

Data on the family situation of young people, private transfers and the familialization of financial aid

Leaving the parental home is the initial event marking the transition to adult life. The age of departure varies by country and by gender, with young women generally leaving home later than young men, despite the fact that women generally form cohabiting couples at a younger age than men. No clear relationship can be seen between the home-leaving age and the arrival of the first child.

Once they leave the parental home, young adults frequently receive financial aid from their parents or from other private households, with significant variations in the proportion of young adults concerned and the average amounts involved.

The state may also help families with a young adult by extending the payment of family allowances through to a relatively advanced age or for as long as the young adult remains in the education system. This can lead to the strong “familialization” of aid for young adults in some countries, while other countries prefer to provide aid directly to the young people in question by bringing them access to social aid.

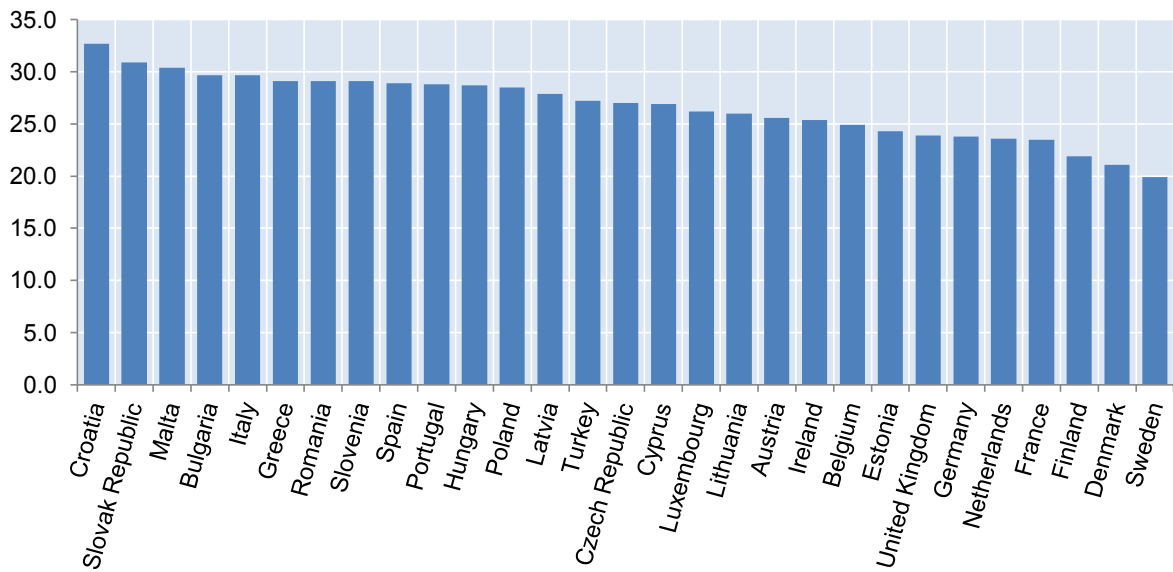
The residential independence of young adults

The average home-leaving age in Europe is 26.7 (Figure 41), but rises to over 30 in Croatia and Slovakia and is higher overall in Southern and Eastern Europe. Young adults leave the parental home at an earlier age in the Nordic countries, Continental Europe, the UK and Ireland, the average in Sweden being particularly low, at under 20.

Figure 41. Average home-leaving age.

Average age when leaving the parental home

(log_quit)



Differences between countries in terms of the average age of young adults when leaving the parental home are slighter for young women than for young men (Figure 42). There is also a strong correlation between the age at which young adults leave home and the age at which they form cohabiting couples, which comes as no surprise since these two events are often linked. However, there is no simple linear relationship between the median home-leaving age and the arrival of the first child. This is because a number of factors influence the decision to have or not have children long after young adults leave their parents' home.

Figure 42. Median ages when leaving parental home and starting a cohabiting couple, by gender, 2011.

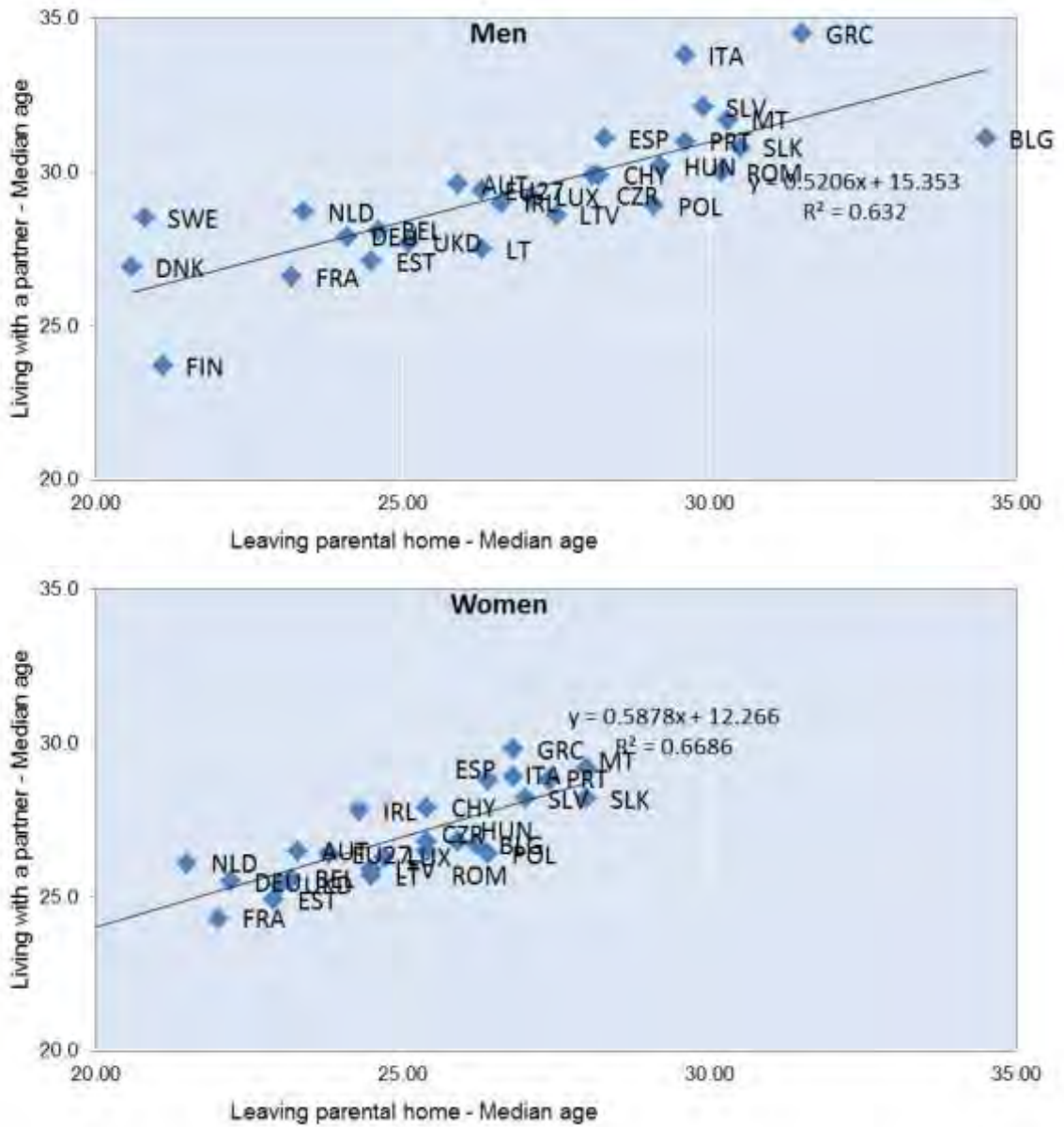
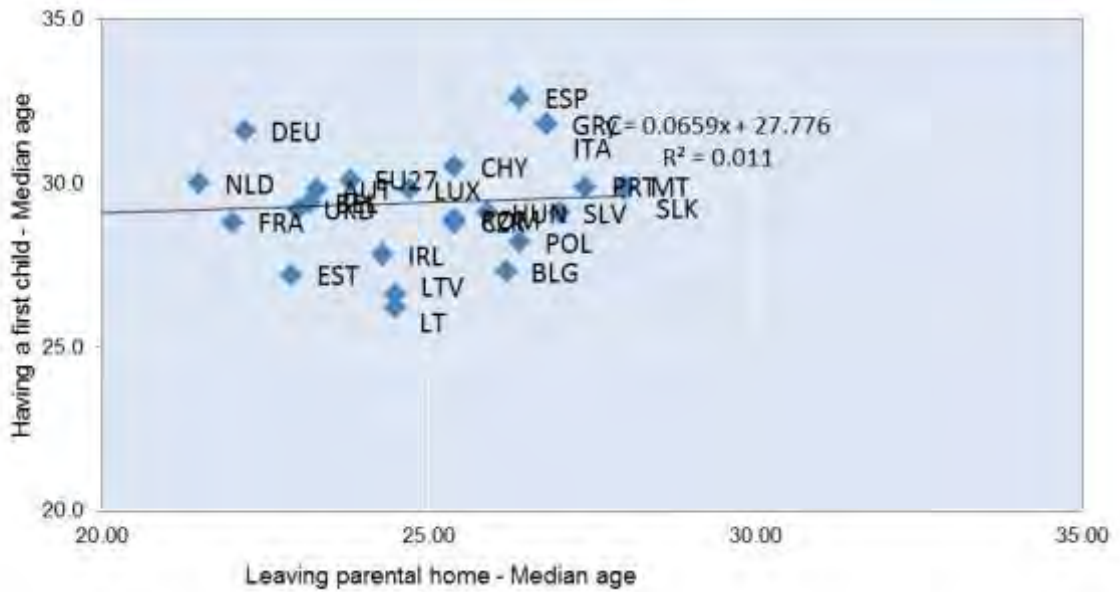
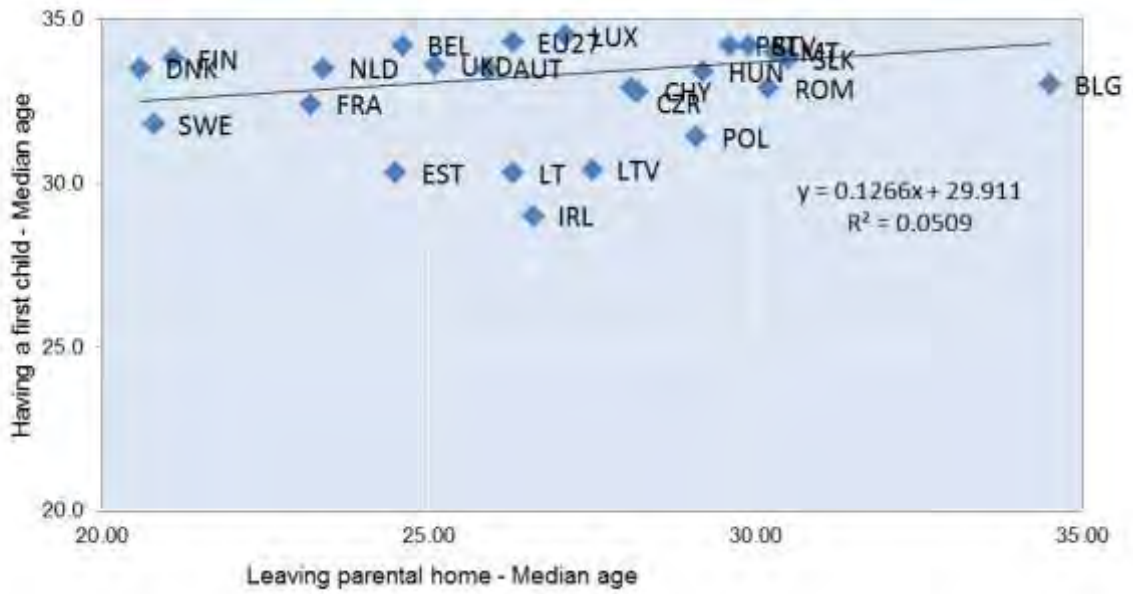
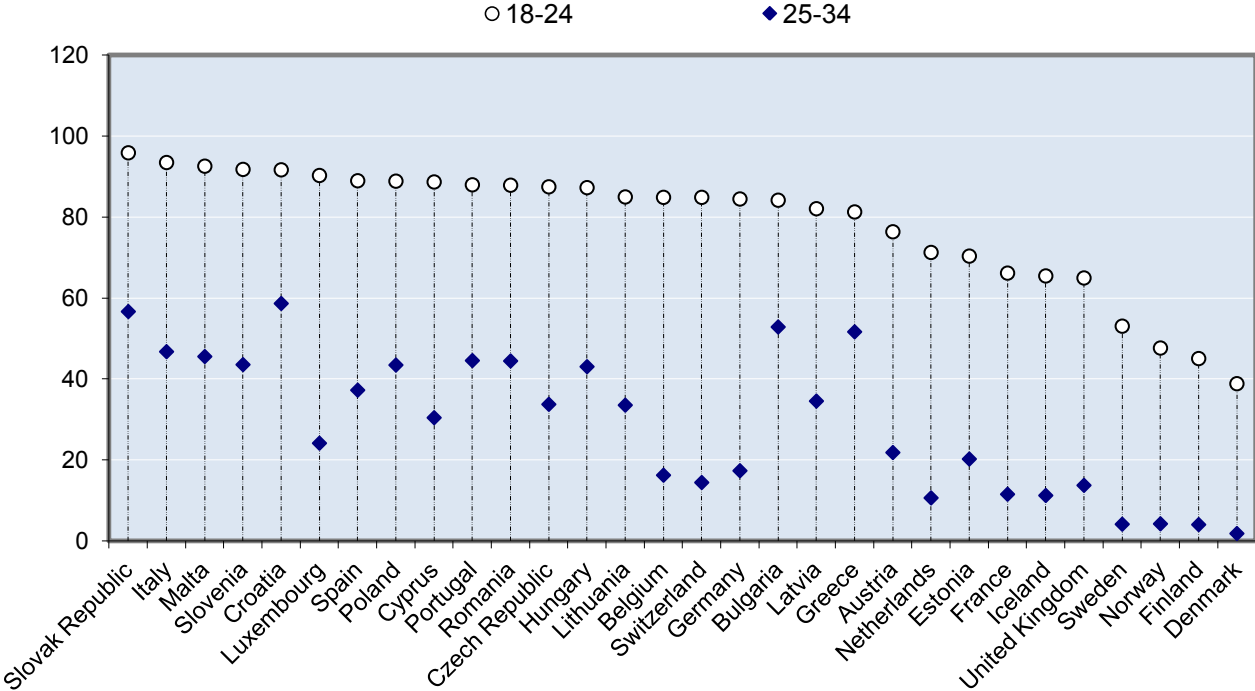


Figure 43. Median ages when leaving parental home and having a first child, by gender, 2011.



The proportion of 18-24 and 25-34 year-olds living with their parents corroborates our previous observation (Figure 44). More young adults in Eastern and Southern Europe live with their parents regardless of age group. In Slovakia, 65.8% of 18-24 year-olds and 56.8% of 25-34 year-olds live with their parents. In the Nordic countries, France and the UK, the percentage is much lower and living with one’s parents very much the exception after the age of 25. In Denmark, just 1.8% of 18-25 year-olds live with their parents.

Figure 44. Proportion of 18-34 year-olds living with their parents.



The previous observation holds true once again regarding the share of 15-29 year-olds living outside the parental home (Figure 45). The share receiving a monetary transfer from another household (generally from their parents) varies considerably from one country to the next (Figure 46). A very small minority of 15-29 year-olds living in an independent household receive income from other private households (1.36% in Denmark). The proportion is much higher on average (15%) and particularly high in Greece, where 45.62% of under-30s receive income from another private household. Significant differences exist within given geographical groups. For example, the proportion of young people in Denmark receiving private transfers is low, but that same share is relatively high in Finland and Iceland. In symmetrical fashion, the proportion of young people receiving private transfers is comparatively high in Greece but comparatively low in Spain, Italy and Portugal. The median

amount received by young adults also varies strongly between countries, on either side of an average €2,731.90 a year (Figure 47).

Figure 45. Percentage of 15-29 year-olds not living with their parents.
(out_ofhome)

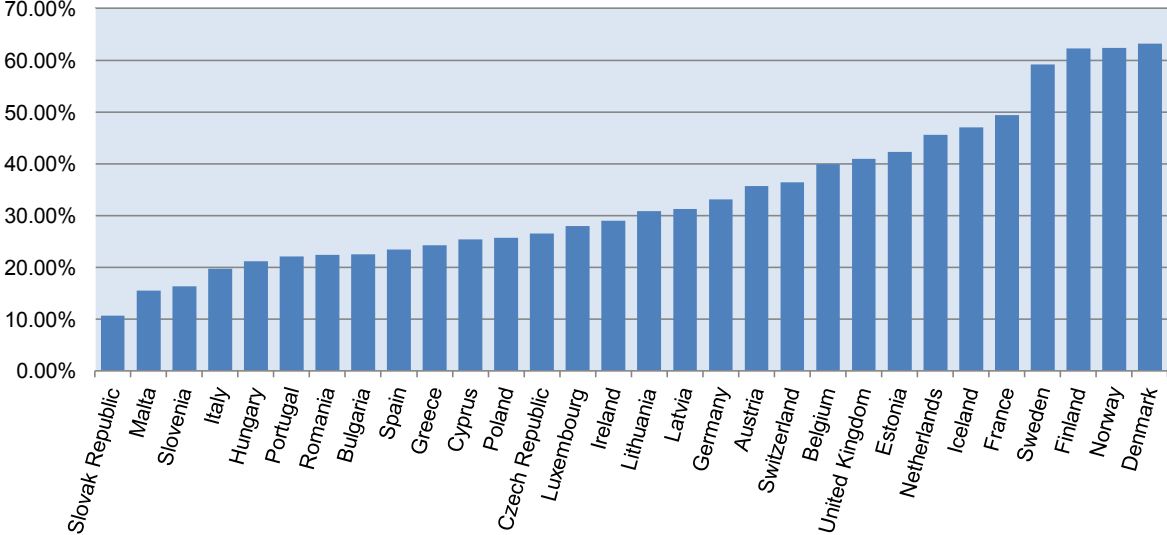


Figure 46. Percentage of young people living outside the parental home and receiving a private transfer.
(cashrec_any)

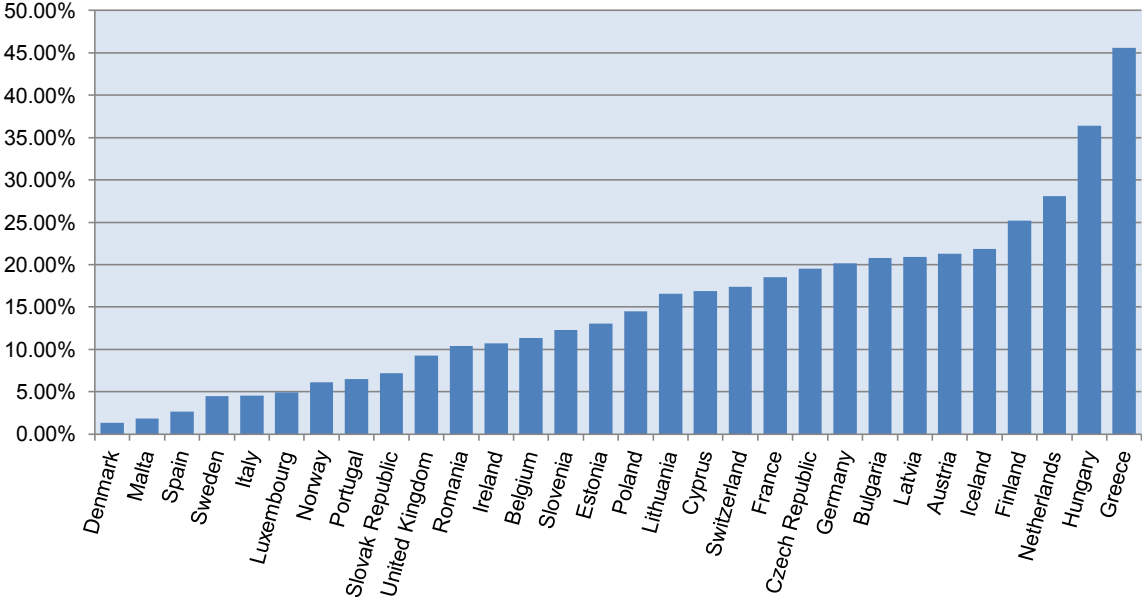
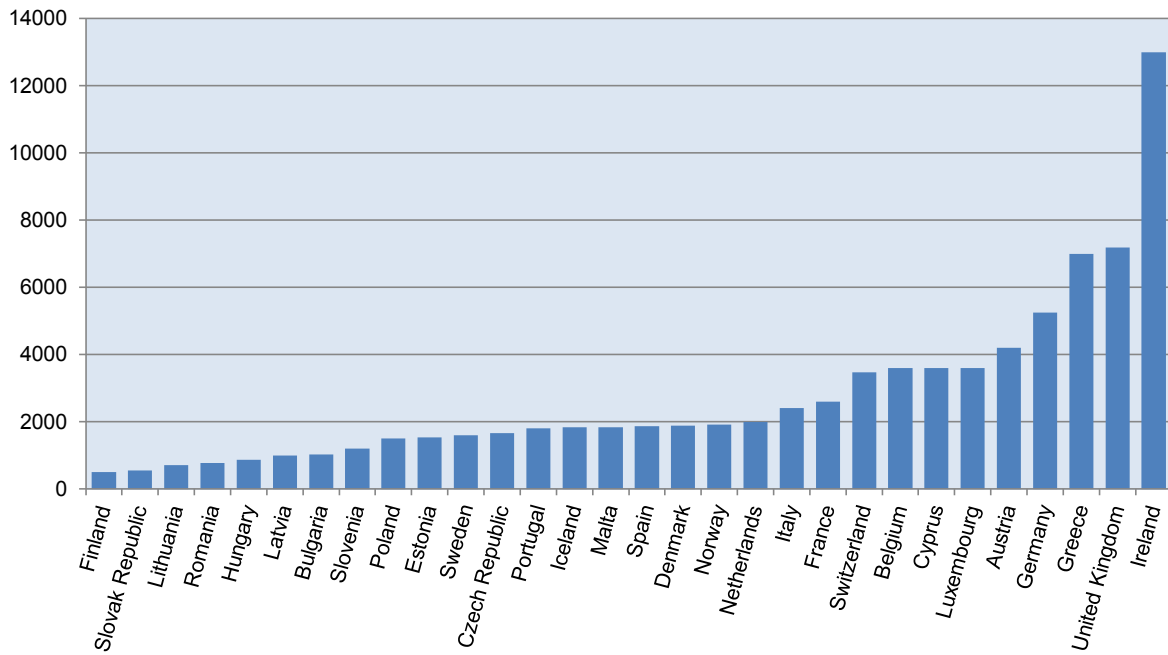


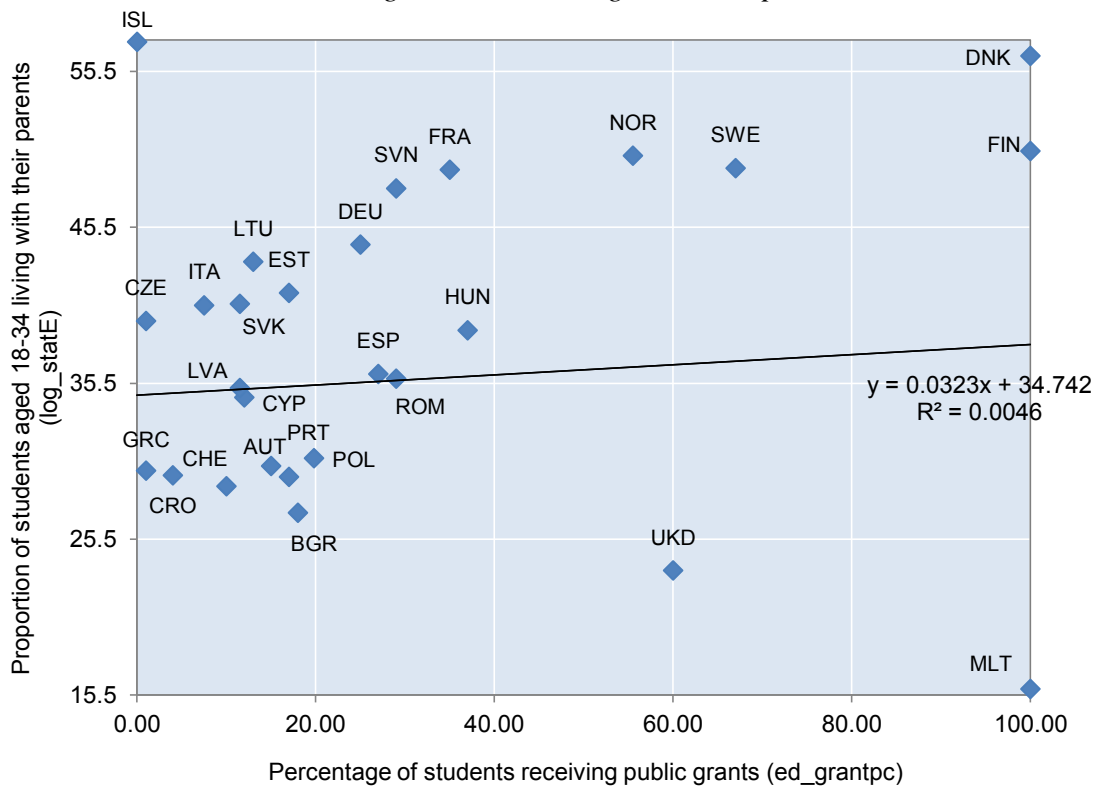
Figure 47. Median value of the transfers received by young people living in an independent household.

(cashrec_med)



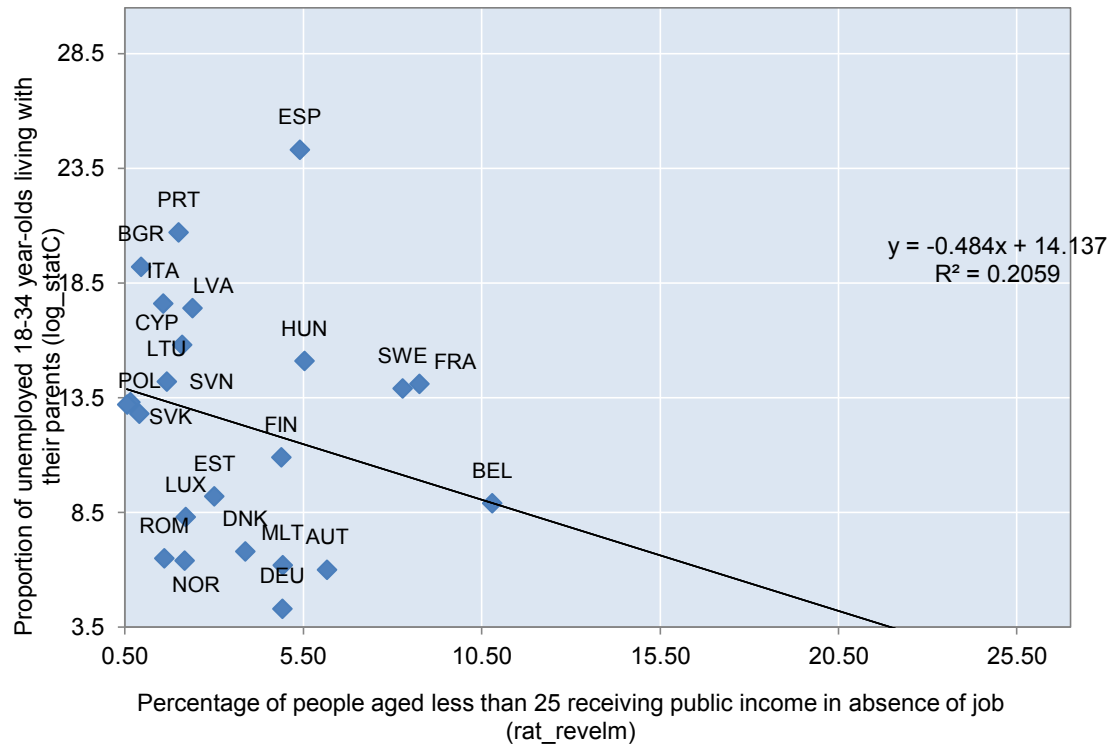
As a rule, the higher the share of students with grants, the higher the number of students living with their parents. But once again, the relationship is far from linear, owing to strongly contrasted conditions for awarding grants (Figure 48).

Figure 48. Proportion of students receiving public grants and students aged 18 to 34 living with their parents.



The more unemployed under-25s receive financial aid, the less often they live with their parents (Figure 49). However, at equivalent aid levels, the young unemployed live more often with their parents in Southern and Eastern Europe.

Figure 49. Percentage of under-25s receiving aid when out of work and unemployed 18-34 year-olds living with their parents.



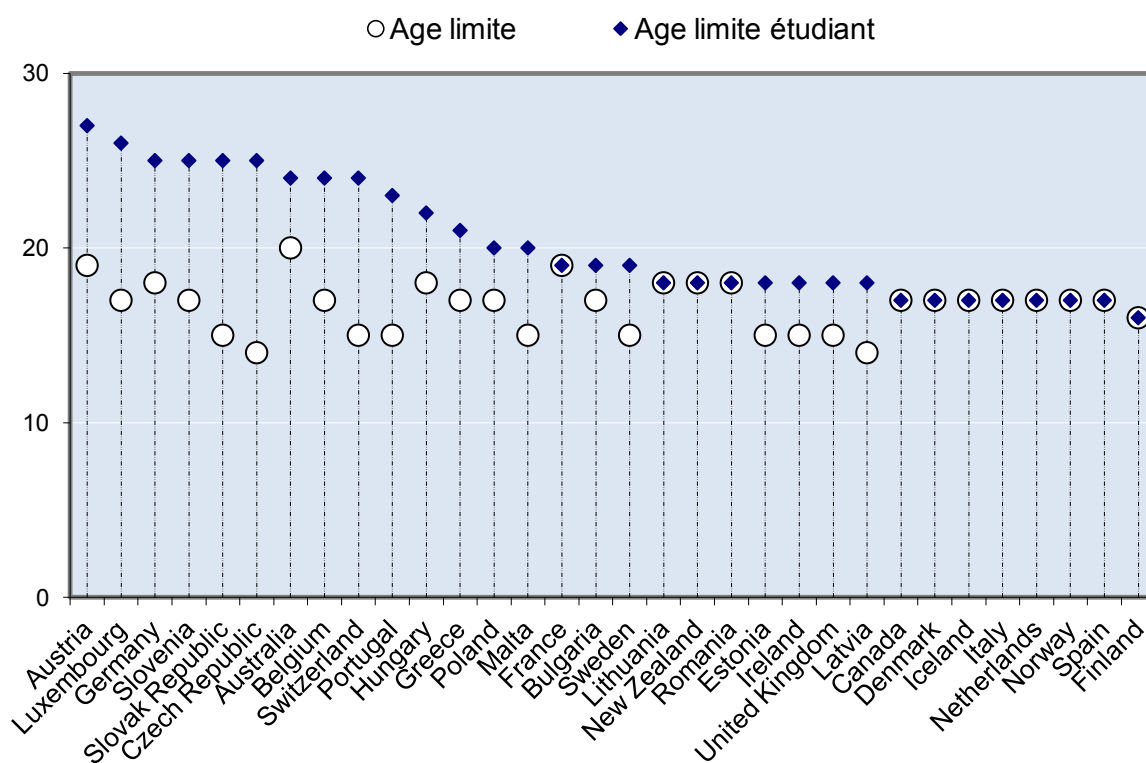
The extent of the familialization of aid can be assessed using several indicators. Table 5 cross-references two dimensions of the familialization of aid for young adults: the family allowances received by parents with student children and the existence of tax reductions for households with students (Table 5). From this standpoint, the familialization of aid is particularly strong in the countries of Continental and Eastern Europe and Greece, where families receive both these forms of aid (northwest quadrant of the table). In contrast, families in the Nordic countries and other Eastern European countries lack access to both these forms of aid.

Table 5. Financial aid to families with a student.

Extended family allowances for households with students (line) \ tax reductions for households with young adults (column)	Yes	No
Yes	Austria, Belgium, Czech Republic, France, Germany, Greece, Luxembourg, Poland, Portugal, Slovak Republic, Slovenia	Switzerland,
No	Estonia, Ireland, Italy, Latvia, Malta	Bulgaria, Croatia, Cyprus, Denmark, Finland, Hungary, Iceland, Norway, Romania, Spain, Sweden, Turkey, United Kingdom

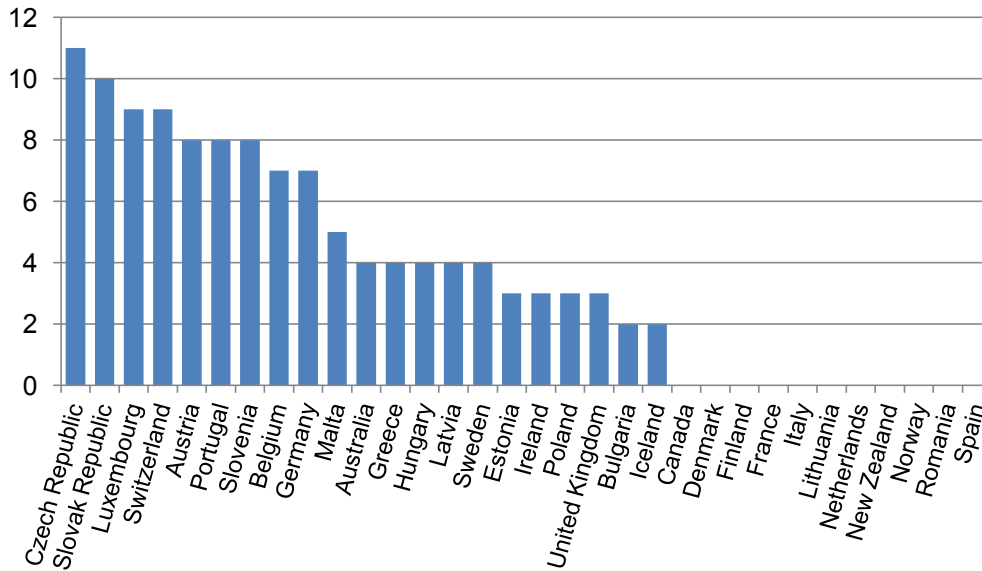
In addition, a number of countries (mainly in Continental and Eastern Europe) extend family allowances over time in line with the educational status of the young person, significantly extending the granting of family allowances when the young person is a student (Figure 50).

Figure 50. Upper age limit for children to receive family allowances.



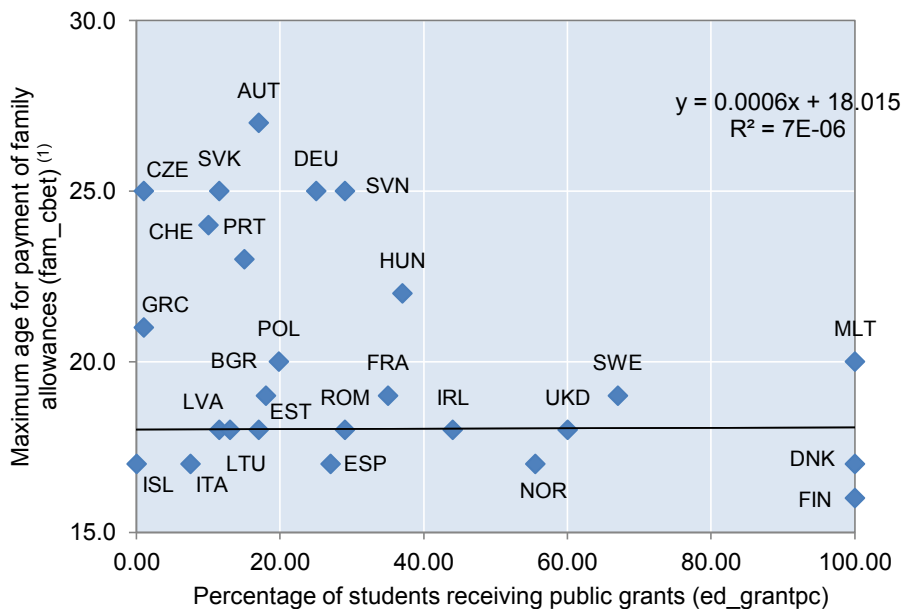
The difference between these two ages (i.e. whether the young person is a student or not) is an average 3.7 years in countries where this distinction is made, but 10 years or more in the Czech Republic and Slovakia (Figure 51). But this distinction is not made in a large number of countries, notably in Southern and Eastern Europe and in some Western European and Nordic countries.

Figure 51. Difference between the upper age limit for children and students to receive family allowances.
(fam_cbdif)



In another indicator of the familialization of aid, the countries where family allowances are extended to the most advanced ages (Austria, Slovakia, Germany, the Czech Republic and Slovenia) are among those with comparatively low student grant rates (Figure 52). In contrast, in the Nordic countries, the UK and Malta, grant rates are higher but the payment of family allowances ends when young people attain their majority, and even before that event.

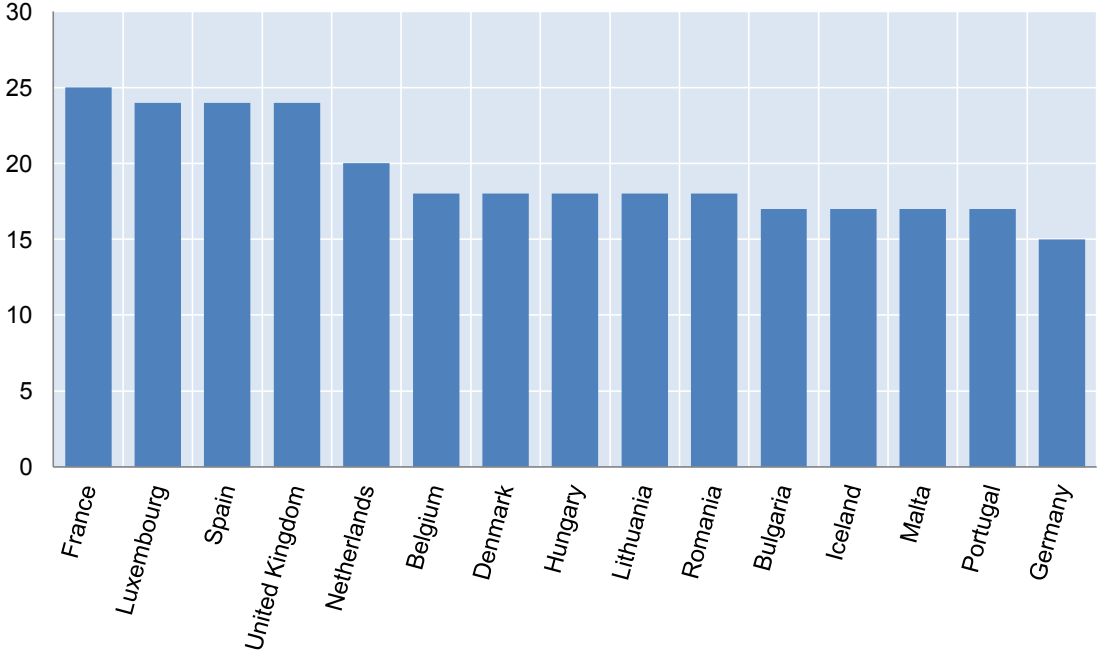
Figure 52. Upper age limit for the payment of family allowances for a family with a student and percentage of students receiving public grants.



Data on social aid

Access to social assistance is also an important component in the aid that young people may receive from one country to the next. The rules on qualifying for assistance benefits vary primarily because some countries set a minimum age for receiving such aid (Figure 53). The minimum age is 25 in France, 24 in Luxembourg, Spain and the UK, and much lower in the countries shown here. The other countries do not use age criteria to determine eligibility for social assistance.

Figure 53. Minimum age to benefit from social assistance-min_soc

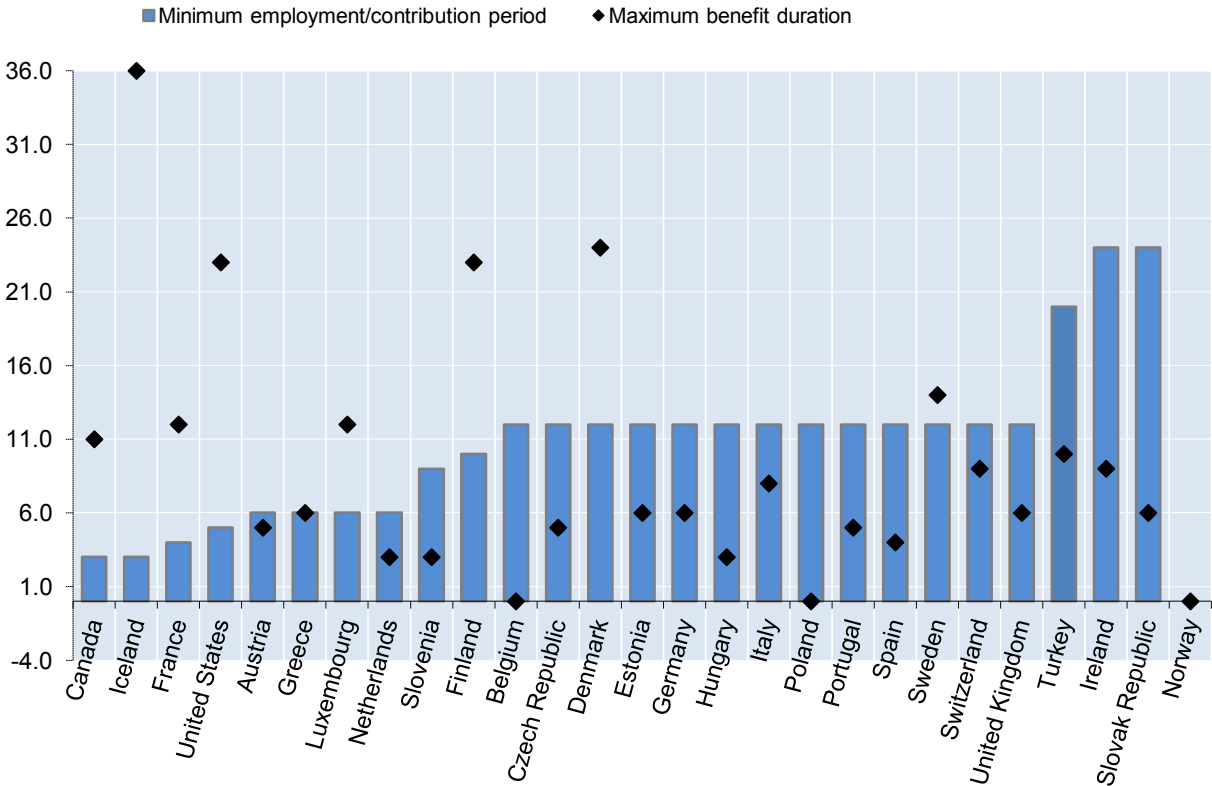


No minimum age for qualifying for social assistance exists in:

The criteria used to determine eligibility for unemployment compensation vary from one country to the next. One such criterion concerns the contribution period required for qualifying for unemployment benefit. On average, young people need to work for 10.8 months before receiving unemployment benefit (Figure 54). This period is much shorter in Canada, at just three months, and somewhat shorter in the USA and Western European countries, at less than 10 months. In most European countries, young adults need to have worked for 12 months before receiving unemployment benefit. But in Turkey and Ireland, and Slovakia in particular, young people need to work and pay in their contributions for 20 to 24 months to qualify for unemployment benefit.

The period during which young adults may receive unemployment benefit also varies substantially between countries, ranging from 3 months in Slovenia, the Netherlands and Hungary to 36 months in Iceland, but in most countries is between 5 and 12 months.

Figure 54. Contribution period required to qualify for unemployment benefit and maximum benefit duration (in months) (unin_ben).



The availability of social benefits to young adults with no work experience also varies considerably between countries (Table 6). Roughly one-third of the countries offer access to compensation for job seekers, in the form of unemployment assistance or unemployment insurance. Social assistance benefits are available in most countries, but not in Germany, France, Italy, Luxembourg, New Zealand, Spain or Turkey. Access to family allowances is broad, through aid to single-parent households and benefits and supplements for households with children.

Table 6. Unemployment benefit, social assistance, housing benefit and family allowances for young people with no work experience (*ben_avun*).

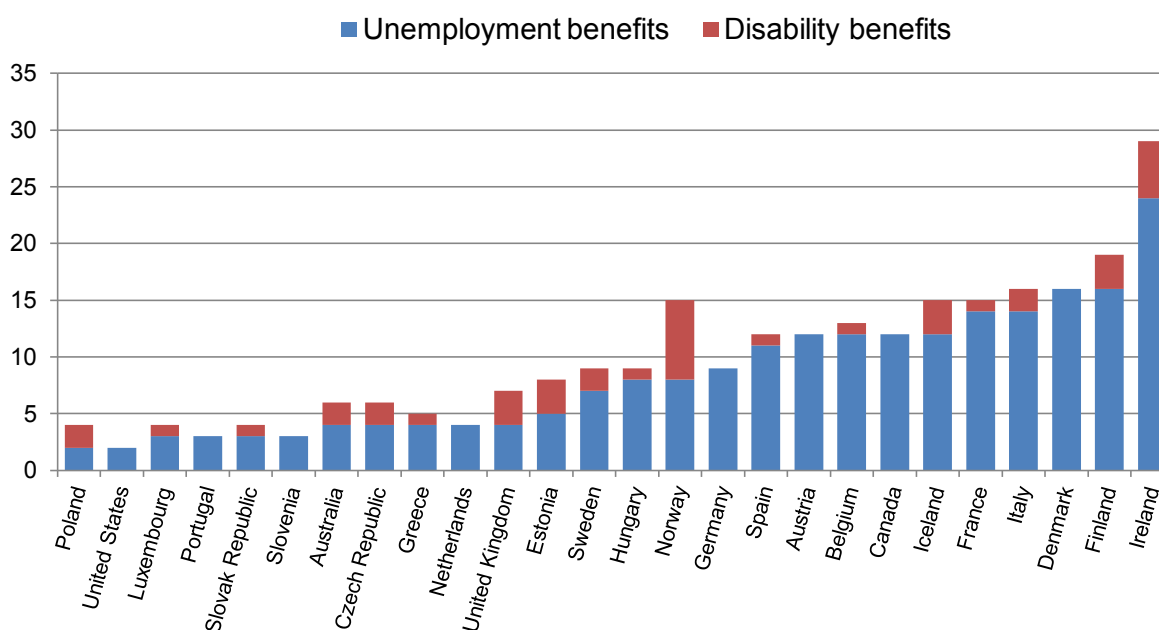
	No family responsibilities				Family responsibilities	
	Unemployment benefits		Other benefits available		Additional child contingent benefits	
	UA	UI	SA	HB	LP	FB
Australia	*		*	*	*	*
Austria			*		*	*
Belgium		*	*		*	*
Canada			*		*	*
Czech Republic			*	*		*
Denmark		*	*	*	*	*
Estonia			*		*	*
Finland	*		*	*	*	*
France				*	*	*
Germany	*			*	*	*
Greece	*				*	*
Hungary			*	*	*	*
Iceland			*	*	*	*
Ireland	*		*	*	*	*
Italy				*	*	
Luxembourg		*			*	*
Netherlands			*	*	*	*
New Zealand	*			*	*	*
Norway			*	*	*	*
Poland			*	*	*	*
Portugal			*	*	*	*
Slovak Republic			*		*	*
Slovenia			*	*	*	*
Spain						*
Sweden	*		*	*	*	*
Switzerland			*			*
Turkey						
United Kingdom	*		*	*		*
United States			*			*

Source: OECD Tax – benefit models, www.oecd.org/els/social/workincentives, as in Carcillo, Königs, Fernandez (2013).

The coverage of social assistance benefits varies between countries. On average, 8.3% of 16-29 year-olds receive unemployment benefit (Figure 55). But this rate is much lower in Southern and Central European countries and in the USA, where fewer than 5% of the young unemployed receive such compensation. In the Nordic and Western European countries, the young unemployed benefit from much more aid, with over 10% of 16-29 year-olds receiving unemployment aid. This percentage is as high as 24% in Ireland.

Young adults also receive disability compensation, the rate of which is particularly high in Norway, at 7%.

Figure 55. Share of young people receiving unemployment or disability benefits.
% of all 16-29 year-olds, 2011.



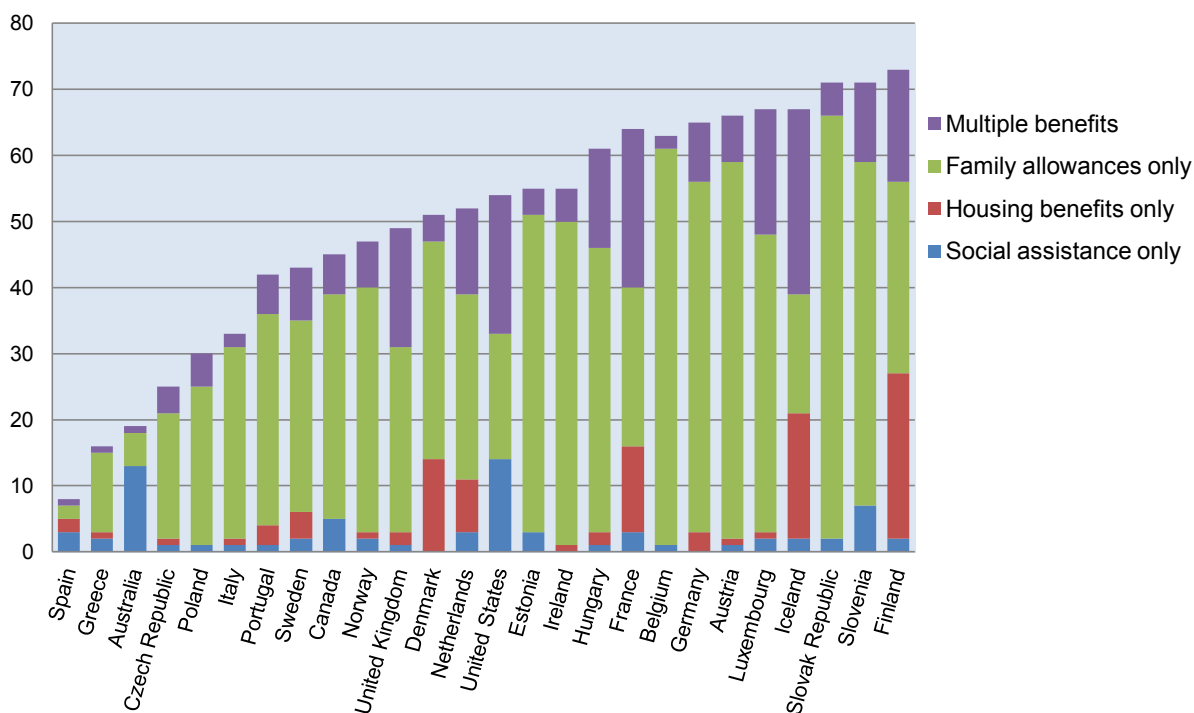
Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

The social assistance, housing benefit and family allowances received by young people are assessed in an indirect fashion because these benefits are paid to households rather than individuals. We can measure the benefits received by a household but cannot precisely identify the beneficiary. That being so, social aid coverage for young people is lowest in Southern and Central European countries and Australia (Figure 56). In contrast, social aid coverage is considerably higher in the countries of Northern and Continental Europe, with for example 73% of 16-29 year-olds receiving at least one form of aid in Finland.

Family allowances are by a large margin the most frequently received benefits in households including 16-29 year-olds. In France, the proportion of young adults belonging to a household receiving family allowances is comparatively low, owing perhaps to the fact that no allowance is paid for the first child. But France has the highest proportion of young adults belonging to a household receiving several different forms of aid.

In Australia, the proportion of young people living in a household receiving social assistance only is higher than the proportions of young people covered by other benefits. It is in France, the USA, the UK, Iceland, Luxembourg and Hungary that the highest proportion of 16-29 year-olds live in households receiving several types of benefits.

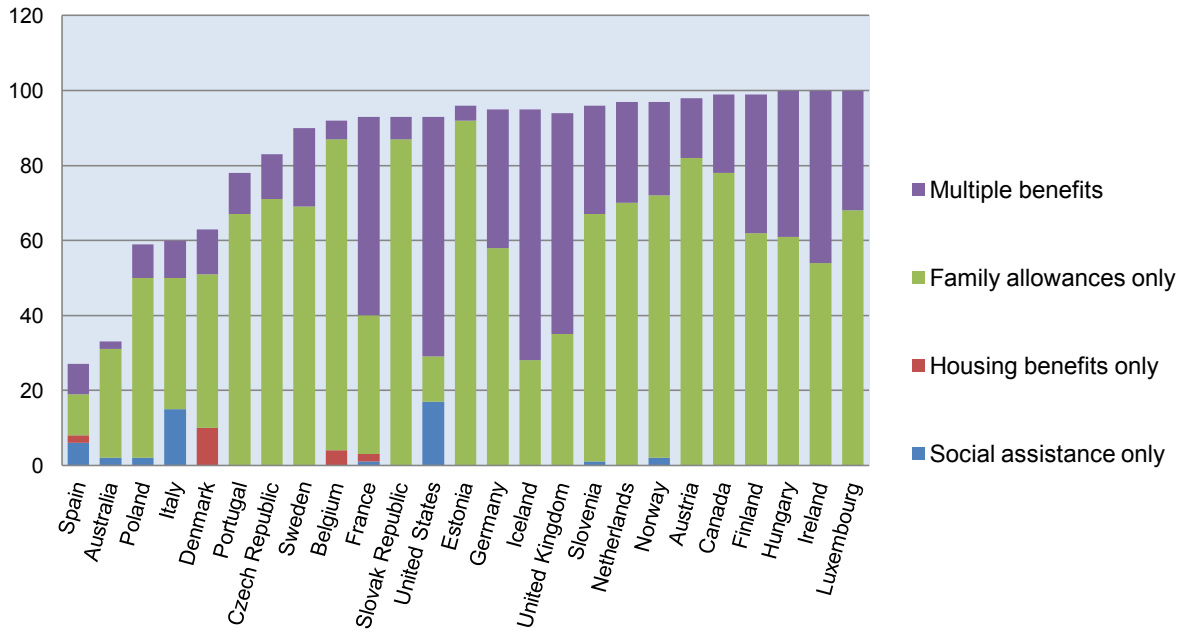
Figure 56. Share of young people living in households receiving social assistance, housing benefits or family allowances at any time in 2011. Percentage of total number of young people (16-29)¹, (youth-oth_trans).



(1) Family, housing and social benefits are awarded at household level; the percentage includes all young individuals living in a household receiving one of these benefits. For the United States, Social Assistance benefits include Food Stamps
 Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

Young single parents often benefit from social assistance, most often family allowances. In France, the USA, Iceland and the UK, the majority of these households benefit from several forms of aid (Figure 57). Inversely, very few young single parents receive social aid in Spain and Australia.

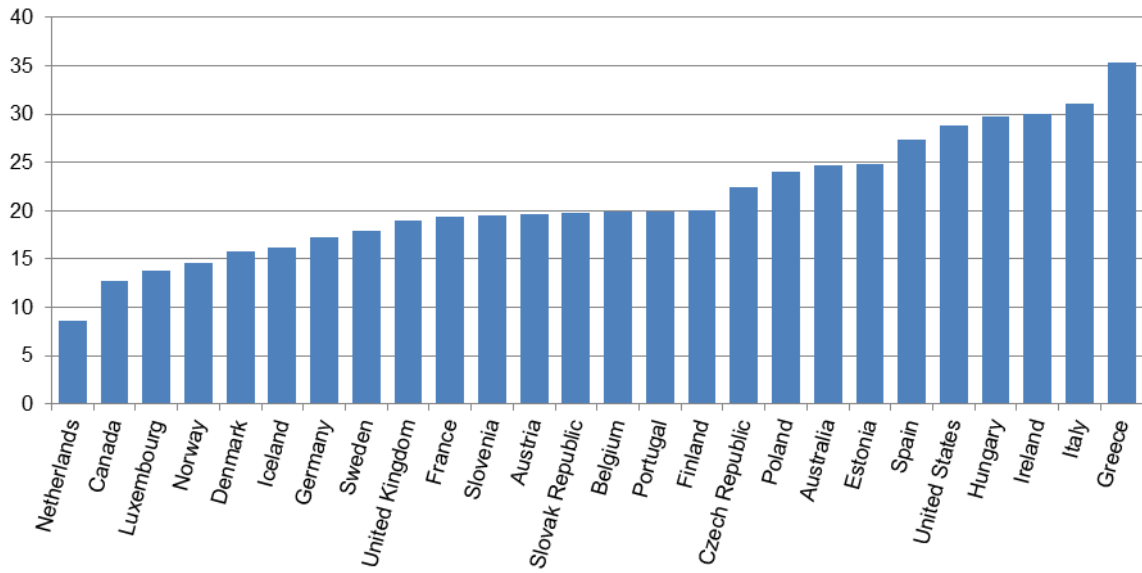
Figure 57. Share of single-parent households receiving social assistance, housing benefits or family allowances at any time in 2011.
 Percentage of total number of young people (16-29), (oth_transSP)



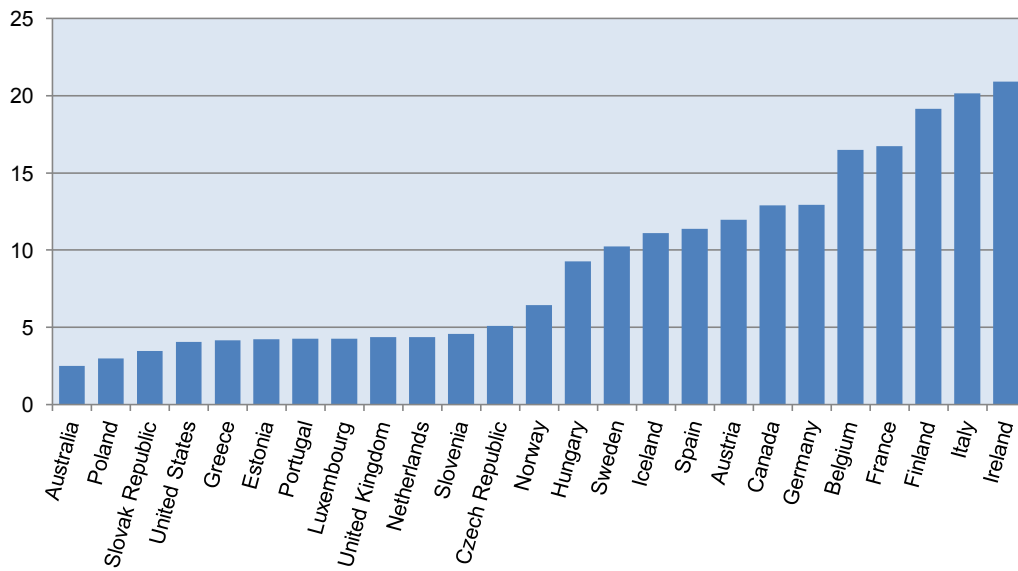
Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

The non-employment rate of young people leaving the education system is particularly high in Southern European countries, as well as in the USA, Hungary and Ireland (Figure 58). A high number of young adults receive unemployment compensation in Ireland and Italy (and in France, where the non-employment rate is lower), while the proportion of young people receiving social assistance is particularly high in the USA. Housing benefit is also very frequent in Finland, France and Iceland.

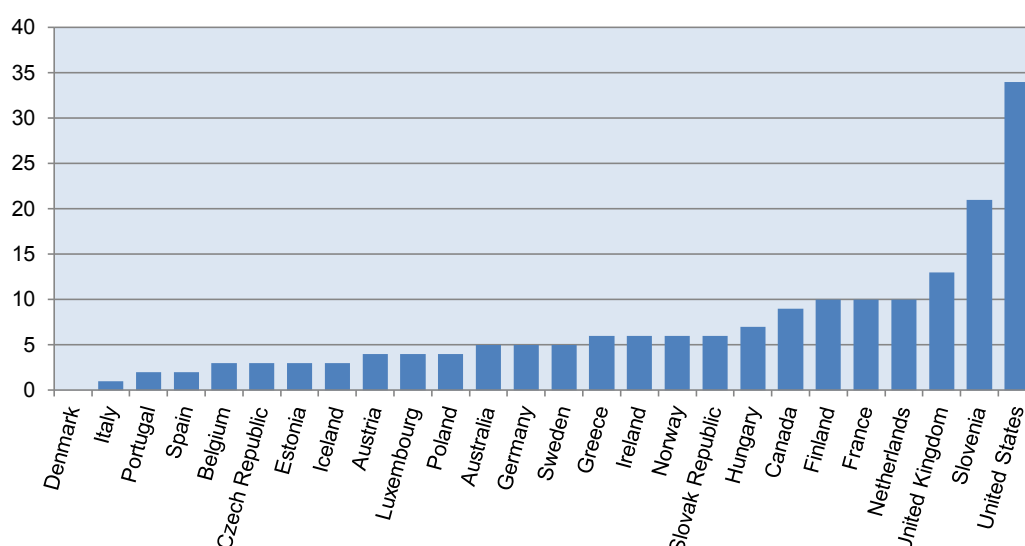
Figure 58. 15-29 year-olds not in education covered by different benefits and affected by non-employment
Non-employment rates.



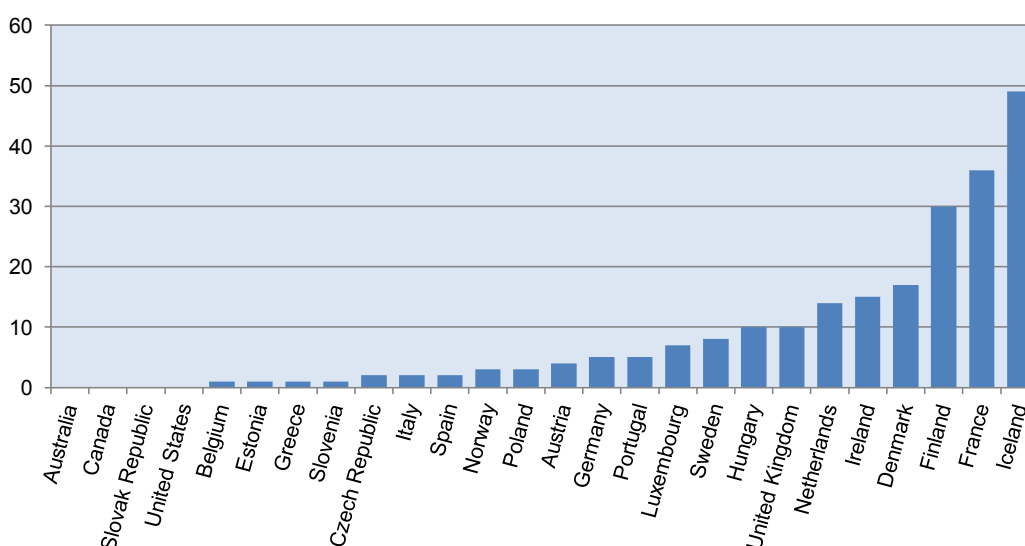
15-29 year-olds not in education covered by unemployment benefits (notin_transNR)



15-29 year-olds not in education covered by social assistance (notin_transSA)



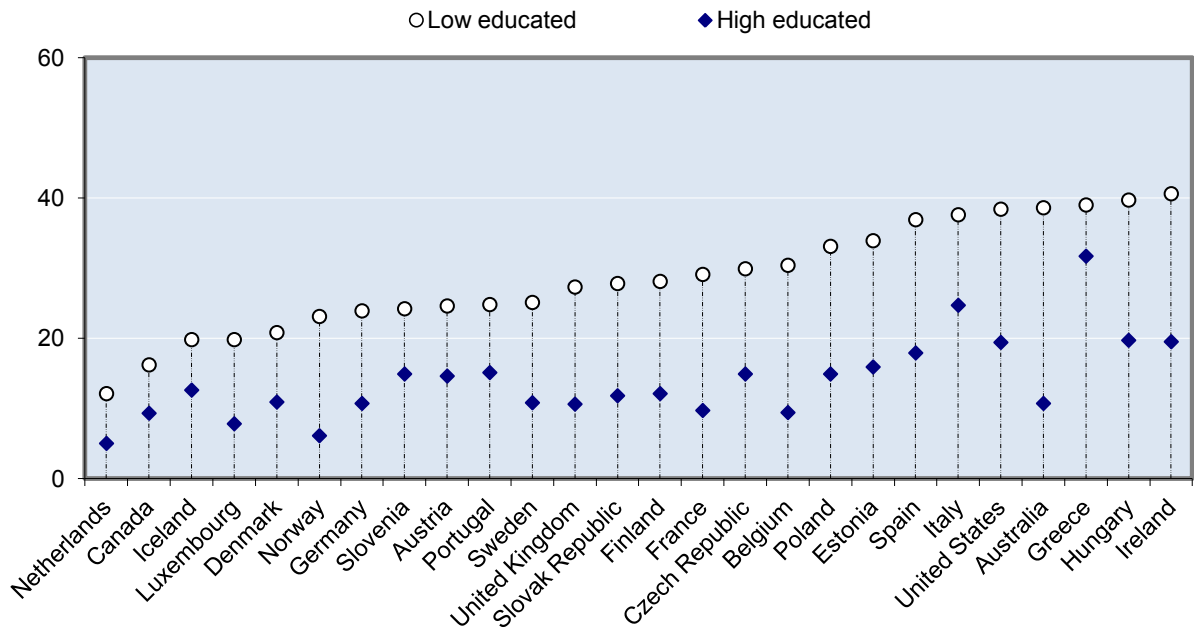
15-29 year-olds not in education covered by housing benefits (notin_transHB)



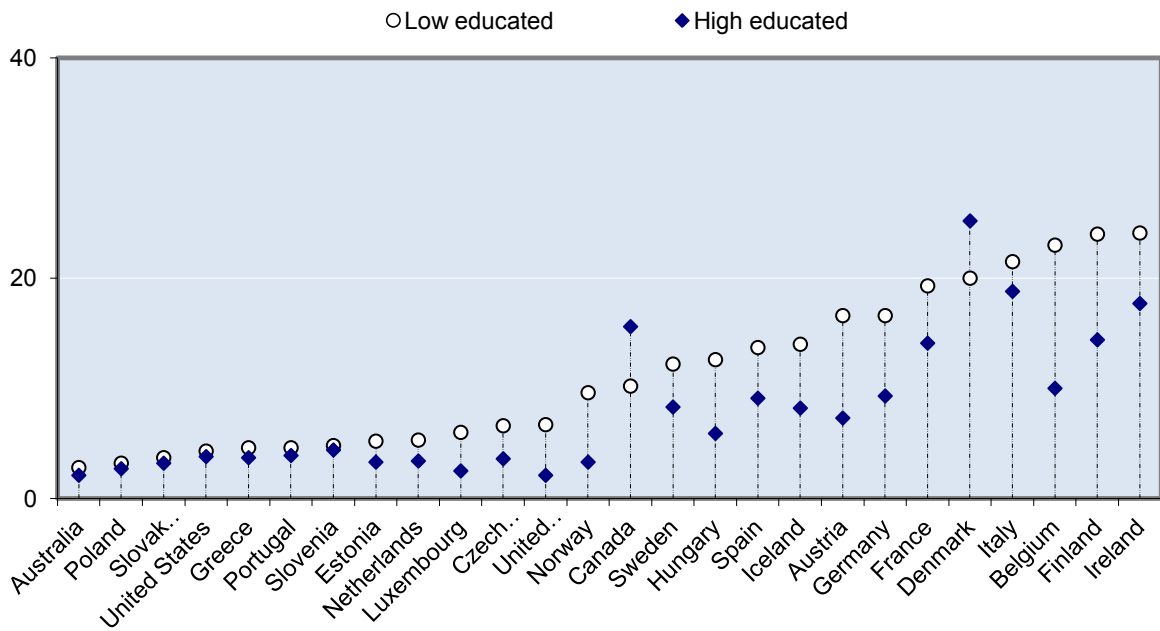
Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

Young adults with relatively modest educational qualifications are more frequently out of work (Figure 59). They are also covered more often by unemployment benefits. In a large minority of countries, where unemployment benefit coverage is lower overall, differences in coverage depending on educational qualifications are also very limited. Yet differences in coverage depending on educational qualifications are greater in countries where this coverage is, as a whole, more extensive, and where it denotes the targeting of the most vulnerable individuals. In rare cases, the most educated more often have access to some benefits; this is true of unemployment benefit in Canada and Denmark and housing benefit in Iceland.

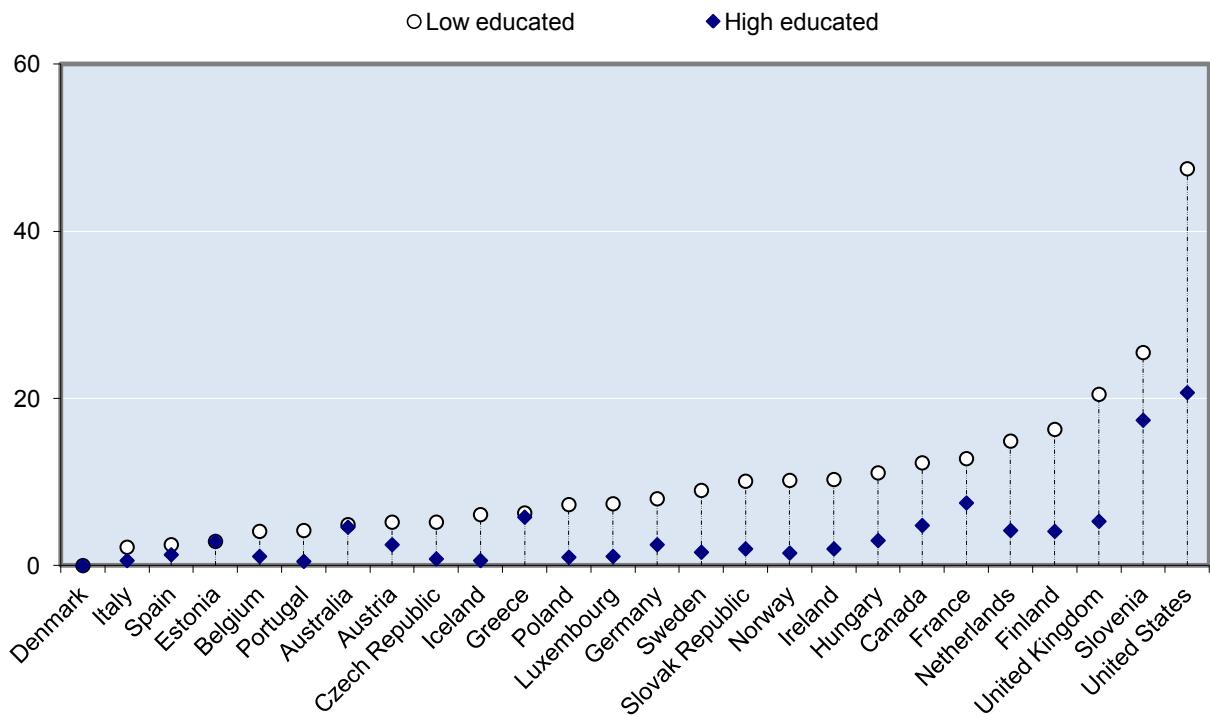
Figure 59. Welfare benefit coverage for low and high educated 15-29 year-olds
 Non-employment rate of low and high educated young people



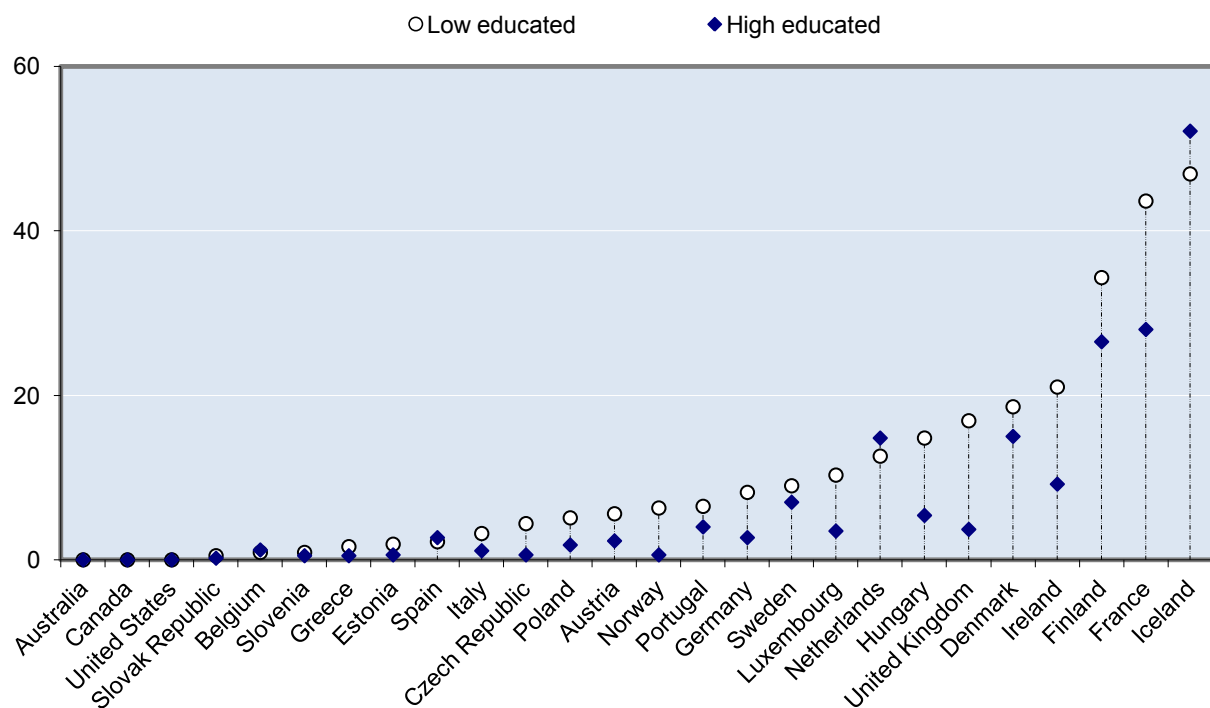
Low and high educated youth covered by unemployment benefits



Low and high educated youth covered by social assistance



Low and high educated youth covered by housing benefits

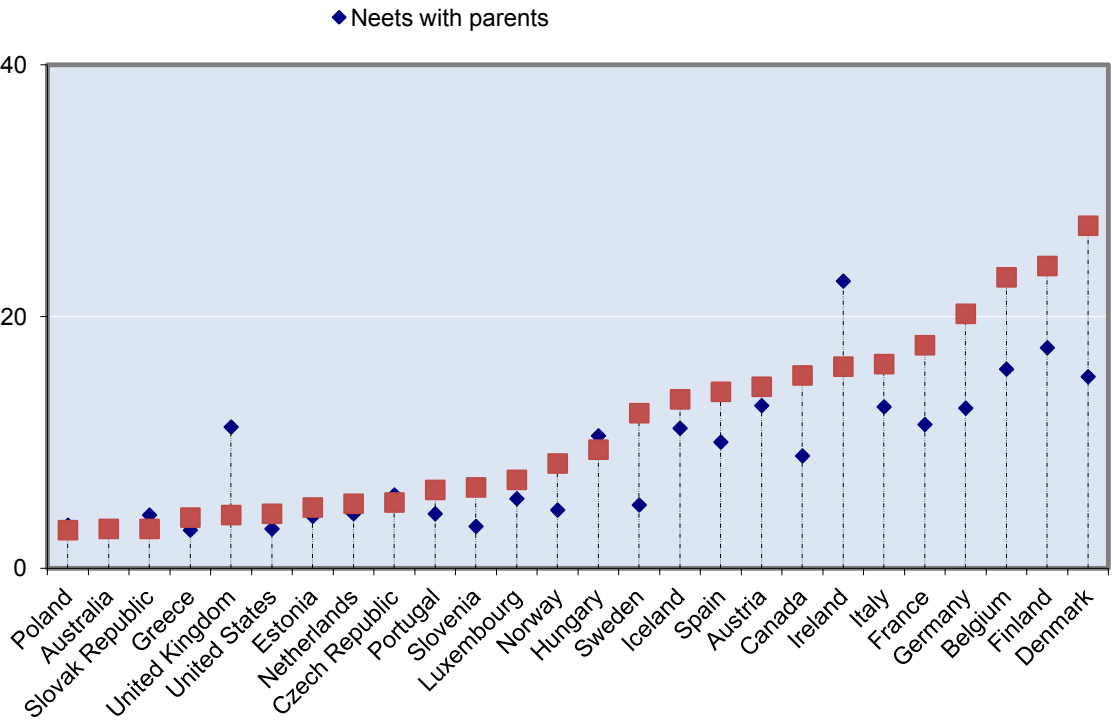


Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

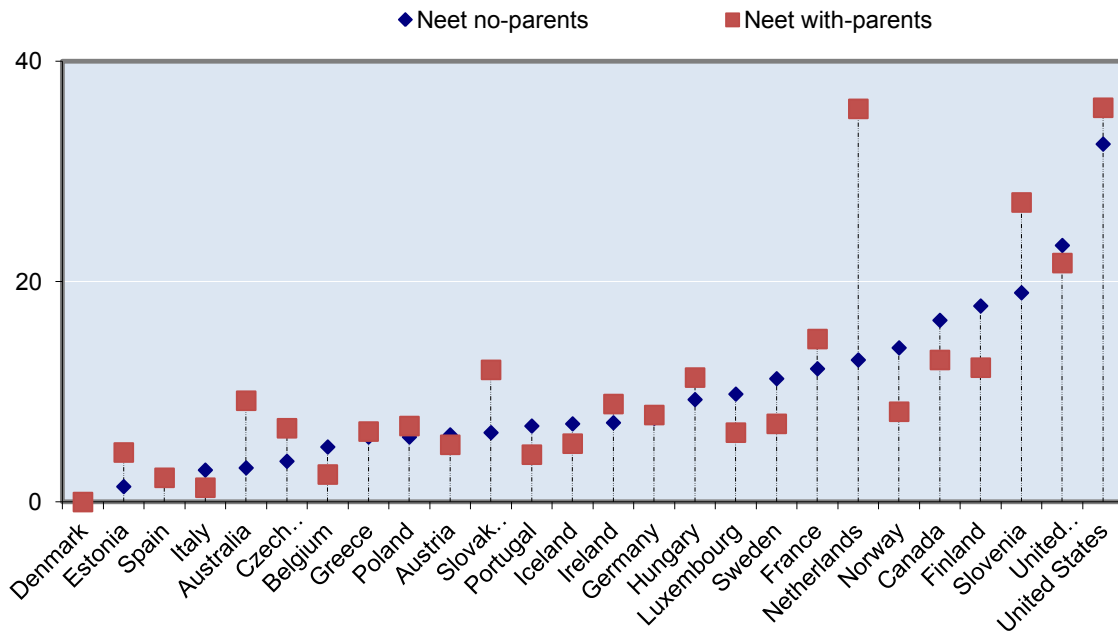
Irrespective of their family situation, young NEETs are more often covered by unemployment benefit in Northern and Western Europe than in Central Europe, the USA and the UK (Figure 60).

An extremely high proportion of NEETs receive social assistance in the USA and the UK. Significant disparities exist between Nordic countries, with a very low share of NEETs receiving social assistance in Denmark and a relatively high number of the same population receiving social assistance in Norway and Finland. Housing benefit coverage is comparatively strong in the Nordic countries, France and the UK, while family allowance coverage is more extensive in some Eastern European countries and Ireland.

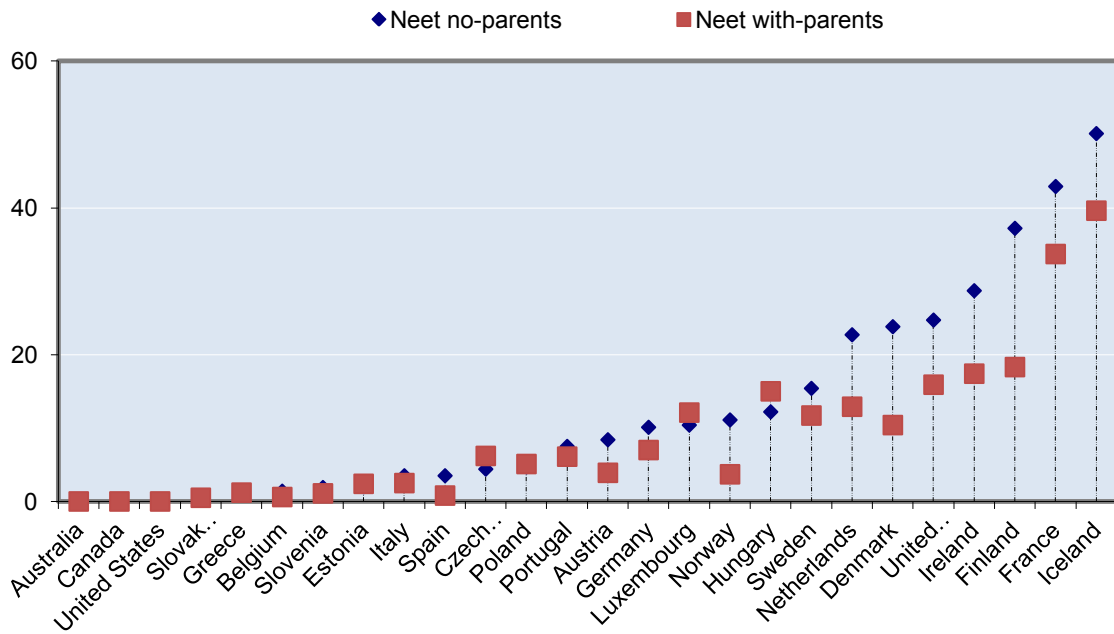
Figure 64. NEETs living with and without their parents receiving unemployment benefits, social assistance, housing benefits and family allowances.
NEETs receiving unemployment benefits.



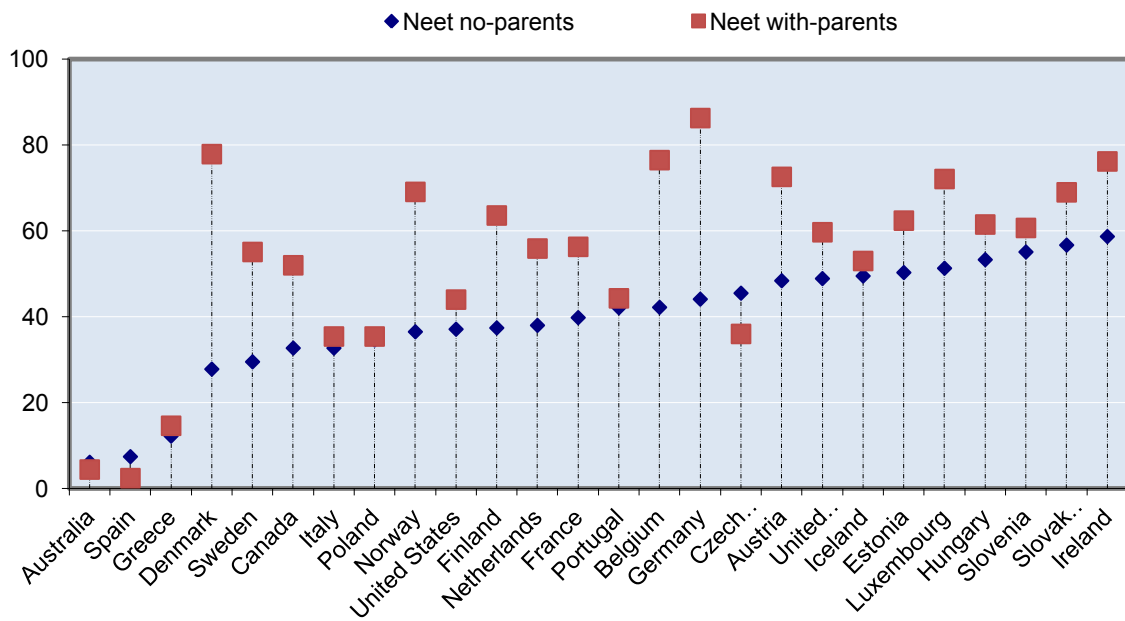
NEETs receiving social assistance



NEETs receiving housing benefits



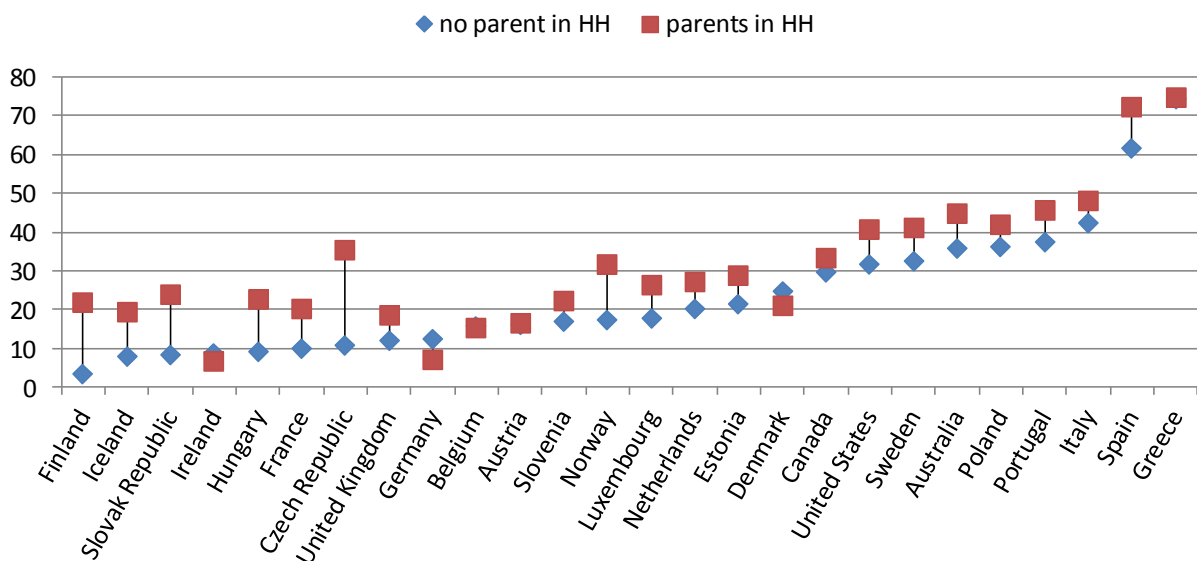
NEETs receiving family allowances



Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).

In contrast, the proportion of NEETs receiving no social benefits is particularly high in Spain, Greece and Australia (Figure 65).

Figure 65. Percentage of NEETs receiving no social transfers.



Source: OECD calculations based on EU-SILC for European countries, Hilda for Australia, SLID for Canada and CPS for the United States (Carcillo, Königs, Fernandez, Minea 2013).