

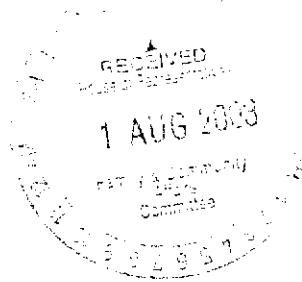
Submission No. 139

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Secretary:

25th July 2003.

Committee Secretary
Standing Committee on Family and Community Affairs
Child Custody Arrangements Inquiry
Department of the House of Representatives
Parliament House
Canberra ACT 2600



Dear Sir/Madam, Submission to Enquiry.

I am making a submission to this inquiry pertaining to clause (b) of the terms of reference.

"whether the existing child support formula works fairly for both parents in relation to their care of and contact with, their children"

I am a 45 year old self employed, divorced sole parent with 100% care of my now 16 year old son. I have been a single parent for 4 years and have retained almost daily contact with both of my children during their entire lives. My daughter now almost 19 has lived predominantly with her mother for the past 18 months.

My separation, property settlement and issues regarding care of my children have been most difficult however there was no problem regarding custody. The mother of the children and myself separated after 20 years marriage and agreed on joint custody of the children with the children themselves determining how often and when they spent time with each parent. This did require that we reside in the same locality. I only had one session with the family court which was the Divorce hearing where I was able to satisfy the registrar that I had sole care of my son and that he was adequately cared for.

This sounds like an ideal arrangement, no great problems or difficulties.

Enter the Child Support Agency.

The incompetence of this authority resulted in an enormous amount of stress and strain for the family, resulted in the breakdown of relations between siblings, and placed distance between children and parents.

I have no idea how to explain the way in which this occurred nor do I have any solutions other than to close the agency and pay the money wasted by its funding to the children of separated families.

However I will outline the issues with which I have been faced regarding the matter of child support for children under these circumstances.

FAMILY TAX BENEFIT.

Under the arrangement outlined above wherein my ex and I shared the care of our children, we were both entitled to 50% of the Family Tax Benefit. In my assessment for

the 1999/2000 financial year I received my FTB Entitlement as appropriate when I lodged my annual Tax Return. No problem.

In July 2001 I received my assessment with a notation, "Your claim for FTB has not been paid because another person has already been paid for these children"

I was outraged, I have no spouse, am a sole parent, no one has the right to claim this except me. Months and months of discussions were held with the "Shared Care Team" who continually suggested I allow the matter to remain otherwise they would have to seek repayment of the money from my ex. As I explained to them, that was not an issue for me. Eventually I gave up, I did not get my share of the FTB for that year.

Eventually my son moved in with me full time and I sought to have my percentage of FTB increased accordingly. Given the hassles previously, I contacted the Shared Care Team, and was told that my ex was disputing the level of care for my son and I was requested to maintain a calendar showing where my son spent his time. I did this and sent in as requested. My ex did refused to maintain the records as requested and continued to argue that my son was with her. Despite my ex refusing to prove her case, I was advised that as the matter was in dispute, the status quo would remain.

This situation is bad enough, but there is an additional problem.

The main element used by the Child Support Agency in determining level of care for children is who the Family Assistance Office regards as having the care of the children. In 2003 I was battling with the Child Support Agency who were attempting to obtain Child Support payments from me. At this time, my daughter was over 18, and my son was living 100% with me. Hence I refused to pay. I appealed the CSA decisions, lodged objections, (many many times) On numerous occasions I had to make objections just to correct errors made by the agency before I could actually appeal their decisions. The end result of this activity was that I was able to prove I did not have an Child Support Liability, however I was unable to prove my son lived with me as my ex would not admit it. The Child Support Agency had asked me for Court Documents, School Records, letters from friends etc. all of which I provided when requested. But the final result was that I lost my objection as the Family Assistance Office records still showed my son in shared care.

During this time I was simultaneously battling with the Family Assistance Office as \$264 had been deducted from my Tax Return as an overpayment of the Family Tax Benefit. When I queried how this could have occurred, I was told that my ex had also claimed (again) for my son.

Some three months later, I received a call from the Family Assistance advising that they had found evidence in their files to the effect that I did in fact have 100% care of my son. Unfortunately I had exhausted every avenue of appeal within the Child Support Agency system, and the very last item that was held against me had been resolved too late.

However, these were small issues compared to other matters regarding the Child Support Agency.

In our property settlement, my ex retained the vast majority of our assets (70%) however was unable to raise the funds to enable me to receive what remained. This was reflected in the settlement agreement approved by the Family Law Court which allowed a fixed reduction in the amount of any child support I would be required to pay. I was a salary earner at the time and on reasonable money.

Unfortunately the Child Support Agency refused to honour the terms of this agreement, or perhaps more accurately, continually misconstrued both the agreement and their

own legislation in regard to it. I was eventually able to prove my case and received token compensation for my hassles. One of the issues regarding the agreement, is that the forms lodged to the CSA had been fraudulently altered since they had been signed. I did not realise this until I had a CSA staff member post me a photocopy. The photocopy showed quite clearly that the documents had been altered that the alterations had not been authenticated. I disputed the document with the agency and was told, that the documents should never have been accepted in that state but as they had been, I would have to go through the whole appeal process after first applying for an extension of time to appeal. This was one of about 4 occasions when I had to go through this complicated process.

The effect of the continued mismanagement of my case by the Child Support Agency resulted in significant over payment by myself for child support payments, I never received the balance of my property settlement. The response from the Child Support Agency is that I should take legal action against my ex to recover the money. That would really give children confidence in their parents. I did ask the CSA for an apology to my children for the stress it caused but the response was one of condescendence and contempt.

I am also out of pocket for Family Tax Benefit for 2001.

The situation that eventuated as above resulted in my son not wishing to spend time with his mother at all, I resigned an executive management position and now work as a consultant from home and employ my son as a school based trainee in that business. My current level of income is below the tax free threshold and yet during this time I have been hassled by the CSA to make payments exceeding my level of income that they would pass on to my ex wife when the Child to whom the payment applied, lived with me and was 100% in my care. And this is my issue!

The whole Child Support Agency rationale is dollars, it has no relationship with the welfare of the children and no concern for the parents or justice. The performance of the Agency is measured in dollars supposedly saved by extracting money from degenerate fathers such as myself in order to reduce the welfare entitlements of the mothers of the children. I am well aware that the reverse also applies, I know of cases where the mother is the higher earner and the same situation ensues. Look at the annual report of the Child Support Agency, carefully evaluate the manner by which it justifies its existence.

What relevance does this have to improving the quality of life for the children of separated parents? Can the Agency prove that its existence results in a higher quality of life for the majority of children from broken homes?

Given that many if not most parents provide for their children to the best of their ability without the intervention of the Child Support Agency and in most cases involvement of the agency causes resentment it would be far better to involve a bureaucracy in only exceptional situations.

Dealing with the CSA is very stressful, the staff are poorly trained to meet the expectations of its customers, a disproportionately high % of CSA staff have accents strong enough to make comprehension awkward. This adds frustration to an already tense situation. In dealing with Agency staff I have been told, **"I shouldn't have taken your call, because now I am late for lunch"** or **"No, you can't speak to my supervisor because he is busy and would only tell you what I just did"** (which was not the case at all, I was able to eventually get the supervisor to see the problem), and the best one of all was the response I received when I claimed that a document had been fraudulently altered, **"THAT's BULLSHIT!"** Very good customer service.

So, that is an outline of the problems of the current system, all of course to be totally ignored by the inquiry, as the CSA carries a lot more weight than I do and will no doubt continue to justify its existence.

However:

I have also been told by CSA staff that the Child Support Formulas are valid no matter what scenario I present, they always quote tat the formulas are carefully worked out by a committee etc...

The current formulas remained unchanged through the implementation of the new tax system in 2001. This new systems saw a move to increased indirect tax and a reduction in income tax levels and an increase in net income for most Australians.

Given that the after tax income of paying parents has increased, and the cost of caring for children has increased due to the GST. Why have the Child Support percentages remained unchanged.

If the rates were valid before the GST, the must be incorrect now, or, if they are now appropriate, then were severely incorrect previously.

So, again, the CSA is totally incorrect and yet imposes its rule on innocent families.

And last but not least,

Where parents dispute the level of care, how can the agency make a determination?

I have had to provide all sorts of information only to have the agency ignore it all totally. I have had barristers acting on behalf of the agency, agree that the agency is in error by ignoring Family Court Rulings.

How about???

1. Reassess the current Child Support Formula.
2. Only apply the formula in cases where one parent wishes no contact with the children whatsoever.
3. All cases free of dispute remain free of bureaucratic involvement.
4. In cases of dispute, a mediator is involved or the matter goes to court.
5. Child Support is applied as a tax on all people with kids under 18 and rebated to those who care for the children, and close the CSA.

Good luck, 