

# The real cost of starting a family <sup>[1]</sup>

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## AVAILABILITY

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## EXCERPTS

Rising childcare costs are heaping more financial pressure on Australian families at a time when soaring house prices mean many are struggling to buy their first home or pay off a big mortgage.

According to the Household, Income and Labour Dynamics in Australia survey, affordable childcare looms large in the minds of most parents, as they are forced to pay twice as much as their counterparts a decade ago.

The annual survey has followed 17,000 people over 13 years to build a picture of our home and family life, health, education and employment. It shows that when it comes to having a baby, the would-be father's feelings towards his partner and the couple's financial stability mean nothing; it's all up to the woman - how she feels about her mate and their bank account balance.

Melbourne mother and paralegal Tamara Hawkins earns \$35,000 a year and childcare costs are a stretch.

With an annual household income of \$90,000, she is eligible for a rebate that shaves off 50 per cent of the \$215 cost to place her children in care for two days a week, and her mother steps in to babysit for an extra day. But in the past two years, her childcare fees have jumped up by \$20 a day.

"You're never going to be financially ready in this day and age, but you plan the best you can ... the fees are not ideal," the 29-year-old said.

Who decides to have a baby?

The woman. A woman's financial stability and satisfaction with her partner both affect the decision to start a family, while a man's sentiments on these matters have no impact on the decision.

At what age do people start having children?

Men, on average, are 30 to 34. Women are 25 to 29 when they have their first baby. Overall we're becoming older first-time parents. More than a third of mothers and almost half of fathers are now 30-plus when they start having children.

How old is too old?

If a couple has never been pregnant, the chances of them having a baby start to decline when the woman turns 35.

What if you wait to have a baby?

If you've been with your partner for more than four years and you haven't had a child, your chances of starting a family together start to drop. If you've been together for between four and six years there's a 9 per cent lower probability that you'll have a baby.

Do most parents get married first?

Almost two-thirds of new parents were married prior to the birth of their first child, and about a fifth were in de facto relationships. Less than 9 per cent of women were single when their first baby was born.

Who pays for childcare?

Most parents who work. Up to 65 per cent of households that use childcare for children under 13 usually pay for some, or all, of that care. Affordable, high-quality care looms large in the minds of most working parents. Both single and couple parents of children not yet at school use more childcare now than they did in 2002.

How much does it cost?

Since 2002, rising childcare fees have hit all families hard, increasing from \$28 to \$65 a day for single parents (109 per cent), and from \$53 to \$111 for couple families (132 per cent).

Who quits their job?

Before a couple has their first baby, more than 91 per cent of men were working, compared with 75 per cent of women (this probably reflects the number of women withdrawing from work during pregnancy). A man's employment status has no impact on the probability of his partner getting pregnant, but his income does. Each additional \$1000 in weekly earnings increases the probability of pregnancy by 1.4 percentage points.

How long have parents been living together before the baby arrives?

Most parents who were together when their first baby was born had been living together on average for five years.

Rent or buy?

You're more likely to have a baby if you own your own home (almost 60 per cent of new parents lived in home-owner households, and about 40 per cent rented).

How well do new parents sleep?

Young children reduce parents' sleep, with mothers affected three times more than fathers. Single parents with a child under two have it the hardest. On average they get one hour less sleep a night than mothers in a couple.

Does being married affect your exercise regimen?

Not if you're a man, but significantly if you're a woman. Women with a partner and children exercise less than their single, childless friends, but men exercise the same regardless of whether they have children.

Do grandparents look after the children?

Almost one-quarter of couples with children under 13 regularly use grandparents for childcare, on average for 15 hours a week. A slightly higher rate of single parents make use of grandparents, on average for 24 hours a week.

Which grandparents volunteer?

The grandparents who look after their grandchildren are more likely to be female, younger and in a couple, and are less likely to have a disability. About a third of grandparents who babysit do so once or more a week, and 6.6 per cent look after the children daily.

How do single-parent families fare?

Not as well as partnered families. Poverty rates are high for lone parents, and other studies suggest life outcomes for children when they grow up are not as good compared with children with two parents at home.

Who is raising the children in single-parent homes?

Almost nine out of 10 lone parents are women. These women are, on average, about three years younger than mothers in couples when they have their first child. On almost all measures, wellbeing deteriorates considerably on becoming a lone mother, the survey found. About 20 per cent of male parents live apart from one or more of their children, compared with 5 per cent of female parents.

What about male single parents?

There are significant declines in employment, life satisfaction and mental health. The proportion drinking alcohol at least three times a week increases substantially.

Is shared care becoming more common?

Between 2001 and 2014 there has been an increase in shared care arrangements after separations. More fathers now care for their children on more days. Most non-resident parents had children stay with them throughout the year. More than 40 per cent had the children stay at least one night a week and about a fifth had them stay once a month to once a week.

How educated are single parents?

Lone mothers on average have a lower level of educational than partnered mothers, and that gap is widening. In 2001, 14 per cent of lone mothers and 23 per cent of those in a couple had university qualifications, while in 2014, it was 21 per cent and 40 per cent respectively.

How likely is finding a new partner?

Finding a new partner is more likely in the first two years after becoming a lone parent, and least likely after being single for six years. Those who rent have a higher probability of meeting someone new compared with homeowners. Women who work full-time are more likely get a partner.

Does more money mean the children are healthier?

Yes. Health levels are highest for children in households in the top income quintile and second highest for children in the second highest quintile. There are no significant differences among children in the bottom three income quintiles.

Country versus city living

Children living in non-urban areas have the highest reported health, while the number of GP visits is highest for children living in major urban areas. Children in the city are more likely to be admitted to hospital than those living in the country.

Are siblings good for children's health?

All other things being equal, the reported health of a child is better, and the number of GP visits lower, the more siblings the child has.

When do we take children to the dentist?

Almost 80 per cent of children under four have never been to the dentist (which is only a slight improvement in recent years), despite advice that a child's first visit should take place at 12 months of age.

What about the doctor?

The proportion of children in the 0 to four and five to nine age groups who visited a GP has remained stable over the past five years, at about 88 per cent and 81 per cent respectively. Bulk-billing for children has increased in the past five years and children who visit the doctor more often are more likely to be bulk-billed.

How often do children see a specialist or go to hospital?

About a third of children under 15 had seen a specialist, with younger children slightly more likely to have seen a non-GP medical practitioner. The rates of children admitted to hospital appears to have increased between 2009 and 2013, from 12 to 13.4 per cent for children aged 0 to four, 8.4 to 8.7 per cent for children five to nine, and 5.4 to 6.5 per cent for those 10 to 14.

-reprinted from The Age

**Region:** Australia and New Zealand <sup>[3]</sup>

**Tags:** affordability <sup>[4]</sup>

work/family balance <sup>[5]</sup>

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