

Child care affordability in Australia ^[1]

Author: Phillips, Ben

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AVAILABILITY

Full report PDF ^[2]

INTRODUCTION

Many Australian families are juggling paid work with raising children. Child care, both formal and informal, makes this intricate balancing act possible.

The decision around whether to return to work after having children is not an easy one. Child care is expensive and families have to manage many important financial, family and social obligations.

Families making the difficult decision about a return to work have to not only consider upfront child care costs, but also the potential impact of paid work on the Government benefits they may receive.

Where a person lives will also have a big impact on their child care costs, with some daily rates as high as \$170 a day.

An important focus of this report is the affordability of child care for families and the impact child care costs have on the decision to work. The report outlines the trends in child care use and costs and then considers the complicated interactions between returning to work, the loss of Government benefits and the costs of increasing child care use.

There is great variation in the cost of child care across the country and the report explores Australia's most and least affordable regions.

The Government subsidises child care through a number of benefits, but the current system is expensive and complicated. The report considers Government benefits received by families using child care and their effectiveness and explores possible alternative support systems.

While providing benefits to working parents is expensive, Australia needs women to work and contribute to the tax system to help the nation manage the cost of an ageing population.

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