

Becoming an Adult: Leaving home, relationships and home ownership among Australian youth

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EXECUTIVE SUMMARY

Most studies on the transition from school implicitly assume that adulthood is reached upon gaining full-time work. This report focuses on other aspects of adulthood: moving out of home, establishing a relationship, and buying a house. The report documents the incidence of these events over time and analyses their relationship with social background, demographic and labour market factors. The study uses data from the four *outh in Transition* cohorts born in 1961, 1965, 1970 and 1975.

The major findings from the investigation of moving out of the family home are:

Young people (under 25) are now making the transition to independent living at much older ages than in previous cohorts. This change has been particularly noticeable amongst young women;

Location and cultural background were two of the strongest influences on leaving home amongst the young people. Non-metropolitan people were up to twice as likely to leave home as their metropolitan peers. Those whose parents were from a non-English speaking country were half as likely to leave as those whose parents were born in Australia; and

The relative influence of coming from a non-metropolitan area appears to be increasing in strength, but there has been little change in the degree of influence of a non-English speaking background.

Major findings from the investigation of marriage and relationships are:

Smaller proportions of the younger cohorts were married at each given age over 21 whilst larger proportions were living in de facto partnerships. Overall, the level of serious relationships (de facto or marriages) was quite similar for all the cohorts by age 25;

Young people from a non-metropolitan area were more likely than those from metropolitan areas to get married;

Educational attainment had a stronger effect on the likelihood of marriage for females than for males, whilst the influence of location appeared to be stronger for males than for females;

Holding a university qualification appeared to have a relatively consistent negative effect on the likelihood of a young person marrying in the surveyed period (ages 19-25); and

The positive influence of employment on marriage decreased for males over time, whilst the negative impact of study on the likelihood of marriage for females increased across the cohorts.

The major findings from the investigation of home ownership are:

Young people, particularly those in the two youngest cohorts, are spending longer periods of time in rental properties;

Marital status and employment were the only factors with a consistent influence on the likelihood of home ownership in the surveyed period. Young people who were married were two to four times as likely to purchase a home as their unmarried peers. Those who were employed were up to four times more likely to purchase a home than those who were not employed; and

The influence of marital and employment status on home ownership may have decreased over the two decades covered by the four cohorts (1980-2000), particularly for young men.

Further research, with both longitudinal data and older subjects, is needed to determine whether the trends reported here represent delays in making transitions or an overall reduction in the number of young people achieving traditional markers of adulthood. With that caveat in mind, this report concludes that the capacity for young people to gain independence and complete various transitions is likely to be affected by policies that target educational participation and employment. In addition, the attainment of markers of adulthood is related to the self-reported levels of wellbeing of young Australians. Policies that inadvertently delay the attainment of independence can affect the life satisfaction and wellbeing of young Australians at many points in their journey. It is important that the process of policy development include consideration of such potential side effects.