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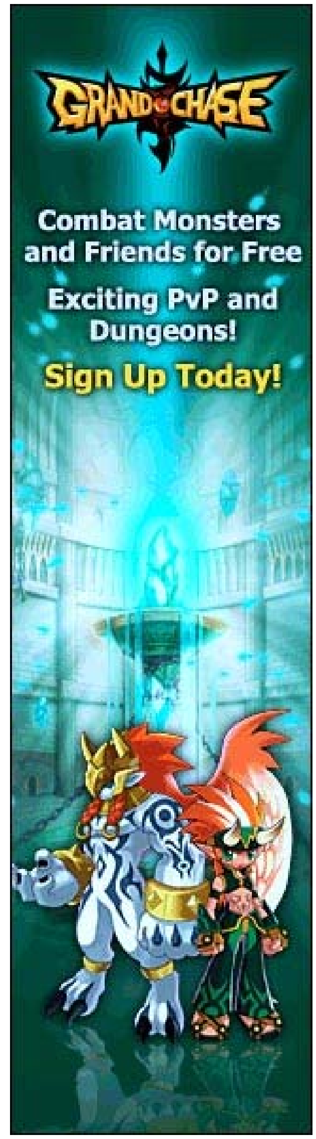

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Single parents most likely to rely on adult kids living at home for money: study

By Amy Fuller, THE CANADIAN PRESS

Grown children who still live at home aren't necessarily freeloaders, especially in single-parent families, a new study suggests.

In some cases, the scenario is almost the reverse, with parents relying on their children to contribute to household finances.

Researchers tend to focus on the perks young adults receive by staying in the nest, such as reduced or free rent, on-site laundry service and groceries that magically appear in the fridge.

Two Ohio sociologists have taken a fresh approach, looking at what parents get out of such stigma-laden living arrangements. Their findings were unveiled Monday at the annual meeting of the American Sociological Association in San Francisco, Calif.

They suggest parents who count on money from their children could actually harm their adult kids' financial well-being, perpetuating a cycle of poverty.

"One of the best ways to get yourself out of poverty is to get an education, acquire skills to get the better job and experience some type of mobility," said Krista Kay Payne, the lead author of the study.

"The young adult child isn't paying rent on their own and is getting some help from parents by co-residing, but we're hypothesizing that they feel they have to contribute to the household so they can't use the money to get more education."

Payne and Kristy Krivickas, researchers at Bowling Green State University, found that boomerang children who return home after living away - as well as those who never leave - make varying contributions to household finances.

The researchers analyzed data collected between 1994 and 2002 in a previous study, The National Longitudinal Study of Adolescent Health, which tracked a representative sample of adolescents across the U.S.

Payne and Krivickas looked at a number of factors that affect the extent to which grown children assist parents financially.

These factors include how much income young adults make, whether their parents' marital or relationship status changed at any point before they turned 18 and the structure of the family- single-parent, step-family or nuclear.

The pair found that adult children were more likely to contribute if they had a good income.

Young adults at home were also more likely to chip in when a parent had been perpetually single or had few changes in marital status.

The relationship between a parent and child tends to suffer when marital transitions occur, Payne said, making the adult child less inclined to put money toward the household.

Whether the adult children studied lived with two biological or adoptive parents or a step-family made no difference to the amount of money they contributed.

That's possibly because in those situations, parents are married or have a stable, marriage-like relationship and a similar income level, whereas a single divorced mother has only one income and may or may not receive child support payments, Payne said.

Children living in single-parent families were more likely to help out financially than those in nuclear families, and they made larger contributions, too.

"Family structure does matter," Payne said.

Parental need also played a role. Among other variables, a parent's level of education, ability to pay the bills and reported health had an impact on whether a young adult child contributed to the household.

Other factors included age, sex and ethnicity. As young adult children grew older, they were more likely to open their wallets. Grown sons were more likely than daughters to contribute money.

Young adult offspring were a little more likely to support fathers than mothers, especially in Hispanic and Asian families.

"This is totally counter-intuitive to what we thought we'd find," Payne said. "It doesn't support any past research."

She suggested the methodology used for the national study could explain the discrepancy, since 94 per cent of the time the mother rather than the father of a family answered the parent questionnaire portion of the study. Had both parents answered the questions, the results may have been different.

"We hypothesize there's something special about the six per cent of dads who filled out the questionnaire," Payne said.

The author of "Following the Goods: Financial Management for the Young and Ambitious," 29-year-old Adam Goodman, said adult children who assist with family finances should go back to the basics of budgeting: set financial goals based on what they want in the future and create a budget that takes household expenses into account.

"It's not the ideal circumstance, but it means people have to work harder in their life, earlier."

Even saving just $10 a month will have an impact over the course of five years, Goodman said.

In Canada, twenty-something adults increasingly remain in or go back to their parents' home. The 2006 census by Statistics Canada showed that 43.5 per cent of four million young adults aged 20 to 29 lived with their parents, compared to 32.1 per cent 20 years ago.

The census also showed single-parent families were more likely to have older children living at home than other types of families.

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