

Charles Aquilina
46 Botfield Ave.
Etobicoke, Ontario
M9B 4E1

April 19, 2002.

The Right Hon. Jean Chretien, Prime Minister of Canada
Room 309-S, Centre Block
Ottawa, Ontario
Canada K1A 0A6

Dear Prime Minister:

Re: Overhaul of flawed and unjust Federal Child Support Guidelines

Attached, please find a copy of an informative article concerning child support payments.

Although this article is by an Australian writer, Canada is also facing a crisis relating to child support that is literally tearing families apart.

While debtors prisons were outlawed in the civilized world back in the 18th Century, it seems that Canada has turned the clock back to facilitate a campaign to force good parents into bankruptcy, take away their drivers licences and throw them in jail. All of this using child support as the excuse.

When it comes to supporting adults, only in Canada is an adult considered a child when it comes to child support. Only in Canada do we allow our children to snub their noses at parents and in some cases never speak to their parents, yet force parents pay money to these children and the other parent. Only in Canada do we have a system where the selfish rights of custodial parents reign over everything else, including logic. Only in Canada do we reward the greedy parents and punish the good, loving ones.

When it comes to family court, in Canada, the Charter of Rights and Freedoms is not worth the paper it is printed on. Canada shows no leadership in protecting the best interests of children when it comes to family breakup. Canada family courts only bring shame to this country as evidenced by the thousands of children and families being destroyed by Canada's corrupt and biased family court system.

Professional analysis of the Canadian Federal Child Support Guidelines show that they are a disaster and an embarrassment to the name of justice. The Child Support Guidelines currently subject a great many Canadians children and their families (non-custodial families) to unnecessary emotional and financial harm. Historical information being passed around to Canadians would seem to indicate that there may have been a malicious intent by bureaucrats in the Justice

Department to keep Parliament in the dark from knowing details of the formula until after the Guidelines had been passed into law.

The time has arrived for the Federal Child Support Guidelines to be amended and a proper model implemented. It is time that the carnage of families caused by the current flawed and possibly fraudulent child support guidelines be thrown out and replaced immediately with a proper model, one that is based on fair and sound economic principles.

Too much harm has already been done by the Justice Department, which seems to be totally out of touch with reality when it comes to the needs and interests of Canadian children and their families. Too many children and their families are being harmed. It is time that fairness and justice be restored in the area of child support. Why is Canada lagging behind the rest of the world? Why is Canada continuing to destroy children and their families through its anti-family court system? Why are these injustices against our own people allowed to continue on like this in our country?

Your response would be most appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Charles Aquilina". The signature is written in black ink and is positioned above the printed name.

Charles Aquilina

Paying the high price of divorce

By Bettina Arndt
April 13 2002

What does it really cost to raise a child? And how much more expensive is it to raise a child in two households - for example, where a child lives mostly with Mum but goes to Dad's for every second weekend and half the holidays?

When you have figured out the answer, you are still only halfway to a solution to the fraught question of equitable child support now consuming governments around the world. The next challenge is to come up with a formula for separated parents to fairly divide the costs of raising their children - one that recognises that both parents need a home and a budget that can cope when the children are in their care.

When the Georgia Superior Court in the United States considered these issues last month, it wound up tossing out its child-support guidelines after declaring them unconstitutional. The court found the guidelines had been "hastily enacted and left unchanged without sufficient examination of relevant economic data" relating to the cost of raising children, and declared them "arbitrary and capricious".

The Australian child-support formula is wide open to similar charges. When he learnt of Georgia's decision, Federal Labor backbencher Roger Price could not help an ironic chuckle. "Here was a court throwing out a child-support formula, which has similar problems to the one we have here."

In 1994, Price chaired a cross-party federal parliamentary committee, which, like the judge in Georgia, concluded Australian parents paying child support were being obliged to hand over amounts of money that were not supported by adequate data on the costs of raising children. The committee unanimously recommended the formula be overhauled with up-to-date research.

By 1999, the Department of Family and

Community Services (FACS) had the research on costs of raising children and, from that, devised changes to the formula.

This led to legislation that proposed lowering the maximum amount of child support that high-income parents are required to pay and minor adjustments to allow more money for the costs of contact for non-custodial parents (or contact parents, as they are now called) who have the children in their homes for more than 10 per cent of the year. But concern that this would see a reduction in child-support payments to some resident (formerly "custodial") parents led to key changes being blocked in the Senate, leaving many thousands of Australians locked into paying child support on a basis that had been proven illegitimate. Price believes the failure to introduce reforms for these acknowledged flaws has discredited the child-support scheme.

"The tragedy is we have reached the stage where the current scheme is almost at the same level of disrepute as the system it replaced. Everyone, whether in the government or opposition, knows the formula is not working but we don't have the political will to move on."

In Australia, hope of reform lies in the political process rather than the courts, since our legal system fails to offer protections available under the American system, such as the Bill of Rights. But many of the arguments that won the case in Georgia have relevance here. For instance, the Georgia Court found that the Georgia child-support awards included "such large amounts of hidden alimony" that the non-custodial parent was often unable to meet the financial needs of the children when they were in their care. The court found this was not in the best interest of the child.

This "hidden alimony" aims to maintain the

living standards of the child by requiring support that far exceeds the actual costs of raising the child. Mark Rogers, the economist who provided many of the economic arguments underpinning the Georgia court decision, argues it is economic nonsense to set up child support on this basis.

"From an economic perspective, it is impossible to maintain the pre-dissolution standard of living when you split the family into two households without creating an extraordinary burden on the non-custodial parent," he said last week from his Georgia office.

High levels of child-support liabilities in Australia have sometimes been defended as attempting to maintain the pre-separation living standards of children. The folly of this argument is demonstrated in recent work by Macquarie University researcher Paul Henman, in association with social policy analyst Kyle Mitchell, showing that since both resident and contact parents are required to provide household infrastructure for the child - a bedroom, clothing, food, etc - the total costs of children rise markedly after separation. Their research, published in the 2001 Journal of Social Policy, found that "for contact with one child for 20 per cent of the year, costs of contact represent about 40 per cent of the yearly costs of that same child in an intact household with a medium income and more than half the yearly costs of that child in a household with a low income".

Therefore, a child may cost up to 50 per cent more after separation than in the intact family.

Research conducted for FACS by Murray Woods and Associates showed many parents exercising contact found it "a real struggle" to make ends meet, particularly those living some distance from their children.

Kyle Mitchell says the research on contact costs proves the need for change to the Australian formula. "The formula was designed in 1987

when there was little data on the costs of children and none on the costs of contact. The formula takes no explicit account of the costs of contact, though there is claimed to be some minor unquantified allowance in the level of formula percentages," he said.

The rejected legislation proposed a drop of two or three percentage points for payers providing contact care, a change Mitchell regards as "a supportable and minimal reform that balanced the reality of the costs of contact with the fact that many resident parents already don't receive much child support".

Mitchell argues that "it is key to the perceived legitimacy that it takes some explicit account of contact costs. Similarly, the formula has to be corrected where higher-income, non-resident parents pay much more than the total amount high-income intact couples spend on their children".

These issues are being debated in many countries, and several have moved ahead with reforms. Britain has a new formula, which reduces child-support liability by one-seventh for every one-seventh of the year that the child spends in contact care.

Norway has also made a radical shift towards a more equitable scheme. Last year, the government legislated to more closely base child-support levels on the actual costs of raising children. Careful estimates are made of the costs of raising each child, which are then shared between the parents, with full deductions for contact costs.

While critics of the reforms suggest the arrangements may increase the relative disadvantage of resident parent households, Norwegian Labour MP Jon Olav Alstad dismissed these arguments. "For the Labour Party, the important matter has been to develop a system where children are put first and have the opportunity to maintain contact with both parents after the break-up," he said.

Anne Skevik, a research fellow at the Norwegian Social Research institute, explains in a recent paper on the reforms that as far as the politicians were concerned "what mattered was parenting . . . The most important thing a child-maintenance system should do was to encourage continued extensive contact with the child by both parents".

According to Skevik, a majority of the Norwegian politicians felt unreasonable maintenance demands were contributing to the poor situation of many non-resident fathers and hindering contact with the children. Even if children spent more time in the resident parent's home, it was in children's interests for both households to have adequate resources to provide for their care - so this should be the priority for the government, rather than simply concerning itself with the finances available to the resident parent.

With Norway a world leader in supporting paternity leave and other policies supporting fathering, it is hardly surprising that this country has led the way towards a child-support system that encourages fathers to care for their children.

But the essential argument that won the day in Norway - that proper care of children requires both households to be adequately resourced - is equally applicable in Australia. The minister in charge of child support in Australia, Larry Anthony, is hoping to inspire the political will to change the child-support formula so children achieve that care.

"There are some aspects of the child-support formula that do need reform," he said.

"I was disappointed that the Senate didn't agree to the changes I introduced to reduce child support payable when the parent has contact with their children and also to reduce the maximum of child support that is payable. These are sensible and modest changes, which the research data shows would be of benefit to children and make the system fairer.

"Where possible it is in the child's best interest to maintain contact with both parents following separation," Anthony said. "Our society must continue to assist parents to achieve this by recognising that parents have additional costs when they have contact with their children and reducing the child support payable in these circumstances."

When the issue was debated in the Senate, Labor supported the need for financial support to cover the costs of contact but argued against the resident parent contributing to this cost. Instead, they proposed the government foot the bill for a "contact payment", at costs estimated by the government at \$80 million a year.

Mitchell says this puts the cart before the horse. "Child support is a legally enforced private transfer that must be based on sound cost of children research," he said.

"The amount of family assistance paid to separated parents should take account of their circumstance after fair child support is paid."

Bettina Arndt is a staff writer with the Age newspaper

This story was found at: <http://www.theage.com.au/articles/2002/04/12/1018333416832.html>
<http://www.theage.com.au/index.html>