

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

5 August, 2003

House of Representatives Standing Committee
on Family and Community Affairs

Submission No: 812

Date Received: 8-8-03

Secretary:

Dear Sir / Madam,

Submission to the inquiry regarding the existing child support formula

I wish to contribute some comments to the committee of enquiry with regards the fairness of the current child support formula.

Summary

- I am a parent who willingly pays child support to the Child Support Agency for the upkeep and education of my child from a failed marriage.
- I have been paying into the Child Support Agency scheme for in excess of 14 years.
- I believe that the formula in its current format is unfair and insensitive to the needs of the paying parent and their financial obligations, particularly where there are other children involved.
- I believe that the formula to calculate the cost of maintaining and educating the child is erroneous.
- The process does not take into consideration the negative effect that excessive CSA payments can make on the relationships between the child and the paying parents and any 'new' family that may eventuate.
- The process does not monitor how money paid into the CSA scheme are being used by the recipient parent, and whether the payments are directly benefiting the supported child.
- The process does not give fair consideration to the cost incurred by non-custodial parents of providing food, accommodation, transport, clothing, holidays ..etc.. for supported children.

1. I have been paying into the CSA scheme since 1989. This would probably make me one of the longest continuing participants in the scheme. My son is now almost 15. I will have another three years approx. of involvement with the programme.

I have always believed that the child from my failed marriage should not be disadvantaged through any failures of his parents. Therefore, I am a willing participant in the CSA scheme provided that it is fair to me and my 'new' family.

2. The formula for calculating child support does not give equal weighting to the needs and costs of any additional children that the payer may have. This has the potential to cause financial hardship to those with additional dependents. It may also create resentment by the payer and his/her new partner towards the recipient child.

Surely, this is contrary to the best interests of the child. I would have thought it best to create a comfortable environment both physically and emotionally for the child when they visit the non-custodial parent.

If the formula was to give equal weighting to both the supported child and all other children and dependents of the paying parent, the process would be viewed as being more equitable. The programme would probably have more willing participants not looking for avenues to avoid or minimise payments. Resentment of the supported child and the custodial parent would be lessened.

3. The formula does not give fair consideration to costs of running a new household and providing a reason standard of living for any additional family or dependents of the paying parent. Nor does the formula properly consider the standard of living already being provided to the supported child.

In my case, my former wife received a very generous divorce settlement which has allowed her to own her residence outright and lead a very comfortable life style. She has one dependent, the supported child.

On the other hand, I am attempting to repay a mortgage, support three dependents and maintain a reason level of comfort for all four of us, plus pay child support. There is no surplus income available for savings.

At the end of the day, I see that the true circumstances of each family are not being reasonably considered. The children of my current marriage are being disadvantaged at the expense of my older non-custodial child who does not need anywhere near the amount of financial support that has been demanded by the CSA.

4. The formula used to determine the cost of supporting and educating a child through to 18 years of age is flawed and should be reviewed.

The supposed costs used in the formula, particularly education, are so ridiculously high that the average family could not afford to maintain and educate their children.

5. It is important that supported children are accepted into any subsequent families of the non-custodial parent and that they have a healthy relationship with all members of that family.

Resentment of the non-custodial child may eventuate, particularly with new partners, if the process is unfair and CSA payments are considered unreasonable.

6. Because payment of support can be a considerable hardship on paying parents, it is not unreasonable to expect that there be some monitoring of how the monies are being spent by the custodial recipient parent on supporting the child. This process may also highlight what the real cost of child support may be.

7. Insufficient consideration is being given to the significant accumulated cost of access to the supported child. This includes cost of providing a room, bedding, additional clothing, food, household supplies, medications, transport, holidays etc etc etc.

Conclusion

Over the last 14 years, the Child Support Agency has proven to me to be biased and inflexible. It has created in my home a feeling of distrust and unfairness that has at times resulted in resentment of my supported son by both myself and my partner.

If the committee is truly interested in looking at the better interests of the supported child, then it must also look at the effects the system has on the payer and family and how this influences how the supported child is treated in the payers 'new' family.

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