

# The truth about how much childcare costs differ around the world<sup>[1]</sup>

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## AVAILABILITY

### EXCERPTS

It won't come as a surprise to working mums that British childcare is amongst the most expensive in the world. A 2016 study by the Organisation for Economic Co-operation and Development (OECD) found that couples living in the UK spend, on average, a mind-blowing third of their income on childcare costs.

So how does it compare to the rest of the world? If you're parenting as a couple, the UK tops the chart for childcare costs as a percentage of income - followed by New Zealand, Ireland, and the United States, where dual income families typically spend at least a quarter of their income on childcare.

Single parents in the USA typically spend more than half of their net income on childcare, making it the least affordable country for single parent families, followed by Ireland and Canada.

For 36-year-old Anna Whitehouse, founder of parenting site Mother Pukka and podcast Dirty Mother Pukka, the prohibitive cost of childcare in the UK means her work doesn't really pay. "I fought hard to carve out my career, and childcare allows me to continue pursuing it. But if I'm paying most of my salary into a nursery, my job becomes nothing more than a 9-5 hobby," she says.

Based in London, Anna has two daughters - one aged 4, the other just a few weeks old. "With my 4-year-old, we're entitled to 15 subsidised hours a week, but there's no support at the time when you go back to work," she explains.

New parents in the UK are entitled to share parental leave of up to 52 weeks, paid at a statutory rate of £139.58 per week or 90 per cent of your average weekly earnings, whichever is lower.

After parental leave though, subsidised childcare isn't available until your child turns two or three, meaning many women like Anna are faced with a childcare gap. "In my experience it's too late," she says. "I broke at about one year when I had to give up work to make raising a family work."

Anna now pays £1,200 for three days for her daughter's nursery, which she says is like paying another mortgage. "Having lived in Amsterdam where it was half that, it's been a tough adjustment," she adds.

"There are cheaper options, of course, but it depends on travel too - you can't be careering off on an additional 20-minute journey before your morning commute. I felt trapped by the whole system."

In contrast, parents living in Korea spend absolutely nothing on childcare because it's fully covered by state benefits. Another survey, the Family Life Index, rated Austria, Finland and Sweden as the best countries for quality, cost and availability of childcare and education.

Scandinavia in particular has long been held up as a feminist utopia for working parents. In Denmark, where childcare accounts for around 10 per cent of family income, all children older than six months are entitled to a place in publicly-subsidised childcare.

For parents in Sweden, childcare costs take up just 4 per cent of families' incomes. Local governments there are obliged to provide at least 15 hours a week of childcare to children over one year old - or full-time hours in cases where both parents are in education or employment.

Maryam Ghahremani, who works as Sweden's Country Manager for podcast platform Acast.com, says this has made a huge difference to her as a working mum. "I believe Sweden is the most family-friendly country in the world," she says.

"As a parent in Sweden, you are entitled to 480 days of paid parental leave when your child is born. That means most people stay at home with their newborn, with their salary paid, for 12-18 months. I got to have a year and a half at home with my daughter, and it was the best time of my life," she explains.

"After that, preschool from the ages of 1-6 costs a maximum of 1287 SEK per month, and you get a monthly child allowance of 1050 SEK, which many families use to offset this cost," Maryam adds.

"There's very little cost for childcare during the first years of their life, and you don't have to worry about putting money aside for your child's education as school for children aged 6 to 19 is free of charge, including lunches."

In fact, childcare for virtually all our closest European neighbours costs below the OECD average of 13 per cent of family income. Spanish families spend just five per cent of their income on childcare, while France and Germany rank at just below ten per cent.

Lisa Kennelly, Director of Marketing at female health app Clue is originally from the US but is now based in Berlin. Both she and her husband work full-time and have benefitted from Germany's affordable childcare since having their daughter.

"Daycare can be covered entirely by the government - you just need to fill out some paperwork explaining how many hours of daily care you need. My husband and I have requested 7-9 hours from the time our daughter turns one," she explains.

"The law just changed so that, from one year old, you don't have to pay anything but the monthly food costs of around 23 euro. Some daycare centres have additional fees on top of that for special food, or music or language lessons, but it's not prohibitive," Lisa adds.

The trickiest part, she adds, is finding daycare with spaces available. "There's a baby boom here right now, so many places have waiting lists that are years long! You have to do some serious legwork to call around, visit different places, and a bit of schmoozing to secure a place," she explains.

"Given that we're originally from the US and don't have family close by, it's huge to have affordable, accessible childcare options available to us," she adds.

"I haven't had a child in the US, but from talking to friends there I know it is much more expensive than in Germany, and parental leave is generally much shorter than the one year you get here, so it becomes much more urgent [for parents in the US] to find care."

-reprinted from Grazia Daily

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**Region:** International <sup>[2]</sup>

**Tags:** child care <sup>[3]</sup>

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