

House of Representatives Standing Committee
on Family and Community Affairs

Submission No: 379
Date Received: 3-7-03
Secretary: AUG 2003

From: Minnett, Russell [REDACTED]
Sent: Thursday, 3 July 2003 1:02 PM
To: Draper, Trish (MP)
Subject: Child Support Agency - Committee Review

Good Afternoon Trish,
My name is Russell Minnett. I was one of the attendees at last night's meeting of CSO clients held at Sfaras.

Firstly I would like to say that it is refreshing to know that the Government has formed a Committee of which you are a member to look at the inequities of how the CSO is legislated and operates.

Like many of the people at the meeting last night I don't have a problem with the concept of paying Child Support. I have a 12 year old daughter with whom I have always had a very close and loving relationship.

What I do have a problem with is (as do all of my friends and acquaintances in the same boat) is firstly the level of Child Support I am assessed to have to pay (based on gross taxable income and paid out of the net), but more particularly (as the first gentleman's question to Bill Volkers last night) is how the Child Support we pay is spent.

As a paying parent you have no say in how the Child Support is spent [REDACTED]

The next point I would like to make is that providing Financial Support for my daughter is not 100% my responsibility, given that as I mentioned above my ex wife works full-time and her household income consists of her salary, her new husband's salary and tax free child support from me.

What I would like to see changed by the Committee is as follows:

(1) That the Child Support "Receiving" Parent's Spouse/Defacto income and Fringe Benefits be included with the "Receiving" parent's income (if not all but at least 50% of the "Receiving" Parents Spouse/Defacto income) when calculating the level of Child Support to be paid by the "Paying" Parent. In this way at least the "Receiving" parents Spouse or Defacto's ability to benefit from Child Support payments is reduced and the "Paying" parent has more control over any money available to be spent on "Supporting the Child".

Example: "Receiving" Parents Income \$25,000, add say 50% "Receiving" Parents Spouse/Defacto income (30,000x50%) = \$15,000. Total household income for "Child Support" assessment purposes = \$40,000. This is then compared to the "Paying" parents income and a percentage applied to the difference (after exemptions and deductions similar to those currently available) and the level of Child Support is then calculated.

(2) The current method used to calculate the amount of Child Support is fundamentally flawed. It takes into account the number of days "care" that the "Paying" parent is entitled to and then calculates the amount of Child Support due for the year. What it fails to do is to deduct the number of days "care" that the "Paying" parent has and I believe that the "Care" days (which could be calculated as a percentage of care) should be deducted as a percentage of the "Child Support" assessed to be paid. In this way the "Paying" parent is not paying TWICE, as is the case now.

Example: "Paying" parents assessed "Child Support" payment is say \$6,600 p.a. "Paying" parents "care" equals say 122 nights or 1/3 of the year. The level of "Child Support" to be paid to the "Receiving" parent would be \$6,600 divided by 3 and multiplied by 2 = \$4,400 payable by the "Paying" parent. In this way the "Paying" parent would have \$2,200 to "Support" the child when in the "Paying" parents care.

Thank you for taking time to read this e-mail. I trust that it may assist you and the Committee in achieving a fairer outcome for all paying parents and more particularly their children.

I would be pleased to be kept informed of the Committees progress with this