

MONEY PLANNING & BUDGETING **CHILDCARE**

Financial stress weighs heavily on expectant parents

By **Emily Chantiri**

September 11, 2019 – 12.00am

Nurse Suzi Nikolovska and husband Ted will next month welcome a new addition to their family.

In preparation for their baby, both have reduced their living costs significantly, even renting out their apartment and moving in with family to help save money.



More than 70 per cent of pre-natal parents experienced financial stress in the 12 months before the birth. LOUISE KENNERLEY

The couple are among than one million employed Australian families either expecting a child or who have recently had a child this year, with almost all taking some form of maternity leave.

New research reveals that planning for a baby causes greater financial stress than having the baby itself. More than 70 per cent of pre-natal parents experienced financial stress in the 12 months before the birth, compared with 45 per cent of those who already had a child.

Suzi is grateful to her father for allowing her to move back home.

“He saw how stressed we were,” she says. “We are lucky to be able to live with him for almost nine months.

“We’re moving back into our apartment soon, which means added renovation costs to make adjustments for the baby,” she says.

Suzi says she has saved a portion of her annual leave to fund her year at home with the baby.



Suzi Nikolovska has saved a portion of her annual leave to fund her year at home with the baby.

Ted will take two weeks parental leave, plus some annual leave.

“My husband’s concern is how we’ll survive on one income. My biggest worry is the mortgage and childcare costs – some centres are asking for between \$180 and \$200 a day.”

She is also planning to take advantage of the government's Paid Parental Leave Scheme.

“Financial stress can impact the wellbeing of expectant parents and, for women, compound stress they’re already feeling ahead of the birth”

Employees who are the primary carer of a newborn or adopted child get up to 18 weeks’ leave, paid at the national minimum wage. In most cases, these payments are made to the employer, who then pays the employee.

“I’ve read up on all of this, and I am about to put in for leave. I am freaking out as I’m getting close to my due date,” she said.

“Working occupies my mind and the longer I’m there, I’m earning. I’ll finish early October.”

Recent financial stress in the family research, conducted by AMP’s Financial Wellness unit, found that super was also not top of mind for those impacted by parental leave.

Almost 70 per cent admitted super was the last thing they had thought about when pregnant. Also, most expectant parents were unaware that super isn’t paid while they are on maternity leave.

Suzi hadn't considered it either.

“I haven’t even thought about this. I don’t know what happens with my super. A new baby, time off work, you don’t think about super,” she says.

AMP director of workplace super Ilaine Anderson said having a baby is a joyful time but planning your baby budget can be taxing.

“The study found financial stress for expectant parents can impact psychological wellbeing, and for pregnant women, compound the stress they’re already feeling ahead of the birth,” she says.

Anderson said employers can help expectant parents by:

- Communicating parental leave policies early.
- Offering flexible working arrangements during pregnancy and when parents return to work.
- Helping employees understand the impact parental leave has on their super.
- Including super payments in paid parental leave.

The Australian government’s Fairwork Ombudsman states employees are entitled to parental leave provided they have worked for their employer for at least 12 months.
