

Seizure threat to deadbeat parents over child payments

Nicola Berkovic | June 24, 2008

Article from: The Australian

AN army of private investigators will be employed as part of a crackdown on parents who collectively owe \$1 billion in child support payments.

Human Services Minister Joe Ludwig yesterday said the Rudd Government had made new arrangements to seize assets from parents who failed to comply with court orders to pay outstanding child support.

Laws would also be introduced to ensure both parents lodged tax returns and that salary-sacrificed amounts were added to income for the purpose of calculating child support payments.

Senator Ludwig warned parents who failed to pay that they would be forced to face the consequences.

"Parents should do the right thing by their kids and give them the level of support they deserve," he said.

Changes to the calculation of child support payments come into force on July 1.

The changes, which allow parents who care for their children every week to pay less in child support and which give equal consideration to both parents' incomes, have been criticised as favouring single fathers.

Shared Parenting Council of Australia federal director Edward Dabrowski said he was concerned about the "draconian" nature of some of the enforcement measures announced yesterday.

Mr Dabrowski said "deadbeat dads" were rarely to blame for missed payments. Instead, he said misunderstandings between parents, a denial of contact by one parent, or fathers being "on the poverty line" were more often the cause.

"I think before going off and using these draconian measures of surveillance and seizing assets - these are drastic measures - more effort should be made to ease tension between parents and restore contact," he said.

The Child Support Agency has partnered with the Insolvency Trustee Service of Australia to seize and sell parents' assets where they have not complied with a court order for payment.

In addition, all parents will be required to lodge a tax return next year unless their taxable income was less than \$18,252 and they received government pensions or payments.

Catholic Social Services of Australia executive director Frank Quinlan welcomed the Government's initiative.

"We are broadly supportive of ensuring children have access to the income their parents are earning," he said.

Lone Fathers Association national president Barry Williams also supported the new measures.

"We've got to have enforcement when we've got \$1 billion of debt owing," he said.

He said it was a myth that only dads were to blame.

"At least 8 per cent of the other side (mothers) don't pay, and a big majority of them don't pay anything at all - and they're not hounded like the dads," Mr Williams said.

Senator Ludwig yesterday said funding for the enforcement measures had been provided by the Howard government. In 2006, \$162 million was allocated to the Child Support Agency over five years for a more rigorous compliance program.

Senator Ludwig could not confirm how many parents would be worse off when the new child support calculations were introduced.

He said NSW and the ACT accounted for the lion's share of payments owing - \$249 million - followed by parents living overseas, who owed \$231 million.

Queensland was next, on \$195 million, followed by Victoria and Tasmania combined, on \$182 million.