

FIX CHILD SUPPORT

Lead Information Report

Opening

the black box

of child support

Shining a light on how financial abuse is perpetrated

Kay Cook, Adrienne Byrt, Terese Edwards and Ashlea Coen

LAUNCH 7 OCTOBER 24

Women from across Australia came together to voice their experiences of a child support system that lets their children down and inflicts harm. These families are facing financial difficulties, with many having endured gender-based violence.

Entering Parliament House was a new, and empowering experience.

We acknowledge and appreciate the support of the Paul Ramsay Foundation.

Mothers lose almost half of the value of any child support paid through reductions to their family payment payments, which is unlike any other system worldwide.



Anouchka Sydney mother Charisse Elysia Perth mother Melbourne mother Katrina Gold Coast mother Rebecca Adelaide mother Rosie Batty Terese Edwards Jess Hill Toni Wren SMFA Principal Adviser Kay Cook, Ashlea Coen & Adrienne Byrt Swinburne University colleagues

Child support report card

Exemptions



Assessments



Collections



Compliance



Debt collections



Overall





Media 8 October

13 media outcomes.

Hosted on our media hub

News Breakfast ABC TV

'A tool of abuse': The critical flaws in Australia's child support system

A new report found that many domestic violence perpetrators minimise income and make false claims about time caring for their children to harm their former partners.



Single parents in Australia are owed \$3.7bn in child support. Anne says no

leader has been 'brave enough' to fix it

Anne*, who lived in poverty with her two sons, wrote to Scott Morrison, Alan Tudge and Christian Porter about the unfair system but never heard back



Urgent calls to reform child support system

Tue 8 Oct 2024 at 12:00pn

Play 4m 35s



Child support debts forcing mums to pursue violent exes











OUR FORUM



Attendees

Senator Larissa Waters

Gillian Lewis, President -Professional Business Women

Louise Miller-Frost MP

Mary Linnell Professional Business Women

Zaneta Mascharenas MP

Ronnie Gurung Professional Business Women

Dr Andrew Charlton MP

Women's Legal Services Australia CEO Lara Friedan

Senator David Pocock

Women's Legal Services Tasmania CEO Yvette Cehtel

Alicia Payne MP

Women's Legal Services ACT CEO Elena Rosenman

Zali Steggall MP

Women's Legal Services Victoria CEO Claudia Fatone

Kate Chaney MP

Women's Legal Services WA CEO Jennie Gray

Tammy Tyrrell MP

Genevieve Bolton, Economic Justice Australia Chair

Lauren Power, Women's Adviser to Prime Minister

TEWLS CEO Caitlin Weatherby-Fell

Alice Morgan and Conor McCammon, adviser to Kylea Tink MP

Dina Bowman, Brotherhood of St Laurence

Micaela Cronin, DV Commissioner

Katherine Berney, CEO National Women's Safety Alliance

Kate Coleman, Safety adviser to Minister Rishworth

Leah Dwyer YWCA

Solange Handley, adviser to Senator Gallagher

Emeritus Professor Meredith Edwards AM, FASSA, FIPAA

Rochelle White Office for Women, PM & C

ACOSS President Hang Vo

Ben Peoples, DSS

ACOSS CEO Cass Goldie

PRESS CONFERENCE



Senator Larissa Waters



K, has a \$200,000 Debt She lives with housing insecurity



MEETINGS WITH MINISTERS



Running to the meeting.

Rosie Batty, speaking to the report.

Women speaking of their lived

RECOMMENDATIONS

Delink family payments from child support by eliminating the Maintenance Income Test. The separation of child support from family payments simplifies administrative work and system complexity, enhances system safety, and improves the certainty of social security.

This recommendation would be transformative; it would value unpaid care work, it would give certainty of Family Payments (social security assistance for raising children), provide women with choice. Moreover, women can decide if a child support agreement is culturally safe. It would also stop the system from being weaponised to produce a Robodebt for women caregivers. Please see page 8 & 9 for more details.

Co-design family violence processes within the child support system to recognise the high rates of violence experienced by system users. The positioning of family violence as the norm rather than the exception within the system would ensure that perpetrators are not rewarded through exemptions or non payments and victim survivors are not re-victimised.

Move all child support collections back into the Australian Tax Office. The ATO is best positioned to collect child support payments, address the \$1.7 billion child support debt for Agency Collect alone, close assessment loopholes, and uphold the expectations of timely and paid-in full payment.

Make all payment debts owed to and enforced by the Commonwealth. The principle of the Commonwealth paying women first and pursuing non-compliance second is a superior policy approach and one that would create certainty of payments. When the government steps in child support gets paid.

E.g. Departure Prohibition Orders (preventing payers with a debt from overseas travely recovered \$28 M in 2018-19 and \$25 M in 2019-20.









WHY DELINK CHILD SUPPORT FROM SOCIAL SECURITY

A single mother who doesn't take action to obtain child support will have her family payments reduced - known as "failing the Maintenance Action Test"

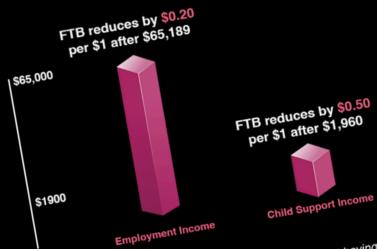
An agreement may not be culturally safe.

Violence and Financial Penalties Enabled by the Child Support Scheme

Over half of women experiencing violence at separation didn't know they'd face a 70% cut to family payments without a child support agreement or exemption.

She may not know the rules, yet she is penalised. <u>Currently</u>, 17% have failed.

The system treats unpaid caregiving differently from paid employment, affecting FTB and Child Support.



An Impossible Choice.

If a paying parent lodges their tax return years later, without having paid child support and with no child support even collected by CSA, it can still trigger a support and with no child support even collected by CSA, it can still trigger a support and with no child support even collected by CSA, it can still trigger a support and with no child support even collected by CSA, it can still trigger a

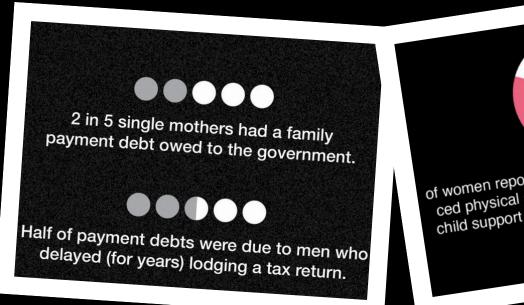
WHY DELINK CHILD SUPPORT FROM SOCIAL SECURITY

If you think Robodebt is finished - think again.

Vexatious former partners can manipulate the system to deliberately create debts for single mother families.

How?

A former partner does not lodge a tax return, an incorrect or a provisional amount is accepted and without any time restrictions. Once he lodges a correct assessment, a single mother is deemed to have been paid too much in family payments. The government uses their levers to extract her 'overpayment' while she will most likely never collect the child support debt owed to her.





of women reported their ex-partner had replaced physical abuse with financial abuse via child support as a way to control them since they separated.

28%

of payers are failing to lodge a tax return on time, reducing the accuracy of Child Support assessments in Australia.[^]

IS \$8 ENOUGH TO SUPPORT A CHILD?



45% of child support assessments result in either \$0 or the minimum of \$8 per week.^



Children growing up in single mother families face poverty rates of 33%, more than three times the rate of children growing up in couple families.

Recommendation 3 & 4

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Is there some good news?

Poverty in single mother families could be

REDUCED BY 21%

if child support was paid on time and in full.^

The time is now #Fix Child Support

Unpaid child support impacts all Australians.

Currently, \$1.7 billion is owed in unpaid child support through agency collect alone, with the debt owed through private collect being unknown.

With almost 200,000 paying parents failing to lodge a tax return in 5 years funds are reduced for essential services like roads, healthcare, and education. Child support avoidance is taxation avoidance.

Every child deserves the chance to grow up healthy, educated, and free from the stress of financial instability. By advocating for change, we can break the cycle of poverty and create a society where every child has the tools they need to succeed.





