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Community Affairs Committee
Department of the Senate
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Terms of Reference

The Committee invites you to provide a written submission addressing issues that may be of relevance to you.

To the Committee Secretary,

Further to my previous <u>submission (01)</u> I should like to raise the issues of government support for low income families. Recent changes to the Social Securities Act now mean only one separated parent can receive the Parenting Payment. In the 1970's the then Prime Minister Mr Bob Hawke promised "that by 1990 no Australian child will be living in poverty". Now you might be asking yourself the relevance of all this as to the terms of reference, but if you look closely you will see that Child Support, Parenting Payments and FTB's are linked as is Family Law.

The recent changes to the Family Law Act 1975 (Parental Responsibility Bill 2006), should mean that the Family Law Court and private arrangements will be steering towards more equal parenting time. Prior to the recent changes in the Social Securities Act, both separated parents could receive the parenting payment, for a child of any age, dependant on the level of care, the changes mean that now only the "principal carer" can get the Parenting Payment.

The first question that arose from finding this out, is which parent will be determined to be the principal carer when both parents are in fact principal carers, according to the Family Law Act 1975, when the care of the children is shared or close to shared? Will it be a financial decision, which "principal carer" will cost the taxpayer less, will it be a gender based decision on the basis that the majority of primary carers in separated families is currently the mother, or will it be a case of "first in, best served"?

I also asked myself, doesn't this discriminate a separated family from an intact one, where the family is paid this supplement for the children, on a lower rate for partnered Parents. The answer I came up with was "yes, it does"!

The next question that arose was who would play the "principal carer" god and decide which parent actually is the more worthy recipient of the title belt for

"principal carer". Some research into the matter found that Dr Jeff Harmer is the current "principal carer" god.

In 2004 my children changed over to shared care arrangements, when I first applied for the Parenting Payment then, I was told that only one parent can get the PP, so I researched the Social Securities Act and found that was only the case with the Partnered Rate. Since August 2004 I have been a recipient of the Parenting Payment and FTB's for my 3 children. The parenting payment is paid at the full rate, and income assessed as normal, the FTB's had to be split at 49/49/52 as at the time it could not be split 50/50/50 for the 3 children.

I can tell you now, that without those supplements, the PP and the increased share of FTB's I would not have survived financially in a shared care situation, which would have adversely affected my ability to provide for my children when in my care, which would make the government promise from the 1970's a lie. We also must consider where the rights of the child to be able to survive when in either parents care are. In an ideal world we would not require such supplements, drug free like Olympic athletes, but even now that I am earning 40 hours of income a week including 2 hours of overtime, I get roughly \$9 a week in PP and about \$140 in FTB's.

The way I see it, for new shared arrangements, the slight reduction in Child Support for the recipient parent, will mean a massive increase in Parenting Payment to the "principal carer", the \$9/week I get will change to \$140 for the other parent based on the income I know my ex wife is earning, and even more for those only willing to work the min 15hours/week outlined in the changes.

The way I see it, these changes would not have been made if the fundamentally flawed CS scheme was not changed, and family law was not changed so my concerns are both relevant to the terms of reference and valid. You can not legislate a formula assessment that would meet the many and varied family situations out here in the real world, the only just, fair and equitable way would be for each individual CS case to be assessed as an individual case. Even two cases that appear as identical situations may actually be different, in so many varied ways that could affect one parents ability to provide properly for their children when in their care.

So, from my own personal situation, I can say with integrity that the recent changes to the Parenting Payment and FTB's need to be rescinded, these supplements are meant for parents to help support their children, not to offset any changes to the flawed Child Support scheme as it is now amended.

The current acts and these proposed changes will do little to rectify the fundamental flaws in the system, these legislative instruments are so complicated, that the average person would only understand about 1/4 of them, most parents involved in the Child Support scheme would not know how or when

to apply for a Change Of Assessment, or if they should just object to the decision. All they can do is take the word of some public servant at CSA derived from the CS guide, which is written by the very same CS policy makers that wrote the current amendment you are looking into now. That to me derives a conflict of interests, which can only be seen as government corruption to allow these amendments to proceed.

I also note from reading the NCPP submission that a lot of the current legislative changes that this committee is looking at are on untested peices of the legislation, just how does that work, we dont even know if the previous changes work or not, yet we still need to refine them, totally illogical, like stripping down a new engine and looking for problems.

Everything in all my training and trade based skills tells me that the problem that needs to be fixed is the underlying flaws in the act, you wouldn't replace a head gasket and leave the radiator leaking, the way I see it, the Child Support scheme will still have a leaking radiator (fundamental flaws), no matter how many times we replace the head gasket (ammend legislation). Its time to put on the brakes (if they still work) after 19 years with no repairs.

Where is our obligation to keep Mr Hawkes promise, or our promise to local and international communities that we will abide by the United Nations "Declaration on the Rights of the Child", that we will legislate to "the best interest of the child".

Ross C Mitchell