**Title:** The Impact of Children on Australian Couples’ Wealth Accumulation

**Abstract:** Existing estimates of the cost of raising children mainly focus on what parents spend on their children. This paper challenges the conceptual basis for this approach, and instead investigates how the presence of children impacts upon couples’ wealth accumulation using the life-cycle approach and Household, Income and Labour Dynamics in Australia Survey. Both the results presented here for Australia and those contained in the existing literature suggest that raising a family has a very small impact upon wealth accumulation relative to the ‘cost’ implied from expenditure-based estimates. In reconciling these highly divergent estimates, we argue the estimates from the wealth approach make more intuitive sense on a number of fronts, with implications for families and policy.

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