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**WHO HELPS WHOM IN OLDER
PARENT-CHILD FAMILIES**

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WHO HELPS WHOM IN OLDER PARENT-CHILD FAMILIES?

Abstract

     While previous research has assumed that older persons who live with adult children do so because of their Poverty or disability, some recent evidence suggests that many of these extended households primarily benefit the child. This paper attempts to provide a better understanding of the relative contributions Of Parents and adult children who live together through detailed analysis Of data from the Survey of Income and Program Participation (SIPP). We find unmarried children tend to benefit more and contribute less to extended households married children. Similarly, unmarried parents benefit more from living with children than married Parents. Results of logistic regression showed that financial need and need for assistance with activities of daily living were important determinants of coresidence for both unmarried children and unmarried parents. Controlling need, racial and ethnic minorities were more likely to live in extended families than non-Hispanic whites.

Introduction

Most previous research has assumed that older persons who live with adult children do so because of poverty or disability and that the children act either as caregivers or sources of financial support. Recent evidence suggests that many of these extended households benefit the child, particularly when the parent is under age 75. The goal of this research is to provide a better understanding of relative contributions of parents and adult children who live together through detailed analysis of the Survey of Income and Program Participation (SIPP). In particular, we will look at why some older children fail to leave their parent's home, at what age children living with parents begin to provide the majority of support, and how the relative health, financial situation, and other characteristics of the parent and child affect the continuation or dissolution of the joint household over time.

Review of Literature

There is a considerable body of literature focusing on the needs of elderly people and the extent to which these needs are met through shared living arrangements. Studies by Holden (1988), Crimmins and Ingegneri (1990), Wolf and Soldo (1988) and Mutchler and Burr (1991) all found a positive relationship between income and independent living. Mutchler (1992), Stinner, Byun and Paita (1990) and Worobey and Angel (1990) showed that poor health or need for assistance with activities of daily living had a negative effect on living alone.

Most studies which have examined the effects of race on living arrangements of elderly persons have found that blacks and ,other minorities are less likely to live alone (Mutchler and Frisbie, 1987; Mutchler, 1992; Wolf, 1984; Worobey and Angel, 1990). Finally, availability, as indicated by the number and composition of children has been shown to have an important effect on whether or not an elderly person lives with parents (Aquilino, 1990; Crimmins and Ingegneri, 1990; Spitze and Logan, 1990). Wolf and Soldo (1988) examine the effects of gender and marital status of children and conclude that unmarried daughters are the most likely choice of parents in need of assistance. Cooney (1989) found that unmarried women were more likely to live with sons, but this could be due more to the needs of the son than the mother.

There is also a growing body of literature on intergenerational transfers. Ward, Logan and Spitze (1990) found that parents 65 and over who were living with adult children reported doing 79 percent of the housework. Hoyert (1991) found that parents were more likely to provide financial assistance to adult children than to receive it. Aquilino (1990) and Eggebeen and Hogan (1990) found similar results using the National Survey of Families and Households.

A third, and almost wholly independent body of literature exists on the determinants of delayed nestleaving and returns to the nest among adult children. Studies by Goldscheider and DaVanzo (1985; 1989) and Avery, Goldscheider, and Speare (1992) have shown that marriage, having a child of one's own, employment and independent income are important determinants of nestleaving while continued education delays nestleaving.

While there have been several studies of the determinants of living arrangements of older people, no large scale studies have looked at the problem from the perspective of both the child and the parent, using data collected from both parents and children. In addition, many of the studies which provide solid empirical results provide little theoretical discussion.

Theory and Hypotheses

This research is guided by two theoretical perspectives. The first perspective attempts to relate long term changes in the relative wealth of elderly cohorts to changes in the expectation of independent living. Caldwell (1976) argues that with economic development, the direction of transmission of intergenerational transfers changes from a net flow from children to parents to a net flow from parents to children. While his main interest is in showing how this alters fertility goals, he also points out that it affects the expectation of whether or not parents will live with children in their old age.

The assertion that most of the United States elderly population has undergone this transition is supported by surveys which show that a high proportion of elderly persons both expect and desire to live independently (Hanson and Sauer, 1985; McAuley and Blieszner, 1985; Soldo, Sharma and Campbell, 1984; Tissue and McCoy, 1981). Beresford and Rivlin (1966) argued that privacy was highly valued in American society and that there was a strong relationship between income and independent living among unmarried elderly women. More recent studies of the income and wealth of elderly persons have shown that there has been a substantial improvement in the economic well-being of elderly persons in the last three decades (Holden, 1988; Ross, Danziger and Smolensky, 1987) and that their average situation compares favorably with that of persons under 65 (Crystal and Shea, 1990; Radner, 1990).

Recognizing the desirability of independent living among elderly persons, the extent to which they can do so depends upon their health and economic situation (Glick, 1979; Soldo, Wolf and Agree, 1986; Troll, 1971). Furthermore, in the process of economic growth, some groups in a society benefit more than others and family change associated with economic growth should be more complete among those who have benefitted most. Thus we would hypothesize that racial and ethnic minorities which have not fully benefitted from economic growth should show less tendency towards independent living of elderly persons that the rest of the population.

The second theoretical perspective views parent-child coresidence from the child's perspective. Recognizing that the net flow of intergenerational transfers is toward the children, this perspective looks at the needs of the child and hypothesizes that unmarried children and those with no income or low incomes will be more likely to live with parents, to move in with parents, and to continue with them. DaVanzo and Goldscheider (1990) view the parental home as a "safety net" where young adults can return when their jobs, marriages, or other aspects of their life fail. Schnaiberg and Goldenberg (1989) view changes in adult child coresidence as a consequence of changes in societal level expectations of independence and success of these children and the opportunities for realizing these since World War II. They argue that in the

period of prosperity following the war, there was a general increase in the parents' expectations for their children's independence and success. However, the more recent decline in opportunities for new entrants into the labor market and the increase in divorce rates have made it more difficult for children to succeed resulting in what they call "incompletely-launched young adults."

Speare, Avery, and Goldscheider (1990) found that 16 percent of young adults aged 25 to 29 were still living with their parents and that there were frequent returns to the parent's home among those who had left at earlier ages. These results suggest that the presence of children in the homes of elderly persons may not be due to needs of the parents but to those of the child. There may also be some cases where there is reciprocal support between the two generations in a household (Stoller, 1983). For example, the parent may provide housing in exchange for help with activities of daily living.

The primary goal of this paper is to determine more precisely the flow of assistance within parent - adult child households by looking at the relative contributions to household income and at who needs help with activities of daily living. In addition, the determinants of coresidence will be examined from both the parent's and child's perspective.

Data and Methods

We use longitudinal data from the 1984, 1985, and 1986 panels of the Survey of Income and Program Participation (SIPP). Each panel is a national representative sample of 12,000 to 20,000 households in the United States. The use of three panels from the SIPP enables us to obtain large enough sample sizes for subgroups such as Blacks, Hispanics, and Asians and enables us to use some improvements incorporated into the 1985 and 1986 questionnaires. Each of the panels was followed every four months and each interview collected comprehensive data on employment, income, and welfare recipiency for all adult members of the household, as well as relevant data on household composition. In this paper we use only one of the waves for each panel, that panel containing the topical module which obtained information about health and disability.

The analysis required linking individuals to other members currently of the same household. This is possible to do because the SIPP interviewed all persons aged 15 and over in the selected households. We included in our analysis all persons 18 and over with health data. There were 35,596 cases from Wave 3 of the 1984 panel, 14,702 cases from Wave 6 of the 1985 panel, and 13,439 cases from Wave 3 of the 1986 panel, for a total of 63,737 cases which are merged for analysis.

In the analysis weights have been employed to adjust for the complex sampling design and for the effects of differential attrition of people of different characteristics over time. For the 1985 and 1986 panels, we used the weights for the first calendar year of each panel from the public use files. For the 1984 panel which actually began in October 1983, this would have resulted in too large a loss of cases and the weights from wave 1 were used with some adjustment

for differential attrition. All weights were scaled so that the average weight was 1.0 for each of the panels and the multivariate analysis was performed using the program CPLX (Fay, 1989) which takes account of the complex sample design and the weights in calculating standard errors.

Family income, the most common measure of economic status, tends to be misleading because it does not take family composition into account. This is particularly true for elderly persons who may live alone, with only their spouse or another relative, or as part of a larger family. one approach to solving this problem, which is followed here, is to take the ratio of family income to the poverty threshold for that family.

An additional refinement of the income measure involves treating the person or married couple as a separate unit of analysis and computing their share of household income. Assuming that their income would be the same were they to live alone, this provides a measure which is particularly useful in assessing what the economic status of the person or couple would be were they to live alone. It also enables the contribution of the person or couple toward household income to be separated from the contributions of others in the household. Previous research by Speare and Rendall (1990) showed that about one-third of the elderly persons who would be poor if they lived alone, avoid poverty by living with children or others.

Another major criticism with the reliance on standard measures of family income and poverty is that they ignore resources other than current income. Such resources, particularly home equity and financial assets, are of greater importance to the older persons than to other age groups (Greenwood, 1987). This is especially the case for the oldest age groups, whose ability to earn income through labor force participation is greatly diminished. In previous research (Speare and Rendall, 1990), we have adjusted income for assets by annuitizing these assets. This can be done at the two time points in each panel when assets are measured, but is difficult to apply to other time points when assets were not asked. Since the present paper will examine household composition at the time when the health and disability questions were asked, which is different from the time when assets were asked, we will not make adjustments for all assets. However, we do know at each time point whether or not the person or married couple owned the housing unit where they were living, and this is included as a separate variable in the analysis. For low income households, the house equity represents most of the net value of assets.

All of the analyses in this paper use the individual as the unit of analysis. Although attempts have been made to define households longitudinally (Citro, Hernandez, and Moorman, 1986; Hernandez, 1989), the demography of household formation and termination is not well understood and comparisons over time or across generations can be misleading if the average size of households varies. We feel that the individual is a better unit for describing living arrangements and for studying transitions in living arrangements. However, it is important to keep in mind that larger households will appear to be more common when looked at from an individual perspective where each member of those households counts as a unit of analysis.

Throughout the analysis we have maintained a distinction between married and unmarried

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persons. Only persons who are currently living with their spouse are counted as married. The unmarried persons include both the never married and those who are widowed, divorced or separated. In addition, a small number of persons who report that they are married, but not currently living with their spouse are included with the unmarried.

Summary Measures of Living Arrangements

Because the SIPP data include information for all persons in the household, it is possible to look at living arrangements from either the perspective of the older generation or the younger generation. Table 1 shows the proportion of individuals in all three panels who are living with either a parent or a child over 18 by the individuals age and marital status at the interview when information on health was obtained. We have also shown indicators of the availability of parents and children. Since no question on the availability of parents was asked in the SIPP, this information was obtained from the National Survey of Households and Families, which was a national survey in 1987-88 with similar population coverage. The availability of children is based on questions about children ever borne (or fathered) and does not indicate whether any children are still living.

The results show considerable variation in living arrangements by age and marital status. Although official definitions of dependents usually include only those under age 18, a very high proportion of the unmarried persons aged 18 to 24 live with one or both parents. This proportion declines rapidly with age, but even in the 45 to 54 age range, over 10 percent of unmarried persons live with a parent. Beyond that age, the possibility of living with a parent declines rapidly due to mortality of parents.

Among married persons, there is a nonlinear relationship between age and living with parents. In the youngest age group,, about seven percent of married persons live with a parent. This percentage declines to 2.3 percent in the age range from 30 to 44 and then rises slightly to 2.9 percent at ages 45 to 54 before declining with increasing age. While the increase from ages 35 to 44 to ages 45 to 54 is only significant at the p=.05 level, the increase is consistent with the increasing needs for assistance of parents of persons in this age range, as will be shown later.

Looking at the relationship from the parents' perspective, the proportion living with children 18 and over rises to the 45 to 54 age range when those who had births around age 30 are most likely to have children 18 and over. A few parents aged 18 to 34 have children over 18 in the household since stepchildren are included. After age 45, the percentage living with children declines for both married couples and unmarried persons. At ages 65 to 74, 13 percent of married couples and 15 percent of unmarried persons live with children. For the married, this declines to seven percent at ages 75 and over, while for unmarried persons, it rises to 18 percent. Since at all ages married persons are more likely to have children than unmarried persons, the differences by marital status in the propensity to live with children would be even greater if availability were controlled. We shall show later that it is primarily the unmarried persons 75 and over who benefit substantially from living with a child, whereas for younger unmarried persons and for married

persons of all ages, the child is likely to be the main beneficiary of the relationship.

Table 1

Percentage Living with Parent or Child Over 18

by Age and Marital Status, SIPP 1984-86.

Age of Person	Have a Living Parent	Live with Parent(s)	Have a Child**	Live with Child 18+	Unweighted Number
			Married Persons		
18-24	98.2%	6.9%	68.3%	0.2%	1828
25-29	97.4%	3.2%	76.9%	0.2%	3887
30-34	94.5%	2.5%	84.7%	0.8%	4818
35-44	89.3%	2.3%	90.7%	22.0%	8862
45-54	67.3%	3.0%	93.4%	49.9%	6935
55-64	35.0%	2.1%	91.8%	29.0%	6529
65-74	12.2%	1.1%	87.5%	13.2%	4252
75 +	1.2%	0.3%	84.0%	7.2%	1632
All 18+	67.5%	2.5%	87.7%	20.5%	38743
			Unmarried Persons		
18-24	98.3%	79.6%	12.6%	0.0%	6866
25-29	96.0%	38.4%	28.4%	0.0%	2590
30-34	93.9%	24.5%	43.1%	0.7%	1884
35-44	85.2%	16.5%	63.1%	15.3%	2533
45-54	66.9%	11.1%	72.7%	28.8%	1737
55-64	28.4%	6.6%	73.7%	24.0%	2061
65-74	7.2%	2.3%	73.8%	14.6%	2388
75+	0.9%	0.0%	72.5%	18.1%	2540
All 18+	71.5%	34.9%	46.3%	9.4%	22599

Source: SIPP, 1984 Panel, wave 3; 1985 Panel, wave 6; and 1986 Panel, wave 3.

Excludes cases without health topical module. Weighted.
*Based on National Survey of Households and Families. Does not include parent or spouse.
**Based on questions about children ever born. Child may be under 18 or not still be living.

Characteristics of Adult Children Living with Parents

Considerable insight into the nature of the households which contain parents and children over 18 can be obtained by examining the characteristics of people in these households. Table 2 shows a number of these characteristics. First, the large majority of such households contain unmarried children in the age range from 18 to 24. Forty percent of these are still attending school and should probably be considered to be dependents. The SIPP follows the same rules as the Current Population Survey in defining college students who live in dormitories but return home during school vacations as residents of their parent's household. In the age range from 25 to 29, school attendance among those living with parents drops to 10 percent and after age 30, very few of those living with parents are attending school.

Table 2

Characteristics of Children Who Live with Parents by Age
SIPP Panels 1984,1985 and 1986.

Age of Child	Attending School	Married, Spouse Present	With Grandchild	Child is Householder	Live with two parents	Oldest Parent Over 65
18-24	40.4%	2.1%	5.4%	0.5%	74.7%	3.3%
25-29	10.4%	9.6%	16.0%	5.0%	62.3%	16.0%
30-34	6.3%	18.5%	29.5%	14.1%	50.6%	35.4%
35-44	5.2%	30.7%	40.7%	34.0%	32.0%	71.2%
45-54	0.8%	49.4%	41.9%	56.0%	12.0%	97.8%
55-64	0.5%	49.1%	24.4%	64.9%	5.9%	100.0%
65+	0.0%	46.7%	15.3%	81.5%	1.2%	100.0%
All 18+	28.2%	10.1%	13.2%	9.5%	62.9%	19.9%

Source: SIPP, 1984 Panel, wave 3; 1985 Panel, wave 6; and 1986 Panel, wave 3.

Excludes cases without health topical module. Weighted.

The proportion of children who live with parents who are currently married and living with their spouse increases rapidly from the 30 to 34 age group to the 45 to 54 age group. Because the child is the basis of analysis, both members of a married couple are counted which makes these rates higher than they would be if the family were the unit of analysis. There is a corresponding increase in the proportion of cases where the child (or spouse) is the householder. Through ages 35 to 44, the majority of children living with parents are unmarried and are not householders, but after age 45, the majority are married and are householders.

Many of the children who live with a parent have one or more children of their own in the household. The proportion with their own child (a grandchild of the parent) increases with age

up to age 55 for both the married and unmarried persons who are living with parents. Since most of these grandchildren are under the age of 18, it is likely that the grandparent provides some help with child care in these households.

The proportion who live with two parents (or one parent and a step-parent) declines rapidly with age, reflecting the probability of death of one of the parents or of divorce. Similarly the proportion of respondents who are living with a parent over age 65 increases rapidly with their age. By ages 35-44, over 70 percent of those who are living with a parent are living with a parent over age 65.

Need for Support among Coresiding Parents and Children

Further insight into the nature of support which individuals receive in parent-child households is gained from looking at the extent to which either the parent or the child needs help with activities of daily living and the extent to which either the parent or the child would be unable to support themselves at a minimum level from their own income were they to live alone (or only with their spouse and dependent children). The first of these forms of support is examined in Table 3. Activities of Daily Living are obtained from four questions which were asked in the three SIPP panels. These asked if the person needed help (1) in looking after personal needs such as dressing, eating, or personal hygiene, (2) with housework, (3) with cooking, and (4) in going out of the household. If the person needed help with any of these, they are shown as needing help in Table 3.

As the previous literature has assumed, it is primarily the older generation which needs help with Activities of Daily Living or Instrumental Activities of Daily Living. This is particularly true in households where the child is married. In these households, the proportion of parents needing help increases with the age of the child. By ages 45 to 54, over 40 percent of the married persons who live with parents have parents who need help.

Unmarried children who live with parents are less likely to live with parents who need help at all ages. However these children are also more likely at all ages to need help themselves. About nine percent of the unmarried children in the age range from 45 to 64 who live with parents need help with one or more of the ADLs or IADLs. In about 40 percent of these cases both the parent and the child need some form of help. overall, for approximately three and one-half unmarried children who live with a parent who needs such help, there is one who needs such help themselves (see the last row of Table 3). These results suggest that the flow of caregiving is not entirely a one-way flow from children to parents.

Table 3

Distribution of Children Who Live with Parents by Whether Parent or Child Needs Help with Daily Activities, Age and Marital Status, SIPP 1984-86.

Does Child or Parent Need Help with Daily Activities?

Age of	Both	Child	Parent	Neither		Unweighted
Married Children						
18-24		0.7%	5.1%	94.2%	100.0%	132
25-29		1.0%	11.0%	88.0%	100.0%	127
30-34			14.9%	85.1%	100.0%	116
35-44		1.6%	28.2%	70.2%	100.0%	219
45-54	3.2%	0.5%	41.4%	54.9%	100.0%	213
55-64	1.3%	1.2%	59.6%	37.9%	100.0%	150
65+		1.6%	54.4%	44.0%	100.0%	54
All 18+	0.8%	0.9%	29.8%	68.5%	100.0%	1011
Unmarried Children						
18-24	0.1%	0.9%	4.1%	95.0%	100.1%	5805
25-29	0.4%	2.3%	7.0%	90.4%	100.1%	1028
30-34	0.4%	4.0%	11.7%	83.9%	100.0%	458
35-44	1.2%	7.1%	15.3%	76.3%	99.9%	406
45-54	3.7%	5.6%	26.6%	64.1%	100.0%	198
55-64	3.3%	6.3%	34.4%	56.0%	100.0%	131
65+	3.4%	1.7%	73.5%	21.3%	99.9%	56
All 18+	0.3%	1.8%	7.1%	90.8%	100.0%	8082

Source: SIPP, 1984 Panel, Wave 3; 1985 Panel, wave 6; and 1986 Panel, wave 3.

Excludes cases without health topical module. Weighted.
Those who need help with daily activities responded to at least one of 4 questions
which asked if help was needed with ADL or IADL items.

Table 4 shows the proportions of persons who live with parents who would be below 125 percent of the poverty threshold if they lived alone and the proportion of the parents who would be similarly poor if they lived alone. The poverty thresholds were calculated by the Bureau of the Census for each month and have been adjusted for the assumed differences in household composition which would occur if the parents lived in a different household from their children.

We have averaged income and poverty thresholds over the four month period covered by the interview. The 125 percent level is used because it is felt that those who are close to the official poverty level may still feel considerable economic pressure to share housing with parents or children. Some of these persons are still poor when living together, but it is assumed that they benefit from sharing housing and sharing other expenses. For both married and unmarried persons, the majority of those living with parents would either be below 125 percent of poverty or their parents would be if they lived independently. This is true at all ages except when the children are 25 to 29.

Table 4

Distribution of Children Who Live with Parents by Estimated Poverty Status if Living Separately, Age and Marital Status, SIPP 1984-86.

Would Child or Parent be Poor or Near Poor if Living Separately

Age of Child	Both Poor	Child Poor	Parent Poor	Nether Poor	Total	Number of Cases
Married Children						
18-24	13.8%	15.6%	24.1%	46.5%	100.0%	132
25-29	11.5%	3.7%	36.0%	48.8%	100.0%	127
30-34	5.8%	4.3%	43.3%	46.6%	100.0%	116
35-44	4.9%	4.0%	46.4%	44.7%	100.0%	219
45-54	3.3%	3.2%	63.4%	30.1%	100.0%	213
55-64	9.6%	0.9%	54.5%	35.0%	100.0%	150
65+	12.0%	0.0%	55.2%	32.8%	100.0%	54
All 18+	7.7%	4.8%	46.8%	40.7%	100.0%	1011
Unmarried Children						
18-24	10.5%	57.5%	2.7%	29.3%	100.0%	5805
25-29	13.0%	25.7%	8.0%	53.3%	100.0%	1028
30-34	14.7%	29.1%	12.2%	44.0%	100.0%	458
35-44	19.9%	23.6%	18.0%	38.4%	100.0%	406
45-54	20.9%	18.0%	25.6%	35.4%	100.0%	198
55-64	28.9%	16.4%	23.2%	31.4%	100.0%	131
65+	19.9%	8.1%	48.8%	23.2%	100.0%	56
All 18+	12.2%	47.6%	6.0%	34.1%	100.0%	8082

Source: SIPP, 1984 Panel, Wave 3; 1985 Panel, wave 6; and 1986 Panel, wave 3.

Excludes cases without health topical module. Weighted.

Note: Near Poor is defined as having income less that 125% of poverty threshold for person or couple.

For married children, the parents are much more likely to be poor than the children. Over one-half of these parents would be poor, compared to only about 12 percent of the children. The proportion of cases where the parent would be below 125 percent of poverty tends to rise with age of the child and probably also with parent's age, although that is not directly observed here.

Among married children, the risk of poverty decreases with age to ages 45 to 54 and then increases somewhat.

Among unmarried children who live with parents, the child is much more likely to be below 125 percent of the poverty threshold than the parent. However, this risk declines from about 68 percent for those children 18 to 24 to 39 percent for those 45 to 54. Although the proportion of parents who would be below 125 percent of poverty if living alone is only about 18 percent overall, it rises with age of the child to represent about 68 percent of the parents of unmarried children over 65. comparing the relative risk of poverty if living independently, up to age 44, the child is more likely than the parent to be poor. From age 45 the parent is more likely to be poor.

Further evidence of the relative economic contribution provided by parents and children in joint households is shown in Table 5. This table shows the proportion of children in each age range who contribute more than their share to household income. Two measures are shown. The first is based on the sub-household which contains only the child, his or her spouse (if any), any grandchildren (children of the child), and the parents. The second measure includes all persons in the household, regardless of relationship. For both measures, the expected share of income is equal to the total number of persons in the child's nuclear family (the person, spouse, and their children) divided by either the total in the sub-household or the total in the entire household. The sum of the income of the child, spouse, and grandchildren is then divided by the product of the expected share and the corresponding household's income. The table shows the proportions where this ratio is greater than one, which corresponds to the child providing his or her share of income or more.

Among married couples who live with parents, 62 percent provide their share or more of sub-household income and a slightly higher proportion provide their share or more of total household income. The proportion of married children who contribute their share or more is much lower in the 18 to 24 age range, but increases rapidly with age. In contrast, among unmarried persons who live with their parents, less than one-quarter provide their share of sub-household income and less than 30 percent provide their share of total household income. These low proportions are due mainly to those under age 35. From age 35 to age 44, children provide approximately their share of expenses. Starting with the 45 to 54 age group, the majority of the children provide more than their share of household income. These calculations assume sharing of income within households and do not take account of any income which is kept separate.

However, given that the majority of these households are low income households, it seems unlikely that large amounts of individual income can go into personal savings accounts or be spent in ways which do not benefit others in the household in some way. However, it would be very helpful to be able to have data which would permit studying patterns of individual spending within these parent-child households.

Table 5

Percentage of Children Living with Parents Who Contribute Their Share or More to Household Income by Age and Marital Status

Age of Child	Based on Subhousehold	Based on Total Household	Number of Cases
Married Children			
18-24	33.9%	42.8%	132
25-29	44.5%	51.8%	127
30-34	50.8%	51.8%	116
35-44	60.7%	60.7%	219
45-54	80.5%	81.0%	213
55-64	84.2%	86.2%	150
65+	79.6%	81.2%	54
All 18+	62.2%	64.9%	1011
Unmarried Children			
18-24	13.6%	21.4%	5805
25-29	34.7%	42.1%	1028
30-34	40.2%	42.5%	458
35-44	49.7%	49.4%	406
45-54	60.1%	59.4%	198
55-64	62.3%	61.7%	131
65+	78.6%	76.9%	56
All 18+	22.4%	29.0%	8082

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Source: SIPP, 1984, Wave 3; 1985 Panel, wave 6; and 1986 Panel, wave 3.

Excludes cases without health topical module or with incomplete income data.

Weighted.

Subhouseholds are defined as consisting only of parents, child, spouse (if any) and grandchildren (if any).

Determinants of Co-residence from Child's Perspective

The factors which determine whether or not a child lives with a parent are explored using logistic regression. The analysis was performed using the program CPLX at the Bureau of the Census. This program, which was designed specifically for complex sample designs, gives the same logistic regression coefficients as the SAS CATMOD procedure, but generally larger standard errors due to the clustering of the sample and the use of more than one persons in some households. Effect coding is used so that each coefficient is shown as a deviation from the unweighted mean for all categories of a variable. All persons between the ages of 18 and 74 who had valid data on the health measures and income were included in the analysis.

Clearly, the older persons in this analysis are less likely to have a parent who is still alive and this affects their probability of living with a parent. Since no questions were asked about parents who were not in the household, the availability of parents can not be directly controlled. However, it is hoped that by including age in the analysis, most of this effect will be indirectly controlled.

The results of the logistic regression are shown in Table 6. Because the previous analysis has shown big differences in the coresidence patterns of married and unmarried children, separate regressions are shown by marital status. For both married and unmarried children, there are strong age effects. Coresidence declines rapidly with age and this effect is much stronger for unmarried children. Once age is controlled, unmarried females are significantly less likely to live with parents than unmarried males. This is not due directly to differences in age at marriage, since only unmarried persons are included in the analysis. However, it may reflect differences in marital history, since a larger proportion of unmarried females had previous marriages than is the case for unmarried males. Having left the parental home to establish a separate family, these females may be more independent than the never married males.

Having a dependent child makes it much less likely that unmarried persons will live with their parents. The potential child care that could be provided by grandparents sharing the household does not appear to be a substantial factor in explaining multigenerational households. A more important factor may be the trend towards independent living of nuclear families which was described by Beresford and Rivlin (1966). Since a single parent and a child constitute a basic nuclear family, they will try to live independently if they can afford to do so. The grandparents may still provide child care and other assistance even if they are not in the same household.

Both married and unmarried persons are more likely to live with parents if they have limited economic resources as measured by the ratio of income to poverty and by homeownership. For married persons, only the effect of homeownership is significant. Compared to married owners, married renters are more than twice as likely to live with parents (the ratio of the antilog coefficients is exp (.416) / exp (-.416) = 2.3).

Table 6
Logistic Regression Coefficients for Determinants of Living with Parent(s)
SIPP 1984,1985 and 1986 Panels

Independent Variables	Married Persons		Unmarried Persons	
	Coeff.	Std.Err	Coeff.	Std.
Age: 18 to 24	.652	.114***	2.291	.040***
25 to 29	-.029	.106	.895	.048***
30 to 34	-.162	.110	.450	.058***
35 to 39	-.077	.092	.130	.056*
40 to 54	.270	.078***	-.480	.094***
55 to 64	.000	.116	-1.107	.096***
65 to 74 (ref)	-.654	.170***	-2.179	.106***
Female (Male = ref)			-.128	.022***
Have Dependent Child (no=ref)	.022	.050	-.669	.036***
Income: Below Poverty Level:	.141	.114	.532	.030***
1-2 Times Poverty Level	.007	.082	.008	.036
Above 2x Poverty Level (ref)	-.148	. 082	-.541	.032***
Homeowner (no = ref)	-.416	.050***	-.870	.050***
Need help with ADLs/IADLs: No	.248	.184	-.158	.080*
Need help: 1 or 2 items	-.137	.254	-.310	.124*
Need help: 3 or 4 items (ref)	-.111	.302	.468	.116***
Race/Ethnicity: White, nonHispanic	-.518	.092***	.016	.060
Black	-.296	.156	-.068	.078
Asian	.968	.138***	.194	.142
Hispanic (ref)	-.154	.114	-.142	.068*
Constant	-3.231	.190***	-2.310	.108***
Model Likelihood Chi-Square	471		114500	***
Degrees of Freedom	16		17	
Number of Cases	37111		20059	

Note: Poverty status is based on the ratio of a person or couple's income to the poverty threshold assuming that they form an independent household. Results are weighted. Effect coding is used so that coefficients are the deviation from the unweighted mean. Standard errors and significance tests were calculated using the CPLX program.

Significance levels: * < .05;   ** < .01   *** < .001.

For unmarried persons, both income and homeownership have significant effects on living with parents. Unmarried persons who would be below poverty if living alone, are about three times more likely to live with parents than those who would be above two times the poverty threshold. Unmarried renters are about five times more likely to live with parents than unmarried homeowners. Thus, economic necessity is a very important reason for adult children to live with parents.

The need for help with activities of daily living has little effect on coresidence of married children with their parents, presumably because the spouse can usually provide the needed assistance. However, among unmarried children there is a weak effect. Those who need help with three or four of the four activities about which the SIPP asked questions were more likely to be living with parents. However, the likelihood that the child needs help with ADLs and IADLs is very low up to about age 45 (see Table 3). After age 45 most of the children who need help are likely to be living with parents over age 65 and in these cases the assumed caregiving relationship is likely to be reversed with the parent caring for the child or there may be an exchange of help. It is also possible that, in households where the child needs help with ADLs and IADLs that help is provided by someone else in the household or by an outsider.

The effect of race and ethnicity is much greater for the married than the unmarried. Among married persons, non-Hispanic whites are significantly less likely to live with parents and Asians are significantly more likely to live with parents. compared to married non-Hispanic whites, married Asians are over 4 times more likely to live with parents. This effect would probably be higher if one were able to control for the availability of parents in the United States, because some of the immigrants have parents who remained in Asia. Since most of these Asians and/or their parents are immigrants, they may be following the norms of most Asian societies that children should live with their parents when the parents are old (Martin, 1989).

Among unmarried persons, the Asians are more likely to live with parents and the Hispanics and Blacks are less likely than whites to live with parents. Because the only significant coefficient is for Hispanics. Again, immigration trends may partly explain the lower likelihood for Hispanics, but in a different way than for married Asians. Many of the unmarried Hispanics in the United States have come migrated from Mexico, Puerto Rico or the Caribbean leaving their parents behind. They thus have less opportunity to live with parents in the United States.

The preceding analysis from the child's perspective provides only part of the picture as it is necessary to assume that there are no differences in the availability of parents or the resources or needs of the parents. To get a more complete picture, it is necessary also to look at the relationships from the parent's perspective.

Determinants of Co-residence from Parent's Perspective

The analysis of parents is limited to those aged 60 and over since the earlier analysis has suggested that most of the coresidence at younger ages benefits the child more than the parent. The results, which are shown in Table 7, indicate that the age of the parent has a strong relationship to coresidence, but not in the direction commonly assumed. For married persons, the logistic regression coefficients continue to decline with age, indicating that coresidence becomes less likely with age. For married couples, the declines in coresidence with age seem to be due entirely to the departure of previously dependent children and there is no I Indication that they become more dependent on children at older ages. For unmarried persons, coresidence declines to ages 75-79 after which it increases. Only those aged 85 and over are significantly more likely than average to live with children.

Among unmarried older persons, women are more likely to be living with children than men when age and other factors are controlled. This is consistent with the literature which shows that adult children tend to feel closer to their mother than to their father (Lawton, 1990). It would also seem to be a natural outcome of divorces in which the child remains with the mother and sees the father infrequently.

Both the need for economic assistance and the need for help with activities of daily living figure prominently in determining the coresidence of unmarried older persons with a child. Those who would otherwise be below the poverty level are about 32 percent more likely to live with children than those who would be above two times the poverty level. Those who need help with three or four ADL, IADL items are 2.3 times more likely to live with children than those who need no help. Need with help in activities of daily living does not have a significant effect on the coresidence of married couples with their children, nor does the ratio of income to poverty. For both married and unmarried persons, homeowners are significantly more likely to live independently than those who do not own a home. Although owners typically have more space to offer children than renters, this does not seem to result in a greater probability of children living with them. On the contrary, homeownership appears to operate primarily as a form of economic security which reduces the need for coresidence for economic reasons.

As was the case when coresidence was examined from the child's perspective, race has a significant effect on the parent's coresidence with children. However, when viewed from the parent's perspective, the effects for unmarried persons are much more similar to those for married persons than was the case from the child's perspective. For both marital statuses, non-Hispanic whites are significantly less likely to be living with children and Asians significantly more likely to be living with children than average. The Asians stand out with coefficients which indicate that they are more than six times more likely to live with children than non-Hispanic whites.

Table 7

**Logistic Regression Coefficients for Determinants of Living
with Child(ren) over 18
SIPP 1984,1985 and 1986 Panels**

Independent Variables	Married Persons		Unmarried Persons	
	Coeff.	Std. Err	Coeff.	Std. .Err.
Age: 60 to 64	.939	.118***	.393	.082***
65 to 69	.482	.134***	-.014	.084
70 to 74	-.096	.152	-.212	.092*
75 to 79	-.402	.150**	-.272	.104**
80 to 84	-.432	.258	-.121	.104
85 and over (ref)	491	.478	.228	.094*
Female (Male = ref)			.175	.066***
Income: Below Poverty Level	.095	.166	.121	.072
1-2 Times Poverty Level	-.062	.106	.037	.066
Above 2x Poverty Level (ref)	-.033	.090	-.158	.056**
Homeowner (no = ref)	-.180	.068**	-.202	.046***
Need Help with ADLs or IADLS:				
No help needed	-.012	.100	-.276	.072***
Need help: 1 or 2 items	-.133	.156	-.282	.088**
Need help: 3 or 4 items (ref)	.145	.182	.558	.086***
Race/Ethnicity: White, non-Hispanic	-.976	.128**	-.754	.116***
Black	-.075	.168	-.353	.116**
Asian	.878	.256***	1.136	.290***
Hispanic (ref)	.173	.180	-.029	.206
Constant	-1.027	.166***	-.507	.124***
Model Likelihood Chi-Square	339.9	***	193.5	***
Degrees of Freedom	14		15	
Number of Cases	5945		3250	

Note: Analysis was restricted to persons who reported having a child ever born. Poverty status is based on the ratio of a person or couple's income to the poverty threshold if they were to live alone. Results are weighted. Effect coding is used so that coefficients are the deviation from the unweighted mean. Standard errors and significance tests were calculated using the CPLX program.

Significance levels: * < .05;   ** < .01   *** < .001.

Interaction terms were tested between the racial categories and income to see if people of different races responded differently to economic need. When the children were the units of analysis, none of the terms proved to be significant. However, when the parents were the units, two terms were significant. Among married elderly persons, Asians with incomes below two times the poverty level were more likely to live with children than predicted from the sum of the terms for income and being Asian. In contrast, unmarried black elderly persons with incomes below two times poverty were less likely to live with children than would be predicted from the coefficients for income and being black.

Conclusion

Overall, this paper has shown that there is considerable coresidence of adult children with parents throughout the life cycle. Patterns of coresidence varied greatly by age and marital status. Unmarried children were much more likely than married children to live with a parent at all ages up to age 75, when few still had a surviving parent. Married parents, on the other hand, were more likely than unmarried parents to have adult children living with them up to age 65. In the 65 to 74 age group, married and unmarried parents were about equally likely to have children living with them and at older ages, unmarried parents were more likely to live with children.

These findings and those of the analyses of income and need for assistance in daily activities suggest that when children live with parents under age 75 that they are likely to be the primary beneficiaries of the relationship. For unmarried children, the parents tend to contribute more income to the household than the child until the child is about 45, when this relationship reverses. Assistance with daily activities also becomes much more significant for coresident unmarried children after age 45. Some unmarried children who live with parents also need help with daily activities. For married children, who are much less likely to live with parents, coresidence usually means greater economic and physical assistance from child to parent at all ages, although married children aged 18 to 24 who live with parents receive considerable help from parents.

The patterns of coresidence between parents and children vary greatly by race. All minorities and Asians in particular are more likely to live in parent-adult child families than are non-Hispanic whites. While the economic and ADL needs of the individual or couple who were the unit of analysis were controlled in the analysis, the needs of the potential coresident child (or parent) could not be controlled. Thus racial and ethnic differences in living arrangements may still reflect differences in income of the child (or parent). This seems particularly likely in the case of Black and Hispanic parents where coresidence may be a response to the economic needs of the children. However, this does not explain the much higher rates of coresidence of Asian parents since their children's incomes compare favorably with the incomes of whites. These results suggest that the Asians have different cultural norms about coresidence which may have been carried over from the country of origin by those elderly persons who were immigrants.

While this paper challenges the common assumption that most parent-child coresidence among elderly parents is for the benefit of the parent, there are many unanswered questions for further

research. First, we need to know more about the sharing of income within households and financial transfers between parents and adult children in separate households. We also need to see the extent to which assistance with activities of daily living, when it is needed, is actually being provided by a coresident child or by someone else either inside or outside the household. In particular, it would be helpful to have data on all members of an original nuclear family and their relationships, whether living together or apart.

Finally, surveys such as the SIPP which are rich in demographic and economic data, provide little insight into the attitudes, preferences and motives of the individuals surveyed. Other studies are needed to see the extent to which children and parents who live together feel they are benefitting from coresidence.

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