

Generation Y: The Casuals, The Downagers, and the Boomerang Kids

The latest social trends statistics point to a marked shift in the lifestyle attitudes established by Australia's Baby Boomer population. Not only is Generation Y more likely to be working casually and with greater job mobility, but they are also staying in the parental home longer. And when they do move out of home, most will make a return. Here we reflect upon the drivers behind these generational differences.

Moving out of home

- Nearly 1 in 4 (23%) people aged 20-34 continue to live in the parental home. In Sydney and Melbourne, this figure is even higher (27%).
- Males in this age group are more likely than females to be living with their parents (27% and 18% respectively).

When the Boomers were young, the main reason a young person moved out of the parental home was to get married. For today's 20-somethings, the main reason is to be independent, followed by a relationship. Additionally, study and employment round out the top 4 reasons today for moving out.

Conversely, the most common reasons for staying are financial issues and the convenience or enjoyment associated with living with parents.

"Australians in their 20s have made living with their parents work. Less than 1% cites family conflict as an issue that has caused them to leave home. And parents today are welcoming their adult children back. The Boomers are too young to be empty-nesters and, despite their complaints, most appreciate having the young ones around" writes Mark McCrindle.

Boomerang Kids

Of Australians aged 25-29 who live in their parental home, more than half of these (54%) have moved out and returned again. Most (52%) last less than 2 years before moving back to the parental home, with 20% lasting less than 1 year. Meanwhile 16% last more than 4 years before returning home.

Two-thirds of Gen Y-ers who return home do so because of financial problems.

In Australia there are 117,547 people in their early 30's still living at home with their parents (8% of Australians aged 30-34). Most have lived out of the parental home and returned, many with their own young children.

Introducing the Sandwich Generation

This is the first generation of Australians sandwiched between the need to care for their dependent children and the responsibility of caring for their older parents. This sandwich generation arises from the combined trends of delayed childbirth, the delayed financial independence of children, and the increasing life expectancy of the older generation.

"This is a return to the multi-generational household common in the early 20th Century. But to make it work, both parents and the adult children need clear expectations, agreement on how long the stay will be and cost sharing" states Mark McCrindle. "Parents need to change their parenting role in recognition that the returning 20-somethings are no longer dependent teenagers, but now independent adults sometimes with children of their own. Similarly, the returning son or daughter has to avoid the trap of falling into old patterns of dependency and, as sharers of the accommodation, contribute to cleaning, costs, and sharing around the TV remote."

Markers of adulthood

One's 20s have traditionally been a time to take on life-long responsibilities like marriage and having children, but Australians are now waiting until their 30s to accomplish such milestones.

Australians think the following landmark events should be achieved before turning 30, but the reality is that people are delaying many of them till their 30s (in brackets is the percentage of Australians who agree that this should occur before age 30):

Moving out of home (68% of Australians)

The average age of moving out of home has been increasing. Half of all those aged under 25 still live at home.

Getting married (56% of Australians)

The average age at first marriage is now 28 for women (22 in 1982) and 30 for men (24 in 1982).

Having children (48% of Australians)

Australians are also increasingly delaying having children. The average age at birth of first child is now 31 (25 in 1982).

Committing to a mortgage (47% of Australians)

The average age of a first home-buyer has increased from 27 in 1982 to the early 30s today.

"A century ago when people turned 15 or 16 they moved from childhood into adulthood. With that came the responsibilities of work and financial obligations. As educational expectations and opportunities grew in the 20th century, so the life stages changed" states Mark McCrindle. "Today children are "older" younger, being more technology-savvy, media-saturated and information-empowered. Yet adulthood has been further delayed as the years of adolescence are extended. Today's live-at-home 20-somethings have been labelled the KIPPERS (Kids In Parents Pockets Eroding Retirement Savings)."

Your 20s is a time to...

- Discover yourself and try new things – 36%
- Get serious about life and grow up – 22%
- Work hard and play hard – 20%

“Today’s youth are all part of Generation Y and comprise almost 1 in 5 Australians. They are the world’s first digital generation, the world’s first global generation and the most entertained and materially-endowed generation Australia has ever seen” explains Mark McCrindle. “But there is a downside. For many, they have experienced so much so young that they aren’t amazed anymore. They live in a culture without awe and transcendence.”

Markers of adulthood

Approximately 25% of the national workforce is employed casually (i.e. no access to paid sick or holiday leave). This figure is even larger for those within the Generation Y cohort (ages 15- 24) – approximately 40%.

Boomers place more importance on job tenure in one’s 20s than younger generations. For just over one-third of Boomers it is “very important,” while just 13.5% of X-ers and 10% of Y-ers think so.

This research also found big differences in how today’s 20s grow their career. For Generation Y, it is in taking on better job opportunities that one gains experience and climbs the career ladder. For Boomers, it was in staying with a company and showing loyalty and stability that experience and promotion were gained.

“We are dealing with a very empowered group of Australians. Generation Y is accurately labelled Generation ‘why’. Articulate, sceptical and not afraid to push-back, this low compliance generation is entering a high regulation society” states Mark McCrindle.

Many Y-ers cited the increasing casualisation of the workforce for the reason why they place little importance on job tenure and why they feel they need to ‘move on’ in order to grow and gain more experience:

“You have to gain a range of experience which cannot always be gained at one company.”

“I knew if I wanted more I had to change companies...”

“In your 20s, to gain a feel for all options available to you, you need to be open about other job prospects.”

“Not only are we dealing with a generation of young people who have had more education than ever, but they will have more careers than ever” states Mark McCrindle. “They will live longer, work longer and have at least 5 careers and 20 employers in his life-time.”

Boomers on job tenure in your 20s:

"It is important to settle in a job at a young age. Change can come later when you're more experienced."

"In my 20s, staying in the one job opened up opportunities to rise up [in] the ranks."

"It was difficult getting a job back then and security of tenure was very important."

Boomers also commonly mentioned job security as a reason why they placed importance on job tenure in their 20s. In this current economic climate, job security is again becoming a priority for many people in their 20s:

"With the economy the way it is important to keep anything you can get."

"There aren't as many jobs available as there were 2 years ago, thus I believe it's important to hold a steady job at this time."

However work-life balance is still a key attraction and retention tool for the workforce. The positive side to casual employment is that these workers are nearly twice as likely as other employees to have a say in which days of the week they work (52% and 28% respectively).

Saving goals

For Y-ers (57%) and X-ers (48.5%), the main saving goal for them in their 20s is/was holiday/travel; for the Boomers, it was a mortgage (46%).

"Having only experienced an economy that expands, this generation is being hit by the financial downturn very hard. After all, this was the generation that expected to start their economic life in the manner in which they saw their parents finish their economic life. So the year ahead will be very character-forming. Indeed it may prove to be the recession Gen Y had to have" says Mark McCrindle.

Sources: McCrindle Research / ABS
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For comment or further analysis
contact Mark McCrindle.

m: 0411 5000 90

p: +61 2 8824 3422

e: mark@mccrindle.com.au