

Submission No: 547

Date Received: 11-8-03

John Gabriele
6 Masthead Place
BERKELEY NSW 2506
Secretary:

Friday 8 August 2003

Ms Jennie George
Member For Throsby



Dear Ms George

As a payer of Child Support for a period of eight years, I have found the current Child Support Act, formula assessment and the way in which the Child Support Agency (CSA) applies the current legislation, to be unjust, unfair and inequitable.

I accept my responsibility as a caring father and the need to provide financial assistance for the care and welfare of my son graciously, I do however believe that a more just system of child support needs to be implemented by the Federal Government to rectify the gross inadequacy of the current system and the negative impact it has on the payer parent and their household.

I have applied on numerous occasions for change of assessment through the appropriate channels and have on each occasion found the CSA to be inflexible, bias and incompetent in exercising their duties in accordance with policy on an individual case basis.

The current legislation and the CSA covertly discriminate towards payers of child support and operate within the legislation to protect themselves when making decisions in change of assessment applications rather than applying procedural fairness. It is abhorrent that Senior Case Officers (SCO) can make decisions that clearly do not give adequate credence to the facts they are presented with and that the objection process supports these actions. Non-custodial parents who apply for change of assessment are distinctly disadvantaged by current legislation and its interpretation by SCO and the CSA. The CSA claim that the change of assessment process is an informal process designed to help parents meet their responsibilities. I have found that in its present format it is an adversarial system that degrades payers in its implementation and is designed to remove the responsibility of decision to change assessments away from SCO and into the Family Court.

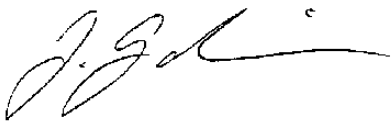
Current legislation strips non-custodial parents of their parental rights to provide for their children in a fair, appropriate and equitable manner. They are forced to forfeit unrealistic child support payments which provide a financial incentive to the major carer to reduce parental contact of the child/children with the non-custodial parent. The payee has the privilege of providing major care to the child/children. As for the financial responsibility for the child/children, it should be shared equally between both parents, current legislation does not reflect this mutual responsibility nor does it provide for accountability of expenditure of child support payments.

An immediate review of the Child Support Act is long overdue and major changes need to be implemented to ensure that social justice and equity no longer excludes non-custodial parents.

I draw your attention to a number of recommendations that I believe could be explored in reflecting a supportive system of Child Support and respectfully request that my concerns and recommendations are tabled with the Minister for consideration.

In support of fairness in child support.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Gabriele', with a long horizontal flourish extending to the right.

John Gabriele

CHILD SUPPORT ACT
RECOMMENDATIONS FOR LEGISLATIVE CHANGE

RECOMMENDATIONS	RATIONALE
<ul style="list-style-type: none"> • Maximum liability of child support payments based on the national average weekly earnings, any further contributions being at the payer's discretion. • Earnings that attract the higher level of taxation ie; 48 cents in the dollar, including second income or overtime payments should be excluded from any formula assessment without the need to apply for change of assessment. • Financial support for the dependent spouse of a payer's new family should be considered in calculating the assessment to a level commensurate on a sliding scale of current social security benefit payable to an adult over the age of 18 years. 	<ul style="list-style-type: none"> • Reflects are more equitable basis on which to assess without penalising payer's for increasing their income potential and respects parental rights. • No incentive to payer's to improve their financial position to provide for their new families or their children when in their care. An increase in child support payment does not necessarily result in an increase of expenditure on the child/children of the assessment. Calculations on gross income attracting the higher level of taxation leaves very little net return to the payer and their new family therefore disadvantaging the payer's new family. Assessment should be based on major income source only to the level of the national average earnings. • Current Act does not recognise the legal and morale obligations to provide financial support for a dependant spouse of the payer's household.

RECOMMENDATIONS	RATIONALE
<ul style="list-style-type: none"> The exempted/disregarded income amounts and percentage payments applied to payers and payees is not fair and equitable. Figures should be aligned on an equitable basis. Current circumstances reflect a distinct imbalance eg. \$10,000 exempted income and 18% of gross income calculated for payers versus \$30,000 disregarded income and 8% of gross income for payees in formula assessment. Should a parent receiving Child Support Payments remarry or enter into a legal De facto relationship, an appropriate amount of spousal financial support for the household be recognised in determining the payee's assessable income for formula assessment. Increase the exempted income amount for new children of a payer's new family as the current formula does not accurately reflect the expenses incurred by new families of payer's. 	<ul style="list-style-type: none"> Disregarded/exempted income amounts should be equal for both parents. In applying the current exempted/disregarded income figures to assessments there is no concept of balance or fairness which significantly disadvantages and discriminates against the payer. Both parents have equal financial responsibility for the care of the child/children of an assessment. The percentage payments when calculated as part of gross earnings severely disadvantages the payer and their new family. The percentages should be applied equally to both parents of the assessment. A payer has a responsibility to provide for their child/children only, not to provide financial assistance to the payee's entire household. Should a payee enter into a new marriage or legal De facto relationship appropriate weighting must be considered in regard to the benefit of partner support. Current exempted income amounts for new dependant children of a payer are inaccurate when compared with the amount of child support payable to the major carer for other child/children of the assessment. The net payments of child support are greater than the net amount available to a payer to spend on the welfare and development of new dependant children.