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Household, family and living arrangements of the population of Australia, 1986 to 2026

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Abstract

This paper describes the method and the results of the Australian Bureau of Statistics (ABS) latest projections of the households, families and living arrangements of the Australian population from 2001 to 2026. These projections are driven by change in the proportion of the population to live in different living arrangement types over the 1986-2001 period. Three scenarios of living arrangements are projected and each alternative is combined with the same set of the Australian population projections such that the variation in the projections of the households and families is solely the result of the variation in the living arrangements type and not compounded by the variation in the projected population under the varied sets of the Australian population projections. The household and family projections are prepared for Australia, states and territories, and capital city and balance of each state/territory except for ACT. Projections for Australia only are discussed in this paper.

The data used in the calculations are the household and family data from the Australian population Censuses from 1986 to 2001 and the projected Australian population from 2001 to 2026. The projections indicate a phenomenal increase in the number of lone person households, a takeover of couple families with children by couple families without children and an increase in lone-parent families over the projection period. A consequence of these changes is the decline in the average size of the households and families over the coming years.

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**Households, family and living arrangements of the population of Australia,
1986 to 2026^{*}**

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* Views expressed in the paper are those of the authors and do not necessarily reflect those of
the Australian Bureau of Statistics.

ABSTRACT

This paper describes the method and the results of the Australian Bureau of Statistics (ABS) latest projections of the households, families and living arrangements of the Australian population from 2001 to 2026. These projections are driven by changes in the proportions of the population living in different living arrangement types over the 1986-2001 period. Three scenarios of living arrangements are projected and each alternative is combined with the same set of the Australian population projections such that the variation in the projections of the households and families is solely the result of the variation in the living arrangements type and not compounded by the variation in the projected population under the varied sets of the Australian population projections. The household and family projections are prepared for Australia, states and territories, and capital city and balance of each state/territory except for ACT. Projections for Australia only are discussed in this paper.

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INTRODUCTION

The Australian Bureau of Statistics estimated that at June 2001 there were 7.4 million households in Australia, occupied by 19.1 million people living in private dwellings. In addition 331,000 people lived in non-private dwellings for whom the household classification did not apply. 5.27 million households were family households formed by 5.35 million families and 16.6 million people. The total estimated resident population at 30 June 2001 was 19.4 million persons. Using census data on relationships among people within households, people in Australia were classified according to their living in various types of households and families. In this paper, a combined household and family classification comprising 15 types of living arrangements is used. These categories are defined such that they are able to be translated into household and family numbers. The propensity to live in a specific living arrangement type by persons in each five-year age group (0–4, 5–9,..., 85+) was examined for trends over time (1986 to 2001). These trends were projected to 2026.

Combined with one set of population projections (ABS, 2003) and three sets of alternative propensity matrices, future living arrangements of the population were obtained. These were subsequently converted into household and family projections.

ABS' first set of household and family projections was released in 1999 (ABS, 1999) and the second set was released in June 2004 (ABS, 2004). In the latest projections the time frame is 2001 to 2026.

CONCEPTS

A Census household is a dwelling unit occupied by one or more related or unrelated people who make common provision for food or other essentials of living (for a formal definition see ABS, 2001). For the purposes of this paper, households are defined as family households, group households, lone person households (males) and lone person households (females). Based on household membership and each person's relationship with person 1 and 2 listed on the census form, the ABS defines (codes) families and the membership of the family. The procedure for coding families is complex (for the definition of a family and the coding procedures see ABS, 2001). A detailed classification of households and families is also given in the ABS Census Dictionary (ABS, 2001).

In the classification used (see Table 1), a partner in a couple family or a parent in a lone parent family refers to a person around whom a family is defined. Children in couple families or in lone parent families can be of any age.

METHODOLOGY OF HOUSEHOLD AND FAMILY PROJECTIONS

A traditional method for projecting the number of households is the 'headship' rate method. This method requires data on the age-sex distribution of the 'head' of the household and the age-sex distribution of the population. Headship rates by age and sex are calculated from data collected in past censuses or surveys. These are projected into the future and are combined with population projections by age and sex. The method is no longer used in countries where the 'head' of household concept ceased and was replaced by 'reference' persons 1 and 2 who are nominated by the person filling in the census/survey form. Statistics Canada in the 1990s developed a 'transitional probabilities' method (Ronanuic, 1990) where the change in household and family formation was seen as a function of several demographic events which occurred in the life of a person, such as marriage, birth of a child, divorce, separation or death of a spouse. A projection of the probabilities of occurrence of these events is applied to the base year household and family composition (based on census or a large survey) which determines projections of future households and families. A modified version of this method has now been used by McDonald (2001).

Censuses in Australia stopped collecting information on the 'head' of the household from the 1986 Census. An alternative methodology of calculating household and family projections was developed, using information on 'propensities' i.e. proportions of the population of a specific age living in a specific living arrangement type (McDonald and Kippen, 1998). The ABS adopted this technique and used a detailed classification of the living arrangement of the Australian population. This method has been in use in the

ABS with only slight modification between its 1999 and 2004 rounds of the household and family projections. Details of the method are given below.

PROJECTION METHOD AND DATA

The propensity method used by the ABS identifies propensities for people in each five-year age group to be living in different living arrangement types. Trends observed in the propensities over the past four Censuses (1986 to 2001) are projected forward and applied to a projected population. Projected numbers of households and families are subsequently derived from the projected living arrangements of the population.

In order to analyse trends in propensities over the past four censuses, data were made consistent in terms of the living arrangements of the population. Census counts for 1986 and 1991 were recoded in order to conform to the 1996 classification of people by living arrangement. There were no significant changes to the classification of people by living arrangement between 1996 and 2001. Further details are given in ABS (2004).

Calculation of living arrangement by age

Census counts from the past four censuses, classified by living arrangement type and five-year age group, were used to obtain rates of change in living arrangement propensities. Living arrangements included the 15 categories as shown in Table 1. The propensity (or proportion) of persons in each five-year age group to live in each living arrangement was calculated using the total count of persons by five-year age group as the denominator. A line of best fit was calculated for each living arrangement and age group, using the observed 1986, 1991, 1996 and 2001 propensities. The annual rate of change for each line of best fit was calculated. A condition to measure the 'goodness' of fit of each straight line was employed. If the fitted straight line produced an r-square value of less than 0.2 it was assumed there had been no change in propensity between 1986 and 2001, and therefore that the 2001 propensity for that living arrangement and age group would remain the same throughout the projection period.

The 2001 Census propensities were applied to 2001 Estimated Resident Population (ERP) to obtain 2001 ERP by living arrangements and five-year age groups. These were adjusted to ensure that the number of households derived from them was consistent with ABS 2001 household estimates, independently produced by a different method. These adjusted propensities were referred to as the 'reconciled' propensities, and were used as the basis for obtaining the projected propensities. The rates of change in propensities, calculated above, were applied to the 2001 reconciled propensities at the fractions specified in the assumptions (see below). This produced three series of 'projected propensities'. Projected propensities were adjusted to add to 100% for each five-year age group.

For each living arrangement and age group, the projected propensities were

then multiplied by the projected population of each age group to determine the three series of projected population by living arrangement type.

Calculation of the number of families and households

The number of couple families (with or without children) was calculated as half the number of partners in couple families (with or without children). The number of one-parent families was the number of male lone parents plus the number of female lone parents. The number of 'other families' was calculated by dividing the number of related individuals in other families by the average size of this family type at the 2001 Census.

Family households can contain more than one family. In order to produce the number of family households, the number of families was converted to households using the ratio of family households to families from the 2001 Census.

The number of lone person households was calculated as the sum of the number of male lone persons plus the number of female lone persons. The number of group households was calculated by dividing the number of persons in group households by the average size of group households at the 2001 Census.

PROJECTION SERIES : ASSUMPTIONS

Three projection series are produced based on three different assumptions about the rate of change in the propensity to belong to different living arrangement types.

Series I

No change in propensities.

Living arrangement propensities for 2001 remain constant to 2026.

Series II

Low rate of change in propensities.

The linear trend in propensities from 1986 to 2001 continues at the full rate of change to 2006, half the rate of change to 2011, one-quarter the rate of change to 2016, and then remains constant to 2026.

Series III

Continuation of 1986 to 2001 rate of change in propensities.

The linear trend in propensities from 1986 to 2001 continues at the full rate of change to 2026.

TRENDS AND PROJECTIONS IN LIVING ARRANGEMENTS

Changes in living arrangement propensities over the 1986, 1991, 1996 and 2001 Censuses varied according to age group. Analysis of past and assumed future trends was conducted for selected five-year age groups within broader age ranges. Note that in the following discussion, 2001 Census propensities are used in relation to past trends, while 2001 reconciled propensities are used in relation to future trends. Projected propensities for Series II only are discussed in this paper. The projected propensities for 'total population' are obtained as the sum of the projections of the living arrangements of the population at each five-year age group. These are given in Table 1. Table 2 gives the three top ranking categories of living arrangements for population in each age group as per the 2001 Census ranking of the propensities.

Total population

The most common living arrangement for people in Australia between the 1986 and 2001 Censuses was a couple family with children, with over half the population being either a child or a partner in this family type. The trend over this period reveals a decline in this type of living arrangement. In 1986, 61% of all Australians lived in a couple family with children (29% of all Australians were partners, 30% children and 0.6% were other related persons), and by 2001 this proportion had decreased to 52% (26% partners, 26% children and 0.5% other related persons). In Series II the proportion of the population living in couple families with children is projected to decline to 42% by 2026.

Table 1 : Observed and projected living arrangements, Australia - 1986 to 2026

Living arrangement type	Census years				Projections, selected years and three Series			
	1986 %	1991 %	1996 %	2001 %	2001r %	2026 S(I) %	2026 S(II) %	2026 S(III) %
Couple family with children								
Partner in a couple family	29.5	28.7	27.1	26.0	25.7	24.6	21.6	16.6
Child in a couple family	30.5	29.1	27.0	25.7	25.8	20.3	19.8	18.3
Other related persons in a couple family	0.6	0.7	0.5	0.5	0.5	0.7	0.5	0.3
Total	60.5	58.5	54.6	52.1	52.0	45.5	41.8	35.1
Couple family without children								
Partner in a couple family without children	17.0	16.9	18.7	19.7	19.8	24.4	25.7	27.4
Other related persons in a couple family without children	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3
Total	17.3	17.2	18.9	20.0	20.1	24.8	26.0	27.6
One-parent family								
Lone parent in a lone parent family (male)	0.5	0.6	0.6	0.7	0.7	0.8	0.8	0.9
Lone parent in a lone parent family (female)	2.7	2.9	3.4	3.6	3.6	3.7	4.1	4.7
Child in a lone parent family	5.2	5.7	6.3	6.9	6.9	5.6	6.6	8.8
Other related persons in a lone parent family	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Total	8.6	9.4	10.6	11.5	11.6	10.4	11.9	14.9
Persons living alone (lone person households)								
Lone person (male)	2.8	3.1	3.8	4.2	4.2	4.8	5.6	7.0
Lone person (female)	3.7	4.0	4.7	5.0	5.1	6.9	7.4	8.3
Total	6.5	7.2	8.6	9.2	9.3	11.7	13.0	15.3
Other living arrangements								
Related persons living in other family types	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.1
Unrelated individual living in a family household	0.8	0.8	0.8	0.9	0.9	0.8	0.9	1.0
Group household member	3.1	3.6	3.6	3.4	3.4	3.2	3.5	3.8
Usual residents of non-private dwellings	2.1	2.2	1.8	1.7	1.7	2.3	1.9	1.2
Total	7.1	7.7	7.3	7.0	7.1	7.5	7.2	7.1
Total population	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

2001r refers to reconciled 2001 propensities.

2026S(I), 2026S(II) and 2026S(III) refer to 2026 propensities based on three Series of the assumptions.

Over the past four censuses the proportion of people living as partners in couple only families has increased, from 17% in 1986 to 20% in 2001. This trend is partly due to the ageing of the population and subsequent increase in the number of 'empty nesters'. This proportion is projected to increase to 26% in 2026 (Series II).

The proportion of people living in one-parent families increased between 1986 and 2001, from 9% to 12%, with the proportion of children increasing from 5% to 7%, female lone-parents increasing from 3% to 4%, and male lone-parents remaining at 1% of Australia's population. The proportion of children living in one-parent families is projected to decline as a consequence of declining fertility (as assumed in the population projections used here), whereas the proportion of lone parents is expected to increase. The overall effect is that 12% of the total population is projected to live in one-parent families in 2026 (Series II).

The proportion of people living alone increased from 7% in 1986 to 9% in 2001, with males increasing from 3% to 4% and females from 4% to 5%. This proportion is projected to increase to 13% in 2026 (Series II).

The proportion of people in group households was the same in 2001 as in 1986 (3%), while people living in non-private dwellings (NPDs) accounted for 2% of the population in 1986 as well as in 2001. Both of these proportions are projected to increase only slightly by 2026 (Series II).

Children aged 0–14 years

While the majority of children in Australia aged 0–14 years live with two parents, the past four censuses reveal that the proportion has declined over time (Table 2). For example, the proportion of children aged 0–4 years in two-parent families decreased from 90% in 1986 to 84% in 2001. Conversely, the proportion of children aged 0–4 years living in one-parent families increased from 10% in 1986 to 15% in 2001.

In Series II the rate of change in living arrangements over the past four censuses is projected to continue at a gradually reducing rate, resulting in 81% of children aged 0–4 years living in two-parent families and 19% living in one-parent families by 2026.

The proportion of children living in two-parent families decreases as children get older, and conversely the proportion living in one-parent families increases. In the 2001 Census, 84% of 0–4 year olds lived in two-parent families compared to 80% of 5–9 year olds and 78% of 10–14 year olds. This may be a reflection of the median duration of marriage and consequently the median age of children at the time of separation/divorce of parents. These differences are maintained in the projections, with 81% of 0–4 year olds, 76% of 5–9 year olds and 74% of 10–14 year olds projected to be living in two-parent families in 2026 in Series II, and 19%, 24% and 26% respectively living with one-parent in 2026 in Series II.

Population aged 15–24 years

Census data reveals that living arrangements of young people change as they make the transition towards increasing independence. Between the ages of 15–19 years and 20–24 years there is a significant shift away from living as a child in a one or two-parent family to other living arrangements such as group households or as a partner in a couple family (with or without children). In the 2001 Census the most common living arrangement for 15–19 year olds was living as a child in a two-parent family (65%). The most

Table 2 : Top three living arrangements type by population in each age group - ranked according to the proportions in 2001 Census

Age group	Living arrangement type	Observed in censuses				Projections			
		1986	1991	1996	2001	2001r	2026 (SI)	2026 (SII)	2026 (SIII)
		%	%	%	%	%	%	%	%
0-4	Child in a couple family	90.1	87.7	85.3	84.5	84.7	84.7	81.1	72.7
	Child in a lone parent family	9.5	11.2	14.6	15.4	15.2	15.2	18.8	27.2
	Usual residents of non-private dwellings	0.2	0.8	0.1	0.1	0.1	0.1	0.1	0.1
	Other	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
5-9	Child in a couple family	88.0	85.4	82.8	80.2	80.4	80.4	75.5	64.6
	Child in a lone parent family	11.7	14.0	17.1	19.7	19.5	19.5	24.4	35.3
	Usual residents of non-private dwellings	0.2	0.5	0.1	0.1	0.1	0.1	0.1	0.1
	Other	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
10-14	Child in a couple family	85.4	83.0	80.7	78.0	78.3	78.3	73.7	63.4
	Child in a lone parent family	13.5	15.4	18.5	21.4	21.1	21.1	25.9	36.4
	Usual residents of non-private dwellings	0.9	1.4	0.8	0.7	0.6	0.6	0.4	0.2
	Other	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
15-19	Child in a couple family	71.3	69.9	66.6	65.2	66.8	66.8	62.8	54.5
	Child in a lone parent family	12.7	14.5	15.1	17.7	17.9	17.9	20.8	26.8
	Group household member	3.4	4.0	4.5	3.8	3.4	3.4	3.6	3.9
	Other	12.7	11.5	13.8	13.3	11.9	11.9	12.8	14.7
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
20-24	Child in a couple family	31.7	35.9	33.4	34.6	37.4	37.4	38.3	37.7
	Group household member	12.3	13.7	15.5	14.5	13.7	13.7	15.0	16.6
	Partner in a couple family without children	19.4	15.5	14.5	14.1	13.0	13.0	10.2	6.1
	Other	36.7	34.9	36.5	36.7	35.8	35.8	36.5	39.6
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
25-29	Partner in a couple family without children	23.6	24.3	25.8	26.7	25.7	25.7	27.2	27.1
	Partner in a couple family	41.0	34.4	28.5	24.9	24.0	24.0	15.2	5.8
	Child in a couple family	8.9	10.8	11.9	13.0	14.7	14.7	17.1	20.4
	Other	26.5	30.5	33.8	35.4	35.6	35.6	40.5	46.6
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
30-34	Partner in a couple family	65.1	59.3	53.9	48.7	47.7	47.7	38.2	23.0
	Partner in a couple family without children	12.4	14.0	16.5	19.1	18.7	18.7	22.5	28.9
	Lone parent in a lone parent family (female)	4.3	4.7	5.6	5.8	5.7	5.7	6.6	7.9
	Other	18.2	22.1	24.0	26.4	27.8	27.8	32.6	40.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
35-39	Partner in a couple family	74.4	70.1	66.2	62.6	61.8	61.8	54.7	41.2
	Partner in a couple family without children	7.4	8.3	9.5	10.8	10.7	10.7	12.6	16.3
	Lone parent in a lone parent family (female)	4.9	5.5	6.5	7.1	7.0	7.0	8.2	10.5
	Other	13.2	16.1	17.8	19.6	20.5	20.5	24.4	32.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 2 : Top three living arrangements type by population in each age group - ranked according to the proportions in 2001 Census

Age group	Living arrangement type	Observed in censuses					Projections		
		1986.0	1991.0	1996.0	2001.0	2001r	2026 (SI)	2026 (SII)	2026 (SIII)
		%	%	%	%	%	%	%	%
40-44	Partner in a couple family	74.3	71.0	67.1	64.9	64.3	64.3	58.4	46.8
	Partner in a couple family without children	8.2	9.1	10.1	9.8	9.8	9.8	10.7	12.2
	Lone parent in a lone parent family (female)	5.2	5.7	6.7	7.6	7.6	7.6	9.0	12.0
	Other	12.3	14.1	16.1	17.6	18.4	18.4	21.8	29.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
45-49	Partner in a couple family	66.5	64.2	59.7	58.7	58.1	58.1	53.0	43.0
	Partner in a couple family without children	15.7	16.1	18.4	16.8	16.7	16.7	17.6	18.5
	Lone parent in a lone parent family (female)	4.7	5.1	5.7	6.6	6.6	6.6	7.8	10.1
	Other	13.2	14.6	16.2	17.9	18.5	18.5	21.7	28.3
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
50-54	Partner in a couple family	51.5	50.3	45.6	44.3	43.8	43.8	39.1	30.6
	Partner in a couple family without children	29.1	29.1	32.5	31.9	31.8	31.8	33.6	36.1
	Lone person (male)	3.9	4.2	5.1	5.7	5.7	5.7	6.8	9.1
	Other	15.4	16.4	16.8	18.2	18.6	18.6	20.4	24.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
55-59	Partner in a couple family without children	43.4	42.4	46.3	46.8	46.6	46.6	48.8	51.7
	Partner in a couple family	34.4	35.0	30.8	29.2	28.8	28.8	25.4	19.4
	Lone person (female)	5.5	5.8	6.5	7.0	7.1	7.1	8.0	9.9
	Other	16.7	16.8	16.3	17.1	17.5	17.5	17.8	19.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
60-64	Partner in a couple family without children	53.6	51.3	54.4	55.4	55.2	55.2	56.4	57.8
	Partner in a couple family	19.7	21.5	19.7	18.7	18.5	18.5	17.6	15.8
	Lone person (female)	9.0	9.0	9.1	9.2	9.3	9.3	9.3	9.3
	Other	17.7	18.1	16.8	16.7	17.1	17.1	16.7	17.1
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
65-69	Partner in a couple family without children	55.7	54.8	56.7	57.7	57.4	57.4	58.5	59.3
	Partner in a couple family	11.0	12.3	12.1	12.4	12.3	12.3	12.9	13.9
	Lone person (female)	13.8	13.6	13.2	12.3	12.4	12.4	11.5	9.8
	Other	19.5	19.3	18.1	17.6	17.9	17.9	17.1	17.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
70-74	Partner in a couple family without children	50.6	50.7	53.6	54.9	54.5	54.5	56.6	58.8
	Lone person (female)	19.2	19.3	18.8	17.2	17.4	17.4	16.1	13.5
	Partner in a couple family	6.5	7.3	7.3	8.1	8.0	8.0	8.8	10.0
	Other	23.7	22.7	20.3	19.8	20.2	20.2	18.5	17.6
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 2 : Top three living arrangements type by population in each age group - ranked according to the proportions in 2001 Census

Age group	Living arrangement type	Observed in censuses					Projections		
		1986.0	1991.0	1996.0	2001.0	2001r	2026 (SI)	2026 (SII)	2026 (SIII)
		%	%	%	%	%	%	%	
75-79	Partner in a couple family without children	40.3	41.6	45.1	47.5	47.0	47.0	50.6	55.0
	Lone person (female)	24.0	24.8	25.3	23.6	23.7	23.7	23.3	21.5
	Lone person (male)	7.0	7.3	7.9	8.0	8.1	8.1	8.6	9.2
	Other	28.8	26.2	21.8	20.9	21.2	21.2	17.5	14.3
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
80-84	Partner in a couple family without children	26.8	28.6	32.3	35.1	34.6	34.6	39.0	44.8
	Lone person (female)	25.5	27.5	29.9	29.3	29.3	29.3	31.1	31.9
	Usual residents of non-private dwellings	18.5	17.1	13.2	10.8	11.1	11.1	7.6	3.5
	Other	29.3	26.8	24.6	24.9	25.0	25.0	22.2	19.7
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
85+	Usual residents of non-private dwellings	39.6	39.0	34.6	29.7	30.3	30.3	23.3	12.7
	Lone person (female)	19.4	21.7	25.5	27.3	27.1	27.1	32.1	38.9
	Partner in a couple family without children	11.6	13.0	15.5	17.4	17.0	17.0	20.7	26.1
	Other	29.4	26.4	24.4	25.5	25.6	25.6	23.9	22.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

2001r refers to reconciled 2001 propensities.

common living arrangement for 20–24 year olds was also a child in a two-parent family (35%), followed by living as a member of a group household (14.5%), or as a partner in a couple only family (14%).

The proportion of 15–19 year olds living as children in two-parent families is projected to decrease over the projection, from 67% in 2001 to 63% in 2026 (Series II). The proportion living in one-parent families is projected to increase, from 18% in 2001 to 21% in 2026 (Series II), reflecting the overall trend of an increase in the proportion of one-parent families over the period.

For 20–24 year olds, while the majority are expected to continue to live as children in couple families (38% in 2026 in Series II), a modest increase is projected in those living as a group household members (15% in 2026 in Series II) and a modest decrease in being a partner in a couple family without children (10% in 2026 in Series II). There are a variety of factors that may be contributing to the change in living arrangements of young adults, such as decreasing marriage rates and increasing median age at first marriage, higher housing prices and remaining at home longer during higher education.

Population aged 25–34 years

The main living arrangement of people aged 25–29 years changed between 1986 and 2001, from being a partner in a couple family with children (from 41% in 1986 to 25% in 2001), to being a partner in a couple family without children (from 24% in 1986 to 27% in 2001). The decrease in the proportion of 25–29 year olds living as partners in couple families with children is projected to continue, with only 15% in this living arrangement by 2026, while the proportion living as partners in couple families without children is projected

to remain the same (27% in 2026 in Series II).

The proportion of 25–29 year olds living as children in couple families increased from 9% in 1986 to 13% in 2001. Series II projects that 17% of all 25–29 year olds will be living as children in two-parent families in 2026.

Living as a partner in a couple family with children remained the most common living arrangement for people aged 30–34 years between 1986 and 2001. Nevertheless, there has been a significant decline in the proportion of people in this arrangement, from around two-thirds (65%) of all 30–34 years old in 1986 to under one-half (49%) in 2001. Series II projects a continuation of this decline, with 38% of 30–34 year olds living as partners in couple families with children in 2026.

The proportion of 30–34 year olds living as partners in couple only families increased from 12% in 1986 to 19% in 2001, and is projected to increase to 23% in 2026 (Series II).

Population aged 35–44 years

Over the past four censuses, being a partner in a couple family with children has consistently been the most common living arrangement for people aged 35–44 years. However, proportionally this living arrangement has declined from nearly three-quarters (74%) of all 35–44 year olds in 1986 to under two-thirds (64%) in 2001. Related to growing numbers of divorced people in the population there has been a consequential increase in the proportion of people in this age group living as partners in couple only families (8% in 1986 to 10% in 2001), as lone parents (6% in 1986 to 9% in 2001) and living alone (5% in 1986 to 8% in 2001).

The proportion of 35–39 year olds living as partners in couple families with children is projected to decline from 62% in 2001 to 55% in 2026 (Series II). Conversely, the proportion of 35–39 year olds living in couple only families is projected to increase from 11% to 13%.

Population aged 45–54 years

Between 1986 and 2001 the most common living arrangement of people in both the 45–49 year and 50–54 year age groups was a partner in a couple family with children, followed by people living as a partner in a couple only family. The proportion of people living as partners in couple families with children has declined over the past four censuses, with 45–49 year olds decreasing from 67% in 1986 to 59% in 2001, and 50–54 year olds decreasing from 52% to 44%. The proportion of 45–54 year olds living as partners in couple only families increased slightly. The third most common living arrangement for 45–49 year olds between 1986 and 2001 was a female parent in a lone parent family, and for 50–54 year olds was males living alone. These trends are projected to continue, with the proportions of 45–49 year olds living as partners in couple families declining (to 53% in 2026 in Series II), those living as partners in couple only families increasing slightly (to 18%)

and female parents in lone parent families also increasing slightly (to 8% in 2026 in Series II). For 50–54 year olds, the proportion living as partners in couple families is projected to decline to 39% in 2026 (Series II), while slight increases are projected for people living as partners in couple families without children (to 34% in 2026 in Series II) and for men living alone (7% in 2026 in Series II).

Population aged 55–64 years

The impact of children leaving home becomes evident in the 55–64 year age group, with living as a partner in a couple only family being the most common living arrangement of people in this age group between 1986 (48%) and 2001 (51%). It was followed by living as a partner in a couple family with children (24% in 2001). Smaller proportions of women aged 55–59 years (7% in 2001) and 60–64 years (9% in 2001) lived alone. Similarly, 6% of men aged 55–59 years and 7% of men aged 60–64 years lived alone in 2001. The projections assume that the proportions of 55–64 year olds living as partners in families without children, and women living alone, will increase slightly, while those living as partners in couple families with children will decrease slightly.

Population aged 65–74 years

The most common living arrangement for people aged 65–74 years between 1986 and 2001 was as a partner in a couple only family, followed by living alone and living as a partner in a couple family with children. For 65–69 year olds, the likelihood of living as a partner in a couple only family rose slightly between 1986 (56%) and 2001 (58%) while the proportion living alone remained the same, at 19%. The proportion of 65–69 year olds living in a couple family with children was also relatively unchanged (11% in 1986 and 12% in 2001). For 70–74 year olds similar trends were apparent. However, the proportion of people living in couple only families increased slightly more (from 51% in 1986 to 55% in 2001). Due to the relatively stable proportions over the past 15 years, projected changes in living arrangements are only small. Living as a partner in a couple only family is projected to remain the most common living arrangement for people aged 65–74 years, accounting for over half the people in this age group, followed by living alone and living in couple families with children.

Population aged 75 years and over

Among the older age groups the likelihood of living in a couple only family declines with age, with 47% of all 75–79 year olds living in this arrangement in 2001, compared to 35% of 80–84 year olds and 17% of people aged 85 years and over. In all three age groups the proportion of people living as a partner in a couple only family increased between 1986 to 2001. This increase is associated with longer life expectancy and hence later age of widowhood. For people aged 80–84 years the proportion increased from 27% to 35% and is

projected to continue to increase, with Series II projecting that 39% of 80–84 year olds will be living in couple only families by 2026.

RESULTS

Household projections

The number of households in Australia is projected to increase from 7.4 million in 2001 to between 10.2 and 10.8 million (Series I and Series III respectively) in 2026. This represents between 2.9 and 3.4 million more households in Australia in 2026 than in 2001. In Series I and II most of this increase is due to growth in numbers of family households but in Series III more than half (55%) of the total growth is due to increases in lone person households. Average household size is projected to decrease from 2.6 people per household in 2001 to between 2.2 and 2.3 people per household in 2026.

Each of the three household types - family, lone person and group - is projected to increase in number between 2001 and 2026, with the most common continuing to be family households (72% in 2001 to between 62% and 69% in 2026), housing between 80% and 83% of the total Australian population in 2026, compared to 86% of the population in 2001. The average household size of family households is projected to decline from 3.15 people in 2001 to between 2.85 and 2.87 people in 2026 (Table 3).

Lone person households are projected to increase the fastest, from 1.8 million in 2001 to between 2.8 million and 3.7 million households in 2026. Between 12% and 15% of the total population are projected to live alone in 2026, compared to 9% in 2001. More women live in lone person households than men (not shown in Table 3).

Group households are projected to increase slowly compared to the other two household types, increasing from 293,000 households in 2001 to between 346,000 and 404,000 households in 2026. The average size of group households (2.27 people in 2001) has been kept the same in all three series and projection years.

Table 3 : Households, population and average household size, Australia - 2001 and 2026

Household type	Households				Percent of total households			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.	%	%	%	%
Family household	5269037	7030118	6920047	6714906	71.5	68.8	66.3	62.1
Lone person household	1805294	2842002	3149405	3692982	24.5	27.8	30.2	34.2
Group household	293195	345737	371496	403641	4.0	3.4	3.6	3.7
Total	7367526	10217857	10440948	10811529	100.0	100.0	100.0	100.0

Household type	Population				Percent of total population			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.	%	%	%	%
Family household	16611363	20006358	19754762	19302690	85.6	82.7	81.6	79.8
Lone person household	1805294	2842002	3149405	3692982	9.3	11.7	13.0	15.3
Group household	665554	785140	843214	915312	3.4	3.2	3.5	3.8
Population in non-private dwellings	331029	568304	454423	290820	1.7	2.3	1.9	1.2
Total	19413240	24201804	24201804	24201804	100.0	100.0	100.0	100.0

Household type	Average household size			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.
Family household	3.15	2.85	2.85	2.87
Lone person household	1.00	1.00	1.00	1.00
Group household	2.27	2.27	2.27	2.27
Total (a)	2.59	2.31	2.27	2.21

2001r refers to reconciled 2001 propensities.

(a) Excludes population in non private dwellings.

Family projections

Family households can contain more than one family per household. In 2001 there were 5.35 million families in 5.27 million households, representing on average 1.0146 families per household. This ratio was kept constant throughout the projection period.

The number of families in Australia is projected to increase from 5.3 million families in 2001 to between 6.8 million and 7.1 million families in 2026, with couple families without children contributing most of the growth, followed by one-parent families (in Series II and III) or couple families with children (in Series I). The ranking of family types is projected to change - couple families without children are projected to outnumber couple families with children in Series II and Series III of the projections. This is a consequence of declining fertility and increases in longevity, and aggravated by an increasing trend in defacto partnering, increases in divorce and separation, and couples becoming 'empty nesters' as their children move out from parental homes.

Between 2001 and 2026 the number of couple families with children is projected to increase only slowly in both Series I and Series II but to decrease in Series III, reflecting a gradual trend away from this type of family. This trend is related to both the rapid increase in couple families without children and the increase in one-parent families (Table 4).

Table 4 : Families, population and average family size, Australia - 2001 and 2026

Family type	Families				Percent of total Families			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.	%	%	%	%
Couple family with children	2491540	2976328	2610263	2010400	46.6	41.7	37.2	29.5
Couple family without children	1917612	2948616	3108107	3311966	35.9	41.3	44.3	48.6
One-parent family (a)	838169	1082291	1192260	1369269	15.7	15.2	17.0	20.1
Other family (b)	98650	126262	111219	122249	1.8	1.8	1.6	1.8
Total families	5345971	7133497	7021849	6813884	100.0	100.0	100.0	100.0

Family type	Population				Percent of total population			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.	%	%	%	%
Couple family with children	10087796	11023043	10114884	8506483	52.0	45.5	41.8	35.1
Couple family without children	3894578	5990493	6293781	6691235	20.1	24.8	26.0	27.6
One-parent family (a)	2244497	2523586	2891306	3599974	11.6	10.4	11.9	14.9
Other family	209540	268180	236391	259855	1.1	1.1	1.0	1.1
Total population in families (b)	16611363	20006358	19754762	19302690	85.6	82.7	81.6	79.8
Other non-family living arrangements	2801877	4195446	4447042	4899114	14.4	17.3	18.4	20.2
Total population	19413240	24201804	24201804	24201804	100.0	100.0	100.0	100.0

Family type	Average Family size			
	2001r	2026 S(I)	2026 S(II)	2026 S(III)
	no.	no.	no.	no.
Couple family with children	4.05	3.70	3.88	4.23
Couple family without children	2.03	2.03	2.02	2.02
One-parent family (a)	2.68	2.33	2.43	2.63
Other family	2.12	2.12	2.13	2.13
Total (b)	3.11	2.80	2.81	2.83

2001r refers to reconciled 2001 propensities.

(a) Both male and female lone parent families.

(b) Includes unrelated individuals living in a family household.

In 2001 there were 2.5 million couple families with children, accounting for just under one-half (47%) of all families in Australia. In Series I this number is projected to increase by 19% to reach 3.0 million in 2026 (42% of all families in Australia). In Series II the number is projected to initially decline and then increase, reaching 2.6 million in 2026 (accounting for 37% of all families in Australia). In Series III, the number of couple families with children is projected to decrease by 19% to 2.0 million families in 2026 (30% of all families in Australia).

Between 2001 and 2026 couple families without children are projected to experience the fastest and largest increases of all family types in Australia. As a result, in Series II and III couple families *without* children are projected to overtake couple families *with* children and become the most common family type in Australia in 2011 and 2010 respectively.

From 1.9 million families in 2001 (36% of all families), couple families without children are projected to increase by between 54% and 73% to reach between 2.9 and 3.3 million families in 2026 (41% and 49% of all families respectively).

One-parent families are projected to increase by between 29% and 63%, from 838,000 families in 2001 to between 1.1 and 1.4 million families in 2026. In 2001 the number of female one-parent families (698,000) was around five times greater than the number of male one-parent families (140,000). This disparity is projected to continue throughout the projection period, with

female one-parent families increasing to between 894,000 and 1.1 million families by 2026, and male one-parent families increasing to between 188,000 and 223,000 families.

Population size and median age of population by living arrangements

As noted previously, the household and family projections in this paper are based on the ABS Series B population projection (ABS, 2003). In this series, the population is projected to increase from 19.4 million in 2001 to 24.2 million in 2026. The median age of the population is projected to increase by seven years, from 35.6 years in 2001 to 42.5 years in 2026. This increase is due to continuing low levels of fertility and increases in life expectancy at birth. The effect of the ageing of the population on future living arrangements is that increases in the number of people in older age groups will flow through to those living arrangements that older people are more likely to live in. For example, many older Australians live alone, therefore the total number of people living alone as well as their median age are projected to increase simply as a result of the large projected increase in the numbers of older people (Table 5).

The future ageing of the population will affect median ages minimally for those living as partners in couple families with children (with the median age rising from 42.3 years in 2001 to 44.3 years in 2026 (Series II)), children in one and two-parent families, male and female lone parents, unrelated individuals living in family households and group household members. Other related persons in couple families with children (0.5% of the total population, with a median age of 58.4 years in 2001) and other related persons in couple families without children (0.3% of the total population, with a median age of 70.4 years in 2001) are likely to move to lone person households or to non-private dwellings with gradual ageing.

Children in families

In 2001 there were 6.3 million children of any age living with one or two parents, accounting for one-third (33%) of Australia's population. This number is projected to increase only slightly in Series II (to 6.4 million) by 2026, representing just over one-quarter (26%) of the population.

While the overall number of children is projected to be much the same in 2026 as in 2001, differences according to family type are apparent. The number of children living in two-parent families is projected to decrease, from 5.0 million in 2001 to 4.8 million (Series II) by 2026 while the number living in one-parent families is projected to increase from 1.3 million in 2001 to 1.6 million (Series II) in 2026.

Table 5: Living arrangements, population size and median age - 2001 and 2026

Living arrangement	Observed 2001r			Projections 2026 (SII)		
	Population no.	Median age		Population no.	Median age	
		%	Years		%	Years
Family households						
Couple family with children						
Partner in a couple family with children	4983072	25.7	42.3	5220520	21.6	44.3
Child in a couple family	5002602	25.8	11.6	4781036	19.8	12.3
Other related person in a couple family with children	102122	0.5	58.4	113328	0.5	61.8
Couple family without children						
Partner in a couple family without children	3835218	19.8	56.6	6216201	25.7	61.4
Other related person in a couple family without children	59360	0.3	50.2	77580	0.3	51.9
One parent family						
Male lone parent in a one-parent family	139760	0.7	48.2	202691	0.8	51.0
Female lone parent in a one-parent family	698409	3.6	42.6	989569	4.1	44.5
Child in a one-parent family	1344367	6.9	13.7	1605435	6.6	13.9
Other related person in a one-parent family	61961	0.3	47.8	93611	0.4	55.2
Other families						
Related person living in an other family	209540	1.1	29.4	236391	1.0	27.6
Unrelated individual living in a family household	174952	0.9	28.1	218400	0.9	28.6
Total	16611363	85.6	..	19754762	81.6	..
Group household member	665554	3.4	28.7	843214	3.5	29.6
Lone person households						
Male lone person	819403	4.2	48.0	1348733	5.6	54.5
Female lone person	985891	5.1	64.6	1800672	7.4	69.6
Usual resident of a non-private dwelling	331029	1.7	65.0	454423	1.9	77.8
Total	19413240	100.0	35.6	24201804	100.0	42.5

2001r refers to reconciled 2001 propensities.

In 2001 there were 4.0 million children aged 0–14 years living in Australia, making up 21% of Australia's population. As a result of falling fertility this number is projected to decrease to 3.8 million children by 2026 (16% of the population), while Australia's population is projected to increase by 25%.

Most children (81%, or 3.2 million children) aged 0–14 years lived in two-parent families in 2001. This proportion is projected to decline to 77% (2.9 million children) in 2026 (Series II). Conversely, the proportion of children aged 0–14 years living with one parent is projected to increase from 19% in 2001 to 23% (from 745,000 children in 2001 to 875,000 children) in 2026, reflecting the effect of increasing numbers of separation and/or divorce of partners with children.

Partners in couple families

In 2001 people living as partners in couple families without children made up 43% of all partners living in couple relationships; by 2026 they are projected to account for 54% (Series II) of all partners living in couple relationships. The number of people in this living arrangement is projected to increase from 3.8 million people in 2001 to 6.2 million (Series II) in 2026, with the majority of growth occurring in older age groups. This is primarily due to the ageing of the population, particularly as baby boomers move into the older age groups and become 'empty nesters' as their children leave home. Of the total increase in partners in couple families without children between 2001 and 2026 (2.4 million people), 86% (Series II) is accounted for by increases in numbers of partners aged 55 years and over. The smaller growth projected in younger age groups is related to declining fertility and delayed family formation. The median age of partners in this living arrangement type was 56.6 years in 2001, and is projected to increase to 61.4 years in 2026 (Series II). Partners in couple families with children are projected to increase by 237,000 persons only by 2026, which is a consequence of the drop in the number of younger partners (down 262,000 for those aged under 40 years) and an increase in the older partners (up 500,000 for those aged 40 years and over).

Lone parents

The number of lone parents is projected to increase between 2001 and 2026. Female lone parents, who tend to be younger (with a median age of 42.6 years in 2001) than male lone parents (48.2 years), are projected to increase from 698,000 in 2001 to 990,000 in 2026 (Series II). The number of male lone parents is projected to increase from 140,000 in 2001 to 203,000 in 2026. The median age of lone parents is projected to increase by 2-3 years by 2026.

Lone persons

The number of people living alone is projected to increase at a high rate between 2001 and 2026. In 2001 there were 1.8 million people living alone in Australia; by 2026 there will be 3.1 million people living alone (Series II). Women are projected to account for more than half of the number of people living alone (57%). The median age of female lone persons was higher (64.6 years in 2001) than male lone persons (48.0 years). This disparity is likely to continue in future with the median age rising to 69.6 years for female and 54.5 years for male lone persons in 2026 (Series II).

Other living arrangements

The populations living as other related persons in couple families with or without children and one parent families, related persons living in other families, and unrelated individuals living in family households are small (each 1% or lower in 2001). Their numbers are projected to increase between 2001 and 2026 (Series II), with no substantial change in the proportion of the

2026 population living in these arrangements type.

Group household members (666,000 people in 2001, or 3.4% of the total population) are projected to increase to 843,000 people in 2026 (Series II). These are generally young people with a median age of around 30 years.

Usual residents of non-private dwellings made up 1.7% (331,000 people) of the total population in 2001. Their proportion is projected to increase only slightly to 1.9% (454,000 people) in 2026 (Series II). With gradual ageing of the population, the median age of these people is projected to increase to 77.8 years in 2026 (Series II) from 65.0 years in 2001.

CONCLUDING REMARKS

Australian society has been changing over time. On one hand, there are demographic trends like declining fertility, increasing longevity, decreases in marriage and late age at first marriage, increases in de-facto partnering, and an increase in divorce and separation of couples and subsequent reunions, and on the other, there are economic considerations leading to aspirations for higher education, getting into good and secure jobs, savings and affordability of housing etc. which are cause and effect of the trends in the living arrangement types of the population and the flow on effect on the formation of the households and families. The traditional family of a couple with children, although currently popular, is likely to give way to a couple family without children. At the same time, there will be a substantial increase in one-parent families and a large increase in the number of people living alone, forming their own households, in the future. The average household size and the average family size are projected to decline which may affect the future demand for goods and services in the country. There will be a large pool of people who would be living alone and society would need to look for their welfare and provide facilities to accommodate them into the wider Australian society.

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