

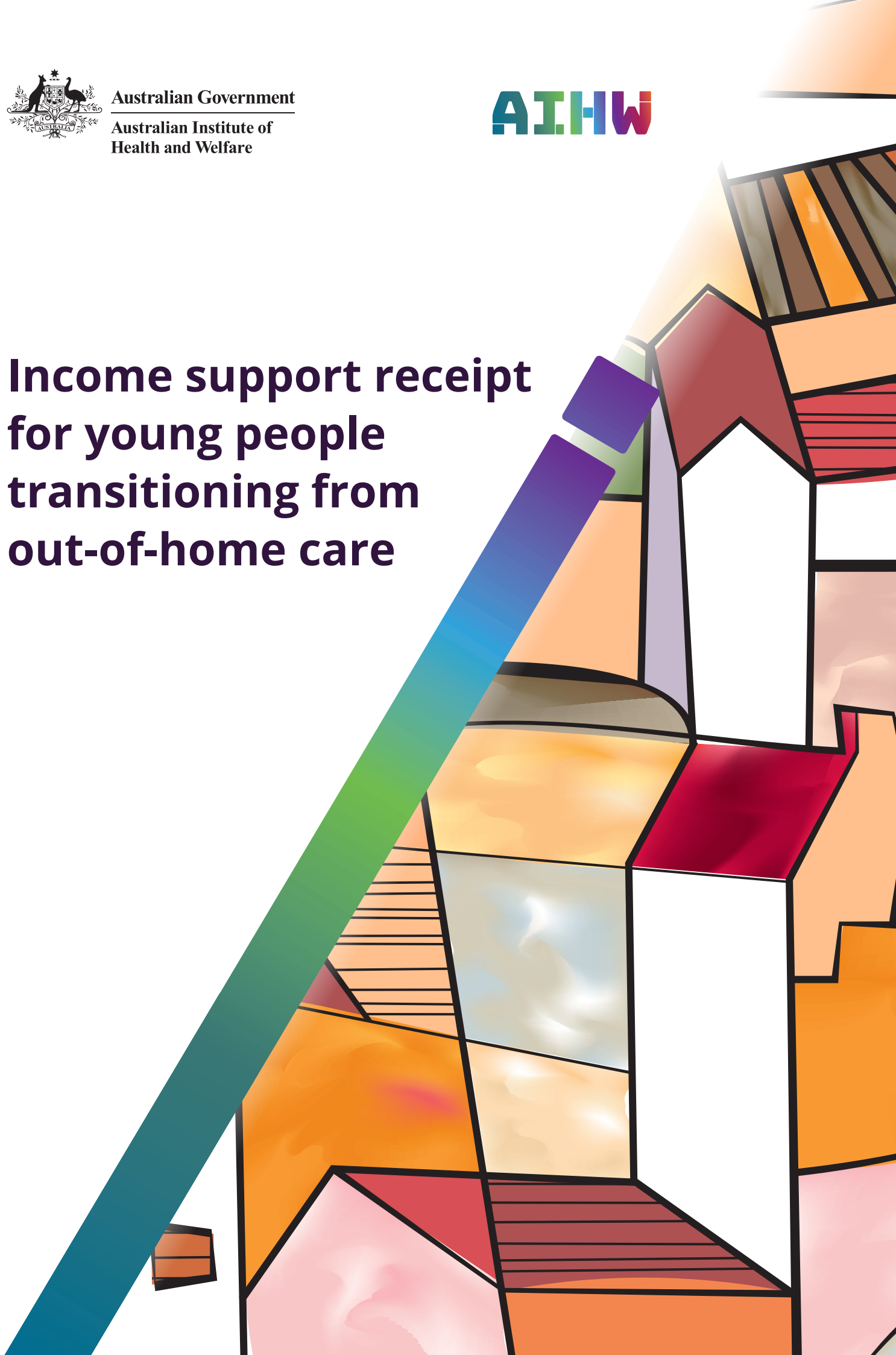


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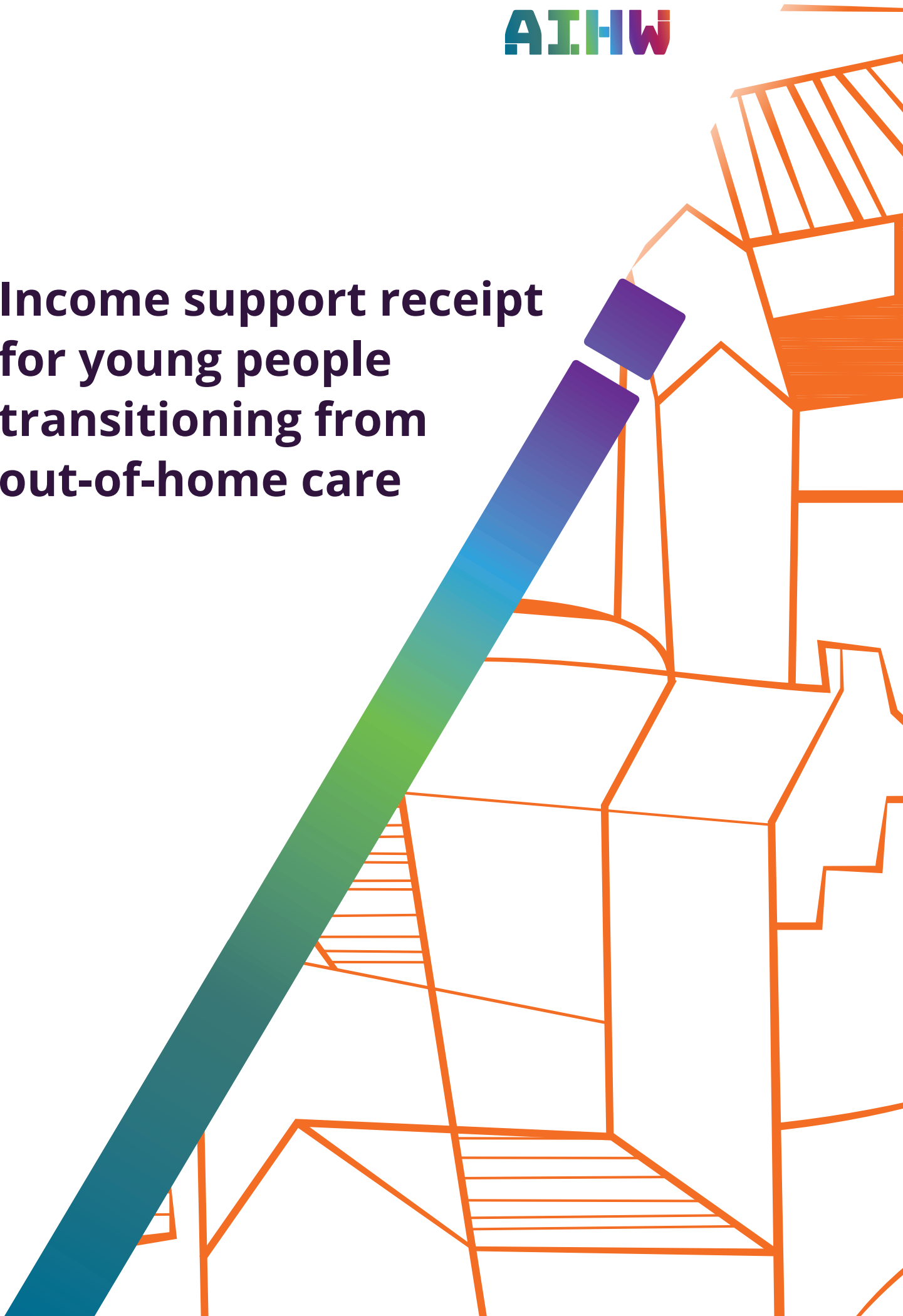
Australian Institute of
Health and Welfare

AIHW

Income support receipt for young people transitioning from out-of-home care



**Income support receipt
for young people
transitioning from
out-of-home care**



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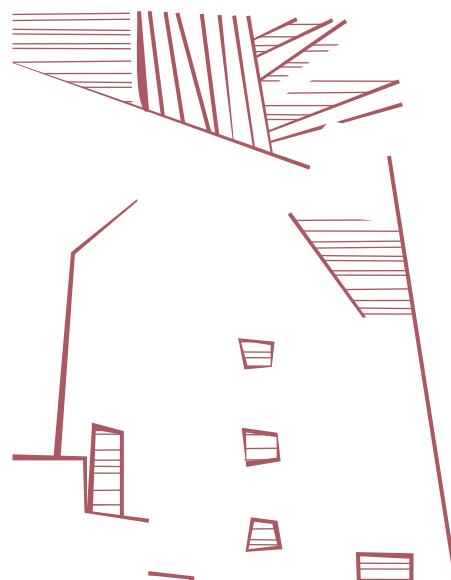
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Contents

Summary	v
1 Introduction	1
1.1 What is out-of-home care?	2
1.2 What are income support and other payments?	3
1.3 Who is included in this report?	5
1.4 What is in this report?	6
2 Methods	7
2.1 Data sources	7
2.2 Study populations	8
2.3 Creation of linked data asset	10
2.4 Variables included in this analysis	10
2.5 Study limitations	12
3 What are the characteristics of income support receipt for young people in OOHC?	14
3.1 How many receive income support in adulthood?	16
3.2 What income support payments are received leading up to and after leaving OOHC?	17
3.3 What other payments are received leading up to and after leaving OOHC?	20
3.4 For how long are income support payments received?	21
3.5 What pathways do young people take into and between income support payments as they transition from OOHC?	23
4 How does income support receipt vary by the characteristics of young people in OOHC?	25
4.1 Overview of the OOHC study population	26
4.2 How does receipt of income support vary?	28
4.3 How does type of income support payment received vary?	30
4.4 How does receipt of other payments vary?	33
4.5 How did time spent on income support vary?	35

5 What is next?.....	37
Appendix	40
Appendix A: OOHC data	40
Appendix B: Centrelink data and DOMINO	41
Appendix C: Overview of Centrelink payments	43
Appendix D: Comparison populations	47
Appendix E: Linkage methods	48
Appendix F: Overview of income support and other payment characteristics reported on in this study.....	50
Acknowledgments	52
Abbreviations	52
References.....	53



Summary

In 2019–20, around 1 in 32 (3.1% or 174,700) children aged 0–17 years were assisted by Australia’s child protection system (AIHW 2021). Departments responsible for child protection provide a range of services to support children and young people, including care and protection orders, family support services or, where needed, out-of-home care (OOHC). OOHC provides alternative accommodation for children who are unable to live with their families. This may be related to a variety of reasons, such as they are the subject of a substantiation and are in need for a more protective environment, when parents are incapable of providing adequate care, when alternative accommodation is needed during times of conflict, or when parents/carers need respite. Of the children receiving child protection services in 2019–20, 26% were in OOHC (0.8% of Australian children). Of these, the vast majority (92%) were placed in home-based care, such as in foster care or relative or kinship care, with a smaller proportion (6.6%) in residential care (AIHW 2021).

Children who are, or have been, in OOHC face greater vulnerability across several dimensions of their wellbeing, both during and after they leave care. This may reflect the significant life disruptions that led to their placement in care, wider exposure to disadvantage, or experiences during their time in OOHC. However, it is important to note that a sense of security, stability and social support are strongly associated with better long-term outcomes after leaving care—as such, a young person’s experiences in OOHC can influence their long-term trajectory after leaving a traumatic environment (FaHCSIA 2011).

Reliable national data on outcomes and broader service use of young people who have been in OOHC as they transition out of care and into independence is currently lacking. This national report aims to build the evidence-base on transition outcomes by bringing together Australian Government (Centrelink) and state and territory (OOHC) administrative data to examine receipt of income support and other payments by these young people. The type of financial assistance a person receives often reflects their life circumstances at the time of receipt. It can indicate, for example, those who require support while pursuing higher education, those looking for work or unable to work due to disability or caring responsibilities, or those experiencing personal crises such as family violence or contact with the justice system.

Young people may be particularly vulnerable in the time after they leave care, as they adjust to independent living, often with limited support networks. Studies such as this one can help build a picture of their service use and life circumstances leading up to and after leaving care. These insights can be used to inform better policy, practice and support services for their transition out of care and into independence.

Overview of the study

The data linked in this study were:

- **OOHC data** from all state and territory governments (except Queensland), which included young people born between 1 July 1990 and 30 June 1998 who had been in OOHC.
- **Centrelink data** from the Department of Social Services (DSS) data asset *Data Over Multiple Individual Occurrences* (DOMINO) on income support and other payment receipt between 2007 and 2016.

The OOHC study population created from linking these data sets included around 32,100 young people, born between 1990 and 1998, who had at least one OOHC placement (lasting 7 or more days), from all states and territories except Queensland.

Note that the definition of OOHC used in this study differs from those used in other AIHW publications, due to differences in the data supplied, policy changes over time, and the focus of the analysis. Further information on the definition of OOHC is provided in Appendix A.

Patterns of income support and other payment receipt—types of payments, duration on payment, and pathways between payments—were examined for various populations of the same age to quantify whether young people who have been in OOHC have different experiences from other populations of the same age:

- **'Australian' population** was used to provide a comparison with all young people of the same age for point-in-time analysis.
- **'Centrelink' population** was used as a proxy for the Australian population for longitudinal analysis (where individuals are observed across multiple years). This group includes those who are Centrelink recipients themselves or who are recorded in Centrelink through claims of other Centrelink recipients.
- **'lowest socioeconomic' population** was used to provide a comparison with young people of the same age who are also experiencing socioeconomic disadvantage, according to an area-based measure (the lowest quintile of Socio-Economic Indexes for Areas (SEIFA)).

Key findings

The findings presented in this report are based on associations between the characteristics of a person's time in OOHC and subsequent receipt of income support or other payments. It is important to note that these findings do not imply causation between these characteristics; children who are placed in OOHC are often the subject of complex circumstances, such as exposure to trauma, neglect and systemic vulnerability and disadvantage. These circumstances may lead to their placement in care, but may also influence their experiences in later life and likelihood of income support receipt. Understanding these associations may provide insights into the outcomes of these young people in later life, particularly how these compare to young people who have not been in OOHC. Note that this study design does not support assessment of whether children in OOHC would have had better or worse outcomes in later life had they remained in their original living arrangement.

As noted above, these findings are derived from observing young people who have been in OOHC during childhood and are receiving income support and other payments leading up to and after leaving OOHC (at ages 16 to 25 or referred to as 'young adulthood' and between 2007 and 2016).

The OOHC study population:

3 times as likely to receive income support in young adulthood

Nearly 3 in 5 (59%) in the OOHC study population received income support payments in young adulthood, compared with 1 in 5 (21%) in the Australian population of the same age.

Compared with the Australian population of the same age, receipt of certain payments was much higher among the study population, such as Crisis Payment (12 times as high), Disability Support Pension (DSP) (5 times as high), and parenting and unemployment payments (each 4 times as high). Student payment receipt was twice as high before age 18 but half as likely after age 21 compared with the Australian population of the same age.

4 times as likely to spend most of the observation period on income support in young adulthood

One in 2 (54%) in the OOHC study population spent most of their time on income support (more than 75% of the time between their 18th birthday and the end of the observation period, 30 June 2016). In comparison, 1 in 7 (14%) in the Australian population of the same age spent this much time on income support.

Almost half receive their first payment before exiting care

Almost half (45%) of the OOHC study population received their first payment before their final exit from OOHC, of which 3 in 4 (72%) first received student payments and 1 in 6 (17%) unemployment payments.

Less likely to remain on student payments and more likely to remain on unemployment payments

Young people in the OOHC study population were less likely to remain on student payments between their 18th and 21st birthdays than the Centrelink population of the same age (16% still on student payment at age 21 compared with 32% for Centrelink population). However, they were more likely to remain on unemployment payments between these ages than the Centrelink population of the same age (49% compared with 36%).

Income support patterns varied by OOHC characteristics

Among the OOHC study population, income support receipt in young adulthood was higher for those primarily in residential care; those with a high number of placements (6 or more); and those first entering or exiting care aged 13 or over. Further, Aboriginal and Torres Strait Islander young people were more likely to be in receipt of income support and other payments and for longer periods than other young people in care.

The OOHC population receiving DSP, unemployment payments and Crisis Payment showed the greatest differences across the placement characteristics—for example, those receiving DSP or Crisis Payment in adulthood were more likely to have been primarily in residential care or to have had a high number of placements.

Longer duration on income support (more than 75% of their time) was higher for those who were primarily in residential care; those with six or more placements; and those entering/exiting care aged 13 and over.

As noted above, the complex circumstances that lead to a child's placement in OOHC may also continue to affect their experiences in later life as they transition out of care. As such, the findings presented above are associations between OOHC characteristics and subsequent income support receipt and they do not imply causation. In interpreting these findings, it is important to consider how these associations may be reflective of these broader circumstances.

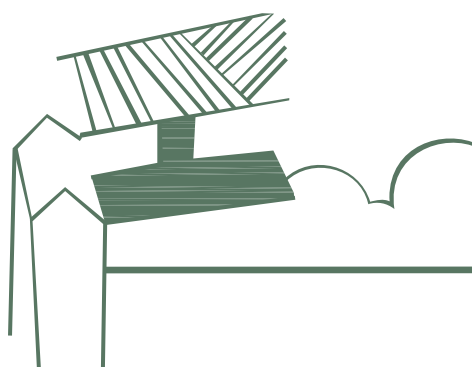
What is next?

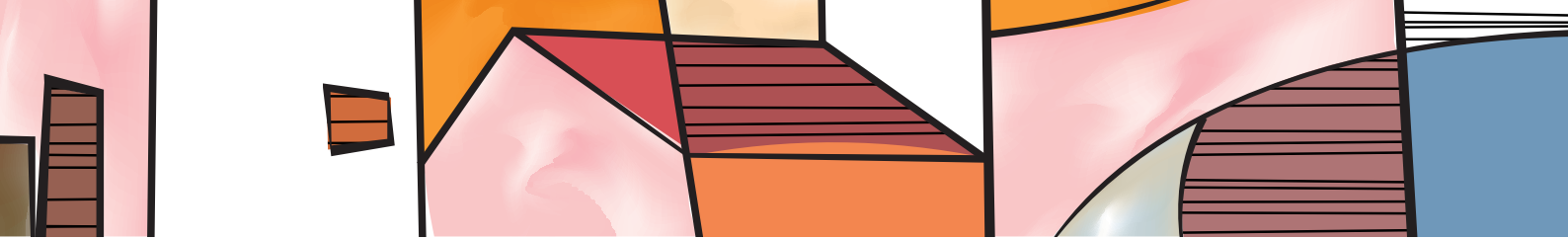
This study has provided new insights into how young people who have been in OOHC interact with the social security system in terms of income support and other payments, thereby providing an indication of their broader life circumstances leading up to and after leaving care. Such information can be used to inform better policy, practice and support services for young people as they transition from care to independence.

A key strength of this linkage study is that it spans a long period, and includes data from nearly all jurisdictions and multiple policy settings. Additionally, this linkage study has demonstrated the benefits of collaborative cross-jurisdictional data sharing projects in building national data assets. The governance processes and linkage methods established for this study pave the way for creating an enduring, regularly updated OOHC outcomes data asset.

While this data asset describes receipt of income support and other payments as one potential dimension of young people's transition to independence, it provides limited information on cross-sectoral outcomes in relation to health, education and training, employment and housing. A further limitation of the study is that it does not capture the most up-to-date picture of income support receipt (up to June 2016), nor does it provide insights on income support receipt after the age of 25 (due to data availability constraints). More in-depth analysis, through statistical modelling of the data included in this report and inclusion of additional data sources, would also assist in providing further context and insights into the patterns observed in this report.

In the future, this linked dataset could be enhanced by regularly updating the income support payment (Centrelink) data to capture more recent trends in payment receipt. Additionally, the data linkage process could be expanded to capture a broader range of services and outcomes, therefore providing a more complete picture of the long-term trajectory of children who have been in care. Such information has the potential to become a powerful platform for monitoring and evaluating OOHC policies and practice across different contexts. It will also provide a robust evidence base for informing service development and implementation, particularly around developing stronger support systems for care leavers, including supported care and extended care models.





1 Introduction

Young people who are, or have been, in out-of-home care (OOHC) face greater vulnerability and a higher risk of experiencing poor outcomes in key areas important to their wellbeing. These areas include housing, education, employment and involvement in the criminal justice system. This may reflect the significant life disruptions that led to their placement in care, wider exposure to disadvantage and trauma during their childhood, the quality, security and stability of their placements, and the lack of family and support networks to assist their transition from OOHC to independence (Mendes P and McCurdy S, 2019; FaHCSIA 2011).

All levels of government are committed to improving the life-long outcomes for young people who have been in OOHC. However, there is a lack of reliable national data on the outcomes and broader service use of care leavers as they transition out of care and into independence. For this reason, governments across Australia have highlighted the need for building the evidence-base that can be used to improve outcomes for young people who have been in OOHC.

This project links Australian Government (Centrelink) and state and territory (OOHC) data to provide insights on income support service use and life circumstances leading up to and after leaving OOHC. It is the first national study that brings together administrative data across most jurisdictions to examine income support and other payment receipt for young people who have been in OOHC. The type of financial assistance a person receives often reflects their life circumstances at the time of receipt. It can indicate, for example, those who require support while pursuing higher education, those looking for work or are unable to work due to disability or caring responsibilities, or those experiencing personal crises such as family violence or contact with the justice system.

There is increasing demand for such cross-jurisdictional linkage projects to address key policy priorities and recommendations. This has been highlighted in the National Framework for Protecting Australia's Children (DSS 2018) and the Royal Commission into the Protection and Detention of Children in the Northern Territory (Commonwealth of Australia 2017). By using Centrelink data to provide insights into the pathways to adulthood for children who have been in OOHC, this project builds an understanding of the experiences of these children in the years leading up to and after their departure from care.

In particular, these types of linkage studies can be used to identify those experiencing vulnerability and disadvantage, assess the long-term impact of earlier interventions, and provide information on the transition from OOHC to independence. Such information could be used to inform better policy, practice and support services. For example, the transition planning process for leaving OOHC aims to prepare young people for their future and build their capacity to live and thrive independently. This process begins before a child leaves care, and should be connected to other planning processes for young people. Studies such as this one can help build a picture of service use and broader life circumstances leading up to and after leaving care, providing an evidence base for informing service development and implementation, particularly around developing stronger support systems for care leavers (for example, to help inform more holistic transition plans).

This study provides new insights on around 32,100 young people (born between 1 July 1990 and 30 June 1998) who had an OOHC placement during childhood and received income support and other payments leading up to and after leaving OOHC (at ages 16 to 25 and between 2007 and 2016).

As mentioned previously, it is important to note that the findings presented in this study do not imply causation between a child's time in OOHC and their subsequent receipt of income support or other payments. Children who are placed in OOHC are often the subject of complex circumstances, such as exposure to trauma, neglect and systemic vulnerability and disadvantage. These circumstances may lead to their placement in care, but may also influence their experiences in later life and likelihood of income support receipt. In comparing outcomes for children who have been in OOHC with the general population of the same age, it is important to note that any observed differences may reflect the higher level of disadvantage experienced by those in OOHC, rather than the impact of OOHC on these outcomes. This study also includes a comparison group for young people living in the most disadvantaged socioeconomic areas; however, this is a limited comparison group and is not suited for drawing causal inferences on the outcomes for the two populations.

1.1 What is out-of-home care?

In Australia, child protection is the responsibility of state and territory governments. Child protection services aim to protect children from abuse and neglect in family settings. In 2019–20, 1 in every 32 (3.1% or 174,700) Australian children received child protection services, similar to the rate observed over the preceding 4 years (between 2.9–3.1%) (AIHW 2021).

Departments responsible for child protection provide a range of services to support children and young people in the child protection system. These include care and protection orders, family support services or, where necessary, OOHC. OOHC provides alternative accommodation for children who are unable to live with their families. This may be related to a variety of reasons, such as they are the subject of a substantiation and are in need for a more protective environment; when parents are incapable of providing adequate care; when alternative accommodation is needed during time of conflict; or when parents/carers need respite.

Of the children receiving child protection services in 2019–20, 26% were in OOHC (0.8% of Australian children). Of these, the vast majority (92%) were placed in home-based care, such as in foster care or relative or kinship care, with a smaller proportion (6.6%) in residential care (AIHW 2021).

The types of OOHC living arrangements included in this report are:

- **Foster care:** where placement is in the home of a carer who is authorised or reimbursed (or was offered but declined reimbursement) by the state or territory for the care of the child.
- **Relative or kinship care:** where the caregiver is a relative, considered to be a family or close friend, or a member of the child's or young person's community (in accordance with their culture). For Aboriginal and Torres Strait Islander children, a kinship carer may be another Indigenous person from their community, a compatible community or from the same language group.
- **Residential care:** where placement is in a residential building whose purpose is to provide placements for children and where there are paid staff.

Note that the data and definitions used in this report differ from those used in other AIHW publications on child protection (see Appendix A for further details). For more information on the child protection system and annual child protection service activity reporting, see *Child Protection Australia 2019–20* (AIHW 2021).

1.2 What are income support and other payments?

Adequate levels of income helps a person support themselves, their family and the community more broadly. However, some people may not be able to earn enough income to meet the everyday costs of living and require government assistance. Government payments, such as income support and other payments help those who may not be able to fully support themselves or would benefit from financial assistance at different stages of life. The type of financial assistance an individual receives often reflects their life circumstances at the time of receipt, such as those who are:

- unable to work full-time (due to disability or caring responsibilities)
- looking for work (unemployed)
- studying
- raising a family
- experiencing personal crises such as family violence or contact with the justice system.

These payments, administered by the Department of Social Services (DSS) and delivered by Services Australia, are the focus of this report. This report includes 2 categories of payments—income support payments and other financial assistance to those in need of support (see below for further details).

Income support payments

Income support payments are those that are expected to serve as a recipient's primary source of income. These are regular payments that assist with the day-to-day cost of living. They are subject to means testing—as a person's income and assets increase, the rate of payment is reduced. Individuals can receive only one income support payment at a time.

This report divides income support payments into 4 major categories, as shown in Table 1.1 (see Appendix C for further details on these categories). Note that over the observation period of this study (2007 to 2016) there were a number of policy changes that affected the eligibility criteria for some payments, which may have implications for comparability of the results across birth cohorts and for recent care leavers (see Appendix C Table C2 for further details).

Table 1.1: Overview of income support payment data examined in this report

Payment data type	
Student payments	<ul style="list-style-type: none"> • Offer support for individuals undertaking apprenticeships/study at primary, secondary and tertiary levels • Available to students and apprentices aged 16–24 • Includes Youth Allowance (Student & Apprentice), ABSTUDY and Austudy.
Unemployment payments	<ul style="list-style-type: none"> • Support individuals who are unemployed or earning under the income threshold • Includes Newstart Allowance (replaced by the JobSeeker Payment in March 2020) and Youth Allowance (Other). <p><i>Note: Not all unemployed people may be receiving these payments as they may be receiving other income support payments instead, or may not meet other eligibility criteria such as assets tests.</i></p>
Parenting payments	<ul style="list-style-type: none"> • Can be accessed by low-income parents, in recognition of the impact that caring for a young child (aged under 8 for single parents and aged under 6 for partnered parents) can have on a parent’s capacity to undertake full-time employment • Includes Parenting Payment Single and Parenting Payment Partnered.
Disability Support Pension	<ul style="list-style-type: none"> • Supports those who have a reduced capacity to work because of an impairment or disability. <p><i>Note: Not all people with disability may be receiving DSP as they may not require the payment or meet eligibility criteria, and as such, the DSP information presented in this report should not be used as a proxy for disability.</i></p>

For more details on these payments, see Appendix C and Appendix F.

Other benefits and allowances

Financial assistance provided through the social security system also includes other benefits and allowances (referred to as other payments in this report). Rather than acting as a main source of income, these payments are aimed at assisting with specific expenses, such as the cost of raising a child and for those experiencing personal crises. These payments can provide additional financial assistance to both income support recipients as well as others in need of support. This report includes analysis of 2 such payments, described in Table 1.2.

Table 1.2: Overview of other benefits and payment data examined in this report

Payment data type	
Family Tax Benefit (A and B)	<ul style="list-style-type: none"> • Assists with the everyday costs of raising children • It consists of 2 parts—FTB Part A is a per-child payment based on the family circumstances and FTB Part B is a per family payment that provides extra help to single parents and some couple families with 1 main income • The income threshold for these payments is higher than for parenting payments (described above).
Crisis Payment	<ul style="list-style-type: none"> • A one-off payment given to income support recipients facing a number of different personal circumstances, including: prison release, domestic violence and arriving into Australia as a humanitarian entrant.

The AIHW also examined receipt of Commonwealth Rent Assistance and Low Income Cards, which are not presented in this report. Data on these payment types are included in a data supplement to this report in Supplementary Table 3 (online).

For a more detailed description of the separate payments analysed in this study, see Appendix C and Appendix F.

1.3 Who is included in this report?

Study population

This report seeks to understand the experiences of a group of young people referred to as the **'out-of-home care (OOHC) study population'**, who had an OOHC placement during childhood.

The OOHC study population includes around 32,100 young people, born between 1990 and 1998, who had at least one OOHC placement (lasting 7 or more days), from all states and territories except Queensland.

Comparison population

Three comparison populations have been included in this report to assess whether young people who have been in OOHC have different patterns of income support receipt to the overall Australian population of the same age.

- **'Australian' population:** provides a comparison with all young people of the same age for point-in-time analysis (where individuals are observed on a given day in each year in the observation period).
- **'Centrelink' population:** is a proxy for the Australian population for longitudinal analysis (where individuals are observed across multiple years). This group includes those who are Centrelink recipients, or who are recorded in Centrelink through claims of other Centrelink recipients.
- **'lowest socioeconomic' population:** provides a comparison with young people of the same age, who were also experiencing socioeconomic disadvantage. This group is a subset of the Australian population living in the most disadvantaged socioeconomic areas, based on the Index of Relative Socioeconomic Disadvantage. Note that this index reflects the average level of disadvantage of the population of an area; it does not show how individuals living in the same area differ from each other in their socioeconomic group.

Note that the OOHC population is included in these comparison populations, as it was not possible to remove these individuals from the comparison populations (see Section 2.2 for further details).

1.4 What is in this report?

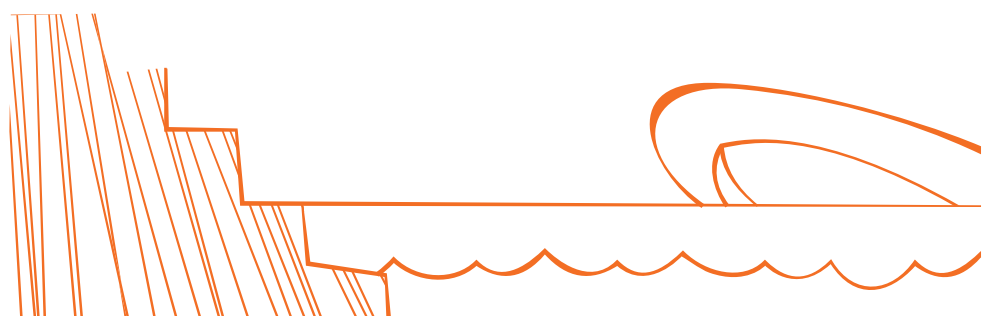
This linkage study aims to address key data gaps and policy priorities in understanding the wider supports and transition outcomes for young people who were in OOHC during their childhood, which cannot be addressed using existing individual data collections.

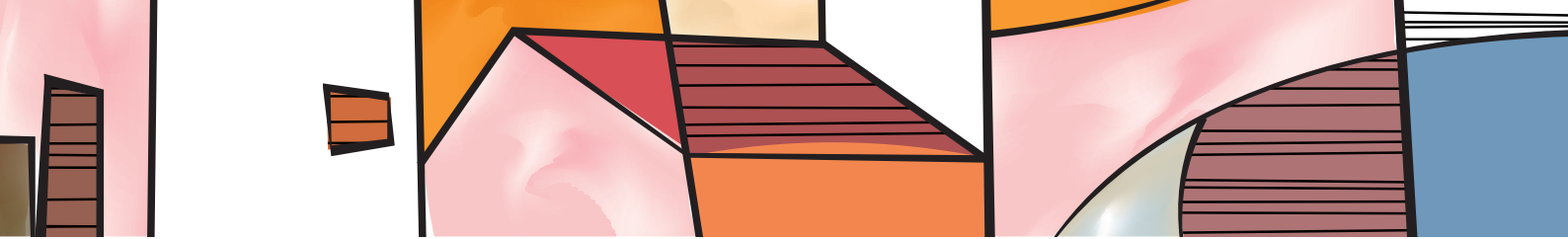
The main objectives of this report are to provide high-level findings at a national level on the characteristics of income support and other payment receipt for those who have been in OOHC. The report comprises the following:

- Chapter 2 describes the study's data sources, study populations, linkage and analysis methods, and study limitations.
- Chapter 3 examines characteristics of income support and other payment receipt for the OOHC study population.
- Chapter 4 examines variations in income support and other payment receipt by the characteristics of young people in care.
- Chapter 5 provides a summary of the study and discusses analysis options for future studies.

The Appendix presents detailed information on data sources, study populations and methods. The supplementary data tables (Tables 1–10) referred to in this report are available to download from <https://www.aihw.gov.au/reports/child-protection/incomesupport-receipt-OOHC>.

This data linkage study was a collaborative effort by Australian federal and state and territory governments. This collaboration operated under the auspices of the Children and Families Secretaries (CAFS) and involved the AIHW building a national linked data asset and facilitating safe data sharing across governments.





2 Methods

This chapter provides an overview of the methods used in establishing the linked data set and the analysis presented in this report, including:

- key data sources (Section 2.1)
- study populations used in this project (Section 2.2)
- creation of the linked dataset (Section 2.3)
- analysis variables (Section 2.4)
- study limitations (Section 2.5).

Further details on these components are provided in the Appendix.

2.1 Data sources

The primary data sources used in this project were administrative Centrelink and OOHC data from Australian federal, state and territory government agencies, as shown in Table 2.1 (see Appendices A and B for further details).

Further, the Australian Bureau of Statistics (ABS) Estimated Resident Population and Index of Relative Socioeconomic Disadvantage (derived from the ABS Census of Population and Housing) was used for reporting on the comparison populations (see Section 2.2 for further details).

Table 2.1: Data sources used in this project

OOHC data	Income support and other payments data
<ul style="list-style-type: none">• Administrative data held by state and territory government child and family services departments. Does not include Queensland.• Includes all children in OOHC, born between 1 July 1990 and 30 June 1998.	<ul style="list-style-type: none">• Sourced from Data Over Multiple Individual Occurrences (DOMINO)—an administrative longitudinal research data asset developed by DSS.• Includes all clients who accessed Centrelink payments between 2000 and 2016. Given the observation period of the study, payment receipt covers the 2007 to 2016 period.

2.2 Study populations

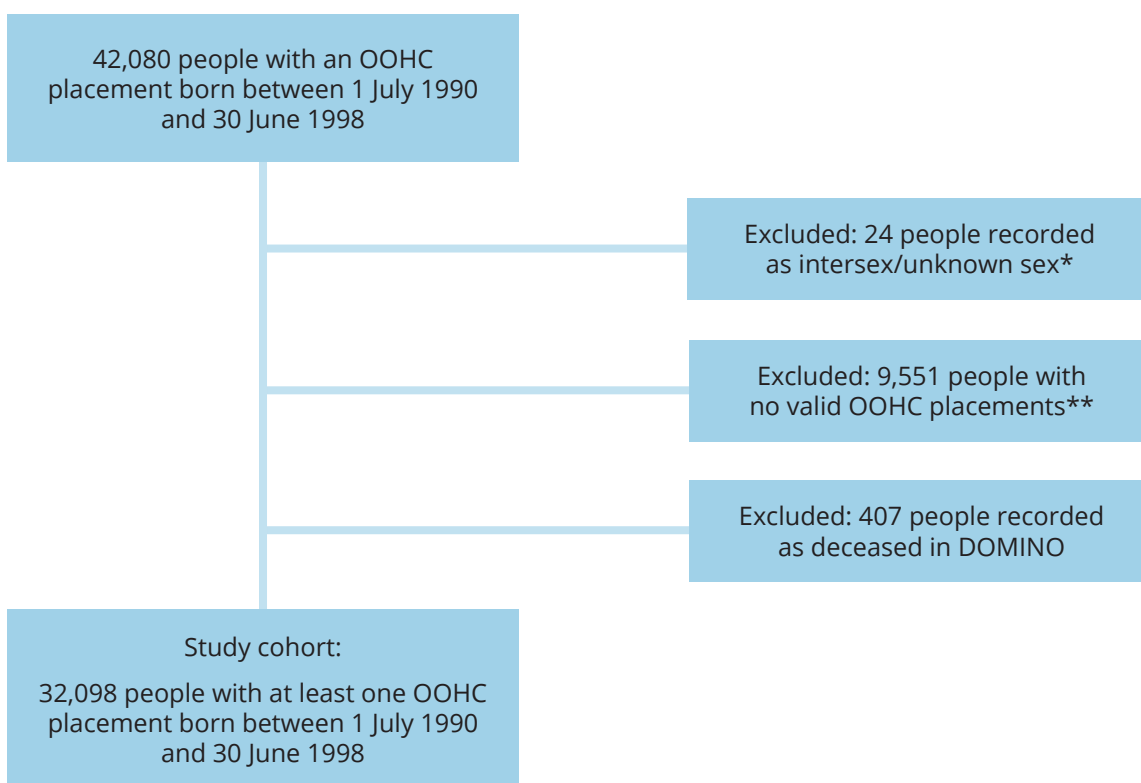
OOHC study population

The OOHC study population includes around 32,100 young people, born between 1990 and 1998, who had at least 1 OOHC placement lasting 7 or more days (see Figure 2.1). It includes data from all states and territories except Queensland. All individuals in the study population had reached 18 years of age by the end of the follow-up period, 30 June 2016. Note that this timeframe reflects the latest available Centrelink data from DOMINO available for this study.

Note that young people observed in this study have different follow-up periods based on their year of birth: the oldest children (born 1990–91) were observed to age 25, while the youngest (born 1997–98) were observed to age 18.

Also, note that the definition of OOHC used in this study differs from that used in other AIHW publications, due to differences in the data supplied, policy changes over time, and the focus of the analysis. See Appendix A for further details.

Figure 2.1: Definition of the OOHC study population



Notes:

- * Reporting on these individuals would prevent any future releases of outcomes by sex, due to small cell sizes.
- ** Valid OOHC placements are defined as those that: lasted at least 7 days; occurred before an individual's 18th birthday; and was not solely for the purposes of respite care.

Comparison populations

Comparison populations can be used to assess and quantify whether people who have been in OOHC have different experiences to other populations of the same age. Note that the OOHC study population is included in these comparison populations, as it was not possible to remove these individuals from the comparison populations. While there is an overlap, the effect would be nominal given the size of the OOHC population relative to these comparison populations.

In this study, 3 comparison populations were included:

- ‘Australian’ population
- ‘Centrelink’ population
- ‘lowest socioeconomic’ population.

While these comparison populations can be used to make broad statements on patterns of income support receipt, they are limited as the characteristics of children who experience OOHC are quite different to those in these 3 other populations.

These populations are described in Table 2.2, and further information is provided in Appendix D.

Table 2.2: Comparison populations included in this project

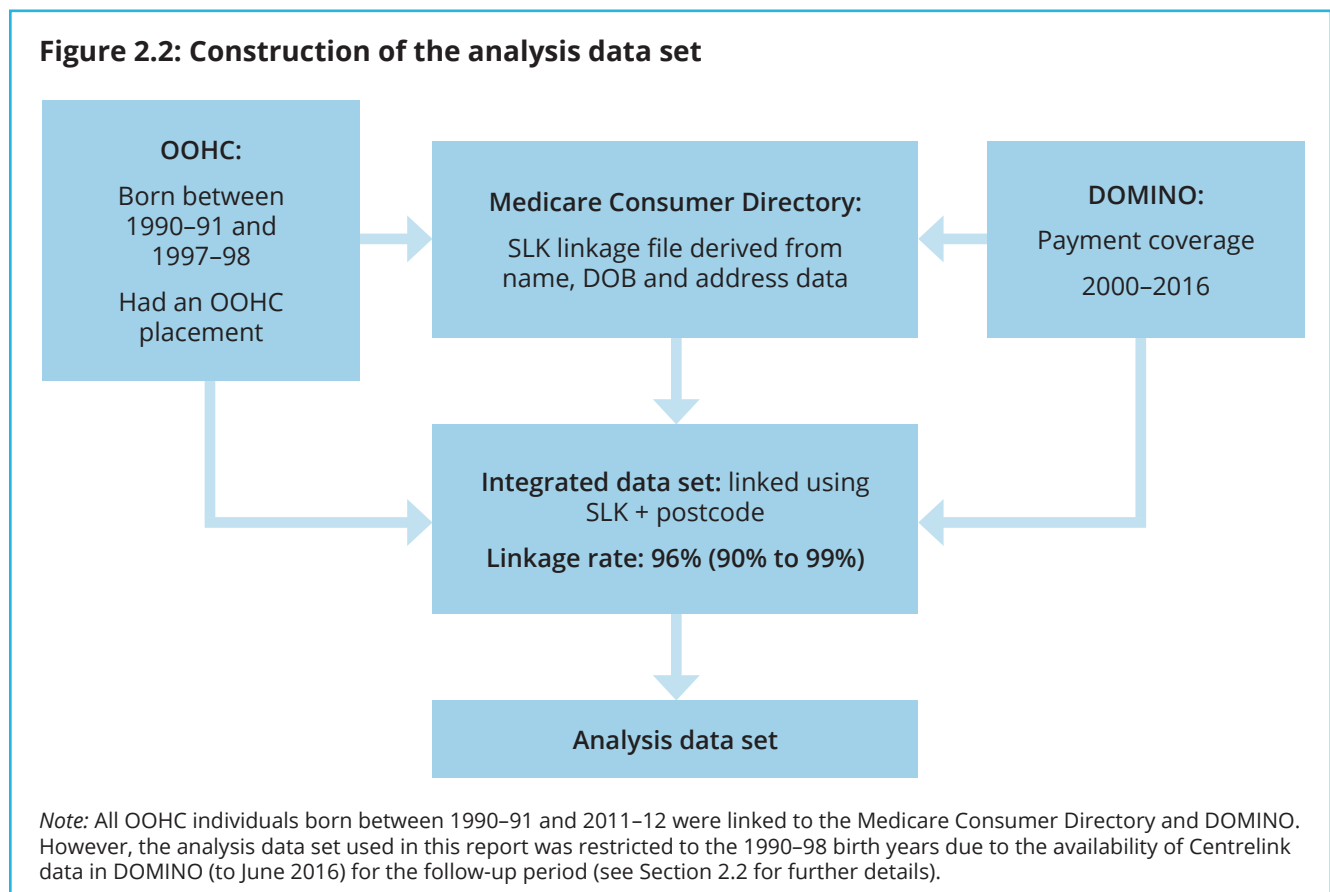
	‘Australian’ population	‘Centrelink’ population	‘Lowest socioeconomic’ population
Definition	Australian population born between 1 July 1990 and 30 June 1998, derived from ABS Estimated Resident Population (ERP) data.	Centrelink recipients born between 1 July 1990 and 30 June 1998 who received a payment, or who are recorded in Centrelink through claims of other Centrelink recipients (such as FTB applications of parents/ carers).	A subset of the Australian population living in the most disadvantaged socioeconomic areas, based on the Index of Relative Socioeconomic Disadvantage (that is, the lowest quintile of Socio-Economic Indexes for Areas (SEIFA)). This is derived from the ABS Census of Population and Housing data. Note that these data reflect the average level of disadvantage of the population of an area; it does not show how individuals living in the same area differ from each other in their socioeconomic group.
Purpose	Comparison with young people of the same age in the Australian population. Used for point-in-time analysis (where individuals are observed on a given day in each year in the observation period).	Comparison with young people of the same age recorded in Centrelink (DOMINO). Used for longitudinal analysis (where individuals are observed across multiple years).	Comparison with young people of the same age in the Australian population, who are also experiencing socioeconomic disadvantage. Used for point-in-time analysis.
Ages where payment receipt is observed	16–25 years	16–25 years	21–25 years

ABS= Australian Bureau of Statistics; FTB=Family Tax Benefit.

2.3 Creation of linked data asset

The OOHC data was linked to DOMINO using a key-based linkage method. A Statistical Linkage Key (SLK-581) and postcode data were used to find where a record in the OOHC data matched a record in DOMINO (see Figure 2.2). A preliminary linkage was also conducted with the Medicare Consumer Directory (MCD) to improve linkage quality. Note that all data (OOHC, DOMINO and the MCD) used in this linkage consisted of SLKs only and did not contain identifiable information. For further information on linkage methods, see Appendix E.

Overall, 96% of the OOHC study population were matched with a DOMINO record. This linkage rate ranged between **90% and 99%** across participating jurisdictions.



2.4 Variables included in this analysis

Characteristics of income support and other payment receipt

In interpreting the results of this report, it is important to understand that people can receive income support and other payments in a variety of circumstances. These include those who require support while pursuing higher education, those looking for work or who are unable to work due to disability or caring responsibilities, or those experiencing personal crises such as family violence or contact with the justice system. Table 2.3 provides an overview of the income support and other payment data included in this study (further details are included in Appendix F).

Receipt of income support and other payments were derived by counting the number of persons who received each payment at the end of the financial year (at 30 June) in which they turned each year of age over the observation period (between 2007 and 2016). The proportion in receipt of income support and other payments for each age, is an average across the birth cohorts.

For example, results at ages 18 and below are an aggregation of all eight birth cohorts (born between 1990–91 and 1997–98), whereas results at age 25 are based on the oldest birth cohort (born 1990–91) only, given the differing follow-up periods.

In addition to this point-in-time analysis, longitudinal analysis was also conducted (for duration on payments and movements between payments) to observe recipients over multiple years (for example, from their 18th birthday to the end of the observation period).

Note that over the observation period of this study (2007 to 2016) there were number of policy changes that affected the eligibility criteria for some payments, which may have implications for comparability of the results across birth cohorts and for recent care leavers (see Appendix C Table C2 for further details). In addition, the circumstances of children who experience OOHC are quite different to those in the 3 other comparison populations, which is likely to influence receipt of income support and the patterns observed in this report.

Table 2.3: Characteristics of income support and other payment data examined

Characteristics	
Receipt	<ul style="list-style-type: none"> • Proportion of young people receiving income support (unemployment, student or parenting payments and Disability Support Pension (DSP)) • Proportion of young people receiving other payments (Crisis Payment and Family Tax Benefit) • Characteristics of recipients (primary medical conditions of those receiving DSP).
Duration	<ul style="list-style-type: none"> • The proportion of time spent on income support between a young person’s 18th birthday and the end of the observation period (on 30 June 2016) • The number of days a young person was on income support for a given financial year.
Payment pathways	<ul style="list-style-type: none"> • Characteristics of young person’s first payment (payment type, age at receipt, duration on payment and whether the payment was first received whilst in care) • Pathways between income support payments (payment received at 18th birthday cross-tabulated against payments received at subsequent birthdays).

Characteristics of young people in OOHC

A key objective of this study was to examine income support and other payment receipt for the overall OOHC study population as well as for a range of OOHC characteristics, as detailed in Table 2.4.

As mentioned previously, it is important to note that the findings presented in this report do not imply causation between a child’s time in OOHC and their subsequent receipt of income support and other payments. These children may be affected by complex circumstances (such as exposure to disadvantage, vulnerability and trauma) that contribute to their placement in OOHC, but may also influence their need for further services, such as financial government assistance through income support and other payments.

Table 2.4: Characteristics of young people in OOHC examined

Characteristic of person or placement	
Indigenous status	<ul style="list-style-type: none"> • Aboriginal or Torres Strait Islander children • Other children (includes non-Indigenous children and those for whom Indigenous status was missing/not stated).
Primary placement type	Whether a child spent the most time (total number of days) in: <ul style="list-style-type: none"> • Foster care • Relative/kinship care • Residential/group home care • Other care.
Number of placements	<ul style="list-style-type: none"> • 1 placement • 2–5 placements • 6+ placements.
Age at first entry	<ul style="list-style-type: none"> • First entry at age 0–2 • First entry age 3–12 • First entry at age 13 or over.
Length of time in care	<ul style="list-style-type: none"> • <2 years in OOHC • 2–5 years in OOHC • 6+ years in OOHC.
Age at last exit	<ul style="list-style-type: none"> • Last exit at age <13 • Last exit at age 13–16 • Last exit at age 17*.

* Note that while an OOHC placement in this report is defined as supported placements for children aged 0–17, this category may include a small number of young people who exit care after they turn 18, as they transition to independence.

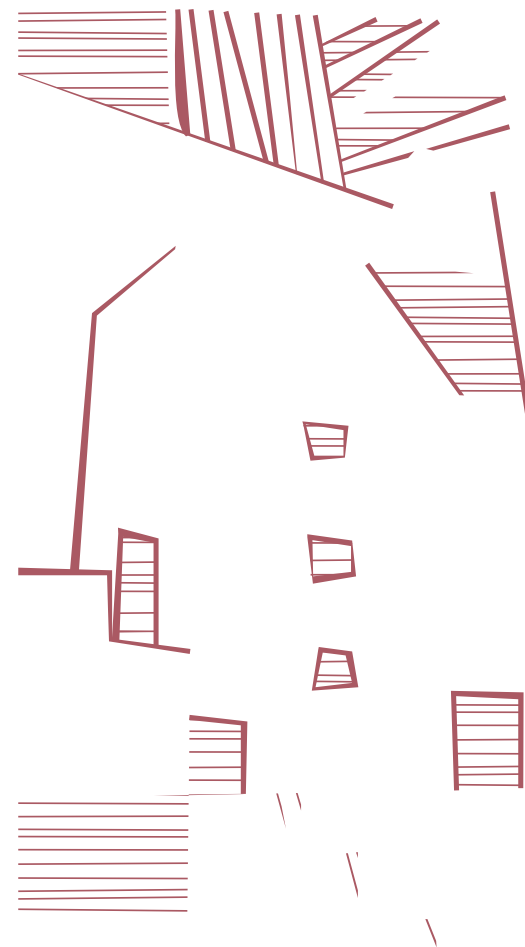
2.5 Study limitations

In interpreting the results from this study, it is important to note:

- **variable follow up periods:** Due to the definition of the follow-up period, results reported for older ages (19–25) will not incorporate observations from all 8 birth cohorts in the OOHC study population. This may impact on the longitudinal analysis results (duration on income support and payment pathways) as those born in later years are not observed at older ages.
- **use of older Centrelink data:** The income support and other payment data in this study spans the 2007–2016 period, and as such, does not present a current view of income support receipt (for example, baseline information on the beginning of the COVID-19 pandemic). Appendix C also includes details on key income support policy changes over the observation period that may have implications for the interpretation of the data included in this report.

- **use of historical OOHC population data:** The OOHC data in this report may have been collected before improvements to nationally-agreed reporting on child protection service activity. As a result, the quality of OOHC data may be variable, particularly data from earlier years. For example, children who exited in earlier years were more likely to have missing or 'other' data for Indigenous status and have 'Other' placement type. Additionally, these findings may not capture the results of more recent reforms to child protection policies.
- **cross-sectional observations in income support payments:** Where these results are reported at different points in time (for example, income support receipt at different ages and time spent on income support), these results do not capture what occurs between these points in time, such as transitioning between payments or exiting and re-entering the social security system.

It is also important to note that the findings presented in this study do not imply causation between a child's time in OOHC and their subsequent receipt of income support or other payments. Any observed differences may reflect the higher level of disadvantage experienced by those in OOHC, rather than the impact of OOHC on these outcomes. In addition, the comparison group for young people living in the most disadvantaged socioeconomic areas is a limited comparison group and is not suited for drawing causal inferences on the outcomes for the 2 populations. Note that this study does not support assessment of whether children in OOHC would have had better or worse outcomes in later life had they remained in their original living arrangement.





3 What are the characteristics of income support receipt for young people in OOHC?

What does this chapter include?

This chapter examines income support and other payment receipt for around 32,100 young people, born between 1990 and 1998, with at least one placement in OOHC (referred to as the OOHC study population). It presents national data, covering all states and territories, except Queensland. Specifically, this chapter examines characteristics of income support and other payment receipt for the OOHC study population:

- **Sections 3.1 to 3.3:** proportion of the OOHC study population receiving income support or other payments
- **Section 3.4:** duration on income support payments
- **Section 3.5:** pathways between income support payments.

These payment characteristics are examined for young people leading up to (still in OOHC) and after leaving OOHC, referred to as payment receipt during **young adulthood (at ages 16–25, unless otherwise specified)**.

Chapter 4 provides an overview of the OOHC study population and payment receipt for specific OOHC characteristics, which may provide further context for the patterns of income support receipt discussed in this chapter.

What populations are examined?

This chapter includes the OOHC study population and compares results with other populations of the same age—‘Australian’ population and ‘lowest socioeconomic’ population in Sections 3.1–3.3 and ‘Centrelink’ population in Sections 3.4–3.5.

What are the key findings?

Among the OOHC study population:



Nearly 3 in 5 (59%) received an income support payment in young adulthood—3 times as high as the Australian population of the same age (21%).

Receipt of specific payments was relatively high—

12 times as high for Crisis Payment, 5 times as high for DSP, 4 times as high for parenting payments and unemployment payments—compared with the Australian population of the same age.



Almost half (45%) received their first payment before their final exit from care, of which 72% first received student payments and 17% unemployment payments.

Half (54%) spent most of the observation period

on income support (more than 75% of their time between their 18th birthday and the end of the observation period)—4 times as high as the Centrelink population of the same age (14%).



Young people were less likely to remain on student payments and more likely to remain on unemployment payments or on income support overall, compared with the Centrelink population.

3.1 How many receive income support in adulthood?

OOHC study population 3 times as likely to receive income support in young adulthood

Nearly 3 in 5 (59%) in the study population received income support payments in young adulthood, compared with 1 in 5 (21%) in the Australian population of the same age. When compared with the lowest socioeconomic population, receipt of income support payments was still higher (1.7 times as high) among the study population (58% compared with 34% at ages 21–25, respectively).

As shown in Figure 3.1, receipt of income support payments for the study population varied with age. Income support receipt increased from 50% at age 16 to 66% at age 18, before declining to 55% at age 25. This age pattern is consistent with that observed for the comparison populations.

It is important to note that presenting results on total income support receipt may mask the underlying reasons for needing financial support. For example, of the OOHC study population who received an income support payment in young adulthood, 1 in 5 received a student payment and 4 in 5 received a payment because they were unable to work or unable to find work.

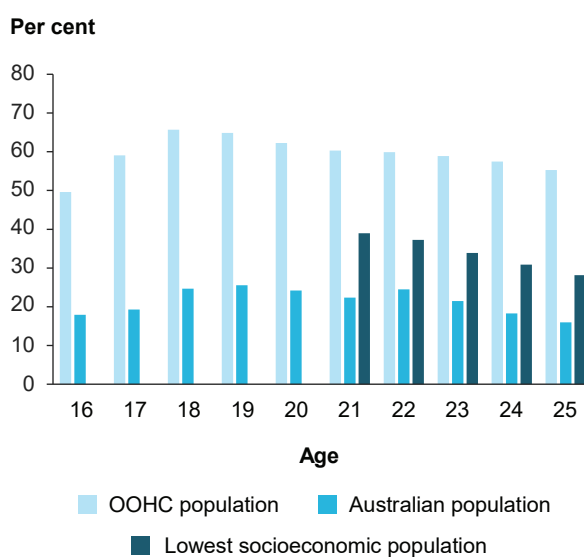
More specifically, among the OOHC study population at ages 16–25:

- 26% received unemployment payments
- 11% received a student payment
- 11% received parenting payments (9.0% Parenting Payment Single and 1.8% Parenting Payment Partnered)
- 10% received Disability Support Pension (DSP)
- 1.3% received other payments
- 41% did not receive an income support payment.

Receipt of these payments varied by age (see Figure 3.2). At age 16, the most common payment received among those in the OOHC study population were student payments. However, between ages 16–18, student payment receipt rapidly declined while receipt of unemployment and parenting payments, and DSP rose. At ages 19–25, the receipt of parenting payments slowly increased, while student payments and unemployment payments decreased and DSP remained relatively stable.

Note that the characteristics of children who experience OOHC are quite different to those of other populations of the same age, which may influence receipt of income support based on eligibility requirements for these payments (for further information, see Appendix C Table C2). This should be taken into consideration when drawing inferences between the OOHC study population and other populations of the same age.

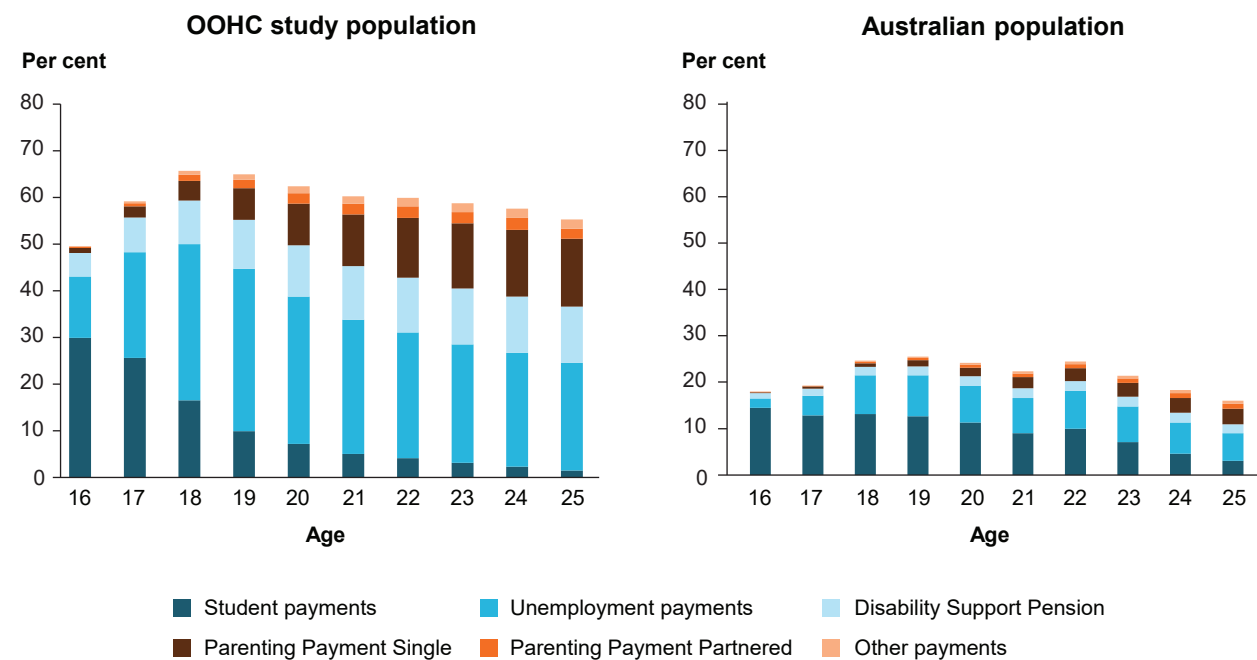
Figure 3.1: Proportion of young people receiving income support in 2007–2016 (at ages 16–25), by population



Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

Source: Supplementary Table 2 (online).

Figure 3.2: Proportion of young people receiving each income support payment in 2007–2016 (at ages 16–25), by population



Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

Source: Supplementary Table 2 (online).

3.2 What income support payments are received leading up to and after leaving OOHHC?

OOHC study population 5 times as likely to receive DSP

One in 10 (10%) in the study population received DSP in young adulthood, compared with 1 in 50 (1.9%) in the Australian population of the same age. When compared with the lowest socioeconomic population, receipt of DSP was 3 times as high among the study population (12% compared with 3.7% at ages 21–25; Figure 3.3).

Among the study population, the proportion receiving DSP doubled between ages 16–19 (from 5.0% to 10.5%) and then remained relatively stable at ages 19–25 (between 11–12%).

Half of the OOHHC DSP recipients have an intellectual disability

Intellectual/learning conditions were the most common primary medical condition for the study population receiving DSP, recorded as the primary medical condition for just over half (53%) of DSP recipients. Psychological conditions were the second most common primary medical condition, affecting 1 in 4 (23%) DSP recipients.

Among the Australian population receiving DSP at ages 16–25, intellectual conditions (43%) and psychological conditions (26%) were also the most common.

OOHC study population 4 times as likely to receive parenting payments

One in 10 (11%) in the study population received a parenting payment in young adulthood, compared with 1 in 40 (2.6%) in the Australian population of the same age. When compared with the lowest socioeconomic population, receipt of parenting payments was almost twice as high for the study population (16% compared with 8.8% at ages 21–25; Figure 3.3).

Among the study population, the proportion receiving parenting payments increased steadily from age 16 (1.3%) to age 18 (5.5%) and ages 22–25 (15–17%).

Further, almost 1 in 10 (9.0%) in the study population received Parenting Payment Single in young adulthood and 1.8% received Parenting Payment Partnered. This compares with 1.9% and 0.6%, respectively, in the Australian population of the same age.

OOHC study population are 4 times as likely to receive unemployment payments

One in 4 (26%) in the study population received unemployment payments in young adulthood, compared with 1 in 14 (6.7%) in the Australian population of the same age. Overall, receipt of these payments among the study population was almost 4 times as high as for the Australian population; however, at ages 16 and 17, the proportion was 5–7 times as high, reducing to 3–4 times as high at older ages.

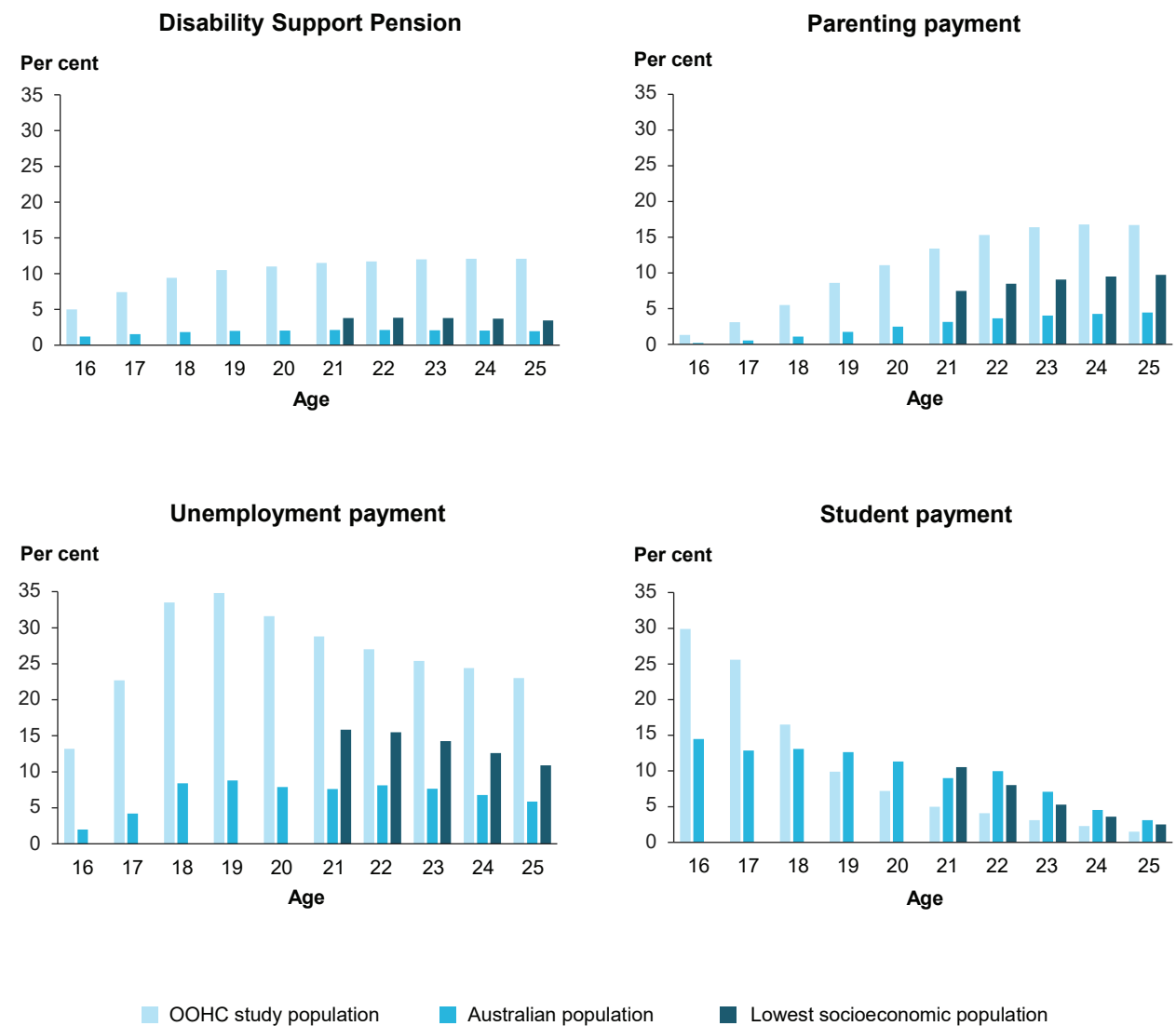
When compared with the lowest socioeconomic population, receipt of unemployment payments was almost twice as high among the study population (26% compared with 14% at ages 21–25; Figure 3.3).

Among the study population, unemployment payment receipt almost tripled from 13% to 35% between the ages of 16 and 19 and then gradually declined to 23% at age 25.

Student payment receipt twice as high before 18 but half as likely after age 21 compared with the Australian population

At the age of 16, 3 in 10 (30%) in the study population received student payments, declining to 1 in 10 (10%) at age 19, and to fewer than 1 in 30 (3.2%) at ages 21–25 (Figure 3.3). In contrast, for people of the same age in the Australian population, receipt of student payments declined gradually from 15% at age 16 to 13% at age 19 to 6.7% at ages 21–25. This results in receipt of student payments at ages 16–17 being twice as high for the study population than for people of the same age in the Australian population, but then shifting to half as high from age 21 onwards.

Figure 3.3: Proportion of young people receiving each income support payment in 2007–2016 (at ages 16–25), by population



Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

Source: Supplementary Table 2 (online).

3.3 What other payments are received leading up to and after leaving OOHC?

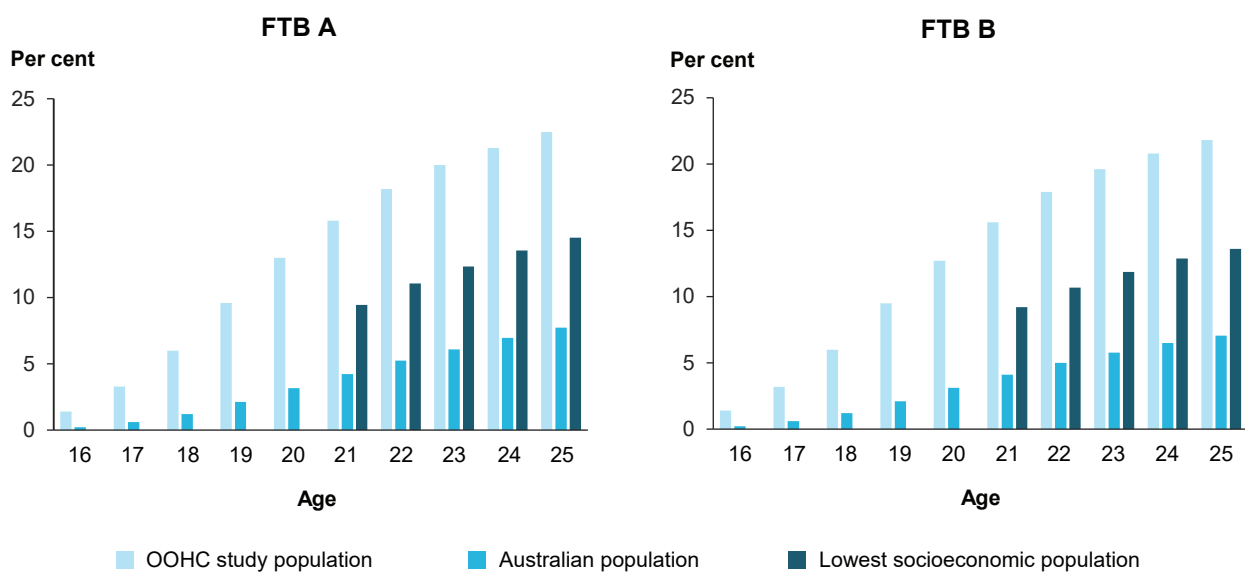
OOHC study population 4 times as likely to receive Family Tax Benefit

One in 8 (13%) in the study population received the Family Tax Benefit (FTB) in young adulthood, with similar proportions receiving FTB Part A and B (see Table 1.2 for further details on these payments). This compared with 1 in 25 (3.8% FTB A and 3.6% for FTB B) in the Australian population of the same age. Similar to the pattern for parenting payments above, receipt of both FTB A and B increased steadily with age—from 1.4% at age 16, to 6.0% at age 18, to 22–23% at age 25 (Figure 3.4).

The difference in the proportion of FTB receipt between the study population and the Australian population decreased at higher ages—from 5–6 times as high at ages 16–17, to 4–5 times as high at ages 18–21, and 3 times as high at ages 24–25.

When comparing the study population with the lowest socioeconomic population, receipt of FTB was still 1.6 times as high for the study population at ages 21–25.

Figure 3.4: Proportion of young people receiving Family Tax Benefit (FTB) in 2007–2016 (at ages 16–25), by population



Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

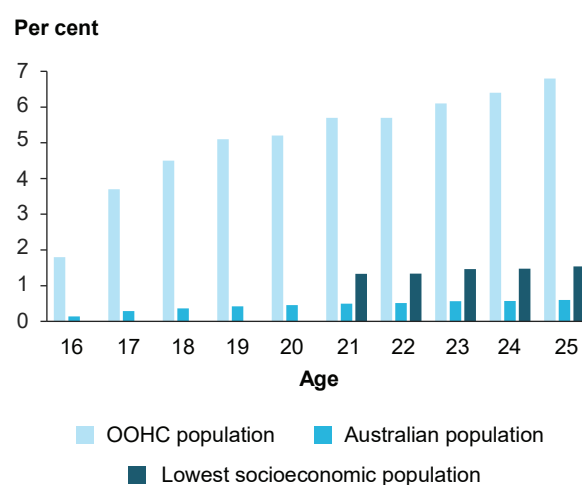
Source: Supplementary Table 3 (online).

OOHC study population 12 times as likely to receive Crisis Payment

Around 1 in 20 (5.1%) in the study population received Crisis Payment in young adulthood. This compares with 1 in 250 (0.4%) in the Australian population of the same age. When compared with the lowest socioeconomic population, receipt of Crisis Payment was 4 times as high among the study population (6.1% compared with 1.4% at ages 21–25; Figure 3.5).

The proportion in receipt of Crisis Payment tripled in the study population between ages of 16 and 19 (from 1.8%–5.1%), and was observed to be highest at age 25 (6.8%). A similar pattern occurred for the Australian population, so that Crisis Payment receipt was 13 times as high for the study population at ages 16–17 and reduced to 11 times as high between ages 20–25.

Figure 3.5: Proportion of young people who have received a Crisis Payment in 2007–2016 (at ages 16–25), by population



Note: Crisis Payment receipt is at any point in the financial year.
Source: Supplementary Table 3 (online).

3.4 For how long are income support payments received?

A person's time on income support can provide context for their circumstances and level of support required; some recipients require short-term income support (such as when they are in between jobs) while others require long-term support (for example, due to chronic health conditions).

In this study, duration on income support was examined as a proportion of time between a recipient's 18th birthday and the end of the observation period (30 June 2016). A recipient is said to have spent 'most' of the observation period on income support if they received a payment for more than 75% of the time between their 18th birthday and the end of the observation period. Note that due to the range of birth cohorts observed in this study, the length of the observation period will differ based on a person's year of birth.

As this section examines longitudinal data, the Centrelink population is used as the comparison population (see Section 2.2 for further details).

OOHC study population 4 times as likely to spend most of the observation period on income support

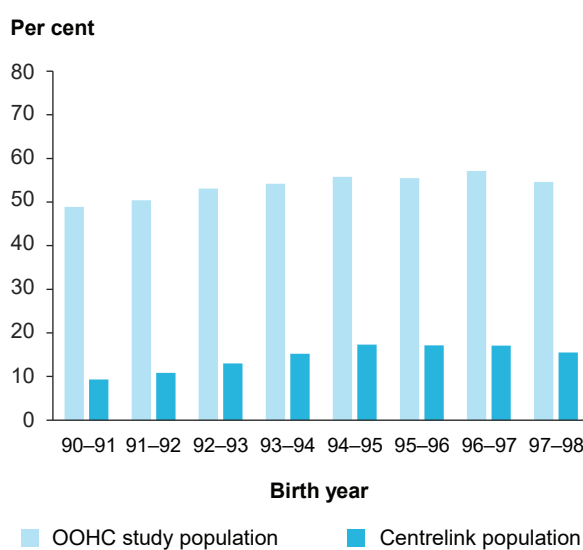
Around 1 in 2 (54%) in the study population spent more than 75% of the observation period on income support. In comparison, 1 in 7 (14%) in the Centrelink population spent most of the observation period on income support.

The proportion of the study population spending most of their time on income support varied slightly by birth year—increasing from 49% among those born in 1990–91 to 57% for those born in 1996–97 (Figure 3.6).

Note that this increase may be partly due to the range of follow-up periods in the OOHC study population (see Section 2.2). As a result, those born in later years are not observed at older ages, where lower proportions may receive income support. This may result in a slightly higher proportion spending most of their time on income support between their 18th birthday and 30 June 2016.

These findings are also consistent when examining total time spent on income support each year. The proportion of the OOHC study population spending at least 300 days on income support for any given year was 3 times as high as for the Australian population of the same age (49% and 15%, respectively). For further information, see Supplementary Table 9 (online).

Figure 3.6: Proportion of young people who spent >75% of time between 18th birthday and 30 June 2016 on income support (2007–2016), by birth cohort for selected populations



Note: Due to each birth cohort turning 18 in different years, total time observed will vary by birth cohort.

Source: Supplementary Table 4 (online).

3.5 What pathways do young people take into and between income support payments as they transition from OOHC?

Examining how the study population enters and moves between payments at different ages can provide insights on their broader life experiences leading up to and after leaving OOHC during their transition to independence.

Note that as this section examines longitudinal data, the Centrelink population is used as the comparison population (see Section 2.2 for further details).

Almost half receive their first payment before exiting OOHC

Almost half (45%) of the study population received their first payment before their final exit from OOHC, of whom 3 in 4 first received student payments (72%) and 1 in 6 (17%) unemployment payments.

Further, half of those who first received student payments (52%) or DSP (51%) first received these payments in care, compared with almost 1 in 3 (29% and 31%, respectively) of those who first received unemployment and parenting payments (see Supplementary Table 10 (online)).

OOHC study population less likely to remain on student payments and more likely to remain on unemployment payments

Student and unemployment payments were the most commonly received payments for the study population before age 18. However, the time spent on these payments varies considerably (Figure 3.7).

Of those who received a student payment at their 18th birthday:

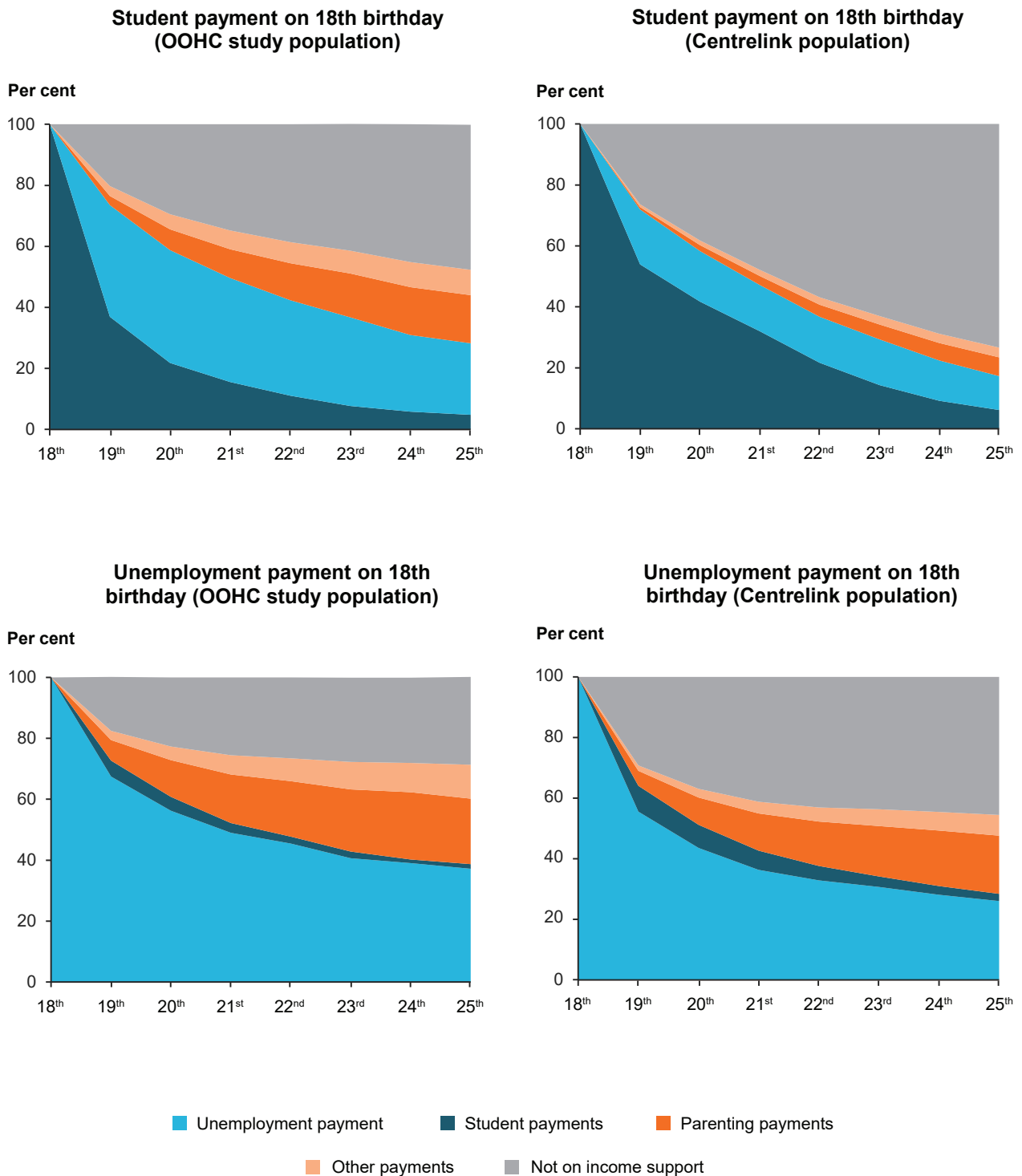
- 1 in 6 (16%) were still on a student payment at age 21, half that of the Centrelink population of the same age (1 in 3, or 32%).
- 1 in 2 (48%) were no longer receiving income support payments by their 25th birthday, compared with around 3 in 4 (73%) in the Centrelink population.

Of those who received an unemployment payment at their 18th birthday:

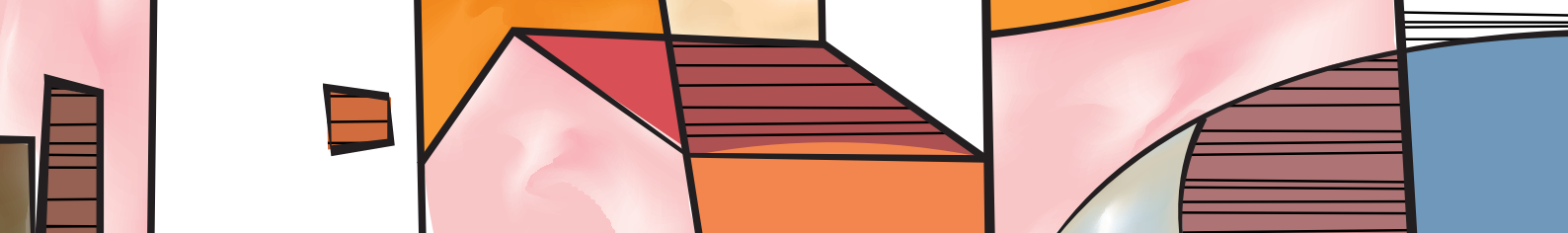
- 1 in 2 (49%) were still on this payment at age 21, compared with around 1 in 3 (36%) of the Centrelink population of the same age.
- 1 in 3 (29%) were no longer receiving income support payments by their 25th birthday, compared with 1 in 2 (46%) in the Centrelink population.

These patterns highlight that the proportion not receiving income support at age 25 was higher for those who received a student payment rather than an unemployment payment at their 18th birthday. Further, these findings on payment pathways also highlight that the study population was more likely to transition off student payments at earlier ages, remain on unemployment payments, and remain on income support, than the Centrelink population of the same age.

Figure 3.7: Proportion of young people who received student or unemployment payments on their 18th birthday, by payment received on subsequent birthdays for selected populations



Source: Supplementary Table 5 (online).



4 How does income support receipt vary by the characteristics of young people in OOHC?

What does this chapter include?

This chapter explores whether specific OOHC characteristics of a young person influences their receipt of income support or other payments. These payments may be received leading up to (still in OOHC) and/or after leaving OOHC, referred to as receipt during **young adulthood (at ages 16–25** in this report unless otherwise specified). Specifically, this chapter examines the following:

- **Section 4.1:** an overview of the OOHC study population
- **Section 4.2 to 4.4:** how income support and other payment receipt varies based on characteristics such as: Aboriginal and Torres Strait Islander status, placement type, number of placements, time spent in care and age at entry into and exit from care.

It is important to note that the findings presented in this report do not imply causation between a child's time in OOHC and their subsequent receipt of income support and other payments. These children may be affected by complex circumstances (such as exposure to disadvantage, vulnerability and trauma) that contribute to their placement in OOHC, but may also influence their need for further services, such as financial government assistance through income support and other payments.

What populations are examined?

This chapter examines how income support and other payment receipt varies within **the OOHC study population only**, based on the above OOHC characteristics. Comparisons with other populations of the same age for the overall study population are covered in Chapter 3.

What are the key findings in this chapter?

Among the OOHC study population:



Income support receipt and duration (more than 75% of their time) in young adulthood varied by OOHC characteristics: higher for those primarily in residential care; those with a high number of placements (6 or more); and those first entering or exiting care aged 13 or over.

Aboriginal and Torres Strait Islander young people were more likely to be in receipt of payments and for longer periods than other young people in care.



Young people receiving DSP, unemployment payments, and Crisis Payment had the greatest variations across the OOHC placement characteristics—for example, those receiving DSP or Crisis Payment in adulthood were more likely to have been primarily in residential care or to have had a high number of placements.

4.1 Overview of the OOHC study population

This study uses a historical longitudinal OOHC study population which includes those born between 1 July 1990 and 30 June 1998. As such, the characteristics of the OOHC study population in this study may differ from those presented in other AIHW child protection reporting (see Appendix A and Child Protection Australia 2019–20 (AIHW 2021) for more information).

This section provides a brief overview of the OOHC study population used in this study, to assist with interpreting the results in the following sections. Figure 4.1 provides an overview of the characteristics of the OOHC study population.

Figure 4.1: Overview of the OOHC characteristics for the OOHC study population, during 2007–2016

Of the 32,100 young people in the OOHC study population:

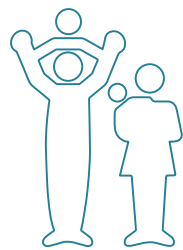


One in 4 were Indigenous children

One in 4 (23%) of the study population were Aboriginal and Torres Strait Islander children (to be referred to as Indigenous children hereafter). More than half (55%) of Indigenous children in care were primarily in relative/kinship care, compared with 38% of other children in care. Other children in care includes non-Indigenous children and those for whom Indigenous status was missing/not stated.

Indigenous children tended to spend longer in care and were more likely to have more placements than other children in care:

- 36% spent 6 or more years in care, compared with 24% of other children in care
- 24% had 6 or more placements in care, compared with 17% of other children in care.



Four in 5 were placed in foster or kinship care as their primary placement type

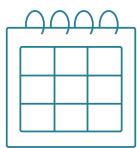
Relative/kinship care was the most common primary placement type (42%), followed by foster care (39%) and residential/group home care (11%).

Of those with 6 or more placements, 1 in 3 (34%) mainly spent time in residential/group home care compared with 24% in foster care and 11% in relative/kinship care.



Three in 5 had multiple placements while in care

Two in 5 (40%) had 1 placement while 3 in 5 had 2 or more placements. 41% had 2–5 placements and 19% had 6 or more placements.



More than half spent multiple years in care

Just under half (47%) spent less than 1 year in care; 26% spent 2–5 years in care; and 27% spent 6 or more years in care.



Most children first entered OOHC aged under 13

Three in 4 (77%) first entered OOHC aged under 13 (52% aged 3–12 and 24% aged under 3) compared with 24% aged 13 or over.



Two in 3 children exited care before the age of 17

Two in 5 exited care aged under 13 (40%), compared with 26% aged 13–16 and 34% aged 17.

Source: Supplementary Table 1 (online).

4.2 How does receipt of income support vary?

This section examines how the receipt of income support payments in young adulthood (at ages 16–25) vary by the characteristics of young people in OOHC. As noted previously, these are not causal links, but rather associations.

As described in Section 3.1, overall nearly 3 in 5 (59%) of the 32,100 young people in the OOHC study population received income support payments. As shown in Figure 4.2, the proportion of the study population receiving income support varied considerably by their OOHC characteristics.

Income support receipt higher for Indigenous young people

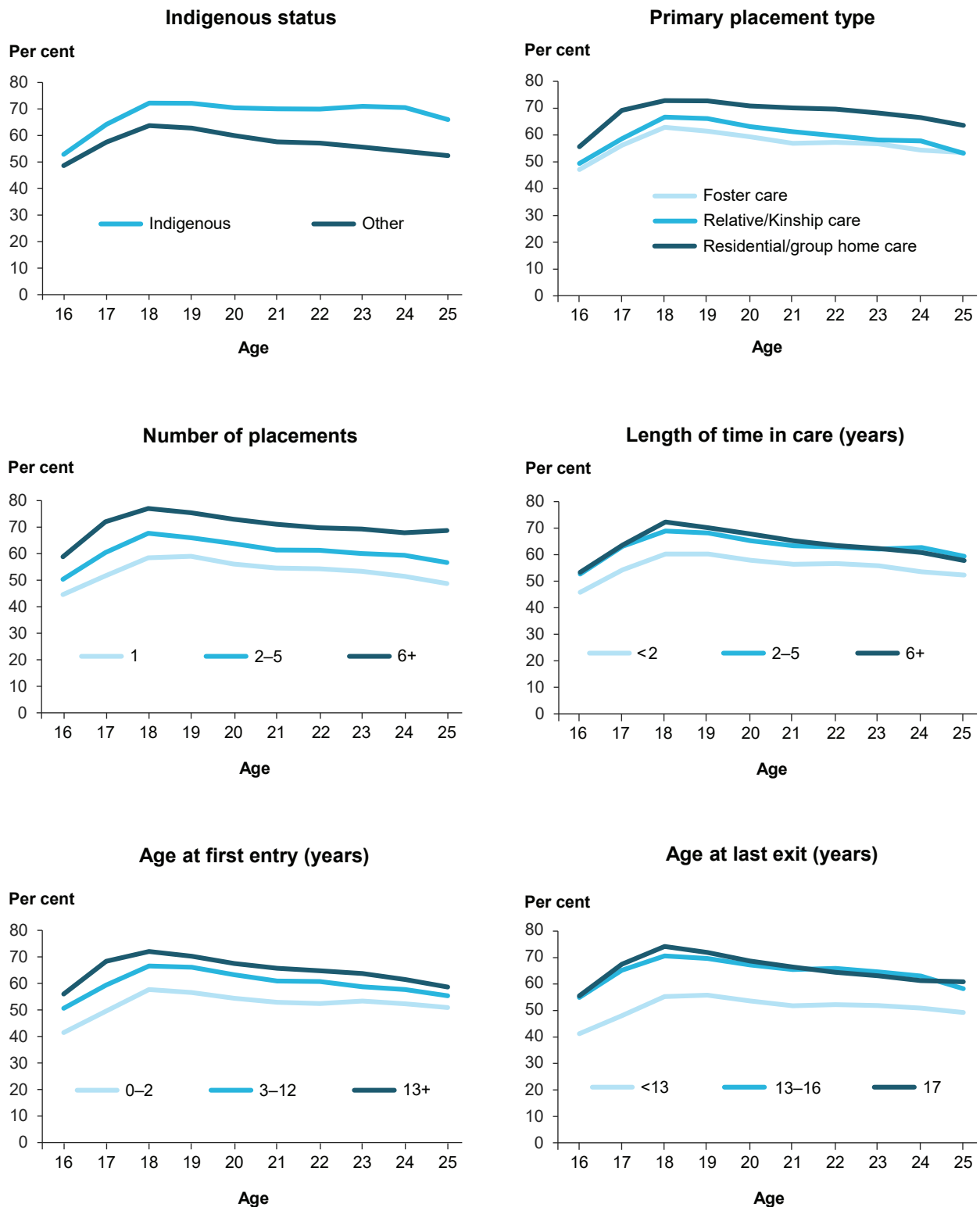
Almost 7 in 10 (68%) of the Indigenous study population received income support payments in young adulthood, compared with almost 6 in 10 (57%) for other young people in care (includes non-Indigenous children and those for whom Indigenous status was missing/not stated). The gap in the proportion receiving income support between Indigenous and other young people in care widened with increasing age. This is due to the steady decline in the proportion of other young people in care receiving income support at ages 18–24 (from 64% to 54%) while proportions remained relatively stable for Indigenous young people (70–72%).

Income support receipt in young adulthood varies for other OOHC characteristics

At ages 16–25, income support receipt was:

- **higher for those primarily in residential/group home care than in other care types**—68%, compared with 59% in relative or kinship care and 57% in foster care
- **higher for those with 6 or more placements**—70% compared with 61% for 2–5 placements and 53% for 1 placement
- **slightly lower for those who stayed in care for less than 2 years**—55% compared with 63% for those who stayed in care 2–5 years and 64% for those who stayed in care 6 or more years
- **lower for those with early age of first entry**—52% for those who first entered care aged under 3 compared with 60% for those who entered care aged 3–12 and 65% for those who entered care aged 13 or over
- **lower for those who exited before age 13**—51% for those whose last exit from care was at under 13, compared with 65% for those who exited aged 13–16 and for those aged 17.

Figure 4.2: Proportion of the OOH study population receiving income support in 2007–2016 (at ages 16–25), by OOH characteristics



Notes

1. Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.
2. The age at last exit 17 year category may include a small number of young people who exit care after they turn 18, as they transition to independence.

Source: Supplementary Table 6 (online).

4.3 How does type of income support payment received vary?

As highlighted in the previous section, income support receipt varied considerably based on the characteristics of young people in care. Namely, income support receipt in young adulthood was higher for Indigenous young people and those with specific OOHC placement characteristics, in particular being in residential care, having 6 or more placements and entering and exiting care at older ages. Further, as shown in Chapter 3, there are also variations in the type of payments received by the OOHC study population. This section combines these 2 aspects by examining whether receipt of specific income support payments in young adulthood (at ages 16–25) also varied based on these OOHC characteristics.

The section focuses on those income support payments where there were substantial differences across the OOHC characteristics. Data on all payment types and OOHC characteristics can be found in Supplementary Table 6 (online).

Indigenous young people more likely to receive unemployment and parenting payments

Compared with other young people in care, Indigenous young people (at ages 16–25) were more likely to receive:

- **unemployment payment:** 1 in 3 (33%) received an unemployment payment in young adulthood, compared with 1 in 4 (25%) for other young people in care (Figure 4.3)
- **parenting payment:** 1 in 6 (16%) received parenting payments in young adulthood, compared with 1 in 10 (10%) for other young people in care (Figure 4.3). The corresponding proportions for Parenting Payments Single was 13% and 7.8%, respectively, and 2.3% and 1.7% for Parenting Payment Partnered.

DSP receipt higher for those who were in residential care, had higher numbers of placements, spent more time in care, and exited at older ages

Among young people in the study population, those more likely to receive DSP in young adulthood (at ages 16–25):

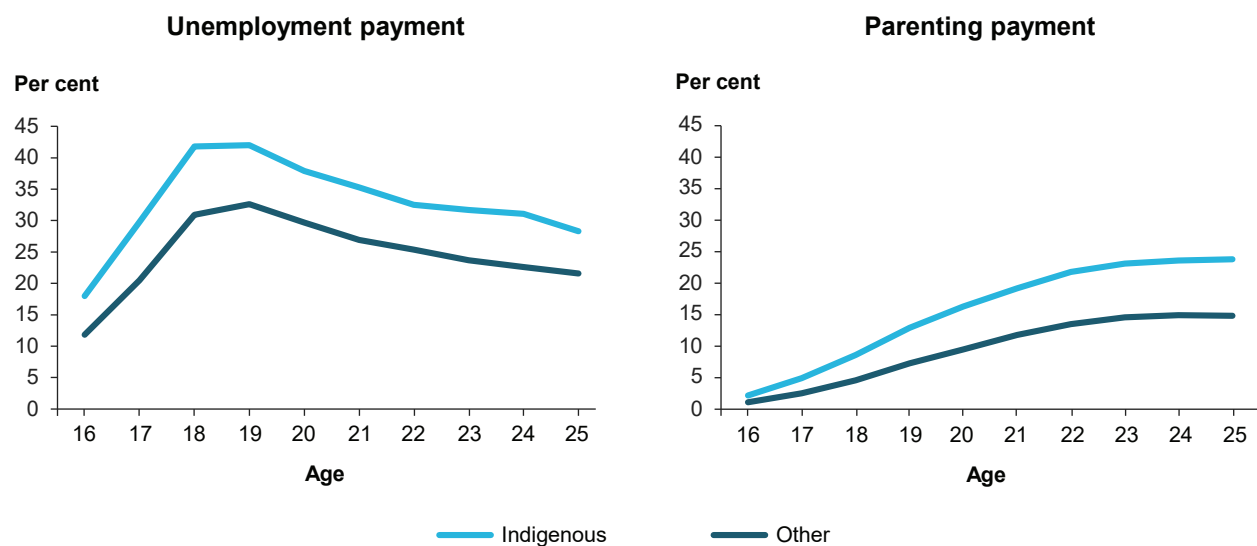
- **had been primarily in residential/group home care:** nearly 1 in 5 (18%) young people who were primarily in residential/group home care received DSP, compared with 11% of those primarily in foster care and 7.4% in relative or kinship care (Figure 4.4)
- **had 6 or more placements:** 1 in 7 (14%) young people who had 6 or more OOHC placements received DSP, compared with 1 in 12 (8.0%) young people who had only 1 OOHC placement (Figure 4.4)
- **spent longer in care:** 1 in 7 (14%) young people who spent 6 or more years in care received DSP, compared with 1 in 10 (11%) of those who were in care for 2–5 years and fewer than 1 in 12 (7.7%) for those in care for less than 2 years (Figure 4.4)
- **were older at exit:** 1 in 6 (16%) young people who exited care aged 17 received DSP, compared with 1 in 13 who left care aged 16 or under (8.1% for those aged 13–16 and 7.6% for those aged under 13; Figure 4.4).

Unemployment payment receipt higher for those with a high number of placements and lower for those entering care at younger ages

The receipt of unemployment payments in young adulthood (at ages 16–25) was:

- **higher for those with 6 or more placements:** 1 in 3 (33%) young people who had 6 or more placements received an unemployment payment, compared with 1 in 4 (24%) who had 1 placement, and 27% for those with 2–5 placements (Figure 4.4).
- **lower for those entering care at younger ages:** those who entered care under 3 were slightly less likely to receive an unemployment payment than those who entered care aged 3 or over (23% compared with 27–28%, respectively) (Figure 4.4).

Figure 4.3: Proportion of OOHC study population receiving selected income support payments in 2007–2016 (at ages 16–25), by Indigenous status

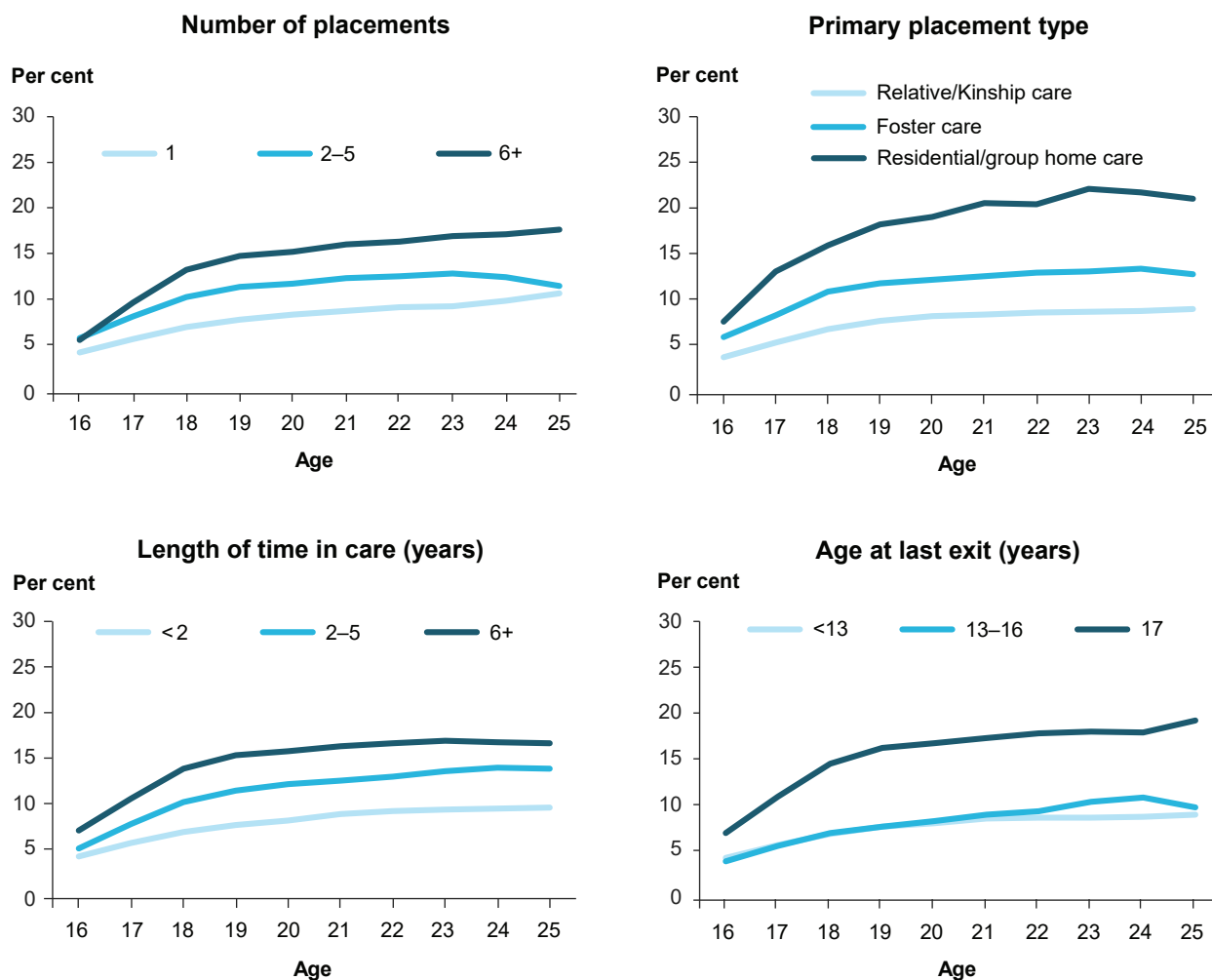


Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

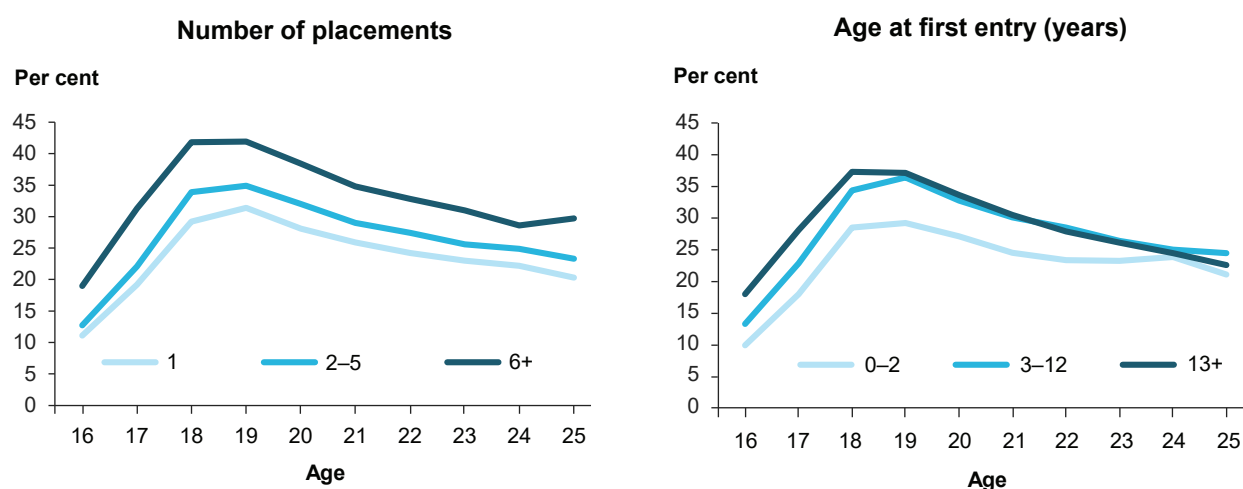
Source: Supplementary Table 6 (online).

Figure 4.4: Proportion of OOHC study population receiving selected income support payment types in 2007–2016 (at ages 16–25), by OOHC placement characteristics

Disability Support Pension



Unemployment payments



Note: Receipt of income support is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts.

Source: Supplementary Table 6 (online).

4.4 How does receipt of other payments vary?

This section examines whether receipt of other payments, such as Crisis Payment and Family Tax Benefit, varies by the characteristics of young people in care. It focuses on those OOHC characteristics where there were substantial differences. The following findings are shown in Figure 4.5. Data on all OOHC characteristics can be found in Supplementary Table 7 (online).

Crisis Payment receipt higher for young people who are Indigenous, have primarily been in residential care, or have 6 or more placements

Young people in the OOHC study population were more likely to receive Crisis Payment in young adulthood (at ages 16–25) if they:

- **were Indigenous:** around 1 in 10 (10%) Indigenous young people received Crisis Payment—almost 3 times the proportion for other young people in care (1 in 30, or 3.7%)
- **were primarily in residential/group home care:** 1 in 10 (9.6%) of those primarily in residential/group home care received Crisis Payment—around twice the proportion of those who were primarily in foster care (1 in 25, or 4.1%) or relative/kinship care (1 in 20, or 4.9%)
- **had 6 or more placements:** close to 1 in 10 (8.9%) of those with 6 or more placements received Crisis Payment—around twice the proportion of those who had only 1 placement (1 in 25, or 3.7%) or 2–5 placements (1 in 20, or 4.9%).

Family Tax Benefit receipt higher for young people who are Indigenous or who enter care at older ages

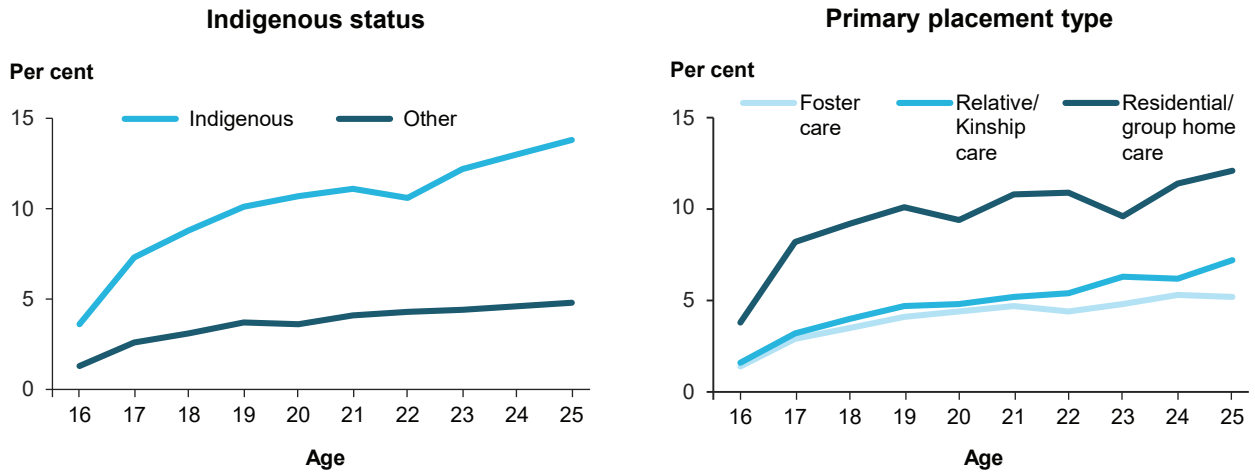
Young people in the OOHC study population were more likely to receive FTB A in young adulthood (at ages 16–25) if they:

- **were Indigenous:** almost 1 in 5 (18%) Indigenous young people received FTB A, compared with 1 in 8 (12%) for other young people in care
- **entered care at older ages:** around 1 in 6 (17%) of those who first entered care aged 13 or over received FTB A, compared with 1 in 10 (10%) of those who entered care aged under 3 and 1 in 8 (13%) of those who entered care aged 3–12.

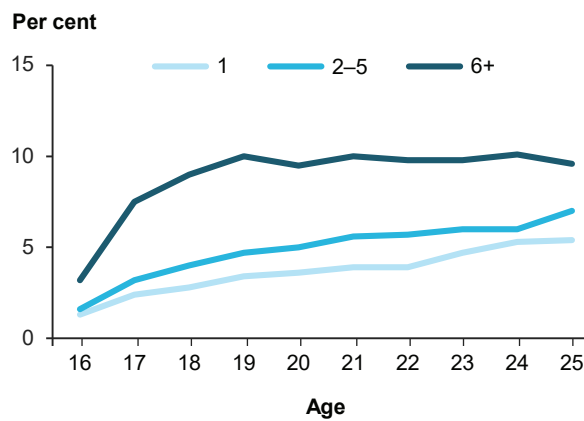
Note that similar trends were observed for receipt of FTB B, as those who are eligible to receive FTB A can also receive FTB B. Data on FTB B are available in Supplementary Table 7 (online).

Figure 4.5: Proportion of OOHC study population receiving Crisis Payment or Family Tax Benefit A, 2007–2016 (at ages 16–25), by characteristics of young people in care

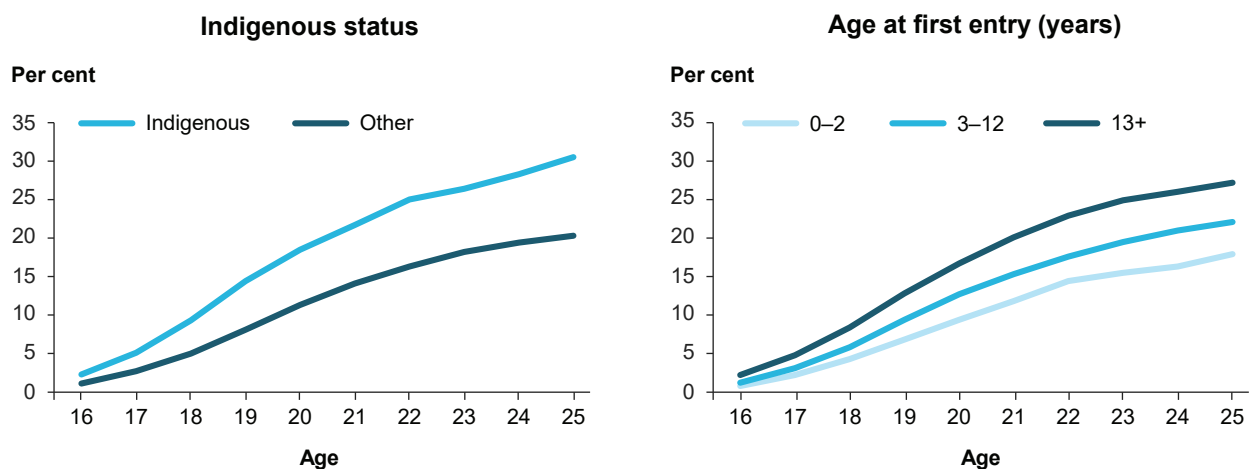
Crisis payments



Number of placements



Family Tax Benefit (FTB) A



Note: Receipt of FTB is at the end of the financial year (at 30 June between 2007 and 2016) in which the person turned each year of age, averaged across the birth cohorts. Crisis Payment receipt is at any point in the financial year.

Source: Supplementary Table 7 (online).

4.5 How did time spent on income support vary?

This section examines duration on income support and other payments and how this varies by OOHC characteristics. As described in Section 3.4, overall around 1 in 2 (54%) of the 32,100 young people in the OOHC study population spent more than 75% of their time on income support between their 18th birthday and the end of the observation period (30 June 2016). As shown in Figure 4.6, this proportion varied across the characteristics of the OOHC study population.

Indigenous young people more likely to spend most of the observed time on income support than other young people in care

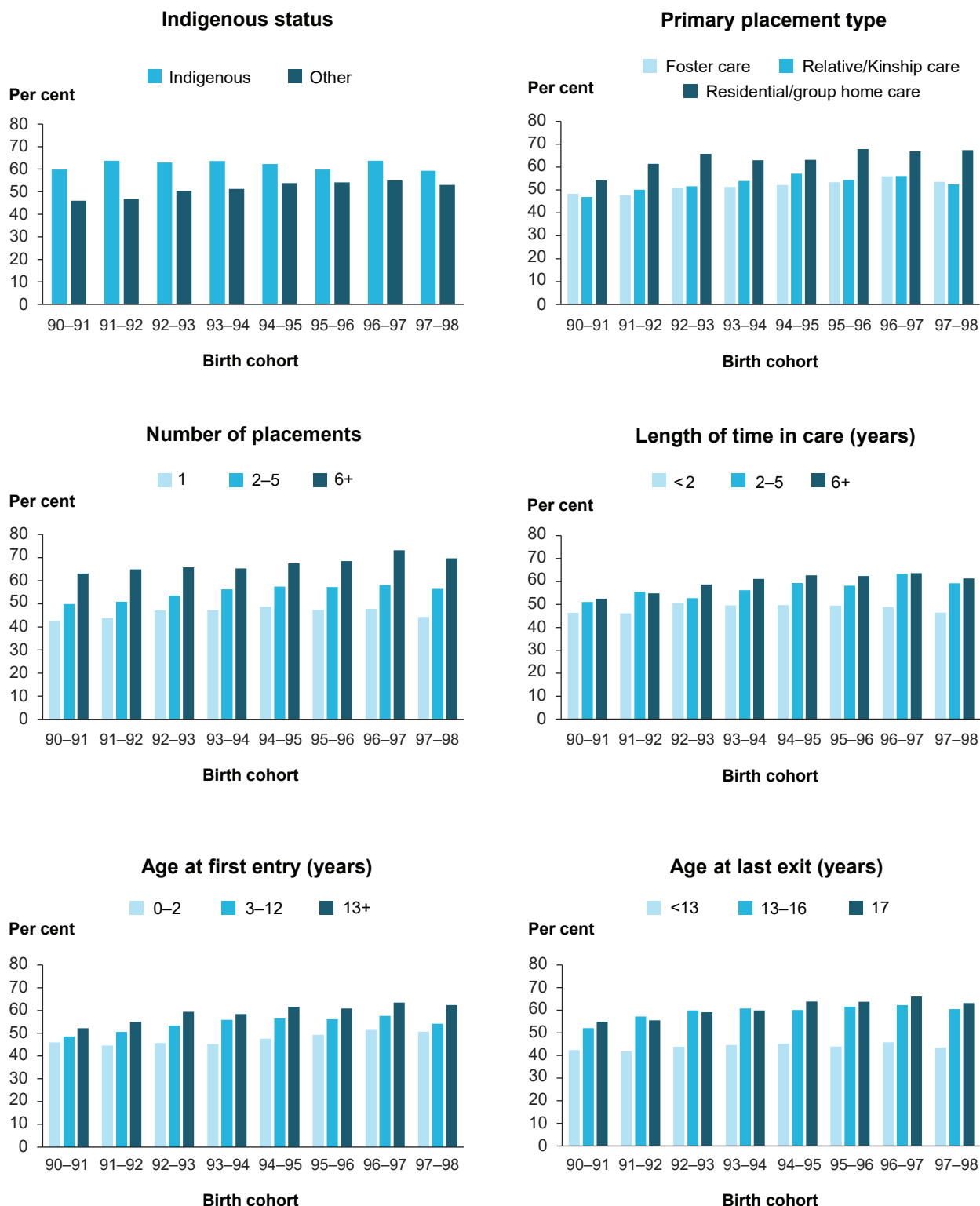
Six in 10 (62%) Indigenous young people spent most of the observed period (more than 75% of their time) on income support, compared with 5 in 10 (51%) for other young people in care.

Time spent on income support greater for those who: are in residential care, have a high number of placements; spend more time in care; or enter/exit at older ages

Regarding placement characteristics, the proportion of young people who spent more than 75% of the observed period on income support was higher for those who:

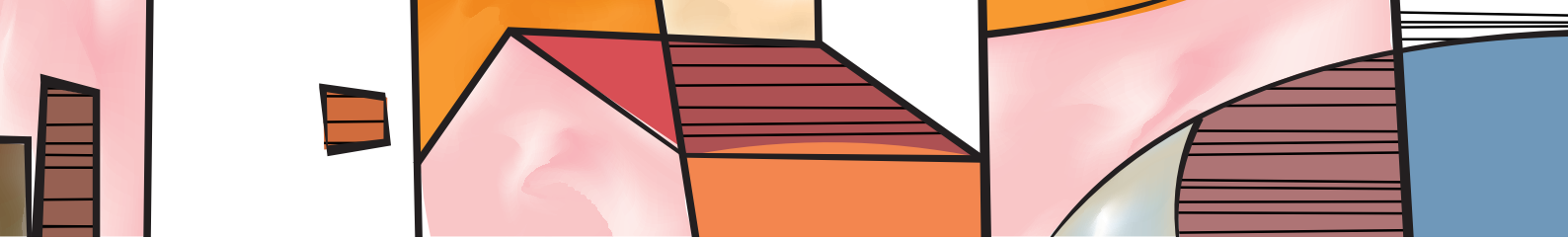
- **were primarily in residential/group home care:** 2 in 3 (64%) compared with half (53%) of those in relative/kinship care and half (52%) of those in foster care
- **had a higher number of OOHC placements:** nearly 7 in 10 (67%) had 6 or more placements compared with just over half (55%) of those with 2–5 placements and just under half (46%) of those with 1 placement
- **spent longer in OOHC:** around 6 in 10 of those in care for at least 2 years (57% for 2–5 years and 60% for 6 or more years) compared with 5 in 10 (48%) of those in care for less than 2 years
- **first entered care aged 3 or over:** almost half (48%) of those who first entered care aged under 3, increasing to 54% for those aged 3–12 and 59% for those aged 17
- **last exited care aged 13 or over:** around 6 in 10 of those who first exited care aged 13 or over (59% for those aged 13–16 and 61% for those aged 17), compared with 4 in 10 (44%) for those who exited care aged under 13.

Figure 4.6: Proportion of OOH study population who spent >75% of their time between 18th birthday and 30 June 2016 on income support, by birth cohort and OOH characteristics



Note: Due to each birth cohort (those born between 1990-91 and 1997-98) turning 18 in different years, total time observed will vary by birth cohort.

Source: Supplementary Table 8 (online).



5 What is next?

This study has provided new insights on income support and other payment receipt and indications of broader life circumstances leading up to and after leaving OOHC at ages 16–25. It provides valuable information on transition outcomes for young people who have been in OOHC.

The results in this report have highlighted that, compared with other young people of the same age, those in the OOHC study population:

- are more likely to be receiving income support and other payments, in particular Crisis Payment and DSP
- remain on income support payments for longer over the observation period
- take different pathways between payments in young adulthood, in particular being less likely to remain on student payments and more likely to remain on unemployment payments.

The study has also shown that young people with specific OOHC placement characteristics were more likely to be in receipt of income support and other payments than those with other OOHC characteristics, such as:

- being placed mainly in residential care
- having a higher number of placements
- entering and/or exiting care at older ages.

Further, the results also highlighted that Indigenous young people were more likely to be in receipt of income support and other payments and remain on these payments for longer than other young people in care. However, the study did not explore whether Indigenous young people were more likely to have higher income support receipt for the OOHC placement characteristics listed above.

It is important to note that the findings presented in this report do not imply causation between a child's time in OOHC and their subsequent receipt of income support and other payments. These children may be affected by complex circumstances (such as exposure to disadvantage, vulnerability and trauma) that contribute to their placement in OOHC, but may also influence their need for further services, such as financial government assistance through income support and other payments. While this report highlighted that children in OOHC have poorer outcomes than other children of the same age, this does not just reflect the impact of OOHC, as children in OOHC, on average, tend to have higher levels of disadvantage than other children of the same age. Note that this study design does not support assessment of whether children in OOHC would have had better or worse outcomes in later life had they remained in their original living arrangement.

It is also important to note that over the observation period of this study (2007–2016), there were a number of policy changes that affected the eligibility criteria for some payments, which may have implications for comparability of the results across birth cohorts and for recent care leavers (see Appendix C Table C2 for further details).

As the first national study of its kind, this study has demonstrated the benefits in linking data between state and territory and federal governments, to provide a deeper understanding of outcomes for young people transitioning from OOHC into young adulthood. The governance processes and linkage methods established for this study pave the way for creating an enduring, regularly updated OOHC outcomes data asset.

Key strengths of this linkage study are that it:

- spans a long time period (using historical OOHC data)
- includes all jurisdictions (except Queensland) and multiple policy settings over time
- provides important information about patterns of income support receipt during and after transition from OOHC.

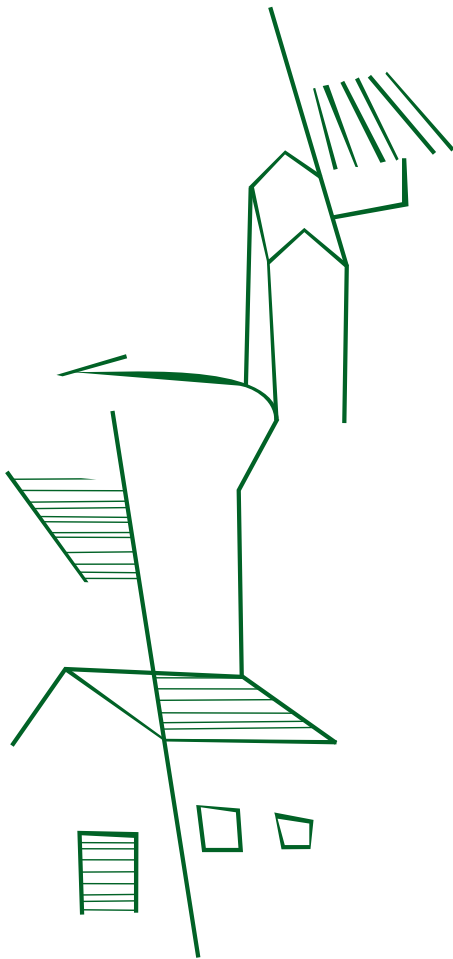
While this national data asset describes receipt of income support and other payments as one potential dimension of young people's transition to independence, it provides limited information on cross-sectoral outcomes in relation to health, education and training, employment and housing. To capture these broader outcomes, data would be required from multiple cross-sectoral sources. Further, the Centrelink data used in this study (up to June 2016) does not capture the most up-to-date picture of income support receipt, nor does it provide insights on income support receipt after the age of 25 (due to data availability constraints).

Through regular updating of the income support and other payments (Centrelink) data and extension to capture a broader range of services and outcomes, this linked data asset could be enhanced to provide a powerful platform for the monitoring and evaluation of OOHC policies and practice over time and geography, in particular transition outcomes for those in care. Future studies could expand the analysis presented in this report in a number of ways, including:

- using updated Centrelink (DOMINO) data. This would allow for the inclusion of more birth cohorts, increase cell sizes, extend the observed age range to 28 and would include a more current view of interactions with the social security system, including baseline information about the beginning of the COVID-19 pandemic.
- inclusion of broader child protection data (such as notifications, substantiations, permanency outcome) to capture a more complete picture of OOHC experiences
- inclusion of other data collections that capture broader cross-sectoral outcomes, including:
 - collections that include more positive life experiences (such as obtaining a driver's license, higher education, or employment), as well as adverse life experiences (such as entering the juvenile justice system or experiencing homelessness)
 - data on services received across health and welfare services (such as access to primary health care, drug/alcohol treatment, mental health services) and long-term health outcomes (such as chronic conditions or death)
 - broader child protection data to enable comparisons with other disadvantaged populations (that is, child protection contact but no time in care).

- More in-depth analysis, through statistical modelling of the data included in this study and inclusion of additional data sources, would assist to better understand the impact of other factors on outcomes for young people and assist with the interpretation of the key findings in this report.

Reliable and comprehensive data on the cross-sectoral outcomes of care leavers is essential for policy and planning across all levels of government. In particular, it would assist in meeting objectives and recommendations of key policy initiatives, such as the Royal Commission into the Protection and Detention of Children in the Northern Territory. Additionally, it would help measure cross-sectoral outcomes and transition indicators in the successor to the *National Framework for Protecting Australia's Children 2009–2020*. It also has the potential to inform development and assessment of policy and practice, such as the monitoring and evaluation of supported care and extended care models.



Appendix

Appendix A: OOHC data

OOHC data used in this study were sourced from administrative data held by state and territory children and family services departments. These data include the full OOHC placement history of all children born between 1 July 1990 and 30 June 2012 for all states and territories except Queensland. As noted in Section 2.2, the analysis was restricted to those born between 1 July 1990 and 30 June 1998, to align with the observation period of the study (at least 18 years of age by the end of the follow-up period, 30 June 2016). Data was provided for each placement, including type of placement and start and end dates, as well as some demographic information (age, sex, and Indigenous status). These data were used to derive variables on duration and number of placements in care. Note that jurisdictional differences in policies and practices may result in slight differences in definitions for the data provided.

It is important to note that the definitions used for OOHC in this report differ from those used in other AIHW publications, due to differences in the data supplied (longitudinal historical OOHC population), policy changes over time, and the focus of the analysis. AIHW child protection reporting, which includes OOHC, is based on more recent data (from 2012–13 onwards), and reports on child protection service activity for a particular financial year. Work in recent years has also developed a more nationally consistent definition for OOHC and associated variables (shown below in Box A1). As a result, the counts and client characteristics in this study are not directly comparable with other AIHW OOHC reporting.

In this report, valid OOHC placements were defined as those that:

- lasted at least 7 days
- occurred before an individual's 18th birthday
- were not solely for the purposes of respite care
- were associated with a financial payment for the carers (excluding the Northern Territory).

These criteria were chosen to align, where possible, with the definition used in other AIHW child protection reporting at the time of data supply (early 2019) and focus on those with more formative experiences in the system.

Box A1: A national definition for out-of-home care (OOHC)

The definition for OOHC below was adopted by the Australian and state and territory governments in 2019, to improve data comparability in OOHC reporting.

OOHC includes:

- placements approved by the department responsible for child protection for which there is ongoing case management and financial payment (including where a financial payment has been offered but has been declined by the carer)
- legal (court-ordered) and voluntary placements
- placements made for the purpose of providing respite for parents and/or carers.

OOHC excludes:

- placements for children on third-party parental responsibility orders
- placements for children on immigration orders
- supported placements for children aged 18 or over
- pre-adoptive placements and placements for children whose adoptive parents receive ongoing funding due to the support needs of the child
- placements to which a child enters and exits on the same day
- placements solely funded by disability services, psychiatric services, specialist homelessness services, juvenile justice facilities, or overnight child care services
- cases in which a child self-places without approval by the department.

For further information on OOHC definitions and reporting see *Child protection Australia 2019–20* (AIHW 2021).

Appendix B: Centrelink data and DOMINO

Centrelink data are sourced from Data Over Multiple Individual Occurrences (DOMINO): a researchable event-based data asset. It was developed by the Department of Social Services (DSS), and is constructed from Services Australia administrative data. It is made up of multiple relational data tables that includes longitudinal information on a person's interaction with Centrelink services. It also includes information on client characteristics (such as location, housing, education, relationships, demographics and medical details). While coverage of the data asset is from 2000 to 2016, income support receipt in this study was limited to 2007 to 2016, aligning with the observation period of the study.

Overview of DOMINO

The version of the DOMINO data asset that the AIHW used in this project captures information on anyone who has received Centrelink payments from 1 January 2000 to 31 December 2016. As such, it will be referred to as DOMINO 2016, to differentiate it from the latest DOMINO data that includes information up to April 2020 (this version was not available during the analysis phase of this study). Box B1 provides further detail on the information included in DOMINO 2016.

The DOMINO 2016 population is currently defined as:

- people who received a Centrelink service from 1 January 2000 to 31 December 2016. This includes episodes of service that are before 1 January 2000 but continued into the 2001–2016 period.
- people with no payment history from 1 January 2000 to 31 December 2016 but known to Centrelink through claims of other Centrelink recipients (such as people who have been entered into Centrelink databases through a family member's Centrelink application; for example, as the child of a Family Tax Benefit recipient).

There may also be people who received a Centrelink service before 2000.

Box B1: Information included in DOMINO 2016

- Income support history (benefit types, end reasons)
- Other payments or concession cards (benefit types, end reasons)
- Housing and rent (accommodation type, home-ownership, rent types)
- Location (down to SA1 level)
- Education (course level, course type, institution type)
- Relationships (parents, grandparents, siblings, spouses)
- Demographic details (for example, date of birth, date of death, gender, Indigenous status)
- Medical details (primary medical condition with 22 main categories).

Key data gaps in DOMINO

It is important to note that Centrelink data are administrative, meaning that information is collected only when needed for administrative functions. In addition, some information may have non-mandatory collection, resulting in missing data, and some data are collected only for specific payments. Therefore, in using and interpreting results from DOMINO (and other Centrelink data), it is important to keep in mind the purpose for which data are collected, and how that may affect coverage.

For example, information is more complete for those receiving income support payments where eligibility is subject to activity testing/mutual obligations (such as for unemployment and disability-related payments). On the other hand, information related to aspects such as housing circumstances, education levels, medical details and relationship status, is likely to be incomplete, as it is recorded only when required to assess eligibility for specific payments.

Some key data gaps in the version of DOMINO used by the AIHW have affected the analysis in this study. These include:

- **claims tables:** approved claims are captured in the DOMINO tables, however, any unresolved claims or unapproved claims are not included in the version of DOMINO held by the AIHW.
- **earning tables:** no data are available to the AIHW on earnings for Centrelink recipients.
- **type of Crisis Payment (ex-prisoners, family and domestic violence, refugees):** no data are available to AIHW on the types of Crisis Payment received by income support recipients.

Appendix C: Overview of Centrelink payments

Table C1: Centrelink payments included in this report

Payment	Description
Income support payments	
Student payments	
ABSTUDY	<p>ABSTUDY is a living allowance payment plus a range of extra benefits. Recipients are people who identify as Aboriginal or Torres Strait Islander peoples who are in an approved course, Australian apprenticeship or traineeship.</p> <p>Both ABSTUDY Schooling A and Schooling B awards are for primary and secondary students. Schooling A award is for students who live at home. Primary school applicants can be aged 14 or older. Secondary applicants can be 15 or older. Schooling B award is primarily for students 16 or older. It can also be received by those who are 15 and in state care, or who are independent (conditions apply).</p> <p>ABSTUDY Tertiary is for students who are studying a full-time post-secondary course or undertaking an apprenticeship.</p>
Austudy	Austudy is a payment that provides financial help for full-time students and Australian apprentices aged 25 and over. Students below the age of 25 are paid Youth Allowance (student and apprentice).
Youth Allowance (student and apprentice)	<p>Youth Allowance is a payment for Australian students and apprentices aged 16–24 years old. To receive Youth Allowance as a student or an Australian apprentice, applicants must be one of the following:</p> <ul style="list-style-type: none"> • aged 18 to 24 and studying full-time • 16–24 and doing a full time Australian apprenticeship • 16–17 and independent or needing to live away from home to study • 16–17 and studying full time and having completed year 12 or equivalent.
Unemployment payments	
Newstart Allowance	<p>Newstart Allowance was an income support payment for people who either did not have a job or were earning under the income threshold. To receive Newstart Allowance, the applicant must have been looking for work or be engaged in activities which would help them find work in the future (such as volunteering or training).</p> <p>Newstart Allowance was paid to people aged 22 or over but under Age Pension age.</p> <p>In March 2020, the JobSeeker Payment replaced the previously available Newstart Allowance, with revisions to eligibility.</p>
Youth Allowance (other)	Youth Allowance (Other) is a payment for young people aged 16–21, who either do not have a job or are earning under the income threshold. To receive Youth Allowance (Other), the applicant must be looking for work or be engaged in activities, which will help them find work in the future (such as volunteering or training).
Parenting payments	
Parenting Payment Partnered	Parenting payment is paid in recognition of the impact caring for a young child can have on a parent's capacity to undertake full-time employment. Only one parent or guardian can be the principal carer, and receive the payment. Parenting Payment Partnered (PPP) is paid to a person who is a member of a couple. This payment is paid until the applicant's youngest child is 6 years of age.
Parenting Payment Single	Parenting Payment Single (PPS) is an income support payment available to single parents and other principal carers who have sole or primary responsibility for the care of a young child. These parents may be eligible for PPS until their youngest child turns 8.

continued:

Table C1 (continued): Centrelink payments included in this report

Payment	Description
Disability Support Pension	
Disability Support Pension	Disability Support Pension is a financial support for people who are between 16 and Age Pension age, and have a reduced capacity to work because of disability. Recipients must be either permanently blind or have an impairment which means they are unable to work for 15 hours or more per week.
Other income support payments	
Carer Payment	Carer Payment provides financial help to people who are unable to work in substantial paid employment because they provide full-time daily care for someone with a severe disability or medical condition, or who is frail aged.
Double Orphan Pension	Double Orphan Pension is a regular payment for a person caring for a child whose parents cannot care for them or have died.
Special Benefit	Special Benefit provides financial assistance to people who are in severe financial need due to circumstances outside their control but are unable to earn sufficient livelihood for themselves and their dependents. Some examples of when a person might receive Special Benefit are: <ul style="list-style-type: none"> • they cannot get another payment from Centrelink because they are too young or too old or because they have not lived in Australia long enough • they are caring for a sick person or person with disability and do not qualify for Carer Payment • they have suffered a substantial change in circumstances beyond their control during the newly arrived resident's waiting period.
Other payments (that are not categorised as income support payment)	
Crisis Payment	Crisis Payment is a one-off payment given to recipients of social security benefits or pensions who are in severe financial hardship and facing extreme personal circumstances (such as prison release, experiencing domestic violence or arriving into Australia as a humanitarian entrant).
Family Tax Benefit Part A	FTB Part A is a per child payment to assist with the cost of raising children. Children in the person's care must generally be aged 0–15, or 16–19 in full-time secondary study.
Family Tax Benefit Part B	FTB Part B is a per family payment to single parents, non-parent carers, grandparent carers and families with one main income, to assist with the cost of raising children.

Table C2: Major social security policy changes influencing receipt of income support payments for young people between 2007 and 2016

Most payments included in this report are means-tested and subject to activity testing; a process used for determining eligibility. Based on means-testing arrangements, recipients can earn a certain amount per fortnight before their payment is slowly reduced to a part-rate payment. Income support recipients are required to report income from all sources (including work, investments and/or substantial assets). The table below outlines key changes to eligibility requirements and means-testing thresholds for receipt of income support payments over the observation period of the study, between 2007 and 2016. These policy changes may have implications for comparability of the results across birth cohorts and for recent care leavers, and so should be taken into consideration when interpreting the results presented in this report.

Year	Unemployment payment (Newstart Allowance and Youth Allowance (other))	Youth Allowance (Student) and ABSTUDY	Disability Support Pension (DSP)	Parenting Payments (Partnered and Single)	Other payments (not income support)
2009	Young people who have not completed Year 12 (or equivalent) no longer qualify for Youth Allowance (Other) if not in full-time education or training. Definition of 'member of a couple' changed to include same-sex couples.				
2010	Maximum eligibility age for a person not engaged in full-time study raised from 20 to 21.	Parental Income Test threshold increased (from \$33,300 to \$44,165). Age of independence progressively lowered from 25 to 22 years. Criteria removed to work minimum number of hours or earn certain amount to establish independence.			
2011			Program of Support requirements introduced, requiring some applicants to participate in programs to improve work capacity before DSP is granted.		

continued:

Table C2 (continued): Major social security policy changes influencing receipt of income support payments for young people between 2007 and 2016

Year	Unemployment payment (Newstart Allowance and Youth Allowance (other))	Youth Allowance (Student) and ABSTUDY	Disability Support Pension (DSP)	Parenting Payments (Partnered and Single)	Other payments (not income support)
2012	<p>Maximum eligibility age for a person not engaged in full-time study raised from 20 to 21.</p> <p>Youth Allowance (Other) income test threshold increased from \$62 to \$143 per fortnight.</p>	<p>Students aged 16 to 17 no longer eligible for Youth Allowance unless independent, living away from home or already receiving Youth Allowance.</p> <p>Income testing threshold increased from \$236 to \$400 per fortnight.</p>	<p>Participation requirements for recipients aged under 35 introduced, requiring a participation plan with non-compulsory activities. Revised Tables for the assessment of work related impairment introduced.</p>		<p>Family Tax Benefit A becomes the primary payment for dependent students aged 16 to 17.</p>
2014	<p>Newstart personal income test threshold increased from \$62 to \$100 per fortnight.</p>		<p>Participation plans changed to include a compulsory work-related activity and sanctions for non-participation.</p>	<p>Income testing threshold for Parenting Payment (Partnered) increased from \$62 to \$100 per fortnight.</p>	
2015			<p>Disability Medical Assessments by a Government Contracted Doctor was introduced as part of claim process. Requirement for a Treating Doctor Report replaced by raw medical evidence for assessments.</p>		

Appendix D: Comparison populations

Comparison populations provide important context to assess and quantify whether the OOHC study population has different experiences relative to other populations of the same age. Note that the OOHC study population is included in these comparison populations, as it was not possible to remove these individuals from the comparison populations. While there is an overlap, the effect would be nominal given the size of the OOHC population relative to these comparison populations. In this study, 3 comparison populations were included.

Australian population

The Australian population was defined as all individuals in the Australian Bureau of Statistics (ABS) Estimated Resident Population (ERP) born between 1 July 1990 and 30 June 1998. Counts of income support and other payment receipt (numerators) are sourced from DOMINO, while counts of the total Australian population (the denominator) are based on ABS ERP data.

The difference between the total number of people in the Australian population and the number recorded with a particular outcome in the Centrelink population is used to derive the number of individuals without an outcome. This comparator population was used for point-in-time analysis such as income support receipt at a particular point in time.

Note that the OOHC study population may include people who have permanently left the country and those who are deceased (but not recorded as such in DOMINO), while the Australian population does not. In addition, the Australian population includes people from Queensland, while the OOHC study population does not.

Centrelink population

The Centrelink population comparator was defined as people born between 1990 and 1998 who either received a Centrelink payment or who were known to Centrelink via claims of other Centrelink recipients. This comparator population was used as the denominator for longitudinal outcomes (such as duration on income support payments and pathways between payments); in these cases, individuals were observed for multiple years and so point-in-time population data was not a suitable denominator.

It is likely that a high proportion of young people are captured in Centrelink data. Young people can be observed either because they interact with Centrelink themselves, or because their parent enters their information (for example, when they receive Family Tax Benefit A or B).

Note that the Centrelink population may include people who have permanently left the country and those who are deceased (but not recorded as such in DOMINO), while the Australian population does not. In addition, the Centrelink population includes people from Queensland, while the OOHC study population does not.

Lowest socioeconomic population

The lowest socioeconomic comparator population was defined as the 20% of the Australian population who are living in the most disadvantaged areas. The most disadvantaged areas are defined using the ABS Index of Relative Socioeconomic Disadvantage—Socio-Economic Indexes for Areas (SEIFA). Counts of income support and other payment receipt (numerators) are sourced from DOMINO, while counts of the Australian population living in the most disadvantaged areas (the denominator) are based on ABS population data (derived from the ABS Census of Population and Housing data).

The difference between the total number of people in the lowest socioeconomic population and the number recorded with a particular outcome in Centrelink data is used to derive the number of people without an outcome. Note that data were available only for those aged 21–25 and for some income support characteristics, due to the availability of regional population data and coverage for longitudinal analysis in DOMINO.

Note that the lowest socioeconomic population also includes people in Queensland, while the OOHC study population does not.

Appendix E: Linkage methods

Creation of the linked data asset

To investigate the income support and other payment characteristics of young people who have been in care, the OOHC data were linked to DOMINO using a key-based linkage method—Statistical Linkage Key (SLK) 581 and inclusion of postcode data (see Box E1).

This study used a multistep deterministic SLK linkage method, using SLK-581 and additional information (postcode information and SLKs derived from the Medicare Consumer Directory (MCD); see Figure 2.2). This method uses multiple deterministic passes, with each pass dropping out an element of the SLK-581 and postcode key (and/or other supplementary information). Within each pass, keys are required to match exactly for a link to be made. Links are retained after each pass and, upon completion of all passes, chosen using weighting criteria.

To improve the quality of the linkage, a preliminary linkage was undertaken with the MCD, which is regarded as having high-quality linkage information. The MCD is based on official documentation, includes a person level identifier that is assigned to an individual and does not change over time, and includes most of the Australian population. An initial linkage between the MCD and the DOMINO and OOHC data assisted in assessing for completeness and accuracy of the SLK-581 in the source datasets. The MCD was therefore used as a ‘linkage spine’—rather than linking 2 study data sets directly, each can be first linked with the MCD to reduce false or missed links from inaccurate data. This method has been shown to significantly improve linkage quality (AIHW 2020).

Note that the MCD has some key limitations. It does not include those on temporary visas. Additionally, Centrelink data are administrative, and therefore may contain clerical errors. However, records with clerical errors have been assessed by the AIHW Data Linkage Units to be a very small proportion of the overall client base.

Overall, 96% of OOHC records were matched with a DOMINO record. This linkage rate ranged between 90% and 99% across participating jurisdictions.

AIHW also investigated for potential bias during the linkage process and the treatment of bias in the outputs. The likelihood of systematic bias in the linkage process and outputs is very low, given the small size of the unlinked population (4.5%). In addition, the data used in the linkage had a high degree of uniqueness, reducing the chance of unrelated records being linked. An assessment of bias by the AIHW found little variation of linkage rates between groups with different characteristics.

Note that all data sources used for linkage purposes in this study (OOHC, DOMINO, MCD data) consisted of SLKs only, and did not contain any identifiable information.

Box E1: Statistical Linkage Key (SLK-581)

The SLK-581 is a string of characters and numbers (such as letters of first and last name, date of birth, sex) that contains sufficient information to link records for statistical analysis, but does not contain sufficient information to identify individuals. It is 14 characters long and is made up of 4 elements:

- 3 letters of surname (S235: 2nd, 3rd and 5th letters)
- 2 letters of first name (F23: 2nd, 3rd letters)
- date of birth (DD/MM/YYYY)
- sex (S).

Note that supplementary information, such as postcode, may also be included as an SLK component. The addition of a postcode component (known as PC4) increases the length of the SLK from 14 characters to 18 characters, thereby increasing its uniqueness and the likelihood of links being true matches.

Components of the SLK-581

X	X	X	X	X	D	D	M	M	Y	Y	Y	Y	X
2 nd , 3 rd and 5 th letters of family name			2 nd and 3 rd letters of given name		Date of birth		Month of birth		Year of birth				Sex
S235			F23		D		M		Y				S

Appendix F: Overview of income support and other payment characteristics reported on in this study

Table F1: Description of the income support and other payment analysis variables included in this report

Characteristics	Analysis variables	Insights
<p>Receipt</p>	<p>Income support payment type</p> <p>The proportion of the OOH study population receiving/not receiving income support for each age group, as well as the type of income support payment received. Types of income support payments included: unemployment payments, student payments, Disability Support Pension, parenting payments (partnered/single) and other payments (see Appendix C for further details).</p> <p>Receipt of income support were derived by counting the number of persons who received each payment at the end of the financial year (at 30 June) in which they turned each year of age over the observation period (between 2007 and 2016). The proportion in receipt of income support for each age, is an average across the birth cohorts.</p> <p>Note that the counts relate to the payment type at 30 June, and does not reflect that an individual may have transitioned between payment types over the year, have been suspended on a payment for a period, or have a payment cancelled.</p> <p>Other payments/services received</p> <p>The proportion of the OOH study population receiving Centrelink payments and services that are not defined as income support payments, including Crisis Payment, Low Income Cards, Commonwealth Rent Assistance and Family Tax Benefit A/B</p>	<p>The type of income support payment received by a person can provide an insight into their life circumstances at the time of receipt, including whether they are studying, looking for work or unable to work due to caring responsibilities or health conditions.</p> <p>Reporting on additional payments can contribute to a more comprehensive picture of outcomes for the OOH study population. For example, low income cards are available for people who earn income and may or may not be on an income support payment. Family Tax Benefit provides information on parents who may not be receiving a parenting payment. Crisis Payment are one-off payments granted to those experiencing personal crises such as prison release or domestic violence.</p>

continued:

Table F1 (continued): Description of the income support and other payment analysis variables included in this report

Characteristics		Analysis variables	Insights
Duration	<p>Days on income support (included in supplementary tables)</p> <p>The proportion of the OOH study population who have been on income support for different periods of time. Data are presented on the total number of days that an individual was on income support during each financial year, grouped into: 0 days (not on income support); 1–100 days; 101–300 days; and 300+ days in total on income support.</p> <p>Income support payment dependency</p> <p>This outcome measures how long the OOH study population were receiving income support payments between their 18th birthday and the end of the observation period (30 June 2016). This measure is a sum of all income support payment episodes, and may reflect income support payment for 1 continuous period or multiple periods. The time spent on income support was grouped into: 0% (not receiving income support payment); >0%–25%; >25%–50%; >50%–75%; and >75%–100% of the observation period.</p>	<p>The duration on income support can be used to assess how recipients are interacting with the social security system to receive support, in particular whether recipients require short-term income support (such as when they are in between jobs) or whether they require long-term support (for example, due to chronic health conditions).</p>	
Payment pathways	<p>Pathways into the social security system</p> <p>Pathways into the social security system are expressed through examining the characteristics of a person's first payment. The first payment type that a person receives is then cross-tabulated with their first payment age, first payment duration, and whether they were in care when they received their first payment.</p> <p>Pathways between payments</p> <p>The number of people who receive each payment type on their 18th birthday, cross-tabulated with the payment types they receive on subsequent birthdays. Note that these outcomes are at a different point in time to the above analysis of income support payment type, in order to minimise the risk of de-identification based on other outputs.</p>	<p>Pathways through the social security system provides valuable information on how people enter and transfer/move between payments. They may assist in the interpretation of the data on income support payment types by age by providing context on the transition between payments at key life stages.</p>	
Characteristics of recipients	<p>Primary medical conditions for those receiving Disability Support Pension</p> <p>The number of people who have each type of medical condition and are receiving DSP, at the end of the financial year at which they turn each age. Medical conditions are reported in broad categories and represent the primary medical condition. A person may have other medical conditions, which are not reported here.</p>	<p>The primary medical condition for DSP OOH recipients provides a broad indication of health-related conditions.</p>	

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- Community Services Directorate, Australian Capital Territory
- Territory Families, Housing and Communities, Northern Territory.

Abbreviations

ABS	Australian Bureau of Statistics
AIHW	Australian Institute of Health and Welfare
CAFS	Children and Families' Secretaries
DOMINO	Data Over Multiple Individual Occurrences
DSP	Disability Support Pension
DSS	Department of Social Services
FTB	Family Tax Benefit
MCD	Medicare Consumer Directory
SEIFA	Socio-economic Indexes for Areas

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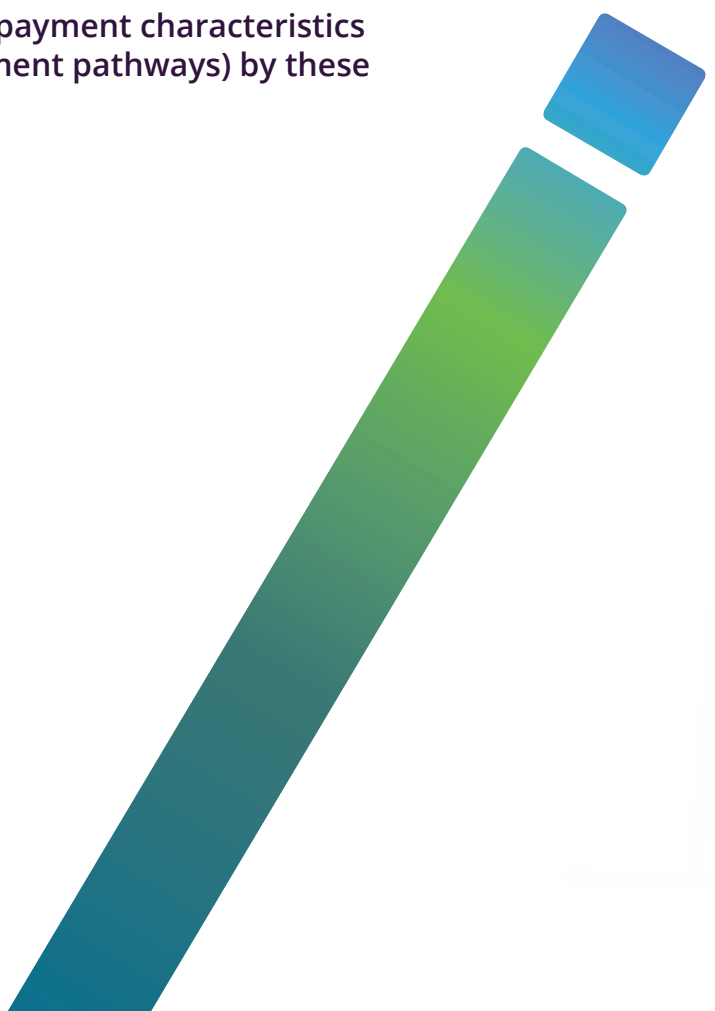
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Children who are, or have been, in out-of-home care (OOHC) face greater vulnerability across several dimensions of their wellbeing, particularly after they leave care, as they adjust to independent living. This national report aims to build the evidence-base on transition outcomes for care leavers by linking Australian Government (Centrelink) and state and territory (OOHC) administrative data to examine income support and other payment characteristics (receipt, duration and payment pathways) by these young people.



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