

24 July 2008

THE GEN Y STORY: Living at Home Till Thirty

The number of young Australians living at home is on the rise. Updated figures show the lack of affordable housing is locking Generation Y out of the housing market.

The proportion of Gen Y's, those born between 1976 and 1991 (aged 17 to 32), who live at home has increased across Australia in recent years, hitting over 50 per cent in 2006.

Confirming the anecdotal evidence that has been emerging for some time, the 25-29 year old age group is remaining at home at vastly higher rates than back in the 1980's. Nearly one in five 25 to 29 year olds now still lives at home.

"If you're in your twenties, on a low to middle income, and looking to buy a home, it's becoming virtually impossible," said Housing Industry Association chief economist Harley Dale.

"Gen Y's are still living at home with mum and dad. The reason may be they are trying to save a deposit, or because they simply can't afford the soaring cost of rent."

Mr Dale said less than 20 per cent of first time home buyers purchased a new home and it was crucial that governments did more to boost the supply of affordable housing and reduce the structural and horrific tax impost imposed on new housing.

"HIA research confirms that in 2008-2009 we will require 190,000 dwellings nationally to cater for the increasing population. We're going to fall about 40,000 dwellings short."

On a state-by-state basis, Victoria had the highest percentage of Gen Y's staying at home, with 53.6 per cent. New South Wales and South Australia nearly matched Victoria with proportions of 53.5 per cent and 52.7 per cent, respectively. Western Australia was below average at 47.4 per cent, while Tasmania, the Northern Territory, and the ACT were all well below the national average.

Proportion of Gen Y's still living at home by State, 2005/06

	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<i>TAS</i>	<i>NT</i>	<i>ACT</i>	<i>Australia</i>
16-20	87.5%	87.4%	83.3%	93.0%	84.0%	84.3%	79.7%	81.7%	86.5%
21-24	51.6%	52.8%	36.3%	53.7%	39.1%	27.1%	45.5%	29.9%	46.8%
25-29	20.0%	22.6%	14.2%	10.1%	15.0%	9.1%	6.9%	9.8%	17.9%
All	52.7%	53.6%	44.2%	53.5%	47.4%	42.1%	39.0%	40.3%	50.2%

* Dependants/non-dependant children.

Source: ABS Survey of Income and Housing 2005-2006, NATSEM-AMP

Proportion of Gen Y's still living at home, 2005/06

	1989	2006
16-20	86.7	86.5
21-24	39.4	46.8
25-29	11.8	17.9
All Gen Y's	46.3	50.2

* Dependants/non-dependant children.

Source: ABS Survey of Income and Housing 2005-2006, NATSEM-AMP

For further information contact:

Harley Dale 0414 994 186
Ben Phillips 0424 147 321