

Raising a child is cheap and cheerful, as long as mom stays at home ^[1]

Author: Barnes, Steve

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EXCERPTS:

A new report released by the Fraser Institute claims that it is possible to raise a child on about \$3,000-\$4,000 per year. The catch is that, apparently, child care is a 'frill'.

Their approach is that expenses associated with having a child, like clothing, food, and education, can be separated from other household expenses. Expenses that households would incur regardless of whether they have children, like housing, transportation, furnishings, and TVs, weren't counted.

One item that wasn't counted as being associated with having kids was, surprisingly, the cost of child care. The report says that child care is "a special expense for those families for whom it is relevant". The study shows that of two-parent families (aged 25-44) who earned between \$75,000-\$125,000 in 2009, 51 percent spent nothing on childcare. And in lone-parent families with one child, 87 percent spent nothing on childcare.

Sadly, the study failed to notice that these different types of families have no child care expenses for different reasons. Families in higher income brackets are able to choose to have one parent stay at home with the kids. Alternatively, one parent may work part-time, meaning that the family only has to pay for part-time child care.

Lower income families, however, don't have that luxury. Parents have to work - often in low-paid, precarious jobs without benefits. One possible reason why so many lone-parent families spend nothing on child care may be that they rely on informal arrangements, like leaving their kids with friends or grandparents while they go to work.

Child care costs aren't 'frills' - they're a reality for many families. In 2005, the average cost of a private child care space in Toronto was \$32.48 per hour and there are 18,938 children on the waitlist for a child care subsidy. Of the subsidized spaces available, 78 percent are used by lone-parent families. And let's not forget the inequitable gender impacts: most lone-parent families are led by women and in two-parent families women are often the 'secondary' earner. A lack of affordable child care means lower workforce participation for women and lower income for their families. The connections between low income and poorer health are well established.

Quebec offers all parents \$7 per day child care, and research has shown that this investment more than pays for itself through increased workforce participation. We need more of these kinds of programs and less bluster about how raising a child is cheap and cheerful, as long as mom stays at home.

-reprinted from the Wellesley Institute

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