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## SENATE

STANDING COMMITTEE ON COMMUNITY AFFAIRS

**Reference: Families, Community Services and Indigenous Affairs Legislation  
Amendment (Child Support Reform Consolidation and Other Measures) Bill 2007**

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**SENATE STANDING COMMITTEE ON  
COMMUNITY AFFAIRS**

**Tuesday, 1 May 2007**

**Members:** Senator Humphries (*Chair*), Senator Moore (*Deputy Chair*), Senators Adams, Allison, Carol Brown, Fierravanti-Wells, Patterson and Polley

**Participating members:** Senators Barnett, Bartlett, Bernardi, Mark Bishop, Boswell, Bob Brown, George Campbell, Carr, Chapman, Crossin, Eggleston, Chris Evans, Faulkner, Ferguson, Fielding, Forshaw, Heffernan, Hogg, Hurley, Hutchins, Joyce, Kemp, Kirk, Lightfoot, Ludwig, Lundy, Marshall, McEwen, McGauran, McLucas, Milne, Nash, Nettle, O'Brien, Parry, Payne, Robert Ray, Siewert, Stephens, Stott Despoja, Watson, Webber, Wong and Wortley

**Senators in attendance:** Senators Judith Adams, Humphries, Moore, Siewert

**Terms of reference for the inquiry:**

Families, Community Services and Indigenous Affairs Legislation Amendment (Child Support Reform Consolidation and Other Measures) Bill 2007

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**Committee met at 1.16 pm****BODE, Mr Garth, Assistant Statistician, Labour and Demography Statistics Branch, Australian Bureau of Statistics****CORR, Mr Patrick Michael, Director, Demography Section, Australian Bureau of Statistics**

**CHAIR**—I declare open the public hearing of the Senate Standing Committee on Community Affairs into the Families, Community Services and Indigenous Affairs Legislation Amendment (Child Support Reform Consolidation and Other Measures) Bill 2007. I welcome participants to this afternoon's proceedings. Information on parliament privilege and protection of witnesses has been made available to you I understand. We have a submission from the ABS; we appreciate that. We are happy to ask you questions about that but would you like to begin with a short opening statement.

**Mr Corr**—The Australian Bureau of Statistics uses information on the number of births registered with state and territory registrars of births, deaths and marriages to compile statistics on births, fertility rates and population estimates. The population estimates in particular are used in a wide range of important decisions such as the distribution of GST, revenue to the jurisdictions and apportioning the number of seats in the House of Representatives to the states and territories.

The ABS has long been aware that there is an interval between the occurrence of a birth and its registration with the relevant registrar. The information can be assessed based on comparing the date of birth with the date of registration for each birth in the data provided to the ABS by the registrars. Whilst most births are registered promptly, a small proportion can take many months or even years to be registered. The ABS makes adjustments for lags in birth registrations when compiling population estimates. Estimating the number of births which are never registered is more challenging as we would need to compare the birth registration data with another data source.

The ABS makes no adjustments for births which are not registered in compiling post-census population estimates. However all children including those whose birth was not registered should be counted in the five-yearly census of population and housing and so there is a catch up every five years of those that are not yet in the estimates. The ABS would like to undertake a national comparison of different data sources to evaluate the extent of under registration of births. Specifically, the ABS would like to evaluate the differences between aggregate statistics on birth registrations and perinatal statistical returns completed by state and territory health authorities on the birth of babies in hospitals or at home. A 2005 article by Professor McDonald of the Australian National University refers to this collection. Some limited analysis shows that some births may be registered very late or never registered at all. These tend to be for babies of younger mothers, specific geographical areas and Indigenous parents. A similar comparison might be undertaken between birth registrations and applications for the maternity payment or the baby bonus.

I would like to draw your attention to some specific tables in our submission. If you have a look at table 5.4 of the article attached to our submission, at the bottom of page 39 it illustrates the differences in the length of delay in birth registrations by state and territory for

three years—1995, 2004 and 2005. As you can see, there are differences across jurisdictions and over time. If you turn over the page to table 5.5, it shows that in 2005 the average length of the delay in birth registrations was 3.3 months for Queensland compared to 1.1 months for the Northern Territory. In the years shown in that table, New South Wales had the longest average delay of 3.9 months in 2004. Procedural changes in New South Wales have turned this around to 1.8 months in 2005.

On the next page, table 5.6 provides selected characteristics of birth registrations in 2005 and the proportions of those births which occurred in 2004 or earlier years, so their date of birth was prior to the year of registration. Across all births registered in 2005, 11 per cent were born in 2004 or earlier years. However, for Indigenous births, 22.2 per cent were born in 2004 or earlier. For exnuptial births where paternity was not acknowledged—that is, where a mother is not married and where the father's details are not on the birth certificate—23.1 per cent of births registered in 2005 were for babies born in 2004 or earlier.

Births to mothers in their 30s are more likely to be registered promptly whereas births to younger mothers aged under 24 years were likely to be registered later. It is expected that the proposed requirement to have all births registered before applying for the baby bonus may result in a change in parents' behaviour. As a result, improvements in the registration of births that would normally not be registered, or registered later than required by state and territory legislation, can be expected. There may be some workload implications for registrars if the improvement is significant. However, if the expected changes occur, the ABS anticipates that improvement in the quality of birth and fertility statistics and the population estimates for Australia and the states and territories will be achieved. Thank you.

**CHAIR**—Do you have anything to add, Mr Bode?

**Mr Bode**—No.

**CHAIR**—I want to clarify one of the last things you said, Mr Corr. You said that a requirement for the payment of the baby bonus is that the birth has to be registered and you expect an improvement in registrations. My understanding of the bill is that the requirement for the payment of the baby bonus only applies for mothers under the age of 18. Have I understood that correctly?

**Mr Corr**—My reading of the bill was that it was all births.

**CHAIR**—It is all births, is it?

**Mr Corr**—Yes, all live births. So it excludes adoptions and stillbirths.

**CHAIR**—It is obviously hard to draw completely accurate conclusions about how mothers will behave in circumstances where that incentive is provided, and you might not be the right people to direct this question to, but do we have any information about how important the baby bonus is to mothers as an incentive to register a child?

**Mr Bode**—We do not have any information on that.

**Senator MOORE**—I was surprised by your submission because I did not realise that this was occurring. I thank you for the submission you gave us and its attachment. It was my understanding that you needed a birth certificate to claim any payment under the current system. I will check FaCSIA about that. I thought to claim a Centrelink payment you needed

to have proof that you were the parent of the child and so on, but your figures seem to indicate that there are particular issues for some groups of parents in pursuing this process.

My only question is about delays. One of the points you make is that in some cases it was streamlining within the registries—in terms of the speed with which something is actually processed. If someone is reliant on having the documentation to claim a payment—and I know this is not your call; your call is counting as opposed to how it is done. The sub-benefit of this legislation seems to be that it is going to benefit the work you do. I am trying to ensure that the clients themselves will not be disadvantaged in the whole process.

**Mr Corr**—My understanding is that FaCSIA have allowed for that in the drafting of the legislation. In their submission they talk about the requirement being only for a declaration, not for the production of a birth certificate and application.

**Senator MOORE**—I read that and I have to find out for my own sense what the difference is. I know what the piece of paper looks like; I have to work it out in terms of the transactions. I take it that the last figures in this particular publication are 2005, is that right?

**Mr Corr**—Yes.

**Senator MOORE**—In the work that you have done, at what stage in the year do you do the snapshot? I am from Queensland and at the moment we have the wooden spoon because of a late burst from New South Wales in 2004, but in terms of process when will we know what has happened in 2006?

**Mr Corr**—We release a report on births towards the end of the year following the reference period. However, we do publish counts every quarter in compiling the population estimates.

**Senator MOORE**—I have a look at those from time to time but I have never checked out this particular figure to see what has happened. You have made a number of statements in your submission about what you anticipate will happen as people clean up their acts and so on. Should this legislation be passed, the first snapshot we will get of whether it has had the kind of impact you would know about would be in about 2008, is that right?

**Mr Corr**—It would be the 2007 births, because this is coming in on 1 July. We will get a half-year effect at the end of 2008, in about November.

**Senator MOORE**—So that is when we would be having a look to see whether the anticipated results that your organisation is seeking have come through? We would be able to know in 2008?

**Mr Corr**—Yes, and I anticipate that that is going to be a thematic bit of commentary in the publication.

**Senator MOORE**—It will be highlighted. Thank you for the submission.

**Senator ADAMS**—My question relates to the explanatory memorandum. It says that they: ... require registration of the birth with the relevant state/territory authority as a condition of eligibility for the baby bonus ...

I am wondering how these people get it if they have not actually registered.

**Mr Corr**—That is under the proposed legislation?

**Senator ADAMS**—Yes, that is the rule.

**Mr Corr**—What happens now is that parents are given two forms in hospital: one, which has been countersigned by the doctor or the hospital administrator, is from the registrar, and the other, which is also countersigned, is for the baby bonus. They also get a document which is like a birth card—a certificate from the hospital which is not an official birth certificate; it is just a statement that the birth occurred and it is signed by a doctor or a nurse or an administrator at the hospital. Often the child's birth can be added onto Medicare, or for various purposes they can claim things or register the child, without having a formal birth certificate from the registrar of births, deaths and marriages.

I understand there is some concern that requiring the parent to lodge the form of information with the registrar and get a certificate back could potentially delay access to the baby bonus, but they are turning them around very quickly these days. I think the major issue of delay is with the parents actually lodging the form. There are some particular issues. It is the responsibility of both parents to sign the form. If you have a single mother and the father is not around, getting a signature from the father can sometimes be a problem. If she names him on the form but does not get a signature there can be a delay in the registration being sorted out. So more often it is in the complex situations that there can be delays in the process. There are cyclical processing delays with registrars; for example, there tends to be a slowdown in December-January in some states and then a big catch-up in the next quarter.

**Senator SIEWERT**—What happens if they cannot get the signature of the father?

**Mr Corr**—I think after exploring various issues the birth can be registered but without the father's name. There are situations, like when there is proof that the father has died, the birth can be registered with the father's name but without his signature.

**Senator SIEWERT**—Within what period of time do parents have to register the birth in order to qualify for the baby bonus?

**Mr Corr**—You might need to ask FaCSIA that. I know that under state and territory legislation it is 60 days to register the birth, and I think it is up to 26 weeks—

**Senator SIEWERT**—It does say 26 weeks here.

**Mr Corr**—to claim the baby bonus. The birth should have been registered or they should have lodged the paperwork with the registrar by that time.

**Senator SIEWERT**—So it sounds like there is plenty of time to get the paperwork done.

**Mr Corr**—Stacks of time, but if you have a newborn baby you might have other priorities at the time.

**CHAIR**—There is a different time frame again for adoption, isn't there?

**Mr Corr**—Yes, but I am not sure about that. If it is a birth that has occurred in Australia it should have been registered before the adoption occurred anyway. If it is an overseas adoption, the birth should have been registered in another country and we count that baby in the population through its passenger card coming into the country.

**CHAIR**—I think what you have presented to us is very straightforward and acceptable and easy to agree with, so I think we have asked all the questions we need to ask of you. Thank you very much for your submission.

[1.35 pm]

**McINNES, Dr Elspeth Margaret, Convenor, National Council of Single Mothers and their Children Inc.**

**TAYLOR, Ms Jaqueline Sharon, Executive Officer, National Council of Single Mothers and their Children Inc.**

*Evidence was taken via teleconference—*

**CHAIR**—Welcome. Thank you both very much for your appearance today. I understand that you have been provided with information about parliamentary privilege and the protection of witnesses. In any case, I think you have both appeared before previous inquiries, if I recall correctly. We have a submission from you. We thank you for that submission. We have questions to ask you about it. Would you like to begin with an opening statement?

**Dr McInnes**—Yes. I guess we begin from the position that the child support proposals will create increased financial difficulty and loss for households where children spend most of their time for the majority of families affected by separation. For that reason, we have strong criticism of the outcomes of this legislation which further goes to implementing the child support changes developed or recommended by the Child Support Task Force.

We have raised a couple of issues around specific matters such as the management of the baby bonus, which we would like to speak to, and the current proposal in the legislation for a one-size-fits-all response to situations in families which could be widely diverse. We consider that the current approach amounts really to age discrimination and is not necessarily going to function in the best interests of families. There needs to be some way to address that.

We also draw attention to the failure to address the definitions of children in the income support system to bring them into line with the changes that are occurring in the family law and child support systems, particularly the way that these systems recognise and relate to children of separated parents. Anomalies are emerging which are extremely concerning for those children. To come back to our main point, we are really concerned about the impact of poverty or increased financial loss. Jaqueline Taylor will give some examples of stuff that she has seen occurring in the field since this process commenced.

**Ms Taylor**—Our submission includes several case studies. Firstly, I would like to highlight that calculating the financial impact on single mother families post July next year has actually been an incredibly difficult thing to do because there is nothing available to help us with that. There has been no modelling done by the government to actually calculate the impact that these changes will have on sole parent families and we cannot forget that this is also in conjunction with Welfare to Work and the loss of income from that.

At the request of various members of our single mothers group, we have been calculating in dollar terms what this will mean for them, their households and their children, and we have included five of those case studies in our submission. I think you can see from those that there will be a significant loss of income, especially where the children are under 12 years of age or where the non-resident parent has contact between 14 and 34 per cent of the time, to the degree that in one case study the child support is actually halved. Increased family tax benefit

will compensate to some degree for some families, but where they are earning only a base rate because of the amount of child support it may be that it does not compensate at all, as per case study No. 5. While we have always been concerned about this legislation, the more case studies we do we find the worse the financial impacts are.

As Elspeth mentioned, one of our issues is the level of financial loss, but also the families that are affected by these changes being aware is an issue, because there is nothing yet available for them to become aware. There is a huge amount of upset and concern in the community about how these changes will impact. Here we have another piece of legislation, making further changes and continuing the implementation of this policy, yet we are still waiting to find out what the actual financial ramifications will be so that people can have a reliable indication of what they will mean for them.

**CHAIR**—Thank you very much, both of you, for that opening statement.

**Senator MOORE**—Good afternoon, Ladies. In terms of the process, we had long discussions at our committee hearing in Melbourne about some of the same issues that you have raised today. In terms of what has happened between then and now, have you had any further discussions with the government and/or the department about your concerns?

**Dr McInnes**—We are members of a group called the Stakeholders Engagement Group.

**Senator MOORE**—Love that name.

**Dr McInnes**—The Child Support Stakeholders Engagement Group is a forum that includes the Attorney-General's Department—the Child Support Agency manages that group—and brings together FaCSIA, various service provider stakeholders, a number of men's representative organisations, sole parents representing the interests of mothers and their children or resident parents and their children and us. That group exists but it works very much on the basis of: we get told what the legislation is and we go ahead with it, so our concerns are basically registered as annoyingly there but without any real or effective change at that level.

In terms of the task force, we were represented on the community advisory body and consistently raised concerns about the impact of this on low-income families. We have got some funding from FaCSIA to assist with the promulgation of the information to the community about the changes and to feed back to the Child Support Agency and FaCSIA the concerns of the community. So those mechanisms exist, however none of them actually goes to changing the outcomes for families. That process seems to have been decided: women and children should live in poorer households and have a lower standard of living in order to boost the incomes and outcomes for non-resident parents by and large. That is the target and that is the achievement.

**Senator MOORE**—Dr McInnes, in terms of the process, we did talk before of your concerns about the stakeholders group and how it would operate. I take it from what you have just said that you have the same concerns into the future about how much change can be impacted by discussion rather than how you get the information out. Would that be a fair enough statement?

**Dr McInnes**—Certainly it would. As Jaqueline indicated, we have had no kind of calculation instruments provided to us by the department, although we have consistently indicated that that is necessary if the community is going to receive accurate information. We are advised that men's groups have calculators on their websites and that they charge members for the use of them. Again, there is a responsibility around information being accurate, and the complexity of the issue means that it is the government's responsibility to properly provide the means to calculate that for people in the field in a readily accessible and timely way. That gives people the opportunity to adjust to the massive changes in income that their children are going to have to live with—for example, changing school enrolments to cope with loss of income, disenrolling children in out-of-school-hours care and things you would pay for by the term, such as music lessons. These are the kinds of losses that are implied for children in the changes, so they are going to need time to adjust.

In terms of the opportunity to raise policy issues, the fact that the new group includes a large range of stakeholders and service providers means that, when you raise an issue, it becomes a matter of defensive debate about the perfection of performance of whichever agency might be implicated, rather than a capacity to effect change or to be heard in ways that mean there will be different outcomes for families. It is an ongoing issue around how the outcomes for families are monitored and whose family counts. Our main concern always goes to the implications for the children, and it is the households where they spend most of their time that will lose money. There is no mechanism we can see that will properly account for the income changes those households will experience and will monitor what it means for these children in real financial terms, and that is what we need if we are going to have responsible social policy in this country.

**Senator MOORE**—You said in your opening statement that you were concerned that no modelling has been done to look at the impact of these changes, even though that is an issue you have raised consistently. Have you raised specifically the issue of research? I know that one of the recommendations in your submission relates particularly to having independent research on the impact of change. I am just checking as to whether, in the discussions you have had with the department for the stakeholders' group, the issue about modelling and research came up. If so, what has been the response from the department?

**Dr McInnes**—It certainly has come up. However, no timeline has been provided around when we might expect any kind of instrument to make it accessible to other people; neither have we been shown any kind of population impact models that would show how many children of resident parents would live in households on lower incomes and how many non-resident parents without children primarily resident would benefit from increases in income. None of that has been made available.

**Senator MOORE**—Has there been any confirmation from the department that this work is being done?

**Ms Taylor**—No, the best indication I have received with regard to having some sort of calculating mechanism is that there will not be anything available until 2008. I have an undertaking from the department that they are happy to check the case study calculations we are undertaking. With regard to research, I know that at the time of the original stages 2 and 3 bill there were discussions with regard to AIFS, but we have had no consultation with regard

to what is happening with that, and we have not seen any sort of research plan or, basically, any communication with regard to ongoing research.

**Senator MOORE**—I can remember clearly that at our Melbourne hearing we heard evidence from the Australian Institute of Family Studies of a distinct willingness to be involved in future modelling and to research some of the issues that you have raised here and in your paper. Thank you for the case studies, Ms Taylor. I am sure the department have read them and I am sure they will be able to tell us their views on those. I just want to get something on the record about the baby bonus proposal before I hand over to Senator Siewert. I note that you said in your opening statement, Dr McInnes, that you felt it could be ageist. I think that was the term you used, or something of that nature. There has been a lot of community discussion about the impact of the baby bonus, particularly for young mothers. Would you like to put something on the record about your recommendation which says that you are not particularly happy with the proposal that is in this legislation? Can you offer an alternative to the kinds of statements that have been made about trying to make this a more effective payment for families?

**Dr McInnes**—I pointed to the ageist component of this policy because it is based on nothing more than a person's age, which is an arbitrary point in time. There are legal consequences around legal adulthood and decision making and capacity, but it does not go to the heart of the matter which, in our view, is whether it is good for families in particular circumstances to receive a lump sum—for example, a violent boyfriend who might run off with the money, a drug addiction, a gambling addiction or some kind of huge debt for which the money could be seized and used. These are the kinds of vulnerabilities that do not necessarily rest with age. A lump sum might be very important to a young mum, whether she is 17 or 18, in order to get a car if she does not have transport, to furnish a house if she has had to set up a household, to buy basic furniture for her baby if she has not got it already—and most do not. This is not to say that a young mum might not need some help and support in dealing with situations such as, for example, the pressure of a boyfriend who might want the money or dealing with how she is going to make sure that her baby gets cot furniture when other members of the family want her to spend it on different things. We have recommended a social worker intervention for mothers under 18 for whom the payment in fortnightly instalments may or may not be the most useful way to get it. If they need to get furniture or to furnish a house or to have transport, they should have the opportunity to see a qualified social worker to intercede with Centrelink and to obtain the funds for the purpose that they agree on together. That would seem to be a much more useful way to address the particular issues in each case and to protect vulnerable people without just arbitrarily discriminating against them or making judgements about them based on the fact that they are of a particular age. Jac, would you like to add something?

**Ms Taylor**—No. I just want to endorse those comments. Certainly the young mums we see are in great need of considerable financial assistance when they have a baby, and having payment by instalments could make it highly problematic for them to secure housing when there is bond and rent to pay upfront and furniture to buy. This is something that would allow them to have a good start for themselves and their new child. I think it is really important that

we have an avenue that allows them to access the money in full such as a social worker intervention.

**Senator MOORE**—Thank you.

**Senator SIEWERT**—I want to follow up the principal carer's issue, which you would be terribly surprised to hear. Can you run through very quickly your concerns and any case studies of how you outline in your submission the disparity between two parents: one gets principal carer; one does not?

**Ms Taylor**—Yes, we do. There is one in particular where a single mum in country Victoria has shared care of her toddler child, a very young child. She does not have principal carer status because her partner bullied her into making sure he got it. Centrelink assigned it to him. They have within the 10 per cent range of the fifty-fifty, so Centrelink have made their decision against her in favour of him. So she is what is known as a generic job seeker where she is on Newstart with child rate but has full-time obligations to look for work and to do anything that the Job Network requires of her to accept full-time employment. She has none of the protections that you get with principal carer status such as part-time work, no suitable child care available, the 60-minute travel rule—hers is 90 minutes. She has no access to a pensioner concession card, so she is in a seriously disadvantaged situation.

The other thing that we are becoming increasingly aware of is that we have had advice by various means suggesting that the new family relationships centres are aware of this issue and will sort it out to ensure that it all goes well. But we have been meeting with family relationship centres around the country and it is very stark to us that they are not aware of this piece of legislation. Because it is so contradictory to the child support legislation and the family law legislation, it comes as something of a surprise. So one of our big concerns is that parenting plans will be being decided where both parents may be in need of income support without any notion that this is their reality. One parent will be significantly disadvantaged due to this social security law, and the children for half of their time will be in extremely vulnerable positions.

**Dr McInnes**—We are very concerned that there be some alignment and recognition of the obligations that flow through to the income support system where fifty-fifty decisions are made. In this submission we highlight that the child support legislation has apparently easily triggered changes in the definition of FTB children and routine or regular care children. There is a capacity in the government to redefine principal carer, for example, or to make arrangements that protect children in fifty-fifty care arrangements where parents both rely on income support but they are choosing not to do that. Again, where that fallout will be visited will be on the most vulnerable people, which are children. The parents will be required and compelled to comply with the system or lose eight weeks of income and, again, if they lose eight weeks of income, the people who go without and those placed in extreme poverty are children. So we do not understand why the outcomes for children seemingly can be adjusted in this kind of legislation but so roundly ignored in another part of government policy despite the concerns being raised repeatedly and acknowledged by members of our government as problematic. But nothing changes.

**Senator SIEWERT**—Under the current Social Security Act, I think the secretary can define which parent is the principal carer but it is definite that only one parent can be principal carer.

**Ms Taylor**—That is exactly right. On the one hand we have family law and child support law encouraging shared parenting and acknowledging where there is 35 per cent or more of care—between 35 to 65 per cent care is considered shared—but, on the other, on income support policy under social security law, only one parent can be given principal carer status leaving the other parent and the children exceptionally vulnerable.

**Senator SIEWERT**—I told a fib; I actually have two more questions following on from that. I want to turn to the stakeholders group and whether you have raised this issue with them. But, firstly, when the child support calculation is being done, is the principal carer issue incorporated into that calculation?

**Dr McInnes**—No. In fact, none of the changes in the Welfare to Work outcomes for single parents were taken into account at the time of the task force calculations. So the losses in income for those families arising from the increase in the clawback on earnings and the fall in the level of payment once the child turns seven have not been factored in or accounted for in the losses to households that, presumably, were looked at in the child support calculations. I suppose we are seeing silos affecting separated parents where, under family law, children are to be shared equally between parents where possible. There will be discounts for children who can be attached to parents for various percentages of time around the kind of support that parent has to give them for the majority of their living costs and time. In the income support system only one parent will attract any kind of concessionary support.

The Department of Employment and Workplace Relations has had this issue raised repeatedly and has rejected it. So far, the stakeholder engagement group has only met twice—first, to begin its constitution; second, we had a brief introduction to some of the initiatives of the Child Support Agency—and we are still waiting for the third meeting. It is set up more as a body to air issues emerging from the field for information; it is certainly not a policy-changing body. It will not necessarily lead to any policy or legislative changes around outcomes for children in terms of the amount of support that they receive. Hopefully, it will be able to carry recommendations forward but, once again, it is not in any way constituted as a decision-making body.

**CHAIR**—I have a couple of questions. It seems to me that the case studies that you have referred to in your submission all presuppose that, where a father is taking advantage of a ‘credit for care’ discount, the father is making no contribution to, if you like, the household costs of the primary carer. I assume that in many cases, perhaps in most cases, the father, while he has care of the children, would be paying for meals and other incidental costs they might incur at that time such as transport—running them to school, perhaps. If you factor in those things, the picture is somewhat modified, is it not?

**Dr McInnes**—No, not really, only, as you point out, very much around the edges—the cost of petrol to drive to school, the cost of a McDonald’s meal, perhaps a breakfast or even a home-cooked meal, which is cheaper again. Those small day-to-day costs, as you would acknowledge or any parent would understand, pale into insignificance beside things such as

ongoing health, education, clothing and recreational costs. For example, registering a child in a regular ongoing sport, buying their uniforms, paying for insurance, membership, equipment, maintaining the equipment and taking them to the regular commitment, be it in the same town or in other places, generates an enormous level of cost just around the child having a recreational sport of some description.

One of the problems with this shared care scenario and regime is that there is not a mechanism to distribute those costs in any way. In cases where the resident parent has primary continuing care, the responsibility for those costs has historically rested with the resident parent. There is no statement or intention anywhere in the legislation that says that if the non-resident parent has, for example, 30 per cent of care they must assume 30 per cent of the costs and demonstrate how they are meeting those in an ongoing way such that they are paying 30 per cent of the school costs and 30 per cent of the cost of the child's clothing.

Those mechanisms are not in place, and we face the horrible scenario where, for example, you have a child with high healthcare costs, such as for asthma medicine, nebulisers and ongoing medication, and nothing that says, 'Because you have the child for 30 per cent of the time you must contribute to 30 per cent of that child's medical bills.' In fact, what normally happens in my experience is that the resident parent provides the medication, the machines and the instructions to the non-resident parent so the child can receive their medication during their visitation times. There is no requirement for the non-resident parent to pick up any of the ongoing costs. In a 50-50 share arrangement, when the child grows out of a pair of shoes, for example, there is no mechanism that requires turn taking around shoe buying, even though purportedly each parent has continuing half responsibility. Of course, shoes is not really a high-stakes issue when you can get to debating who is going to buy the next wheelchair that a disabled child needs.

Where are the mechanisms to make sure that both parents are contributing according to the percentage of care? The reality is they do not exist, and, once again, the people who are going to be left in the no-man's-land when parents are disputing their financial transactions are the children. They are going to wear the outcomes. The parent who has primary responsibility will have less money with which to meet that primary responsibility. It is undermining the quality of life of children in the households where they live. They might or might not have a very nice time during visitation; they might or might not have a very generous parent. But unless there is an agreement to take responsibility in a structural way for the percentage of costs according to the percentage of care, it will not happen. Historically—and this is the reason for the Child Support Agency's existence—there has been a marked reluctance on the part of non-resident parents to provide reasonable financial support for their children. This legislation is another example of how that support is gradually, progressively being eroded under this government.

**CHAIR**—That was not the question I was really asking you. I accept that there is no mechanism to require one parent or the other in these arrangements to contribute to the actual costs of raising a child. My question related to whether or not there would necessarily be some costs borne by the secondary caring parent, if you like, by virtue of having care of the children for approximately 25 per cent of the time. During that time there are meals to be paid

for and recreation costs if they go out to a movie or do other things. There would have to be some costs that are borne typically by the father in those circumstances, would there not?

**Dr McInnes**—Obviously there are some marginal costs associated with—according, again, to the discretion of that parent—whether or not they make the decision that they can afford movies, what kinds of meals they choose to serve and whether they take the child to school in a limousine or walk around the corner. They have a lot of discretion around the amount that is spent there but no responsibility for the ongoing costs. The legal responsibility for the resident parent to provide the child with the means of existence is clearly there. The resident parent does have a legally enforceable obligation under state child protection laws which goes to the issue of neglect of providing reasonable care. Reasonable care includes housing, clothing, food, education and health care. If they are not providing that, they can come to the attention of child protection authorities. So it is wrong to assert that there is no legally defensible requirement for the resident parent to provide the means of existence to these children; they do have that responsibility. The place that it is discretionary is with the non-resident parent, from whether they turn up to take the child for their designated contact right through to whether they choose to take them to movies to an extravagant level or a minimalist level. The issue is that the ongoing costs of a human being, in a real way, 100 per cent of the time, will not be borne by the household that the children are visiting.

**CHAIR**—I understand what you are saying there, but the point I am putting to you is that of course the primary carer will have responsibility for meeting those costs. But, in practice, a non-primary carer—a father—typically will meet a number of costs associated with the care of that child: meals and other costs necessarily. If the child runs out of medication while they are with the father, the father is not going to say, ‘Go back to your mother and get the medication there.’ Often you will find that the father will go to a chemist and obtain more of that medication. In these circumstances isn’t it likely there will be some impact on the costs to the mother’s household by virtue of the father having that care for approximately 25 per cent of the time, which does not appear in the case study calculations that you have made?

**Ms Taylor**—The case study calculations reflect the reduction in the child support liability that the primary carer’s household will receive, then we have calculated back any increased FTB. So there is no need to actually include what you are arguing for because that is not part of the child support. The non-resident parent has considerable income that is not included in their small amount of liability that they have to pay those costs. Further to that, one of the pieces of research commissioned by the task force—Paul Henman’s research—indicated very clearly that whilst there were costs for contact, it reduced the cost for the resident parent to 99 per cent. So she gets a one per cent reduction in cost by the non-resident parent having contact. It is not significant.

The other thing to say, coming from the case studies that we have and from our constituents and members, is that quite often when the contact is, say, every second weekend, it is the resident parent who packs the clothes with the children—and who packs the medication with the children—because they would not be bought by the non-resident parent. So she packs the stuff that the children need while they are with the non-resident parent and hopes she gets them back when the children are returned to her. But she overwhelmingly takes responsibility for those costs and for ensuring that things like medication are there.

**CHAIR**—On the question of the baby bonus, you would accept that there is perceived to be a problem with some typically younger mothers being attracted by the size of the baby bonus payment to actually have children for the sake of obtaining the bonus. It has been alleged that that is a reason behind this policy change. Do you accept that there are such mothers who might be attracted to have children for that reason and, if so, is there an appropriate response to that problem?

**Dr McInnes**—I am astonished at the question. It seems to imply that children of young mothers should be returned to sender almost and that they are unwanted in terms of Australia's population of the future. I am extremely alarmed that that would be a view that would have any currency or circulation. The point is that, with teenagers who become pregnant, the evidence overwhelmingly shows that often that is not an intended pregnancy. The research that was done in Queensland around teenage pregnancies also found that in over 50 per cent of those cases the fathers were adult men well into their 20s. So there are issues around women's choices to have sex, women's choices to have safe sex. The argument that young women, under 18-year-olds, are having babies for the money would seem to me to be the product of a knee-jerk, stereotypical, reactionary, uninformed position that has no relationship to reality but that nevertheless would gain wide currency and circulation amongst people who probably have never met a young mother.

We find that mothers, when they become pregnant unintentionally, are faced with a really difficult decision on whether to terminate or to proceed with their pregnancy. Both of those decisions are usually laden with a lot of soul-searching and agony, and the consequences are not small either way for the women who are making those choices. What we need to do as policymakers, in the interests of Australian children, is to ensure that babies who are born to parents, whatever their intention or whatever their age, have the best opportunity to make a good start in life and to go on to be productive citizens of Australia.

It would be extraordinary to say that, because a mother is 17, she is only having a baby for the money and we should make sure that she is properly regulated and have some way to deter her from wanting a baby for the money. I think the real issues are around making sure that mothers are able to use the money in the best interests of themselves and their children. They might need some help in assessing what that might involve. I do not see the changes as a form of birth control for under 18s, no.

**CHAIR**—Neither do I, Dr McInnes, and I think you misrepresent the policy basis on which this proposal—which, as far as I am aware, has a measure of cross-party support in the federal parliament—is being put forward. But that is not for today's debate. Are there any further questions?

**Dr McInnes**—I just would say that I got the impression of the policy basis from what you said in your opening remarks—nothing else.

**CHAIR**—I am not impugning your motives, Dr McInnes, and I would appreciate it if you did not impugn mine either. Do you have a question, Senator Siewert?

**Senator SIEWERT**—I presume from your submission that you are supportive of a range of the other changes that are being proposed. Is that correct?

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**Dr McInnes**—The changes that are being proposed are, as you would appreciate, quite complex and lengthy. In all frankness, we have not got the technical capacity to properly assess all of the more technical aspects of the changes in these bills. What we have highlighted is the areas that we wish to comment on and provide feedback around. I would not take our lack of commentary on other parts of the bill as any kind of reflection on endorsement or otherwise.

**CHAIR**—I thank you both for your time this afternoon and for the submission that you provided to the committee.

[2.18 pm]

**CARTER, Mr James Bernard, Policy Adviser, Lone Fathers Association of Australia**

**WILLIAMS, Mr Barry Colin, National President and Spokesperson, Lone Fathers Association of Australia**

**CHAIR**—Welcome. Do you have any comments to make on the capacity in which you appear?

**Mr Carter**—I am the vice-president of the ACT branch of the Lone Fathers Association.

**CHAIR**—Thank you. I think you are both experienced parliamentary evidence givers, so I do not need to refer you to the rules on parliamentary privilege and the protection of witnesses. We have a submission from the Lone Fathers Association in front of us and we have some questions to ask about that, but I ask you first of all to make an opening statement if you would like to.

**Mr Williams**—As the last speaker said, it is very complex. It is Public Service jargon again. We thought we were getting out of that and that when they wrote things up there would be more explanatory notes, but nevertheless we have gone forward and done our little bit. We do not agree with everything in it and we have some questions to ask.

**CHAIR**—You are content with that position as well, Mr Carter?

**Mr Carter**—Yes. I was wondering whether I might make a couple of summary points first. It might save time later on.

**CHAIR**—Certainly.

**Mr Carter**—Listening to the evidence we have just heard, I got the strong impression that everyone involved in this inquiry, both the previous witnesses and us, are concerned about the best interests of children. The problem is that there are widely different ideas about what the best interests of the children may be, and that affects even the structure of the Child Support Scheme. It is something that we have to accept, while at the same time appreciating both sides of the argument and realising that our ultimate objectives are the same.

A general point: if the interests and ideas of two parents cannot be reconciled, the community needs to be clear that the unelected people who make decisions on behalf of parents, namely, the judiciary, have a sound view of the situation and are not acting in accordance with some personal agenda.

Basically we agree that this is important and necessary legislation and that it covers a lot of gaps which might not have been covered if we did not have the legislation. So in that sense we support it. We think most of the provisions in it are good, but there are one or two items which we question because we are not clear why they are in the legislation. They do not really seem to be required, but they do have implications down the track which we need to explore before the legislation is passed. One of them is the provision relating to binding child support agreements. I do not know where this provision originated, but it rather sounds like something that might have come from the Law Reform Commission or the family law commission, in which case I am sure they have good reasons for putting it forward, but it is a bit of a two-

edged sword and the effects of it will depend very much on the competence and good sense of individual judges. We believe that confidence in the Family Court is essential, and that is a good reason for judges to confine themselves to deciding cases and leave broad social policy to others. We have a bit more to say about that if it is of interest.

**Mr Williams**—Some of the proposed amendments represent a significant change to the formula provided in the 2006 legislation as it appears in multiple cases. To that extent it is not in accordance with the conclusions of the arguments in the Parkinson report. Who has the right to put these things in the Parkinson report up for change? It was not discussed in the report. It is a waste of time having that report if they are just going to be changed.

As I said, it is very complex, and maybe we are reading it wrong. As I heard the other speaker say, it is very complex and you do not get much time to respond on these things to you people. It is just a matter of a week or two, and you have got to put all of your other work aside to be able to respond. Surely, in an important thing like this which is going to affect the whole country, there could be at least a month to six weeks given for these reviews.

**Mr Carter**—I have another point of a similar kind, which also needs to be considered further. That is the reference to likely knowledge of both parents about the issue of parentage. It is just not clear why there is a need for that provision to be in the legislation. In fact, it goes to the general question of DNA testing for parentage. The result of it may well be that if there is some argument about whether a father is in fact the biological father in a particular case, about whether he knew or it could be alleged that he knew years and years ago that there was some doubt about the parentage but did nothing about it, then some years later a court could say, 'Well, you knew all about it anyway so you have no redress.' That is the sort of result that one might get from a provision of this kind, and I think it is in order for us to raise that possibility.

**CHAIR**—It might be best if we proceed to ask you some questions about those things at this point to draw them out. Let us turn first of all to that issue about parentage. You are suggesting that the amendments are unnecessary and should not be proceeded with. I am looking at the explanatory memorandum, which you quote from. What it says is that the formula sets out factors that a court should have regard to when it is looking at whether to require the repayment of child support where it is discovered that a person thought to be a parent of a child is in fact not the parent of that child. It says:

Amendments are being made to make it clear that a mere suspicion on the part of either parent that the payer was not the parent of the child is a factor relevant for the court to consider, even when this falls short of a reasonable doubt about parentage.

What it seems to be saying is that the court should take into account whatever knowledge a parent might have had or even what suspicions they might have had about the issue. Isn't that a reasonable factor to take into account? To take an example at one end of the spectrum: a father is aware of a fairly liberal sexual history on the part of his partner and has very good reasons to doubt whether this particular child that is born might be his child. If he makes payments to the mother over a period of years in respect of that child and then discovers quite some time later that he is not in fact the parent, in those circumstances it would be reasonable, would it not, to say that the repayment of child support would be a bit much given that he ought to have had fairly good reason not to have believed that he necessarily was the father.

Therefore, the state of knowledge of typically the father is a matter that ought to be taken into account by the court, isn't it?

**Mr Carter**—I can see that there are arguments along those lines. Certainly they could be advanced. But what we are thinking of is the tension that we see between statements made by quite senior judges perhaps along those lines but also accompanied by other statements that, if you had a sneaking suspicion that you were in fact not the father of the child, that would be no reason to want to carry out a DNA test, for example, and in fact we should actually forbid you from doing that and declare it to be a criminal offence if you do. You can see the problem there.

**CHAIR**—Who said that it should be a criminal offence to obtain a DNA test?

**Mr Williams**—The previous chief justice stated that fathers have no rights—

**CHAIR**—Is this the Chief Justice of the Family Court?

**Mr Williams**—Sorry, yes.

**Mr Carter**—The former chief justice, I think.

**Mr Williams**—The former chief justice said they had no rights. If we took notice of every person that talks to us and says they have had an argument and the wife has turned around and said, 'The child doesn't belong to you,' and if everyone had to go and have a DNA test, you'd find that there would be virtually hardly any children belonging to the fathers in this country. It happens so frequently. This is not an isolated case that we hear about—

**CHAIR**—I understand what you are saying there, Mr Williams. What I am saying is: you are not suggesting that legislation makes it an offence for a man to obtain a DNA test of their child, are you?

**Mr Carter**—No, the suggestion was from the other side of the argument—that it should be made a criminal offence for men to seek such a test without the permission of the court.

**CHAIR**—But that is not in the legislation.

**Mr Carter**—No.

**CHAIR**—What is it about the draft legislation or the bill which you feel should change to reflect your concerns about possible changes?

**Mr Carter**—We were suggesting that that provision which is proposed should not be persisted with. That was the suggestion.

**CHAIR**—All the provision says is that the state of knowledge of a party should be taken into account. What is unreasonable about that?

**Mr Carter**—What we are saying is that, taken in isolation, it might be fine; but, taken in conjunction with the further proposal that DNA testing should be made difficult or perhaps impossible if a court did not agree in a particular case, there would be injustice involved in saying, 'You had a sneaking suspicion in this case but we are not going to allow you to attempt to find out whether in fact—

**CHAIR**—But that statement is not the law of land. As far as I am aware, there is no proposal to make it the law of the land. That is an issue which may or may not ever

materialise as a concrete proposal. We are looking at how we recommend change to the legislation. If we simply recommend that we will not allow the court to take into account the knowledge of a party in a relationship like that, then, with respect, people would say that that is crazy and that you should allow the court to take into account the actual knowledge of a party or the state of their knowledge in respect of those matters.

**Mr Carter**—I understand the argument, but I am just thinking ahead to: what does that actually mean in practice? If a matter does come to a head and it is discovered that there is a problem about the actual biological parentage, does this mean that a court which is considering the matter in the context of, perhaps, repayment of child support—which is an issue which has emerged—should be able to say, ‘We think that there was some suspicion that you may have had, and therefore the question of repayment should not arise’? That is a possible scenario.

**CHAIR**—But how do we deal with that?

**Mr Williams**—It is quite simple. Have DNA testing done on children at birth. They do it for other reasons in a child’s life. The DNA could be tested immediately and we would not have all these problems.

**Mr Carter**—I suppose that in retrospect cases we are really asking is: do we need to explicitly have this in the legislation? Are we not suitably served by what is already there? It is an argument of that kind: do we need it?

**CHAIR**—Could I clarify what you are saying about the capacity of a court to overturn a child support agreement in exceptional circumstances, where the child or party would suffer hardship if the agreement were not altered or set aside. You say that the proposed amendment should not be endorsed until there is full community understanding and acceptance. If that were the test for passing legislation, we would not pass any legislation through federal parliament, I suspect. What is the problem with having a capacity to set aside an agreement which inflicts hardship?

**Mr Carter**—As I think we said in our submission, it is a question of how this is going to be implemented in particular cases. Barry would know more about this than I do, but we have some experience already of people in the trauma of separations, and trying to get some sort of *modus vivendi* with their former wives, agreeing to things which turn out to be rather rigid and perhaps unsuitable in the longer term and finding it difficult to correct them. That is difficult enough as it is now. If there were a further provision in there to enable a judge to say, ‘Demonstrate to me that the circumstances are extreme’—whatever that means—‘before I am going to look at it,’ then you are making things harder.

I can understand that there are arguments on the other side, and I think that they have been ably put by the Family Law Council. They are concerned that the provisions that are there now are not tough enough. They want to see something more substantial. That is the argument on the other side. It is a matter of judgement.

**CHAIR**—Are you saying that the provisions should be available not just in exceptional circumstances but generally wherever an agreement appears to be unreasonable or unfair, or are you saying there should not be a capacity to alter those agreements at all? I am not clear.

**Mr Carter**—We just querying what is meant by further strengthening it by using that phrase ‘extreme circumstances’. What does that actually mean?

**CHAIR**—Exceptional circumstances?

**Mr Carter**—Yes. It is like the previous argument: does this actually change the law, and how does it change the law?

**CHAIR**—Thank you for that. I call Senator Moore.

**Senator MOORE**—I am going to ask a couple of the same questions I asked the previous witnesses. I know that you, Mr Carter, were in the room for most of that, and I think Mr Williams came in later. The issues that you have raised in your submission are very similar to those which you gave us in Melbourne a few months ago when we were looking at the last round. I understand that your group is on the ongoing advisory group—

**Mr Carter**—The stakeholders group.

**Senator MOORE**—Have you raised the kinds of things that you have put in your submission to us with that stakeholders group?

**Mr Carter**—We have actually touched on quite a number of policy issues in discussions in the stakeholders group, but they relate to earlier legislation. What we are really picking on here is some rather, to our mind, strange new provisions which had not been on the radar screen before and therefore they were not talked about much. I know that the previous group that gave evidence did not talk about these items at all because they had other things to talk about, but they are really referring to things that have happened in the past whereas we are talking about new legislation.

**Senator MOORE**—In the ongoing consultation that you have with the department and the government, have you raised these issues before?

**Mr Carter**—We did attempt to raise them just prior to coming here and having this discussion but the department said, quite reasonably, that it is really sub judice to them. They have written an explanatory memorandum which explains things as best as they can, and they did not want to talk about it until we had had this discussion here.

**Senator MOORE**—So you have not had any explanation for the issues you have been raising with us today?

**Mr Carter**—No, we have not, but I not criticising them for that.

**Senator MOORE**—I always ask when we have these committees whether people have already had the discussion about what they would like.

**Mr Carter**—We would prefer to, obviously, because otherwise we could even be in the position, to some extent, of misleading the committee. If there are answers to the questions we have asked, we would like to know.

**Senator MOORE**—It seems from the discussion you have had with Senator Humphries that some of the questions you are raising are more concerned with how they will be interpreted as opposed to how they are written. Is that a fair statement?

**Mr Carter**—As you know, there is a long history of people being a bit concerned about the way judges, including Family Court judges, have interpreted the legislation, which many people thought should be interpreted in a different way. There has been that bitter experience in the past.

**Senator MOORE**—So it is an issue in terms of the judiciary as much as the legislation?

**Mr Carter**—It is, yes. Bear in mind that there have been judges of the Family Court—I cannot give you their names, and perhaps it would not be appropriate to do so—who have said quite recently, ‘I have looked at the new legislation and it is not going to change the way I decide cases in my court.’ That is a bit worrying.

**Senator MOORE**—Senator Siewert raised with the previous witnesses—and I know that we had some discussion on this in Melbourne—the impact of this legislation on sole parents, whether they are men or women, and the crossover influence of the Welfare to Work legislation. I know that Senator Siewert will be pursuing the question of principal caring responsibilities. Do you have any knowledge or have you been involved in any further discussion on the way the pieces of legislation overlap in their impact on families, particularly those that are sharing caring of kids?

**Mr Carter**—There has been some discussion in the stakeholders group but we have not been greatly involved in that. We had the idea that the notion of the primary carer being given some sort of concession treatment on the assumption that that person will be having the child for a large proportion of the time and will therefore need special consideration was going to be somewhat weakened along the lines of accepting that parents are equal and should be treated in the same way.

**Senator MOORE**—Have you had any further feedback on that?

**Mr Carter**—No, just what I heard this morning. I was a bit disturbed to hear that things have not been progressing as we hoped they would.

**Senator MOORE**—You covered with Senator Humphries most of the other questions I had. I just have one question about page 57. The recovery of overpayments between payers and payees is something you have raised in particular. Would you like to make a comment to us about the particular concerns you have there?

**Mr Carter**—The Child Support Agency purports to be a body which collects debts due to the Commonwealth, so debts due to individual persons have been transformed into debts due to the Commonwealth. If the CSA collects those debts on that basis, that is fine. The other side of the coin should be that, if there is an overpayment of a debt, the Child Support Agency should be responsible for collection of the overpayment. This legislation does not seem to say that. It seems to say: ‘If there has been an overpayment, don’t bother us. Go off to a court somewhere and try to convince them.’

**Senator MOORE**—Is your concern about the role of the department as such?

**Mr Carter**—The CSA, yes.

**Mr Williams**—What we need to really clarify is that we are not saying the CSA should pay it back in the case where the payer was not the legal father. We are saying that, in many cases, the Child Support Agency should pursue the real father to find that money. The case

just before the High Court was an absolute disgrace to Australia. The man was proven not to be the father, yet I do not believe that the Child Support Agency should pay him back. I believe that the real father—and they know who he is—should be sought out by the Child Support Agency for the total refund. That is not happening. It gives the impression that we have a High Court that we cannot trust to make a proper ruling. Where the hell are we going to be in this country if those things are allowed to go on?

This is why we are very concerned about the whole issue of DNA. There are studies that show that probably in one in every seven families a child does not belong to the person thought to be the biological father. The High Court said it is not deceiving. I am a marriage celebrant and I know people take vows and say they will stay together until death do them part. If that is not deceiving I must be English or something like that and not Australian. I am trying to make out why it is very important that we get the things about DNA and about child support payments done properly before the legislation is put straight through.

**Senator MOORE**—Mr Williams, we had a discussion in Melbourne about the complexity of the legislation and the concerns that were raised—and I think, Mr Carter, you were there and also raised these—that the people who come to see you often really have no understanding of what is happening to them. You were telling us then that you were setting up a one-stop shop to which people could come and get advice.

**Mr Williams**—We are running that now.

**Senator MOORE**—I am wanting to get something on the record about whether fathers and their supporters are coming to you concerned about the complexity of the legislation and whether that is the kind of evidence that exists. You do not mention that in your submission. I am particularly interested in this as it was an issue that you raised in the last round when you said you felt that people were lost in the process and that was why you were setting up your centre. Do you want to make any comment about that, as to whether you still believe there is a lack of knowledge and awareness, and what can be done to address that?

**Mr Williams**—There is always a lack of knowledge out there because a lot of people cannot understand the way things are written. I have found that we are getting very positive feedback about the whole change in assessments and everything like that and very positive feedback about the way the CSA has improved itself over the last year. We have to be honest and say that with most people once you explain the new legislation to them they are very appreciative of it and accept it. Most people out there do not realise what the brunt of the new changes will be and how they will affect either the custodial parent or the non-custodial parent. It is all right for us because we have been involved in it. But when you tell the average person how things are going to change from next year they get all excited about it. So there is a very positive attitude out there not only as to child support but also as to the new family relationship centres. The latter is the one that is least understood by people because of the words ‘shared responsibility’ rather than ‘shared care’. Everyone thinks that their child support is going to go down because they are automatically going to be given shared care as soon as their marriage breaks down, but that is not the case. I am surprised. As I have said before—I have even told Mr Ruddock this as recently as the forum last Sunday—the government has failed the people out there by not doing enough advertising about these new changes, because they are going to affect quite a lot of people in the community.

**Mr Carter**—Once you go away from the court system a judge is not operating so much to a formula but has the option of nuancing in various ways to get something which, in his or her view, is a more or less perfect result—not that there is any such thing as a perfect result—or a finely turned result. The formula is a different approach. Inevitably one starts with something rather simple and then finds all the problems with it and then one gets more and more nuances introduced until eventually the thing becomes very complicated. We are moving down that track.

**Mr Williams**—I run a seminar on the Gold Coast for Parents Without Partners. At Easter they had representatives from every state there. There were 100 or so people. I had only a two-hour slot but the session actually went for nearly four hours because people were asking questions and were amazed by the answers. I was amazed too that a lot of them did not really know what the new formula involves in their own states. We found very positive attitudes among the people, I have got to say, for the new child support legislation. They are more positive than negative, as we are finding, although some of the women's groups believe that it is very negative and against them. I do not think they really understand that the majority of them are going to be better off—some might be a little worse off—under the system.

**Mr Carter**—I think the committee needs to be rather wary of the sorts of arguments that say: 'Previously we had this money and we spent it in the best interests of the child. There is a different situation now where you will have more money but, of course, we know that you will not spend it on the children.' That is wrong thinking. Almost invariably both parents are devoted to their children and they will spend the money on them.

**Senator SIEWERT**—You partly answered this question in answering Senator Moore—that is, around the principal carer aspect that we were talking about with the single mothers and their children association. Has anybody raised this with you? I think it is going to impact more on fathers than mothers once the new family law changes start being implemented. At the moment it is fathers who are going to be taking an increased share of the care, and so I am—

**Mr Carter**—It is good for their souls and for the children.

**Senator SIEWERT**—concerned that the provisions are going to start biting in the next little while. Has anybody raised it with you?

**Mr Williams**—Not really.

**Senator SIEWERT**—The other issue that has been raised is the baby bonus—the compulsory payment of instalments for those under 18. Do you have any opinions on that?

**Mr Carter**—I was just listening to Elspeth McInnes speaking and I was very sympathetic to what she was saying. Like anything else it is a formula: 'What'll we do? We'll make sure that anyone under the age of 18 is going to have special provisions applying to them'—and then you discover that life is a bit more complicated than that and there is probably a better way of doing it, so it requires some direct intervention. I think what she was saying—I do not know whether you agree or not—made a lot of sense.

**Senator SIEWERT**—I must admit I was attracted to her suggestions and I was wondering what your opinion was.

**Mr Carter**—It is not a criticism of the people who drafted the legislation; that was their first thought, and there are better thoughts.

**Mr Williams**—Can I just add one thing?

**CHAIR**—Certainly.

**Mr Williams**—I do not know whether you are aware of this: my organisation is not just made up of men. Thirty-three per cent are women now in our organisation and a lot of them are single mums and second wives. We do not get the negative attitudes from them that seem to be coming from the other women's organisations. I am not knocking them because they have got a right to push their barrow about what they think. It is amazing that in all the seminars I have been doing since last October, around the country in different places, we get a lot of women. They are also very positive about the new changes, so maybe they are not getting the right information or they are seeing it in a different way to what these others are, but I am very happy with the new changes to a point—there is more I would like to see. But I think the government has gone the right way with these changes on both child support and the family relationship centres because the other older version was not working. That is why we had these inquiries, and I think it is a step in the right direction. It can even be improved on.

**CHAIR**—Thank you for that. I have to say that I would be dismayed if the views of Australian women were accurately represented by the National Council of Single Mothers and their Children on occasions, but that is a gratuitous ex cathedra statement that I will probably get into trouble for.

**Senator MOORE**—That is fairly inappropriate, Chair.

**CHAIR**—It may be. I thank you both for your submissions today and for the evidence you have given to the committee.

**Proceedings suspended from 2.49 pm to 3.08 pm**

**HAZLEHURST, Mr David, Group Manager, Families Group, Department of Families, Community Services and Indigenous Affairs**

**KINNEAR, Dr Pamela, Branch Manager, Child Support Policy Branch, Department of Families, Community Services and Indigenous Affairs**

**ACHAIR**—I resume this public hearing into the [Families, Community Services and Indigenous Affairs Legislation Amendment \(Child Support Reform Consolidation and Other Measures\) Bill 2007](#) and welcome representatives of the Department of Families, Community Services and Indigenous Affairs. I think you have both appeared before previous inquiries so you know about parliamentary privilege and that you will not be asked to give opinions on matters of policy, although you can be asked questions about explanations of policy or factual questions about when and how policies were adopted. We have a submission from the department. We have some questions arising from the proceedings earlier today and submissions that have been lodged. Do you wish to make an opening statement before we proceed to questions?

**Mr Hazlehurst**—We do not propose to make an extended opening statement on the basis that we imagine the committee will want to make full use of the available time to ask us questions. We would like to draw to the attention of the committee two matters that we have managed to also discuss with Lone Fathers Association representatives here today. They raised a couple of matters in their submission about issues that seem to be new and that did not seem to have come out of the task force recommendations, and they queried where those matters had emerged. The matters relate in particular to the proposed amendments concerning multiple-case arrangements and the different way in which the formula will apply there, and also to the issue of the setting aside of binding child support agreements.

In relation to the first one of those, I am happy for my colleague Dr Kinnear to go into more detail if the committee would like that. But to reassure the committee in relation to that, upon further analysis of the way in which the formula was going to apply where there were multiple cases with children of different ages, we noticed that in those multiple cases—say a single payer paying more than one payee where the children were of different ages—the rules around the formula that resulted in averaging could lead to some inappropriate outcomes where an over 13-year-old child was in one household and an under 13-year-old child was in another. We raised those matters with government and, with the minister's agreement, with Professor Parkinson. We also reconvened a couple of members of the task force to bounce some ideas around and we came up with their proposed approach that is here. The task force members acknowledged that this was something they had not thought of at the time and that this was an appropriate approach. Indeed, I think that Professor Parkinson described it as an 'elegant' solution to the problem. In relation to the other one, it was a matter that Professor Parkinson raised in his submission to the inquiry into the previous bill. After further discussions with him, the government agreed to proceed with a tweaking of those arrangements in relation to setting aside binding agreements. Apart from that, we do not have anything else to add.

**Senator MOORE**—One of the questions that I asked the last two lots of witnesses—and I am not sure whether they were members of the task force but they have an ongoing interest in the area—was: what has happened to their involvement with the department and the government since we had the last meeting to look at the legislation towards the end of last year? At that time there was a great deal of discussion of that process and it was felt that there would be an ongoing role for people to feed their issues and get information back from then on, because we felt that naturally this was going to evolve and that nothing was ever going to end in this area. In respect of the explanation you have just given us to those two issues from the Lone Fathers Association, had you been aware of those concerns before today?

**Mr Hazlehurst**—Forgive me, Senator, but the way in which the concerns had been expressed was that they did not know where the issue had come from. When we saw the submission that they had lodged with the committee we did pick up that they were puzzled by these two matters.

**Senator MOORE**—Because there are so many stakeholders in this legislation—probably as many as in any other legislation that comes before the chamber in this particular area—much has been made of the fact that there would be ongoing consultation and discussion so that we would be able to have as much shared information and awareness as possible with no guarantee of agreement, and I think we all understood that because there are such wide-ranging views. But at least people would have the chance to have an environment in which their issues would be aired and some feedback given along the way.

I am trying to get a handle on how that is going and, as it was a major concern of, I think, everybody at the last round we are now looking at stage 3 of the legislation. To the best of my knowledge, and having asked questions in the interim about it, there has not been much of that in the last six months. I want to know, from the department's point of view, what has occurred and also what is going to occur. I used your response as an example of issues that one stakeholder had around the whole area of family law and about what process there was to exchange those. You actually picked up on that today. What is the engagement of the people who are interested in this process to have their views heard? I know people from the department were here when the single mums were giving their evidence. I think the evidence was that there were lots of chances to talk but no policy-changing opportunities. I think that was a direct quote. You can check that in the *Hansard*. We need to know. My major interest is: what is the ongoing engagement of stakeholders, what chance is there to tweak the legislation as we go through and find things that may or may not be working and how do we engage the people in the ongoing process?

**Mr Hazlehurst**—I am happy to answer that question. The starting point for an answer on that is to acknowledge what Dr McInnes mentioned this morning, which was that there is a national stakeholder engagement group that has been established. That group has met twice since we last appeared before this committee.

**Senator MOORE**—They met twice since the last round of legislation went through. Is that right?

**Mr Hazlehurst**—Not since the legislation was passed but since we last appeared before this committee, so late last year and then, I think, in February or it might have been March.

That stakeholder engagement group is an evolution of the stakeholder arrangements that the CEO of the Child Support Agency had had in place for some time. It is now an arrangement that is done jointly between our department and the Child Support Agency. It involved a similar membership and some additional membership to reflect, as Dr McInnes mentioned this morning, quite a broad range of stakeholders.

We are continuing to engage with the stakeholders within that forum. Dr Kinnear and a colleague in the Child Support Agency have met separately with each of the members of that group to discuss the issues that they have, in part, to surface those issues—because there are many members on the stakeholder group, and managing the meeting in terms of everyone raising their issues can sometimes be challenging—but also to set the agenda for future meetings of that group. The next meeting of that group is at the beginning of June. This is to ensure that we cover the things that not only are of most benefit and value to the group but also will yield the most value to the government in terms of getting feedback from the stakeholders.

It would be fair to say that some of the issues that Dr McInnes and, in particular, other members of the stakeholder group that represents the interests of women have raised have been the same issues that they have been raising since the government announced that it would proceed with the reforms. Whilst those issues have received an airing in that group, it is not the purpose of the stakeholder group to revisit the decisions on the formulation of the reforms that have been taken by government and then passed by the parliament. That said, we certainly are alert to issues that are coming up that are new, and there have been a number of things that are more of an implementation and service delivery nature, which we are very keen to continue to work on with the stakeholders.

We are certainly mindful that time with the stakeholders is precious and we want to make the most of the opportunities that we have to exchange ideas with them but also allow them to exchange ideas within that group around the things that we are then in a position to move forward and action. To the extent that that may result in new things that relate to the actual legislation, we remain open to those things and open to engaging the government—and the minister, obviously—on those matters. The matters raised earlier today are not new matters; hence, whilst we are happy to hear those, we are not in a position to be able to respond in a way that will probably make some of the stakeholders satisfied.

**Senator MOORE**—We had lengthy discussions on the issue of modelling during the last range of community affairs consultations. Has any modelling been done between that time and now specifically on the impact on children and also looking at the process of the dual impact of the changes to family law and child support arrangements and welfare to work?

**Mr Hazlehurst**—No additional modelling has been done between then and now.

**Senator MOORE**—Has there been any discussion about that being looked at or requested?

**Mr Hazlehurst**—No.

**Senator MOORE**—I am just interested. I know that there can be wide-ranging discussion at meetings, but there has been an ongoing request for independent research in order to look at what the exact result is as these changes are implemented. When we had our last round of

discussions, there was general discussion that it would be a good idea and we would be considering that. We looked particularly at the Australian Institute of Family Studies and its ongoing role. Has anything happened in that area between then and now?

**Mr Hazlehurst**—Yes. The general position around the further conducting of modelling is that nothing has changed since we last discussed this matter in this committee. The modelling that was available to the task force is described in chapter 16 of the report. To do modelling beyond that requires a lot of assumptions to be made based on information that we do not have around the shared care arrangements, particularly the incomes of payees. For that reason, we have not done further modelling since the government considered the task force's recommendations. We are—we are involving the Australian Institute of Family Studies in this—putting a lot of thinking now into how we will monitor and evaluate the impact of the reforms.

That will go, in part, to issues that are derived simply from the actual administrative data that flows once the new assessments are in place; so we will be able to calculate the change that people have experienced in relation to their child support and their family tax benefit. Beyond that, we will be looking at other forms of qualitative information—survey work—to find out what the impact has been in relation to the family circumstances. Of course, there are also the interactions with the family law system changes. The Australian Institute of Family Studies is working very closely with us and the Attorney-General's Department in joining the evaluation strategies around the new family law system changes with those around the child support changes.

So the Australian Institute of Family Studies is involved and we are preparing for the analysis that we will be able to undertake once the changes are in place. But it still remains the case that there is missing information that we do not have, in addition to the fact that almost certainly there will be some changes in behaviour that are difficult to predict in the lead-up to the commencement of the new formula. For example, there may be more shared care. That in itself will have implications for the distributional impacts in relation to the application of the formula.

**Senator MOORE**—Is there anything in the legislation, beyond the normal review process of legislation that is going through, that commits to ongoing monitoring of and research on the process?

**Mr Hazlehurst**—I do not believe there is in the legislation itself, but the government agreed to the recommendation of the task force that FaCSIA undertake ongoing research into and monitoring of the impacts of the scheme not just in relation to the impacts of the changes but also perhaps some ongoing capability to understand what is happening in relation to the child support scheme into the future.

**Senator MOORE**—That commitment is in terms of the commitment to the Parkinson report and also the process?

**Mr Hazlehurst**—Indeed.

**Senator MOORE**—I did not see anything in the legislation either, but I thought I would ask.

**Mr Hazlehurst**—I think you would find that in the budget papers for 2006-07 there would be reference to the expenditure that has been committed to follow up that recommendation.

**Senator MOORE**—Specifically on the impact of Welfare to Work in this area, has there been any further discussion? That was a big topic in the last round of legislation. Has there been any advance on that in departmental consideration?

**Mr Hazlehurst**—Yes. The various departments involved in Welfare to Work—the Department of Employment and Workplace Relations; the Attorney-General's Department on the new family law system; and FaCSIA with half of the new family law system, the community services side of things and child support—have been working together to look at how the various evaluation strategies that are in place for the reforms separately can sensibly be used to understand the cumulative effects of things and the interactions between them.

In concrete terms, the sorts of things that we are looking at are the running of some of the surveys that will look at the interactions particularly between the child support and the family law system. There are some proposals in place to do some things. We are looking at what is called Wave 2.5 of the Longitudinal Study of Australian Children. That is an additional element of the study—hence the number 2.5—between Waves 2 and 3. We have some questions that both the Department of Employment and Workplace Relations and FaCSIA have contributed in order to look at some of the effects that we are examining through that study.

**Senator MOORE**—I will not go anywhere near the principal caring stuff. Senator Siewert can have that. We had evidence today from the Bureau of Statistics about registration of births, deaths and marriages. I was unaware until they gave evidence of that whole delay thing. What is the status of claiming any of the payments? I know that FaCSIA is the policy department for Centrelink. What is the status of claiming any of the child payments without a birth certificate?

**Mr Hazlehurst**—The starting point is that, when a child is born—

**Senator MOORE**—I am sorry; a Christmas carol just went straight through my brain as you said that.

**Mr Hazlehurst**—I am happy that I have been able to lighten the mood. The arrangements that are in place for the claiming of family assistance and maternity payments and, imminently to be renamed, hopefully, the baby bonus are that there is a space on the form where evidence is affixed and annotated by a medical practitioner in the hospital to attest to the fact that a child has been born to these parents. That is the evidence that is then used for the payment to flow. What that means is that, in some cases—and this is the evidence that you heard earlier today from the ABS—people will claim payments before they register the child. In some cases registration of the birth of the children does not occur for many years afterwards and in some cases it never happens.

This is something that people have been aware of for a while, that indeed the registrars of births, deaths and marriages—I forget the name of the committee, but they have a national body—have been aware of. We understand that they were about to write to the minister to request this change. The government got in ahead of them and announced that this was going to be a requirement from now on.

**Senator MOORE**—It has been established that people could get the baby bonus component. The understanding we have from hospitals is that people are filling out that paperwork really quickly to make their claim for the payment. This proposal to register the actual birth, to have it in the system, is going to be the determining factor in making that claim. What about the other payments in Centrelink that people get for being parents? Were you able to get those based on that information you just gave us, or did you have to go to Centrelink with a birth certificate if you had children?

**Mr Hazlehurst**—I might turn to my colleague.

**Senator MOORE**—I know it is a supplementary issue, but in terms of proving that you are the parent of the child in order to receive payment—the family tax benefit and those things—I was unaware that you did not have to have the birth certificate.

**Mr Warburton**—The claim processes for many of those benefits have been integrated since the creation of the Department of Human Services. It was essentially an initiative of Minister Hockey to try to simplify arrangements for families. There is basically a form now called the FAO4 form, which is an integrated claim to have a child placed on your Medicare card and to make a claim for maternity payment, maternity immunisation allowance and family tax benefit. Depending on the circumstances and on which payments you are pursuing, there can be some follow up. Additional information is required for family tax benefit. But the certification by either a doctor or a registered midwife that they were present at the birth by a woman, giving her name et cetera—that occurs on the FAO4 form, so it is the one process.

**Senator MOORE**—So the whole box and dice now is going to be linked to getting the birth certificate?

**Mr Warburton**—What will be on the FAO4 form is a declaration by the claimant that they have submitted their application for birth registration.

**Senator MOORE**—It is not going to be dependent on going through the processes at births, deaths and marriages, it is just going to be the statement that you have submitted the necessary claim to have your child registered?

**Mr Warburton**—That is the minimum requirement. If you have your birth certificate and the process has been completed, we are perfectly happy with that. But there can be some delays and the government was concerned not to unduly delay the payment, so we allowed submitting of the form to births, deaths and marriages to essentially meet—

**Senator MOORE**—To be the requirement. I know we are going to change the name of the baby bonus. Everyone calls it the baby bonus—that is fine. They still call it child endowment, too, so it is one of those things. There has been some discussion about the decision to look at structured payments for young parents and there has been a particular submission from the single mothers association about an option for the proposal that is before us, which I know has been discussed for a long time. I am interested in the deliberation process. The process that has been put forward by the single mothers involves the role of the social worker and the Centrelink office, which has been the historical process for any kind of especially sensitive claim.

The justification for the process that we have before us in this proposed legislation is looking at a more caring way of providing the money for young mums. Was there any consideration in the process about extending such a circumstance to other ages, on the basis that effective use of the money for parenting is not limited to people under 18? Secondly, was there discussion around this option of having an opt in, opt out arrangement dependent on appropriate counselling and sensitivity by the social worker?

**Mr Hazlehurst**—In relation to your first question: I listened with interest to Dr McInnes's comments earlier, and I may have misunderstood what she was saying, but it is important to reinforce that there are already arrangements in place for vulnerable parents, not just those under the age of 18, whereby they can be referred, at the discretion of the Centrelink officer, to a social worker to assess their circumstances and to give consideration as to whether fortnightly instalments are the more appropriate way to make the payment.

**Senator MOORE**—That has been in place for a while, hasn't it? It is my understanding that it has been around for a long time.

**Mr Hazlehurst**—Yes. It is certainly the case, as Dr McInnes pointed out, that the vulnerabilities associated with being under the age of 18 may conceivably be vulnerabilities that would apply to people who are over the age of 18, and hence those arrangements are in place to cater for them. The government took advice and representations from the community at large around these arrangements and took advice from the department, of course, and weighed up options like still having some scope to make the payment as a lump sum for under 18s, but on balance its decision was that it would prefer to have fortnightly instalments for under 18s. Beyond that, there is not really much more I can say.

**Senator MOORE**—But there were considerations of a range of things, and this is the one that came up on balance. It was not just a knee-jerk reaction—I think that term was used. You would not agree with that assessment?

**Mr Hazlehurst**—No. I am happy to report that there was very careful consideration of a range of options.

**Senator MOORE**—On information and marketing and awareness of the various changes: we had considerable discussion at the last round of hearings about the complexity of the legislation. I have to admit that I found the explanatory memorandum for this one almost impossible to get through. I think it reflects the complexity of the legislation. I just found it really difficult. We talked then about what the responsibility is for the departments to actually advise people of the changes and where they fit. We heard evidence today from the Lone Fathers Association about the people who come to them and about information sessions they have been involved in where people just did not understand the current circumstances and particularly the impact of change. Can you let us know what the plan is for the information strategies to explain not just this batch but how this batch works with stages 1 and 2, which have already gone through?

**Mr Hazlehurst**—I am able to provide you with an overview of that, but the detail of those strategies are actually the responsibility of—

**Senator MOORE**—Child Support.

**Mr Hazlehurst**—the Department of Human Services, which includes the Child Support Agency. I am not wishing to avoid the question; I am just making that point.

**Senator MOORE**—Sure. Have they given you a brief?

**Mr Hazlehurst**—We are in very close contact with them on these arrangements. What I can say about the communications and service delivery strategies that are going to be unfolding between now and the commencement, and even beyond the commencement, of the new formula—the stage 3 reforms next July—is that very considerable analysis and development work is going into both. The benefit of having the period of time which we have had to implement these reforms is that we have had the opportunity to do that analysis. On the other hand, often these things are announced with much shorter lead times and the public information that flows in the normal way flows closer to the commencement of the reforms than in this case.

One of the things that needs to be balanced is when is the best time to make contact with all of the Child Support population. Senators will recall—I believe I may have mentioned this once before—that in the analysis that we have been able to do it looks like a very small number, less than 100, of families are not going to be affected by the new formula. So very careful consideration is going into the service strategies for communicating the magnitude and complexity of these changes to people in a way that will enable the service delivery agency, the Child Support Agency, to respond effectively to the inquiries and telephone traffic that they will get at the same time as administering the scheme as it is currently in force till next July.

I would not want that to sound like an excuse for not providing information sooner. It was only to note that there is still considerably more than 12 months between now and the commencement of the formula and that the service and communications strategies are going to ramp up over the next six months and become quite intense towards the end of the year and into the new year, with people interacting with the Child Support Agency and new assessments being issued to have effect well before July next year.

The precise timing of when each thing is going to start is still being determined, so I am not in a position to say, ‘From here there’ll be this and from here there’ll be that.’ I can say that the public information that will be available will be a mixture of mass media communication, personalised letters to families, requests for information from the families so that the new assessments can be calculated and public information sessions, particularly for stakeholder groups that interact with families, such as legal practitioners. We are looking at very comprehensive communication and customer service strategies, if you like. I am not the best person to talk to you about the customer service strategies. They are more the territory of the human services department. Precisely when the elements of these are commencing is now becoming firmer but final decisions have not been made yet. There will also be online material as well as paper based material.

**Senator MOORE**—Is that a topic for the stakeholders group?

**Mr Hazlehurst**—It is certainly our intention to share with the stakeholders group the plans that will be in place, and we would be pleased to get feedback from them around those. There will of course be some room to adjust some of these strategies over the next 12 to 18 months,

if you think beyond the actual commencement date. They are not legislative requirements. There is some flexibility in terms of the service delivery strategies that can unfold.

**Senator SIEWERT**—I have a range of questions, but I want to start from where we left off. There are people who will be deeply concerned when they get their new assessment. No matter how you explain the changes, there are people who will be concerned that their assessment has changed. Presumably you are putting in place additional resources to deal with the complaints that you will get. Is that a correct assumption?

**Mr Hazlehurst**—The government is putting those resources in place. I do not wish to be pedantic about it, but the Department of Human Services actually has those strategies in place. One of the particular challenges that they have to deal with is that, for a period, they have to administer almost two systems. They describe it as the grey period. Their computer systems and processes will need to support the issuing of assessments to apply from 1 July and the fielding of customer—parent—inquiries around that, as well as actually administering the existing scheme until that time. One might also expect that there will be some families who—despite the best intentions and the very thorough communication strategy that will be in place—when they receive the request for information about their circumstances, which is needed to update the information that is on the system such that a new assessment can be made, may not actually provide that information.

The Department of Human Services is anticipating that there will probably be some families, when they get the assessment—which is based on the information held on the system—who will say, ‘Hang on a second. I should have answered the call previously. Here is my new information.’ The agency is having to gear up for the fact that, between the assessments being issued and them coming into effect, there will be a period when parents will say, ‘No, these are actually my circumstances.’ So it will be an extremely intense period. On balance, the government made the decision to do all of the assessments with effect from one day because the alternative is to actually maintain multiple systems. The very challenging experience of the UK in trying to maintain multiple systems and the extreme difficulties that they experienced were big factors in making that decision.

**Senator SIEWERT**—I appreciate that for the next question you will probably say, ‘Ask the Attorney-General’s Department,’ but I will ask it anyway and you can tell me that. I presume you have taken on board the fact that there is a potential for conflict between parents once the system is rolling in. Has that been factored into particularly the family relationship centres and their capacity to deal with it?

**Mr Hazlehurst**—Yes. There are already arrangements in place for referral between the Child Support Agency and the family relationship services system. In some cases that is through an FRC—a family relationship centre—and in other cases it is through the Family Relationship Advice Line. We have anticipated that there will be a spike, if you like, in the need for additional support services around separated parents who need to further work out their differences. We would reasonably expect that, both in relation to the changes to the family law and the child support changes, there will be quite a lot of parents who will be rethinking their shared parenting arrangements. In fact, I would imagine that the government would hope that was the case, because that was part of the rationale for both sets of changes.

It would not be surprising that some of those parents would benefit from some help in dealing with reopening some of those issues.

**Senator SIEWERT**—Yes, although the family law changes were not retrospective. People will be able to renegotiate their shared parenting arrangements, but I understood very clearly that with the family law changes we were not going to see a whole range of old cases going back to the family law courts. I would be interested to know if in fact that is not the case.

**Mr Hazlehurst**—I understand the point you are making. I suppose I would make the point that the child support arrangements are not retrospective either; they only apply prospectively. But I understand the point you are making.

**Senator SIEWERT**—Can I go back to the registration of births details. We heard from ABS that some of the communities in which the delays are extensive are Aboriginal communities. What provisions are you putting in place to make sure Aboriginal communities and families know about the changes that specifically relate to their needs and circumstances? Obviously there is a range of circumstances that result in a number of families not registering the births. In tying the family bonus to it now, what are you doing to ensure that—

**Mr Hazlehurst**—Most families who register their births do it by post. As Mr Warburton mentioned before, it is not a requirement that the registration have occurred in order to get the payment; it is only a requirement that the person give a declaration that they have lodged the registration application. So the same information that will be provided to all parents will be available to parents in Indigenous communities. It will just be part of the form, on which they will need to say whether they have lodged the information about registering their child's birth. They will have received, in the same way that all parents do, the same two forms. Generally speaking, they are in the hospital bounty bags. The forms are in there and filling out the form will be one of the things that the parents need to do. I am not sure whether I am answering your question to your satisfaction.

**Senator SIEWERT**—There is obviously an issue with certain cohorts. That is what I picked up from the information that the ABS were presenting to us. Aboriginal communities are among those where there is a significant delay in registering births.

**Mr Hazlehurst**—In essence that is part of the point of the measure, which is to say that in order to make an application for this government assistance you need to have made an application for registration of the birth of the child. It is not clear to me that there are any additional obstacles to the making of that application in an Indigenous community, provided they have access to postal services. Presumably they will be making an application for the payment at some form of office in some centre in order to receive the benefit. I think it is quite right for ABS to point out that there are some communities where there have been fewer registrations of births, but I am not sure that it necessarily follows from that that there will be obstacles to receipt of maternity payment/baby bonus because of that in future. The incentive is now there to do both things, in a sense, at the same time.

**Senator SIEWERT**—I want to go back to the issue of the modelling and the evaluation that you are doing. Do you have a date for when the first analysis will be released? This comes into effect in July 2008; when are the first survey work and assessment likely to be done?

**Mr Hazlehurst**—In terms of the activity that we will be undertaking, once the actual assessments are in the system we will commence the process of analysing those. In terms of survey work, I would imagine it is going to be some period after the commencement—

**Senator SIEWERT**—It would have to be, to get a true record—

**Mr Hazlehurst**—There would be a lot of noise in the data, I suspect, if you did not leave it at least six months. We are naturally expecting that the most useful information about the impact of the reforms is probably not going to be in the administrative systems until at least six months in because of what I mentioned before. We would anticipate that there will be quite a bit of further adjustment by parents of their parenting arrangements and further provision of information about their circumstances that will occur at least for the first six months that the formula is in operation. To actually try to understand what has been the impact of this in terms of changes in child support, family tax benefit entitlements, et cetera, forget about how long it will take us to do the analysis; the data will not actually be available until, I would say, well towards the end of 2008. That does not mean we will not be looking at the data all the way along. But, in terms of useful data, it is most likely to be around that time. In terms of public release of that data, that would of course be a matter for the government at the time.

**Senator SIEWERT**—It is going to be a very interesting time. I appreciate everything you have said. Obviously you will have picked up from Senator Moore and me that we have some concerns about the fact that there has not been modelling of some of these changes plus Welfare to Work. We would obviously like to see a firm date for when we can expect to start seeing some of the data. That is something that we will be following up.

I have another question, and it is about principal carers. I am anticipating that I am going to get the same answer that I get most of the time. You have heard the concerns from the single mothers and children's association, and it is an issue that I have been following up extensively. Has there been any further work looking at the possibility of changing the arrangements so that both parents can access principal carers?

**Mr Hazlehurst**—There has certainly been no additional work done within the Department of Families, Community Services and Indigenous Affairs. At the time of the government considering all of the reforms, these issues were considered. They are, of course, the responsibility of the Department of Employment and Workplace Relations—

**Senator SIEWERT**—Yes. I realise I am asking the wrong department.

**Mr Hazlehurst**—That is okay. These issues were considered and, on balance, the government determined that in relation to situations where one or both parents were on Newstart or parenting payments, the primary focus was to be on participation objective, and hence at the time the government decided not to further change the arrangements that were in place for receipt of income support. Beyond that, there is not really much more that I can say, other than it was not done as a knee-jerk reaction. There was careful consideration given to different approaches that could be taken, and the government made the decision that it did.

**Senator SIEWERT**—I have just realised that you are not really the appropriate person to ask. This is a policy issue that I need to take up with government. It just seems peculiar that so much effort has been made for shared parenting, shared care, shared arrangements and equity

and it is obviously such an inequitable policy tool. I will take that up with the government. I have one final question. Again, it may be one that it would be more appropriate for me to ask at estimates, but I will try it now anyway because it has come up fairly recently. It is on child support when one of the parent receives an income from trusts. That area does not seem to be covered here. I realise that there are some changes that are being made for when people do not put in tax returns. I have had a situation where somebody has been told that they cannot do a proper evaluation because one of the parents' income comes from a trust. How is that dealt with in calculating child support?

**Mr Hazlehurst**—I am not sure that we would be in a position to give you a good answer to that today, but if you could provide some more information to me I would be able to confirm through my minister's office that we could provide you with some more information about that.

**Senator SIEWERT**—That would be appreciated because you seem to be making a lot of effort to be very thorough in your calculations and it seems a little strange.

**Mr Hazlehurst**—We would be happy to follow that up.

**Senator SIEWERT**—Thanks.

**CHAIR**—I do not have any questions. I am content. As there are no further questions, I want to thank the department for appearing today and for the submission that has been lodged with us. I also thank the other witnesses and organisations—

**Senator MOORE**—Can I just interrupt. Mr Hazlehurst, before I lose you and the group from the department, we had one submission from a Mr Flanagan which went into great detail about how he felt that we as a committee had not effectively looked at issues with the department last time. I would really like to have a discussion with the department or to have some feedback about that particular submission at some stage. There were some quite direct comments made about our process last time and I see some of his points. Just for my own satisfaction, I would like at some stage to have a process where we could talk to the department about some of the direct comments made in that submission. Could you get someone from your office to read the submission and perhaps give us some feedback on it because it was one of the more direct submissions and I really value it when people take the time to work through issues. I wanted to get that on the record before we ended our session. I have no particular questions about it at this stage, but I would like to have the chance at some time, Chair, to have some feedback from the department about some of the statements in that submission.

**CHAIR**—There are three options we can pursue. We could get a supplementary submission from the department on those issues, we could arrange for a private briefing for senators interested in those issues with someone from the department or we could pursue them in estimates.

**Senator MOORE**—I am happy just so long as those issues that were repeatedly raised in the context of this inquiry could be looked at by the department, because I thought there were some issues there that should be addressed.

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**CHAIR**—To the extent they bear on the department rather than the committee, I suppose—

**Senator MOORE**—It was about what we did. I will leave it in your hands.

**CHAIR**—Mr Hazlehurst, can I suggest that you look at Mr Flanagan's submission. If you have comments to make on that, we would appreciate it if you could make those in writing to the committee as a supplementary submission. We can decide on the basis of those comments what to do, if anything, beyond what comes out of that.

**Mr Hazlehurst**—No problem.

**Senator MOORE**—Thanks, Chair.

**CHAIR**—Thank you very much for your appearance today. That concludes this hearing. We are due to report on this bill by Tuesday of next week, so I expect to have a draft of the report to you by late this week. We will do our best to get it to you by Friday.

**Committee adjourned at 4.05 pm**