

# 9

## Living alone



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## 9

## Living alone

Although people living alone do not constitute a family as defined by statistical collections, most people who live alone are part of wider families that extend beyond a single household. In 2001 almost a quarter (24.6 per cent) of all households contained just one person. Over 9 per cent (9.4 per cent, 1,616,213) of all Australians lived alone. Of Australians over the age of 15, 13 per cent lived alone in 2001.

As well as accounting for a large number of households and individuals, living alone is an increasingly common living arrangement in Australia (Figure 9.1) and this trend is likely to continue. Some of the growth is due to changing demographics including population ageing, changing values, changing patterns of partnering and shifting policies in areas such as aged care which encourage more elderly people to live independently in their own homes.

People who live alone are a diverse group. They include younger people in their early adulthood, other younger and middle aged and older adults who have lived alone for most of their adult life, others who live alone for a period after a relationship breakdown while for others living alone is the result of the death of a husband or wife. Sometimes living alone is confined to a period early on in the adult life course, while for others it is the period that occurs towards the end of life. For some people, living alone will be a preferred arrangement while for others it is an unwelcome situation that has occurred due to a lack of alternatives. Lone living may reflect social isolation or it may reflect welcome independence and autonomy. This chapter describes some of the characteristics of people who live alone.

### Is living alone a growing trend?

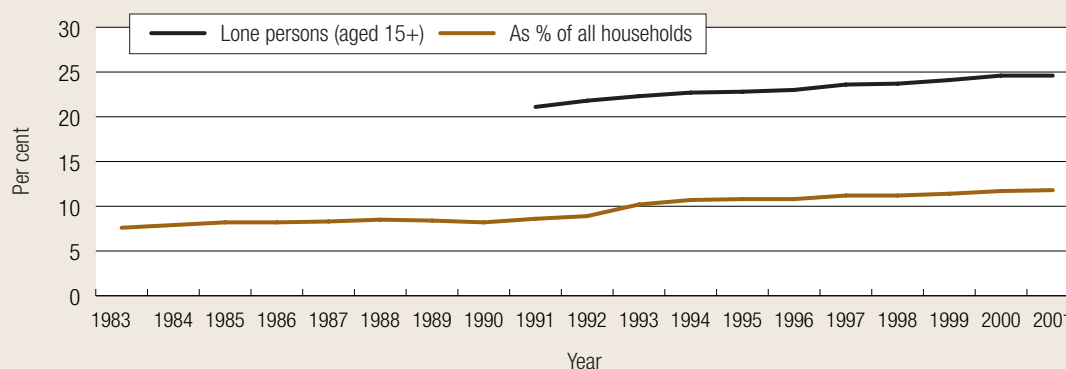
In 2001 24.6 per cent of *all households* were lone person households. This level of lone living was an increase from 21.1 per cent of lone person households in 1991, 14.1 per cent in 1971 and 10.2 per cent in 1961. Furthermore, in 2001 9.4 per cent (1,616,213) of *all Australians* were living alone, which is an increase from 8.3 per cent in 1996 and 5.5 per cent (665,938 people) in 1971.

There has been a steady increase in the percentage of lone person households and the number of people living on their own. Figure 9.1 shows the steady increase in lone person households from 21.1 per cent in 1991 to a quarter of all households in 2001. This increase is likely to continue and has been projected by the Australian Bureau of Statistics to reach 30.2 per cent of all households by 2026 (ABS 2004b). The percentage of *people* aged 15 or over living alone has increased from 7.6 per cent in 1983 to 13 per cent in 2001 (Figure 9.1) and is projected to reach 15.4 per cent by 2026 (ABS 2004b).

Lone living is increasing and will continue to increase because of three main demographic trends:

- More people aged 25-55 will live alone. This is due to fewer people marrying or having a partner and a declining proportion who repartner after divorce (p. 178).
- An increase in childlessness which means that a proportion of those whose relationship ends will be lone persons rather than lone parents.
- The ageing of the population which means that a larger proportion of households will contain a

Figure 9.1 Per cent living alone (aged 15 and over), 1984-2001



Source: Australian Bureau of Statistics Australian Social Trends (various years).

lone (widowed) older person. This will be most evident among people aged 75 and over.

### Who lives alone?

#### Are those on their own mainly older women?

The likelihood of living alone increases sharply as people grow older – especially from about age 65 onwards. The percentage of each age group that lives alone rises most sharply from age 65 onwards, especially for women. The 2001 Census found that among those aged 55-64, about 16.4 per cent of women and 13 per cent of men lived alone. For those aged 75 or over 50 per cent of women and about 23 per cent of men lived alone (see Figure 9.3). The main reason for the predominance of women over men in later life is the greater longevity of women and the age difference between husbands and wives. Almost two thirds of the lone women aged 75 and over were widows.

While women outnumber men among older people who live alone the opposite is true among younger people living on their own. Among younger people on their own, men outnumber women. Indeed, this holds for all age groups younger than 55 years of age (Figure 9.3).

One of the reasons for this male predominance among the younger group who live alone, is that following divorce many men live on their own. Since children mainly live with their mother following relationship breakdown, many separating women become lone parents while many separating men form lone person households.

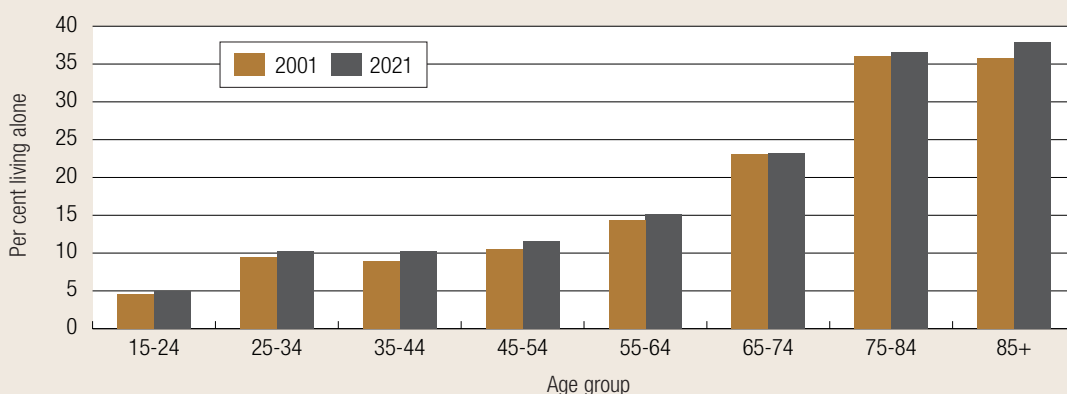
#### Among which age groups is living alone increasing most?

Living alone has increased across all age groups between 1971-2001. In virtually all age groups the percentage who were living alone has increased each decade. Viewed across the age groups the greatest growth in the percentage of age groups living alone occurred in the 1970s and during the 1990s (Figure 9.4).

The only age group in which there has been a decline in the percentage living alone from 1981-2001 is the 65-74 year age group where there has been a marginal decline – probably due to increased longevity of husbands and wives.

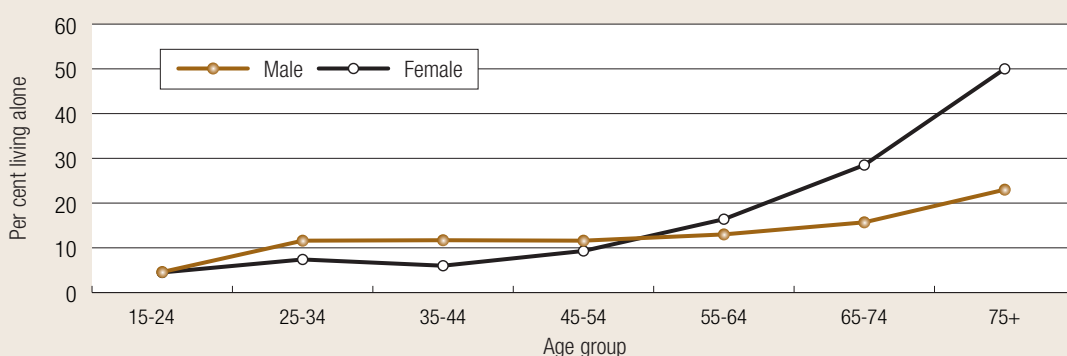
Figures 9.3 and 9.4 show that the proportion of an age group that lives alone increases as age increases. It is not surprising that the proportion of people

Figure 9.2 Projected per cent living alone by age group, 2001 and 2021



Source: Household and Family Projections (Australian Bureau of Statistics 1999b).

Figure 9.3 Per cent living alone by gender and age group, 2001



Source: 2001 Census (Australian Bureau of Statistics customised data cube).

aged 75 and over who live alone is greater than in younger age groups. However, this unsurprising tendency of older people being much more likely than younger people to live alone must not obscure the fact that *numerically* those who live alone are far more likely to be relatively young (Figure 9.5).

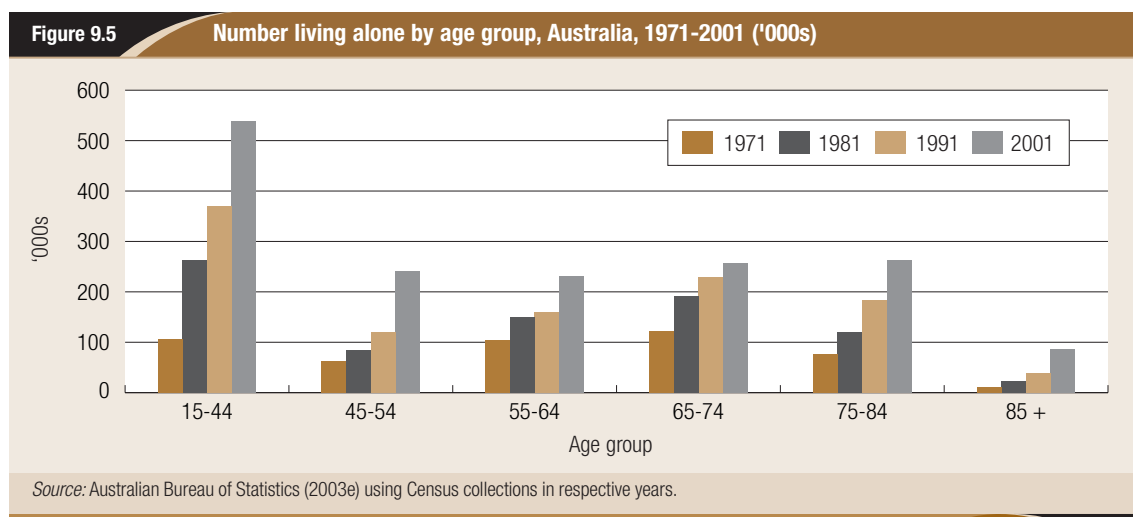
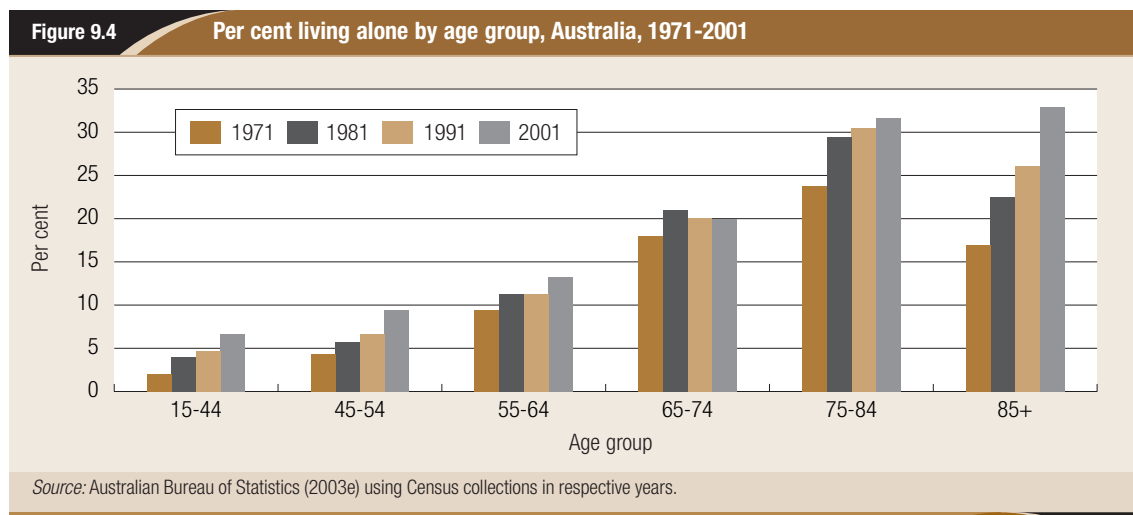
A key point evident in Figure 9.5 is that living alone is not simply an old person's phenomenon. There are many people across all age groups that live alone. While the number in the 15-44 age group is especially high because this age group spans a 30 year age range it is nevertheless worth noting that over half a million (538,000) people in this age group live alone. Numerically, the proportion of those aged 85 or older who live alone is quite small (86,000 in 2001). In 2001 the age groups, 45-54, 55-64, 65-74 and 75-84 each included around a quarter of a million people who lived alone.

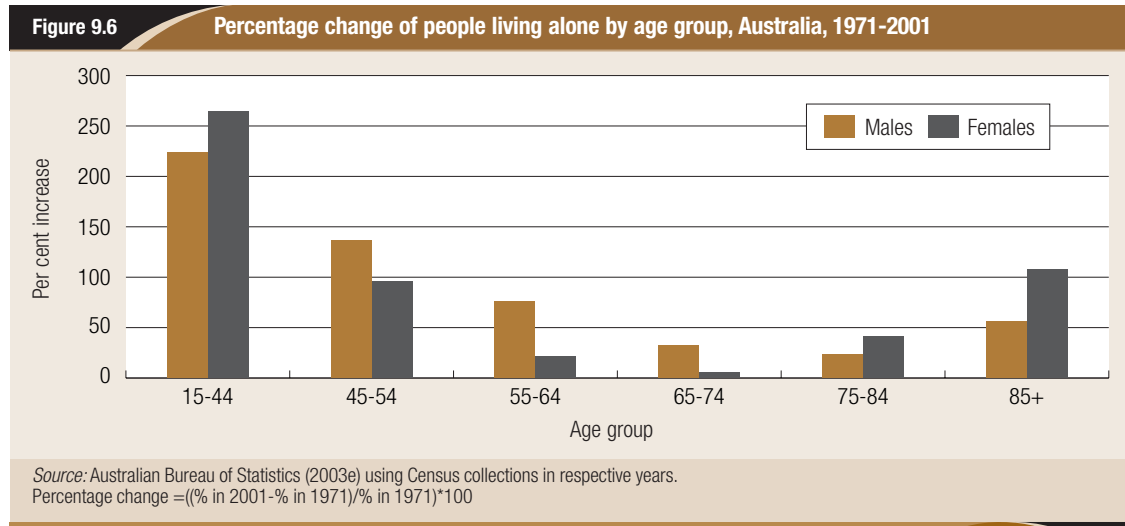
Furthermore, the numerical growth in living alone has been most evident among the relatively younger age groups. The growth in the number of people aged 15-44 who live alone has been steady and substantial between 1971-2001. In all age groups

(except 65-74) the growth in the number of people living alone was especially sharp in the 1990s.

While older age groups have a larger proportion of people living alone than do younger age groups, the rate of growth in living alone has been more marked among younger age groups than among the elderly. Figure 9.6 shows that between 1971-2001 the proportion of those aged 15-44 who lived alone increased by 224 per cent for men and 264 per cent for women (from 106,000 to 538,000 men and women). Among those aged 54-54 the proportion living alone increased by 136 per cent among men and 96 per cent among women (from 62,300 to 241,800 men and women). These rates of increase dwarf those between the ages of 55-84 and are higher than among those aged 85 and over.

While the popular perception may be that the increase in living alone is a function of population ageing, the evidence in Figures 9.5 and 9.6 indicates otherwise. While the older age groups have the highest proportion who live alone, the numerical growth in people living alone and the rate of growth in living alone is occurring much earlier in the life course.





### Are people living on their own divorced, widowed or never married?

Examining the marital status of people who live alone suggests three groupings of people who live alone (Figure 9.7).

The first grouping consists of those aged between 15 and 34. In this age group 88.6 per cent have never been married. These people probably represent those who live on their own before family formation or following a cohabiting relationship.

The second grouping consists of those aged 35 to 59 where half have been divorced or separated. Within this age group of lone people 40.8 per cent of those aged 35-49, were divorced or separated and 60.5 per cent of those aged 50-59 were divorced or separated.

The third grouping consists of those aged 60 and over – where the considerable majority (62.7 per cent) lived alone following widowhood. More detailed information from the Census shows that in 2001, 53.6 per cent of those aged 65-74 who lived alone were widowed; 77.7 per cent of those aged 75-84 and living alone were widowed; and 86 per cent of those aged 85 or over and living alone were widowed.

In 2001, relatively few of the older group (the over 60s) who lived alone were divorced or separated (23.3 per cent). Concern has been expressed in some quarters (for example, Millward 1997) that divorce leads to the disruption of family ties – especially among men, and that this will have important consequences for care in late life as more elderly people live alone following the disruption of marriage breakdown (p. 72-3). While the proportion of older divorced people who lived alone is relatively small, the much larger proportion of divorced/separated people among lone people in their fifties (60.5 per cent) indicates that this proportion of divorced and separated people living on their own will probably increase in the future.

Any such trend is most likely to lead to an increase in the percentage of older men who live alone due to divorce or separation. Table 9.1 demonstrates that lone living among older men is more likely to be associated with divorce and separation than it is for women. For example, 58.9 per cent of men in their sixties who live alone are divorced or separated while only 40.2 per cent of comparable women are divorced or separated. The same type of gap persists among those in their seventies and older. These older men are likely to encounter some difficulties with care in later life, if family ties are broken as previous research suggests, (Millward 1997; Rezac 2002).

On the other hand, older women are much more likely to live alone because of the death of their husband. For example, of women aged in their sixties, 51.3 per cent of those who live alone are widows compared to just 16.7 per cent of similarly aged men. Of lone women aged in their seventies, 77.2 per cent were widows compared to just 42.9 per cent of men.



**Table 9.1** Per cent of divorced, separated and widowed older men and women living alone, 2001

Marital status	60-69		70-79		80+	
	Male %	Female %	Male %	Female %	Male %	Female %
Never married	24.4	8.5	20.2	6.5	10.8	5.6
Widowed	16.7	51.3	42.9	77.2	69.3	88.2
Separated or Divorced	58.9	40.2	36.9	16.4	19.9	6.2
<i>Total</i>	<i>928</i>	<i>1422</i>	<i>816</i>	<i>2146</i>	<i>462</i>	<i>1593</i>

*Source: 2001 Census Basic Community Profiles (Australian Bureau of Statistics 2002c).*

In each age group, men who live alone are much more likely than lone women to be those who never married. For example, of lone men in their sixties almost a quarter had never married compared to just 8.5 per cent of women. Of lone men in their seventies, 20.2 per cent had never married compared to 6.5 per cent of comparable women.

These differences between men and women highlight how the experience of later life is very different for men and women. Being alone due to widowhood will be a quite different experience from being alone because of never marrying or because of divorce.

**What type of housing is used by people living on their own?**

The housing needs of people living on their own are quite different to those with a household family. In 2001:

- 26.2 per cent of people who lived on their own lived in a flat, unit or apartment (compared with 17.7 per cent of all people).
- Apartment, flat and unit living was particularly common among younger people living on their own with 40 per cent of lone 20-29 year olds living in this style of housing.

- While 55 per cent of lone people lived in a separate house this type of accommodation was most common among older people aged 75 or over where 73 per cent of those living alone lived in a separate house.
- A substantial proportion of older people who lived alone owned their home outright. (73 per cent of those aged over 65). Most of the remainder were renting.

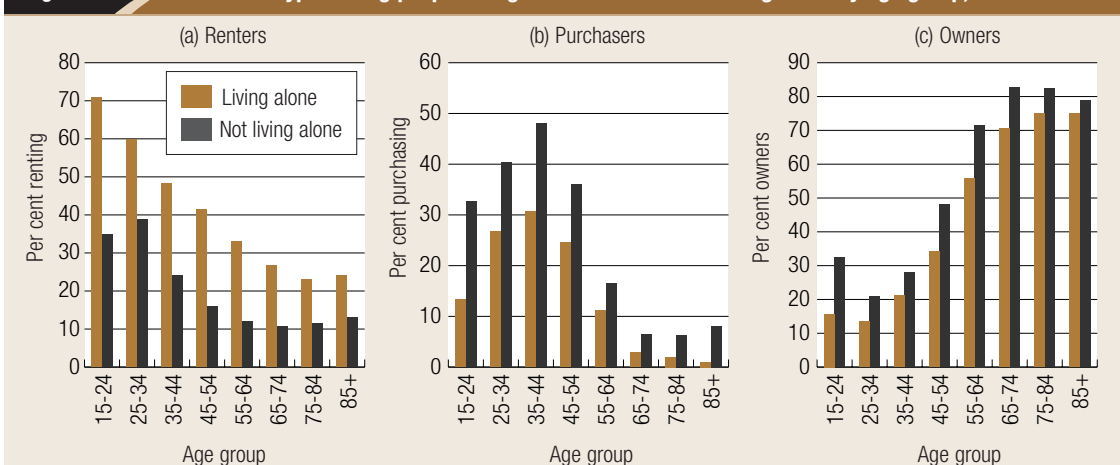
In all age groups, those who were living alone were much more likely than those living with other people to be renting (Figure 9.8a). For example, among those aged 45-54, 41.5 per cent of lone persons were renting compared to just 15.9 per cent of those living with someone else.

The level of renting varies greatly between younger and older lone people. In 2001, lone younger people had very high levels of renting. Of those aged 15-24, more than 70 per cent of lone people were renting and over half of those aged 25-44 were renting. However, among older lone people just 25 per cent were renting (Figure 9.8).

**How common is living alone in ethnic communities?**

Cultural norms vary in terms of the acceptability of either young or older people living alone. Cultural

**Figure 9.8** Tenure type among people living alone and those not living alone by age group, 2001



*Source: 2001 Census (Australian Bureau of Statistics customised data cube). Only includes those in private dwellings*

**Table 9.2** Per cent living alone by country of birth by age, 2001

	Age group			
	15-44	45-64	65+	All
Germany	9.9	14.7	31.4	18.2
Scotland	8.8	13.1	30.9	16.6
North West Europe	8.2	15.1	25.4	15.6
England	8.0	13.4	30.0	15.1
Other United Kingdom and Ireland	7.6	10.5	26.7	13.1
Italy	9.3	7.0	19.9	12.6
Southern and Eastern Europe (excluding Greece and Italy)	4.8	10.3	26.2	12.5
New Zealand	7.5	15.6	32.7	11.1
<b>Australia</b>	<b>5.2</b>	<b>12.7</b>	<b>32.8</b>	<b>9.4</b>
Americas	5.9	10.6	23.7	8.7
Greece	9.2	6.0	11.1	8.1
North Africa and the Middle East	5.2	8.2	17.8	7.5
Other North East Asia	6.4	5.5	17.9	6.7
Other South East Asia	5.7	6.1	14.5	6.3
China (excluding Taiwan)	5.3	5.5	10.2	6.0
Philippines	3.5	8.5	13.7	5.5
Southern and Central Asia	3.7	4.9	17.6	5.3
Vietnam	3.7	3.9	7.3	4.0

*Source: 2001 Census Basic Community Profiles (Australian Bureau of Statistics 2002c).*

groups also differ in the extent to which they are likely to live in multiple family households (p.68-69). Similarly, cultural norms vary in terms of the acceptability (and prevalence) of divorce and childlessness (p. 216-17). These cultural differences are likely to be reflected in the proportion of people from various cultural groups who live alone.

Table 9.2 reports the percentage of people in various age groups who lived alone in 2001 according to their country of birth. This table indicates a number of patterns.

Disregarding age group:

- The highest rates of lone living were among those born in Western Europe, Eastern Europe and the United Kingdom.
- The percentage of Australian born people who lived alone falls about midway between the most prone and least prone groups.
- The lowest rates of living alone were found among those born in South East Asia and China.
- The rates of living alone among those from Southern Europe (Greece, Italy and other Southern European countries) were reasonably close to that of Australian born people ranging from 8.1 per cent (Greece) to 12.6 per cent (Italy).

However, the patterns of living alone are somewhat different when considering just older people born in different countries (Table 9.2). Among older people (65 and over), those born in Australia had the highest rates of lone living (32.8 per cent) – rates that were close to those born in New Zealand and the UK. The low rates of lone living persist among older people born in South East Asia and China.

Older people born in Southern Europe, especially Greece and Italy also had relatively low rates of lone living – certainly much lower than among the older Australian born population. For example, in 2001 while 32.8 per cent of Australian born people aged 65 or over lived on their own just 19.9 per cent of Italian born older Australians and 11.1 per cent of Greek born older Australians lived on their own.

Of course living on one's own can reflect things other than cultural differences. It may also reflect group differences in the resources that enable people to live on their own. Australian born people may enjoy better health, have culturally appropriate community support and the financial resources

**Table 9.3** Per cent living alone within older age groups by selected country of birth and English proficiency, (ages 65 and over) 2001

Country of birth	English proficiency	
	Good %	Not good %
Italy	17.2	23.4
Southern and Eastern Europe (excluding Greece and Italy)	25.7	18.5
Greece	8.7	11.2
North Africa and the Middle East	18.9	13.8
Other North East Asia	20.0	10.0
Other South East Asia	16.3	6.3
China (excluding Taiwan)	20.0	8.7
Philippines	14.3	6.3
Vietnam	27.3	5.1

*Source: 2001 Census Basic Community Profiles (Australian Bureau of Statistics 2002c).*

**Table 9.4** Average waking time spent alone by people who lived alone by age group, 1997

Age group	Lives with others		Lives alone	
	Males	Females	Males	Females
	hrs:mins	hrs:mins	hrs:mins	hrs:mins
15-24	1:54	1:40	7:39	6:34
25-44	2:26	1:43	8:23	7:34
45-64	2:41	2:28	10:24	9:35
65 and over	1:40	1:37	13:00	12:12

*Source: 1997 Time Use Survey (Australian Bureau of Statistics (1999e)).*

that enable lone living rather than having to share a household with other people. One factor that can affect an older person's ability to live alone will be their English speaking proficiency. Those older people with good English language skills are more likely to be able to manage on their own. This factor was particularly relevant for older people from Asian countries as illustrated in Table 9.3. This pattern is especially evident among older people who were born in Vietnam. Of those with good English skills, 27 per cent lived on their own compared to just 5.1 per cent of those with limited English skills.

**How much time is actually spent alone?**

Living alone normally means that a person will spend more of their time on their own. However, the amount of time that a person spends on their own will differ according to their circumstances and age.

Table 9.4 shows the expected pattern whereby people living on their own spent a great deal more time alone than those living with others. However, not all people who lived alone spent the same amount of time alone.

- Younger people living alone spent less time alone than do older people. Those aged between 15-24 spent about seven hours a day on their

own compared to between 12 and 13 hours alone among older people.

- Regardless of age, men who lived alone spent about an extra hour a day alone compared to women who lived on their own.

**Are people on their own employed?**

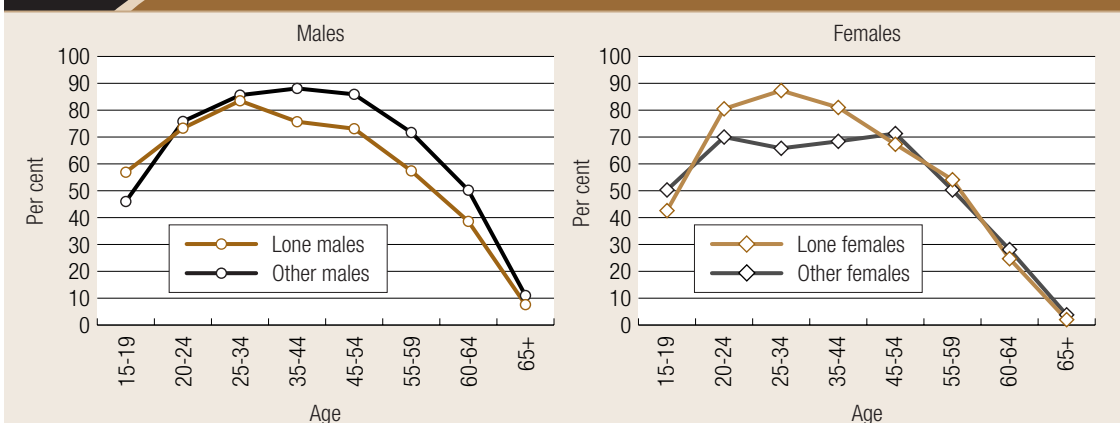
The patterns of employment of lone men differ from those of lone women in a number of respects (Figure 9.9). First, among younger lone people (aged 20-44), lone women have employment rates about 5 per cent higher than similarly aged lone men. Among older lone people of workforce age (45-64) lone males have employment rates about 5 per cent higher than similarly aged lone women.

Second, employment rates of lone men differ from other men. Men aged 20-34 have very similar employment rates regardless of whether they were living alone or not. However, among men aged between 35-64, lone men have employment rates at least 10 per cent lower than other men. Among women the opposite pattern occurs. Employment rates are between 10 to 20 per cent higher among younger lone women (aged 20-44) than among other women in these age groups. However, among women aged between 45 -64, the employment rates of lone women are relatively similar (approximately 4 per cent lower) to that of other women.

The employment pattern of lone women relative to other women is largely explicable in terms of the effect of children on younger women. Women living alone will not need to adjust their employment to child care needs. Similarly, the absence of employment differences among younger men reflects that pattern whereby younger fathers rarely withdraw from the workforce because of child care responsibilities.

The reasons for the lower employment levels of lone men relative to other men aged 35-64 is less

**Figure 9.9** Employment rates of males and females by age group by living arrangement, June 2003



*Source: Labour Force Survey (Australian Bureau of Statistics 2003d).*

obvious and requires further investigation. It may be related to less need to work since they may not have a family to support; it may be affected by the consequences of relationship breakdown; and there may be selective factors which mean that the factors that are responsible for them living alone may also contribute to lower employability or desire to be employed.

### How well off financially are those living on their own?

While people who live alone will have lower household incomes than partnered people, they will also have some lower costs. However, some costs are relatively fixed and this may mean that people living on their own are relatively poorly off financially. Furthermore, because of the age and employment profiles of people living alone, lone person households may rely disproportionately on government benefits for their income.

### Are people living alone poorer?

People who live alone, are less wealthy overall than those who live in family households. Table 9.5 indicates a clustering of lone persons among the lower

income deciles. For example, in 1998, 18.2 per cent of lone persons were in the least wealthy 10 per cent of the population, and 25.3 per cent of lone persons were among the poorest 20 per cent of the population. At the other end of the wealth spectrum only 4 per cent of lone persons were among the wealthiest 10 per cent of the population, and only 8.3 per cent of lone persons were among the wealthiest 20 per cent of the population.

### Do lone people feel financially stressed?

A comparison of the measures of financial stress in Table 9.6 with those of lone parents and couple parents (p. 52) shows that lone persons, in general, display similar levels of financial stress to parents with dependent children. Lone people show much lower levels of financial stress than do lone parents.

On most of the measures of financial stress in Table 9.6, older people living alone (65+) showed far fewer signs of financial stress than younger people living on their own. Compared with those under 30, the older people living alone were less likely to report going without for example, clothes, meals, and holidays. Older people were also much less

**Table 9.5** Wealth distribution of lone persons by decile, 1986-98

	Decile									
	Poorest					Wealthiest				
	1	2	3	4	5	6	7	8	9	10
1986	16.4	17.4	18.4	12.0	8.9	7.8	6.7	5.6	4.1	2.7
1998	18.2	17.1	15.2	10.8	10.3	8.4	7.0	4.9	4.3	4.0
<i>Change</i>	<i>1.8</i>	<i>-0.3</i>	<i>-3.2</i>	<i>-1.2</i>	<i>1.4</i>	<i>0.6</i>	<i>0.3</i>	<i>-0.7</i>	<i>0.2</i>	<i>1.3</i>

Source: 1986 Income Distribution Survey and 1998 Survey of Income and Housing. Costs using figures calculated by Kelly (2001)

**Table 9.6** Financial stress among people who live alone, 1998-89

Indicator of financial stress	Age				
	< 30 % (n=182)	30-44 % (n=329)	45-64 % (n=509)	65+ % (n=520)	All % (n=1540)
Spend more than get each week	20.3	14.9	16.5	10.8	14.7
Not gone on holiday in last year because can't afford to	23.1	26.7	37.7	21.0	28.0
Don't have friends over for meal because can't afford to	6.6	4.3	8.6	6.2	6.6
Don't have a special weekly meal because can't afford it	15.4	11.6	16.7	11.3	13.6
Buy second hand clothes because can't afford new clothes	12.1	13.1	18.3	10.4	13.8
Don't have leisure or hobbies because can't afford it	6.6	8.8	13.8	6.3	9.4
Times when unable to pay gas/phone/electricity	30.2	23.7	13.2	4.8	14.6
Have had to pawn things	12.1	8.5	3.9	0.6	4.2
Have gone without meals because of shortage of money	12.1	8.5	6.1	1.2	5.6
Sought help from community/welfare organisations because of shortage of money	6.0	4.9	4.7	1.9	4.0
Sought help from friends/family because of shortage of money	28.0	15.5	6.9	2.5	9.7
Had cash flow problems in last year	44.5	31.3	21.4	8.1	21.8
Could <i>not</i> raise \$2000 emergency money within a week	30.2	23.7	27.1	15.8	22.9
Could use own savings as a source of emergency money	33.0	42.2	43.4	61.9	48.2

Source: Household Expenditure Survey, 1998-99 (Australian Bureau of Statistics 1999c).

**Table 9.7** Per cent of households whose main source of income was government benefits by household type and age of household head, 1998-99

Household type	Age of household head			All %
	15-24 %	25-64 %	65+ %	
Lone person	20.0	28.1	70.6	42.1
Couple	20.2	9.6	62.3	17.4
Lone parent	56.1	46.9	78.9	48.7
All	29.0	17.4	66.4	26.6

Source: Household Expenditure Survey, 1998-99 (Australian Bureau of Statistics 1999c).

likely to report not being able to pay essential bills and were less likely to indicate that they spent more money than they had. On the other hand, younger people living alone were much more likely than older people to report pawning things, spending more than they earned, not being able to buy new clothes, having cash flow problems, obtaining help from welfare organisations and family and friends. Younger people were also much less likely to be able to draw on their own savings in the event of an emergency.

The greater level of financial stress among younger people who lived alone may be due to a number of factors which cannot be determined from the available data. These possibilities include:

- Different expenditure needs of young compared with older people.
- Different expectations about what is necessary.
- Different levels of home ownership.
- Attitudes about paying regular bills.
- Preparedness to ask others for help.

- Availability of networks from which to seek help.
- Accumulation of assets on which to draw in times of financial difficulty.
- The adequacy of aged pension benefits compared to benefits available to younger people.
- Expenses due to child support payments after family breakdown.

#### *What is the main source of income?*

Of all people living on their own, 42.1 per cent relied on government benefits for their main source of income. This is a higher percentage than applies to couple families (17.4 per cent) but lower than for lone parent families where 48.7 per cent relied on government benefits for their main source of income (Table 9.7).

The main reason why a relatively high proportion of lone people rely on government for their main source of income is the age profile of people who live alone. The relatively large number of people living alone who were aged 65 or over, means that they no longer earn a salary and are reliant on the aged pension. Government benefits are the main source of income for 70.6 per cent of those aged 65 or over. Among the younger cohorts of lone people, the reliance on government benefits is much lower. For example, 20 per cent of those under 25, and 28.1 per cent of those aged 25-64 relied mainly on government benefits (ABS 1999c).

Among lone people of working age and especially those aged 25-64, lone people had a three times greater reliance on government benefits than couples (28.1 per cent compared with 9.6 per cent). However, lone people in this age bracket were considerably less reliant on government benefits than were lone parents (28.1 per cent compared with 46.9 per cent).

**Table 9.8** Weekly income, taxes and government benefits for people living alone, 1999

	Age group					
	<25 \$	25-34 \$	35-44 \$	45-54 \$	55-64 \$	65+ \$
Private income	420.31	584.22	693.04	539.69	287.33	115.99
Direct benefits	34.61	30.52	29.84	54.38	101.04	143.57
Indirect benefits	87.25	47.6	43.03	50.01	77.66	129.27
<i>Value of income + benefits</i>	<i>542.17</i>	<i>662.34</i>	<i>765.91</i>	<i>644.08</i>	<i>466.03</i>	<i>388.83</i>
Direct tax	92.44	145.73	188.08	150.24	66.96	19.93
Indirect taxes	39.21	51.77	56.77	49.11	39.89	26.32
<i>Total taxes</i>	<i>131.65</i>	<i>197.51</i>	<i>244.86</i>	<i>199.35</i>	<i>106.84</i>	<i>46.25</i>
Final income ((income + benefits)-taxes)	410.59	464.89	521.07	444.68	359.18	342.59
Total benefits (direct + indirect)	121.85	78.12	72.88	104.4	178.71	272.84
<i>Net benefits (total benefits - total taxes)</i>	<i>-9.79</i>	<i>-119.39</i>	<i>-171.98</i>	<i>-94.95</i>	<i>71.86</i>	<i>226.59</i>

Source: Household Expenditure Survey, 1998-99. Figures adapted from Australian Bureau of Statistics (2001b). Note these figures are based on pre GST data

### How much support do governments provide people on their own?

Government support for people who live alone is concentrated among older people. Table 9.8 indicates that for those aged 55 and over there is a net benefit directed to these lone individuals. For those aged 65 and over the weekly value of benefits is \$226 greater than the tax they pay.

In contrast, the younger groups of people living on their own made substantial net contributions to government (and thus help fund the income support for other family types and older lone people). For example, those aged between 25-34 made a net

weekly contribution to the public purse valued at \$119; those aged 35-44 contributed a net of \$172 while those aged 45-54 contributed \$95 per week.

The effect of taxation and benefits on lone persons has a substantial redistributive effect on this population of households. The private income of these households indicates substantial income disparities between the age groups ranging from a weekly average income of \$693 for those aged 35-44 to just \$116 for those aged over 65. The effect of direct and indirect benefits combined with taxation resulted in much greater equity and resulted in a final income of these two age groups of \$521 and \$343 respectively.

#### Highlights

- One in four households consists of a person living on their own and almost one in every ten people live on their own.
- The levels of living alone in Australia are increasing.
- Three types of people who live alone can be distinguished: younger people who have not yet partnered or had children; middle aged people who have divorced or separated and older people who are widowed.
- While a greater *proportion* of people in older age groups than younger age groups live alone, younger people who live alone are *numerically* a much larger group than older people living alone.
- The *rate of growth* in living alone is much more marked among younger than older age groups.
- Men outnumber women among the two younger groups of people who live alone while women easily outnumber men among older people who live alone.
- Rates of living alone are much lower among cultural groups such as Asians and those from Southern Europe. Living alone is more common among those from western backgrounds.
- Rates of employment among lone men aged 35-64 are lower than other men of a similar age.
- As a group, people who live alone have higher levels of poverty and lower levels of wealth than the average household.
- Older people on their own had high levels of home ownership while younger people living alone had low levels of home ownership.
- Older people living alone have relatively high levels of reliance on government benefits for income support and receive considerable net transfers from government.
- Younger and middle aged people living on their own have relatively low levels of reliance on government for income support and are net contributors to the public purse.
- Older people living on their own display lower levels of financial stress than do younger people living on their own.