



***Intergenerational support: An analysis of financial dependency of young people on their parents***

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The intergenerational relations between parents and young adult children in terms of financial support that young people receive from their parents are changing and becoming less clear. Young people today are living with their parents longer than the previous generations implying an increasing length of time for support in the form of free or subsidized accommodation. The 'prolonged dependence' of young people on their parents is believed to be due to factors such as increased education, delayed marriage and childbearing, housing un-affordability and high youth unemployment. The Household, Income and Labour Dynamics in Australia (HILDA) survey asks young people whether they receive regular income from their parents and the amount they receive annually. The survey also contains information on family relationship, living arrangements, socio-economic characteristics, and receipt of government benefits of both parents and young adult children. Hence, it provides an opportunity to examine the intergenerational relations from the perspective of financial flows from parents to young adult children. This paper attempts to assess the relative effects of factors determining income dependency of young adults on their parents. It is hypothesized that young people who are still living at home, studying, not working full-time and/or not receiving government income support are more likely to report that they receive regular income from parents. The paper will also investigate the extent to which characteristics of parents explain provision of regular income support to children. The results may have implications for policy and programs aiming at supporting young people in the transition to independence.