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House of Representatives Standing Committee
on Family and Community Affairs

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Secretary:

To whom it may concern.

I have currently been paying child support for the last 11 years for one child.

There are a number of issues which I feel require more understanding and consideration as to how the CSA Formula can be made fairer to the paying parent. As having started another family with two children (3 years, 5 months) having this financial disadvantage makes supporting my family very difficult and places unnecessary strain on our lives.

The Issues

① The CSA Formula (In my case 18%) on gross wage. This is unfair as depending on the level of income the income tax taken is totally ignored so in fact 18% is incorrect ~~is~~ when the adjusted amount of net income is considered.

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② With regards to starting or having another family. A figure in my case \$23,935 exempted income amount. This is for dependent children (\$11,740) plus additional child under 13 (\$2169). This may sound and appear fair but if you do the "PURELY" mathematical calculations. you will see that it doesn't give much relief to the CSA money payable.

eg. Gross income \$75,000 -

\$75,000 - (No extra children)
+ 18%

= \$13,500 pA

= \$260 pw

~~23,935~~
= 23,935.

= \$51,065

= \$9,191.70

= \$176 pw.

= \$260 - \$176 = \$84 pw.

So with \$84 pw I have to raise ~~two~~ two children. whilst my former partner receives \$176 pw plus she earns a gross income of \$39,053 pA. So basically the system deems that the paying parent must totally finance the child life style pA.

(3) whilst the payee parent can earn \$35000 dollars ~~before~~ exempt income and then any monies earned over this only 50% is used to calculate the CSA money.

So why my Family? \$23,000 ?

payee parent? \$35000 ?

(3) The unfair treatment I have received with regards to earning extra money (overtime) to try and make my family have a financially secure future.

Having to live with \$175-pw taken from our wage you would assume this is a financial disadvantage, if overtime is worked to try and bring your income back to the original amount, this extra money will be used to recalculate your CSA gross income, so yet again by punching numbers into a calculator the paying parent CSA liability increases thus reducing their new families standard of living. Also to earn a net sum of \$175pw I would have to earn an addition \$350pw (annual)

(4)

$$\text{So } \$350 \times 52 = \$18,200$$

$$\begin{aligned} \text{So Add that to } & \$75,000 + 18,200 \\ & = \$93,200 - \\ & \quad 23,935 \text{ (Exempt Income amount,)} \\ & = \$69,265 \times 0.18 \\ & = 12,467 \div 52 = \$239 \text{ pw.} \end{aligned}$$

So as you can see if I try and earn the CSA amount (\$175) to bring my pay back to the original amount, I would then find myself having to pay \$239pw an increase of \$64pw. So then again my Family Standard of living would drop, due to less income and having their Father living at work.

IF I earn an extra \$18,200 pa

$$\begin{aligned} \text{Income tax (48\%)} & = 8736 + \text{CSA}(64 \times 52) \\ & \quad 3328 \\ & = 12,064 \end{aligned}$$

So this figure is still below the original income amount.

$$\begin{aligned} & = 18,200 - \\ & \quad 12,064 \\ & \hline & \$6,136 \div 52 = \$118 \text{ pw.} \end{aligned}$$

⑤

⑤ My ex partner is in a relationship where they can afford to buy a home together
2 incomes + 9,100pa (CSA)

$$= 39,000 + 39,000 + 9,100$$

= \$87,100 income for the household.

No wonder they can buy a house at my expense
if I try and work more for my family I
will just help them pay off their home loan.

I think that a de facto relationship should
have some influence on the CSA formula.
So ask me why doesn't your wife work
~~How~~ who is going to raise our children.

Day care! well at \$27 per day per child as you
can see we cannot possibly afford that ~~and~~
I think my wife has a right to raise her
children.

Also dual income families will pay less tax
than a single income family if their incomes
total up to be the same.

(6)

⑥ I always have trouble and arguments with regards access and seeing my daughter, her mother totally thinks she has total control I have had my daughter once on christmas day in 11 years and that was only half a day I never have her on her birthday, she is not allowed to stay with my mother and father (grandparents) or her aunty. After seeking legal advice the solicitor explained to me that he can try and achieve an outcome but no guarantees to the tune of about \$20,000

⑦ when my daughter stays with us (every second w/end) for the two nights she stays I am still paying for her (my daily rate is \$23.64c) why cant this be adjusted from my CSA liability? Also for holiday periods whilst I have had my daughter for one week her mother still receives the CSA payment even while I am supporting my daughter in this period. I have suggested to my daughters mother that I should be refunded the money for the week

(18) (7)

She just says "well dont have her then"
So due to this system I cannot afford to
have my daughter for holidays, Due to her
mothers greed and attitude.

⑧ The current system of CSA payments to the
payee parent has no means to justify how
the money is used or what the money is
spent on. eg. Are they saving any of this
for the child's future? ~~or do they apply~~
~~to the courts~~ or is the money being spent
on cigarettes or alcohol etc. Being a
paying parent I think I have a right to know

⑨ So Basically All I want to see is a
much fairer system in place when a paying
parent has another family he can manage
his life so ^{that} both parties involved are given
a fair and even assessment of what they
can afford to pay as to what a mathematical
formula with no flexibility calculate what must
be paid.

(8)

So don't get me wrong I think I have to pay for my daughters upbringing and so does her mother. But the system in place puts all the liability on the father and the mother can use this as a very powerful tool.

I just want to be able to earn extra income for my new family which will not be included in the CSA assessment so that I can budget or live without having to wait for the next year to come around and have more money taken for our budget and then our standard of living drops.

I hope this information helps with the inquiry to help make the system fairer to all parties involved.

yours sincerely

[REDACTED]

[REDACTED]