

PF1.3: Family cash benefits

Definitions and methodology

Family cash benefits (FCB) are defined here as child-related cash transfers to families. Such transfers can take many different forms. In general, the information presented in this indicator refers largely to what are often called ‘family allowances’, or alternatively ‘child allowances’ or ‘child benefits’ – periodical payments to a member of a household with dependent children to help with the costs of raising children. Family- or child-related cash transfers and/or other kinds of state financial support that are given only to very specific groups or are available only in specific circumstances are generally not included. This means that cash transfers specific to single parents/single-parent families, maternity, paternity, parental or home-care leave benefits and child-raising allowances, one-off payments for specific events (e.g. birth grants), and benefits targeted at very specific groups or for specific purposes (e.g. educational-support benefits, benefits for families with children with disabilities, etc.) are generally not included here. Child-related ‘refundable’ or ‘non-wastable’ tax credits (i.e. benefits that are paid in cash when the tax liability of a family is not large enough to make (full) use of a particular fiscal advantage or tax credit) are included if they are used in a similar manner to a family allowance (as in Australia, for instance). Otherwise, fiscal support is also not covered here.

Key findings

Family allowance cash benefits are a common but not universal feature of social protection systems in the covered Asia/Pacific countries (Table PF1.3.A). Six of the eight covered Asia/Pacific countries with available information provide financial support to families in the form of a family allowance of some sort (Australia, China, Japan, Korea, New Zealand and Thailand). In some cases (Australia and New Zealand), these benefits take the shape of ‘non-wastable’ tax credits, while in others (e.g. Japan, Korea and Thailand) they are provided as cash transfers.

In contrast to the universal family allowance benefits available in many OECD countries, many of the family allowances in the covered Asia/Pacific countries are means-tested (Table PF1.3.A), meaning that either eligibility for the benefit or the amount paid is conditional on family income. Japan and Korea are the main exception here. The Thai ‘Child Assistance Benefit’ is not means-tested, but it is limited to families with an employed and insured adult only.

The design of family allowances/child benefits transfers differs across countries (Table PF1.3.A). In several cases, the exact value of the benefit paid for each child depends on the child’s age and/or the number of children in the family, though the direction of the variation sometimes differs from country to country. In Australia, for example, the per-child value of the Family Tax Benefit Part A tax credit increases as children grow older. In Japan, on the other hand, the per-child value of the Child Allowance *decreases* as children grow up. The age limit on the benefit varies too. In most cases family allowances/child benefits are paid until children turn 15 or 18, sometimes with an extension if the child remains in

| |
|---|
| <i>Other relevant indicators:</i> PF2.1: Key characteristics of parental leave systems; PF4.1: Typology of childcare and early education services |
|---|

education or training (Australia and New Zealand). In Korea and Thailand, however, the benefit is paid only until the child turns 8 and 6 respectively.

Two of the Asia/Pacific countries included here (Singapore and Viet Nam) do not provide families with cash support through a general family allowance or child benefit scheme, though both still look to offer financial support in other forms. Singapore, for example, provides families with support through schemes like a birth grant (the 'baby bonus') and a state-supported matched savings fund (the 'Child Development Account'). Viet Nam provides a range of cash benefits to families and children with specific needs or in specific circumstances such as, for example, a single parent benefit and a disabled child allowance.

Data and comparability issues

Information on family cash benefits has been collected from a range of sources, including the International Social Security Association (ISSA) website "Country profiles", government websites and publications by relevant government ministries, and a questionnaire sent to national authorities in the context of the OECD Benefits and Wages database.

As noted in the '*Definitions and methodology*' section, the information in this indicator refers largely to 'family allowances', defined as periodical payments to a member of a household with dependent children to help with the costs of raising children (also sometimes known as 'child allowances' or 'child benefits'). This definition includes only those periodic benefits that are designed to provide financial support to families for the purpose of bringing up children, and it does not cover periodic benefits aimed at helping families with the cost of education. As a result, any periodic cash or in-kind benefits provided to families for educational purposes (such as the scholarships offered to children from disadvantaged backgrounds in Viet Nam) are not included here.

On occasion some education-related benefits may be provided solely to families with low incomes, after a means-test, for the purpose of redistributing income in favour of those with insufficient resources, rather than to provide free access to education. These benefits may be considered as 'family benefits' in the wider sense, but they are not included here.

Sources and further reading: The International Social Security Association (ISSA) website "Country profiles", <https://www.issa.int/databases/country-profiles>; OECD Tax and Benefit Models policy descriptions, <https://www.oecd.org/en/topics/sub-issues/income-support-redistribution-and-work-incentives/how-do-countries-calculate-tax-liabilities-and-social-benefit-entitlements.html>

Table PF1.3.A. **Family Cash Benefits, 2024**

| | Name (English) | Maximum annual amount for one child aged 3-12 (national currency) | Benefit per additional child increases/decreases with: | | Upper age limit | Upper age limit for those in education or training | Means test on: | Notes/Other |
|-----------|---------------------------------|---|--|----|-----------------|--|---------------------------------------|--|
| Australia | Family Tax Benefit (FTB) Part A | 6 442.25 | + | 0 | 15 | 19 | Family income | Family tax benefit (FTB) part A is targeted at helping families with the cost of raising children. |
| | Family Tax Benefit (FTB) Part B | 4 620.90 | - | n | 15 | 19 | Income of second earner in the couple | FTB part B is targeted towards families with one main income (inc. single parents) |
| China | (Varies across localities) | .. | .. | .. | .. | .. | .. | Municipalities provide various kinds of support (including cash benefits like family allowances and post-retirement subsidies) to families that comply with family planning policies. Municipalities also offer mean-tested income support and medical assistance programmes to low income families. Exact details vary across localities. |
| Indonesia | None | .. | .. | .. | .. | .. | .. | .. |

Family Database in the Asia-Pacific Region, <http://oe.cd/fdb-asia>
OECD and OECD KOREA Policy Centre

| | | | | | | | | |
|-------------|-------------------|-----------|----|------------------|----|----|---------------|---|
| Japan | Child allowance | 120 000 | - | + | 18 | .. | .. | The child allowance is a universal (non-means-tested) cash benefit available until the end of the fiscal year in which the child turns 18. |
| | | | | (from 3rd child) | | | | |
| Korea | Child allowance | 1 200 000 | 0 | 0 | 7 | .. | .. | The child allowance is a universal (non-means-tested) cash benefit available for children age seven and under. |
| Malaysia | .. | .. | .. | .. | .. | .. | .. | .. |
| New Zealand | Family tax credit | 7 503.60 | + | - | 18 | 19 | Family income | The 'family tax credit' is a means-tested non-wastable tax credit |
| Singapore | None | .. | .. | .. | .. | .. | .. | No general family allowance or child benefit, though the Workfare Income Supplement Scheme (social assistance) provides income support to low-wage workers including those with children. |

Family Database in the Asia-Pacific Region, <http://oe.cd/fdb-asia>
OECD and OECD KOREA Policy Centre

| | | | | | | | | |
|----------|-----------------|-------|----|----|----|----|------------------|--|
| Thailand | Child allowance | 9 600 | o | o | 6 | .. | Not means-tested | Eligibility limited to insured persons only. Paid for up to a maximum of three children at any one time. Additional benefits available for low-income families. |
| Viet Nam | None | .. | .. | .. | .. | .. | .. | No general family allowance or child benefit, though a range of cash social assistance benefits are available to families and children with specific needs or in specific circumstances (e.g. single parent benefit, disabled child allowance, educational scholarships for children from disadvantaged backgrounds, orphaned child benefit, etc.) |

Note: The information in this table refers largely to what are often called 'family allowances', or alternatively 'child allowances' or 'child benefits', plus also child-related 'refundable' or 'non-wastable' tax credits. It does not include financial support specific to single parents/single-parent families, maternity, paternity, parental or home care leave benefits and child-raising allowances, one-off payments for specific events (e.g. baby bonuses), or benefits targeted at very specific groups or for specific purposes (e.g. educational-support benefits, benefits for families with children with disabilities, etc.). All benefit amounts are shown on an annualised basis. ".." indicates that no information is available or not applicable. Data for China, Singapore, Thailand and Viet Nam refer to 2022. "+" = increases; "-" = decreases; "0" = remains the same; "+/-" = both increases and decreases at different points; "n" = no effect.

Sources: [Australia, Japan, Korea and New Zealand: OECD Tax and Benefit Models policy descriptions](#); [China, Indonesia, Malaysia, Singapore, Thailand and Viet Nam: The International Social Security Association \(ISSA\) website "Country profiles"](#)