

Pre-notes

In June 2000, when my ex wife and I separated, I received notification from CSA that I was “liable” to pay 32% of my adjusted Gross Income, towards the support of my 3 children. In August 2002, I put together a spreadsheet, showing payments made, payments reassessed, after having already been paid, and what I actually should have paid, at 32%, only to find out, that I had in effect been paying closer to 38% of actual adjusted income, in any CS assessed period. This could also work in the reverse, creating a debt to the children, or commonwealth, where a system based on actual earnings each fortnight, exactly as Centrelink do for welfare payments, would greatly reduce the incidence of over or under payments. In 2000/01 financial year, my income was below \$35,000 yet my ex wife could earn more than that, before it even affected my obligation. For these reasons above, and others related to treatment of myself by CSA staff, especially being lied to, after searching relevant legislation, I am producing my response to the report by the taskforce into Child Support Reform, “in the best interest of the child”.

The Taskforce Call This Reform

Australia’s Children Deserve Better

Recommendation 1

The existing formulae for the assessment of child support be replaced by new formulae based upon the principle of shared parental responsibility for the costs of children. The new basic formula should involve first working out the costs of children by reference to the combined incomes of the parents, and then distributing those costs in accordance with the parents’ respective capacities to meet those costs, taking into account their share of the care of the children.

Response 1

The proposed changes from the report, fail to recognise that whilst the non-resident parent is forced to provide their financial share of costs of the children, the resident parent is not. To include in costing of child, anything other than the basic needs of that child, in effect means that a separated family, is expected to provide for “wants”, that they may not have provided for previously, especially if low income family.

Recommendation 1.1

For the purposes of the formula, the current definition of adjusted taxable income should be broadened to include certain non-taxable payments such as certain forms of income support, currently exempt.

Response 1.1

The taskforce, in all it’s wisdom, has still failed to realise that the use of taxable income for the purposes of child support, discriminates a separated family from intact families, who only have to survive on their net income. I strongly recommend, that even some taxable income supports be exempt, especially Parenting Payment, and FTB A & B, as these are intended to help you support your children.

Recommendation 1.2

The definitions of income for child support and Family Tax Benefit should be consistent and the components should be the same.

Response 1.2

This is impossible, as child support payments are deducted from FTB claim. This will only further discriminate between separated and intact families.

Recommendation 1.3

Each parent should have a self-support amount set at the level equivalent to one third of male total average weekly earnings (MTAWE). Their adjusted taxable income less the self-support amount should be their income for child support purposes (the 'Child Support Income'). Their Child Support Income should be zero if their adjusted taxable income does not exceed the self-support amount.

Response 1.3

In effect, by promoting a zero amount at adjusted income, ensures that one parent will be making up for the shortfall in how much the other parent is willing to earn. It is my considered opinion that this figure should be allowed to go in to a "negative factor", and that negative amount should be taken from the total CS Income of both parents. For far to long, one parent has been forced to make up for shortfalls in the other parents earnings. Note: still using discriminatory "gross income"

Recommendation 1.4

The costs of children for the purposes of calculating child support should reflect the following:

- Expenditure on children rises with age.
- As income rises, expenditure on children rises in absolute terms, but declines in percentage terms.

Response 1.4

I find, that by using the cost of children to calculate Child Support, that *9.5.2 A Costs of Children Table not based upon fixed percentages of income* is in effect an untruthful statement, despite the fact that incomes vary within this "table" percentages remain closely attributed to income levels. The use of any "cost of children" research, fails to ask if children's "wants" are included.

Recommendation 1.5

The costs of children shall be expressed in a Costs of Children Table based upon the parents' combined Child Support Income in two age bands, 0–12 and 13–17, and in combination between the age bands for up to three children. (See Table A: Costs of Children).

Response 1.5

Self explained, required change if proposed goes to legislation. 0-12 and 13-17 what? Days? Months? Years?

Recommendation 1.6

Where there are more than three child support children, the cost of the children shall be the cost of three children, and where the children are in both age brackets the cost of children is based upon the ages of the three eldest children.

Recommendation 1.7

Where there is more than one child support child, and the arrangements concerning regular contact or shared care differ between the children, the cost of each individual child is the cost of the total number of children divided by the total number of such children.

Response 1.6

note: How effectively would the avg cost of child take into account added costs involved for multiple births.

Response 1.6\7

The costs of child table, needs to reflect more accurately the age of children, 0 to 5 year old children, cost far less to feed and cloth, and above 5 years have educational expenses. My recommendation, is to more accurately reflect, both the number of children, and their age groups, in any costing of child table. Some consideration needs to be added in for multiple births, and/or factored out for single births.

Recommendation 1.8

Combined parental Child Support Income for the purpose of assessing the costs of children shall not exceed 2.5 times male total average weekly earnings (MTAWE).

Response 1.8

In effect, what this statement says to me, is that high income families(above 2.5 x MTAWE), spend no more than those in the next lowest income bracket up to that figure, on their children. The sole purpose for a “cap” on child support, in my view, is not to get those extremely high income earners off side with the government. The use of combining the parents income, for the purposes of CS, neglects to reflect, that neither parent has unlimited access to the other parents financial funds, as an intact family would. This, factored in with the known fact, that one parent usually pays the other a CS amount, could in effect increase the amount needed by both parents to maintain their children to identical standards of intact families. This could be shown, as a slight increase in the “self support component of both parents, especially when in lower income brackets.

Recommendation 1.9

The parents of the child should contribute to the relevant cost of the child (or children) in proportions equal to each parent’s proportion of the combined Child Support Incomes.

Response 1.9

see: Response 1.3, otherwise one parent will be contributing unequally to the cost of raising child, based on combined CS Income.

Recommendation 1.10

Regular face-to-face contact or shared care by a parent should result in the parent providing the contact or care being taken to satisfy some part of their obligation to support the child.

Response 1.10

The taskforce recognises that as increased contact with child occurs, so does cost, so why not reflect this accurately, as each day, in a normal year is 1/365 or .27397% of the year. In effect, the recognition of this by the taskforce, says that below 14% contact, non resident parents don't spend anything on children, and setting a minimum at 14%, will only further encourage that 14% be the normal amount of contact, compared to the current 35% entrenching conflict. The taskforce then states "*There may not be a great deal that the Child Support Scheme can do in a positive way to encourage parents to agree on parenting arrangements.*" To me, the word responsibility, where your children are concerned, also includes contact time, and the value of that contact by both parents. Equal parenting responsibilities needs to reflect equal contact, and also equal value for that contact. Except, in those circumstances where allegations of abuse, are proven beyond reasonable doubt, those allegations may also not be fulfilling a parents responsibility. The way two adults treat each other, may in no way reflect, how they behave when only in the presence of their children. The denigration of one parent by the other, in the presence of a child, could also be construed as not fulfilling parental responsibilities. Equal parenting time must therefore be presumed as the normal, not 14/86. This is how the Child Support "scheme" (law) can encourage parents to agree on parenting arrangements.

Recommendation 1.11

If a non-resident parent has a child in their care overnight for 14% or more of the nights per year and less than 35% of the nights per year, he or she should be taken to be incurring 24% of the child's total cost through that regular contact, and his or her child support liability should be reduced accordingly; but this should not result in any child support being paid by the resident parent to the non-resident parent.

Response 1.11

see: Response 1.9\1.10 re % of care.

The taskforce, by stating that for the resident parent, it should not result in a Child Support obligation being paid to the non resident parent, still shows a bias (discrimination) toward the resident parent over the other parent. If the situation arose, where the resident parent's income, was 5 x that of the other parent, why shouldn't that parent be entitled to CS for the periods that the child is in their care. This raises a situation, where I believe that the resident parent has a liability, yet the other parent is expected to pay the minimum. If that is fair, I implore you to explain how to me? The whole idea of reforming child support, was to make the system fair for everyone, remove the discrepancies that the system places on one parent over the other, when both parents have an obligation to support their children financially, under current legislation this is a joke, because one parent is seen as fulfilling that obligation by providing care for

Response 1.11 (cont.)

a child, when in fact, that care may be detrimental to the child's needs of contact with the other parent.

Recommendation 1.12

Where the care provided by one parent is equivalent to 35% or more, the parent with 35% of the care of the child will be taken to be incurring 25% of the cost, rising to equal incurring of costs when the care of the child is shared equally. The way in which the costs incurred by the parent with the fewer number of nights of care per year is calculated is set out in Table B: Shared Care.

Response 1.12

The percentages are way out of line with a number of days in the year. To be totally fair to all concerned, the only way is to use exact percentages, the idea that one parent will incur higher costs of a child, should be addressed in other ways. If both parents equally share the care, then absolute necessities, like school uniforms, shoes, clothing etc: could be provided by co-operative arrangements under the proposed changes to family law. As an example, if parent A buys 2 children shoes, and produces a receipt, then parent B pays half of that receipt, conditionally that parent A does not return the shoes for a refund. Thinking like this will reduce animosity, and could widen the period considered as equal shared care, to around 45%, with any care arrangements at exactly 50% only reducing CS obligation to a total 0 factor for both parents. The taskforce has admitted, that when households split, both parents incur a higher than normal costing, as in accommodation, which I believe should not be factored in for either parent, as the same situation applies for both, whether at 5% care or 85%.

Recommendation 1.13

A parent may also be treated as having regular contact or shared care if either the Child Support Registrar is satisfied, after consultation with the other parent, or the parents agree, that the parent bears a level of expenditure for the child through daytime contact or a combination of daytime and overnight contact that is equivalent to the cost of the child allowed in the formula for regular contact or shared care.

Response 1.13

To make the system fair, for the children, the idea that night care, compared to day care, incurs the highest cost in raising a child, needs to be removed from legislation. As an example, the children might sleep at the "resident parent's" abode, but be dropped at the other parents early, to get ready for school, breakfast, have lunches provided, and baths and dinner, and be readied for bed, prior to the "resident parent" picking them up late in the evening. That might be a rare situation, but the whole point is, that under current legislation, the parent that is providing that "daytime" care, would incur far greater costs, than the other parent. To differentiate between day and night, contributes to current animosity, and still will under these proposed changes. A day, or night, should be taken to be a period of 24hrs.

Recommendation 1.14

FTB A and B should no longer be split where the non-resident parent is providing care for the child for less than 35% of the nights per year. Where each parent has the child in their care for 35% of the time or more, FTB should be split in accordance with the same methodology as in Table B: Shared Care.

Response 1.14

The purpose of Family Tax Benefits, was to effectively assist parents on low incomes, towards the costs of raising their children. Part B, was, and still is only available to single working parents, to offset the difference between two working parent households getting 2 higher tax exemptions. Taking these methods of assistance away from a parent, and saying that it offsets a CS obligation, needs to be reflected exactly in the Table: cost of children, and also in care percentages, otherwise we are discriminating between one parent and the other, and both separated parents compared to an intact family. The current system (law) provides basically the same rights for all parents, single or intact, to assist in raising their children. I believe changing this, is a great error, and will only affect the ones that we are meant to be providing for, the children. Further to this, personally, I would have been bankrupt without my 20% of FTB prior to going to shared care. The underlying reason, that sharing FTB is not more common, is more a lack of knowledge of the system, rather than claims made by the taskforce. Lots of people, would also already be utilizing their share of FTB to offset CS obligations, rather than creating animosity, when in private collect situations.

Recommendation 1.15

Non-resident parents who have care of a child between 14% and 34% nights per year should continue to have access to Rent Assistance, the Health Care Card, and Medicare Safety Net if they meet the other eligibility criteria for FTB A at the required rate. They should also be paid the 'with child' rate for the relevant income support payments, where they meet the relevant eligibility criteria. The Government should also consider the adequacy of the current level of this rate, in the light of the research on the costs of children conducted by the Taskforce.

Response 1.15

Under the current Centrelink legislation, separated parents, who share the care of their single child, are not both entitled to claim a parenting payment. It is only when you have 2 children, and both parents have above 50% residency of a child, that both parents may claim a parenting payment. For this reason, and to equalize FTB in my situation, we had to split up our 3 children as 52/49/49 %'s care to me, or 48/51/51 %'s care to the mother. I strongly believe, that this situation also requires addressing, along with the current rates. The taskforce, in my opinion, has failed here, in researching the relevant legislation, or they would have stated that parents of a single child can not split income support payments like Parenting Payment (single or partnered). The parenting payment, also fails greatly, in recognizing the number of children in a parents care, or the percentages of time that a child might spend with either parent. I find incompetence by the taskforce, in failing to research these facts properly.

Recommendation 1.16

Child support assessment based upon regular contact or shared care should apply if either the terms of a written parenting plan or court order filed with the Child Support Agency specify that the non-resident parent should have the requisite level of care of the child, or the parents agree about the level of contact or shared care occurring.

Response 1.16

This, is the first positive thing I have seen in the recommendations, except for the fact, that if those orders or agreements are not upheld, and the parent is denied that contact, it should reflect as a direct reduction in CS obligation of that parent, as an exact percentage as per Response 1.11, exactly like a parent failing to avail themselves if contact is supposed to occur, except in extenuating circumstances. The policing of this would require that both parents keep a diary, and a conflicting contact “day (24 hrs)” be exempted from the CS assessment. This would force both parents into a much higher degree of discretion for making claims that might conflict, in the best interest of their child/ren. Here, we also will need to use a commencing date on those orders or plans filed with CSA, rather than the date of notification, as some may see fit, to change care arrangements well prior to these orders or plans being developed.

Recommendation 1.18

A new assessment may be issued during a child support period if the parents agree that there has been a change in the regular care arrangements amounting to the equivalent of at least one night every fortnight, or there has been a similar degree of change as a result of a court order.

Response 1.18

It is my opinion, that any change in circumstances, needs to be considered as a reason for COA, as it would change the obligations between the parents. CSA need to more closely monitor decisions of COA Teams, as to what should be considered fair and equitable to all concerned, to further reduce 1, animosity, and 2, the perceived (sometimes factual) bias towards a resident parent. In my opinion, those parents committed to all aspects of positive parenting, and the responsibilities that go along with that, should never have to feel that they need to use the current biased COA methods, or any COA, as they should be able to sit down and resolve these issues, in the best interests of their children.

Recommendation 1.19

All biological and adoptive children of either parent should be treated as equally as possible. Where a parent has a new biological or adopted child living with him or her, other than the child support child or children, the following calculations should take place:

- 1) establish the amount of child support the parent would need to pay for the new dependent child if the child were living elsewhere, using that parent’s Child Support Income alone;
- 2) subtract that amount from the parent’s Child Support Income; and
- 3) calculate and allocate the cost of the child support child or children in accordance with the standard formula, using the parent’s reduced income.

Response 1.19

I feel, that a far fairer method of deciding how much of a parents income, is dedicated to one family or CS children, would be to take the children from both families, as being 100% of a parents child support obligation, so, say a parent has 3 CS children, and 2 resident non CS children, the CS children would be entitled to 3/5ths of that parents CS Income. This would have to be calculated prior to adding the resident and non resident parents combined CS Incomes. This way, there is no chance, that resident children will accumulate all of a parents CS Income up, before non resident children get their entitlements. The statement “should be treated as equally as possible” worries myself, I believe they should be treated as equals, not 2nd class kids.

Recommendation 1.20

Where parents each care for one or more of their children, each parent is assessed separately as liable to the other, and the liabilities offset.

Response 1.20

I strongly feel, that their may be situations, where 1 parent might have a resident child at 65% and that child sibling might be resident with the other parent 65%, surely taking these situations to be looked at as sharing the responsibilities equally, makes far better sense, and will reduce animosity between parents than offsetting one parents liability against the others. I believe this recommendation needs further investigation, taking into consideration that the other resident parent of non CS children, will also be responsible for some aspect of providing for the children, even financially.

Recommendation 1.21

Where a non-resident parent has child support children with more than one partner, his or her child support liability should be calculated on his or her income only and distributed equally between the children.

Response 1.21

Once again, I believe the taskforce has erred here, taking away any liability from those resident parents of multiple CS children living with different resident parents, and also the reverse situation, of multiple CS children, living with one resident parent, from different non resident parents. There is once again a great need to go back and look into these situations, and find some way that is fair for all concerned.

Recommendation 1.22

Where a resident parent cares for a number of children with different non-resident parents, each of the child support liabilities of the non-resident parents should be calculated separately, without regard to the existence of the other child or children.

Response 1.22

This will only further promote discrimination where parents have varying incomes, and the custodial parent has more than 1 CS child from multiple parents. The parent of one child, may expect that his/her child has a greater amount of the total CS received by the

Response 1.22 (cont)

resident parent spent on that child, which will not be in the best interest of the other CS children, or other resident children. To totally disregard the existence of other CS or resident children, is just another mistake found in this report, total discrimination.

Recommendation 1.23

Where a child is cared for by a person who is not the child's parent, the combined Child Support Income of the parents should be used to assess their liabilities according to their respective capacities. Where a parent has regular contact or shared care of the child, that parent's liability will be reduced in accordance with the normal operation of the formula.

Response 1.23

In situations of 3 carers, if each person has 33% of care, is this not the equivalent of equal shared parenting time, and responsibility? Would this also not require a different care arrangement table? Some exclusions, such as Foster Carers, who are paid per child by the relevant state department, are also requiring mention.

Recommendation 1.24

All payers should pay at least a minimum rate equivalent to \$5 per week per child support case, indexed to changes in the CPI since 1999. The increased amount should be rounded to the nearest 10 cents.

Response 1.24

If the system, as stated at Response 1.3, accounted for the negative factor, of both parents incomes, then, both parents would fall into the \$0 to \$25,342 Category. This would then make both parents liable to \$0 support of their children. It is firmly believed by myself, that in these situations, neither parent is fulfilling their obligation to their children, but rather relying on welfare to perform that obligation, or deceiving the system. Therefore, if the CS Income of both parents is below \$0, then the system needs to deal with those parents as a single entity, and calculate a minimum payment based on each parents percentage of that negative factor, and amount of care contributed, at exactly the same rates as would apply for them if that same amount were above zero as outlined in the cost of children table.

Recommendation 1.25

A minimum payment should not be required if the payer has regular contact or shared care.

Response 1.25

This would have to be the first fair recommendation that I have seen, yet still we see the word parent substituted with the word "Payer". We are parents, not walking wallets. Since moving to shared care, in August 04, I have, even by my own family members, been accused of taking this path, to "get out of *paying* Child Support". Let me tell you here and now, that taking into account, my reduced income for contact purposes, the added costs of feeding the children, transporting them to schools near their mothers place, far out ways any benefit gained by a reduction in CS payments.

Recommendation 1.26

Payers on the minimum rate should be allowed to remain on that rate for one month after ceasing to be on income support payments or otherwise increasing their income to a level that justifies a child support payment above the minimum rate.

Response 1.26

Replace the word “payers” with parents, and Recommendation 1.26 becomes fair, removes any chance of discrimination. I feel, that if this is legislated, it needs to be permanently publicized so all parents who are in this situation, are well aware that this is an available option. Then all we will have to do is get the CSA to actually implement it. In my own personal case, the CSA refused to discretionarily backdate the change to shared care 4 lousy days, in effect making me pay more CS than I was obligated to under the Act. They then refused to accept an income estimate, to apply from the date placed, even going to the extent of lying to me (not realised at time) about the income they were using for CS at the time I placed the estimate. Personally, for this reason, I believe that changes in CS situations, no matter how small, or how big, need to apply from that date, if both parties are in agreement to facts surrounding the application. My Child Support care arrangements changed on the 2nd August 04, the mother had no problems advising CSA to this fact, why didn't they apply the change from the 2nd, instead of the 6th. My income estimate was for the financial year, so it should have applied from 1st July, not 1st September, when a new CS period started. This should also apply to changes in circumstances like children's birthdays moving them into a different CS bracket, should commence a new CS period.

Recommendation 1.27

Parents who are not in receipt of income support payments but report an income lower than the Parenting Payment (Single) maximum annual rate should pay a fixed child support payment of \$20 per child per week and this should not be reduced by regular contact.

Response 1.27

Now we see the use of the word parent, so the question is, will this apply to both parents when in the same situation, will it equal out, or be split inline with care arrangements? I have a great problem, with this \$20 per child per week minimum, a parent, with less than the 35% (24%rate)care of their child(1 x under12), and with a combined CS income of \$24334 (NRP, 28K, RP 30k), and 45% of the CS Income, would in fact be paying less than a parent on the minimum, for the same child. \$17.4 to \$20. The parent, on the minimum payment, might be a resident parent to a second family, and dependant on the income of that 2nd family for financial support. Further to this, the resident parent of the CS child might be earning 80k a year.

Recommendation 1.28

The fixed payment of \$20 per child per week should not apply if the Child Support Registrar is satisfied that the total financial resources available to support the parent are lower than the Parenting Payment (Single) maximum annual rate. In those cases, the minimum rate per child support case should apply.

Response 1.28

This actually sound fair, so long as we are not disregarding the other parents income, and care levels. I noted in the report, that it spoke of “capacity to pay”, rather than “capacity to provide”

Recommendation 1.29

The minimum rate and the fixed payment should be indexed to CPI from the end of the 2004–05 financial year. The increased payment should be rounded to the nearest 10 cents.

Response 1.29

Will the self support component be indexed in the same manner. To me, it would be fairer to all, if the “scheme” is based around MTAWWE, that when that figure increases or decreases, the effect on the minimum payment would be identical as a percentile of that figure.

Recommendation 1.30

Where a parent has failed to lodge a tax return for each of the last two financial years preceding the current child support period, and the Child Support Agency has no reliable means of determining the taxable income of the parent, the parent shall be deemed to have an income for child support purposes equivalent to two-thirds of MTAWWE. That income may only be changed if the parent files a tax return for the last financial year prior to the child support period to which the deemed income relates, or taxable income information is obtained from a reliable source.

Response 1.30

So long as this is applied to all parents, not just payers, then it sounds very fair. The incident of the single mum surviving off welfare and child support is far to high, in my belief, and we all know, that when your only income is those above, there is no requirement to place a taxation return. In my view, if you earn an income, above that of the tax free threshold, no matter what the source of the income, then for the purposes of CS assessment, you should have to place a tax return. This once again also raises the issue of using pre tax income, and the fixed self support component. I feel very strongly about using pre tax income, as it definitely discriminates between intact and separated families. The self support component, could be closer based on gross income, to vary according to roughly how much tax would be paid on a certain earned income.

Recommendation 1.31

The Child Support Registrar may report debts arising out of child support obligations based upon a deemed income separately from other accrued debts, but may not reduce a deemed income based on the parent's failure to meet the obligation.

Response 1.31

I think, that any debt or credit should be finely detailed, and accurately reported to the person alleged to have accrued that debt. This should also be applied as some form of accountability on the "agency" for accurately assessing individual situations. The current attitude of the agency, is "we are never wrong, and even if we are, we wont reverse a decision, because that would not be in the best interest of the recipient parent".

Recommendation 2

The Child Support Agency should be given increased resources to investigate the capacity to pay of those who are self employed, or who otherwise reduce their taxable income by organising their financial affairs through companies or trusts, and those who operate partially or wholly by using cash payments to avoid taxation.

Response 2

Once again, so long as these "increased powers" are not used discriminately, as this recommendation only uses the word "payers", by using the words "capacity to pay", it should say the "income"

The Child Support Agency should be given increased resources to investigate the income of those who are self employed, or who otherwise reduce their taxable income by oorganising their financial affairs through companies or trusts, and those who operate partially or wholly by using cash payments to avoid taxation

Recommendation 3

3.1 The Child Support Agency should be given increased enforcement powers to the extent necessary to be able to improve enforcement in relation to people who are self-employed or who otherwise reduce their taxable income by organising their financial affairs through companies or trusts, in particular by:

- a) broadening the powers available to the CSA to make ongoing deductions from bank accounts to align enforcement measures for non salary and wage earners with those for salary and wage earners;
- b) aligning CSA powers with Centrelink powers to make additional deductions from Centrelink benefits to cover arrears; and
- c) providing the power to garnishee other government payments such as Department of Veterans' affairs pensions.

3.2 Enforcement powers should not be extended to the cancellation of driving licences for failure to pay child support, as this might reduce parents' capacity to earn income.

Response 3

Obviously the Taskforce, and its reference group, don't feel CSA has enough power already, gee, why not just give them the ability to create an unlimited line of credit, at some demonic interest rate. If you give CSA these powers, without any accountability, in

Response 3 (cont)

effect, you are creating a monster, just as bad as the monster that we already have. Is there going to be some limitation, such as disability support pensions, or income assessed pensions or benefits, that are designed to allow the recipient to be self sufficient, if not we might as well just jail all parents, and let the state provide for the children. The CSA, already has too much power and absolutely no accountability, in my view.

Recommendation 4

Payees should be given all the same powers of application to a court as the Child Support Registrar has for orders in relation to the enforcement of child support, provided either that the payee gives 14 days notice to the Registrar of the application or the notice requirement is otherwise reduced or varied by the court, and that any money recovered under a payee enforcement action be payable to the Commonwealth for distribution to the payee.

Response 4

Once again we see the discrimination, determining one parent to be a payee. References to these terms need to be seen for what they are, and removed from legislation.

Recommendation 5

A Court hearing an application for enforcement of child support by a payee parent should have the same powers to obtain information and evidence in relation to either parent as the Child Support Registrar has when enforcing a child support liability.

Response 5

When you give a power, without accountability, the question needs to be asked, who is policing the police, in this case the FCA. Yet again, I also see the need for this to work both ways, in either parent's favour, or we still have that dirty word "discrimination" lurking in the background.

Recommendation 6

Pending the final outcomes of any application or appeal under Child Support legislation, whether in relation to assessment, registration or collection, the Court should have a wide discretion to make orders staying any aspect of assessment, collection or enforcement, including:

- a)** implementing a departure from the formula on an interim basis;
- b)** excluding formula components or administrative changes which might otherwise be available;
- c)** suspending the accrual of debt, and/or late payment penalties, without necessarily having to substitute a different liability for a past period;
- d)** discharging or reducing debt without needing to specify the changes to the assessment to effect this result;
- e)** limiting the range of discretionary enforcement measures available to the Child Support Agency, or staying enforcement altogether; and
- f)** suspending or substituting a different amount of available disbursement to the payee.

Response 6

I thought we were trying to remove the adversity of eventually going to court to resolve the current CSA is never wrong attitude. The added costs involved in taking actions to court, can not be construed as in the child's best interests, from either parents point of view. Originally, I thought great, the government is going to finally start looking at the immense discrimination, and extremely unjust decisions, made by CSA and FLC. You get a situation, where CSA comes into your life, and says you have to pay this much, so you pay it. You then find out months later that you have actually been overpaying, because since separation, your down, you don't feel there is a need to earn any more, so you stop overtime, your day to day contact with your children, is gone, now you might see them 2 nights a fortnight. You apply for a change of assessment based on a reduced income, to that which CSA was using. CSA says "you have been paying it, so therefore, you have the capacity to pay it, no refund" with no thought what so ever, to how paying that extra may have adversely affected your own standard of living. The other great answer, along the same lines is "its not in the best interest of the child, to make the other parent refund money". What the? Is it in the best interest of the child to effectively financially rape one parent, and then say that to them? What about the standard of care that parent with limited access wants to provide for the children when in their care?

Recommendation 7

Section 39(5) of the *Child Support (Registration and Collection) Act 1988* should be amended to provide that a payee's application to opt for agency collection after a period of private collection should not be refused unless it would be unjust to the payer because:

- a) the payer has been in compliance with his or her child support obligations;
- b) a failure in compliance has been satisfactorily explained and rectified; or
- c) there are special circumstances that exist in relation to the liability that make it appropriate to refuse the application

Response 7

Change the words "payer" and "payee" to parent, and these recommended changes to Section 39(5) would be acceptable. It is my view, that private collect should be promoted, where at all possible, in the interest of removing animosity between separating parents, currently, CSA collects nearly ½ of all CSA obligations, creating a massive burden on the taxpayer. If this was private industry, anything over 15% CSA collect would be considered unacceptable. I would consider, that less than 4% of all private debts actually go to the hands of a debt collector or receiver, yet with this government agency, we have nearly 50%.

Recommendation 8.1

Where, as a result of administrative error, a payee has been paid an amount not paid by the payer as the result of administrative error, for example, as the result of the payer's cheque not being met, or as the result of an incorrect allocation of employer garnishee amounts, the Registrar should not require repayment by the payee.

Recommendation 8.2

Where a payer lodges a late tax return for a child support period, and that return shows a taxable income lower than that used in the assessment, the Child Support Registrar shall vary that payer's income from the date the return was lodged, but not for the intervening period unless the payer can show good reason for not providing income information at the time the assessment was made. In making a decision whether to vary the payer's assessment, the Registrar will consider the effect on the resident parent of having to repay any overpayment thereby created.

Response 8.2

I firmly believe the Taskforce has got this one wrong, in all aspects. Once again, we have the Registrar considering the effects on the recipient, whilst totally ignoring the effects on the payer. There can be all sorts of reasons, why a person does not lodge a taxation return. To me, the ideas behind reforming the Child Support "scheme", should be to reduce the incidence of late lodgement by introducing a current assessment "scheme", not based on 2 year old income, then updated after the fact, Centrelink can do this every fortnight for recipients of income tested benefits and pensions, why are we not trying to introduce a similar "instant assessment" method that could be updated fortnightly online by both parents.

Recommendation 8.3

Where a parent has made an application (under s.107 of the *Child Support (Assessment) Act 1989*) disputing an assessment on the basis that he is not the parent of the child, and informs the Agency of the application, the Child Support Registrar shall suspend payments of collected amounts to the payee until the application is finalised, unless the Court orders otherwise.

Response 8.3

We all know, that incidents of paternity fraud exist, I have never heard of 1 single case of "maternity fraud". These cases need to be dealt with in a far more legal and professional manner. Place the onus squarely on the mother to prove that the father is liable. DNA tests are painless, maybe a little bit expensive, which in unproven cases, could be made the fathers responsibility. It is one of my strong beliefs, that a mother who lies about the paternity of a child, for the financial gain, is a criminal, and not a good parent, and is certainly not doing what is in the best interest of the child. Paternity fraud, where child support is involved, should be a civil matter between the two parties, and should not incur costs to the taxpayer by the direct involvement of CSA or FLC.

Recommendations 8.4 and 8.5

8.4 Where a Court has considered a s.107 application, and has made a declaration that the assessment should not have been made, it should immediately proceed to consider whether an order should be made for repayment of any amount under s.143 of the Child Support (Assessment) Act.

8.5 When considering how much of the balance of money paid under a child support assessment should be repaid to a payer who has successfully disputed paternity, the court should have regard to:

- a) the knowledge of the parties about the issue of paternity;
- b) any acquiescence or delay by the payer after he had reason to doubt his paternity;
- c) the relationship between the payer and the child;
- d) the present financial circumstances of both parties; and
- e) the capacity of the biological father (if known) to provide child support in the future.

Response 8.4

What the hell is there to consider, its fraud, and moneys procured fraudulently, should be ordered to be repaid. How simple is that.

Response 8.5

As stated at 8.3 and 8.4, none of these factors should be considered. A relationship with the child, based on a fraudulent claim by the mother, is just that, a fraudulent relationship. If this piece of rubbish makes it way into the CS Acts, I will be most vocal in rubbishing the whole system, for the farce that this will make it. Section 107 applications should be referred to a criminal court. That is all the new legislation needs to state, and maybe something along the lines of unproven claims should be returned from criminal court to CSA.

Recommendation 8.6

Where a Court makes an order for repayment of an overpaid amount under s.143 of the Act, the amount of such payment may be registered with the Child Support Registrar as a registrable maintenance liability, for enforcement.

Response 8.6

Any monies overpaid, should be repaid, how simple is that. Would you pay, 110% of the value of a new car, then not expect that 10% back when you found out that you had been “ripped off”. There should be no consideration of how this will affect the recipient, as you would have no consideration for how it might affect the dealer you purchased your car from. Maybe the real liability lies with the “agency”, as it in effect, tells you how much you have to pay, just like a car dealership gives you a price, independent of the RRP laid out by the manufacturer.

Recommendation 9

9.1 The mechanisms of the Maintenance Income Test (MIT) should be changed to ensure that it applies only to the children in a family for whom child support is paid.

9.2 The names of the Maintenance Action Test and the MIT should be changed to the Child Support Action Test and the Child Support Income Test in order to better reflect their roles.

9.3 The MIT’s free area, taper rate and scope should be reviewed in order to ensure that the operation of the MIT does not claw back FTB Part A beyond the level paid to equivalent intact families.

9.4 There should be an extension on the moratorium on taking reasonable maintenance action for FTB purposes from 28 days to 13 weeks, in order to give separated parents more time to negotiate a parenting plan. Child support should continue to commence from the date an application is made to the Child Support Agency.

Response 9

Fundamentally, I see no real problem here, except the accrual of a CS debt in those 13 weeks post separation, providing perhaps that this period could be called a “cooling off” period, that would allow for re establishment costs for the non resident parent, to further reduce animosity about obligations in that period.

Recommendation 10

10.1 Change of assessment applications should only be able to be made in relation to the immediately preceding and current child support periods, and future child support periods, unless the Court gives leave.

10.2 The Court may grant leave to the parent to make an application for change of assessment in accordance with the procedures of Part 6A of the *Child Support (Assessment) Act 1989* in relation to child support periods up to seven years prior to the current child support period.

10.3 In considering whether to grant leave, the Court should have regard to:

- a) the reason for the delay in bringing a change of assessment application;;
- b) the responsibility for that delay;
- c) the hardship to the applicant if leave is refused; and
- d) the hardship to the respondent if leave is granted.

10.4 If the Court grants leave to the parent to make the application, it may proceed to hear the matter itself on the application of either parent.

Response 10

Once again, I reiterate, that under a system that uses fortnightly income statements, there would be very little need for any COA, except in the most extreme cases. In any other system, like the current, or these proposed changes, there should be no limitation on COA applications. Recommendation 10, should be scraped, thrown out.

Recommendation 11

Section 116 of the *Child Support (Assessment) Act 1989* should be simplified to provide that a court shall have jurisdiction to determine a child support application whenever the application is brought in conjunction with proceedings under the *Family Law Act 1975* (without needing to be satisfied that the child support application should be heard “at the same time” as the other proceedings), and that the Court does not cease to have jurisdiction only because the other matters are resolved before the child support application is heard.

Response 11

I thought the idea of reform, was to try and free up some of the courts time, along with making the system fairer. This makes more sense to me.

Response 11 (cont)

Section 116 of the Child Support (Assessment) Act 1989 should be simplified to provide that a court shall have jurisdiction to determine a child support application whenever an application is brought before the court.

The FLC, is the CSA's police, or ombudsman if you like, why should a Child Support Application need to accompany other procedures, why not stand alone. The usual reasons why a CS case goes to FLC, is because of a rejection under the COA process or directly related to restricted access. Once again, a presumption of all equal parenting responsibilities, coupled with an instant CS system, as mentioned in several previous responses, would remove any or most requirements for CS cases going to COA or FLC.

Recommendation 12.1

The current change of assessment ground in s.117 of the *Child Support (Assessment) Act 1989* based upon the high costs of contact should be replaced with a more limited ground in the light of the proposed recognition of the costs of regular contact in the formula. The ground should be that the capacity of either parent to provide financial support for the child is significantly reduced because of high travel costs borne by that parent in enabling him or her or the other parent to have contact with that child or any other child of the parent.

Response 12.1

How about, to further remove this need for Reason under the COA process, we restrict the movement of parents to 50km away from the siblings other parent. Then there is no way, cost of contact could be classed as high. My ex wife, lives 26 km's from my place, close enough for shared care, but not to close for conflict.

Recommendation 12.2

This ground should be available to a parent who is not currently exercising contact because he or she cannot afford to do so, and hence has not been able to incur the expenditure prior to making the application.

Response 12.2

This is fine for current cases, but future cases, need to be far more strictly controlled, to the extent, that unless a greater earning is going to override the imbalance of contact with the child by either parent, movement should be limited. The parent moving, should bear the whole of the expenses to continue the current access arrangements.

Recommendation 12.3

A change of assessment on this ground should be reversible upon application by the payee if the payer does not in fact exercise the expected level of contact, despite a reduction in their child support obligations.

Response 12.3

Once again, we need to remove the words “payer” and “payee”, and replace with the word “parent”, so it should read

A change of assessment on this ground should be reversible upon application by one parent if the other parent does not in fact exercise the expected level of contact.

To me, that is considering both parents as equals, in the best interest of the child.

Recommendation 13.1

The current ground for exclusion of an “additional amount” of income (such as overtime or a second job) for a new child from the child support assessment should be expanded to allow payers and payees to apply for a change of assessment if the child support assessment is unfair, unjust or inequitable because they earn an “additional amount” of income to assist them with re-establishment costs following separation, with a limit of up to 5 years from separation.

Response 13.1

There is currently no incentive what so ever to try and increase ones earning capacity, depression to ones new circumstances, also contributes, as well as the much higher stress level separated parents seem to suffer under the current systems in place. A far greater way to incite people to earn a greater income, would be to only utilize 20% of that extra income post tax for CS purposes. Where other siblings of a CS parent are concerned, that extra income could be considered as providing for those children.

Recommendation 13.2

The ground is established when the parent can show that the parents lived in one household prior to separation, and that the parent commenced earning the additional amount after the separation.

Response 13.2

This, would need to carry for the entire CS life of a parent, until a terminating event happened, especially, where a parent may be able to apply for promotions, or new jobs, to earn an increased income, with some sort of system in place to structure slight increases (CPI) to the previous income of those parents. That would be a far greater incentive, in my opinion. There could then be an additional incentive of voluntarily contributing more to the other parents household, or taking extra responsibilities in other ways, and this would certainly be “in the children’s best interest” and treat both parents a lot fairer, if applicable across the board, not just to “paying” parents.

Recommendation 13.3

If it has been established that, in the first five years since separation, the parent earned the additional amount to meet re-establishment costs, and if during that time the parent has a child in a new family, the additional income can be claimed as specifically for the benefit of the resident child, beyond the first five years.

Response 13.3

So long as this applies across the board, to all CS parents, then it is fine. As soon as it applies to one parent, and not the other, it becomes discrimination.

Recommendation 13.4

The parent should be required to establish only that a major reason for their change in work arrangements resulting in the “additional amount” was re-establishment costs or the support of a dependent child, in order to make out this ground.

Response 13.4

What grounds will be acceptable as proof, especially where re-establishment is concerned? Let me outline my first year of separation, and some circumstances for you. I work in the automotive trade, for the local NRMA franchise, and at least 30% of our income (business) was derived from traffic passing through our community and breaking down. With the opening of the Raymond Terrace bypass in 2000, our workload reduced dramatically, forcing our employer to stop overtime, and at the same time, a change in middle management took place. My first CS assessment was based on my 99/2000 income, nearly \$2000 higher than what I actually earned in 2000/01, resulting in an over assessment of 38%, as opposed to the 32% I should have been being assessed at. This is one of the reasons, that I see as proving the current system of using 2 year old income, does not work. Work this the other way, and say someone, who was earning less, suddenly starts earning more. At the end of the assessment period, they get a debt. This is one of the reasons, I object totally to the use of inaccurate income figures. Currently, you can place an estimate, but only if it reduces your current income by 15% or more. You can not place an election, if it increase your income. Any change, greater than 3% either way will affect your CS obligation, to an extent of getting an unpayable debt, or a very unlikely to be refunded overpayment.

Recommendation 14.1

It should be a new ground for change of assessment that the parent has a responsibility, although not a legal duty, to support a step-child.

Response 14.1

If we recognise step parents as having a duty to maintain a child, we then need to look at that duty as an overall, when a person enters into a new relationship, with someone with children, how much of that duty, do they already provide, simply by becoming a partial provider for the parent of the child. How also does this then affect that parents ability to provide, does it enhance it financially, or make it easier for that parent to provide custody, by creating an easier budgetary situation. I feel, that the taskforce has included this so that suddenly a person, who has no real legal obligation to support the child, has one, especially in situations, where that would otherwise become a ward of the state. It also creates a situation, where this persons financial information would become available to a third party, who has no right to that information.

Recommendation 14.2

The ground to support a step-child is not taken to exist unless:

- 1)** The parent has lived continuously for a period of not less than two years in a marriage or de facto relationship with the parent of the step-child.
- 2)** Neither parent of the step-child is able to support the step-child due to:
 - a)** death;
 - b)** ill health;
 - c)** caring responsibilities for a child aged under five; or
 - d)** caring responsibilities for a child aged over five with disabilities requiring additional assistance and care from the step-child's parent. and
- 3)** The needs of the step-child for assistance can be established, taking into account any income tested benefit, allowance or payment being paid for the benefit of that step-child.

Response 14.2

It is my opinion that recommendation **14.1** and **14.2** be discarded, as they just do not fit with a persons rights, a step parent, could be asked to voluntarily provide some assistance in the maintenance of a child, where the above parts of **14.2** are met in part **(2)(a)** only.

Recommendation 15

15.1 A parent's income for child support assessment purposes should only be able to be increased because he or she has a higher capacity to earn than he or she is currently exercising if the following conditions are satisfied:

- (a)** the parent
 - (i)** is unwilling to work when ample opportunity to do so exists; or
 - (ii)** has reduced his or her employment below the level of normal fulltime work for the occupation or industry in which he or she is employed;
- (b)** the parent's decisions in relation to employment are not justified on the basis of
 - (i)** caring responsibilities or
 - (ii)** the parent's state of health; and
- (c)** On the balance of probabilities a major purpose for the parent's decisions in relation to employment was to affect the child support assessment.

15.2 Where the Child Support Agency declines to make an administrative determination in a capacity to earn case because the complexity of the issues makes it more appropriate for the matter to be dealt with by a Court, the Agency should exercise its statutory right to intervene in the case in order to lead evidence to assist the Court in reaching its decision.

Response 15

15.1(c) raises some issues, I believe that this needs to be proven beyond reasonable doubt, otherwise, on the balance of probabilities, there is an assumption by the Registrar, that this parent is guilty. That, is unconstitutional, how will the registrar, determine this, in the case of a custodial parent. It is easy enough to make the assumption with a non custodial parent, will denial of access, especially when court ordered, be justifiable grounds for not providing at ones full potential? What really needs to be determined, is a parents capacity to provide, the recent changes to welfare, will mean that a custodial

Response 15 (cont)

parent, with children over 5yrs, will need to be working part time or studying, with the view to gaining employment. How long will that parent have, to be gainfully employed and providing properly for the child. How long, will the Federal Government hand out the PES to single parents, before it decides they have a greater capacity to earn? How long will the non custodial parent have to make up the shortfall in the custodial parents situation, all the while the custodial parent is studying, when they may have a greater potential or capacity to earn than the other parent? Will we still see the utterly disgraceful situation, of a good parent, trying to provide for their child, be assumed to be able to provide more, whilst the other parent, blocks access, and scrounges of the welfare system, and the presumed extra income? The line needs to be drawn somewhere here, either the parent, on welfare and blocking access, is not operating in the best interests of their child, or the system remains flawed. For this purpose, I believe that the welfare system needs to restrict access to parenting payments heavily, I am capable, and do work 57.5 hours each fortnight, and I still receive a parenting payment. I also receive a PES, as I am studying an online course through TAFE NSW. I am at my greatest potential to be a good parent in all aspects at these limitations.

Recommendation 16

Section 117 of the *Child Support (Assessment) Act 1989*, which provides the legislative basis for changes of assessment, should be redrafted to:

- (a) Take account of the new formula for child support proposed by the Taskforce.
- (b) Take account of developments in the case law since 1989.
- (c) Reflect the simplification adopted by the CSA in its ten reasons for change of assessment.
- (d) Reduce the number of different categories, where reasons for a change of assessment could be combined and expressed at a higher level of generality.
- (e) Make clearer the different considerations that decision-makers must take into account.

Response 16

The only legitimate problem I see here, is (b), the use of case law, in my opinion takes away from the obvious individuality of each and every CS clients situation, and removes the ability of that individuality to be applied, if /when case law is applied. Section (d), Should be raising the number of reasons, to include denial of access, where a “status quo” situation may have been already in place, or a court has ordered access.

Recommendation 17

17.1 Agreements between the parents concerning child support should have effect on the condition that entitlement of the payee to FTB A shall be assessed on the basis of the amount of child support that would be transferred if the agreement had not been made.

17.2 The Child Support Registrar should have a discretion to advise a parent to obtain legal advice about the agreement if the Registrar considers that the agreement provides for a level of child support that in all the circumstances, and taking account of the current financial circumstances of the payer and payee, is not proper or adequate. The Registrar may delay the registration of the agreement until the parent confirms in writing either that

he or she has sought legal advice or that he or she wishes to have the agreement registered without seeking legal advice.

17.3 Parents should be able to make binding financial agreements under the *Child Support (Assessment) Act 1989*, registrable with the Child Support Agency, under the same conditions and with the same effect as binding financial agreements under the *Family Law Act 1975*.

17.4 Child support agreements made where one or both parents do not have independent legal advice should:

- 1) Be terminable by either party on one month's notice at any time after the first three years of the agreement
- 2) Be able to be set aside by the court on the following grounds
 - a) fraud or non-disclosure
 - b) undue influence, duress, unconscionable conduct or other behaviour in the making of the agreement that would make it unjust to maintain it
 - c) that there has been a significant change of circumstances for the payee, the payer or the child that would make it unjust to maintain the agreement
 - d) that the agreement provides for a level of child support that in all the circumstances, and taking account of the current financial circumstances of the payer and payee, is not proper or adequate.

Response 17

Once again, we see here the FTB part A claw back, where CS payments are considered. Those situations, that would apply, for FTB part A in an intact marriage, have no relevance to a separated situation, where both the parents are expected, or have that primary duty to provide for their children, at the determined cost of children, by the taskforce. Personally, parents would really have to be better people than myself and my ex, because we could not come to a financial agreement, that would satisfy the above, under the current legislation, or under these proposals. This would only create undue stress, on both parents, especially if on lower incomes, to come up with an identical payment to what is legislated, especially considering the FTB claw back.

Recommendation 18

18.1 Parents should be able to make agreements for lump sum child support payments only by means of a binding financial agreement or by consent orders if the payment of lump sum child support exceeds the total of the annual assessment of child support and is to be credited against payments for future child support years.

18.2 Agreements or orders for lump sum child support should have effect on the condition that entitlement of the payee to Family Tax Benefit A shall be assessed on the basis of the amount of child support that would be transferred if the agreement or order had not been made.

18.3 Section 128, of the *Child Support (Assessment) Act 1989*, permitting a carer parent in some circumstances to seek an assessment of child support for up to 75% of the then formula liability, despite an agreement or order to the contrary, should be repealed.

18.4 Default rules for the treatment of lump sum child support payments that exceed the total of the annual assessment of child support and are to be credited against payments for future child support years should be included in the child support legislation and these

default rules should apply in the absence of provisions of an agreement or court order to the contrary.

18.5 The default rules shall be as follows:

- a) The parents should continue to have an annual assessment of periodic child support made based upon their then current income and circumstances.
- b) The lump sum should be treated as providing the payer with a credit balance, to be credited against the periodic child support assessment as each annual assessment is made.
- c) 100% of the annual assessed rate of child support should be credited annually from the balance of the lump sum, until the balance is exhausted.
- d) The balance in the fund should be increased annually upon the anniversary of the creation of the fund, by a rate that is expressed in Regulations, to produce a value commensurate with the after-tax value if the money had been invested.
- e) If there is a balance remaining to the payer after the child support liability has ended, then there should be no obligation to repay this amount unless the balance is registered as a statutory charge.

18.6 The balance of a lump sum child support payment should create a statutory charge that is registrable under the property legislation of the States and Territories.

18.7 Section 60 of the *Child Support (Assessment) Act 1989* (concerning ‘income amount orders’) should be amended to allow payers to be able to provide estimates of their income in relation to a child support period when their obligations for that period are affected by an agreement for lump sum child support.

18.8 Section 71A and 71B of the *Child Support (Registration and Collection) Act 1988* should be amended to allow in-kind payments to be credited by consent against less than 100% of the liability in the child support period.

Response 18

Lump sum payments, must be treated for what they are, a parent taking full responsibility for their CS obligations, the only thing that I believe needs clarifying for lump sum payments, is the accuracy of them across the duration they intend to cover, and repayments at the end, if the parent has overpaid.

Recommendations 19.1 and 19.2

19.1 The Family Relationship Centres should encourage voluntary agreements between parents on in-kind payments.

19.2 Information sessions and seminars conducted under the auspices of the Family Relationship Centres should provide information on the Child Support Scheme and draw attention to the flexibility provided in the Scheme through the change of assessment process, as well as the possibilities for private agreements and in-kind payments.

Response 19.1 and 19.2

This all seems deigned to try and reduce conflict, I have but one suggestion, a copy of relevant “acts”, in multimedia format be freely available for all CS clients, or a direct link be inserted into CS information provided with assessments, not the current direction to the CSA web site, where I have seen some very misleading information, compared to what is written in the CS acts.

Recommendation 19.3

Family Relationship Centres and other organisations providing counselling and mediation services to parents who are negotiating parenting arrangements after separation should encourage parents to discuss child support issues including childcare costs and the future education of the children, especially where a private school education has been contemplated.

Response 19.3

This is fine, so long as an unbiased mediator is present, to defuse any volatile discussion back towards what is in the best interest of the parents children, and this mediator will also only recommend what is the best both parents can afford as far as children's "needs" are concerned, and not one parents wants over the others.

Recommendation 19.4

Planning for Family Relationship Centres should involve close collaboration with the Child Support Agency and Centrelink, particularly on ways of serving the needs of regional and rural Australia.

Response 19.4

Originally, I was opposed to the idea of FRC's, as I felt that they were just another way to create disharmony in an already volatile situation, these Centres need to have very strict guidelines in place, and extremely effective staff, very highly skilled in mediation and maybe even skilled in other areas, with the ability to provide accurate information for changes to legislation, and also a high degree of accountability. One mistake by a mediator could cost lives, because of the already evident stress' involved in CS and FL. CSA and FLC fail greatly to acknowledge any blame where current situations end in the worst scenario, where a separated parent takes the life of the ex spouse and children, before taking their own life. The people out there in the real world, who have to deal with these entities know all to well the truth.

Recommendation 19.5

Organisations selected to run Family Relationship Centres should be encouraged to invite the Child Support Agency, Centrelink, Legal Aid and community legal centres to conduct regular advice and information sessions on the premises of the Centre.

Response 19.5

I have only ever heard bad reports from parents of the CSA information sessions. If I went to one of these sessions, I would only create trouble, questioning the ethics of any public servant to be employed in this agency, as I see it, they are not performing any public service at all. If the system operated totally unbiased, and worked off current income, reflecting a financial years earnings, and these people were not just there, to make parents tow the government line then maybe my views might be different. It is farcical to suggest, that these Centres allow government departments to conduct bias information sessions, when these Centres are meant to be reducing conflict between separated parents.

Recommendation 19.6

The Child Support Agency should have a discretion to encourage parties to change of assessment applications to negotiate the issues through a Family Relationship Centre or other mediation or counselling organisation, prior to determining the application.

Response 19.6

I view this, as the CSA shirking its responsibilities under the act, they are the ones who are meant to make the assessments, not parents and mediators, I can only see this further inciting trouble, especially where FTB claw back is involved, Centrelink will step in and say “not good enough”, and CSA will then have to do it all over again. People in the situations that require COA want quick action, it could mean the difference between paying rent or mortgage one week and not paying it. The current COA system is just outlandishly slow and tedious, for very little result in most cases.

Recommendation 20

20.1 The limit on Prescribed Non-Agency Payments should be raised from 25 per cent to 30 per cent.

20.2 Prescribed Non-Agency Payments should not apply to parents whose child support liability reflects regular contact or shared care.

20.3 Section 71D of the *Child Support (Registration and Collection) Act 1988* should be clarified so that the Registrar’s discretion not to credit a Non-Agency Payment or to reduce the level of credit should apply in circumstances where the payee would be left without sufficient funds to meet the reasonable needs of the child if the non-agency payments were credited, or credited in the normal manner.

Response 20

20.1 This seems good, and I can understand the reasoning behind a limit. Surely, a NAP, could be spread over several weeks or months as a credit, so both parents are carrying equal responsibility for that expenditure?

20.2 This is very touchy, shared care arrangements, I can understand that the parents should be able to agree, and split bills down the middle, but what happens when this is not the case. One parent once again carries more of the burden, and as far as regular contact goes, NAP’s should be split to reflect levels.

20.3 The registrar, should have no discretion, where these acts are concerned, they should be applying an unbiased decision based on laws written into the act.

Recommendation 21

21.1 The Government should consider the deduction of child support payments from assessable income for the purpose of the assessment of the income support payment rate, (in line with deductible child support maintenance for FTB adjusted taxable income).

21.2 The Government should consider treating the eligibility for income support of each parent in a shared care arrangement (35% to 65% of nights each) more equally.

Response 21

21.1 In effect, now the Government will be saying that CS is not income of a child under 18, but in fact income of the parent? Just looks like more claw back to me.

21.2 Currently, any single child separated family has the eligibility to only one parent being able to receive a parenting payment. The parenting payment, is meant to be for parents to support themselves, so no consideration is taken for the number of children, the FTB is meant to make up for that. If you have 2 or more children, both parents can effectively get a Parenting Payment of the same amount, if they have majority care (greater than 50%) of one child. To me, this says that the Government should still be allowing the splitting of the FTB, otherwise one parent becomes disadvantaged.

Recommendation 22

22.1 Where parents reconcile, their child support assessment should be suspended during the reconciliation, such that no debt accrues for this period.

22.2 If the reconciliation continues beyond six months, the assessment should be terminated.

Response 22

22.1 This is excellent, about the only really fair and sincere effort to get something totally correct by the Taskforce.

22.2 When does Centrelink, or Family Law consider that you are de facto? Is it 6 months? This will mean, that you could be seen as de facto by one government department, and separated by another. Another issue, is what happens, if reconciliation does not work, currently you are reassessed for that period, or the assessment continues. I believe that a reconciliation period should be a terminating event. If the reconciliation fails, then a new CS case should be applied for.

Recommendation 23

The Government should consider the introduction of an external mechanism for reviewing all administrative decisions of the Child Support Agency, either by establishing a new Tribunal or by conferring jurisdiction on an existing Tribunal.

Response 23

I thought the FCA currently did this, or the ombudsman, and they both obviously get it wrong, as well as the CSA judging by ministerial complaints.

Recommendation 24

The *Child Support (Registration and Collection) Act 1988* and the *Child Support (Assessment) Act 1989* should be replaced with new legislation written, as far as possible, in plain legal language.

Response 24

Why don't the Government just incorporate all relevant acts, Family Law, Child Support and Welfare under the one title, and call it the "separated families act 2005". As far as plain legal terms go, let's write them in plain English, with more adamant interpretations of each section, so Joe and Jan public, don't misinterpret the meaning of something.

Recommendation 25

The government should recognise that full implementation of these recommendations will affect a range of existing child support clients, and should comprehensively consider the management of transitional issues, including the resources that the Child Support Agency will need to ensure an effective transition to the new Scheme.

Response 25

The government should still consider sending any proposed changes to a referendum, of those parents involved, forget what the solicitors and single parents groups want, this is about citizens deciding what level of Government interference they want, in bringing up their children, post separation. As a citizen, I would like to have seen proposals, that gave more options, for the government to decide on or send to referendum. John Howard has virtually threatened the separated parents of Australia, when he said accept the findings of the taskforce, or continue to suffer under the old system. I can do neither, from what I have stated so far, for my children.

Recommendation 26

26.1 There should be a public education campaign to explain the changes to existing clients of the Agency, and adequate resources to deal with inquiries about the new arrangements.

26.2 A public education campaign about changes to the Scheme should include information about the flexibility of the Child Support Scheme, especially in relation to the grounds for changes of assessment.

Response 26

The Government is going to educate separated parents, get real. The people who need the current system educated to them are public servants, lying to the good citizens of Australia, and currently, there is absolutely no flexibility, so the word proposed should be inserted.

Recommendation 27

The Federal Magistrates Court and the Family Court of Australia should utilise the costs of children research of the Taskforce as the basis for decision-making on child support issues, and should have regard to the impact of government benefits in working out the costs of children.

Response 27

Where is the responsibility to ensure both parents share the financial and emotional burdens, and care levels? Once again we see the “claw back”, are you sure this is not just about reducing welfare and FTB payments? I personally can not see many of these proposed changes being any better than the current systems in place.

Recommendation 28

28.1 The Federal Magistrates Court and the Family Court of Australia should have regard to the Taskforce research on the costs of raising adolescent children, and any applicable government benefits, in working out child support liabilities in respect of young people over the age of 18.

28.2 The government should consider the development of a formula or guidelines for the assessment of maintenance in respect of young people over the age of 18 in circumstances where maintenance may be ordered under s.66L of the Family Law Act 1975.

Response 28

28.1 This is not needed to be stated, as it is covered by **Recommendation 27.2**

28.2 I would like to see introduced, a system where both parents cover these costs, and make payment to the child, these are extenuating circumstances, usually surrounding study, and I believe that a child should be accountable for those funds, if they fail the course they are doing, or drop out.

Recommendation 29

29.1 The Department of Family and Community Services should undertake or commission periodic updates to research on:

- a) the costs of children;
- b) the circumstances of payers and payees;
- c) the interaction of the Scheme with related policy on tax, income support, family payments, and family law;
- d) the impact of the Child Support Scheme (in combination with effective marginal tax rates) on workforce participation;
- e) compliance amongst CSA collect and private collect payers; and
- f) community perceptions of the fairness and effectiveness of the Scheme, and of the way it is administered.

29.2 The Department of Family and Community Services should take such steps as are necessary to ensure that it has a continuing expertise in child support policy and is capable of providing advice to government on the operation of the Scheme independently of the data provided by the Child Support Agency.

29.3 The Department of Family and Community Services should consider the establishment of an advisory body to provide advice on issues of child support policy and on the impact of the Scheme. Such a body should comprise recognised experts in all relevant fields, including family law, family relationships counselling, child development, social and economic research, and taxation.

29.4 The Department of Family and Community Services in collaboration with the Australian Institute of Family Studies should promote research on and discussion of child support policy by such means as the provision of research funding, the organisation of conferences, and the promotion of dialogue with child support experts from other countries.

Response 29

29 (1) a This should be a study, into the cost of children in separated households, as intact households have no relevance.

I believe any research, or studies carried out into the effectiveness of any aspect of these schemes, should be totally independent of any Government involvement. Otherwise, we will still have the situation, of these studies and research finding exactly what the Government wants them to find.

Recommendation 30

The currency of the scheme should be monitored, with reference to significant changes to child-related payments, and in the light of ongoing research on child support issues.

Response 30

I don't like the use of the word currency here, it has so many different interpretations when used as "prevalence", such as frequency, popularity or commonsense.

Top Ten Recommendations from me.

1 A system that is based on both parents taking equal responsibility in all aspects of parenting, so that when a parent fails to do this, the cost of child is split equally, and both parents held accountable for the best interest of the child. The liabilities of good parenting should include, adequate contact, so as not to cause the other parent stress, that might affect their time with the child/ren. Work ethics of both parents towards providing the best possible circumstances for both the children, and the other parent. Accountability for false allegations, for the purpose of destroying the child's view of the other parent emotionally, and financial gain.

2 A system based on current incomes (net, fortnight by fortnight or BAS related), and current assessment periods be introduced to line up with financial years, and changes in any CS circumstance commences a new CS period (i.e. child's birthday) and minor adjustments made after taxation returns received.

3 A totally independent of Government system set up that could audit decisions when questioned, research into relevant factors, and make the systems accountable for bad decisions

4 A far closer relationship between court ordered contact levels, and CS payment levels.

5 Any piece of legislation found to cause more conflict, then is deemed to be in the best interest of the child, is able to be rebutted, and reviewed with the utmost attention as to why it causes conflict,

In Closing

If the system was working properly in the first place, and equal parental responsibilities in all aspects of parenting were in place, there should be no need, for either a minimum payment, or placing adjectives like payer & payee, resident & non-resident in front of the word parent. In the writers opinion, this just adds to fuelling the fires post separation, and lining the pockets of divorce lawyers. We need to read the Objects of the Act, under the Assessment Act, and also Part 1 s(3) Duty of Parents to Maintain Their Children.

3 Duty of parents to maintain their children

(1) The parents of a child have the primary duty to maintain the child.

This needs to be reworded to

(1) Both parents of a child have an identical primary duty to maintain a child post separation.

4 Objects of Act

(1) The principal object of this Act is to ensure that children receive a proper level of financial support from their parents.

To me, the principle object of the act, should be to reduce conflict, post separation “in the best interest of the children”, and the current true object of the act, has never been publicly acknowledged, the reduction of welfare handouts to separated parents, and the destruction of family and social morals. Another hidden principle seems to be to remove as many fathers from their children’s lives as is possible, by not recognising the entanglement of the Family Law Act, with the Child Support Act, especially having separate federal offices to deal with these entwined agencies.