Changing families
Who pays for the children?

Petter Odmark
Chief Analyst
Living with separated parents

- Roughly one quarter of kids 0-17
- Sharp increase 1970-2000
- Stable since 2000
My focus

- How do they actually live?
- Who actually pays for them?
- How are we changing the system?
- What do we know about their economy?
How do kids live? (statistically)
In reality

- Only father
- Only mother
- Mostly father
- Mostly mother
- Roughly equal
- Parents switch
- Other
Basic rules

- Parents pay for their kids
- It doesn´t matter who lives where

Two kinds of transfers

- UB, between parents (family law)
- US, from the state (social insurance law)
UB

Child living with mother – father paying UB

Mutual agreement but exist basic formula

UB = cost of kid * fathers share of parents surplus
2000 * 20 000/ 20 000 + 10 000 = 1333
If father doesn´t pay or can´t pay enough

Amount set in law – 1 573 kr/month (ca 170 Eur) 
father owes the state
What actually happens?

Problems

- UO is too low in 43% of cases
- UO sets the bar for UB
- No transfers in too many cases
- UO can be too high
Reforms – aim is to support the use of UB

- 2013
  Stronger support to make a deal, municipality is obliged to help

- 2015
  Social Insurance Agency is given more responsibility to support parents. Some reforms of UO.
Income by type of household

- Single women with kids
- Single women without kids
- Single men with kids
- Single men without kids
- All households
- Couples with kids
- Couples without kids
Regular statistics miss quite a lot

- 17 % < 60, in reality only 8 %
- We don’t see UB
- We have missed couples not married or not having children together
Thank you!

- petter.odmark@regeringskansliet.se