority of non-resident Parents Apart owner-purchasers exited and re-entered owner-purchaser status and many experienced insecure housing post-separation.

- Resident and non-resident Parents Apart who are renting are more likely to report moving after separation, and many describe difficulties in meeting their housing costs.
- There are key differences between resident and non-resident Parents Apart renters. Almost all of the resident Parents Apart in this group rented at the time of separation. In contrast, many non-resident Parents Apart were owner-purchasers before renting following separation; half experienced a significant reduction in assets and financial security after separation, but half have chosen to rent as a short-term response to uncertainties following separation.
- Many resident and non-resident Parents Apart report difficulties in meeting housing costs. Both groups prioritise rent and mortgage payments and most are able to meet these commitments on time, but many find it difficult to do so. Resident and non-resident Parents Apart report difficulties in furnishing new households after separation and meeting heating, telephone and utilities bills.
- Many resident and non-resident Parents Apart report informal agreements over the receipt and payment of child support. Payments may be inconsistent or less than the amounts assessed under the Child Support Agency formula. Resident Parents Apart often accept this situation in order to protect their relationship with the other parent and the relationship between the other parent and their child/ren. This can contribute to difficulties in meeting housing costs.
- Child support monies are particularly useful for resident Parents Apart on low incomes. People working within limited budgets report that even small amounts make a difference. However, child support payments also need to be reliable, to be a useful source of income.
- While child support payments can be used to meet housing costs, most resident Parents Apart do not use the monies for this purpose. The majority direct the money towards child-specific costs. Similarly, most non-resident Parents Apart believe that child support monies should be spent on child-specific costs rather than housing.
- Non-resident Parents Apart report that the payment of child support affects their housing. Many of those on low incomes report that paying child support makes it difficult to meet rent and mortgage payments. Child support obligations can hinder re/entry into owner-purchaser status, even for those on high incomes. Payments can also affect a non-resident Parent Apart's ability to set up a home after separation. Child support obligations may also have an indirect impact on housing: they reflect care arrangements which have implications for accommodation standards, and can become the basis for legal challenges, the costs of which further affect the money available for housing.

Taken together, the quantitative and qualitative components of the study suggest that the payment and receipt of child support has different effects on the housing outcomes of resident and non-resident Parents Apart. In the quantitative analysis, receipt of child support, if it was above the median amount, was consistently and significantly associated with better housing outcomes. Payment of child support, on the other hand, while obviously making a difference to non-resident Parents' Apart household budgets, was found to have little or no statistically significant association with non-resident Parents' Apart housing circumstances. An impact on both categories of Parents Apart, however, was found in the qualitative analysis. In the

instance of resident Parents Apart, the impact is shaped by perceptions of legitimate uses of child support monies, and the amount and timeliness of its payment. For non-resident Parents Apart, the payment of child support limits the monies available for housing costs. However, its indirect impact is also significant: in particular, child support, associated as it is with the parenting arrangements for children, can be the focus of ongoing administrative or legal challenges, which are reported to have a significant impact on the financial circumstances of resident Parents Apart.

In light of these findings we suggest the following policy directions:

- An ongoing focus on improving the level and regularity of child support payments to Resident Parents Apart.
- An emphasis in Child Support Agency literature and policy on the importance of housing as a child-oriented expense. In particular, literature should refer to housing costs as one of the aspects of shared parenting that child support payments are aimed at addressing.
- Development of loan and grant schemes that increase the capacity of Parents Apart to amass sufficient amounts for a home deposit.
- Wider availability of schemes designed to assist Parents Apart and their children to meet their housing needs in the often turbulent years following separation.
- Support for an ongoing policy and research focus on housing affordability with an emphasis on investigating the supply-side issues affecting housing affordability.

1 INTRODUCTION

This Final Report presents the findings, conclusions and recommendations of a mixed method study into the relationship between the payment and receipt of child support and housing outcomes. It builds on the Positioning Paper (Natalier et al. 2007), which outlined the proposed scope of the study and the social, policy and research context that informed the development of this project.

1.1 Research questions and aims

This project is guided by the research question: How does the payment and receipt of child support, along with the receipt of government income and housing assistance, affect the housing outcomes of Parents Apart (both resident and non-resident parents)?

The primary aim of the project is to assess the contribution of child support, government income support and housing assistance to the housing outcomes of Parents Apart. The research seeks to present information on the role of child support (paid under the Child Support Scheme and through arrangements developed outside the Scheme – see Appendix A for a more detailed discussion of the distinction and its treatment in this study) as one of multiple sources of income and financial obligation, and to investigate how it affects the multiple dimensions of housing outcomes.

The study also aims to:

- deepen our understanding of the housing experiences and outcomes of Parents Apart, both payers and receivers of child support. This has been facilitated through analysis of recent Australian data. The quantitative component of the study focuses on data from Wave 4 of the HILDA dataset, collected between August 2004 and February 2005. The dataset has limitations, particularly in regard to the sample characteristics and the wording and focus of questions; nevertheless, these data are the most recent and comprehensive available to investigate the research question. The qualitative component of the study consisted of 60 in-depth semi-structured interviews conducted with resident ($n = 33$) and non-resident ($n = 27$) Parents Apart in Tasmania and Brisbane. The dual method approach has facilitated the investigation of the objective and interpretive dimensions of the relationships between housing outcomes and income sources and allows the study to present a nuanced and in-depth account of the relationship between child support status and housing.
- extend current understandings of the relationship between care of children and financial and housing outcomes. The changing patterns of household formation and dissolution have significant implications for how and where children are cared for. The costs of these care arrangements are now factored into the changes to the calculation of child support payments and there is a small amount of research touching on how they shape housing outcomes. But there is a lack of published research with a direct and sustained focus on the issue.
- inform policy approaches that recognise and respond to the particular circumstances and needs of Parents Apart. Recent changes to the Child Support formula are a clear acknowledgement of the needs and experiences of Parents Apart, but there continues to be concern over the effects of the payment and receipt of child support on many spheres of life, including housing. The data from this study have informed a discussion of policy issues for further consideration.

The data for this study was collected and analysed prior to key changes to the Child Support Scheme (discussed in more detail in Chapter 2). However, because the

studies focus on the relationship between amounts paid and housing outcomes, rather than the process of calculation of obligations or the legislative and administrative frameworks *per se*, the study has relevance beyond the outgoing regime.

1.2 Significance of the study

The study engages with a socially and politically important issue. It extends existing approaches to housing outcomes for Parents Apart. In keeping with the strong tradition of gender analysis in housing studies and social policy debates, and concern surrounding the feminisation of poverty (Cass 1991), most research addresses female resident Parents Apart (i.e. mothers) and their children. There is a relative absence of material on how the different care arrangements associated with parenting apart affect fathers' housing. Kielty (2006:75) argues the need to investigate parenting practices as they relate to women *and* men, and resident *and* non-resident Parents Apart.

In Australia, the necessity of a focus on mothers and fathers is now being recognised in policy discussions. The impact of child support payments and cost of care on housing outcomes has been a growing concern, most recently evident in the inquiry into, and changes to, the Child Support Scheme. But beyond the recent policy context Burke's (2001:19) comments continue to be relevant: 'Male sole parents are given acknowledgement and then essentially ignored'. This project directly addresses the implications of an under-studied social trend: the expectation of significant care responsibilities of fathers who parent apart. This report also offers contemporary and Australia-specific data. Much of the previously available information on housing of Parents Apart is dated and refers to overseas studies, where housing markets and legislative and policy frameworks differ from those in Australia.

The study also broadens our knowledge in another way. Information on Parents' Apart housing circumstances tends to address the challenges faced by low-income mothers who are in receipt of either Commonwealth Rent Assistance or public housing assistance. We have limited data on the experiences and outcomes of those parents – men and women – who are not eligible for government support and those who own or are purchasing their own homes. Filling this gap is necessary in light of declining housing affordability in Australian capital cities (National Shelter and Australian Council of Social Services 2003) and a tight rental market (Productivity Commission 2004), trends creating housing and financial difficulties for middle-income earners and Parents Apart in a range of socio-demographic categories. Broadening the research focus in this area will offer a contemporary and comprehensive picture of the housing challenges of Parents Apart from different income levels and asset bases.

The focus of the project has the potential to offer important contributions to policy associated with housing and family. Parents Apart face specific parenting, financial and housing challenges, and their needs will be best met by policies that acknowledge their particular situations. This study highlights the similarities and differences across resident and non-resident Parents Apart. The costs, including the housing costs, of caring for children have been acknowledged in the most recent changes to the Child Support formula but these issues must continue to be researched and addressed in order to develop policy and legislative regimes that can equitably and effectively meet the needs of mothers, fathers and their children. This Final Report includes suggestions for future policy considerations.

1.3 Structure of the report

Chapter 2 presents a brief discussion of the social and political context that gives rise to the question and aims driving this research. It describes the increasingly diverse structure and forms of Australian families and the parenting practices and housing

experiences and outcomes that emerge from this variety. The chapter then provides an overview of the relevant housing and Child Support policy landscape. Chapter 3 describes the sample characteristics of the HILDA Wave 4 dataset and the analytic approach adopted in the quantitative component of the study. It then presents the findings on the impact of the payment and receipt of child support on the housing outcomes of resident and non-resident Parents Apart. Chapter 4 describes the study design and findings of the qualitative component of the project. Chapter 5 presents the conclusions that can be drawn from this research, and suggests policy issues worthy of further consideration.

2 BACKGROUND TO THE ISSUES

This chapter offers a brief overview of changing family structures and practices and then presents the key themes in the available literature on the housing outcomes of Parents Apart. Finally, the chapter presents the housing and Child Support policies that are shaping the experiences of Parents Apart and their children. A fuller discussion of these points can be found in the Positioning Paper associated with this study (Natalier et al. 2007).

2.1 Diversifying family structures and practices

Australian family forms and structures have diversified. The traditional unit of a single household comprising married parents and their children remains the most common type of family in which children are raised, but its dominance is declining. Approximately one million children now live in alternative family structures. Most of these children live in households headed by one parent, which account for 71 per cent of 'non-intact' families (ABS 2006). Blended and step-families are also contributing to the diversification of family forms and structures. They make up 12 per cent and 18 per cent respectively of families with a non-resident parent (ABS 1997). Contemporary diversification is largely the result of a breakdown in parental de jure and de facto relationships: approximately 60 per cent of Australian sole-parent families² are the result of divorce/separation from a registered marriage, around eight per cent are widowed and the remaining third have never been in a de jure marriage (ABS 2003).

The diversification of household structures and forms contributes to the emergence of new parenting practices. In 2003, just over one million Australian children had a natural parent living elsewhere, and for 87 per cent of these children the non-resident parent was their father (ABS 2006). In non-intact families the majority of children have regular contact with the other parent (although it should be noted that a substantial minority of all children with a parent living elsewhere see that parent less than once per year) (see ABS (2003) and Natalier et al. (2007) for more detailed discussions of these patterns). Most children have weekly or fortnightly contact with their other parent but the ways in which contact is managed vary by post-parental separation family form and the age of the child. ABS (2003) data indicate that half of all children never stay overnight with the other parent, and a further 38 per cent stay overnight with the other parent less than 20 per cent of nights. This pattern also varies by family type, with children living in a sole mother family least likely to stay overnight with the other parent and those in a sole father family, most likely.

2.2 Housing and financial implications of parenting apart

2.2.1 Housing implications of parenting apart

Attaining and remaining in home ownership is difficult for Parents Apart. As a group, divorced and separated parents have lower rates of home ownership than married couples, and rates comparable to those who have never married (although those who re-marry have rates similar to continuously married households) (Flatau et al. 2004). Separation and divorce can lead to increased debt after the settlement of property and a loss of capital, making it difficult to re-enter home ownership (McCarthy & Simpson 1991). Housing stress can result for those who continue in home ownership: 57 per

² Through the Final Report, we use the term 'Parents Apart' when discussing the current study or when making general comments about existing findings. However, when presenting specific studies, policy discussions and legislation, we adopt the terminology of the authors (e.g. sole parents, sole mothers, non-resident fathers).

cent of owner-purchasers pay more than 30 per cent of their incomes in housing costs and 20 per cent pay more than half their incomes to those costs (Burke & Hulse 2002). Those who remain in the home – most often women – may find that their reduced incomes cannot meet the ongoing costs of home ownership (Flatau et al. 2004:32). Disruption is greatest in the years immediately following separation, after which time separated parents seem more able to consolidate or rebuild or establish equity in homes (see Flatau et al. 2004).

Despite disruption and possible housing stress, home ownership is a resource for Parents Apart. Owner-purchasers have more assets and experience better long-term housing outcomes than Parents Apart in other tenures (Khoo 1993; McCarthy & Simpson 1991). A recent NATSEM (2005:1) report, derived from HILDA data, suggests that while women's disposable income and needs-adjusted income fall more sharply than men's in the year following divorce, the average woman is more asset rich than the average man, due to their equity in the family home (if they are primary carers for the children of the marriage) (NATSEM 2005:11). Despite their initial losses at the time of separation, divorced and separated men have home ownership rates similar to those of women (NATSEM 2005).

Private rental is a common tenure option for Parents Apart, with 1996 figures showing 37 per cent of sole mothers accommodated in the private rental market (Birrell & Rapson 2002:85). Those renting privately often face financial difficulties. According to Birrell and Rapson's (2002) study, 61 per cent of those renting privately pay more than 30 per cent of their income towards housing, over 33 per cent pay more than 40 per cent, and 20 per cent pay more than half their income to housing costs. Appropriate accommodation can also be difficult to find (McCarthy & Simpson 1991), and mothers have described landlord discrimination based on the presence of children, their employment status and their low incomes (Econsult 1991).

Birrell and Rapson (2002) report that sole mothers are over-represented in public housing. In terms of affordability, public tenants are slightly better off than those renting in the private market; in line with public housing policy most spend less than 25 per cent of their income on housing. Nevertheless, many public rental tenants describe financial difficulties. On other dimensions, public housing meets the needs of Australian Parents Apart: in Burke and Hulse's (2002) survey, respondents expressed high levels of satisfaction with their housing and its location and most did not wish to move from public housing.

The housing needs and circumstances of Parents Apart are shaped by, and at times shape, parenting patterns. The primary residence of children is the most significant predictor of who stays in the marital home after separation (McCarthy & Simpson 1991). Children are most likely to reside primarily with their mother after separation, and this pattern of care contributes to women's greater likelihood of staying in the marital home (see also Khoo 1993; McCarthy 1996; McCarthy & Simpson 1991; , Stewart 1991). When men take primary responsibility for their children, they are even more likely than resident mothers to remain in the family home (Khoo 1993; McCarthy 1996). It seems that most couples accept the premise that housing stability is important for children, and the housing outcomes of parents are linked to this assumption.

For some parents, housing can become an issue that shapes extended contact with children. In Stewart's (1991) study of divorced Canadian parents, 32 per cent claimed that they had little choice in the size and location their housing, which was often constrained by the needs of children and the routines of parenting apart. A British study that found non-resident fathers often feel they have to present themselves as childless in order to be accepted as tenants in privately rented housing (McCarthy

1996:91). Data from this study also indicate that some housing agencies may not accord priority to fathers' housing needs, even when fathers are on limited incomes and have significant care responsibilities for their children (McCarthy & Simpson 1991). The few fathers who were offered help felt that they were provided with unsatisfactory housing that did not meet the needs of their children.

When Parents Apart live in inappropriate housing it can be difficult to establish overnight stays; even day visits may need to be arranged outside the home (McCarthy & Simpson 1991; Smyth et al. 2003). Smyth et al. (2003) note that fathers whose contact is limited to day contact may live too far away for overnight stays to be an option. Some non-resident Parents Apart (almost always men) lose contact with their children as a result of these difficulties and can find it difficult to re-establish a relationship even when their housing situation improves (McCarthy 1996:89). To sum up, 'if jointparenting is to happen, the need is for two family homes' (McCarthy 1996:96).

2.2.2 Financial implications of parenting apart

Parents Apart are heavily over-represented in low-income households and consistently found to be far more likely to live in poverty than other family types (ABS 2001a; ACOSS 2005; Harding & Szukalska 2000). An ABS (2001b) study reports that nearly three-quarters of sole-parent families experience high or moderate levels of financial stress, compared to just over a third of couple families. Parents Apart have the highest reliance on social security of all family types – around 80 per cent of Australian Parents Apart receive some measure of income support (The Treasury 2004). This poverty is principally related to primary care responsibility for young children; where younger male Parents Apart have the sole care of young children, their poverty levels are similar to those of sole mothers (Weston & Smyth 2000).

The financial implications of parenting apart are also linked to the costs associated with caring for a child across two households. As part of the Ministerial Taskforce on Child Support, Henman (2005) estimated child-raising expenses across the range of parenting household types and at two levels: households with a 'modest but adequate' standard of living and households with a 'low standard of living'. Henman found that the basic results for sole-parent households (assuming 100 per cent of care) with a 'modest but adequate' standard of living show costs similar to those of raising a child in a couple family. When care is shared at the 80/20 level and also the 50/50 level, compared with expenses incurred by a sole parent with 100 per cent of care, costs rise significantly. For example, for resident parents with modest but adequate living standards and 80 per cent of care, a 20 per cent drop in contact does not result in a 20 per cent decrease in costs. Rather, the costs of caring for a child drop only marginally to about 99 per cent of those incurred if the parent had the child 100 per cent of the time. But for non-resident parents also, having a child for 20 per cent of the time incurs costs that are nearly 40 per cent of having the child full-time. Even for those parents sharing care equally, the costs of care are not halved. Each parent ends up paying nearly three-quarters of the cost of having the child full-time. The multiplication factor of costs is even higher for low cost of living households, with parents from these households both paying about 90 per cent of what it would cost to have the child living with them full-time for 50 per cent care.

The proportion of nights a child spends with each parent also has an impact on the financial situation of households because of the calculation of Child Support claims and liabilities. Analysis of ABS data from 1982 to 1997/98 shows that, in dollar terms (1997/98 dollars), the amount of child support received has risen from an average of just \$12 per week in 1982 to \$41 per week in 1997/98. Harding and Szukalska (2000)

estimate that rates of child poverty would be 1.2 per cent higher (representing 58,000 children) without the contribution of Child Support.

For payers, low incomes are common and Child Support liabilities are perceived as significantly increasing levels of financial hardship. A four-year longitudinal study of separated parents (Silvey & Birrell 2004) reported that low income is a persistent feature and that income levels decrease for male non-resident parents aged 25–44 years during the life of the study. Accumulation of Child Support debt among the group is also common. However, overnight contact between the payer parent and the child affects the Child Support liabilities of the payer. Regular contact also qualifies the payer to access a portion of the Family Tax Benefit A being paid to the resident parent for the child.

2.3 The policy context

2.3.1 Housing

As a group, Parents Apart face particular challenges, not only in terms of housing outcomes but also in the ways in which those outcomes intersect with parenting practices. However, Parents Apart are often included within other social groups (e.g. low-income earners or those in housing crisis) in policy discussion, which can lead to their specific experiences and needs being disguised. For example, the use of tax concessions (e.g. capital gains tax exemptions) and, for first home buyers, the First Home Owners Grant, support Australia's relatively high rates of home ownership. At the state level, support for first home buyers is evident in concessions on the payment of stamp duty and, for low-income first home purchasers, CSHA-funded schemes (for example, Tasmania's Streets Ahead program or Victoria's mortgage interest relief scheme (AIHW 2007)). But these initiatives do not necessarily reflect the needs identified by previous studies on the housing outcomes of Parents Apart (for example, the difficulty of remaining in home ownership on separation). While policies emphasise movement into home ownership, there is less of a focus on assisting people to respond to changed family and financial circumstances in ways that facilitate ongoing home ownership.

Within the private rental market, housing support is managed primarily through Commonwealth Rent Assistance (CRA). This provides support for housing costs, up to a predetermined amount (although its payment is not in practice tied to recipients spending that money specifically on housing costs). CRA is means and asset tested and does not take into account the variations of housing costs in different markets. Under the current regime, 'single with 1 or 2 children/ 3 or more children' is a separate category, and payment levels are linked to family structure and the number of children in a household. Currently, families with the shared care of children can receive the same maximum rates of CRA as families with the full care of the same number of children. These rules are aimed at ensuring that parents who share care of a child do not receive less CRA than they otherwise would be entitled to. However, the challenges faced by Parents Apart extend beyond the cost of housing. As noted earlier, some parents report difficulties with landlord discrimination and competition in tight rental markets. Other Parents Apart may have income levels that make them ineligible for CRA but their child support liabilities and/or the costs of parenting children across households may cause them significant financial hardship.

Public housing is declining in significance as a housing option in Australia. It is associated with both positive outcomes, such as stability of tenure, affordability and confidence (AIHW 2006; Phibbs & Young 2005), and negative outcomes, such as the standard and location of housing (AIHW 2006). Across Australia, allocations have been declining faster than waiting lists, although the degree of unmet demand varies

by state (Hulse & Burke 2005). Resident Parents Apart – specifically mothers – are disproportionately accommodated in public housing and remain a significant group on sometimes long waiting lists (Productivity Commission 2004). There are also mismatches between existing housing stock and client need and preference, with two-bedroom accommodation under particularly heavy and unmet demand.

2.3.2 *Child Support Scheme*

The transfer of child support monies can take place after informal agreements between Parents Apart, or it can be managed with reference to the Child Support Scheme through the support of the Child Support Agency. However, discussions on the policy regime are largely focused on transfers made under the Child Support Scheme.

When the scheme was introduced in 1988, it was directed towards ensuring that both parents contributed to the costs of raising children, even when separated, and ensuring that children were adequately supported even when not living with both parents. Further, the scheme aimed to limit Commonwealth expenditure in the support of children while ensuring that children's needs are met, and to respect and protect the privacy of separated parents, and limit disincentives to participation in the paid labour force (O'Hanlon & Stevenson 2005).

The Child Support Scheme is a key way in which the costs of parenting apart are managed. On the current, but soon to be replaced, Child Support formula, the non-resident parent pays an amount based on taxable income and is expressed as:
$$E = \{(A - B) - (C/2)\} \times D$$

where:

A = the payer's taxable income

B = the exempted amount (for the payer's living expenses – \$16,000 in 2003)

C = the amount of payee income above the disregarded income amount

D = Child Support percentage (18 per cent for 1 child; 27 per cent for 2 children; 32 per cent for 3 children; 34 per cent for 4 children; 36 per cent for 5 or more children)

E = the amount of Child Support payable

Under this formula, in 2003, the average Child Support paid per week was \$57.23; around 40 per cent of all payers were paying only \$5.00 per week and nearly 80 per cent were paying less than \$100.00 per week. The remaining 20 per cent paid more than \$100.00 per week (HRSCFC 2003). If those paying the \$5 per week minimum are excluded, the average Child Support payment is around \$86 per week (or \$4,432 p.a.) for those on CSA Collect and \$113 per week (or \$5,900 p.a.) for those on Private Collect (Ministerial Taskforce on Child Support 2005: 16).

The low amounts of Child Support paid reflect the low income of most payer parents. In 2003, half of all payer parents and around three-quarters of recipients had an annual income of \$20,000 or less. About a quarter of payer parents are reliant on income support payments, a figure well above the national average, and about half of this group receive NewStart Allowance (Ministerial Taskforce on Child Support 2005). Low income, therefore, is a feature of people who pay and people who receive Child Support.

Currently Child Support can be paid in one of three ways: CSA Collect through registration and collection by the CSA; Private Collect where the CSA registers the agreement but payment is made directly between the parents; and self-administration, where the arrangement is entirely private and between the parents. In 2004, roughly

half of all Child Support Agency cases elected Private Collect and the other half, CSA Collect.

Changes to the assessment formula are currently being implemented. The changes arise from the report of the Ministerial Taskforce on Child Support, *In the Best Interests of Children: Reforming the Child Support Scheme*, delivered in May 2005. The new formula moves away from fixed percentages and is instead calculated around the actual costs of raising children in different income-level households and across households. The new formula also considers both parents' relative capacity to pay. Under the recommended new formula, separated parents' combined income is first calculated and the costs distributed between the parents in accordance with their respective shares of that combined income and the level of contact. The Taskforce noted that regular contact between children and non-resident Parents Apart resulted in infrastructure duplication and loss of economies of scale across housing, furnishings and motor vehicles. Accordingly, significant changes were recommended in how the costs of parental contact are calculated and recognised within the CSS. For example, consideration of payer parent costs incurred in maintaining ongoing parental contact when assessing Child Support liabilities will now begin when that parent cares for the child 14 per cent of nights (defined as regular care). Moreover, once the extent of shared care reaches five nights per fortnight (or its annual equivalent), Child Support liability is assessed under a shared care formula.

The recommendations of the Ministerial Task Force on Child Support were largely accepted and the Child Support Reforms are being implemented in three stages between July 2006 and July 2008. To date, there has been limited publicly available commentary on the significance of the changes currently being implemented. Key areas of change include the following:

- The introduction, from July 2008, of a new Child Support formula based on the actual costs of raising children and the additional costs associated with older children (Child Support Agency 2006c). The combined incomes of both parents will be used to calculate child support payments, treating both parents' incomes in the same way. Both parents' contributions to the cost of their children through care and contact will be recognised and children of first and second families will be treated more equally (Child Support Agency 2006c).
- From July 2006, non-resident parents on Newstart and related payments who have contact with their children can have this care recognised by eligibility for payment of the higher 'with child rate' (Child Support Agency 2006a).
- Reduction of the high income cap from \$139,347 to \$104,702 per annum from July 2006 (Child Support Agency 2006a). (This was not a Taskforce recommendation. It was introduced as an interim measure prior to the July 2008 reforms to the child support formula to ensure that payments made by high income earners were better aligned with the actual costs of children in advance of the introduction of the new formula.)
- From January 2007, the period in which a resident parent needs to take Child Support action has been increased from four to 13 weeks, allowing separated parents more time to work out parenting arrangements before their Family Tax Benefit payments are affected (Child Support Agency 2006b).
- From July 2006, parents who pay child support can spend a greater percentage of their payments directly on their children (Child Support Agency 2006a). The allowable amount has been increased from 25 per cent to 30 per cent and can be spent directly on specific essential items such as rent, security bond or mortgage payments for the other parent's home and utilities, rates or body corporate

charges. (These are the relevant housing-related items allowable as prescribed non-agency payments. Other allowable items are essential medical costs, school fees and uniforms, child care costs and purchase and running costs for the other parent's car.)

- From January 2007, the role of the Social Security Appeals Tribunal was expanded to allow it to review Child Support decisions. Previously, the only avenue of appeal beyond the internal Child Support Agency process was court proceedings, which can be costly and time consuming (Child Support Agency 2006f). This brings CSA decisions into line with the treatment of most other areas of government administration. Arguably, it will also have the effect of offering an avenue for appeal that does not proceed upon a manifestly adversarial basis (Wolffs 2005). At the same time, court powers were expanded in relation to the hearing and determination of child support issues (Child Support Agency 2006e). Also, parents are now able to independently pursue collection of outstanding Child Support monies through the courts (Child Support Agency 2006e).
- From July 2006, the minimum payment of child support, which was previously set at a fixed rate of \$5 per week, has been indexed to keep pace with inflation (CSA 2006a). From July 2008, a minimum payment will be made for each case rather than the payment being split between cases when a paying parent has more than one case (Child Support Agency 2006c).
- From July 2008, for the first three years after separation, parents will be able to apply to have some of their income from second jobs and overtime excluded from child support calculations when the extra money they are earning is used to help with re-establishment costs (Child Support Agency 2006c).

These changes form the policy background to the current study. They are changes that are most directly related to the issues raised in the focus of the study and the data collected and analysed in the study.

2.4 Summary

As family forms and structures diversify, so too do parenting practices and needs. Housing shapes, and is shaped by, the needs of children and the contact and care arrangements between their parents. Australian researchers and policy makers are starting to explicitly consider the connections of family-focused policy and housing outcomes. Housing policies and programs affect families but they do so in different ways, according to a family's structure and history. Changes to the Child Support Scheme reflect the costs of shared parenting and have made some recognition of each parent's housing needs, but there is still further scope to engage with housing needs in the management of Child Support payment and receipt. This is particularly true with respect to questions relating to how the Child Support payment obligations of the non-resident Parent Apart (mostly, but not always, fathers) affect access to, and ability to maintain, suitable post-separation housing. Similarly, there continues to be a need to closely consider if and how the specific needs of Parents Apart can be met through housing policy.

3 THE RECEIPT AND PAYMENT OF CHILD SUPPORT AND IMPACT ON HOUSING: AN ANALYSIS OF HILDA WAVE 4

This chapter presents the results of the quantitative stage of the research. The quantitative analysis provides a comprehensive statistical examination of a representative population of parents who are liable to come under the auspices of the Child Support Scheme. In other words, this stage of the research (i) classifies in a systematic way the characteristics of parents who are eligible to either pay or receive child support and (ii) investigates whether any statistical association exists between child support status and the housing situation of the parents. This information provides a foundation for understanding and interpreting the results of the individual interviews conducted in the qualitative stage.

3.1 Data source: HILDA Wave 4

The data presented in this chapter comes from the Household Income and Labour Dynamics in Australia (HILDA) longitudinal survey. HILDA Wave 4, released in January 2006, was selected as the most appropriate dataset available due to its recency and comprehensiveness. HILDA Wave 4 represents the fourth wave of a nationally representative panel study of over 7,000 households and 12,408 respondents aged 15 years or older (Wooden & Watson 2007). In Wave 4, 72.9 per cent of respondents had participated in all three previous waves of the survey; 21.4 per cent had missed at least one previous wave; and the remainder were either children who had turned 15 years of age (and were thus eligible) or new entrants (Wooden & Watson 2007). The Wave 4 interviews were conducted between August 2004 and February 2005 (Goode & Watson 2006).

The HILDA survey has four components: a personal interview, a household form, a household questionnaire and a self-completion questionnaire. Information from these components is released in a number of confidentialised datasets. The personal interviews (continuing and new persons) and the self-completion questionnaire are contained in a 'Responding Persons File' (RPF). For this study, this file was merged with the associated household and housing information from the 'Household File' (HF). The RPF holds information relating to: country of birth; education; employment; income; family formation and partnering; and living in Australia. Information in the HF includes: the number of people in the household and the age and sex of each; the relationship of each person to the others in the household; type of dwelling and tenure; dwelling condition and number of bedrooms; mortgage, rent or board payments; status and source of mortgage; household income; location; and household type. Data items related to the ability to meet housing payments were also selected from the self-completion questionnaire (SCQ).

The HILDA survey provides a robust nationally representative dataset. HILDA is Australia's largest and most comprehensive longitudinal survey and the validity of its data is rigorously assessed by the Melbourne Institute of Applied Economic and Social Research (University of Melbourne), where the survey is based. The survey's authors, however, identify several areas of under-representativeness that need to be taken into account when interpreting the results of this study. These areas of under-representativeness are: men generally, those aged 20–24 years and those who are not married (HILDA 2002).

3.2 Overview of study sample and key measures

The terminology used in discussing family separation and family diversity can be confusing. The terms 'sole parents', 'lone parents' and 'separated parents' are all used to signify individuals who are parenting a child or children in a household apart from that of the child/children's other parent. These terms, however, tend to be associated mostly with mothers living in a household alone with their children, rather than all parents living apart from their child/children's other parent. As such we did not consider that any of these terms adequately addressed the increasing complexity of household and parenting patterns in Australia.

As the authors of this report are interested in the child support/housing nexus for all separated parents, the inadequate existing terminology became obvious to us when preparing the study's Positioning Paper (Natalier et al. 2007). We found it difficult to isolate a term that would clearly refer to the substantial group of Australian men and women who are the parents of dependent children, but who do not, or no longer, live in the same household as the other parent of their child – our study's population of interest. As an early part of this project, we developed an original concept to refer to our key group of interest. In this chapter, the term 'Parents Apart' refers to all parents (mothers and fathers) of dependent children who do not, or no longer, reside in the same household as the other parent of their child. This term includes those living together in the same household with their child/ren (irrespective of whether the parent is alone or with a new partner) as well as those who live away from their children in a different household (again irrespective of whether alone or with a new partner).

3.2.1 Sample selection

Our sample selection criteria were operationalised as:

All respondents who are the natural or adoptive parent of a child aged less than 18 years who is child support eligible.

This definition includes all parents of children who are parenting apart, whether or not that child is resident with the parent and regardless of the parents' current marital or partnership status.³ To broaden the analysis, the sample was expanded to include parents of children under the age 18 years who live together in couple families, in order to provide a point of comparison. The sample selection excluded cases where the child is a step-child, rather than the natural or adoptive child of the respondent.

The size and complexity of the HILDA Wave 4 dataset engenders both benefits and limitations. On the one hand, the large number of respondents (12,408 respondents in Wave 4) ensured the selection of a usable sample of Parents Apart. On the other hand, the sheer number of variables available and their arrangement complicated the task of accurately locating and refining our sample of Parents Apart (refer to Appendix D for more detail). For example, HILDA contains a specific data item related to whether the respondent has a non-resident child aged less than 18 years. At first glance, this data item (coded 'yes' and 'no') seemed to promise an uncomplicated selection of non-resident Parents Apart. Upon closer scrutiny, however, it became clear that one data item alone was not sufficient to identify eligible in-scope cases. It was necessary to do a child-by-child, and case-by-case, analysis of the specific living arrangement of the non-resident child. For example, approximately 15 per cent of

³ This is not as straightforward as it first appears. For example, there are cases of Parents Apart who are also simultaneously 'parents together'. In other words, a Parent Apart may have remarried and have a child with their new partner. In these cases, the 'Parent Apart' status took priority.

non-resident children identified in the above variable in fact lived independently, with other relatives or in a foster home arrangement.

Such cases were screened from the sample frame. The final in-scope sample is 1,116 respondents who are Parents Apart and 2,911 respondents who are Parents Together. The basic child support status dimensions of the sample are outlined in Table 3.1. As can be seen, 27.7 per cent of parents with children under the age of 18 years are defined as a Parent Apart. The high proportion of Parents Apart among all parents of children aged less than 18 highlights the social and policy importance of this issue. Parents Apart with resident children form the largest category (673 respondents), with another 389 Parents Apart with non-resident children. A small number of Parents Apart (54 cases) were in the complex parenting situation of being both a resident and a non-resident Parent Apart.⁴

Table 3.1: Frequency of 'parent types' in study sample

| <i>Parent type</i> | <i>Number</i> | <i>%</i> |
|---|---------------|----------|
| Parents Apart | | |
| Resident (only resident child/ren < 18 yrs) | 673 | 16.7 |
| Non-resident (only non-resident child/ren < 18 yrs) | 389 | 9.7 |
| Both (resident & non-resident child/ren < 18 yrs) | 54 | 1.3 |
| Sub-total Parents Apart | 1,116 | 27.7 |
| Parents Together | 2,911 | 72.3 |
| Total parents with children aged < 18 yrs | 4,027 | 100.0 |

Source: HILDA Survey 2004-05, release 4.1.

3.2.2 *Housing measures*

The household form and the self-completion questionnaire (SCQ) provided a number of specific data items related to housing. The main housing variables relate to tenure, dwelling type and size, and dwelling condition (as recorded by the interviewer). Respondents were asked about their satisfaction with their housing and any problems with meeting mortgage or rent payments. This latter variable provides some insight into affordability issues. Another affordability measure, 'housing stress', has been computed to measure the proportion of different parent groups who pay more than 30 per cent of their household income on rent or mortgage.

A composite measure of housing, termed the Housing Index, was also developed for this study based on four housing variables. The first of these related to tenure type, with scores allocated according to whether the respondent was an owner-purchaser, private renter, public renter or other. On the second variable, dwelling type, respondents' scores were defined by whether the respondent lived in a separate house, semi-detached dwelling or a flat, unit or apartment, with those in separate housing receiving the highest scores. The third variable, dwelling size, allocated scores by the number of bedrooms in the respondent's housing, and the fourth

⁴ These 54 cases of Parents Apart who have both resident and non-resident children are excluded from the analysis due to the small number of cases.

variable was based on the interviewer recording of the condition of the respondent's housing, with descriptions ranged across 4 levels from excellent to very poor. The Housing Index was imputed by adding the respondent's scores on each the above items (with directions of scores aligned) to create a composite score ranging from a minimum of 4 to a maximum of 15 for each case. Those with higher Housing Index scores are therefore assessed as having better housing outcomes than those with lower Housing Index scores. For a fuller description of data items, see Appendix B.

3.2.3 Child support status measures

The Parents Apart were first analysed according to their child support status. As shown in Table 3.2, 53 per cent of the resident Parents Apart report receiving any child support payments from the other parent. In comparison, 75 per cent of non-resident Parents Apart state that they make child support payments. The difference between the proportion of resident Parents Apart reporting receipt and the non-resident Parents Apart reporting payment reflect the fact that the two sample groups in the HILDA Survey are not necessarily matched. In the initial wave of the HILDA survey, respondents were selected randomly for inclusion and not selected on the basis of being linked with a parent in another household. In subsequent waves, parents who separate remain within the survey, and, if willing, they and members of a new household are added to the respondent base. Therefore, parents who separated after HILDA began in 2001 may both remain included within the sample. For the purposes of this study, however, all Parents Apart are treated as unmatched.

Table 3.2: Amount of child support received or paid weekly by Parent Apart (PA) type

| <i>\$ per week received (resident PA) or paid (non-resident PA)</i> | <i>% received (resident PA)</i> | <i>% paid (non-resident PA)</i> |
|---|---------------------------------|---------------------------------|
| Do not receive/pay child support | 46.8 | 25.4 |
| \$1 to \$5 | 7.9 | 4.4 |
| \$6 to \$25 | 6.7 | 10.3 |
| \$26 to \$50 | 6.5 | 9.5 |
| \$51 to \$75 | 8.0 | 6.7 |
| \$76 to \$100 | 7.7 | 12.3 |
| \$101 to \$200 | 9.8 | 19.8 |
| \$201 or more | 6.5 | 11.6 |
| Total % | 100.0 | 100.0 |
| Total <i>n</i> | 673 | 389 |

Source: HILDA Survey 2004-05, release 4.1.

The proportion of resident Parents Apart (47 per cent) and non-resident Parents Apart (25 per cent) who report either not receiving or not paying child support is well above an expected level. Given that these data were collected well after the introduction of the minimum child support of \$260.00 per annum for all payers in 1999, levels of receipt or payment of 80 per cent were anticipated.

One explanation for this discrepancy is that many of those reporting non-receipt or non-payment are receiving or paying the minimum child support amount but are not aware of it. Especially where either of the parents is in receipt of an income support payment, such payment or receipt can be deducted or paid without the parents' active involvement. Alternatively, and perhaps more likely, while minimum payment or

receipt Parents Apart might be aware of these payments, they may not define such payments as 'child support' as per the question asked by HILDA (see below). Given that the amount equates to only \$6.00 per week, per payer, such a perception is not difficult to understand.

Moreover, the specific question asking about child support is worded in such a way that respondents may have misunderstood that the question specifically referred to child support payments – for example, '*Do you receive any financial support from's other parent to help meet general everyday expenses of (Name). For instance, any weekly, fortnightly or monthly child support?*' Paying child support was determined by the question, '*Do you provide any financial support to help meet general everyday expenses of (Name)? For instance, any weekly, fortnightly or monthly child support?*' Both questions were worded to exclude any one-off payments such as school fees or medical bills. (For an extended discussion of this issue, see Appendix C.)

Table 3.2 also lists the weekly amount of child support received by resident Parents Apart and supports this supposition. Only eight per cent report receiving \$5.00 per week or less. This small total compares with the 40 per cent of non-resident Parents Apart estimated by the Child Support Agency to be paying \$5.00 or less per week (HRSCFC 2003). As can also be seen, among those reporting child support receipt, the amount received is highly variable, ranging from \$6.00 per week to more than \$200.00 per week. Similarly, in Table 3.2, which lists the amount of child support reported paid by non-resident Parents Apart, very few respondents put themselves in the \$1–\$5 per week category. The median payment amount for those reporting making payments, at \$98.00 per week, is higher than the median of \$70.00 per week received by the resident Parents Apart.

There is also a substantial difference between the proportion of non-resident Parents Apart who report paying no child support and the proportion of resident Parents Apart who report receiving no child support. Given the sensitivities of child support payment and receipt this is perhaps is not unexpected, and the difference should be read in light of previous studies noting similar findings (see, for example, Wolffs & Shallcross 2000).

From the above discussion, it is clear that there are differences between the HILDA sample and that of the Child Support Agency. We note that samples are drawn from different populations (the Australian community, compared to CSA clients) and, as such, it is important to stress that the research sample used in either of these study's phases is not, and is not intended to be, representative of registered Child Support Agency customers. These differences in sample profile mean that these results cannot be discussed as if they directly reflect CSA customers. We provide a full discussion of these issues in Appendix A.

3.3 Sample characteristics

Table 3.3 compares the socio-demographic characteristics of the sample. The characteristics of the two Parents Apart groups (resident and non-resident Parents Apart) are presented alongside all Parents Together. As shown, resident Parents Apart, with 58.5 per cent aged less than 40 years, are a younger group on average than non-resident parents (with a corresponding 45.8 per cent). In fact, non-resident parents have the oldest profile of all parent groups, with 11.8 per cent over the age of 50 years. Resident Parents Apart are predominantly female (86.9 per cent) and non-resident Parents Apart are predominantly male (90.7 per cent). These proportions correspond with those from the Child Support Agency (CSA).

Parents Apart, both resident and non-resident, have a slightly higher proportion born in Australia compared with Parents Together. Current partnering status distinguishes all three parent types. Turning first to the two Parent Apart groups, only 36.3 per cent of resident Parents Apart live with a partner (either in a registered or a de facto arrangement) compared with 46.3 per cent of the non-resident Parents Apart. (Parents Together, as defined, all live with their partner). Close to the majority of resident Parents Apart (63.7 per cent) are without a current partner. This latter group (nearly all of whom are female, as shown in the table) encompasses the prototypical 'single parent', that is, female, un-partnered and with resident children. In actual fact, this sub-group of Parents Apart accounts for only 35 per cent of all Parents Apart (390 respondents out of 1,116 Parents Apart). This illustrates both the comprehensive nature of our sample selection and the fact that many parents who live apart from the other parent of their child/ren are overlooked in studies that focus simply on conventional understandings of 'single parents'.

Resident Parents Apart have a lower level of education than non-resident Parents Apart, with 36.8 per cent achieving less than a Year 12 education. They are also less likely to be employed, with 35 per cent not in the labour force. Both resident and non-resident Parents Apart have higher than average unemployment rates compared with Parents Together. Resident Parents Apart are more than three times, and non-resident parents around two and a half times, as likely as Parents Together to have household incomes in the lowest quartile. At 55.7 per cent, resident Parents Apart reliance on income support surpasses that of either non-resident Parents Apart or Parents Together.

Table 3.4 presents the housing characteristics of the sample of resident and non-resident Parents Apart and Parents Together. As discussed, the housing variables reflect key housing markers that distinguish a family's housing well-being in Australia. Each of the key housing variables (tenure, dwelling type, number of bedrooms, dwelling condition and housing satisfaction) show statistically significant differences among the resident and non-resident Parents Apart and the Parents Together. Perhaps the most striking finding can be found in the disparity in home ownership rates. Among Parents Together, 81.4 per cent are owner-purchasers, a rate that far exceeds that achieved by either resident Parents Apart (47.3 per cent) or non-resident Parents Apart (48.3 per cent). Instead, Parents Apart are approximately three times more likely to be in the rental sector. Just over 37 per cent of resident Parents Apart and around 40 per cent of non-resident Parents Apart are in the private rental sector. Notably, a disproportionate share of resident Parents Apart (11.3 per cent), a largely female and un-partnered group, rent in the public housing sector. The relatively high rates of private rental housing among the Parents Apart suggest a substantially lower level of housing among this group than experienced by Parents Together.

Table 3.3: Socio-demographic characteristics of the Parents Apart sample, by parent type and compared with 'All Parents Together'

| <i>Selected characteristics</i> | <i>Resident PA (n = 673)</i> | <i>Non-resident PA (n = 389)</i> | <i>All Parents Together (n = 2,911)</i> |
|---|----------------------------------|--------------------------------------|---|
| <i>Age***</i> | | | |
| < 29 years | 21.0 | 10.0 | 9.6 |
| 30–39 years | 37.6 | 35.7 | 40.0 |
| 40–49 years | 33.9 | 42.4 | 41.4 |
| 50+ years | 7.6 | 11.8 | 9.0 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Sex***</i> | | | |
| Male | 13.1 | 90.7 | 48.5 |
| Female | 86.9 | 9.3 | 51.5 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Country of birth***</i> | | | |
| Australia | 79.2 | 79.9 | 76.9 |
| Overseas: English-speaking | 11.1 | 12.3 | 8.8 |
| Overseas: non-English-speaking | 9.7 | 7.7 | 14.3 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Current partnering status***</i> | | | |
| Registered marriage | 17.4 | 20.8 | 90.7 |
| Lives with partner | 18.9 | 25.4 | 9.3 |
| Does not live with a partner | 63.7 | 53.7 | 0.0 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Education level***</i> | | | |
| To year 11 | 36.8 | 32.6 | 25.8 |
| Year 12 or certificate | 45.9 | 53.7 | 46.5 |
| Tertiary | 17.2 | 13.6 | 27.7 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Labour force status***</i> | | | |
| Employed | 59.4 | 83.8 | 79.4 |
| Unemployed | 5.3 | 5.1 | 1.4 |
| Not in the labour force | 35.2 | 11.1 | 19.1 |
| Total % | 100.0 | 100.0 | 99.9 |
| <i>Household income^a *** (gross annual, \$2004)</i> | | | |
| Quartile 1: < \$48,136 (low) | 50.7 | 42.7 | 16.0 |
| Quartile 2: \$48,137 – \$71,636 | 23.3 | 22.4 | 25.9 |
| Quartile 3: \$72,637 – \$99,920 | 14.6 | 19.3 | 28.5 |
| Quartile 4: > \$99,921 (high) | 11.4 | 15.7 | 29.6 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Income support payments^b ***</i> | | | |
| Receives | 55.7 | 23.1 | 10.2 |
| Does not receive | 44.3 | 76.9 | 89.8 |
| Total % | 100.0 | 100.0 | 100.0 |

^a Household income quartiles are based on the household income distribution of ALL PARENTS (with a child under 18 years of age) in our sample.

^b For the payments included in this variable see Appendix B.

*Significance <.05; ** Significance <.01; ***Significance <.001

Source: HILDA Survey 2004-05, release 4.1.

Table 3.4: Key housing characteristics of the Parents Apart sample

| <i>Selected characteristics</i> | <i>Resident PA (n = 673)</i> | <i>Non-resident PA (n = 389)</i> | <i>All Parents Together (n = 2,911)</i> |
|---|----------------------------------|--------------------------------------|---|
| <i>Tenure***</i> | | | |
| Owner-purchaser | 47.3 | 48.3 | 81.4 |
| Private renter | 37.4 | 40.4 | 14.1 |
| Public renter | 11.3 | 4.6 | 1.6 |
| Other (employer provided or pay board) | 4.0 | 6.7 | 3.0 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Dwelling type***</i> | | | |
| Separate house | 84.9 | 78.2 | 93.9 |
| Semi-detached | 8.1 | 6.0 | 4.1 |
| Flat, unit, apartment | 7.0 | 15.8 | 2.0 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Dwelling size***</i> | | | |
| < 3 bedrooms | 11.9 | 26.5 | 6.4 |
| 3 bedrooms | 51.6 | 46.3 | 41.1 |
| 4+ bedrooms | 36.5 | 27.2 | 52.5 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Dwelling condition***</i> | | | |
| Excellent / very good | 27.4 | 29.2 | 44.4 |
| Good | 30.9 | 28.7 | 31.4 |
| Average | 34.2 | 31.4 | 21.1 |
| Poor / very poor | 7.5 | 10.7 | 3.1 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Satisfaction with home***</i> | | | |
| Satisfied | 69.3 | 70.2 | 80.6 |
| Neither satisfied nor dissatisfied | 23.7 | 25.4 | 15.4 |
| Dissatisfied | 7.0 | 4.4 | 4.0 |
| Total % | 100.0 | 100.0 | 100.0 |
| <i>Housing index***</i> | | | |
| Very low | 18.6 | 28.4 | 6.3 |
| Low | 36.0 | 31.7 | 20.1 |
| Average | 19.5 | 13.7 | 17.0 |
| High | 13.7 | 14.4 | 25.2 |
| Very high | 12.3 | 11.9 | 31.4 |
| Total % | 100.0 | 100.0 | 100.0 |

*Significance < .05; **Significance < .01; ***Significance < .001

Source: HILDA Survey 2004-05, release 4.1.

The preference for home ownership relates closely to the preference for a detached dwelling. Again it can be seen in Table 3.4 that dwelling type and size also differ significantly among the parent groups. While the overall dominance of the detached house in Australia is visible in the table (with around four-fifths or more of each parent group residing in separate houses), Parents Apart are more likely than Parents Together to live in other types of dwellings, such as semi-detached or flats and apartments. The generally lower household incomes of Parents Apart as well as the higher proportions in rental housing explain much of this difference. Parents Apart also live in smaller dwellings (as measured by the number of bedrooms) than Parents Together. Non-resident Parents Apart are more than twice as likely as resident

Parents Apart to live in dwellings with less than three bedrooms. This likely reflects the presence of children in all resident Parent Apart families (and therefore the need for extra bedrooms) compared with non-resident parents.

Two subjective indicators (the condition of the dwelling as rated by the interviewer, and satisfaction with home as rated by the respondent) also reveal statistically significant differences among the parent groups. Parents Apart are more likely than Parents Together to live in homes rated by the interviewers as in average or poor condition. Parents Apart and Parents Together also give substantially different reports on the condition of their homes. Around two-fifths of Parents Apart (41.7 and 42.1 per cent respectively for resident and non-resident Parents Apart) reside in homes that fall into this category, compared with only 24.2 per cent of Parents Together. Perhaps, as a corollary, both Parent Apart groups report lower levels of housing satisfaction than Parents Together.

The distribution of scores on the Housing Index summarises the strength of the differences in housing outcomes among the parent groups. Scores range from 4 to 15, with very high scores indicating housing that is generally owned outright, detached with more than three bedrooms and in excellent condition. Low to very low Housing Index scores suggest rental housing, in the form of small flats or apartments, and in poor to very poor condition. The results in Table 3.5 provide stark evidence of the disparity in housing between Parents Apart and Parents Together, with 55 to 60 per cent of resident and non-resident Parents Apart respectively in housing scored as low to very low and less than half those figures (26.4 per cent) for Parents Together.

3.4 Analysis approach

The above provided a detailed description of the social and housing characteristics of our three groups of parents. The remaining analysis presented in this chapter consists of two main approaches. In the first part, descriptive cross-tabulations and measures of significance are presented to establish the relationship and level of association between key social and housing variables and the receipt or payment of child support. The chi-square test of significance is used to determine whether differences between observed and expected frequencies are statistically significant. These data are presented in separate sections for resident and non-resident Parents Apart. This is followed by a discussion and examination of housing affordability as experienced by resident and non-resident Parents Apart according to their child support receipt or payment status. The second part of the analysis takes a multivariate approach and measures the relative importance of a range of key independent variables on the composite measure of housing outcomes, the Housing Index.

3.5 Descriptive results – resident Parents Apart

The next two tables focus on resident Parents Apart in receipt of child support. Receipt of child support is classified in three ways: (1) the respondent reports that they do not receive child support; (2) the respondent receives below the median amount of payments received by resident Parents Apart who reported a payment; and (3) the respondent receives above the median amount of child support. The median value is \$3,640 p.a. and is calculated from the annual amount received (continuous) of only those parents who report receiving child support.

Table 3.5 considers the social characteristics of the resident Parents Apart who fall into each of these three groups, while Table 3.6 turns to the central issue under study: whether the receipt of child support (and, broadly, the amount) bears any association with the housing situation of resident Parents Apart.

Several social and economic characteristics are related statistically to the likelihood of receiving child support (and, if receiving, of receiving an amount above the median). Older respondents are more likely than younger to receive above the median amount of child support. This finding may reflect the fact that the counterpart non-resident parent is likewise older, which may be associated with higher earning power and, correspondingly, higher child support. Male resident Parents Apart are considerably less likely to receive child support than females. The association between current partnering status and child support is also strong. Those resident Parents Apart without a current partner are considerably more likely to receive child support than those who are currently living with a partner. In other words, resident Parents Apart who are not currently in a partnered relationship, whether a registered marriage or a de facto relationship, are more likely to be in receipt of child support.

Taken together, these results suggest that current partnering is a key indicator of likelihood of child support receipt. While the 'why' of these results cannot be established from these data, it can be speculated that their former partner may feel less obligation to pay child support if the other parent has formed another relationship, or if they never resided with the mother of their child. Results from Walter (2000) support this latter concept. In that study, non-resident fathers not previously married to the mother of their child felt less obligation to provide ongoing support, including child support, than those who had previously been married. Conversely, it may be that those resident Parents Apart who have formed another relationship may be less inclined to seek or pursue child support monies from their previous partners. Or the results may be a combination of both attitudes. Regardless, it appears that more than 15 years after the introduction of the child support Scheme that proclaimed that parental financial obligations continued until the child grew up, regardless of the other parent's partnership status, such status still has an impact on child support outcomes.

Table 3.5: Selected socio-demographic characteristics of resident Parents Apart by child support status

| <i>Selected characteristics</i> | <i>R reports 'does not receive' CS (n = 315)</i> | <i>R receives below median amount[#] (n = 188)</i> | <i>R receives above median amount[#] (n = 170)</i> | <i>Total resident Parents Apart (n = 673)</i> |
|---------------------------------|--|---|---|---|
| Age* | | | | |
| < 30 years | 20.3 | 27.7 | 14.7 | 21.0 |
| 30–39 years | 39.0 | 35.6 | 37.1 | 37.6 |
| 40–49 years | 31.7 | 31.4 | 40.6 | 33.9 |
| 50+ years | 8.9 | 5.3 | 7.6 | 7.6 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| Sex*** | | | | |
| Male | 19.0 | 11.2 | 4.1 | 13.1 |
| Female | 81.0 | 88.8 | 95.9 | 86.9 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| Country of birth | | | | |
| Australia | 75.9 | 83.0 | 81.2 | 81.2 |
| Main English-speaking-country | 13.7 | 7.4 | 10.6 | 10.6 |
| Other overseas country | 10.5 | 9.6 | 8.2 | 8.2 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

| <i>Selected characteristics</i> | <i>R reports 'does not receive' CS (n = 315)</i> | <i>R receives below median amount[#] (n = 188)</i> | <i>R receives above median amount[#] (n = 170)</i> | <i>Total resident Parents Apart (n = 673)</i> |
|--|--|---|---|---|
| <i>Current partnering status**</i> | | | | |
| Registered marriage | 19.0 | 14.9 | 17.1 | 17.4 |
| Lives with partner | 24.8 | 13.8 | 13.5 | 18.9 |
| No partner | 56.2 | 71.3 | 69.4 | 63.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Years since separation^a</i> | | | | |
| 2 years or less | 8.9 | 14.3 | 17.5 | 13.0 |
| 3–5 years | 24.3 | 23.8 | 24.6 | 24.3 |
| 6–10 years | 31.4 | 32.4 | 34.1 | 32.5 |
| 11 years or more | 35.5 | 29.5 | 23.8 | 30.3 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| n | 169 | 105 | 126 | 400 |
| <i>Labour force status</i> | | | | |
| Employed | 63.2 | 51.1 | 61.8 | 59.5 |
| Unemployed | 4.8 | 6.4 | 5.3 | 5.4 |
| Not in the labour force | 32.1 | 42.6 | 32.9 | 35.1 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Household income*^b (gross annual, \$2004)</i> | | | | |
| \$20,000 or less | 8.9 | 10.6 | 4.7 | 8.3 |
| \$20,001 – \$40,000 | 27.6 | 36.2 | 26.5 | 29.7 |
| \$40,001 – \$60,000 | 23.8 | 28.2 | 27.6 | 26.0 |
| \$60,0001 – \$80,000 | 15.9 | 11.7 | 18.8 | 15.5 |
| \$80,000 – \$100,000 | 11.1 | 6.4 | 8.2 | 9.1 |
| > \$100,000 | 12.7 | 6.9 | 14.1 | 11.4 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Income support payments**^c</i> | | | | |
| Receives | 51.7 | 66.0 | 51.8 | 55.7 |
| Does not receive | 48.3 | 34.0 | 48.2 | 44.3 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

R: respondent; CS: child support

Median value calculated from annual amount received (continuous) of only those HILDA respondent parents who report receiving child support: median = \$3,640 p.a.

*Significance <.05; ** Significance <.01; ***Significance <.001

a 'Years since separation' is only measured on the sub-group of respondents who had previously been in a registered marriage. The corresponding sub-totals for this variable are included in the table. In other words, 400 of the 673 (59.4 per cent) resident PA respondents had been in a formal marriage previously.

b Household income quartiles are based on the household income distribution of ALL PARENTS in the sample.

c For the payments included in this variable see Appendix B.

Source: HILDA Survey 2004-05, release 4.1.

The respondent's economic position also appears to be closely related to the likelihood of receiving child support from the absent parent. Respondents receiving

below the median amount of child support are most likely to have household incomes in the lowest quartile. Resident Parents Apart are twice as likely to have household incomes in the bottom quartile as all parents with a child aged less than 18 years. Moreover, an even higher proportion of resident Parents Apart who receive less than the median amount of child support have household incomes of \$40,000 per annum or below. The household income distribution of resident Parents Apart who do not receive child support is more closely in line with that of those who receive above the median amount. A corresponding pattern is found in terms of the proportion who receive income support. Those who receive below the median amount are much more likely to be relying on income support than either those not receiving or those receiving above the median amount.

Three of the six housing measures presented in Table 3.6 demonstrate a significant association with the receipt of child support. This relationship is particularly manifested when the resident Parent Apart receives above the median amount. This latter group (shown in the third column of Table 3.6), in contrast to the other groups, are more likely to be owner-purchasers, reside in a house described as in good to excellent condition and possess a high to very high Housing Index score. Alongside this relatively well-housed group, those reporting no child support or a below-average amount are more likely to be in public or private rental, in dwellings described as average to poor and record low scores on the Housing Index. Although the relationship between housing satisfaction and child support receipt is not statistically significant, the figures show that resident Parents Apart without any child support are notably less satisfied than parents who do receive child support.

Table 3.6: Selected housing characteristics of resident Parents Apart by receipt of child support

| <i>Selected characteristics</i> | <i>R reports 'does not receive' CS (n = 315)</i> | <i>R receives below median amount[#] (n = 1880)</i> | <i>R receives above median amount[#] (n = 170)</i> | <i>Total resident Parents Apart (n = 673)</i> |
|---------------------------------|--|--|---|---|
| <i>Tenure**</i> | | | | |
| Owner-purchaser | 44.8 | 41.5 | 58.2 | 47.3 |
| Private renter | 39.4 | 37.2 | 34.1 | 37.4 |
| Public renter | 12.7 | 15.4 | 4.1 | 11.3 |
| Other | 3.2 | 5.9 | 3.5 | 4.0 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Dwelling type</i> | | | | |
| Separate house | 85.6 | 84.5 | 84.1 | 84.9 |
| Semi-detached | 6.4 | 7.0 | 12.4 | 8.1 |
| Flat, unit, apartment | 8.0 | 8.6 | 3.5 | 7.0 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Dwelling size</i> | | | | |
| < 3 bedrooms | 11.1 | 15.4 | 9.4 | 11.9 |
| 3 bedrooms | 52.2 | 53.2 | 48.8 | 51.6 |
| 4+ bedrooms | 36.6 | 31.4 | 41.8 | 36.5 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

| <i>Selected characteristics</i> | <i>R reports 'does not receive' CS (n = 315)</i> | <i>R receives below median amount[#] (n = 1880)</i> | <i>R receives above median amount[#] (n = 170)</i> | <i>Total resident Parents Apart (n = 673)</i> |
|---------------------------------------|--|--|---|---|
| <i>Dwelling condition***</i> | | | | |
| Excellent / very good | 20.3 | 27.6 | 40.1 | 27.4 |
| Good | 35.5 | 23.8 | 30.5 | 30.9 |
| Average | 34.6 | 41.1 | 25.7 | 34.2 |
| Poor / very poor | 9.6 | 7.6 | 3.6 | 7.5 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Satisfaction with home</i> | | | | |
| Satisfied | 65.3 | 73.9 | 71.8 | 69.3 |
| Neither satisfied nor dissatisfied | 26.8 | 20.2 | 21.8 | 23.7 |
| Dissatisfied | 8.0 | 5.9 | 6.5 | 7.0 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Housing index**</i> | | | | |
| Very low | 18.1 | 22.9 | 14.7 | 18.6 |
| Low | 38.1 | 37.8 | 30.0 | 36.0 |
| Average | 21.0 | 18.6 | 17.6 | 19.5 |
| High | 14.0 | 9.0 | 18.2 | 13.7 |
| Very high | 8.9 | 11.7 | 19.4 | 12.3 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

R: respondent; CS: child support.

Median value calculated from annual amount received (continuous) of only those HILDA respondent parents who report receiving child support: median = \$3,640 p.a.

*Significance <.05; **Significance <.01; ***Significance <.001

Source: HILDA Survey 2004-05, release 4.1.

3.6 Descriptive results – non-resident Parents Apart

The relationship between child support payment and housing differs substantially for non-resident Parents Apart. In the case of non-resident Parents Apart, money is flowing out of the respondent's household budget into the household budget of a family in another dwelling – the reverse of the situation for resident Parents Apart. The analysis presented in this section, therefore, considers whether the payment of income to another household reflects negatively on the housing of the non-resident Parent Apart. Again the parents are categorised by whether they report paying child support and, if so, whether this amount is above or below the median annual amount: \$4,870. This value was calculated from the annual amount paid (continuous) of only those parents who pay child support.

In Table 3.7, the socio-demographic characteristics of the non-resident Parents Apart are cross-tabulated against their child support payment status. The figures reveal a number of statistically significant relationships with child support payment status.

In these results, the age of the non-resident parents shows a statistically significant relationship. Gender shows a strong association, with males statistically more likely than females to pay than not pay, particularly in terms of paying above the median amount. Unlike the results for the receipt of child support for resident Parents Apart

(whereby re-partnered resident parents were less likely to receive than those without a partner), current partnership status does not show any association with the likelihood of paying child support. Those in registered marriages, for example, are as likely to pay as to not pay. The length of time since separation (of those formerly in a registered marriage) shows a statistically significant but puzzling relationship with respondents' payment status. For example, 12.9 per cent of this group had been separated two years or less, yet 21.9 per cent reported that they do not pay child support. It might be expected that the payment of child support would be most common in the early years after separation, yet this is contradicted by the results shown in Table 3.7. Items relating to income show a strong association with paying child support, such as labour force status, household income and reliance on income support. Overall, the higher the household income, the greater the likelihood of paying child support above the median amount. The employed are significantly more likely to be paying child support than those who are unemployed or not in the labour force, and those with higher household incomes are significantly more likely to report payment.

Turning to housing, the most striking finding in Table 3.8 is that child support payment makes little impact on the housing outcomes of non-resident Parents Apart. Dwelling condition shows a significant relationship to child support payment, but not in the way one might expect. Those who are paying above the median amount of child support, in fact, are considerably more likely than the others to live in dwellings rated as very good to excellent. This likely reflects the higher household incomes of this group and the negligible impact that child support payment may make on the total household budget.

The general lack of association between child support payments and the housing circumstances of non-resident Parents Apart is mirrored in the last variable in Table 3.8, the Housing Index. By and large, it appears that paying child support does not have the same effect on parental housing situations as does receiving child support.

Table 3.7: Selected socio-demographic characteristics of non-resident Parents Apart by child support payment status

| <i>Selected characteristics</i> | <i>R reports 'does not pay' CS (n = 101)</i> | <i>R pays below median amount[#] (n = 145)</i> | <i>R pays above median amount[#] (n = 143)</i> | <i>Total non-resident Parents Apart (n = 389)</i> |
|---------------------------------|--|---|---|---|
| Age* | | | | |
| < 30 years | 6.9 | 16.6 | 5.6 | 10.0 |
| 30–39 years | 38.6 | 33.1 | 36.4 | 35.7 |
| 40–49 years | 39.6 | 41.4 | 45.5 | 42.4 |
| 50+ years | 14.9 | 9.0 | 12.6 | 11.8 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| Sex*** | | | | |
| Male | 78.2 | 90.3 | 100.0 | 90.7 |
| Female | 21.8 | 9.7 | 0.0 | 9.3 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| Country of birth | | | | |
| Australia | 75.2 | 84.8 | 78.3 | 79.9 |
| Main English-speaking country | 12.9 | 9.7 | 14.7 | 12.3 |
| Other overseas country | 11.9 | 5.5 | 7.0 | 7.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

| <i>Selected characteristics</i> | <i>R reports 'does not pay' CS (n = 101)</i> | <i>R pays below median amount[#] (n = 145)</i> | <i>R pays above median amount[#] (n = 143)</i> | <i>Total non- resident Parents Apart (n = 389)</i> |
|--|--|---|---|--|
| <i>Current partnering status</i> | | | | |
| Registered marriage | 20.8 | 21.4 | 20.3 | 20.8 |
| Lives with partner | 29.7 | 25.5 | 22.4 | 25.4 |
| No partner | 49.5 | 53.1 | 57.3 | 53.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Years since separation^{**a}</i> | | | | |
| 2 years or less | 21.9 | 8.1 | 11.0 | 12.9 |
| 3–5 years | 26.6 | 20.3 | 39.0 | 30.5 |
| 6–10 years | 17.2 | 33.8 | 32.2 | 28.9 |
| 11 years or more | 34.4 | 37.8 | 17.8 | 27.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| n | 64 | 74 | 118 | 256 |
| <i>Labour force status^{***}</i> | | | | |
| Employed | 77.2 | 74.5 | 97.9 | 83.8 |
| Unemployed | 6.9 | 9.0 | 0.0 | 5.1 |
| Not in the labour force | 15.8 | 16.6 | 2.1 | 11.1 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Household income^{***b} (gross annual, \$2004)</i> | | | | |
| \$20,000 or less | 21.8 | 15.2 | 2.1 | 12.1 |
| \$20,001 – \$40,000 | 24.8 | 29.0 | 11.9 | 21.6 |
| \$40,001 – \$60,000 | 19.8 | 20.7 | 20.3 | 20.3 |
| \$60,0001 – \$80,000 | 13.9 | 17.2 | 18.9 | 17.0 |
| \$80,000 – \$100,000 | 13.9 | 10.3 | 16.1 | 13.4 |
| > \$100,000 | 5.9 | 7.6 | 30.8 | 15.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Income support payments^{***c}</i> | | | | |
| Receives | 32.7 | 33.1 | 6.3 | 23.1 |
| Does not receive | 67.3 | 66.9 | 93.7 | 76.9 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

R: respondent; CS: child support.

[#]Median value calculated from annual amount paid (continuous) of only those HILDA respondent parents who report paying child support: median = \$4,870 p.a.

*Significance <.05; ** Significance <.01; ***Significance <.001

^a 'Years since separation' is only measured on the sub-group of respondents who had previously been in a registered marriage. The corresponding sub-totals for this variable are included in the table. In other words, 256 of the 389 (66 per cent) non-resident PA respondents had been in a formal marriage previously.

^b Household income quartiles are based on the household income distribution of ALL PARENTS in the sample.

^c For payments included in this variable see Appendix B.

Source: HILDA Survey 2004-05, release 4.1.

Table 3.8: Selected housing characteristics of non-resident Parents Apart by payment of child support

| <i>Selected characteristics</i> | <i>R reports 'does not pay' CS (n = 101)</i> | <i>R pays below median amount# (n = 145)</i> | <i>R pays above median amount# (n = 143)</i> | <i>Total non-resident Parents Apart (n = 389)</i> |
|--------------------------------------|--|--|--|---|
| <i>Tenure</i> | | | | |
| Owner-purchaser | 45.5 | 45.5 | 53.1 | 48.3 |
| Private renter | 46.5 | 38.6 | 37.8 | 40.4 |
| Public renter | 4.0 | 7.6 | 2.1 | 4.6 |
| Other | 4.0 | 8.3 | 7.0 | 6.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Dwelling type</i> | | | | |
| Separate house | 76.2 | 80.9 | 76.9 | 78.2 |
| Semi-detached | 5.0 | 6.4 | 6.3 | 6.0 |
| Flat, unit, apartment | 18.8 | 12.8 | 16.8 | 15.8 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Dwelling size</i> | | | | |
| < 3 bedrooms | 30.7 | 26.2 | 23.8 | 26.5 |
| 3 bedrooms | 42.6 | 45.5 | 49.7 | 46.3 |
| 4+ bedrooms | 26.7 | 28.3 | 26.6 | 27.2 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Dwelling condition**</i> | | | | |
| Excellent / very good | 23.2 | 25.4 | 37.2 | 29.2 |
| Good | 22.1 | 29.1 | 32.8 | 28.7 |
| Average | 42.1 | 31.3 | 24.1 | 31.4 |
| Poor / very poor | 12.6 | 14.2 | 5.8 | 10.7 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Satisfaction with home</i> | | | | |
| Satisfied | 78.2 | 64.8 | 69.9 | 70.2 |
| Neither satisfied or dissatisfied | 16.8 | 31.0 | 25.9 | 25.4 |
| Dissatisfied | 5.0 | 4.1 | 4.2 | 4.4 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |
| <i>Housing index</i> | | | | |
| Very low | 29.7 | 29.2 | 26.6 | 28.4 |
| Low | 37.6 | 35.4 | 23.8 | 31.7 |
| Average | 10.9 | 12.5 | 16.8 | 13.7 |
| High | 9.9 | 13.2 | 18.9 | 14.4 |
| Very high | 11.9 | 9.7 | 14.0 | 11.9 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

R: respondent; CS: child support.

Median value calculated from annual amount paid (continuous) of only those HILDA respondent parents who reported paying child support; median = \$4,870 p.a. (NB: Some figures less than total N due to missing values)

*Significance <.05; **Significance <.01; ***Significance <.001

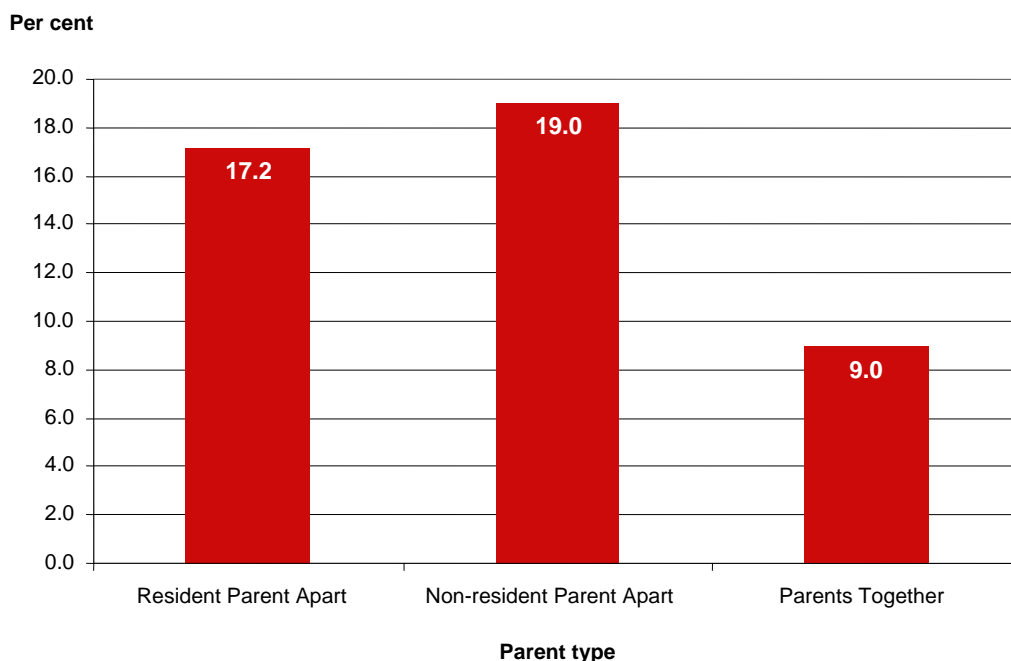
Source: HILDA Survey 2004-05, release 4.1.

3.7 Affordability and child support status

Affordability is a predominant issue in housing policy. Although affordability has been measured in several ways, King (1994: xvi) observes that 'the basic concept of housing affordability is quite straightforward: a comparison of housing costs and the resources from which these costs must be met'. He goes on to say, however, that in reality measuring affordability is quite complex and is undertaken in a number of different ways. Any measure of affordability tends to be arbitrary because it is based on some normative judgment about what households 'should' pay for housing. The most common rule is that spending more than 30 per cent of household income on housing implies that housing is not affordable. In this section we present two measures, the first a subjective indicator of the respondent's difficulty in meeting housing costs in the past year and the second, objective indicator, presenting a rent or mortgage to income ratio based on the 30 per cent principle.

Figure 3.1 shows that meeting housing costs on time is considerably more difficult for Parents Apart, both resident and non-resident, than for Parents Together. Parents Apart are twice as likely as Parents Together to report difficulty with meeting housing payments. Non-resident Parents Apart, despite their higher household incomes on average than Resident Parents Apart, have a higher proportion (19 per cent) falling into this category.

Figure 3.1: Unable to pay mortgage or rent on time at least once since the beginning of the year, by parent group^{# *}**



***Significance < .001

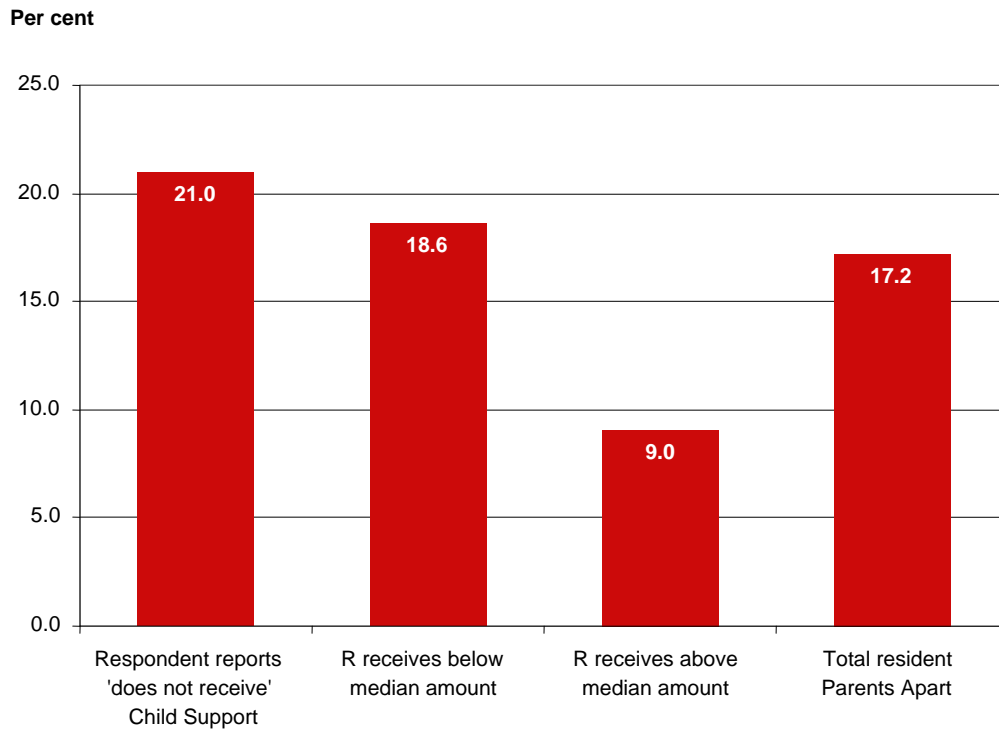
[#] Results exclude outright owners and those in employer housing or living rent free.

Source: HILDA Survey 2004-05, release 4.1.

Figure 3.2 disaggregates the housing affordability difficulty according to the receipt of child support. This figure confirms the importance of child support payment to the housing situation of resident Parents Apart. It emerges that child support makes a statistically significant difference to the ability to make housing payments on time. Resident Parents Apart not receiving any child support comprise the largest

proportion in housing financial difficulty. The next-largest group are those receiving below-average amounts. Overall, resident Parents Apart not receiving child support are more than twice as likely as those receiving above the median amount to report difficulty making payments (21 and 9 per cent respectively).

Figure 3.2: Unable to pay mortgage or rent on time at least once since the beginning of the year, resident Parents Apart, by receipt of child support[#] *



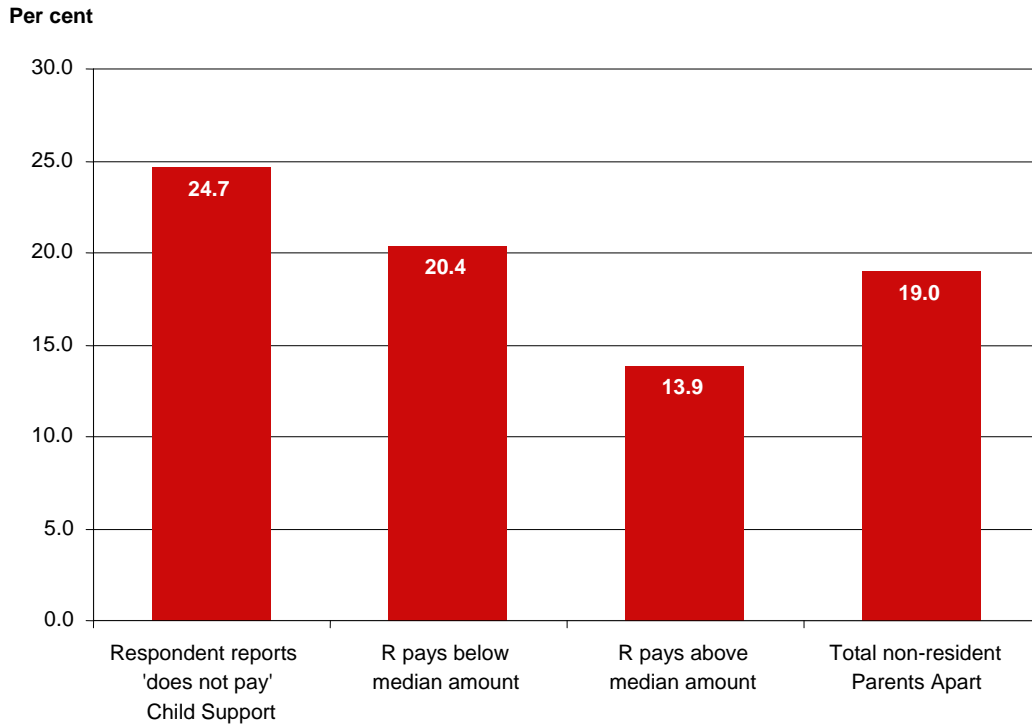
*Significance <.05

Results exclude outright owners and those in employer housing or living rent free.

Source: HILDA Survey 2004-05, release 4.1.

In contrast, paying child support is not statistically associated with housing payment difficulties. While Figure 3.3, relating to non-resident Parents Apart, is deceptively similar to Figure 3.2, for resident Parents Apart, this similarity in figure shape represents the opposite in results. As with the findings presented previously in Table 3.7, the least financial difficulty was expressed by non-resident Parents Apart paying above the median amount. Close to one-quarter of non-payers report difficulty with meeting payment, while only 14 per cent of those paying above the median amount report this difficulty. These findings, however, were not statistically significant. Therefore, while non-resident Parents Apart report similar levels of difficulty in meeting rent or mortgage payments, such difficulty does not appear to be associated with the payment of child support. Rather, this figure suggests that the more general financial difficulty explains both difficulties with housing affordability and is perhaps also at least part of the explanation for non-payment of child support.

Figure 3.3: Unable to pay mortgage or rent on time at least once since the beginning of the year, non-resident Parents Apart, by payment of child support[#]



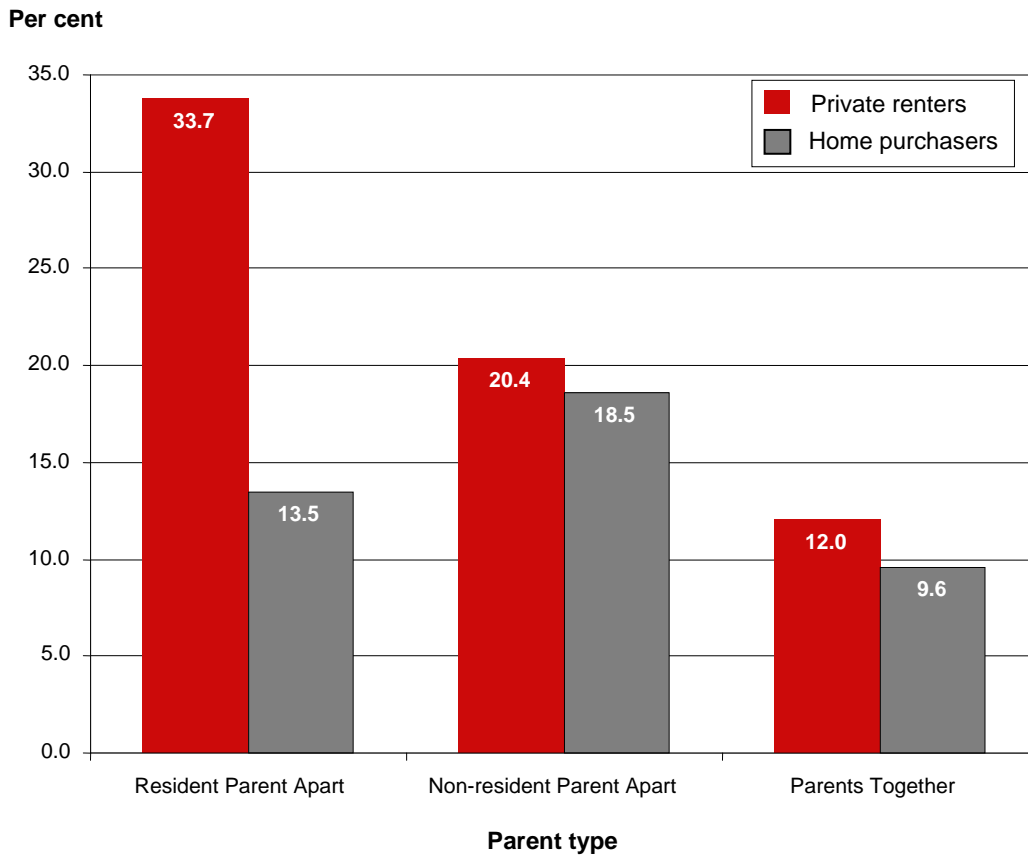
[#] Results exclude outright owners and those in employer housing or living rent free

Source: HILDA Survey 2004-05, release 4.1.

The final analysis related to housing affordability compares the three parent groups on the degree of housing stress, considering purchasers and private renters separately.

Figure 3.4 broadly establishes the higher levels of housing stress experienced in the private rental sector compared with the home purchase sector. Moreover, levels of housing stress peak among the resident Parents Apart who live in private rental housing. Despite the high costs of home purchase, those respondents in this tenure have considerably lower levels of housing stress.

Figure 3.4: Proportion of respondents in housing stress, by tenure (home purchasers and private renters) and parent type



Source: HILDA Survey 2004-05, release 4.1.

The above analysis provides a detailed understanding of the relationship between a range of social and demographic variables and specific housing outcomes. The next section, the second stage of the quantitative analysis, provides a multivariate analysis of the Housing Index, in which a number of variables taken together can be controlled and examined for the joint relationship to housing.

3.8 Multivariate analysis results

This section models the effect of child support on the housing outcomes of resident and non-resident Parents Apart.

The dependent variable is the Housing Index, which is a composite measure derived from the following variables: dwelling condition; tenure; dwelling type; and number of bedrooms. Scores range from 4 to 15 (e.g. 4 = a score of 1 on each new variable, e.g. live rent free in small flat in poor condition; 15 = outright owner, large house in very good condition). Note that public and private rental are scored equally, on the basis that public tenure provides greater security of tenure and is more affordable rent than private rental, but private rental offers more locational choice and is considered preferable to public rental housing.

A comparison of the mean Housing Index scores of the Parents Apart and those of all the Parents Together finds that the Parents Together have a significantly higher mean scores (12.44) than do the Parents Apart (11.04) ($t = 20.122$, $d.f. = 1842.2$, $p = .000$).

3.8.1 Modelling the Housing Index

An Ordinary Least Squares (OLS) regression was used to assess the relative influence of a range of demographic, socio-economic, partnership status and child support receipt variables on respondents' Housing Index scores. These variables were selected on the basis of the bivariate analysis and also include other basic demographic variables to broaden the model. The 'years separated' variable is included, even though it only applies to those Parents Apart previously in a registered marriage, with those not previously married grouped in a separate dummy variable. These respondents vary in their relationship history, with many previously being in a de facto relationship, but not formally married. Separate OLS regression analyses were undertaken for resident and non-resident Parents Apart. The variable constructions are detailed in Table 3.9.

Table 3.9: Explanatory variables used in regression analysis

| <i>Variable</i> | <i>Description</i> |
|-------------------------------|--|
| Gender | 1 = Male, 0 = Other |
| Age | Continuous variable Respondent's age in years (16–70) |
| Age of youngest child | Continuous variable Age of respondent's youngest child (0–17) |
| Household gross income | Continuous variable Respondent's household annual income in dollars |
| Respondent's country of birth | Categorical variable with 3 dummy variables 1 = Australian born, 0 = Other 1 = Overseas born – English-speaking country 0 = Other 1 = Overseas born – non-English-speaking country, 0 = Other Base category: Overseas born – non-English-speaking country |
| Labour force status | Categorical variable with 3 dummy variables 1 = Employed full-time, 0 = Other 1 = Employed part-time, 0 = Other 1 = Unemployed or not in labour force, 0 = Other Base category: Unemployed or not in labour force |
| Education | Categorical variable with 3 dummy variables 1 = High – Bachelor Degree and Postgraduate Degree, 0 = Other 1 = Medium – Grade 12 to Diploma, 0 = Other 1 = Low – Year 11 or below, 0 = Other Base category: Low |
| Years separated | Categorical variable with 5 dummy variables 1 = Not asked (never married), 0 = Other 1 = 2 years or less, 0 = Other 1 = 3–5 years, 0 = Other 1 = 6–10 years, 0 = Other 1 = 11 years or more, 0 = Other Base category: 11 years or more, 0 = Other |

| <i>Variable</i> | <i>Description</i> |
|---------------------------------|--|
| Current marital status | Categorical variable with 3 dummy variables 1 = Never Married , 0 = Other 1 = Separated/Divorced/Widowed, 0 = Other 1 = Now Married, 0 = Other Base category: Now Married |
| Child support received or paid* | Categorical variable with 3 dummy variables 1 = \$0–5 per week, 0 = Other 1 = \$6–75 per week, 0 = Other 1 = \$76 per week and above 0 = Other Base category is \$0–5 per week |

*Other combinations of child support received/paid categories were considered and tested in this analysis. The three-category combination above was considered to best reflect the aims of the study

Source: HILDA Survey 2004-05, release 4.1.

3.8.2 Results: resident Parents Apart

As indicated in Table 3.10, the fit of the OLS model is moderate, explaining around 19 per cent of the rating on the Housing Index. Within this measure, however, seven of the factors are significantly influential.

Table 3.10: OLS regression coefficients predicting Housing Index score – resident Parents Apart

| | <i>Housing index</i> | <i>(s.e.)</i> | <i>Sig.</i> |
|--|----------------------|---------------|-------------|
| Gender * | -.459 | .223 | .040 |
| Age (16–70)* | .045 | .012 | .000 |
| Age of youngest child | -.009 | .019 | .657 |
| Household gross income* | 1.10E-005 | .000 | .000 |
| Respondent's country of birth – Australia* | .493 | .239 | .040 |
| Respondent's country of birth – other English-speaking | .270 | .303 | .373 |
| Labour force status – employed FT | .339 | .195 | .082 |
| Labour force status – employed PT* | .495 | .175 | .005 |
| Education – high | .182 | .216 | .398 |
| Education – medium | -.035 | .158 | .823 |
| Years separated – 2 years or less | .144 | .312 | .645 |
| Years separated – 3–5 years* | .531 | .257 | .039 |
| Years separated – 6-10 years | -.016 | .227 | .943 |
| Years separated – never married | -.310 | .293 | .290 |
| Current marital status – never married* | -.598 | .271 | .031 |
| Current marital status – separated or divorced* | -.966 | .229 | .000 |
| Child support received \$6–75 per week | .115 | .178 | .520 |
| Child support received > \$75* per week | .483 | .178 | .007 |
| Constant | 8.897 | .555 | |
| Adjusted R2 | | | .193 |

Source: HILDA Survey 2004-05, release 4.1.

These seven factors vary in their explanatory power, with age and gross household income being the most positively predictive. The older a resident Parent Apart, the more likely they are to have a higher Housing Index score, and the Housing Index score also rises with rising household income. Interpretation of these results is relatively straightforward. Older respondents have had more time to amass housing capital and those with higher household income have a greater likelihood of residing in better-quality housing.

Less predictable is the finding that male resident Parents Apart are likely to have lower housing scores than female resident Parents Apart. This result indicates that while male resident Parents Apart are in the minority, achieving adequate housing for this group may be even harder than it is for female resident Parents Apart. Somewhat surprisingly, country of birth is also influential, with Australian resident Parents Apart having significantly higher housing ratings than those born in non-English-speaking countries. However, given the small percentage of resident Parents Apart from these regions (10 per cent), this result should be read with some caution. Labour force status is also influential, with those resident Parents Apart working part-time, but not full-time, rating significantly higher on the Housing Index than those not in the labour force or unemployed.

Those separated for 3–5 years also rate significantly higher on the Housing Index than do those separated for 11 years or longer, but not any of the other periods of separation. The reason for the significant higher rating of those separated for this period is hard to explain but may indicate that this time is when resident Parents Apart tend to move into more stable housing following the more unsettled period immediately following the marital separation. Current marital status is related to housing, with those who were never married and those currently separated or divorced scoring significantly lower on the Housing Index than those currently married. This result reflects the improvement in housing circumstances that re-partnering can bring.

Finally, and critically, in regard to child support, those who receive weekly child support of over \$75 per week have significantly higher housing ratings than those who only receive between \$0 and \$5 per week. Those receiving between \$6 and \$75 per week did not achieve significantly higher results than the base group. This result indicates that child support receipt can make a difference to housing outcomes for resident Parents Apart, but only if the amount received is significant.

3.8.3 Results: non-resident Parents Apart

The results for the non-resident Parents Apart model, while explaining around 14 per cent of Housing Index ratings, contains far fewer significant explanatory factors. The results are detailed in Table 3.11.

Table 3.11: OLS regression coefficients predicting Housing Index score, non-resident Parents Apart

| | <i>Housing index</i> | <i>(s.e.)</i> | <i>Sig.</i> |
|--|----------------------|---------------|-------------|
| Gender | -.017 | .420 | .968 |
| Age* | .056 | .019 | .003 |
| Age of youngest child | -.005 | .028 | .858 |
| Household gross income* | 1.65 E-005 | .000 | .000 |
| Respondent's country of birth – Australia | -.390 | .423 | .356 |
| Respondent's country of birth – other English-speaking | -1.023 | .515 | .048 |
| Labour force status – employed FT | .103 | .348 | .767 |
| Labour force status – employed PT | .003 | .452 | .955 |
| Education – high | -.571 | .392 | .146 |
| Education – medium | -.037 | .259 | .887 |
| Years separated – 2 years or less | .003 | .497 | .995 |
| Years separated – 3–5 years | -.328 | .400 | .412 |
| Years separated – 6–10 years | .103 | .375 | .783 |
| Years separated – never married | -.595 | .514 | .400 |
| Current marital status – never married | -.270 | .503 | .592 |
| Current marital status – separated or divorced* | -.805 | .344 | .020 |
| Child support paid \$6–75 per week | .259 | .308 | .400 |
| Child support paid > \$75 per week | .140 | .305 | .646 |
| Constant | 8.548 | .998 | |
| Adjusted R2 | | | .142 |

Source: HILDA Survey 2004-05, release 4.1.

As these results indicate, similarly to the resident Parents Apart, age and household income are predictive, with Housing Index scores rising for the non-resident Parents Apart with each of the independent variables. Current marital status is also a significant factor. Those separated or divorced have lower Housing Index scores than those currently married, with this difference likely linked to those non-resident Parents Apart who leave the family home on separation and move to smaller, often rented, accommodation. There is no significant difference, however, between those who have never been in a registered marriage and those currently married. This result is likely linked to less housing change for those not previously in a registered marriage. Reasons could include that the parents never shared housing. Also, non-resident Parents Apart born in an English-speaking country other than Australia are marginally significantly more likely to have lower Housing Index scores than those born in non-English-speaking countries.

In contrast to the resident Parents Apart, the Housing Index is not significantly influenced by any other variables. Most significantly, they are not influenced by the level of child support paid. Those paying \$5 or less per week do not have significantly lower or higher Housing Index scores than those non-resident Parents Apart paying between \$5 and \$75 or those paying more than \$75 per week.

3.8.4 *Comparing Housing Index results*

A trend that can be seen from these two analyses is that the housing effect of being a Parent Apart is different between resident Parents Apart and non-resident Parents Apart. While both groups' housing scores are influenced by age and household income and current marital status, with those older, better off and currently married scoring higher on the Housing Index, only the resident Parents' Apart Housing Index scores are affected by employment status, length of time separated and gender. Overall, the resident Parents' Apart Housing Index scores were far more sensitive to independent factors than the non-resident Parents Apart, pointing to more sensitivity and perhaps higher housing risk for resident Parents Apart.

The most significant result for this study is the explanatory power of higher rates of child support payment receipt for the resident Parents Apart in Housing Index scores compared with the lack of predictive power of payment of child support among the non-resident Parents Apart. According to this model, paying child support payments, even at higher levels, does not have a significant impact on housing scores for non-resident Parents Apart. The explanation for this difference might lie in the fact that the level of child support payment made by non-resident Parents Apart is income related: those with higher income pay higher rates of child support and vice versa. The same, however, is not necessarily true for resident Parents Apart, where child support received is dependent on the other parent's income rather than their own. Many of the resident Parents Apart who receive higher levels of child support may themselves be otherwise on a relatively low income. An alternative, or perhaps concurrent, explanation may be that those resident Parents Apart where the other parent is paying higher child support (and therefore has a higher income) may already be in possession of better housing at the end of the parents' relationship.

3.9 Quantitative analysis conclusions

The key finding from all levels of the quantitative analysis is that child support receipt is discernibly and statistically related to housing outcomes for resident Parents Apart but not for non-resident Parents Apart. In the descriptive results, resident Parents Apart receiving above the median rate of child support are statistically significantly more likely to be owner-purchases, reside in good-quality housing and rate highly on the Housing Index, than those receiving no regular child support or below the median amount. For non-resident Parents Apart, paying child support had little impact on housing outcomes. In relation to measures of housing affordability, those resident Parents Apart reporting no child support receipt are more than twice as likely as those receiving above the median level to experience difficulty making mortgage or rent payments on time. In contrast, there were no statistical associations found between paying any amount of child support and housing payment difficulties. Finally, in the multivariate analysis, for the resident Parents Apart, being in receipt of higher levels of child support payments, independent of all other variables, is statistically predictive of a higher Housing Index score. Conversely, payment of child support, at any level, does not significantly influence the Housing Index score for non-resident Parents Apart.

The conclusion to be drawn is that resident Parents Apart in receipt of child support, particularly above the median amount, live with their children in better housing circumstances than those parents receiving a lesser amount or none at all. While not paid specifically to cover housing costs, receiving child support, at higher than average amounts, adds significantly to the overall household budget, and consequently directly affects the family's housing circumstances and outcomes. For non-resident Parents Apart, the statistical analysis finds little or no impact of child

support payment on the housing circumstances of non-resident Parents Apart. This result is likely linked to the current child support formula's correlation between child support assessed and non-resident parent's income. In this study the higher-level child support payers are predominantly employed males with a higher income level than all parents with children younger than 18 years. Consequently, the housing circumstances of the non-resident Parents Apart appear to be negligibly affected by child support payments and relate almost wholly to their level of household income.

More generally, the housing outcomes documented for Parents Apart provide a vivid reminder of generally more disadvantaged housing situations of children of Parents Apart compared with children living with both parents. On every housing variable, the housing circumstances of each of the parent types (resident, non-resident and together) are statistically differentiated. The poorest housing is experienced by the resident Parents Apart, followed by the non-resident Parents Apart, with the best housing circumstances, by far, experienced by the Parents Together group. Of importance is the finding that male resident Parents Apart have lower scores on the Housing Index than do female resident Parents Apart, irrespective of other factors.

Another noteworthy finding from this analysis is the high rate of parenting apart among parents of children aged less than 18 years. Of all parents with children under the age of 18 years, 28 per cent are in the situation of being a Parent Apart. The definition of Parents Apart adopted in this chapter also expands our understanding of the relationship between parental relationship breakdown and housing. This is an important improvement on the conventional concept of 'single', 'sole', 'lone' or 'separated' parents and a definition certainly required for the purposes of developing an understanding child support policy.

In summary, receiving child support is statistically associated with better housing outcomes for the resident parents and, consequently, the housing of their dependent children. The housing circumstances of payers are not negatively affected by the payment of child support. The qualitative analysis that follows complements these quantitative results by exploring the experiences and housing circumstances of parents who either receive or pay child support.

4 THE RECEIPT AND PAYMENT OF CHILD SUPPORT AND IMPACT ON HOUSING: AN ANALYSIS OF INTERVIEW DATA

This chapter presents qualitative data on the experiences and housing outcomes of resident and non-resident Parents Apart. It first describes the study design of the qualitative component, and its strengths and limitations. The discussion then focuses on the current housing circumstances of resident Parents Apart, their negotiation and receipt of child support and the ways in which the receipt of child support affects housing outcomes. This section also includes comments on the particular issues facing resident Parents Apart who care for children with special needs. The chapter then turns to non-resident Parents Apart, presenting data on their housing circumstances and related resources and barriers, their negotiations over calculation and payment of child support, and the direct and indirect effects of the payment of child support on their housing outcomes.

4.1 Qualitative study design

4.1.1 Recruitment and data collection

The qualitative phase of the study involved conducting semi-structured, in-depth interviews with 33 resident Parents Apart and 27 non-resident Parents Apart living in Tasmania (in major centres and rural areas) and Brisbane and its surrounding areas. The resident Parents Apart either receive or had been assessed as due to receive child support payments; non-resident Parents Apart pay or had been assessed as required to pay child support. Participants were recruited through snowball sampling, posting flyers, and through contact with support groups who advertised the study to their members via email lists, mail outs and websites. Table 4.1 sets out the characteristics of the final sample.

Table 4.1: Socio-demographic, child support and housing characteristics of the qualitative Parents Apart sample, by resident status

| <i>Selected characteristics</i> | <i>Resident PA (n = 33)</i> | <i>Non-resident PA (n = 27)</i> |
|----------------------------------|---------------------------------|-------------------------------------|
| Age | | |
| < 29 years | 15 | 4 |
| 30–39 years | 39 | 33 |
| 40–49 years | 39 | 44 |
| 50+ years | 6 | 19 |
| Total % | 100 | 100 |
| Sex | | |
| Male | 9 | 96 |
| Female | 91 | 4 |
| Total % | 100 | 100 |
| Current partnering status | | |
| Registered marriage | 9 | 14 |
| Lives with partner | 12 | 4 |
| Does not live with a partner | 79 | 82 |
| Total % | 100 | 100 |

| <i>Selected characteristics</i> | <i>Resident PA (n = 33)</i> | <i>Non-resident PA (n = 27)</i> |
|--|---------------------------------|-------------------------------------|
| <i>Number of children</i> | | |
| 1 child | 34 | 18 |
| 2 children | 36 | 39 |
| 3 or more children | 30 | 43 |
| Total % | 100 | 100 |
| <i>Annual income (individual)</i> | | |
| Quartile 1: < \$48,136 (low) | 79 | 54 |
| Quartile 2: \$48,137 – \$72,636 | 12 | 21 |
| Quartile 3: \$72,637 – \$99,920 | 3 | 11 |
| Quartile 4: > \$99,921 (high) | 6 | 14 |
| Total % | 100 | 100 |
| <i>Amount of child support paid or received</i> | | |
| \$0 – \$5 week | 21 | 14 |
| \$6 – \$75 week | 46 | 39 |
| \$76 per week and above | 33 | 47 |
| Total % | 100 | 100 |
| <i>Child support transfer arrangement</i> | | |
| Not applicable | 0 | 7 |
| CSA – private collect | 46 | 50 |
| CSA – collect | 24 | 21 |
| Garnisheed | 9 | 7 |
| Exemption | 6 | 0 |
| Private arrangement | 15 | 14 |
| Total % | 100 | 100 |
| <i>Housing Tenure</i> | | |
| Owner-purchaser | 36 | 50 |
| Private renter | 55 | 32 |
| Public renter/ housing assistance | 9 | 4 |
| Other (boarding, lodging) | 0 | 14 |
| Total % | 100 | 100 |
| <i>Dwelling type</i> | | |
| Separate house | 88 | 82 |
| Flat, unit, apartment, townhouse | 9 | 18 |
| Missing | 4 | 0 |
| Total % | 100 | 100 |

While the sampling of the qualitative respondents was not designed to be representative of the broader population, it does reflect many of the social demographic and housing characteristics of the HILDA sample. The majority of the qualitative respondents are concentrated in the 30–39 and 40–49 age categories. The majority of resident Parents Apart are female, while the majority of non-resident Parents Apart are male. In relation to partnered status, a smaller proportion of the qualitative sample have re-partnered, either through cohabiting or marriage, than the

HILDA sample. Around 80 per cent of the qualitative sample live alone, compared to 56 per cent of the HILDA sample. The majority of qualitative respondents are on low incomes, with a much greater proportion of resident Parents Apart in the lowest income bracket. Compared to the HILDA sample a similar proportion of the qualitative non-resident Parents Apart are owner-purchasers, but a lower proportion of resident Parents Apart are. A greater proportion of the qualitative resident Parents Apart are in private rentals than the HILDA sample. Finally, in relation to the type of dwelling, the proportion of the qualitative resident and non-resident Parents Apart living in Separate Houses is similar to the HILDA sample.

The interview schedule was developed with reference to existing literature and after initial analysis of the HILDA data. It was piloted in Tasmania, refined and then used in interviews in Tasmania and Brisbane. The schedule was developed as a list of prompts that focused on the following issues: the circumstances in which the relevant relationships ended; care arrangements for the child/ren; housing experiences following separation and current housing situation; resources used and barriers to attaining the kind of housing that meets people's needs and desires; processes of negotiation and payment and receipt of child support monies; and the significance (emotional, financial, symbolic) of child support payment and receipt and its impact upon people's housing experiences.

Data collection took place between October 2006 and June 2007. Interviews took place in participants' homes, in rooms on university campuses and in cafes. In addition, four telephone interviews were conducted due to travel or time constraints. Interviews lasted from 10 minutes to over an hour and a half, with most running for about 40 minutes. Interviews were digitally recorded and then transcribed by a professional transcriber.

The study was conducted in conformity with the ethics processes of the University of Tasmania Social Sciences Human Research Ethics Committee, the University of Queensland Behavioural and Social Sciences Ethical Review Committee and the Monash University Human Ethics Research Committee.

4.1.2 Strengths and limitations of the qualitative study design

The qualitative component of the study has four key strengths. First, the data from interviews offers contextualised accounts of the patterns identified in the statistical component of the study. Second, interviews offer respondents a greater opportunity to discuss issues they feel are important, but have so far not been identified in existing studies or incorporated into the HILDA instrument. Third, the size and diversity of the sample has facilitated the identification of common and divergent attitudes, expectations and strategies. Fourth, the interviews and analysis were conducted with reference to survey data generated from a representative sample. Thus, the data and discussion emerging from the interviews are linked to the generalisable patterns emerging from the HILDA dataset (although the findings from the interviews, like almost all qualitative data, cannot be generalised to the broader population).

There are limitations to the qualitative data collected, and the following discussion must be read with the following issues in mind. First, the interviews collected data on people's perceptions but the study design does not allow us to comment on the accuracy of people's accounts. These are inevitably an incomplete source of information on the effects of payment and receipt of child support on housing outcomes. Memories are imperfect, as are people's understandings of the workings of the Child Support Agency, legal and administrative processes. We argue, however, that people approached the interview in good faith, and did not deliberately set out to mislead. Second, the interviews were not conducted with a random sample of Parents

Apart. Purposive sampling, in combination with the size of the group, means we have generated data on a range of experiences but do not make any claims about their distribution among the general population. Particular groups were difficult to access in one or other of the jurisdictions. Efforts were made to include male resident Parents Apart and female non-resident Parents Apart but our success was limited. Thus we are not able to comment on the ways in which gender intersects with payment/receipt of child support and housing outcomes. Additionally, the Tasmanian sample has no supported or public housing tenants. This limits our ability to discuss the implications of child support receipt and payments on the housing situation of people in this form of tenure. The process of recruitment also has implications for the data generated. The use of support and interest groups may contribute to a sample with an over-representation of people who have sought support because of emotional, financial or legal stresses associated with relationship dissolution and parenting apart; these concerns will shape their experiences and outcomes.

In reading the following data and discussion it is useful to be sensitive to the aim of qualitative research: to identify and describe the processes involved in a particular phenomenon (in this case, how people access and understand their housing situation), rather than their distribution in a population. The qualitative component of the study has used information-rich cases to develop a nuanced understanding of the phenomenon. Rice and Ezzy (1999: 43) put it this way: 'The aim is not to generalize about the *distribution* of experiences or processes, but to generalize about the *nature* and interpretive processes involved in the experiences'. In this way, a qualitative focus contributes another perspective to the generalisable, statistical component of the study.

4.2 Resident Parents Apart

The following section presents qualitative data on the housing circumstances of resident Parents Apart who receive child support. It begins with a discussion of the barriers and resources that limit and facilitate home ownership and rental accommodation, before moving to a focus on the negotiations surrounding, and receipt of, child support, and how these payments and other sources of financial and in-kind support shape housing outcomes.

4.2.1 Current housing circumstances

In this study, a minority of resident Parents Apart ($n = 12$; six parents from the Tasmanian sample and six from the Brisbane) are owner-purchasers; the majority ($n = 21$) of the resident Parents Apart in this sample are renting. Within the category of renters, three are living in non-government-supported housing and one is living in government-supported disability housing.

Experiences of owner-purchasers

The housing histories of owner-purchasers are marked by long-term and stable residency, with no forced moves. Owner-purchasers have in common a set of resources that contribute to their current status as home owners. First, they and their partners were mortgagees or owned their home outright before separation. Second, upon separation, resident Parents Apart had retained a significant share of the housing capital and equity accumulated by the couple. This occurred through either retaining the original home, one partner buying out the other, or selling the house and distributing the proceeds. Third, resident Parents Apart have access to a consistent and adequate income.

Previous research has identified the importance of home ownership pre-separation as a predictor of home ownership post-separation (Khoo 1993; McCarthy & Simpson

1991). In this study, resident Parents Apart who remained in home ownership had made significant mortgage repayments prior to the relationship breakdown and all except one participant had benefited from the increase in property prices. As a result of these payment histories and market changes, participants held significant amounts of equity in their homes. Resident Parents Apart sometimes used this equity to maintain tenure as owner-purchasers by borrowing against it to buy out the other parent, and by drawing down the equity, as a means of meeting on-going costs of home ownership.

Remaining in home ownership also requires an appropriate level of income to meet mortgage repayments, rates and housing maintenance costs in addition to living expenses. While resident Parents Apart described relatively stable housing situations, over half struggle with the costs of home ownership. Seven of the owner-purchasers reported that they found it difficult to meet the costs of home ownership in addition to living expenses. However, no-one believed they were in imminent danger of falling out of home ownership. Each person makes mortgage payments a priority so that money is allocated to this cost first, with remaining monies stretched to cover other household expenses. People more commonly struggle to meet the less often studied costs of home ownership: electricity, heating, repairs and maintenance, insurance and rates. Financial pressures also make it difficult to meet living costs, notably clothing and schooling children. However, people see these difficulties as short term, ending when they are able to work full time or when they can focus on building their career when study is finished or when children require less intensive care. They feel confident they will continue as owner-purchasers in the long term, even while facing short-term difficulties.

Home ownership can create financial difficulties for resident Parents Apart who bought out their former partner's interest in the property, after separation (this scenario was reported by Tasmanian but not Brisbane parents). Those earning low incomes or employed part-time found it difficult to finance mortgage payments and repay the money they borrowed to buy out the other parent; even those who received the home as part of the property settlement reported difficulties in meeting the mortgage. Securing a loan could pose difficulties in light of low incomes. Two Tasmanian resident Parents Apart were successful only because they had a long personal association with bank personnel, who suspended the institutional rules on trust – in these circumstances the social capital generated in small and stable populations was an additional resource in maintaining home ownership.

When resident Parents Apart find themselves in financial difficulty but are reluctant to sell the house, the property can simultaneously become a resource as well as a burden. Some resident Parents Apart draw down equity to alleviate the costs of purchasing their home. Two Brisbane resident Parents Apart drew on the equity in their homes to pay for furniture or renovations. One Hobart mother used this strategy when an ongoing illness forced her out of full-time paid employment. Another mother applied for a re-draw facility on her loan to allow her to draw on the equity in the house to cover her living expenses, a solution that was possible due to the rising value of her house:

So that is where I knew that having the house would be so important, and then realizing the value of it in terms of being an asset, because it was paid off I could say I have got this asset and I could use that as cash if it needed to be used [and later] It is exactly like a savings account, with better interest, better conditions, it is there, it is a good thing. (Tasmania RPA F, female, 1 child)

For such resident Parents Apart, drawing on the equity is necessary to remain in home ownership even as their share in the value of the house is reduced. However, people in this situation believe their debt is manageable and will be repaid when

employment circumstances change. For example, Tasmania RPA F now owes about \$55,000 but believes she will be able to pay that back as she is in the process of looking for full-time work. Once the money is repaid, she plans to contribute to her superannuation, having no significant housing costs. In such scenarios, re-drawing monies is part of a long-term financial strategy.

Despite describing financial pressures, many owner-purchasers in the resident Parents Apart group describe their accommodation as affordable. Resident Parents Apart expect to pay a much higher proportion of their income on housing than the 25–30 per cent of income promoted in dominant ratio measures (see discussion in Burke et al. 2004: 17). The owner-purchasers live in regions where housing prices have risen dramatically and in response to this context, people define affordability in terms of ‘value for money’. Some reference this to the local market:

Facilitator: So you find it difficult then, to meet the mortgage repayments?

Interviewee: I do but I wouldn't say they're [the mortgage repayments] too high. It's different from five years ago, or even four, really. I think of all those cheap houses, fifty, sixty, seventy thousand for a house, a perfectly fine house. It seems crazy now that we didn't buy ten of them, you know? Because now it's three times the price, I'm paying three times what I did for the house we had when we were married. But that's still much cheaper than a lot of places. I have seen dives, absolute derelict houses for \$150,000, there was one like that in Invermay [a traditionally industrial and working class suburb in Launceston] in the Property Guide last week. Our house, it's a good house and it will be great when I can fix it up a bit, and so it's cheap for what I'm getting. It's affordable in that I can find the money each month and in that it's a good deal compared to what some have. (Tasmania RPA E, female, 1 child).

Others predict house prices will rise in the short and long term; they define their repayments as affordable compared to the future costs of property purchase:

It is hard for me to make the mortgage some months. I knew it would be but I knew I could do it. And I knew the bank manager, and he knew I was a reliable person and I could make it work, even though on paper the money didn't look good. But I had to buy; it was now or never. I think this place doesn't cost too much when I think about how much it is going to cost next year or five years later. Nothing's going to get cheaper. I'm happy with what I pay because it's better than it would be if I left it any longer. (Tasmania RPA I, female, 4 children)

Owner-purchasers also negotiate affordability and the desire for particular accommodation. Many resident Parents Apart are committed to staying in their current home to ensure stability for their children. The following Brisbane mother has managed to keep the marital home although the mortgage repayments take the majority of her income each month. Remaining in the home requires a lot of financial sacrifice, but the trade-off is that she is able to stay in the same house and area.

We have stayed in the same house but we have had to struggle very hard to stay in the same house, because if we lost our house we could have gone out to Ipswich or anywhere. (Brisbane RPA 8, female, 1 child)

Experiences of renters

Renters are diverse in terms of post-separation housing histories and the resources available to them. Those renting are unlikely to have been owner-purchasers during their prior relationship. This group typically have a lower income than the owner-purchasers sub-sample (\$30,000 compared to \$35,000). The resident Parents Apart

who rent have been separated for different periods and so it is not possible to provide a meaningful estimation of an average number of moves, but all have moved at least twice and many describe an ongoing search to find stable, long-term and appropriate accommodation.

Renters describe difficulties in securing and sustaining a tenancy. Some mention the simple lack of affordable and appropriate accommodation:

I'm looking for something now, actually, and I just go through the lists and look at the prices. It's only if it's \$200 or under that I even bother to read the description. (Tasmania RPA M, female, 2 children)

Many resident Parents Apart, particularly those whose main form of income is a parenting payment, find it difficult to be accepted into appropriate housing. These difficulties are magnified by the highly competitive private rental markets in both Tasmania and Brisbane:

... I tried every private rental in this area. They told me, 'No. You're a single mum. Sorry you can't afford it.' Even if I could they still said no. Some places actually discriminated against me because I have so many kids. The owners didn't want children in their house, or they didn't want that many children in their house. (Brisbane RPA 14, female, 4 children)

Those who find it difficult to secure housing may move into transitional accommodation. Some seek temporary accommodation with family and friends and, in extreme circumstances, use emergency shelters. Family stays most commonly occur in the time immediately after separation for periods ranging from three to nine months. For some resident Parents Apart, living with family and friends becomes a permanent solution to their accommodation difficulties. For example, one Brisbane respondent moved into her mother's three-bedroom house with her four children immediately after separating from her husband because she was unsuccessful in obtaining accommodation in the private rental market and public housing. Two years after separation she is still living with her mother, although the household has moved into a bigger house. In Launceston, two participants have chosen to make a home with family members: in one case, a brother and a friend; in another, a participant lives with her mother. In both cases, the participants describe these households as stable and long-term homes.

Once they are accepted into a rental property, resident Parents Apart need an adequate income to sustain their tenancy. In light of their low incomes, many describe ongoing difficulties in meeting housing and living costs. In common with the owner-purchasers discussed above, renters' definitions of affordable housing are contextualised in local knowledge and personal experience. Participants know what they can reasonably expect to attain in the current market, and these expectations do not necessarily conform to standard definitions of affordable housing. For example, a Launceston mother who has often failed to pay her rent on time and is currently negotiating with utilities providers over the non-payment of her power and telephone bills says:

I think if I was paying this five years ago I'd be pretty depressed that I couldn't find a better deal. But now, it's gone crazy the last five years. Mainland investors – and it's impossible to find anything, or anything decent enough the kids for less than \$230, in my experience here. And then I feel it's harder because the other people looking at my houses don't usually have kids. It's not so much said but 'no dogs, no kids' is the preference, and the people who will take kids I think sometimes do that because no-one else is desperate to take the dumps at the prices they put on them. And so I'm pleased that I've found

this place because it's not too bad, it's money I pretty much have most of the time. Because I feel it's this or it's nothing. (Tasmania RPA G, female, 1 child)

For participants in this study, affordability is calculated not only on what is available in the local market, but what the family needs. People balance cost with other necessary or desirable characteristics. A Brisbane renter explains her trade-offs:

With the rental market the way it is all the ones [houses] we looked at where we were living were too small for us. So we thought if we moved out that little bit further and paid that little bit extra, which wasn't a problem, that we would find what we wanted. (Brisbane RPA 7, 4 children)

In conclusion, for resident Parents Apart who are owner-purchasers, home ownership is a resource that contributes to housing stability and may in the long term generate wealth. But for many, it is also associated with immediate financial difficulties. These difficulties can be exacerbated by changes in the local housing market that increase the worth of the property but may reduce its affordability for those who do not retain outright ownership through property settlements. The greatest difficulties facing renters are the costs of accommodation, particularly in a competitive rental market.

4.2.2 Calculation and receipt of child support

Arrangements concerning the amount and payment of child support are diverse, and for many resident Parents Apart the amount and frequency of payments have changed since separation. Not all resident Parents Apart went through the CSA, but the majority have used the CSA calculations (via the website and through more direct CSA involvement) as the starting point for negotiations. Among this group, there are four major ways in which child support payments are organised: garnisheeing of wages (10 per cent); CSA private collect (47 per cent), CSA collect (22 per cent); and private arrangements, including those who have agreed that no payment is to be exchanged (16 per cent). In addition, two of the Brisbane respondents have applied for and received exemptions for their former husbands paying child support so that they can receive their full Parenting and Family Tax A and B payments without penalty.

A minority of resident Parents Apart reported deviating from the CSA formula in agreement with the other parent. This informal accounting process sometimes occurs without reference to the CSA systems of reporting, assessment and payment. At other times it is overlaid on those systems, which are used as a starting point for negotiations. Many resident Parents Apart agree to either under-estimate the payer's income when reporting to the CSA or, more rarely, accept additional payments greater than those determined through CSA calculations. In these circumstances, amounts are negotiated with reference to each partner's financial circumstances, care of children and in-kind support. The following example, where there is mutual agreement about the amount and frequency of child support payments, illustrates some of the considerations that factor into the calculations:

I think it works out to be 60 per cent that they are with me and 40 per cent that they are with him. It is actually, they are more with me but we have worked it out so that he helps out with a few other things, like he helps me out to pay for [child's] education [and later] for the sake of keeping him happy, and because I don't have any family or anything down here you know, like if I was living with my parents there would be a lot of cost that I would not have to worry about like child care, and like having the freedom of just going like, 'Something has just come up, could you have the kids in half an hour?', or 'Can you pick them up from such and such?', you know like just having that and having a good

relationship with him then yeah, I am happy with it. (Tasmania RPA D, female, 2 children)

When contributions and responsibilities beyond those included within Child Support Agency calculations are incorporated into negotiations, they are not assigned a monetary value. Rather, they form the basis of contextual but ill-defined principles of equity. Respondents often describe the issues in terms of what is 'right' or 'fair' taking into account the situation, and often attitude, of both parties, and the needs of the children.

Some resident Parents Apart decide to accept a lower amount than they believe they are entitled to because they hope to maintain good relations with their ex-partner and, more importantly, to protect and foster the relationship between a non-resident Parent Apart and his or her children. In these circumstances, people may decide to accept less money at the expense of their own financial well-being and desired housing outcomes:

Interviewee: At the end of the day, he's my boys' Dad and I've got to get on with him for that point alone and I've seen instances where child support issues and money issues have just eaten people up and I don't want to be that woman that I've witnessed in other situations where it's just, that's what it's all about. I don't want to become that person. And, as I say, if I was really, really, really battling and I wasn't putting food on the table and I wasn't keeping the kids warm and putting shoes on their feet, then, yes, I might turn around and say well hang on let's get this readjusted ...

Facilitator: Yeah, you're not the first person to say that.

Interviewee: Yeah. Sometimes it's easier. Financial sometimes should be, in my opinion, secondary to your emotional well-being. If it's all sweet and he can come and pick up the kids and we can say, 'Giddy, how's your week been?'; 'Good, thanks, how's yours?'; 'Good thanks, see you later', I'm happy to continue it the way it is. (Tasmania RPA P, female, 3 children)

Resident Parents Apart may also accept lower payments in order to protect their own emotional well-being. This decision can occur because of the actions of their ex-partner. For example, at one point a Brisbane respondent was receiving the minimum in child support and had her Family Tax Benefit reduced by \$116 a month calculated on the number of nights per year her child was spending with the former spouse. However, her former spouse re-partnered and the child was spending significantly less time at the father's home. Intimidation from her former husband and his current partner led the mother to delay informing the CSA of the change of circumstances; it was thus several months before child support was adjusted accordingly:

Interviewee: All that time my ex and his partner received the \$116 a month even though he [child] was not there for contact except for half the school holidays.

Facilitator: Is that because the custodial orders were still in the legal system?

Interviewee: Partially, but also because he and his partner refused to allow me to notify Centrelink, to notify CSA and the shared care agency. I felt intimidated because it is always two people against me and I am accused of being vindictive. I find it hard to stand up to that and it was hurting our [child]. He couldn't handle hearing me be abused and seeing it. (Brisbane RPA 10, female, 1 child)

Other resident Parents Apart accept lower payments because of the stresses that arise in fulfilling the requirements of the Child Support Agency change of assessment process. People become anxious over a perceived lack of transparency and responsiveness on the part of CSA staff, uncertain outcomes and the difficulties in dealing with organisations and employers who hold necessary information:

Yeah it is a financial strain for me and my child, but I can't fight it again, it was just so much of an emotional strain to collect all that information and I have done it once and now I will just have to deal with the fact, and, yeah it is really, really stressful. (Tasmania RPA G, female, 1 child)

In these circumstances, the decision to pursue greater amounts of child support, or to regularise and formalise the payment process, occurs as a last resort, when resident Parents Apart feel they are no longer able to cope financially. This realisation often comes after protracted informal discussions and often occurs in conjunction with rising levels of emotional distress:

Well, when I say I didn't ask for it, I didn't go through the Agency to ask. I asked. Like, we're struggling here. 'Can you contribute to school fees?' 'No, I can't.' And I left it at that because I wanted things to remain as civil as possible and I knew there'd be a fight. So, I said, 'No, actually it's not worth it'. But then when it comes to the point where you can't make ends meet any other way, you think 'Well, now I have to'. (Tasmania RPA Q, female, 3 children)

Resident Parents Apart also accept irregular payments, which are eventually regularised without the involvement of the CSA or other bodies and processes. People are likely to be understanding when the non-resident parent maintains an ongoing relationship with their children and when the parents themselves have regular contact. An ongoing relationship may facilitate a clearer view of each party's financial circumstances, with late or partial payments attributed to legitimate difficulties:

Sometimes he is a bit stuck but that is okay because I know he will pay it at some stage, so occasionally he will be a bit late but that doesn't really matter because he is trustworthy enough, so I don't even monitor it really. (Tasmania RPA I, female, 1 child)

Those with a continuing and civil relationship are also more accepting of payment anomalies because non-resident parent-child contact encourages ad hoc financial contributions beyond the scope of pre-existing child support calculations. In these circumstances, resident Parents Apart acknowledge contributions that contribute materially to their children's well-being, and may accept them in lieu of some regular payments, or see them as a means of 'making up for' irregular or tardy formal payments.

She's really good. There have been times when things have unravelled – the money's been late or not all of it is paid. But I'm accepting of this because I know she doesn't have a lot of income after tax and the payments to us. Sometimes it's hard for her to cover everything. And she contributes in other ways. The girls will come home and she's bought them coats they've needed. She buys a lot of new books to read. Or she pays for doctors and dentists if she's taking them. She takes them to nice places they like and buys an ice cream, that sort of thing. And that's all money I don't have to spend and she does. I think it would be churlish not to acknowledge that. She absolutely does the best she can, I believe that. (Tasmania RPA L, male, 2 children)

People are less likely to accept unexpected variations to their agreements when contact between payer and children is a contentious issue. For example, a resident Parent Apart had been content with irregular payments (assessed at \$10 a week) because her ex-partner was unemployed and still actively involved with, and spending money on, their children. Now that the other parent has begun to avoid regular contact with his daughters, the mother's dissatisfaction is based on three concerns. First, her ex-partner is no longer contributing to the needs of his daughters; even the ad hoc contributions stopped. Second, she feels her ex-partner is misrepresenting his contributions to his children – a complaint expressed by a number of resident Parents Apart (and also non-resident Parents Apart). Third, the mother feels the payment of child support symbolises ongoing care and interest in the children; the father's failure to continue payments is interpreted as a declining commitment to his children:

To me it is a small amount but I was not really worried about having it. Now on principle I will take it, even though it is a small amount so I don't think it will be of benefit to me; I will take it. He has also been telling the girls that he has been paying it, so on principle I will take it. (Tasmania RPA E, female, 2 children)

For most participants, child support monies are important as a symbolic gesture as much as a material contribution. Resident Parents Apart see the significance of child support in terms of ongoing parental responsibility and love for children:

I've spoken to him about child support payments. I said, 'Look, they're looking for you. I'm letting you know that you need to start paying'. He's like, 'Why should I?' And I said, 'Well, whether or not we're together or not, you still have a responsibility to these children'. (Brisbane RPA 14, female, 4 children)

The interview data indicate that the calculation and receipt of child support monies are often negotiated informally, with outcomes that may be at odds with the principles of the Child Support Scheme. The practices affect the amount of money resident Parents Apart have available to meet their housing and living costs. In some circumstances, agreements can contribute to difficulties in meeting housing costs. They can also minimise the tensions and emotional difficulties associated with parenting apart, facilitating a longer-term and sustainable agreement. For many in this sample, the second outcome outweighs the first.

4.2.3 The impact of the receipt of child support on the housing outcomes of resident Parents Apart

The impact of child support on housing outcomes varies according to three interrelated factors: the resident Parent Apart's household income; the amount of child support calculated; and the reliability of payments. Regular payment of child support monies have the most direct impact on the housing and general living standards of low-income recipients, even when the amount of child support paid is low. For resident Parents Apart with higher household incomes, and those who receive child support payments on an irregular basis, the payments lessen stresses on the household budget but do not directly contribute to housing costs.

Those on low household incomes rely on the regular payment of child support monies, even when the amounts received are low. In these circumstances the value of child support payments is relative rather than absolute:

It gives me a bit more finances, I can actually afford to live there. Without child support I could not afford to live there, \$77 a week contributes heaps, it would be a choice of food or the house. (Tasmania RPA A, female, 3 children)

Interviewee: I don't worry about it from month to month like I used to but I'm well aware, I think, in the back of my mind that if he doesn't pay I've only got a couple of months financial security in the bank before I have to start panicking about how I pay my rent.

Facilitator: So, how important is that then, to you, that you receive that child support?

Interviewee: Oh, it's vital. I couldn't survive without it. And some of my friends don't get child support and I don't know how they do it because we wouldn't survive without that money. Not with all the other stuff, the special needs and all the other stuff that goes with it. We just wouldn't make it through. I think he knows that. He's been a lot better the last couple of years. (Brisbane RPA 12, female, 1 child)

However, for child support to be useful, payments need to be consistent. Irregular payment can cause financial hardship, particularly if the resident Parent Apart has come to rely on the money as a means for meeting housing costs. One Brisbane mother now receives regular payments but her former husband contributed only irregularly for several years after separation:

Interviewee: That was pretty scary but actually, as soon as we moved into that house, that was when he lost his job in [city name] and stopped paying any money and suddenly I was ...

Facilitator: Did you get that house based on ... [receiving that child support]

Interviewee: Based on, yeah, based on that [the child support] and so I had to get a part-time job that fell through after only a couple of months; and my parents helped me out just with \$100 here and there so that I could make ends meet and it was really tight. We always made sure that the rent was paid and it was other things that tended to go. And it put me behind. That whole period, probably about the first four years all together, because we're coming up to eight now from when we separated; the first four years were really just so unpredictable, all over the place. (Brisbane RPA 12, female, 1 child)

Resident Parents Apart are unwilling to budget on the basis of irregular child support contributions because they see paying the rent or mortgage as non-negotiable – real estate agents and lending institutions do not treat the non-receipt of child support payments as a valid reason for failure to meet commitments. For example, one mother has pursued non-payment through the CSA for the past five months but has received only one payment of \$72:

Because we don't received the child support, it doesn't really affect my income because I don't count on it because I don't usually get that money ... It is more of a bonus if anything, it if comes it is great, but I don't count on it, because if I counted on it I would probably be broke by now. (Brisbane RPA 3, female, 1 child)

When the payment of child support is irregular, it will be used to meet expenses other rent or mortgage repayments, where there may be slightly more leeway in when payment is made:

It is not necessarily there on the day, it might be two weeks late or early or whatever, then it is easier to put in the general coffers and use it then. (Tasmania RPA I, female, 4 children)

Child support is less likely to be described as an important component of the household budget when resident Parents Apart have an income that meets their

housing and living expenses. This is most often the case for those who are working full time. For people in this situation, child support payments constitute a relatively small proportion of the household budget. For example, a Brisbane mother who has re-partnered and is running a business with her current husband yielding a household income over \$100,000 a year says:

I am not worried about the money, I wouldn't care if he didn't pay anything. It certainly helps us out but I don't sit there saying, when am I getting paid, when am I getting paid! (Brisbane RPA 7, female, 4 children)

People who have re-partnered are also unlikely to be reliant on child support payments:

Money's always tight, I think it is for everyone. But we have enough. [New partner] earns well and he took on the kids when we got together, he had to, we're the package. So we have the house regardless of [ex-partner's] contributions or lack of. So that money is just for the extras not necessities. (Tasmania RPA E, female, 2 children)

The relative insignificance of child support payments in couple households is associated with the presence of at least one living wage. If this is absent, then child support payments may be an important source of income to the household. Thus, for example, a Hobart mother who receives a disability pension, and who has re-partnered with a man who also receives disability monies, recognises the importance of her ex-husband's regular contributions.

It's like on the sort of household income that we would otherwise have; I don't think that [continuing as an owner-purchaser] would be possible. That's why I think that eventually crunch time will come. (Tasmania RPA Q, female, 3 children)

Finally, it should be noted that the receipt of child support may lessen the burdens of housing costs and free up money for other expenses even among those resident Parents Apart who are financially secure. This is most evident among owner-purchasers who report that they do not struggle with housing costs. Four Brisbane and one Tasmanian resident Parents Apart do not describe financial difficulties arising from home ownership; the following quote highlights the role of child support in the household budgets of these parents:

He does actually pay quite a lot of money for the girls' expenses. But I could do without it. I'm in a very lucky and rare situation. I earn a lot more than most women, most mothers certainly, and I can afford to raise the girls on my own earnings. So no, I don't need that money but yes, it helps because it pays for things I couldn't get otherwise. (Tasmania RPA N, female, 2 children)

The design of the qualitative component of the study does not allow us to unpack the relative value of child support payments to these parents. Those owner-purchaser resident Parents Apart who do not struggle earn over \$45,000, all had achieved significant amounts of equity in their previous homes, and all are paying off small mortgages. Their receipt of amounts of child support (ranging from \$450 to \$3,300 per month) constitutes one of many resources that facilitate home ownership.

Use of child support in household budgets

The relationship between child support payments and housing outcomes is in part associated with the allocation of payments within household budgets. Those on low incomes, for whom child support payments, even at the minimum rate, make a significant difference, earmark the monies for housing. The contributions are

deposited in a particular account or the money is mentally 'tagged' for accommodation.

Alternatively, the payments may be incorporated into an undifferentiated 'common pot' of the household budget. In such cases, child support contributes to housing costs because it increases household finances generally, but it is not channelled specifically to the payment of rent, mortgage, utilities or rates. Early in her interview, a Launceston mother commented that child support payments were an important income stream in meeting her rent each week; she later describes its role as indirect:

[Child support is] More important [than other sources of income] because I know that on the twentieth of each month I am going to get \$600 and whatever strife I am in will go away. So if I have got bills that are overdue or anything like that, like I say that that covers rent, but actually I probably pay rent every week out of my pension but then I know at the end of the month I will be able to do everything else. (Tasmania RPA D, female, 2 children)

A Brisbane mother expresses similar sentiments:

Oh, I see it very much as related to our housing option but I pay that out of my parental payment. So the rent gets paid, you know, the money comes in from Centrelink and goes straight onto the house and the money from [ex-partner] seems to go to other things. But for me they're inseparable. Whenever [ex-partner] starts to carry on about how much he's paying and do I have to pay this for the next ten years, I think gee, all you're doing is covering my rent each month. That's it. So that's how I kind of look at it; that's all that the child support does, cover my rent and no more. (Brisbane RPA 12, female, 1 child)

Child support has a similar, indirect role for owner-purchasers. For example, Tasmania RPA P was only able to secure a mortgage on the basis of her partner's child support payments, but that money is not in fact used for repayments. Instead, she puts it towards the significant sporting expenses accrued by her three teenage sons:

Interviewee: Yes, I would say it makes a difference. It is all money and it all helps with the expenses.

Facilitator: Do you put it to the mortgage?

Interviewee: No, no, I pay that with my salary. I knew I could pay the mortgage with my salary. I see that as my responsibility. That money [child support money] goes to the boys. They love their sport, there's always a new pair of shoes or registration that's needed. That money goes to them. (Tasmania RPA P, female, 3 children)

This use of money exemplifies the common approach of those who do earmark child support payments. When the money is differentiated, it is likely to be used for child-specific costs, rather than housing expenses:

I think you have this thing that this is money coming for them, I mean that's how I view it, other people wouldn't, but this is actually not for me this is for them, but not everybody is going to do that ... It is like in the olden days when Mum would get child endowment and that you got your pair of shoes once every three months when it was your turn out of that, and that was money that was earmarked. It would be much the same thing, that was a set amount that was coming at a certain time and that was when you would get a particular treat, or that's when you ever got anything, a dress or something, it was put to that. (Tasmania RPA F, female, 1 child)

It gets used on the kids, first thing that comes out of it is my daughter's child care and then anything the kids need. Anything other than that, I have a sub account on my account, so I put money away in that for Christmas, Easter, Birthdays, things like that, so money pretty much goes on the kids. (Brisbane RPA 7, female, 4 children)

4.2.4 Additional resources used by resident Parents Apart

Child support monies are an important resource for securing and retaining housing. However, resident Parents Apart also describe other resources as important. While the majority of owner-purchasers describe difficulties in meeting their housing costs, they draw upon relatively few resources. Loans from parents are the most commonly nominated resource, although people are reluctant to ask their parents for financial support. When money is borrowed, it is used to meet utilities or rates bills rather than ongoing mortgage payments. Help with child care facilitates resident Parents' Apart return to the paid workforce. People can also benefit from help in singular ways. One Brisbane participant approached her local council and asked them to pursue her ex-husband for rate payments; a Tasmanian participant, struggling to pay for wood for the winter's heating, received a couple of loads as a gift from her employer.

Renters draw upon a broader range of services than those used by owner-purchasers. In common with owner-purchasers, those who rent may ask family and friends for financial support when their housing difficulties are severe. This help most often takes the form of loans that can be paid back without interest and at a time when the money became available. Rent payments are prioritised by people in this sample, and these expenses are met first; resident Parents Apart most often use the money to meet costs such as telephone bills and heating. For most, borrowing from family is a last resort, used when they have no other means of meeting their financial commitments. They are appreciative of the help but feel that borrowing from family and friends has the potential to create tensions in valued relationships.

Support provided by families and friends can also take the form of free and flexible child care provided by family members:

Well I have a part-time job and I start work at 4.30 on Tuesdays and Thursday mornings so Mum is here for [child's name]. She gets him ready for school and whatever, which makes it possible for me to get out and about. If I need to go out or need time out she is willing to help out whenever I want. (Tasmania RPA C, female, 1 child)

Some Brisbane respondents relied on women's refuges for the first few weeks after separation, later moving into subsidised housing through non-government not-for-profit housing organisations. Most of these services, however, have long waiting lists and usually have a time limit (i.e. one year) on how long a person can stay before having to find their own accommodation. Resident Parents Apart also approach charity organisations for help with housing and living expenses. For example, four of the Brisbane respondents are currently living in housing subsidised through not-for-profit organisations (not Queensland Housing). These organisations also help with housing-related costs such as paying bills and furnishing the home:

Facilitator: Have you had to get any other help or any other support at all in relation to your housing, paying bills, anything like that?

Interviewee: Absolutely. Absolutely. In fact, only last week or the week before I had to get help with the power bill and phone bill and some assistance with food.

Facilitator: So where are you getting that help from?

Interviewee: St Vincent de Paul or Salvation Army. (Brisbane RPA 23, female, 3 children)

Financial support also comes in the form of vouchers for clothes and food expenses, which frees money for housing-related costs. The interconnectedness of needing help with housing and other living costs is illustrated by the quote below from a Brisbane mother:

Interviewee: If it wasn't for the Salvation Army, Lifeline and churches.

Facilitator: And in what ways have they helped?

Interviewee: Food, paying electricity, helping us look for accommodation, transport, referrals to counselling ... huge, huge. Yes. I wouldn't have survived. If I ever won any money I would hugely donate right back at them. Furniture, clothes, list is endless. (Brisbane RPA 16, female, 3 children)

While the support provided by charities was necessary at the time, resident Parents Apart may feel uncomfortable in approaching them for help:

It isn't easy to approach anybody for stuff like that. You feel like you can't supply, you can't provide. (Brisbane RPA 16, female, 3 children)

Despite the financial pressures associated with moving, very few of the renting resident Parents Apart have used the services offered under Private Rental Support Schemes (for example, bond grants or loans, financial support for moving costs or utilities connection fees). None of the Brisbane respondents mention using this type of assistance and in Launceston only one person had applied for a bond grant. In this instance, support also included advocacy services, with the case worker writing a letter to support the parent's application.

Finally, a comment on the role of Commonwealth Rent Assistance: resident Parents Apart on low incomes were eligible for CRA, but most did not describe this source of income as a form of support, perhaps reflecting its ongoing and reliable nature and thus taken-for-granted role in the household budget. Similarly, Parenting Payments are marginalised in resident parents' accounts. The qualitative study design does not generate data on the significance of these additional forms of income relative to other forms of financial and in-kind support, but in light of the report of financial difficulties and negotiations over child support, we argue that Commonwealth Rental Assistance and Parenting Payments play an important role in the housing outcomes of resident Parents Apart.

4.2.5 Children with special needs

During the course of this project, it became clear that resident Parents Apart with special needs children face particular challenges in addition to the experiences shared throughout the sample. Several of the resident Parents Apart in Brisbane had children with special needs (learning difficulties, attention deficit disorder, Down syndrome and cerebral palsy). Children with special needs add another layer of difficulty to finding appropriate accommodation in two main ways: first, suitable accommodation may necessitate more expensive facilities or larger yards; and second, there are often extra health care costs that are not covered by CSA assessments or the carers' pension. These issues affect parents' ability to afford suitable housing.

In the case of attention deficit or hyperactive disorder, houses provided more appropriate accommodation than units or townhouses. Children with these needs often could not share bedrooms with their brothers or sisters and needed large outdoor spaces with activities such as trampolines or pools to keep them actively occupied.

Well, we've got the trampoline and the kid over the back has a tree house and the one two doors down from there has a pool and they just kind of migrate from one to the other. So, yeah, I guess that's really important to me. I couldn't go and live in a town house complex or a unit where we didn't have that kind of space for him. Because he's got his special needs for his space for him to get outside and just let off steam (Brisbane RPA 12, female, 1 child)

One Brisbane mother (Brisbane RPA 8, female, 1 child) reported that her child has learning difficulties and that after moving several times, she has finally found a school with appropriate support programs. In this case, location was the most important consideration when looking for housing.

In terms of health care, there are extra costs for specialists and other care-related activities. For some parents this includes having to buy organic or gluten-free foods, which tend to be more expensive. None of these resident Parents Apart reported receiving any additional child support to help cover their children's needs (at the time of the interviews, half of the resident Parents Apart caring for children with special needs were receiving no child support at all). One Brisbane mother, whose former husband has underpaid child support and has periodically suspended payments, talks about the financial difficulties of trying to access the services and support for her son, who experiences major learning and developmental challenges and physical limitations that have affected his development:

All along there has been no financial contribution to medical bills from his father, even knowing that he has been assessed and speech pathology costs \$310 and that just to get an assessment. His father has made no assessment. Just to pay the medical things he needs for school, \$2,500 for an Edulink (FM transceiver receiver) for him to hear directly what the teacher is saying, cutting out any background noise that totally affects what he hears and his brain perceives. That is one area of the difficulty. The other area is getting assistance with his social skills. There is only so much the schools can do. You need to get a lot done outside the school, to get on waiting lists. It takes years. (Brisbane RPA 10, female, 1 child)

One final issue associated with children with special needs: some carers describe sharing care with the other parent as particularly problematic because some disorders require children to experience stable environments and routines.

4.2.6 Section summary

Many resident Parents Apart – owner-purchasers and renters – report financial difficulties associated with housing. Some of those who are purchasing their homes report difficulties due to low income, which may be exacerbated by additional costs associated with property settlement after separation. For renters, challenges are associated with identifying affordable and appropriate housing in competitive rental markets. Thus, child support monies may play an important role in making housing affordable. However, the role of child support is variable. Those who describe it as most useful are on low incomes and receive regular payments – in these circumstances even small amounts can allow people to sustain housing stability. Child support has less impact when it is unreliable, in which case it is directed to costs where payment is negotiable. For those who earn at least a living wage, child support payments are described as useful but not necessary. The impact of child support is also associated with how the monies are used. While any additional money can take the pressure off a household budget, only those on very low incomes allocate the money to housing. Most resident Parents Apart spend child support money on 'child-specific' expenses. The implications of these patterns, in terms of housing outcomes

and as insights into the quantitative component of the study, are discussed in the conclusions section of this chapter.

4.3 Non-resident Parents Apart

The following section describes the experiences of non-resident Parents Apart who pay child support. It begins with a discussion of the barriers and resources that limit and facilitate home ownership and rental accommodation, before moving to a focus on the negotiations and payment of child support, and how these payments shape housing outcomes.

4.3.1 Current housing circumstances

In this study, 15 non-resident Parents Apart are owner-purchasers (ten parents from Tasmania and five from Brisbane). Eleven non-resident Parents Apart are currently renting in the private rental market and one is living in government-assisted disability housing.

Experiences of owner-purchasers

The housing histories of non-resident owner-purchasers are varied. Five have remained in home ownership from the time of separation, but most had spent time in rental accommodation or lived with relatives before re-entering home ownership. In common with resident Parents Apart, being an owner-purchaser pre-separation is a key resource facilitating home ownership after separation. However, other necessary resources for owner-purchaser status are also evident. Those whose tenure has not changed retained a substantial interest in the home they had shared with the other parent, in addition to a consistent and adequate income. Those who had exited and re-entered owner-purchaser status had often moved out of their original home before later receiving a share at the time of settlement.

Four of the five non-resident Parents Apart who remained owner-purchasers had not left the marital home when the relationship had dissolved. The decision to stay reflected their own needs and those of their children and, with one exception, the desires of the other parent. In three of the four cases in this category, the ending of the relationship coincided with the mother choosing to move and find accommodation that better suited her needs; in the fourth case, the non-resident Parent Apart had paid the rent on new accommodation for the other parent in the fear that he would otherwise not regain access to the house. These moves complemented the non-resident Parents' Apart desire to stay in the home to maintain stability for themselves and their children:

So when we got our separation we decided that I'd stay here and keep some continuity for the boys and share the boys every week and every weekend. ... I really liked it and I thought it would be good to have some continuity.
(Tasmania NRPA CC, male, 2 children)

Retaining a significant interest in the pre-separation property is a necessary resource for ongoing owner-purchaser status but it also contributes to short-term financial difficulties. To remain in the house, non-resident Parents Apart were required buy out their partner's share. All reported difficulties in paying the subsequent mortgages because they were required to extend their debt. Additionally, four of the five non-resident Parents Apart went from a dual-income household to a single-income household, and two of these experienced further reductions in their earning as a result of illness.

Non-resident Parents Apart also describe difficulties covering petrol costs and building/renovation costs. Two non-resident Parents Apart reported ongoing

difficulties, three found that their financial situation had stabilised. In all cases financial difficulties have been minimised through a combination of income increases, decreasing mortgages as the loan is paid down, and in one case re-partnering to form a two-income household with additional assets from the new partner. In common with resident Parents Apart in this study, retaining the home has created significant financial stresses over the short term, but the participants believe they will experience long-term financial benefits.

Of those non-resident Parents Apart who exited and re-entered owner-purchaser status, all but one had left the home at the time of separation. One Tasmanian respondent had remained in the home while his wife moved to their holiday house but had ultimately been unable to afford mortgage repayments on one income.

Those who left their homes initially did so, so that their children could experience some stability through remaining in place with their mothers. There were three important flow-on effects from this decision. First, the non-resident Parents Apart did not have access to a lump sum to use as a deposit to buy a new house immediately following separation:

Well, there was just no money. We were the same as most, I suppose. We had the one asset, that was the house. It's all good to say it's equity, it's an asset, but to get it and split it we had to sell the house or make some other arrangement. In the end, you can't live in an equity; a house is not much good to a person if you can't use it to get another one. (Tasmania NRPA MM, male, 2 children)

Second, all experienced periods of housing insecurity, short-term stays and making do in accommodation that did not meet the needs of their children:

Interviewee: I felt incredibly insecure. Because the house was on the market, there was no [security], the dual imperative that there's no guarantee that this housing is going to remain as it is, or even remain available. And the other was finding a house against the offset of rising house prices.

Facilitator: Was that hard?

Interviewee: It was hard. It was certainly stressful. And particularly seeing that I've had a lot of time being very secure in housing. The house that I left we owned and I haven't had a mortgage over, I think the highest mortgage that we were subjected to was something like \$40,000. And never had a mortgage for more than two and a half years, I think, was the longest time. (Tasmania NRPA BB, male, 2 children)

Whilst I was separated I used to live in a granny flat with a friend and another friend lived upstairs. He was in the process of getting engaged. The granny flat was not suitable for when I had the kids so I used to split my time between there and my parent's house. (Brisbane NRPA 4, male, 2 children)

Third, all but one respondent re-entered home ownership as a consequence of the final property settlement, which allowed them to access a lump sum for a deposit. For most, this sum came from realising their interest in the home they had shared with the other parent; for Tasmanian NRPA BB, the monies were gained through the distribution of shares:

Had I had a big mortgage on the place previously, if I hadn't built it myself, because I built it with my bare hands, then it would have been a much more difficult situation, as it is for a lot of men. I would have had a mortgage to share rather than an actual asset. (Tasmania MM, male, 2 children)

The one exception was a Brisbane non-resident Parent Apart who had received nothing in the property settlement. He re-entered owner-purchaser status after his father had passed away, leaving him a house to sell:

Interviewee: I've only been able to afford to buy in to the place because my father passed away and left his house.

Facilitator: Okay. A deposit.

Interviewee: Left a deposit, yeah. Otherwise it was just impossible because I've got a reasonably high level of income and I'm paying the maximum, basically. (Brisbane NRPA 11, male, 3 children)

The Tasmanian non-resident Parents Apart all bought houses that cost less and were less comfortable and convenient than the homes they had shared with the other parent. All describe their re-entry as a backward step, but one that was necessary and would lead to long-term benefits:

So I bought a relatively cheap block of land and built a kit home on the land and took out a mortgage and was, if you like, getting that first foot on the ladder again. But it was always considered temporary, it was like a first step. Let's get to the first step. (Tasmania NRPA DD, male, 4 children)

In contrast, only one Brisbane respondent felt that his current home was of a lower standard than the marital home.

Non-resident Parents Apart who moved out of their marital home and out of owner-purchaser status post-separation reported fewer financial pressures than did those who remained in possession of their homes. All have secure incomes. Their current position may also partially be the result of their subsequent re-partnering – the non-resident Parents Apart in this situation all noted the easing of financial stress when they re-established a two-income household. Their relative absence of financial difficulties may also relate to re-entering the market with lower mortgage commitments that are more easily met on their reduced income level.

One non-resident Parent Apart has experienced ongoing difficulties. Tasmania NRPA HH had owned his home outright but the combination of over-capitalisation, a depressed market, and the need to sell quickly to finalise a property settlement contributed to selling the house at a loss. His portion of the settlement had been reduced by legal costs and the repayment of debt accrued during multiple moves in the private rental market at a time when he was unable to work, due to injury. His current difficulties stemmed most directly from his low income, which is low because he cannot work full-time due to ongoing illness, and his age, which limited the time he had in which to repay his mortgage debt:

You can always borrow against your mortgage but it's the ability to pay any money back. So I'm really mortgaged to the maximum point I am and I guess if I want to move ahead I've got to sell the house and probably downgrade, which worries me somewhat. (Tasmania NRPA HH, male, 6 children)

The two renters who moved into home ownership in the Tasmanian sample did so by different means. Both paths were largely unrelated to the circumstances of their separation. Both had left the relationships with no assets and no significant debt. Their financial difficulties after separation were the result of low income rather than mortgage debt. The tenure status of Tasmania NRPA OO (female, 1 child) who does not currently see her child, is associated with that of her husband – she lives as an owner-purchaser in the house her husband is purchasing. She does not work in the paid labour force and does not contribute financially to its upkeep. Tasmania NRPA II

(male, 1 child) was renting when his relationship with the other parent was ending. His movement into home ownership is associated with his graduation from full-time tertiary education into full-time and well-paid employment.

Experiences of renters

A minority of non-resident Parents Apart renting were renting with their partner at the time of separation. Most, however, had moved from home ownership into rental accommodation. The history and aspirations of these groups differ.

Non-resident parents who have lived continuously in the private rental market had been unable to afford to enter home ownership when they were partnered and have less opportunity now. None generate a reliable and adequate income. Two are unconcerned by their tenure and relatively insecure housing circumstances. As Tasmania NRPA NN put it, he seeks little more than a place to:

... store my stuff and crash. I'm not worried about housing. I'm only young and there's lots of time to figure it out when I'm settling on, you know, life generally and where I'm going. But for now, it's a place and that's fine, that's enough.
(Tasmania NRPA NN, male, 1 child)

In contrast, Tasmania NRPA FF has struggled in his housing post-separation. When his partner moved out of their home and out of town on very short notice, this father was unable to afford the rent on the home, and chose to follow his family to maximise his chances of seeing his children. There were significant transport and time costs involved in travelling between the towns several times each week looking at properties. He struggled to find appropriate and affordable accommodation:

All the other places I saw were just absolute rat traps and this was paying the same amount that I was in Launceston for things that I couldn't bear to think having to raise my children in a home like that. (Tasmania NRPA FF, male, 3 children)

He has found a house he believes meets the needs of his children but it is expensive and he experiences financial difficulties as a result of the high rental costs:

All it's done is put me farther into debt. Every month I'm deeper and deeper into debt just by living here. (Tasmania NRPA FF, male, 3 children)

He sees renting as a long-term option in light of his debt, low income and absence of savings and is disappointed that he has not been able to enter home ownership, which had been the goal he had shared with the other parent, and a reason for moving to Tasmania from a large city on the mainland:

The fact that now being a single parent, no income, to eventually, hopefully, being a single parent with single income, it's just not viable. It's not feasible. I mean, it was hard enough with the numbers that my wife and I crunched together in being a couple ... Unless I hit the lottery or get this super paying job that's going to allow me to afford something like that, I don't see it happening any time soon. (Tasmania NRPA FF, male, 3 children)

The final set of housing histories in this sample is the move from ownership to private rental. Half the non-resident Parents Apart in this category had lost the majority of their assets and financial stability in the process of the relationship breakdown. The experiences of Hobart Payer GG are an indicative example of this: he reports the costs of ongoing court processes, debt accrued by his first wife and interstate moves that were associated with job instability and employment in lower-paying and insecure jobs significantly undermined his financial well-being. These financial difficulties were

compounded by a poor credit rating from years of failing to meet child support, housing and living expenses:

Because you learn very quickly, rob Peter to pay Paul and you get behind and it's like a catch-22, snowballing situation. (Tasmania NRPA GG, male, 3 children)

He predicts that his low income, age and lack of assets are a long-term barrier to re-entering home ownership, a realisation that is deeply distressing to him:

Now you tell me somebody that's 50 years old earning, well I think I've just got another job but say, even let's go above what I am earning because last year I earned \$34,000. Say \$40,000; even if I did every bit of scraping, sold everything I've got and put say \$5,000 deposit, really worked hard to get together a deposit. Which bank or financial institution would possibly give me a mortgage now? They wouldn't. It just wouldn't happen. So hence I'm out of the housing market. (Tasmania NRPA GG, male, 3 children)

In contrast, the two Brisbane respondents in this situation were in a position of re-building and both had long-term aspirations to re-enter the housing market:

Facilitator: Can you see a future where you may actually be able to get into your own home at this point?

Interviewee: Yeah. I can.

Facilitator: So you've got to work on getting a deposit together. Buying ... will you renovate? Is that what you'll do again?

Interviewee: Yeah. Because that's the only way that I can actually build up a portfolio of property is to actually renovate. It's the only way that I know that you can actually renovate, sell it and make a profit and not pay tax on it. Because everything else you pay capital gains tax on. So the family home is the only thing, and that's the thing I'm passionate about. (Brisbane NRPA 20, male, 3 children)

For others, the movement from owner-purchaser to renting is a short-term solution to the uncertainties following separation; their inclusion in this category is partly the result of timing and they are likely to re-enter owner-purchaser status in the future. All have secure incomes, are newly separated, and property settlements are only recently finalised or still in process. Renting is a choice that meets their needs as they consider their future direction:

Interviewee: Probably the only thing holding me back from buying again is the decision on what my future holds, which is at this stage I don't know, so I'm renting until this stage. (Tasmania NRPA MM, male, two children)

Facilitator: Is that why you're pushing for the financial settlement, so that you can get a lump sum of money?

Interviewee: So I can get a lump sum of money and buy a house. I do like having a roof over my head and I want to have somewhere I can tinker in the garden when I haven't got the kids or whatever, or push out and put a new verandah in or whatever (Brisbane NRPA 17, male, 3 children)

4.3.2 The calculation and payment of child support

The child support obligations of many non-resident Parents Apart were initially assessed through CSA processes or with reference to the site's formulae. In common with resident Parents Apart, the amount and frequency of child support payments had

altered since separation. The amounts paid are often subject to some contestation through either informal discussions, mediation or, more commonly, administrative processes that are described as alienating and disempowering. Payment among this group took the form of CSA Private Collect (50 per cent), CSA Collect (21 per cent), garnisheeing of wages (7 per cent), private arrangements (14 per cent); for 7 per cent of the sample the issue was not applicable.

Non-resident parents describe two approaches to the calculation of child support. The first conceptualises the calculation of child support payments as a private matter to be agreed between the parties, which entails little or no involvement of the CSA. Within this approach the money may be calculated on the basis of the needs and means of the parents:

It was never really a great deal. It was always something that we just did. We just sort of worked it out. [and later] I can't remember exactly how much it was but I was paying more than I needed to. Although I think there was a bit of time when I did struggle a little bit with cash, even though I was earning a bit of money at the time. Not a huge amount but I was earning a little bit of money at the time. So [other parent's name], [child's name] Mum, was supportive of that though, inasmuch as she didn't want to see me go broke either. But basically I paid as much as I could afford to pay ... I was paying twice what they said I had to pay, on average, although it may not have been like that every single week. There may have been some weeks I paid less ... No it wasn't though the child support agency, it was direct. I think, from memory, we just lied to the Child Support Agency to keep them off our backs, basically because they're pretty aggressive. (Tasmania NRPA II, male, 1 child)

Alternatively, people modify the child support assessment processes, conducted by the Agency or with reference to the formula they make available, using them as a guideline for the amount paid, a starting point for further negotiations. This is evident in the case of Tasmania NRPA LL (male, 2 children):

My relationship with my ex-partner is such that I can probably negotiate a direct deposit. I see the role of the agency is in determining the amount I should pay and outside of that I think that we will probably create a private arrangement but we will use the child support assessment as a guideline of what I need to be paying my partner.

Due to mortgage commitments, this non-resident Parent Apart was initially assessed as entitled to receive child support payments from the other parent. By agreement, the money was not paid. The initial assessment has since been altered and the parents are implementing their own payment agreement:

I knew that even though we both encountered financial hardship through that period that neither of us were going to try to make it even more difficult than what it was through that period of time, through looking at making a claim for child support. So while we had the assessment when we first separated and while we could calculate what is that one another owed, what I was entitled to as far as child support, but we since agreed that until such time as that amount balances out then I will not commence paying child support until that money owing to me has been returned to me time and in kind, but money won't change hands. (Tasmania NRPA LL, male, 2 children)

People adopting this approach have established a civil working relationship with the other parent and have had limited interactions with the Child Support Agency. Any dissatisfaction is negotiated between the parents (although mediators may be used) with no recourse to formal appeals processes. Those in this situation are also able to

negotiate disagreements over care arrangements without recourse to legal and formal administrative processes.

The second approach adopts a black letter law approach, following only formal assessment processes. Those in this situation are likely to have instituted or been subject to legal processes and administrative appeals associated with the assessment and payment of child support, the settlement and distribution of property and care arrangements for the children. Some non-resident Parents Apart in this situation began with agreements negotiated with the other parents but through ongoing difficulties had ended up both relying on and contesting the system.

Non-resident Parents Apart acknowledge the importance of child support as a general principle. This is true even for those who are currently not paying child support or paying less than the assessed amount. The discrepancy between the stated importance of child support as a principle and some non-resident Parents' Apart contestation or avoidance of their assessed obligations reflects dissatisfaction with assessment processes and the other parents' use of the money.

Because most non-resident Parents Apart have only one source of income, they do not earmark the monies from which child support will be paid. With one exception, it is deducted by direct debit. People describe the priority of child support in two ways. First, it is important because direct debit or CSA direct payments mean there is no choice in prioritising it:

I've never prioritised the child support, only due to the fact it automatically comes out anyway, so its not payment that I can even chose to fall behind on.
(Tasmania NRPA Payer EE, male, 3 children)

Second, it is seen as an important responsibility, more significant than housing or other living costs:

Well it is 100 per cent priority, I mean like it is, I don't really know what drives this value but if I make an informed choice to live away from my children then I have the responsibility to pay child support if that it what the system says I need to do. (Tasmania NRPA LL, male, 2 children)

The difficulties lie not in the general principle but in its application. The non-resident Parents Apart in the study describe the purpose of child support in two different ways: as a contribution to the payees' household monies, which may in turn contribute directly or indirectly to their child's well-being; and more commonly, as money to be earmarked for child-specific expenses.

The first approach conceptualises the payment of child support and the other parent's additional monies in a holistic way. Non-resident Parents Apart adopting this perspective describe their ex-partner's household monies as a general pool into which their payments are deposited and out of which total household costs are met. They don't expect their payments to be earmarked for specific, child-centred expenses. Rather, they assume that any money available to the child's carer will ultimately benefit the child. Within this approach, non-resident Parents Apart believe their contributions may contribute to housing their child/ren (and in so doing, the other parent) as one of a suite of costs. Those who adopt this approach are content with the amount of child support they pay:

I never, it's not like I think that, I've never had any doubt about [ex-partner's] ability as a mother or as a parent or as a responsible human being. So, it's not like I could see her going and spending it on the pokies or green ginger wine or something ... She's always do the very best thing for them so I've never had a problem with that. ... I see it as being part of the general household. It's not

a case of, whilst, the idea that it's spent only on children I see as not really serving anything or anybody. That seems a rather sort of limited view I think. Because it's not just a case of buying the food or buying the clothing. There are so many other expenses and that sort of thing has to come from somewhere. (Tasmania NRPA BB, male, 2 children)

The second, more common, understanding of child support conceptualises it as earmarked monies. Non-resident Parents Apart adopting this approach expect their contributions to be used to meet the expenses arising from their children's needs:

I don't know what the numbers will be but I think the basic difficulty is that she thinks that the \$1,350 should pay a portion of housing, fuel, vehicle expenses and everything else. My argument is well, they're things you would have whether there were children or not and they're all the expenses that I pay. The money should be exclusive for piano lessons, clothing, sports, subscriptions, all things that children get other than food, shelter, fuel and vehicle, which I have all those expenses as well. We both have those expenses, so if I pay her \$1,300 on top of that then that should be exclusively for the kids. Personally, I can't spend \$1,350 on two children in a month, for those things. I can't do that. So my argument is well, you're looking at it wrongly or not correctly. (Launceston NRPA CC, male, 2 children)

People in these circumstances define the following as legitimate expenses: schooling, clothing, sporting and social activities, and travel as a means of developing their children's cultural awareness. Those who expect payments to be earmarked do not believe that housing is a legitimate expense for their child support to be used for. The majority of non-resident Parents Apart holding this view shared anecdotes relating to how they believed their money was being spent inappropriately. It is not possible to comment on the veracity of these accounts. However, they are a useful insight into what those who pay child support believe are legitimate costs. At the level of lived experience, the perceptions of non-resident Parents Apart are important because they influence people's willingness to contribute child support – in short, if those who pay child support believe the money is being used inappropriately, they may be reluctant to continue to pay, irrespective of the accuracy of their beliefs.

In circumstances where their former spouse was purchasing a home, non-resident Parents Apart mentioned their dissatisfaction with their contributions being spent on housing when this ultimately contributes to capital gain by the other parent rather than the child:

The thing that is amazing is that if it was rent you can work it out but if it's mortgage repayments then the payee is going to be, is the beneficiary of the asset. Now, in that case, I think something needs to be worked out there ... at the end of 25 years she will have a multi hundred thousand dollar asset. So I shouldn't be contributing to her mortgage payments. (Tasmania NRPA, PP, male, 2 children)

Others were concerned by the amounts of money received by their partners from different sources, particularly if the other parent had received an unencumbered property on the dissolution of the relationship:

And one other thing I should mention is that my ex-wife was continuing to live in the mud brick house that I'd built. Which had no money owing on it so her whole accommodation costs were at no cost. We hadn't done a property settlement so I was having to pay for everything as well as the child support whilst she was actually getting her own income, she was getting the child

support, she was even getting Austudy, and living free in the house.
(Tasmania NRPA DD, male, 4 children)

Finally, there is dissatisfaction with assessment processes. From the perspective of many non-resident Parents Apart the child care assessment system is biased towards mothers, and does not adequately take account for the costs accrued by those paying child support in housing caring for their children when they had them. These costs included food, transfer and travel expenses but most commonly, housing expenses:

You know, they're forgetting the fact that I've got my children every second weekend and half the school holidays and just by taking that money automatically out of my pay has often left me in the position where I can't actually buy food in some cases on the weekends I've got the kids and I've had to just buy the minimum to feed my kids. (Brisbane NRPA 20, male, 3 children)

4.3.3 The impact of the payment of child support on the housing outcomes of non-resident Parents Apart

The payment of child support has varying effects on housing outcomes. The effects vary according to the non-resident Parents' Apart household income, the amount of child support paid and the existing housing difficulties experienced by non-resident Parents Apart. Those who have been assessed to pay minimum amounts of child support state that it does not have an impact on their housing outcomes, even if they themselves are on low incomes and experiencing housing and financial pressures. They describe themselves as financially stressed irrespective of the amount of child support paid to the other parent:

No. not really because it is such a small amount, I don't miss the total payment, I think they take it out monthly and I don't actually miss the total payment (Launceston Payer OO, female, 1 child)

No I don't say as far as housing it has a big impact for me only due to the fact I set the amount in which I felt comfortable in spending on rent whether I could afford it or not, that was the amount I set for it. So the amount I'm spending in child support versus if that were going towards rent, I don't think it makes a big difference now. (Tasmania NRPA EE, male, 3 children)

People in this situation do not report direct effects, because their incomes are insufficient to meet their living and housing costs, irrespective of the payment of child support. These non-resident Parents Apart struggle financially; child support obligations are simply one more outlay they cannot afford to meet.

Most non-resident Parents Apart however, do note the impact of child support on their housing situation. Some are already struggling as a result of unemployment or irregular employment. In these circumstances, even small outlays will have an impact on their week-by-week budgets. Financially, these people are in a similar position to those above; the differences may lie more in their perceptions of the significance of child support than in its actual impact:

Some non-resident Parents Apart report Child Support assessments that significantly limit the mounts available for housing and living costs. For example, one Brisbane father had his Child Support reassessed on the potential investment income of the lump sum payment he got as part of his divorce settlement:

So they worked out an investment income on the property settlement and then charged me child support as if I had an investment income as well as my wages. So it was a phenomenal amount for someone who was working as a

clerk in the Government and I went with it for as long as I could. (Brisbane Interview 19, Male: 3 children)

This assessment was eventually overturned, but while it was in place it dramatically reduced his amount of income available for housing and living expenses:

It meant the type of housing accommodation I looked at always had to be at the bottom end of the market, so it impacted on my ... child support in itself impacted on my lifestyle from keeping me in the bottom end of the market to forcing me to a point where I had to borrow money to go to lawyers to stop Child Support working outside the formula. (Brisbane NRPA 19, male, 3 children)

Child support payments may affect some non-resident Parents' Apart ability to enter or re-enter home ownership. The majority of non-resident Parents Apart who are renting aspire to re-enter home ownership. However, even for respondents on high incomes there can be little money left to save for a deposit after paying rent, child support and bills:

I'm happy to pay some. I still think it's a little bit high. I mean business is good at the moment. I'm in sales. My base income is about \$50 K. I might earn \$100 K this year. If I only earn 60 it's going to, for me to be able to buy another house is looking extremely difficult, at my age, and income levels. (Brisbane NRPA 17, male, 2 children)

The following Brisbane father earns \$110,000 a year, and pays approximately \$2,500 a month in child support; he is now lodging with a relative to save the money for a deposit:

Yes. I virtually had no money left. I had very little money; I had about \$48 a week, right, after I worked out all my bills and I had to drop contents insurance because that was going to cost me \$700 a year. So I dropped that. That was the only thing I could really drop. I couldn't drop anything else. (Brisbane NRPA 19, male, 2 children)

Non-resident Parents Apart also describe the payment of child support as a barrier to getting a housing loan:

To get finance to buy a home but the major problem is the amount of maintenance I'm paying and how much ... and I've been advised by a mortgage broker that without a letter or a maintenance agreement with [ex-partner's name], my ex-partner, of the amount I'm paying it would be very hard for a financial institution to lend me the money without substantially being hit with high mortgage insurance. (Brisbane NRPA 20, male, 3 children)

Yeah. Because I've been through financial advisors and stuff like that and they said based upon my child support that I pay now and my current salary they'd say banks will only lend you around about \$200,000. And I can probably go to, I suppose, the other lending organisations and they'd lend me up to about 280 but that's stretching it as far as I'm concerned. That's stretching what I have left and what I can repay. (Brisbane NRPA 19, male, 2 children)

Those who struggle to save for a deposit may change their housing aspirations to better reflect the reality of their situation:

I thought I would like to buy another house. I couldn't see how it was going to happen, though. So I didn't aim for that. I just aimed for something that, for a long time now, my children can come and go and I can at least feel that they're

not ... how can I put this, distressed by the circumstances in which I'm living.
(Brisbane NRPA 18, male, 3 children)

Many non-resident Parents Apart do not describe a direct, dollar-for-dollar relationship between child support payments and housing outcomes; rather, they see child support as one of a series of financial stresses. These difficulties are all associated with the breakdown of their relationship with the other parent and include an increase in the amount owed on the house as a result of borrowing against the equity in order to meet property settlement obligations, mortgage repayments on a reduced household income and, notably, court costs:

The whole picture has an enormous impact. The debt level that I've been left in ... the debt level that I've been left in and also the maintenance money is a punch in the face every month. But I accept that and as long as I know that I'm doing my duty and that's pretty much what it is. (Tasmania NRPA FF, male, 1 child)

Non-resident Parents Apart also describe child support payments as an additional stress when they are moving into new accommodation, with associated one-off costs such as bond, advance rent and household goods:

Yeah it's difficult. You've got to provide bonds for renting houses and you've left all those resources behind and you're having a large part of your salary taken; your disposable salary is, I'm just trying to think. I know I was existing on about \$300 a fortnight at one stage. I worked out my ex-wife had about four times that amount and was living in the family home. (Tasmania NRPA DD, male, 4 children)

Child support payments also affect housing outcomes indirectly. First, child support payments are in part calculated with reference to the care arrangements: the more time a child spends with the non-resident Parent Apart, the less money they contribute to the expenses incurred under the care of the resident Parent Apart. Second, as a result of significant care responsibilities, non-resident Parents Apart face steeper housing costs as they attempt to secure accommodation that is suitable for their children. An increase in care responsibilities may lower the amount of child support paid but it also increases rent or mortgage payments, as the non-resident Parent Apart seeks better quality housing and spends more on food, heating costs, and transport.

The indirect effects of child support are also evident in the context of legal proceedings. Non-resident Parents Apart often conceptualise their child support liabilities in terms of the contact (and not simply the costs of contact and care) with their children. When their payments were required, irrespective of the other parent's actions in denying them time with their children, they felt they were forced to seek legal solutions. Some pursued legal avenues in order to increase their contact with their children, irrespective of their assessed child support liabilities:

They're my children. So that theme led us into the little [scenario of] I write to her lawyer through my lawyer and then she gets a lawyer and she writes back and we start spending the money and they take over the process of keeping the flames going. And I honestly believe I could be at least \$60,000 richer had I not engaged a lawyer. (Brisbane NRPA 18, male, 3 children)

In some instances, non-resident Parents Apart were required to defend themselves against allegations of child abuse, allegations they believed were part of a campaign to prevent them from retaining a relationship with their children. Others engaged in ongoing legal and administrative appeals against Child Support assessments because

the formula or decisions did not adequately reflect their care responsibilities and/or financial circumstances. In all cases these proceedings were protracted and non-resident Parents Apart accrued significant legal costs. In most cases, those with past and current legal proceedings report severe financial difficulties that have had an impact on their ability to meet rent or mortgage payments and other housing costs. For those who are renting, legal costs affect their ability to save for a deposit and re-enter the housing market.

4.3.4 Additional resources used by non-resident Parents Apart

Non-resident Parents Apart draw primarily upon family and friends when they require financial or in-kind support. Financial support was the most important resource for non-resident Parents Apart who retained the family home, which was associated with financial difficulties. People in this situation had borrowed short-term, interest-free sums from their parents to allow them to meet housing and living expenses in the period following separation. Those who exited and then re-entered owner-purchaser status often relied on family and friends for short-term accommodation and some had used friends' homes to store belongings until they found more permanent accommodation.

Very few non-resident Parents Apart drew upon the services offered by charity organisations. One Tasmanian non-resident Parent Apart drew upon the financial and advocacy services of an organisation while suffering severe financial, emotional and housing stress. Non-resident Parents Apart more commonly described a lack of support for parents suffering emotional, financial and housing difficulties following relationship breakdowns:

Interviewee: But there seems to be no mechanism in place for men to do this other than through informal networks. I was lucky; I had an informal network in place but there seems to be, there seems to be no formalised mechanism to do this.

Facilitator: To find accommodation or ... ?

Interviewee: To find accommodation, to find out about rights and so forth. But there seems to be no formalised version of what happens there. And I'm not trying to say oh, there's obviously places ... or there are mechanisms in place for women but not for men. But maybe, to agree, if there are mechanisms in place for men, they're not very well advertised. I don't know if they exist. That's how well they're advertised. (Tasmania NRPA BB, male, 2 children)

4.3.5 Section summary

Many non-resident Parents Apart – owner-purchasers and renters – report financial difficulties associated with housing. Those who remained as owner-purchasers experienced difficulties meeting often increased mortgage payments on a reduced household income. Renters on low incomes found it difficult to cover their rent payments and save for a deposit; non-resident Parents Apart who had previously been owner-purchasers reported this as particularly distressing.

Many non-resident Parents Apart describe the payment of child support as an additional financial stress on their housing situation. A very few report no impact but most describe a significant drop in the money available to pay housing and other living expenses, after separation. The impact of the payment of child support is one of a series of financial difficulties that have arisen as a result of separation. For some non-resident Parents Apart in this sample, their obligations have affected their ability to remain or re-establish themselves as owner-purchasers following their separation from the other parent. For others the effect is indirect, with lower child support

payments reflecting increased direct costs associated with the care of children. Additionally, for some non-resident Parents Apart, dissatisfaction over child support payments and associated care arrangements leads to legal costs, which affect their ability to remain or become owner-purchasers.

4.4 Qualitative analysis conclusions

The qualitative component of this project indicates that receiving child support contributes to housing outcomes. Payments are of most use to resident Parents Apart on low incomes, who report that even small amounts make a difference. However, child support payments also need to be reliable for them to be a useful resource. Those on higher incomes are more likely to describe child support monies as useful but not necessary for financial security. While child support payments increase the household budget, the monies are rarely directed to housing costs. Most resident Parents Apart earmark payments for child-specific costs. Using the money in this way reflects the expectations of non-resident Parents Apart.

The payment of child support has an impact on the housing of non-resident Parents Apart. For those on low incomes, paying child support affects their ability to meet rent and mortgage payments. Child support obligations may hinder re/entry into owner-purchaser status, even for those on high incomes. Payments can also affect a non-resident Parent Apart's ability to set up a home after separation. For some non-resident Parents Apart, child support obligations have an indirect effect on housing. The payments reflect care arrangements, which have implications for accommodation standards, and can become the basis for legal challenges, the costs of which further affect the money available for housing.

The impact of the payment and receipt of child support needs to be contextualised within additional resources and barriers that shape housing outcomes. Both resident and non-resident Parents Apart owner-purchasers benefit from pre-separation home ownership, retaining a significant share of pre-separation property and an adequate and reliable income generated through paid work. However, while home ownership is associated with a range of positive housing and financial outcomes, the data from this study suggest that it can also contribute to pressures, at least in the short term. Many owner-purchasers describe difficulties in meeting their housing and other living costs. Most, however, believe they will be able to remain in this tenure.

Resident and non-resident owner-purchasers benefit from the same set of resources but there are also key differences between the groups. Resident Parents Apart in this tenure have typically enjoyed stable accommodation and tenure, after separation. In contrast, a majority of non-resident Parents Apart owner-purchasers exited and re-entered owner-purchaser status and many experienced insecure housing after separation. However, for the non-resident Parents Apart in this study, a change in tenure can encourage them to find housing that fits their financial circumstances. In contrast, non-resident Parents Apart who remained in their pre-separation home as owner-purchasers describe greater degrees of financial difficulty, particularly in the period immediately following separation.

Resident and non-resident Parents Apart who are renting are more likely to report moving after separation and many describe difficulties in finding appropriate and affordable accommodation and meeting their housing costs. There are, however, differences between resident and non-resident Parents Apart who are renters. Almost all the resident Parents Apart in this group rented at the time of separation. In contrast, most non-resident Parents Apart were owner-purchasers before renting following separation. Half of this group experienced a significant reduction in assets and financial security after separation but half chose to rent as a short-term response

to uncertainties following separation and expect to re-establish themselves as owner-purchasers.

Finally, the qualitative data indicate the sometimes informal and contested nature of child support. Many resident and non-resident Parents Apart report informal agreements over the receipt and payment of child support. Further, payments may be inconsistent or less than the amounts assessed under the Child Support Agency formula. Resident Parents Apart often accept this situation in order to protect their relationship with the other parent and the relationship between the other parent and their child/ren. However, the lesser amounts of money and the unreliability of payments can contribute to difficulties in meeting housing costs.

The qualitative data presented in this chapter broadly support the outcomes of the analysis of HILDA Wave 4 data, discussed in Chapter 3. In particular, the data suggest that many Parents Apart face housing difficulties, and that the receipt of child support can lessen the stresses experienced by resident Parents Apart. However, there are also differences in the findings, notably relating to the extent to which the payment of child support shapes housing circumstances. We address these similarities and differences and their implications for policy approaches in the next chapter.

5 CONCLUSIONS AND POLICY IMPLICATIONS

Child support is a monetary amount paid by the non-resident Parent Apart to the resident Parent Apart to assist in the costs of raising the child/ren. As such it is not directed specifically at housing costs, although a good and secure housing environment is recognised as fundamentally important to the development and well-being of children. Housing that is of adequate quality, appropriate to the family's needs and secure in tenure is directly related to positive non-shelter outcomes of children and their families (Phibbs & Young 2002, 2005). This is especially so for those children who have experienced a separation and/or who live apart from one of their parents.

The relationship between housing and child support has until now been a neglected aspect of understanding the housing outcomes of families who parent apart. This absence is primarily due to the lack of direct focus on housing within the child support arena. In making a child support payment, the non-resident Parent Apart does not usually direct monies specifically towards housing costs. Similarly, in receiving a child support payment, the Resident Parent Apart is under no obligation to allocate monies to housing. Child Support Agency documentation also does not directly address housing outcomes. The intention of the Child Support legislation, however, in ensuring the rights of children to support from both their parents (Cass 1991) must, we argue, include access to secure, appropriate and adequate housing as a key aspect of that support. And the link between housing and non-shelter outcomes for children and their families, both resident and non-resident, emphasises the importance of this connection.

The primary aim of the project was to assess the contribution of child support, government income support and housing assistance to the housing outcomes of separated families. Child support was conceptualised as one of potentially multiple sources of support that may contribute to multiple dimensions of housing outcomes. The project has been guided by the research question:

How does the payment and receipt of child support, along with the receipt of government income and housing assistance, affect the housing outcomes of Parents Apart (both resident and non-resident parents)?

To answer this question, the quantitative analysis investigated a representative sample of parents of children aged less than 18 years, made up of those parenting apart and those parenting together. This analysis looked at whether Parents Apart had statistically significant poorer housing outcomes than the Parents Together. The other major purpose of the analysis was to ascertain whether the receipt of child support is statistically associated with improved housing outcomes among resident Parents Apart and whether paying child support in any way is statistically associated with negative outcomes among those who make payments for their non-resident children.

To complement and enrich the quantitative analysis, the qualitative data collection and analysis explored (a) whether resident Parents Apart perceive any relationship between child support and their own housing circumstances, how they negotiate the calculation and receipt of child support, and whether they actually use the money for housing, and (b) the feelings and attitudes expressed by non-resident Parents Apart towards the payment of child support and how this affects their own housing situations.

5.1 Summary of findings

On the question of the receipt of child support, the quantitative analysis of the HILDA Wave 4 data set shows that child support receipt is discernibly and statistically related to housing outcomes for resident Parents Apart. Resident Parents Apart who receive above the median rate of child support are statistically significantly more likely to be owner-purchasers, reside in good-quality housing and rate highly on the Housing Index, than those receiving no regular child support or below the median amount. The receipt of child support also affects housing affordability: resident Parents Apart who report receiving no child support are more than twice as likely as those receiving above the median level to experience difficulty making mortgage or rent payments on time. In the multivariate analysis, for the resident Parents Apart, being in receipt of higher levels of child support payments, independent of all other variables, is statistically predictive of a higher Housing Index score.

The qualitative component of this study emphasises the importance of reliable child support payments in household budgets. The consistency of housing costs, and their largely non-negotiable status, demands a consistent source of income. If child support payments are unpredictable, they may contribute to greater difficulties as resident Parents Apart struggle to make up the shortfall. The reliability and use of child support can be undermined by the informal variation of amounts and payments, which may facilitate a sustainable relationship between the parents and the non-resident parent and their children at the expense of housing affordability. The impact of child support monies can also be undermined by resident and non-resident Parents' Apart perceptions of appropriate uses of the money. We do not argue that resident Parents Apart direct the monies to child-specific costs when they are unable to meet housing expenses, but their comments indicate that resident Parents Apart attempt to meet their children's housing needs out of their own incomes rather than child support monies.

In contrast to the statistical analysis, the qualitative analysis suggests that the regular receipt of child support at even low levels is important for resident Parents Apart and their children when the household income is very low. In these instances, child support monies are a relatively large component of the household budget. The value of larger payments lies more obviously in their amount. We suggest that the differences between the qualitative and quantitative findings reflect different dimensions of housing outcomes. The qualitative data reflect people's experiences rather than externally developed and imposed measures. Receipt of above the median rates of child support may increase the likelihood of being an owner-purchaser and living in good-quality housing, but receipt of small amounts makes it easier for resident Parents Apart to meet the costs associated with living in the tenure and standard of accommodation available to them on low incomes.

The quantitative and qualitative components of the project also take different and complementary approaches to question of housing affordability. The statistical analysis shows that those who do not regularly receive above median rates of child support are more likely to report difficulties in meeting their mortgage and rent payments. The interview data show that resident Parents Apart prioritise the payment of rent or mortgage obligations and will meet these obligations before other housing and living costs. Those who cannot meet their direct housing costs on time are also likely to be struggling to meet heating, telephone and utilities bills. Those who do meet their mortgage and rent payments may nonetheless struggle to do so, and struggle with additional expenses, even with the receipt of substantial amounts of child support.

Taken together, the qualitative and quantitative analyses indicate that while not paid specifically to cover housing costs, the regular receipt of child support adds to the overall household budget, and consequently has an impact on the family's housing circumstances and outcomes.

On the question of the payment of child support, there were no statistical associations found between paying any amount of child support and housing outcomes. Nor was there a statistical relationship between paying child support and housing payment difficulties. In the multivariate analysis, the payment of child support, at any level, does not significantly influence the Housing Index score for non-resident Parents Apart. This result is likely linked to the current Child Support formula's correlation between Child Support assessed and non-resident parent's income. In this study the higher level child support payers were predominantly employed males with a higher income level than all parents with children less than 18 years. Consequently, the housing circumstances of the non-resident Parents Apart appear to be negligibly affected by child support payments and relate almost wholly to their level of household income.

The qualitative data highlight further dimensions to this outcome. Many non-resident Parents Apart – owner-purchasers and renters – report housing difficulties and felt that their difficulties were exacerbated by child support obligations. Those who remained as owner-purchasers following separation experienced difficulties meeting often increased mortgage payments on a reduced household income. Renters on low incomes found it difficult to cover their rent payments and save for a deposit; even those on high incomes described child support obligations as affecting their ability to save for a deposit and be accepted for a housing loan. In common with resident Parents Apart, non-resident Parents Apart prioritise the payment of their rent and mortgage costs so that meeting them may create other financial difficulties unexplored in the HILDA instrument. In sum, for many non-resident Parents Apart, the payment of child support may not have a direct and measurable impact on their standard of accommodation, tenure and housing affordability, but the obligations are an additional financial stress on their housing situation.

Both the qualitative and quantitative components of this project document outcomes that remind us of the generally more disadvantaged housing situations of children of Parents Apart compared with children living with both parents. Analysis of the HILDA Wave 4 data shows on every measure the housing circumstances of each of the parent types (resident, non-resident and together) are statistically differentiated. The poorest housing is experienced by the resident Parents Apart, followed by the non-resident Parents Apart, with the best housing circumstances, by far, experienced by the Parents Together group. The interview data reflect these findings. Resident and non-resident Parents Apart, particularly those who are renting, describe difficulties in finding accommodation that is appropriate and affordable for themselves and their children, while also meeting additional living costs such as heating, telephone, transport and utilities.

5.1.1 Relative significance of child support

While having an impact, child support monies are most usefully conceptualised as one component of a set of resources and barriers that shape housing outcomes. Previous home ownership, financial settlement, income sources and levels and the availability of appropriate and affordable accommodation also shape parents' ability to find and keep housing that meets their needs and the needs of their children.

In keeping with previous studies, the findings of this research highlight the importance of prior status as owner-purchaser. Pre-separation assets form the basis of a new

household's entry into the housing market (see Khoo 1993 and McCarthy & Simpson 1991 for earlier discussions on this point). Parents Apart who receive a significant sum on settlement are able to use this as the basis for continuing as owner-purchasers or as a deposit to re-enter that status. However, if a parent is required to make a lump sum payment to their ex-partner, this in combination with the existing amounts owed and a lower household income can create financial difficulties and may contribute to the need to move from the home or enter rental accommodation (see also McCarthy & Simpson 1991).

Household income is also important. Parents Apart are consistently found to be far more likely to live in poverty than other family types (ABS 2001a; ACOSS 2005; Harding & Szukalska 2000). A recent ABS (2001b) study found that nearly three-quarters of sole-parent families experienced high or moderate levels of financial stress, compared to just over a third of couple families. Existing data show that resident Parents Apart, whether separated, divorced or never married, spend a greater proportion of their incomes on housing costs than do couple families (ABS 2000). Those on low incomes will struggle to enter or retain home ownership or find affordable and appropriate rental accommodation. The financial settlement may mitigate some of the difficulties but many Parents Apart who are owner-purchasers on low incomes will struggle to meet the suite of housing and living expenses beyond mortgage repayments (see also Flatau et al. 2004). Parents who do not receive significant amounts in the financial settlement will find it easier to meet their housing costs when they generate a good income.

Parenting Payments and unemployment benefits remain important sources of income for those who are engaged in raising their children or are unemployed. Around 80 per cent of Australian sole parents receive some measure of income support (The Treasury 2004). A recent study tracking recipients of the Parenting Payment (Single) over five years shows that while many did not stay on payment for the entire period, there was a tendency to move between Parenting Payment (Single) and other forms of support rather than stay off payment completely (Gregory & Klug 2002). The amounts of these payments are low relative to average wages but the payments are regular and not subject to informal negotiations, emotional pressures or caveats on appropriate spending. Commonwealth Rent Assistance is another form of income that is reliable and not tied to specific, 'legitimate' expenses; Parents Apart are major recipients of this support (Burke & Hulse 2002). Few resident and non-resident Parents Apart directly mentioned these forms of support in the interviews, but their taken-for-granted nature does not negate their primary importance for those on low household incomes.

The housing market plays a role in the housing outcomes of resident and non-resident Parents Apart. The payment and receipt of child support affects the money available to households and so may render particular houses less or more affordable. However, the parents in this study describe the difficulty of competing in an expensive and competitive rental market, and one in which resident Parents Apart may be seen as less desirable tenants (see Econsult 1991 for an earlier discussion on this point). Owner-purchasers and renters define affordability within the context of their local market, and many describe housing as affordable even when the costs rise above the 25–30 per cent benchmark indicated by ratio measures (see discussion in Burke et al. 2004).

The experiences of renters in this study reflect the findings of previous research which suggests that private rental markets are tight in part because more low-income households are seeking longer-term accommodation in the private rental market as the number of public housing vacancies and low rent properties decreases, even as

the overall level of rental housing increased between 1986 and 1996 (Yates, Wulff & Reynolds 2004). Additionally, low-income households are competing in an environment of increased demand for private rental accommodation by middle-income households (Yates & Wulff 2000).

The availability of public housing is another component of the housing market. Previous studies have indicated that many clients are satisfied with their public housing accommodation (AIWH 2006). However, with long waiting lists, a mismatch between housing stock and client needs, and a decline in funding, public housing cannot be viewed as a widespread and effective alternative to home ownership and private rental, regardless of its promise (Hulse & Burke 2005, Productivity Commission 2004).

To conclude, the impact of the receipt and payment of child support on housing outcomes is different for resident and non-resident Parents Apart. The impact is most obviously and directly evident in the case of resident Parents Apart. In the case of non-resident Parents Apart, the qualitative data suggest effects that are not evident through the statistical analysis but are meaningful issues at the level of lived experience. However, child support is most effectively conceptualised as one of a set of financial and market factors.

5.2 Key results and recommendations

Housing is a key issue in both parents' and children's well-being and this is especially the case for those children and their families who experience family breakdown. In light of the complex and intersecting policy areas associated with the issues raised in this study, the following section details key results and suggests issues for further consideration.

5.2.1 Key result 1

For child support to have the most positive impact on the housing outcomes of the child and their resident Parent Apart, that child support payment has to be:

- a non-trivial amount; and
- received regularly .

Recommendation 1

To improve the level and regularity of child support payments to resident Parents Apart it is recommended that consideration be given to the following:

1. Monitoring the new Child Support Scheme to identify its impact on monies paid and received, and the regularity of these transfers, with a view to conducting future studies on the links between child support monies and their contributions to housing costs.
2. Allowing child support payments to be included as an item that can be salary sacrificed (specific to non-resident Parents Apart). The potential benefits of this recommendation include the following:
 - Salary sacrificing child support payments would assist the non-resident Parent Apart without penalising the resident Parent Apart.
 - Salary sacrificing processes would operate to automate both the amount and the regularity of payments – leading to perhaps more consistent and reliable child support for the resident Parent Apart.
3. Investigating ways in which private collection arrangements can be supported to increase the reliability and regularity of payments for resident Parents Apart, thus

allowing child support payments to be included as part of the household budget and contribute directly to housing costs. On a linked matter, there is value in investigating ways in which parents in receipt of payments that are irregular or short of the agreed amount can feel better supported in their attempts to resolve the issue.

4. An ongoing emphasis on the need for quick and responsive debt collection, appeal and review processes (see Shephard (2005) for a discussion of CSA debt collection processes generally).

5.2.2 Key result 2

Resident and non-resident Parents Apart do not necessarily perceive a direct connection between the payment of child support and housing outcomes that benefit children. Housing is seen as an expense incurred by the resident Parent Apart irrespective of the needs of their children. Thus, when child support is spent on housing, the allocation can be interpreted as benefiting the resident Parent Apart at the expense of the child/ren. There is a tendency on the part of resident and non-resident Parents Apart to see child-specific expenses as the most legitimate use for child support monies. This attitude may be the unexpected outcome of policy approaches and public debate that emphasise the payment of child support as primarily focused on the needs of the child rather than linked to the relationship between the parents.

Recommendation 2

Explicitly acknowledge the importance of housing costs as a cost inherently associated with the care of children.

1. Stage 1 changes to the Child Support Scheme allow parents to direct up to 30 per cent of their Child Support payments to specific items for their children (this figure was increased from 25 per cent under the previous scheme). Child Support literature describes this form of discretion as a balance between the financial needs of resident parents and the wishes of paying parents to have a say in how payments are spent (Child Support Agency 2006a). We encourage a supplementary message in Child Support Agency literature and policy, one that acknowledges the importance of housing as a child-oriented expense. In particular, literature and/or policy documents should include reference to the importance of housing for shelter and non-shelter housing outcomes for children. The literature should explicitly refer to housing costs as one of the aspects of shared parenting that child support payments are aimed at addressing.

5.2.3 Key result 3

The quantitative component of the study shows that Parents Apart have inferior home ownership rates compared to those of Parents Together. The qualitative component of the study highlights the importance of finalising the financial settlement, particularly for non-resident Parents Apart who are then able to re-enter owner-purchaser status. The current study also highlights the relevance of income for home ownership. In particular, paying significant levels of child support can have a negative impact on the ability of non-resident Parents Apart to enter or re-enter home ownership, because it limits the amount of money available to save for a deposit and meet mortgage repayments. Similarly, reduced income after separation has a negative impact on the ability of resident Parents Apart to enter or remain in home ownership.

There is a range of home purchase assistance schemes directed towards supporting the movement of low- (and sometimes middle-) income households into home ownership. These measures primarily include direct lending, deposit assistance and

interest rate assistance (see AIHW (2007) for a more detailed discussion of the assistance options available). Many low-income resident and non-resident Parents Apart who had not previously owned a house would be eligible for these programs. However, the current study suggests that households who would not be classified as low income also struggle with housing costs. This study also indicates that those Parents Apart who were previously owner-purchasers may struggle to re-enter that status.

Recommendation 3

To increase the capacity of Parents Apart to amass sufficient monies for a home deposit, we recommend consideration be given to the following options:

1. Capacity to access superannuation monies for the specific purpose of raising a deposit for home purchasing.
2. Encourage private lending institutions to take into account a history of regular receipt of child support monies when assessing applicants' suitability for a housing loan. It should also be noted that this move would bring lending institutions in line with the definitions of assessable income applied in states' and territories' home purchase assistance schemes (AIHW 2007: 27).

5.2.4 Key result 4

For both resident and non-resident Parents Apart, the years following separation tend to be a time of significant housing instability and difficulty. These difficulties may include locating appropriate accommodation, meeting housing costs and living expenses and establishing a new household. Previous studies suggest that a period of unsettled and precarious housing often continues three to five years after separation, when housing stabilisation is finally achieved.

Some states and territories currently offer mortgage relief to low-income households (AIHW 2007). As with home purchase programs, these are not extended to middle- and high-income earners, even though some face short-term housing and financial difficulties following separation.

Recommendation 4

To assist Parents Apart and their children through the turbulent housing years following separation, consideration may be given to the following options for additional housing assistance:

1. Ways be sought to extend eligibility for Commonwealth Rent Assistance to allow more Parents Apart to qualify in the period immediately after the family breakdown. We suggest that support be extended to parents who might otherwise not receive CRA but for whom, because of housing and income difficulties, it is a potentially important source of support.
2. Loans or grants to meet housing-related costs be made available to resident and non-resident Parents Apart for a period of time following separation. We suggest that consideration be given to the following:
 - The Housing Lifeline proposal, developed by Melbourne economists Joshua Gans and Stephen King (Gans & King 2003). The suggested 'lifeline' takes the form of a loan that is offered to home owners facing short-term difficulties meeting their mortgage payments. Gans and King (2003) suggest that the loan be repayable through the tax system on an income-contingent basis (in a similar process to the Higher Education Contribution Scheme).

- The wider implementation of schemes modelled on the Western Australian Sole Parents Family Home Loan Assistance scheme (AIHW 2007; Shelter WA 2005). This loan scheme facilitates ongoing residence and ownership of the family home following separation in instances where families struggle to meet mortgage repayments on reduced income. The scheme is available to low-income resident Parents Apart receiving Parenting Payments; the parent must be caring for at least one child aged under 10 years. The Department of Housing purchases equity in the home; the applicant is expected to buy back this equity when their relationship or financial circumstances change. We support the scheme's explicit recognition of the difficulties facing many resident Parents Apart in the period immediately following separation. However, we draw the attention to the following issues:
 - The scheme is only available to resident Parents Apart on very low incomes. However, this project has highlighted the difficulties faced by those resident Parents Apart who currently earn greater amounts.
 - Limiting eligibility to resident Parents Apart on the basis of children's age fails to recognise the financial difficulties of parents with older children.
- Small grants or loans be made available to owner-purchasers for a set period following separation. These monies would be made available to meet discrete costs associated with home ownership (e.g. rates payments), living expenses (e.g. utilities or telephone bills) or both. If this support takes the form of a loan, it may be repaid through the tax system with minimal or no interest attached.
- For those moving into or within the private rental market, support may reflect state Private Rental Support Programs (PRSP) currently available to renters in the private market (see Jacobs et al. 2005), with loans or grants offered to cover the costs of moving, bond and payment of rent in advance. In common with Private Rental Support Programs, eligibility would be on the basis of income level (although we suggest that the threshold be higher than those applied in PRSP) and the number of claims be capped annually.
- Institution of loan schemes to facilitate non-resident Parents Apart remaining or re-entering owner-purchaser status. Previous research suggests that the tenure status of male non-resident Parents Apart improves over time. However, the current project highlights their poorer housing outcomes compared to Parents Together and the difficulties they face in the private rental market. A scheme that provides financial support in the form of a lump sum to be used as a deposit on a new property, and repaid when the financial settlement is finalised, may contribute to housing and financial stability of non-resident Parents Apart and their children.

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APPENDIX A: DEFINING CHILD SUPPORT IN THE CONTEXT OF THE STUDY

The term 'child support' as used in this study differs in important ways from its meaning when used in the context of the Child Support Scheme (CSS) or the Child Support Agency (CSA). These differences need to be clearly enunciated as in its everyday usage the term tends to be tied in strongly to both the legislative frame of the Child Support Scheme (see section 3.2.2 for more details) and its administrative arm, the Child Support Agency (CSA). This pairing is understandable given the Scheme and the Agency's prominence in media and public analysis of child support. However, this study uses the term more broadly and this differentiation is important in both the analyses undertaken and their interpretation.

- Child Support, as administered under the Child Support Scheme and the Child Support Agency is complex. First, not all Parents Apart have their child support responsibilities paid or regulated by the Child Support Agency. The Ministerial Taskforce report estimates that approximately 94 per cent of those parents eligible to register with the CSA do so. This figure is based on unpublished CSA data comparing its caseload with data provided by ABS (from January 2005) (2005:77). However, this is an estimate and there has been very little work on those people who manage their payments outside the CSA. Parents Apart who do not receive more than base rate of Family Tax Benefit A are not obliged to contact or be assessed by the CSA in relation to child support. Those parents who do not contact the CSA are referred to as Self-administered by the CSA and the arrangement around child support (which can include non-payment) is entirely private and between the parents. Added to these are those parents apart who are also outside the Child Support Scheme due to insufficient income or are exempted from seeking Child Support because of a range of circumstances such as fear of violence or if the whereabouts of the other person is unknown. Therefore, not all Parents Apart, resident or non-resident, are represented among CSA customers. Second, those Parents Apart who are registered with the CSA also divided into two distinctive categories: CSA Collect and Private Collect. Under CSA Collect, the Child Support liability is registered, calculated and collected by the CSA. For Private Collect the CSA registers the agreement but payment is made directly between the parents. In 2004, roughly half of all Child Support Agency cases elected Private Collect and the other half, CSA Collect. Current Child Support policy encourages Private Collect wherever possible.
- In contrast to these permutations, in this study the term 'child support' is used more broadly. For both analysis and interpretation the term refers to monies paid or received between the non-resident Parent Apart to the Resident Parent Apart for the support of their child/ren. In the quantitative analysis this conceptualisation is operationalised by responses to HILDA Questions on child support. For Resident Parents Apart child support status is determined by the response to the question which asks 'do you receive any financial support from's other parent to help meet general everyday expenses of (Name). For instance, any weekly, fortnightly or monthly child support?' Paying child support is determined by the responses to the question, 'Do you provide any financial support to help meet general everyday expenses of (NAME)? For instance, any weekly, fortnightly or monthly child support?' Both questions are worded to exclude any one-off payments such as school fees or medical bills. (For an extended discussion of this issue, see Appendix C.) In the qualitative phase, the term 'child support' was taken to mean monies paid or received for the purposes of contributing to the costs of the parents' child/ren, regardless of parents' CSA status. To distinguish between this study's and the CSA-related usage of the term 'child support', the

term is capitalised in this report when it is used in relation to the Child Support Scheme.

- The rationale for this broader definition of child support is that, first, it captures all Parents Apart and all monies paid (or not paid) within its conceptualisation, regardless of whether parents are registered with Child Support Agency. Secondly, adequately capturing the various distinctions between the three major different child support categories as counted by the CSA of child support, let alone those in more minor groupings outside the scheme, is not research feasible. For example, it is not possible to distinguish whether a Parent Apart is CSA registered or not, or whether the Parent Apart is CSA or Private Collect from HILDA data. HILDA survey, respondents are not asked about their interaction with the Child Support Agency and without such a question, we cannot ascertain how many of those reporting non-payment or non-receipt have registered Child Support arrangements. Further, although such differentiation might provide interesting analysis, the complexities of the category criteria and the fact that Parents Apart can and do move between categories strongly suggest that, even if collected, such data would likely be highly unreliable. This belief is supported by our experiences with our qualitative respondents, who were both unfamiliar with the ways in which the CSA categorised different Parent Apart groups depending on their payment method, and did not distinguish between these in their own stories about child support payment and receipt and housing.
- Finally, on the basis of the above, it is important to stress that the research sample used in either of these study's phases is not, and is not intended to be, representative of registered Child Support Agency customers. These differences in sample profile mean that these results cannot be discussed as if they directly reflect CSA customers. From our perspective, this enhances the value of the results and the insights this study offers into the relationship between child support payment or receipt and housing outcomes. The results should be considered on their own merit as a comprehensive and unique analysis of how child support and housing interact using a large-scale nationally representative dataset.

APPENDIX B: VARIABLES USED IN THE HILDA ANALYSIS

| <i>Variables/Coding</i> | <i>Description</i> |
|--|--|
| Parent variables | |
| <i>Respondent is parent with child aged under 18 years</i> (1 = yes; 2 = no) | To identify parents of a child under 18 years – used derived variable 'age of youngest own child', which had to equal 17 years or less. |
| <i>Parent Apart type</i> (1 = Parent Apart with resident children < 18 years; 2 = Parent Apart with non-resident children < 18 years; 3 = Parent Apart with both resident & non-resident children < 18 years) | All respondents were asked the following questions (from the family formation section): How many children do you have? Please only include natural and adopted children; not step or foster children. How many of these children live in this household at least 50% of the time? How many live in another household more than 50% of the time? How many other children (not included above) live elsewhere? |
| Parent Apart type 1: Parent Apart with resident children < 18 years | IF THERE ARE CHILDREN WHO LIVE IN ANOTHER HOUSEHOLD MORE THAN 50% OF THE TIME OR THAT LIVE 'ELSEWHERE' (i.e. non-resident parents), THEN: could you please tell me the age/sex of ... [name] and; Where does [name] usually live? 1=with other parent; 2 = with other relatives; 3 = fostered or adopted out; 4 = living independently; 8 = other (<i>specify</i>); 9 = don't know |
| Parent Apart type 2: Parent Apart with non-resident children < 18 years | IF THERE ARE CHILDREN WHO LIVE IN THIS HOUSEHOLD MORE THAN 50% OF THE TIME, THEN GO TO 'RESIDENT PARENT SECTION': Probe for age of children and; Does [name] have another parent who lives elsewhere? (Includes natural or adoptive parent but not step or foster) |
| Parent Apart type 3: Parent Apart with both resident & non-resident children < 18 years | Combination of above variables |
| <i>Parent together</i> | PARENTS TOGETHER: all remaining parents in either a de facto relationship or registered marriage with a child under 18 years of age. |
| Child support variables[#] | |
| <i>Receiving child support</i> (1 = receive; 2 = reports does not receive) | Do you receive any financial support from's other parent to help meet general everyday expenses of (Name)? For instance, any weekly, fortnightly or monthly child support? (Exclude any payments to cover one-off or periodic expenses such as school fees or medical bills.) |
| <i>Paying child support</i> (1 = pay; 2 = reports does not pay) | Do you provide any financial support to help meet general everyday expenses of (Name)? For instance, any weekly, fortnightly or monthly child support? (Exclude any payments to cover one-off or periodic expenses such as school fees or medical bills.) |
| <i>Weekly amount received</i> (1 = reports do not receive; 2 = \$1–\$5 weekly; ...8 = \$201 plus weekly) | Excluding any payment for specific expenses, how much regular (everyday) financial support are you currently getting from the other parent of your child/children? Continuous variable recoded into 8 categories. |
| <i>Weekly amount paid</i> (1 = reports do not pay; 2 = \$1–\$5 weekly; ...8 = \$201 plus weekly) | In total, how much regular financial support do you pay for the everyday expenses of this child/children? Continuous variable recoded into 8 categories. |

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| <i>Resident Parent Apart child support status</i> (1 = reports do not receive; 2 = receives below median amount; 3 = receives above median amount) | Median value calculated from annual amount received (continuous) of only those parents who receive child support: median = \$3,640 p.a. |
| <i>Non-resident Parent Apart child support status</i> (1 = reports do not pay; 2 = pays below median amount; 3 = pays above median amount) | Median value calculated from annual amount paid (continuous) of only those parent who pay child support; median = \$4,870 p.a. |
| Socio-demographic variables | |
| <i>Age of respondent</i> (1 = < 30 years; 2 = 30–39 years; 3 = 40–49 years; 4 = 50+ years) | Age at last birthday (continuous) recoded into 4 categories |
| <i>Sex</i> (1 = male; 2 = female) | Sex |
| <i>Current partnering status</i> (1 = married; 2 = with de facto partner; 3 = no partner) | Recode of the derived variable: Marital status from person questionnaire (calculated from responses to H1 to H3) |
| <i>Country of birth</i> (1 = Australia; 2 = main English-speaking; 3 = Other) | In which country were you born? (brief version) |
| <i>Labour force status – broad</i> (1 = employed; 2 = unemployed; 3 = not in the labour force) | At any time at all during the last 7 days, did you do any work in a job, business or farm? (1 = yes; 2 = no) |
| <i>Household income – quartiles</i> (1 = < \$48,136; 2 = \$48,137 to \$72,636; 3 = \$72,637 to \$99,920; 4 = > \$99,921) | Derived variable: household financial year gross income (imputed). Continuous variable recoded into quartiles based on the household income distribution of all parents with a child aged under 18 years. |
| <i>Income support</i> (1 = receives income support; 2 = does not receive income support) | Computed from data items on Continuing Persons Questionnaire. <i>Looking at (SHOWCARD), during the last financial year, did you receive any of these government pensions or benefits? We included only the following income support payments in calculating the imputed variable as these payments are meant to be the person's primary income. We excluded ancillary payments meant as supplements. We added all eligible payments. The final variable is (1) receives an income support payment or (2) does not receive. The eligible payments are: Age pension; Newstart Allowance; Parenting Payment; Mature Age Allowance; Mature Age Partner Allowance; Service Pension; Disability Support Pension; Disability Pension; Wife Pension; Carer Payment; Sickness allowance; Widow allowance; War Widows Pension; Special Benefit; Partner Allowance; Youth Allowance; Austudy/Abstudy.</i> |
| <i>Years since separation</i> (1 = 2 years or less; 4 = > 10 years) | This variable was computed only for respondents (Parents Apart) who had been in a registered marriage. It uses the derived 'relationship-marital history' variables to calculate the year of last marital separation. |
| Housing variables | |
| <i>Tenure</i> (1 = owner-purchaser; 2 = private renter; 3 = public renter; 4 = other (employer, caravan park, board)) | Cross-tabulation of responses to these two questions: 'Do you (or any other members of this household) own this home, rent it, or do you live here rent free?' and 'Who does this household rent from (or pay board to)?' |
| <i>Dwelling type</i> (1 = separate house; 2 = semi-detached; 3 = flat, unit; apartment) | Interviewer recorded |
| <i>Number of bedrooms</i> (1 = 0–2 bedrooms; 2 = 3 bedrooms; 3 = 4+ bedrooms) | How many bedrooms are there (here/in the home in which you live)? Count in bedrooms even if not currently used as such (e.g. study). |

| | |
|---|---|
| <i>Dwelling condition</i> (1 = excellent/very good; 4 = poor/very poor) | Interviewer recorded: Record external condition of dwelling from very poor/almost derelict to very good/excellent. |
| <i>Housing satisfaction</i> (1 = satisfied; 2 = neither satisfied nor dissatisfied; 3 = dissatisfied) | Interviewer asks respondent: ... 'pick a number between 0 and 10 that indicates your level of satisfaction withthe home in which you live'. |
| <i>Housing affordability</i> (1 = yes; 2 = no) | Item obtained from Self-completion Questionnaire: 'since January 2004, did any of the following happen to you because of a shortage of money?'could not pay the mortgage or rent on time'. |
| <i>Housing stress</i> (1 = pays less than 30% of household income on rent or mortgage; 2 = pays more than 30 per cent on rent or mortgage) | Calculated from household income and rent or mortgage payments. Stress defined as household paying more than 30 per cent of household income on rent or mortgage. |
| <i>Housing index</i> (4 = very poorly housed; 15 = very well housed) | The Housing Index is a composite measure derived from the following variables: dwelling condition, tenure, dwelling type, number of bedrooms. Scores range from 4 to 15 (e.g. 4 = a score of 1 on each new variable eg. live rent free in small flat in poor condition; 15 = outright owner, large house in very good condition. Note, public and private rental are scored equally on the basis that public tenure provides greater security of tenure and is more affordable rent than private rental, but that private rental offers more locational choice and is considered preferable to public rental housing. |

To determine whether a parent received or paid child support, and how much was paid or received, data from Section G (Family Formation) of the Person Questionnaires (Continuing or New) were analysed. The Family Formation section, rather than the Income section, was drawn upon due to the following recommendation stated in the HILDA user manual:

Child support is calculated from the questions asked about the children in the family formation grid, rather than from the single category listed in the 'other income' question in the income section. This is because it is more likely the respondent would provide a more accurate response to the detailed questions rather than the broad 'catch-all' question (Goode and Watson 2006: 57).

APPENDIX C: EXPLAINING LEVELS OF NON-RECEIPT AND NON-PAYMENT OF CHILD SUPPORT

The proportion of resident Parents Apart (47 per cent) and non-resident Parents Apart (25 per cent) who report either not receiving or not paying child support is well above the expected level. How can we explain this anomaly? No one clear explanation stands out, but several factors are likely to be influential. First are the limitations of the HILDA questions about child support. In this study we assessed payment or non-payment on the basis of responses to questions which asked about regular payments (see section 2.1.1). Such questions may have missed some forms of child support payment and receipt. While HILDA does ask about 'other financial support'⁵, this support is not clarified. As per Table C.1, a minority of those who report not paying or receiving regular child support, report paying or receiving 'other financial support', although still not at the same level of those who report regular receipt or payment. In total, 278 resident Parents Apart do not receive regular or other financial payments (41 per cent of resident Parents Apart) and 68 non-resident Parents Apart do not make either regular or other financial payments (17 per cent of non-resident Parents Apart).

Table C.1: Receives or pays 'other financial support' by Parent Apart status and annual amount

| <i>Amount of 'other financial support' received/paid in past 12 months</i> | <i>Receives or pays other financial support (no.)</i> | | | |
|--|---|----------------------------|----------------------------------|------------------------|
| | <i>Resident Parent Apart</i> | | <i>Non-resident Parent Apart</i> | |
| | <i>Receives CS</i> | <i>Does not receive CS</i> | <i>Pays CS</i> | <i>Does not pay CS</i> |
| Do not receive/pay 'other financial support' | 275 | 278 | 116 | 68 |
| \$20 – \$250 | 14 | 7 | 31 | 1 |
| \$251 – \$500 | 20 | 6 | 42 | 7 |
| \$501 – \$1,000 | 4 | 6 | 28 | 1 |
| \$1,001 – \$2,000 | 8 | 6 | 20 | 5 |
| \$2,001 – \$5,000 | 13 | 5 | 26 | 7 |
| \$5,001 – \$10,000 | 5 | 4 | 7 | 5 |
| \$10,001 – \$15,000 | 1 | 0 | 2 | 2 |
| \$15,001 – \$20,000 | 1 | 1 | 2 | 1 |
| \$20,001 – \$25,000 | 0 | 0 | 2 | 0 |
| Don't know | 17 | 2 | 14 | 2 |
| Total (n) | 358 | 315 | 290 | 99 |

Source: HILDA Survey 2004-05, release 4.1.

However, as the amount of child support liable is based predominantly on the income of the non-resident Parent Apart, further analysis of these data does allow us to make useful inferences. As per Table C.2, non-paying non-resident Parents Apart have significantly lower annual incomes than those non-resident Parents Apart paying child support. Approximately 38 per cent of the former have incomes of \$20,000 or less

⁵ Questions G3h, G6, G7a for non-resident parents and questions G15f, G19 and G20a for resident parents in the Continuing Person/New Person Questionnaires.

compared to less than 20 per cent of payment makers. The relative poverty of the non-paying non-resident Parents Apart is confirmed in other analysis, such as Table 4.8, which shows that 32.7 per cent of the non-payers are in receipt of an income support payment. It is possible, therefore, that more of those who report non-payment of child support are actually likely to be paying the minimum rate of but are unaware of the automatic deduction to their income support payment.

Table C.2: Non-resident Parents Apart, annual personal income by child support payment report

| <i>Annual personal income</i> | <i>Paying child support (n = 290) %</i> | <i>Not paying child support (n = 99) %</i> |
|-------------------------------|---|--|
| \$0 – \$20,000 | 17.6 | 38.4 |
| \$20,001 – \$40,000 | 29.7 | 27.3 |
| \$40,001 – \$60,000 | 27.6 | 20.2 |
| \$60,001 – \$80,000 | 13.8 | 13.1 |
| \$80,001 and above | 11.4 | 1.0 |
| Total % | 100.0 | 100.0 |

Source: HILDA Survey 2004-05, release 4.1.

If we assume that those on incomes of less than \$20,000 per annum are in fact paying the minimum rate, this reduces the proportion of non-paying non-resident parents. The question then is, if such payments are being made (or received by resident Parents Apart) why are they not declared in HILDA? The explanation might lie in how 'paying' or 'receiving' child support is understood by the Parents Apart, especially around the minimum payment. On a weekly basis, this payment equates to only \$5.00 and advice from the CSA indicates that if the payer is on an income support payment the amount is deducted directly and credited to the account of the resident parent*. Therefore, without a personal involvement in paying or receiving, many of those with minimum amount liabilities or entitlements overlook these transactions or even do not regard this minimum amount as 'child support'.

Among those with higher incomes (and therefore liable for higher child support payments), the reasons for non-payment are less clear. Here the fact that, as detailed in section 2.1.1, the CSA customer base is not reflective of all Parents Apart is likely important. Only those who receive more than base rate of Family Tax Benefit A are obliged to be assessed by the CSA. Those outside the system, whose child support is completely self-administered (estimated to be around 10–15 per cent by the CSA) (HRSCFC 2003), and who are by definition on higher incomes, are not reflected in the CSA database. The HILDA sample is likely to include a sub-sample of Self-Administered Parents Apart (whose arrangements can include non-payment). Another group are exempted from the obligation to seek child support in certain circumstances such as a fear of violence, the other parent being whereabouts unknown or in prison, and around eight per cent of CSA payers have such low income that they are assessed as having a nil liability (CSA 2006) Alternatively, they may have a CSA registered arrangement, but were not paying their Child Support liability at the time of the HILDA survey. As noted in section 2.2.1 HILDA survey, respondents are not asked about their interaction with the CSA. Without this question, we cannot ascertain how many of those reporting non-payment or non-receipt have registered child support arrangements.

These assumptions are supported by examining how this study's sample differs from the profile of the CSA customer base across the key variable of personal income as shown in Table C.3. The HILDA sample contains more Parents Apart with higher incomes and fewer Parents Apart on lower incomes. The table compares data from the 2003 CSA Client Research Dataset and our HILDA sample. Although these datasets are not perfectly comparable, the core disparity is demonstrated particularly in the lowest income category.

Table C.3: Comparative gross annual personal income by Parent Apart status

| <i>Gross annual personal income</i> | <i>Resident Parent Apart (%)</i> | <i>CSA Payee (%)</i> | <i>Non-resident Parent Apart (%)</i> | <i>CSA Payer (%)</i> |
|-------------------------------------|----------------------------------|----------------------|--------------------------------------|----------------------|
| \$0 – \$20,000 | 25.4 | 74.0 | 22.9 | 50.1 |
| \$20,001 – \$40,000 | 43.4 | 20.5 | 29.1 | 31.4 |
| \$40,001 – \$60,000 | 21.0 | 4.5 | 25.7 | 12.9 |
| \$60,001 – \$80,000 | 7.1 | 0.7 | 13.6 | 3.6 |
| \$80,001 and above | 3.1 | 0.3 | 8.7 | 2.1 |
| Total % | 100.0 | 100.0 | 100.0 | 100.0 |

Source: HRSCFC 2003; HILDA Survey 2004-05, release 4.1.

The inclusion of Parents Apart outside the CSA system in this study's sample is also likely reflected here. Those whose child support is completely self-administered, and who are by definition on higher incomes, are therefore not reflected in the CSA database. The HILDA sample is likely to include a sub-sample of these Self-Administered Parents Apart. Secondly, there is strong likelihood that, some payers or receivers may underestimate their income to the CSA, resulting in the CSA Client Research Dataset showing a lower personal income distribution than that produced by HILDA (in which detailed income across all sources was collected). As a final possible part explanation for differences between the two groups, as discussed in section 4, while HILDA is a nationally representative dataset, the survey's authors identify several areas of under-representatives, including men, those aged 20–24 years and those who are not married (HILDA 2002). These factors are likely to reduce the representativeness of younger, possibly lower income and unpartnered non-resident Parents Apart in the sample for this study.

* These data are from July 2007 discussions with the CSA on this issue.

APPENDIX D: SAMPLE SELECTION (HILDA)

The task of selecting our sample proved more difficult and time-consuming than anticipated, involving significant amounts of case-by-case checking. After running numerous cross-tabulations and frequencies using the 'type of Parent Apart' variable, along with other demographic variables, we found a number of cases that did not fit the required criteria. In other words, to be included in the 'Parent Apart' sample, the child had to be living with one of the parents. In many cases, the child was found to be living:

- with grandparents
- with foster parents
- with step-parents
- with other relatives, or
- independently.

In the Parenting Apart sample, it was not uncommon for a household to include a combination of stepchildren, own children and foster children, all of different ages, with some having a parent living elsewhere and others not. The following is an example taken from the HILDA Responding Persons File that appears in our sample:

A mother has three non-resident children aged 20, 17 and 14. At 20 years of age, the first child is not relevant to this project; the 17 year old 'lives independently' and, therefore, is also not relevant to this research; but the last non-resident child, the 14 year old, 'usually lives with other parent'. Her only resident child (age 1) is fathered by her current resident husband and she has one foster child. Although, in reality, she has both resident and non-resident children, for the purposes of this study, her case is coded as: 'Parent Apart with non-resident child'.

Such complexities also resulted in cases being included in our sample that were, in fact, not valid in the study. For example:

A father has two resident children (both under 18 years old) and is married and lives with the mother of these children. He has no non-resident children. In this household, however, the mother/wife has a child from a previous relationship and the father of this child lives elsewhere. The father appeared in our sample because he has children aged less than 18 and there is a child in the household that has another parent living elsewhere. This man, however, is NOT a parent-Apart as the child is not his own and he has no non-resident children. This father/case, therefore, was removed from our sample. The mother, however, as a separate case, remains as she has a child under 18 who has a parent living elsewhere.

Whenever anomalies arose in our analytical output, they were investigated on a case-by-case basis and while this data cleaning process was time-consuming, the effort was essential to ensure the validity of the analysis. In all, over 350 cases were checked manually. In some instances, cases were deleted from the sample (as above), in others, they were recoded. Our initial sample consisted of 1,229 Parents Apart but after rigorous cleaning and checking, this number was reduced to 1,116 (113 fewer cases).

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