

Mummy Money ready to boost economy

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The latest poll from the heat group, leading marketers to women, confirms that providing tax deductible child care will contribute more to the economy than is currently considered as part of the tax deductible debate.

Of all the mums surveyed with pre- school children using child care, 41% said they would work more hours if child care was tax deductible, further improving the economy and driving up personal tax income for the Government.

“In addition to this needed income tax that will be generated, the missed “economic multiplier” in the tax deductible debate, is the fact that *women who work, spend more* “ said Gillian Franklin, Managing Director of the heat group. “Ask the women in any office how much they spend on clothes, shoes, hair and make-up and compare this to women who are home full time or men who work – it is a no brainer” said Ms Franklin. “This is the key point missed in the calculation of cost vs benefit for tax deductible childcare that needs to be taken into account to achieve a true measurement for the economy boosting initiative.”

The survey confirmed giving women the opportunity to justify working more hours will further stimulate the economy. More than half of the mums surveyed saying a large part of the money earned will be spent back in the economy with 38% stating they would purchase items for themselves or their families, 33% would fund a holiday and 23% would buy items for their home.

“There are also other economic issues that should be considered in this game changing initiative” said Ms Franklin. “Example, whilst Australia ranks No. 1 in the OECD Gender Gap report (2012) for Educational Attainment for women, it ranks a poor No. 22 in Economic Participation and Opportunity – clearly a disconnect and confirmation that we are not achieving a return on our education investment in women. In corporate Australia, this type of investment with little return would not be tolerated and solutions would be sought – why is this not the case for Government?”

This survey also highlighted the fact that a concerning 16% of women don’t understand the complicated requirement to claim child care rebates and surprisingly, 25% of women surveyed who were entitled to the rebate, did not claim stating “I am not eligible”. “This is another detriment to the financial opportunity for women” said Ms Franklin.

The cost of childcare is holding women back, impacting on their long term earning capacity and superannuation, and reducing our economic prosperity. This shackle on the economy should be released. In today’s economic climate, the country needs all the help it can get so liberating women with tax deductible child care should be given priority on the agenda.

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The Heat Group is the largest Australian owned cosmetic distribution company with leading brands such as Max Factor, COVERGIRL, Bourjois, Ulta3, essence, Billie Goat Soap, MUD and Warner Bros. in its portfolio. Founded in 2000 and recognized as one of Australia’s most successful family friendly companies, Heat prides itself on its unique company culture and sums this up in four words given to it by the Heat team: creative, dynamic, passionate, smart. To learn more about Heat go to www.heatgroup.com.au