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Ken Ticehurst
Federal Liberal MP
Dobell

House of Representatives Standing Committee
on Family and Community Affairs

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Secretary:

Dear Mr Ticehurst

Thank you for an opportunity to voice concerns regarding current child custody/ maintenance laws.

I have 2 children, 10 & 14yrs and have been paying child support to my x-wife for 4yrs since our separation and subsequent divorce. I initiated a private arrangement to pay \$200/week. We both felt this was adequate financial assistance to provide all our daughters needs.

Several months later I received a notice from CSA stating that I was required to pay \$250/wk. There was no investigation of either parties' living arrangements, ability to provide a home for the girls or pre-existing financial commitments. I discovered the amount I now had to pay was calculated on a percentage basis of my gross salary package.

Upon property settlement, my x-wife received $\frac{3}{4}$ of our combined assets. This included a 3 bed home in Sydney with contents, the family vehicle and only a \$50 000 mortgage. In contrast I kept a rural block of land, a shed and caravan to live in, no furniture or car and a mortgage of \$90 000 prior to thinking about replacing contents that my x-wife had already been given.

I consulted my solicitor regarding gaining custody of my daughters with the full support of my partner (now my wife). She had purchased a home in Bathurst, as I was unable to afford anything more than maintenance and continued fortnightly visitation with my daughters. This involved and still involves me picking them up from their Sydney home, bringing them to Bathurst and returning them home, not once with any assistance from their mothers. I was advised pursuit of custody would cost me a minimum of \$5000, but undoubtedly much more. He estimated 5% chance of winning custody simply because I was the father.

I changed jobs 18 months later and took on a position as shift manager at Masterfoods in Bathurst in an effort to improve my career as I was planning to remarry. My new role included penalty rates due to rotating shifts and my child support payments soared to \$375/wk plus. Currently I support two families. My wife and I are expecting our first child and budget all living expenses out of the net sum of \$1000/wk. This money is divided so that my x-wife receives \$400/wk and we live on \$600/wk. This is our only source of income unlike my x-wife, who, works part time and is assisted financially by both the government and her fiancé. Obviously this is not fair and not manageable for us.

I have now been forced to consider looking at ways of reducing my wage by taking on a lesser role. This option is most disheartening as I have always aspired to improve myself. I have completed many years of external studies, gaining degrees whilst working and supporting my previous family. There is no incentive to aspire to improve my career or income as the more I earn the worse off I become.

My wife may not have the luxury of staying home with our child as my x-wife did due to the financial strain caused by the CSA. We knew there would always be a commitment to assist the upbringing of my daughters who we love dearly but did not imagine how devastating the size of the payments would be on our marriage or our future plans. My wife's income is now unavailable as she is on maternity leave but I have relied upon her income to make ends meet until now, in order to continue to support of my two daughters. I know she is concerned that our child will not have the luxuries that my other daughters take for granted.

Some glaring anomalies of how unfair the system is:

- The method used to determine the amount payable for the number of children provided for
- There is no cap or limit on the amount that a receiving parent is entitled to. As a paying parent's income rises, so to does the tax percentage and child support payment on a faster sliding scale to the proportion left for the paying parent to survive on
- There is no facility for paying parents to claim children they support as taxable dependants, yet the parent who in this case receives \$400/wk can at the same time retaining parenting allowance, partial pension and health care benefits as well as a part time income
- Inquiries in relation to payment reduction upon the birth of our expected child I was shocked to find out that our baby would be supposedly costing us \$70/wk. How can this be right, that children from a previous marriage are assessed to cost more than double any new children from my current marriage?
- The 27% payable to the receiving parent is calculated from a gross taxable income. This is not a percentage of what I have to take home. Paying parents on a good wage are the most disadvantaged by the current system

Some recommendations:

- Child support payments should be calculated using net income
- Individual case management. Including best placed custody welfare. In my case the CSA made no assessment of the children's living arrangements/ welfare.
- Tax benefits to the paying parent not the receiving parent where the child support payments exceed a certain amount, ie: where a small CS payment is received the receiving parent will be forced to pay the majority of the children's needs from their own income. In our case, the receiving parent receives \$400/wk and uses this payment to not only to provide for the needs of the children but also supplement their own expenses.

In closing I have no reservations about supporting my children. I believe that the current laws do not guarantee a fair and equitable calculation of payments to the custodial parent. If you require any further information please contact me on the above mentioned number.

Yours Faithfully

Brian Roberts