

TORRENS BUILDING 220 VICTORIA SQUARE ADELAIDE SA 5000

PH: 8226 2500 FAX: 8226 2509

Email: spark@sparkresourcecentre.org.au

ABN: 78 977 519 014

25 September 2006

SPARK is concerned about these inequitable and gender biased policies which continue to leave sole parent women and children living in poverty.

SPARK opposes the new Child Support formula:

- The formula calculation is unrealistic and does NOT acknowledge the REALITY of child-care and the real needs of children.
- The formula, because it refuses to acknowledge this reality (unpaid child-care) will allow 60% of children in separated families living in increased poverty at their primary residence.
- Younger children (0-12yrs) of separated parents will receive LESS financial support in their primary residence because of the belief that unpaid child-care does not count as a cost of raising children and has not been recognised in the formula.
- The earning capacity of the non-resident parent does NOT have to be structured to accommodate the provision of daily child-care and children's activities, however, resident parents must continually balance the demands of work and or study with their parenting duties, often with detrimental effects on their earning capacity pushing children further into poverty.
- The unfair 24% reduction in child support for one night of care per week has a totally negative impact on the resources of the household where children spend the majority of their time: the rent is not reduced due to the child being away, clothing still needs to be bought and services such as electricity, water, and phone sill need to maintained.

SPARK supports the following aspects of the legislation:

- SPARK does support independent reviews (via Social Security Appeals Tribunal).
- An increase to the minimum payment including the \$20 per child, per week payment where there is clear evidence of income minimisation.
- SPARK supports the restriction of application of the Family Tax Benefit (FTB) Part A Maintenance Income Test to FTB payments for child support only. It is a policy failure and completely unfair that children should be deprived of their full entitlements to family payments just because they reside in a family where other children receive child support.