Second Additional Submission into the Child Support Legislation Amendment Bill 2006

Dated 30th September 2006 To the Senate Committee,

I have made this second submission to give more light on my opinion that the Child Support Act in not working, and will never work in its current and proposed future direction.

Based on the latest figures that were brand in the newspapers about deadbeat dads, and how they are not paying there C\$A obligations.

One of the most talked about suburb, Mt Druitt in NSW tops the list for all Australia with 1,333 individuals owing \$4.7 million and there are a lot of suburbs that are of similar statistics (in the 1,000s). Looking at this statistic alone based on the 2003-04 taxable income average for this postcode of approx \$19,500 and looking at an average of each CSA payer having 2 Children under CSA (I know some will have more, some will have less). Based on this \$19,500 taxable income with 2 children would have liability of \$1,895 per annum, with each owing \$3,225, it works out to be over 20 months behind in payments.

The Federal Govt will know that they have no chance of getting this money out of these people (be honest), and as time goes on, this figure will increase, not decrease with current levels of additional babies, due to the new baby bonus (now set at \$4,000).

Since 1988 CSA Act we now have second generation of children that have not seen anyone going to work, and these second generation of children having babies (babies having babies) at \$4,000 each time, at this rate the child support agency workload will increase to an uncontrollable level, and will overcome the level of taxes that the federal govt get from personal taxes, even if the new power of CSA Act being brought in of "Capacity to Earn", it will not stop the "Babies having Babies", this needs to be corrected, soon then later, it will create Ghettos similar to America, no matter how much money is thrown at it, overseas statistics have proven this beyond any doubt.

A favorite saying of mine is "If you want something to grow throw lots of money at it, no strings attached at all, if you want something to wither and die or stop growing, just tax it into submission". This has rung true with the introduction of the Child Support Act, it is not hard to figure out which one has grown and which one has withered, you don't need a science degree to work that out. Remember that if you don't change this indifferences, the indifferences will change Australia forever, don't kid yourself, remember that Australia in the early days, lived of the back of the sheep, we are heading in the direction of living off our child's income's worth.

I know that it is hard to propose what changes need to be done, it will be up to the senate to decide with is best for the country future. My opinion will be one side, i cannot help this, as i have lost my 6 children (all to one person), I blame solely on the CSA act that when my wife at the time left me over ten years ago, it was a move that was based on money and money alone, since then, my children have never lived in a household that seen a single person ever go to work, i have seen my children turned against me, and hate me so as to stop any chance of having contact with them, I find that some days I cannot bear thinking about it, it just makes me go to levels that i don't want to go, and CSA just adds to these bad feelings, it has a direct bearing on my home life and working life most days

With these new Relationship Centers that I have called since they started, I have been told that I

have no chance of me ever seeing my children because they have no power to force my X-wife to the table, what a waste of my money.

If changes need to be done I propose that

- 1. If contact is refused with no proven grounds, then you should be able to apply the base 14% reduction in payments as if you have them for minimum based nights that give you reductions until this is corrected, this way it will force the parent to lose money or send the children instead.
- 2. To stop mothers having multiple fathers of there children, once the mother has 3 or more different fathers of these children a reduction of 3% of CSA rates to apply across the board (e.g if a mother has 2 children to 2 different fathers each paying 18%, once the third child is born to another different father again then this 18% is reduced to 15% for each child, and should then be pasted onto the father as a lower rate.
- 3. CSA payments and PAYE taxes plus Medicare levy are all taken out of gross wages sometimes these get as high as 48% PAYE, 2.5% Medicare, 36% CSA, Totaling 86.5%, which leaves as little as earning 13.5% (CSA Client earning 266% more the ones self), when including the cost of fuel and wear to tear on car other work expenses that are not tax deductible, this 13.5 % does not cover these costs, (this will become a danger when "Capacity to Earn" is brought in). There meeds to be a tax break that is achievable by the large percentage of CSA payers, if the bar is set to high there is no sense in trying to get there.
- 4. If the govt can only realize that we have got workers and tradesman out there that have been not only bitten by CSA but have been striped by them ("It makes a whole new meaning of stolen generation, when now you lose your children and also your right to see them and your right to a fair days work for a fair day's pay"), and now have been left with a bad taste in there mouth and will only work enough to live and support themselves(I cannot blame them), we have now gone to the point of importing from overseas workers and tradesman to fill positions that have occurred because no one is willing to do overtime or take on extra workor have left the workforce altogether, we penalized for working, we have a workforce that has been crushed by CSA shackles. I know of many tradesman in my trade and other trades, so i am talking from experience, that have left there trade because sometimes people working a McDonald's will earn more then them, if the percentage amount that CSA use 18% to 36% are reduced by 1% point each year until you get a level of 14% to 32% over 4 years it will help rain in the out of control mothers that only rely on CSA payments to live (it has become a life style now), it will help, if not force the less reliance on the wealth the child can bring to the mother, when she has the ability to get back into the work force to help fund her family like the father does, she needs to put her share of monies towards her children, not just the father, and show that working for a living has a better influence over a child then never to see it happen at all.

I have enclosed an attachment of a ready reckoner of the current levels of combined PAYE, CSA and Medicare to show how CSA payments bites into your overall take home wages worked out in intervals of \$1,000 and worked out to when CSA payments stop at \$104,000.

P.S I wished not to use the words non custodial and custodial in the submission as I find it is offensive to me to be called that, when I am a father and will always be called a father of my children, I hate CSA using this desensitized word to all fathers of there children, I give no apologies.

With thank and understanding Ross J Mitchell Lot 12 Dempsey St PEEL.NSW.2795 Phone 02 6337 6722