

Submission No. 1476

Date Received: 14-9-03

Secretary:

Submission regarding the Child support / custody..

My name is [REDACTED] I am 33 years old, I live on the South Coast of NSW and work for a State Government department. Two years ago I became divorced from my wife after four years of marriage.

My ex-wife and I had two children together, now aged four and five years old. The events leading up to the divorce are, obviously not important to this debate, except to say, that my wife left me to live with another man in Melbourne (around 600km away).

Aside from the obvious anguish that the separation from my children has caused, I strongly believe, that the child support scheme in itself remains to be the main catalyst for substantial additional pressure on all concerned.

My submission to the panel centers on my experiences, but I believe that they are relevant to many others:

- 1/ My Gross annual income is around \$49,000.
- 2/ I pay around \$12,000 in Tax every year.
- 2/ My annual child support bill is \$9905 or \$180 per week.
- 3/ My annual net income after child support, Tax and other work related expenses are taken out is around \$26,000

My living expenses:

Rent: \$7000 per year (I need at least a two bedroom unit/house, so that the children can stay with me – this will need to increase to a three bedroom unit/house when the children can no longer share a room).

Food: \$6000 per year

Vehicle: \$6000 per year (includes fuel, registration and basic maintenance)

Phone: \$1000 per year (includes long distance calls to the children)

Power: \$700 per year

Clothing: \$1000 per year

Other bills \$1000 per year

Based on the above figures, my disposable income is around \$3,300 per year. However, the above figures do not take into account the fact that my children also stay with me for eight weeks of the year and I still have to pay full child support during this time.

During the time that my children stay with me, I have to feed, clothe, entertain and provide telephone contact with their mother.

The Child Support Agencies scheme for reducing the level of child support if contact expenses are excessively high is a joke. I have to prove up front, that I spend at least \$1800 per year on contact. Contact expenses are only to include fuel or airfares (which I cannot afford) and accommodation (the children and I stay with my parents when I travel by car for 15hours on a weekend to see my children). Food, clothing and entertainment costs are not included!

Based on the above figures, it must be blatantly obvious to any observer that the current child support calculation system is fundamentally flawed.

After working from one week to the next, with no money in the bank, few assets (<\$10,000) and little prospect for future financial prosperity, I regularly question whether it is actually worth working at all. After all, if I was unemployed and relying on social security, I would still have a roof over my head, I would still be able to eat and as a bonus, I would be able to move closer to my children.

Meanwhile, I sleep in the knowledge that my ex-wife can earn up to \$40,000 per year, before my child support is reduced even \$1. She can marry a millionaire and live in complete opulence and I still have to pay the full amount of child support. On top of all this, my ex-wife can take advantage of various other Government benefits such as rent assistance or Government supplied housing, health care card, discounted utility bills etc etc etc..

What Government assistance is provided to a father that is grossing almost \$50,000 per year and still can't afford to have regular contact with his children?

Conclusion:

I don't have a problem with the concept of paying child support. I recognise that I have a responsibility to pay my fair share towards the costs of raising my children. However, I question the wisdom of a system that provides absolutely no financial incentive for me to work and actually obstructs the children's access to their father, since the costs involved in such contact are prohibitive.

Obviously, if non-custodial parents were able to pay less child support, the social security system would have to make up the difference, however, if this were the case and the system was made to be fairer for the non-custodial payer, maybe the Child Support Agency would suddenly find, that there would be a substantial increase in non-custodians who were actually working and paying child support.

It's a question of swings and roundabouts (What is lost in reduced child support payments, would be gained in the number of child support payers, the number of income tax payers and the reduction of those non-custodial parents that feel that they need to rot the system by working in the burgeoning 'cash economy' or by working for themselves and by writing all of their profits off as expenses).

The other major benefit, is that non-custodial parents, would finally have increased financial resources to restart their own lives – This has to be good for the economy and social equity..

I hope that this enquiry can see the wisdom in reducing the level of Child support to a realistic level, taking into account the needs of the non-custodial/paying parent.

Wishing you all the best,

A large black rectangular redaction box covering the signature area of the letter.