PUBLIC GUARANTEE OF CHILD SUPPORT: A KEY POLICY FOR IMPROVING THE ECONOMIC WELL-BEING OF LONE-MOTHER FAMILIES

SUMMARY

Child support—a monetary transfer from a non-resident parent to a lone parent to assist with the cost of raising children following union dissolution—is a critical source of income for the increasing proportion of lone-mother families, especially those at risk of experiencing poverty and material hardship. However, in a wide range of countries, a significant proportion of lone mothers do not receive financial support from their children’s father. Drawing on cross-national evidence and the Luxembourg Income Study Database (LIS), this policy brief highlights the importance of child support for lone-mother families and factors that may prevent lone mothers from receiving this transfer. It concludes with a series of recommendations to ensure regular and adequate child support is provided.

Why is child support important for lone-mother families?

The rise in non-marital births and union dissolution has increased the proportion of children living apart from one of their parents. While this is a worldwide phenomenon, children in the United States, Central and South America, and Europe are far more likely to live in lone-parent families than children in other regions. Moreover, lone-parent families are disproportionately poor with respect to two-parent families in a wide range of countries.

Lone-mother families are common and far too often experience poverty and material hardship

Analyses using recent data from 33 countries show that in half of these countries, one in five families with children under the age of 18 are lone-parent families. There is some variation in these estimates though: In Dominican Republic, Chile and Lithuania, for example, the proportion of lone-parent families is three times as high as that observed in Egypt, Greece, and Israel (see Figure 1). If children living with a parent and stepparent were included, the number of families potentially affected by child support would be even higher. For instance, analyses using the 2012 Colombian Quality of Life Survey show that 42 per cent of families with children under the age of 18 could be affected by child support compared to 33 per cent of lone-parent families.

While father custody has increased, mothers almost always keep custody of their children following a union dissolution. As a result, the vast majority of lone parents are women. In all but one of the 33 countries examined, women make up over 75 per cent of this population.

FIGURE 1: Percentage of lone-parent families in selected countries

Notes: These data refer to non-widowed lone parents; The year of data collection is the following: 2007: Dominican Republic; 2010: France, Iceland, 2012: Egypt; 2013: Estonia, Luxembourg, Slovakia; 2014: Australia, Guatemala; 2015: Hungary; 2016: Austria, Belgium, Colombia, Denmark, Finland, Germany, Greece, Israel, Italy, Panama, Paraguay, Peru, Poland, Serbia, Spain, United Kingdom, Uruguay; 2017: Canada, Chile, Ireland, Lithuania, Russian Federation, United States.

Source: Author’s calculations based on LIS 2020.
Women who have children outside a cohabiting relationship or marriage tend to have fewer economic resources than partnered women who have children, especially compared to those who are married. However, having children within a partnership does not necessarily protect mothers from experiencing financial insecurity if they separate from their children’s father. Because women become more financially dependent on their partners following the transition to parenthood, union dissolution typically has a negative impact on the economic well-being of mothers and their children. Once raising children apart from the father, mothers face challenges securing affordable childcare and, on average, make lower earnings than both women without children, and than men. As a result, lone-mother families often experience material hardship, income instability and poverty. In all but 2 of the 33 nations reviewed, lone-parent families are disproportionately poor when compared to two-parent families; in 22 of the 33 countries examined, poverty rates among lone-parent families are over two times higher than poverty rates observed among two-parent families. Belgium, Lithuania, and the United States are among the countries that have both the highest lone-parent poverty rates and the largest difference between lone- and two-parent families’ poverty rates.

Child support improves the economic well-being of lone-mother families

Countries have different policy approaches to poverty among lone-parent families. Child support, defined as a monetary transfer from a non-resident parent to a lone parent to assist with the cost of raising children following union dissolution, is one key policy. In a wide range of countries, child support represents a significant proportion of lone-mother families’ income, especially among those with low incomes. In Colombia, for example, 37 per cent of total family income of lone-mother families comes from child support, while in Spain, Germany and the United States, it makes up between one fourth and one fifth. Moreover, in several countries, child support is associated with lower poverty rates, lower material hardship and lower income instability among lone-mother families. In the United States, some scholars have found child support may have indirect effects on future poverty by improving children’s educational and developmental outcomes.

Is child support typically received?

Most of the research on child support has been conducted in the United States, Australia, and some European countries. These countries have a number of nationally representative household surveys that include questions on child support—usually whether any child support was received in a given period and how much was received—and some of these countries also have longitudinal studies that, in addition to these basic questions, include a detailed account of non-resident parents’ financial contributions to their children (e.g., whether parents have a formal or informal arrangement or both; whether child support was paid in cash, in-kind, or both; and payment schedule, among other aspects of this process). Findings from Latin American countries have been added to global evidence on child support issues after several countries were included in the Luxembourg Income Study Database (LIS) and longitudinal data became available. Much less is known about child support issues in other regions of the world, which highlights the importance of expanding research in this area.

Extant research has found that child support is a critical source of income for lone mothers and their children, but the proportion of lone-mother families that receive this transfer is relatively low in a varied group of countries. In Colombia, Peru and Uruguay, for example, three nations experiencing rapid growth of lone-mother families but with relatively weak child support enforcement programmes, approximately two thirds of lone mothers were not receiving financial support from their children’s father at the beginning of this century. Conversely, strong child support enforcement does not necessarily guarantee high rates of receipt. While the United States spent 5.8 billion dollars on enforcement programmes in 2017, only half of lone parents had a child support agreement in that year and, of these parents, fewer than half received full payments. Analyses using recent data show that in 27 of the 33 countries examined, the majority of lone-mother families do not receive child support (see Figure 2).

One core issue behind low rates of child support receipt is men’s non-compliance with their child support obligations. Why fathers fail to comply has been extensively studied in the United States. This literature finds non-compliance is primarily linked to fathers’ ability to pay support and the characteristics of the enforcement system and less so to fathers’ willingness to pay. Fathers who have no desire to pay support typically have weak ties with their children, do not believe there is economic need among lone-mother families or perceive the child support agreement is not fair. Many fathers want to pay support but do not have the resources to comply with their child support obligations. These fathers often have unstable employment and earnings, a situation that ultimately hinders their ability to provide for themselves and their children. Moreover, the child support enforcement system often fails to acknowledge how racial inequality shapes the labour market of many fathers in the United States, especially Black fathers. While child support enforcement (e.g., automatic withholding of child support from the father’s income) is efficacious in
increasing child support receipt, some characteristics of enforcement programmes may also discourage compliance. For instance, in the United States, lone mothers receiving cash welfare are required to assign child support paid on behalf of their children to the state; this condition clearly creates a disincentive for fathers to pay since their children end up not receiving these resources.

Which policies can ensure regular and adequate child support is provided?

Child support systems around the world are organized in different ways. Some countries have systems in which courts have responsibility for determining and enforcing child support obligations (e.g., Canada, Germany, Uruguay), and these processes often occur as part of the divorce proceedings; other countries have public agencies in charge of all or some of these tasks (e.g., Australia); and a third group of countries have systems in which both courts and public agencies play a key role in the determination and enforcement of child support obligations (e.g., Colombia, Finland, the United States). As the proportion of children born and raised by unmarried parents continues to rise, lone-mother families may be better served by systems in which child support obligations can be determined and enforced outside divorce proceedings. Multiple agencies can be involved in this process, as the case of Colombia shows (see Box 1).

BOX 1: Child support in Colombia: An example of a multi-agency, hybrid system

Colombia has a child support system that involves an array of public and private agencies and the judicial system; this type of child support system is also known as a hybrid system. The agencies involved in its operation include: the National Institute of Family Well-being (NIFW), a national government agency with headquarters in the capital, Bogota, and 213 local agencies spread across the country; family commissioners, a group of local government authorities with presence in each of the country’s 1,103 towns; and conciliation centres, a set of public and private agencies that assist separated parents with extrajudicial conciliation services.

This type of system is well suited for countries such as Colombia, where the vast majority of child support arrangements are not established as part of divorce proceedings. Colombia has the highest proportion of children born to unmarried parents worldwide, and the law has eliminated any practical difference between marriage and cohabitation after two years of a couple’s co-residence. Parents ending their partnership or women who had a non-marital birth may choose to make a private agreement or request the assistance of one of the multiple institutions authorized to determine child support obligations. Assistance from the NIFW, family commissioners, and conciliation centres is provided at no cost.

FIGURE 2: Percentage of lone-mother families receiving any child support

Notes: Data refer to percentage of lone-mother families receiving any child support in a one-year period; The year of data collection is the following: 2007: Dominican Republic; 2010: France, Iceland; 2012: Egypt; 2013: Estonia, Luxembourg, Slovakia; 2014: Australia, Guatemala; 2015: Hungary; 2016: Austria, Belgium, Colombia, Denmark, Finland, Germany, Greece, Israel, Italy, Panama, Paraguay, Peru, Poland, Serbia, Spain, United Kingdom, Uruguay; 2017: Canada, Chile, Ireland, Lithuania, Russian Federation, United States.

Source: Author’s calculations based on LIS 2020 for all countries except Colombia. Figure for Colombia comes from Author’s calculations based on 2016 Quality of Life Survey.
While child support systems vary in their institutional arrangements, scope and policies, all schemes typically assume that the absent parent—usually the father—will always have the ability to provide regular and adequate child support. Because no individual is realistically exempted from experiencing unemployment, income instability or poverty—to mention only a few issues that may affect fathers’ ability to pay child support—the systems too often fail to serve lone mothers who most need the support: women who are experiencing poverty and material hardship, and who were likely partnered with men who also have low economic prospects and limited ability to pay.37 These lone-mother families are less likely to receive any child support and, if they do receive something, the amount transferred is often small and irregular.38 This reality highlights the importance of both having more accurate expectations about low-income fathers’ ability to pay child support and creating policies that support lone-mother families when fathers are out of the labour force, receiving low earnings or unable to provide financial support to their children.

Policy efforts to ensure lone-mother families receive regular and adequate child support can take different forms. In countries that emphasize private responsibility—incentivizing lone mothers’ employment and requiring non-resident fathers to pay child support—policies should take into consideration the economic circumstances of non-resident parents. Examples of key policy changes in these countries include creating guidelines for determining child support obligations from low-income fathers and avoiding income imputation practices that overestimate non-resident fathers’ ability to pay and ultimately lead to accruing child support debt.39 In 2016, the US federal child support enforcement programme took steps in this direction by requiring states to review and revise their child support guidelines. However, these policy changes fall short of addressing a number of circumstances that may hinder non-resident parents’ ability to provide financial support to their children, such as loss of employment, which has become more common during the COVID-19 pandemic.

Creating public guaranteed child support programmes for lone-parent families is an imperative for improving the economic well-being of lone-mother families worldwide. These programmes would ensure that lone mothers and their children receive regular and adequate child support when non-resident fathers are unemployed, have low earnings or are unable to provide financial support to their children. Governments interested in implementing this policy change can learn from programmes in a number of countries. In the Nordic countries, for example, where governments share with parents the responsibility of raising children following union dissolution, public guaranteed child support has existed for decades (see Box 2). Moreover, countries in the Global South can leverage the existing infrastructure of conditional and unconditional cash transfer programmes to create a public guaranteed child support programme. Making these programmes compatible with other social protection benefits will be critical to preserve the antipoverty effectiveness of both public guaranteed child support and other government benefits.

**BOX 2:** Public guaranteed child support in Nordic countries

In Denmark, Finland, Iceland, Norway and Sweden, the government provides financial support to lone-parent families in the following circumstances: the non-resident parent fails to pay the child support payment; the non-resident parent has a low income and child support payments are too low; or there is only one parent responsible for the children.40 When the non-resident parent fails to pay the child support payment, the transfer made from the government to the lone parent becomes owed child support from the non-resident parent to the state.41 Lone parents are eligible for a public guaranteed child support transfer for children under 18 years old.

There are some differences in the policy approaches across countries. For example in Norway, the programme is not available to higher-income parents, while in other countries this benefit is universal. Monthly amounts per child vary from €83 in Norway to €235 in Iceland.42 Denmark and Iceland have the highest percentage of children receiving public guaranteed child support (17 per cent); children in these countries also receive the highest amounts of support among Nordic countries.43 Yet, public guaranteed child support represents a relatively small proportion of the median household income, ranging from 2.7 per cent in Denmark to 9.3 per cent in Iceland.44 Lone mothers in the Nordic countries cannot rely on child support alone to provide for their children. Nevertheless, the lower poverty rates observed among lone-parent families in the Nordic countries, particularly in Denmark and Finland, suggests public guaranteed child support is a key policy to improve the economic well-being of lone-mother families.
The importance of child support for lone-mother families should not obscure the fact that paid work remains the most important source of income for these families across countries. While improving the well-being of lone mothers and their children requires policy efforts in multiple areas—including childcare and paid work—interventions that increase the regularity and adequacy of child support will ultimately contribute to this goal.

**RECOMMENDATIONS**

1. **Address the dearth of child support data by adding a module on this topic to existing household surveys and longitudinal studies**
2. **Adapt child support systems to the changing patterns of union formation and union dissolution; offering services that support both married and unmarried parents is critical**
3. **Build on existing cash transfer programmes to create a public guaranteed child support for lone-mother families**
4. **Ensure that a public guaranteed child support programme is compatible with other social welfare programmes; lone mothers should not have to choose between receiving child support and receiving other government benefits**
5. **Enact social and labour market policies, including high quality, affordable childcare, that boost lone-mother families’ ability to achieve economic security, recognising that child support alone is inadequate to achieve this aim.**

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**Endnotes**

2. IFS and Wheatley Institution 2019.
5. Author’s calculations based on LIS 2020.
14. This number was calculated by assigning the equivalized household income (i.e., household income divided by the square root of household size) to each household and comparing this amount with the poverty threshold. If the equivalized household income was lower than the poverty threshold, the household was categorized as poor. For international comparisons, the poverty threshold that was used is the 50 per cent of the median household income in each country. The median household income was also adjusted for economies of scale using the square root of household size.
31. Brint et al. 2015.
32. Huang and Han 2012; Nepomnyaschy and Garfinkel 2010; Sarics and et al. 2019.
34. Skinner and Davidson 2009.
38. Cancian and Meyer 2018.
42. Ibid.
43. Ibid.
44. Ibid.
References


