

Jamila Rizvi: The financial worry holding my friends, and our nation back ^[1]

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EXCERPTS

The basic rules of compelling writing dictate that I shouldn't give away the climax at the beginning of a story. But I don't care. This news can't wait 800 words. It's too good to keep to myself ...

Yesterday, my husband and I got a childcare place for our 14-month-old son.

And yes, we have been given the days we requested.

And yes, we live in a major metropolitan city.

If you're not a parent then you're probably confused right now, so let me explain. Inner-city childcare places for under-twos are a little bit like international flight upgrades from economy to first class. You've heard about it happening. You've been persuaded that such things do actually occur but you know it's highly unlikely to ever happen for you or someone you know.

If you are a parent of young children then you've missed the last few sentences because you're probably still on your feet, applauding my news. Thank you and yes, I will be available after the show to sign autographs and pose for selfies.

The joy of a childcare place is short lived, however. Once you solve the availability challenge, you move onto an even tougher one: Affordability.

Childcare is expensive. We all knew that. But new data released this month from the Melbourne Institute confirms that it's even more expensive than we might have previously thought.

Weekly childcare costs have more than doubled in the past decade. They've increased by around seven per cent in the past year alone. In metropolitan areas, the average cost of childcare now exceeds \$120 a day, with around a third covered by Government subsidies.

We've all seen the news coverage about housing affordability and the mammoth challenges facing under 40s trying to buy their first home. But amongst my mates, who are mostly 30-somethings with kids under five, childcare is unquestionably the single greatest financial worry.

Aisha is a school friend of mine. She's a fulltime, practising psychologist. Her daughter Mia has just turned three and has a delightful Pingu obsession that some would say borders on manic. Aisha's mum looks after Mia one day a week and the rest of the time she's at childcare. After Government rebates, childcare for Mia costs the family a little over \$20,000 a year. That's about one fifth of their combined after-tax income.

Maggie and I worked together in a previous life when we were baby-free, drank uninterrupted cappuccinos and could recognise songs in the Triple J Hottest 100. She's a graphic designer who can't find a childcare place for her 18-month-old son, David, despite having him on waiting lists for over a year. She uses a private nanny. That costs \$675 per week for three days work. There is no government help available, so Maggie's after-tax income is a whopping \$5000. Annually.

Kat and I were at university together. She used to help me study for micro-economics exams. Kat has a four-year-old daughter, twin 18-month-old boys and thinks Excel is "exciting". Kat works as an accountant one full day and two half days each week. Her live-in au pair is about to return to France after six months with the family and Kat cannot afford traditional childcare for three children. She's resigning on Monday.

The Australian Productivity Commission says that for every one per cent increase in childcare fees there is a corresponding 0.3 per cent reduction in the number of mothers in the workforce and a 0.7 per cent reduction in hours worked.

Those might seem like relatively small numbers but consider this: Australia has a female workforce participation rate of 59 per cent. If we could increase that figure by just 10 per cent, it would add an estimated \$25 billion to the Australian economy each year.

The issue isn't that new childcare standards are too high. I'm yet to meet a parent who didn't welcome the introduction of higher qualification standards and improved staff-to-child ratios. These are our kids — every parent wants the best for them.

The issue also isn't that no Government help is available. There is a sizeable federal investment in childcare rebates each year. Nor is the issue that kids are in care "too much". Study after study has confirmed the innumerable developmental benefits for children of early education and care.

The issue is that our country has changed. The way we work, who works and how much we work is very different to how it was 50, 20 or even 10 years ago. Yet the structure of the childcare system hasn't evolved alongside this monumental shift in our working and caring culture. Australia's relatively low female participation rate proves that our current approach isn't working. We're lagging behind the rest of the developed world.

The past six years has seen multiple commissions, studies and reports, which all recommend a total overhaul of the system. Yet the Government continues to promise small "tinkering around the edges" changes that will help families in the short term but fail to address the real problem.

On top of that, the Turnbull Government has taken the decision to delay previously promised childcare reform until at least mid-2018. That is two years away. Two years, which any parent will tell you is a lifetime in the development, care and upbringing of a family.

So to Prime Minister Turnbull, I say this: Aisha, Maggie, Kat, myself and the hundreds and thousands of working parents who rely on childcare cannot wait that long.

We are loving mothers, educated and hardworking women who desperately want to work and contribute to this country's economy. But the system is broken and only you can fix it.

So let's make a deal, shall we? You give us affordable childcare and we'll give you \$25 billion a year towards the budget bottom line. How about it?

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