

It's Not Just About Money:

Intergenerational Transfers of Time
and Money To and From Mature
Age Australians

October 2012

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Australian Government
Department of Health and Ageing

It's Not Just About Money: **Intergenerational Transfers of Time and Money** **To and From Mature Age Australians**

October 2012

Foreword

Families remain a primary source of support for individuals in all societies. In particular, the transfer of resources between generations within a family – whether in the form of financial assistance (such as gifts or loans) or practical support (such as babysitting or home maintenance) – can both provide assistance for an individual as well as strengthen family bonds. However, there is a surprising lack of knowledge in Australia about the nature and extent of such intergenerational transfers.

This National Seniors Productive Ageing research report prepared by the University of Adelaide, entitled *Intergenerational Transfers of Time and Money To and From the Over 50s in Australia*, examines intergenerational transfers in Australia using data from a telephone-based survey and semi-structured telephone interviews of people aged 50 years and over. The report reveals that financial transfers within families predominantly occur from older to younger generations, while much less so in the other direction. Practical assistance, on the other hand, flows in both directions between younger and older generations.

Of particular interest in this report is the detail provided about the precise nature and extent of these transfers, and how the transfers vary between demographic and socio-economic groups within Australian society. A significant contribution of this research is the quantification of the value of these intergenerational transfers in Australia and the comparison with government expenditure on social services. Indeed, the authors find that the attributable value of the interfamilial transfers of time and money amount to \$50 billion annually. The report also identifies from the interviews that there is an expectation from respondents that the care of elderly parents will be supplemented by state services and support.

The Australian population will continue to age in coming decades, and we can expect that the nature of intergenerational transfers will be impacted as the lifestyles of older Australians change, in terms of their employment, health and social lives. This important study has provided a foundation for understanding the impact of these changes on intergenerational transfers in the support of individuals in Australia.

Dr Jeromey Temple
Director
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October 2012

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The authors of the study upon which this shortened report is taken are Lisel O'Dwyer, Jennifer Buckley, Helen Feist and Kelly Parker from the Australian Population and Migration Research Centre from the University of Adelaide.*

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*The original report is available in full at www.productiveageing.com.au

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It's not just about money



Introduction

Family can be considered the central unit of economic, emotional and physical support for individuals in all human societies. The transfer of resources between generations in a family is a key part of familial social bonds. Transfers within families can take many forms: socio-emotional support; practical help such as house maintenance, babysitting, transport, or personal care; and financial assistance in the form of cash transfers (gifts or loans). However, little is known about the nature of interfamilial transfers provided to and by older people. This paper aims to address this gap in the literature by exploring the extent to which older people both give and receive assistance.

The ageing of populations worldwide will influence the structure and nature of family ties and thus the patterns of transfers between generations.

Equally, as societal structures, social norms and policies change, the nature and forms of informal family support become increasingly important. Demographic and social trends such as lower birth rates, delayed first births and increased longevity influence the number of generations alive at any one time and the number of family members within each generation. As these changes have occurred simultaneously with changing family dynamics such as divorce, single parent families, dual income families, increased female labour participation, geographic dispersion of family members, and an increased likelihood of living alone in later life, we can expect to see changes in the nature of intergenerational interactions. However, little is known about the role of older family members in *intervivos* (during life) intergenerational interactions.

Aim and research questions

This report addresses the factors influencing whether time or money transfers are provided, the amount and value of these transfers and whether these two types of assistance are substitutes or complementary. A key aim of the research is to quantify the scale and value of transfers. The specific research questions are:

1. What motivates older people to make these transfers?
2. What are the values of time and money transfers given between generations within families?
3. Are there different patterns of transfers between different socioeconomic and demographic groups?
4. What factors influence the type of transfers given to family members?

Method and sample

The first stage of the methodology involved a preliminary literature review, to establish previous research in the field and to assist in development of survey and interview questions. A Computer Assisted Telephone Interview (CATI), with a sample size of n=612, was conducted. ¹ The CATI was taken across three Australian States; South Australia, New South Wales and Queensland, with approximately 200 people aged 50+ in each State, with a target of 130 from metro areas and 70 from non-metro areas. The sample populations surveyed were also taken from three age cohorts within the population (50 – 64, 65 – 79 and 80+) in order to capture a sample that is representative of the age distribution in each State according to the 2006 ABS Census. Semi-structured telephone interviews with (n=30) survey respondents were also undertaken to provide more in-depth understanding of the motivations and expectations related to intergenerational transfers of time and money. ² Data were weighted by age and gender to match the ABS 2011 estimated resident population for each surveyed state, allowing results to be extrapolated to the wider population. This report presents results based on the weighted data. There were 612 respondents in the sample with a mean age of 65 and median 63 (ranging from 50 to 92). The age distribution is shown in Appendix Figure A.1. ³ Females represented 51 percent of the sample.

Definitions

Respondents were allocated to different intergenerational family status groups within the following typology based on the presence or absence of living parents and children:

- 'KANPs' (Kids and No Parents) - at least one living adult child but no living parents
- 'Sandwiches' – at least one adult child and at least one living parent or parent-in-law
- PANKs ('Parent(s) and No Kids') - at least one living parent and no living children
- 'Neither' - no living children or parents.

Generations were divided into:

- The respondent's generation
- The 'older' generation – that is, in relation to respondent. The definition includes parents, parents-in-law, and aunts and uncles.
- The 'younger' generation – that is, in relation to respondent and minimum age of 18. The definition includes children, children-in-law, nieces and nephews, and grandchildren.

¹ The questionnaire can be viewed online at www.productiveaging.com.au.

² The semi-structured interview questions can be viewed online at www.productiveaging.com.au.

³ Appendix tables and figures are available online at www.productiveaging.com.au.

Table 1.1: Generational Family Status Typology

	Sandwich	PANKs	KANPs	Neithers
Older Generation				
Respondent (and spouse if couple household)				
Younger Generation				
Mean age	58	57	72	67
Percent of Sample	44	5	47	4
(n)	(267)	(31)	(285)	(27)

Table 1.1 shows the conceptual division of respondents within the intergenerational family status typology.

There is a grey area in generation membership given that the age range of respondents at 50 years and upward could easily encompass two generations (generally defined as 25 years). For example, respondents aged in their 70s may be transferring time or money to children aged in their 50s (the younger generation) at the same time respondents in their 50s are transferring time or money to children in

their 20s or 30s. We have attempted to account for both age and generation by using the intergenerational family status typology where possible.

The unit of analysis is the household except for extrapolations to the total Australian population aged 50+, where Census data on age is available for individuals only. Survey data on values for households were converted to values for individuals and the number of cases adjusted accordingly based on number of couple households.

Quantifying transfers of money and time

This section reports aggregated values of time and money transfers in both directions (to and from younger and older generations). Estimates of the value of time are based on the method developed by Ironmonger (2000) for valuing the unpaid work of volunteers⁴. It is important to note that the values reported in this section relate to persons, not households. Data from the survey at household level were converted to be applicable to persons rather than households in order to extrapolate to the population aged 50+ as recorded by the 2006 Census^{5, 6}.

Transfers of money

Thirty six percent of respondents reported that they or their partner (or 26 percent of persons aged 50+) gave financial support of more than \$1,000 (excluding birthday and Christmas gifts) to family members in the previous 12 months (Table 2.1). The median value of transfers per person was \$2,000 (\$4,000 per household). Sixty eight percent of transfers were given as gifts (median \$2,500) and 32 percent as loans (median \$2,000). There was a net outward flow of money to family members (this equates to \$23 billion outward flows in Australia, \$1.8 billion inward flows). Thirty six percent of households aged 50+ gave money and 8 percent received money, markedly higher

than Albertini et al's (2007) results for 10 European countries (21 and 3 percent). Ninety percent of financial transfers went to children, 65 percent of these were gifts and 35 percent were loans.

Transfers of time

About two thirds of households (one third of persons) provided practical help to family members not living with them. 38 percent of households received practical help (Table 2.1). These figures for households are double that of Albertini et al (2007). The median amount of time given per person giving time is 2.7 hours per week, and per person per week is 0.8 hours (mean 4 hours). This assumes each member in a couple gave equal time, although literature suggests females give more time.

The older generation made relatively few, and relatively very small, transfers of either time or money compared to persons aged 50+ (Table 2.3). Attias-Donfut et al (2005) also found that the oldest old in Europe did not make important transfers of money to their children.

The bulk of financial transfers went to the younger generation, which only contributed 11 percent of financial transfers to persons age 50+ in return (Table 2.4).

Table 2.1: Summary Measures of Time and Money Given and Received by Persons Aged 50+

Measure	Time		Measure	Money	
	Gave	Received		Gave	Received
% households	64	38	% of sample (n households)	36	8
% persons ^b	36	21	% persons	20	4
Median number of hours per week all persons	0.8	0	Median annual value all persons ^b	0	0
Median number of hours per week per person involved	2.7	2	Median value involved persons	\$2000	500
Average annual value per person involved	\$6,890	\$20,500	Average annual value involved persons only	\$12,900	\$3,000
Total annual value of time transferred (extrapolated to Australia)	\$30 billion	\$37 billion	Total annual value of money transferred (extrapolated to Australia)	\$23 billion	\$1.8 billion ^c

a. Includes transfers to all relatives (ie younger and older generations) not living in respondent's household.

b. Total number of persons involved in the transfers is the sum of couple households multiplied by 2 and single person households. Values and number of hours for persons in couple households are divided by 2. The sample of 612 households represented 1,090 persons.

c. Only 25 of the 48 households reporting that they received money were also willing or able to report the value of the money received. The average value for the 25 cases was imputed for the other 23 cases and so this figure should be treated with caution and viewed as probably conservative.

Source: APMRC Survey of Intergenerational Transfers, November 2011

⁴ Based on an average hourly wage rate of \$26.16, plus the cost of time spent travelling to and from relatives homes and other inputs (phone calls, petrol, wear and tear on car etc), adjusted to account for less time and money spent on travel to relatives' homes than on travel to volunteer work locations. Each survey respondent is assumed to represent 1.8 persons to account for the rate of help given and received by spouses.

⁵ Conversion of household data to person level data assumed that spouses of respondents aged 50 or more are also aged 50 or more.

⁶ Data from the 2011 Census were not available at the time of analysis.

Summary

The overall flow of time to and from persons aged 50 or more is almost equal, however the overall flow of money is overwhelmingly outward, and goes mainly to the younger generations. Australia wide this represents a net outward flow of around \$14 billion from people aged 50 or more; (\$53 billion outward

vs \$39 billion inward). In relative terms this outflow is 36 percent larger than the inflow. The patterns are generally consistent with the patterns reported in the international literature (Albertini et al 2007; Couch et al 1999; Mason et al 2006; Litwin et al 2008; Sloan et al 2002).

Table 2.2: Summary Measures of Time and Money Given to and Received From Younger Generations by Persons Aged 50+

Measure	Time		Measure	Money	
	Gave	Received		Gave	Received
% households	49	32	% of sample (n households)	26	2
% persons	27	19	% persons	17	1
Median number of hours all persons	0.01	0	Median annual value all persons ^b	0	0
Median number of hours per week per person involved	2.1	3.5	Median annual value involved persons	\$2,500	\$1,250
Total annual value of time transferred (extrapolated to Australia)	\$10 billion	\$20 billion	Total annual value of money transferred (extrapolated to Australia)	\$22 billion	\$320 million

Note: The 'younger generation' is defined as children and children in law. No nieces, nephews and grandchildren gave time or money. They have been excluded from the definition of "younger generation" in this table.

Source: APMRC Survey of Intergenerational Transfers, November 2011

Table 2.3: Summary Measures of Time and Money Given to and Received From Older Generations by Persons Aged 50+

Measure	Time		Measure	Money	
	Gave	Received		Gave	Received
% households	22	3	% households	5	5
% persons	15	2	% persons	2.4	2.4
Median number of hours all persons aged 50+	2.5	1.5	Median annual value all persons aged 50+	\$12	\$200
Median number of hours per person involved	4.8	4.2	Median value involved persons (n=13)	\$530	\$750
Total annual value of time transferred (Australia)	\$20 billion	\$17 billion	Total annual value of money transferred (Australia)	\$1 billion	\$1.4 billion

Note: The 'older generation' is defined as parents and parents in law. No respondents had living grandparents. More distant relatives such as great aunts and uncles, great nieces and nephews and so on were mentioned in fewer than one percent of cases. The number of cases of transfers of time from older relatives and transfers of money to and from the older generation to respondents aged 50+ was very small (n<20) so values must be viewed with caution.

Source: APMRC Survey of Intergenerational Transfers, November 2011

Table 2.4: Share of Total Flows to Younger and Older Generations from Persons Aged 50 or More

	Younger			Older	
	Younger	Older		Younger	Older
% Total number of hours given	74	26	% Total value of money given to generation	95	5
% Total number of hours received	94	6	% Total value of money received from generation	11	89
% Total financial transfers	90	10			

Source: APMRC Survey of Intergenerational Transfers, November 2011

Patterns of transfers and factors influencing size of transfers

Do people give both time and money, or one or the other?

We investigated whether substitution between time and money occurs, that is, people who make high value financial transfers tend to give low numbers of hours, or people giving many hours of time per week also give little or no money. However, there was no relationship ($r=0.1$, $p=0.27$, $n=107$) between hours of help given and value of money given, nor between help given and money received ($r=-0.2$, $n=14$, $p>0.05$) (a small number of cases for the latter may prevent a difference being shown). Findings of Couch et al (1999) and Cao (2006) also do not show substitution occurring. Very few households gave money only, and the propensity to give time only, time and money, or neither was similar (Table 3.1). All income groups were roughly equally likely to give time only or money only. Low income respondents were the least likely to give both time and money and the most likely to give neither. High income respondents were similar to middle income groups. The relationship between the number of hours of help received and the value of money given was moderately strong ($r=0.5$, $n=41$, $p=0.001$), suggesting that people aged 50 or more may feel obliged to give financial gifts in return for practical help. Not unexpectedly, there was a strong positive relationship between money given and money received ($r=0.8$, $n=6$, $p=0.026$), but the number of cases reporting values for both parameters is small and should be viewed with caution.

Distance and practical help

The distance between respondents and their relatives influences how much help is given. The relative location of family members is shown in Appendix Table A.1. Analyses of the number of hours of practical help given to family members based on the distance restricted to mother and Child 1 for simplicity. The children of respondents who gave time were much more likely to live close by than the children of respondents who did not give time. Those living further than 10.4km from their mother were far more likely (65 percent) to give less than 7 hours of time per week than those living closer.

Those living a greater distance from Child 1 received overall fewer hours help per week than those living closer (Figure 3.2).

Who gives and receives transfers?

The likelihood of poorer health and reduced mobility as people become older may indicate that they need more assistance than they can give to other family members. Additionally there may be less need to provide help to other generations as people grow older, with a decreased likelihood of having living parents and parents-in-law in older age and grandchildren likely to be older and more independent.

Generational family type

Sandwich respondents are the most likely to provide both practical and financial help to family members compared to respondents in other generation/ generational family types (Figure 3.3). This pattern is consistent with past findings (Attias-Donfut, Ogg et al. 2005). Those in the present study are also the most likely of all generational family types to receive financial help from other family members. Those with children ('kids') and no parents (KANPs) are the most likely to receive practical help.

Age, marital status and income

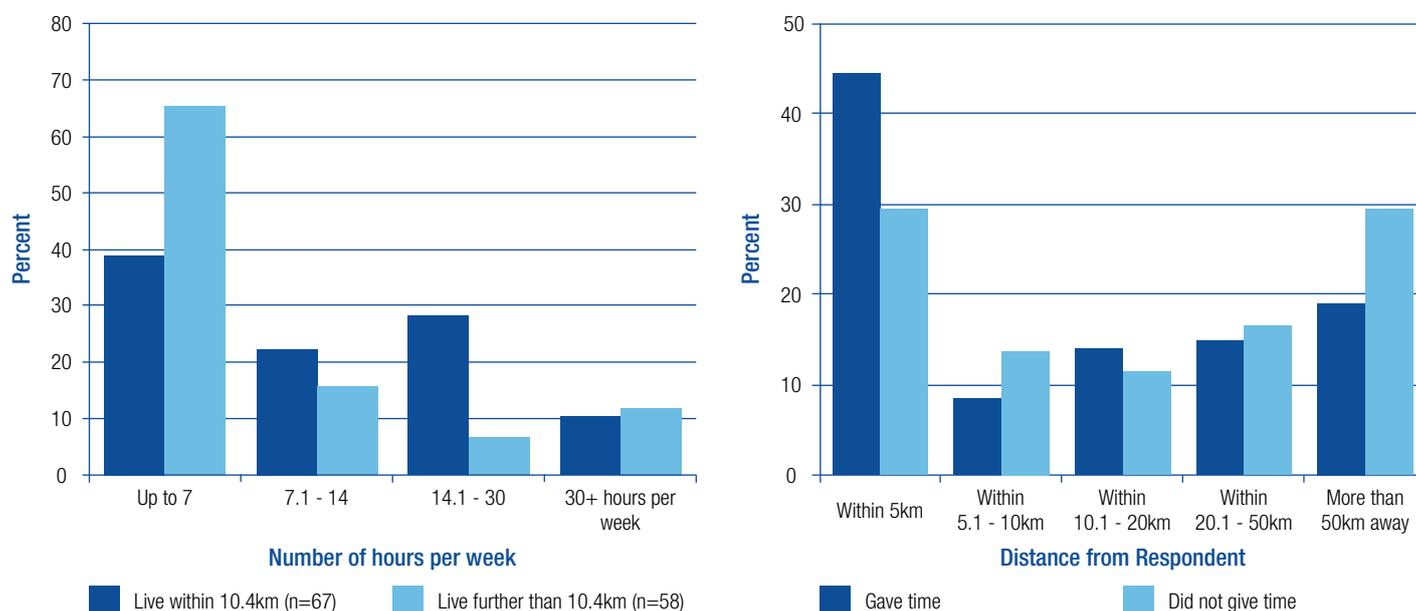
A larger proportion of survey respondents give and receive practical transfers compared to financial transfers. Provision of both practical and financial help decreases with age (Figure 3.4). The inverse is true for receiving practical help, but there is no pattern in receiving financial help by age. Around 40 percent of respondents aged 80+ are still giving practical help of some form to other family members. Respondents who were separated/divorced were more likely to give practical help to other family members (80 percent), perhaps because they are also less likely to be in the workforce and have more time to give assistance (Appendix Table A.2). Married respondents (70 percent) gave more practical help than the never married (less than 50 percent) and widowed (35 percent). Married respondents (70 percent) were more likely to give practical help than the never married (less than 50 percent) and widowed (35 percent). Provision of both financial and practical help

Table 3.1: Co-Incidence of Giving Time and Money (Percent), by Income group

	Total	Annual Income less than \$40,000	Annual income between \$40,000 and less than \$80,000	Annual income over \$80,000
Gave time only	35.0	37.0	29.9	35.9
Gave money only	6.6	7.1	8.4	4.8
Gave both	29.3	17.9	41.6	34.8
Gave neither	29.1	38.1	20.1	24.5
n	611	253	140	217

Source: APMRC Survey of Intergenerational Transfers, November 2011

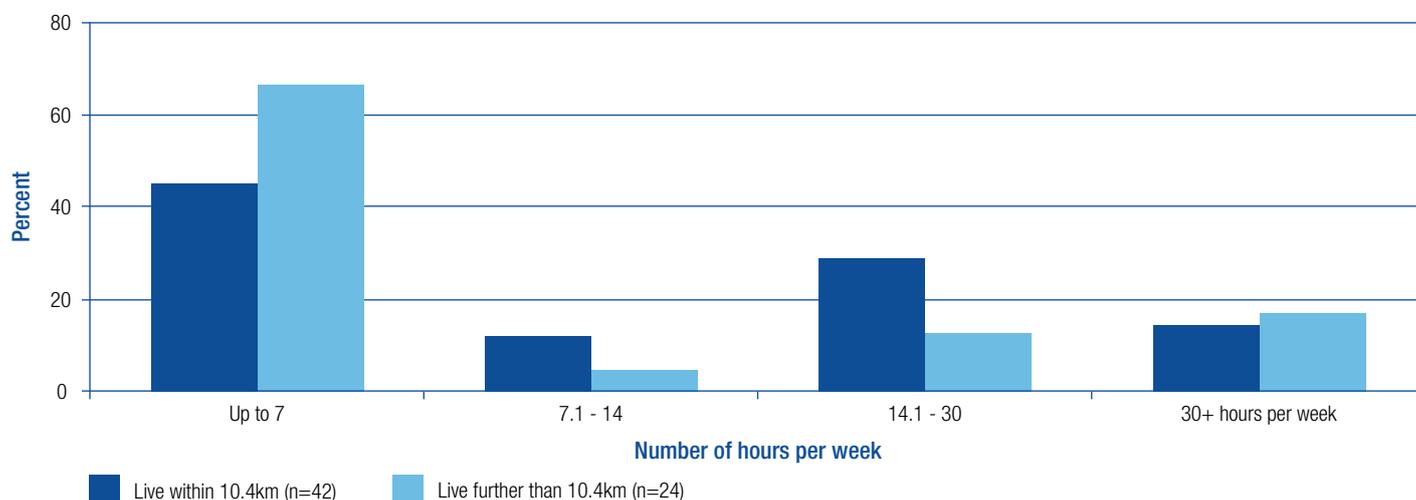
Figure 3.1: Hours Help Provided Per Week to Child 1 by Distance Between Respondent and Child 1, Distance of Child 1 From Respondents Who Gave Time and Respondents Who Did Not



Note: All cases where respondent provides practical help to Child 1, lives in the same state as Child 1 and provided residential suburb for distance calculations (n=125).

Source: APMRC Survey of Intergenerational Transfers, November 2011

Figure 3.2: Hours Help Per Week Received From Child 1 by Distance Between Respondent and Child1



Note: All cases where respondent provides practical help to Child 1, lives in the same state as Child 1 and provided residential suburb for distance calculations (n=125).

Source: APMRC Survey of Intergenerational Transfers, November 2011

was higher in high income households (\$80,000+) than lower income (Appendix Table A.3). Interestingly, those in the highest income group were also more likely to say they receive financial help compared to lower income groups.

Giving practical help

The following analyses include only those respondents who give practical transfers of time to other family members (n=393); 64 percent of the total respondent sample. Children are clearly the most common recipients of practical help (67 percent), followed by mothers and then mothers-in-law (Table 3.2).

Practical help is more often given to family members in the younger generation (76 percent) than to family members in the older generation (34 percent)⁷ (Table 3.3). This reflects the pattern of more respondents with a living child than a living parent. A greater proportion of the Sandwich group provided help to younger (71 percent) compared to older family members (55 percent), with 29 percent giving help to both the younger and older generation.

A greater proportion of practical help is given to younger family members but a greater number of median hours of help per week is given to older family members (median 5.2 hours/week younger, 6.9 hours/week older). For the older generation, help was most often provided for shopping, transport and home maintenance/gardening. Children were overall the greatest recipients of practical help, with childcare and babysitting grandchildren is the most common type of practical help provided (32.9 percent of all practical help provided), followed by home maintenance/gardening and transport (20 percent and 14 percent) (Appendix Table A.2). This supports other evidence to suggest that the older generation acts as 'second time parents' by helping to raise grandchildren (Bengston 2001).

Amount of practical help given according to respondent characteristics

The median number of hours per week of practical help given to other family members, by those who are giving help, was five hours per week. Both couple households and single adult headed households gave 5 hours per week, suggesting that each person in couple households gave less time per person.

⁷ Total does not equal 100 percent because some respondents did not nominate the recipient of their practical help, and multiple responses were allowed (ie respondents may have given help to both younger and older relatives).

Generational family type

Respondents in the PANKs generational family type had the highest proportion (56 percent) giving five hours per week or more of practical help to family members, followed by the Sandwich group (51 percent) (Table 3.4).

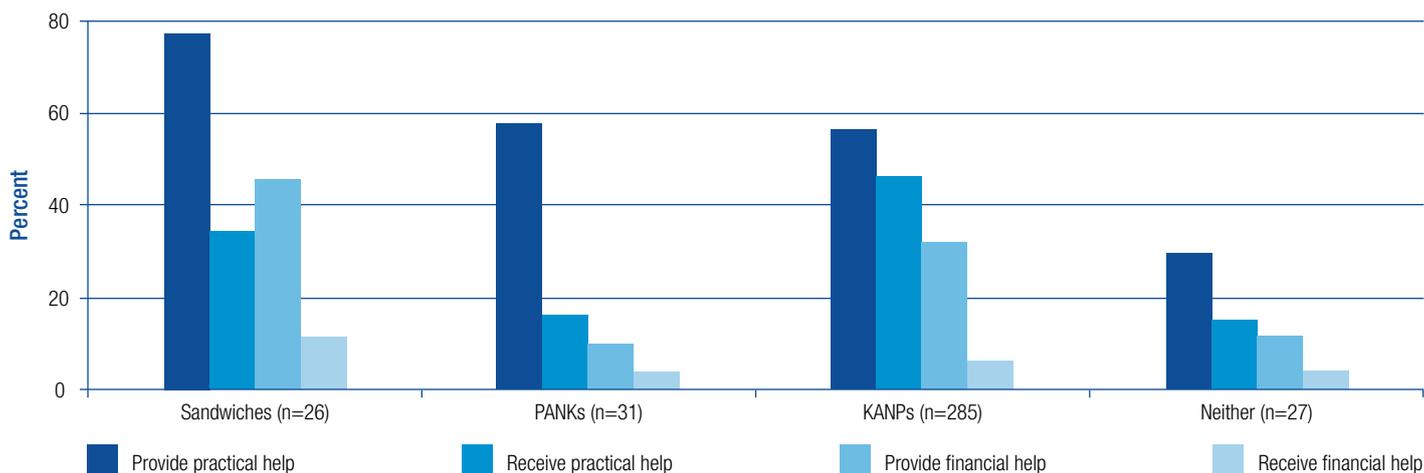
Age, marital status and income

In general, younger respondents (up to age 75) gave a greater number of hours per week of practical help to family members (Appendix Table A.3). Attias-Donfut et al. (2005) also found that the probability of giving time related help was highest for respondents between 55 and 64 years. This may be because the needs of younger and older generations (above and below) are greater at this time of life, or because this age group has more available resources to enable provision of time. Non-married respondents (separated, never married or widowed) gave more time than those who were married, consistent with findings by Borsch-Supan et al. (1992); however the sample size of non-married groups was small in comparison with the married group (Appendix Table A.4). The higher the level of income the more likely the respondents were to give a greater number of hours of practical help (Appendix Table A.5). Over 90 percent of respondents describing their household income as \$80,000 per annum or more (n=128) were aged under 65 years, and more likely to be members of the Sandwich group with younger grandchildren and living parents.

Giving financial help

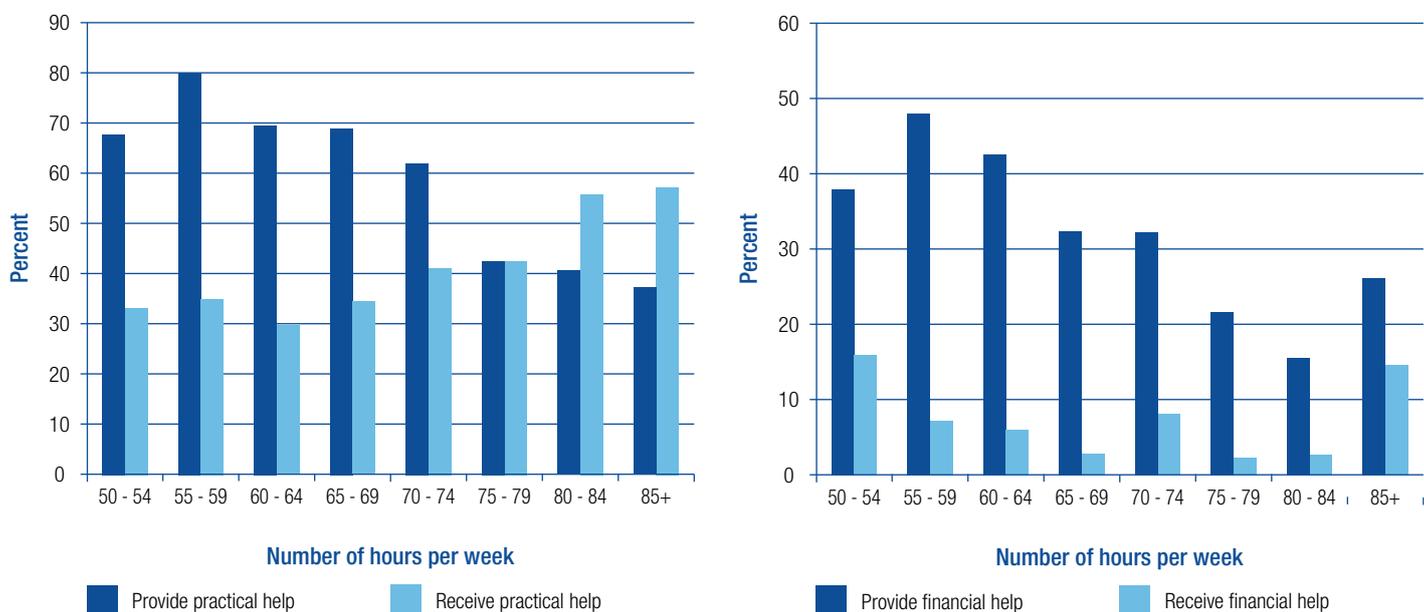
The following analyses include only respondents who gave financial help to other family members (n= 218), 36 percent of the total respondent sample. The vast majority of flows of financial transfers are towards the younger generation, accounting for 72 percent of flows compared with only 5 percent for upward flows (Table 3.5). Most financial help is channelled downwards to the younger generation across generational family type groups, because for most respondents there are a greater number of living family members in younger generations. It is also notable that about 70 percent of the Sandwich group gave downwards compared to 8.2 percent who gave upwards. The younger generation also receive slightly more valuable transfers (median \$500 versus \$400 for older family members).

Figure 3.3: Give and Receive Practical or Financial Transfers by Generational Family Type



Source: APMRC Survey of Intergenerational Transfers, November 2011

Figure 3.4: Giving and Receiving Practical Help and Financial Help by Age Group



Source: APMRC Survey of Intergenerational Transfers, November 2011

Table 3.2: Relatives Given Help

	Percent		Percent
Mother	11.3	Niece or nephew	2.8
Father	2.6	Uncle or aunt	1.8
Mother-in-law	6.7	Grandchild	0.8
Father-in-law	1.6	Cousin ¹	1.5
Children	66.8	Other	4.1
N	679 ²	Total	100.0

Note: Cousins included if defined as in older or younger generation on basis of age in relation to respondent (25 years difference is used as rule of thumb). This was a multiple response question; individuals may give to more than one family member. Base number n=679 is the total number of family ties listed as recipients of practical help.

Source: APMRC Survey of Intergenerational Transfers, November 2011

Reasons for financial transfers

'Meeting basic needs' was the most cited reason for helping the older generation financially, with health expenses and assistance with large expenditures also cited. For the younger generation, meeting basic needs (27 percent) was the most important reason (Table 3.6). About one-fifth (21 percent) of respondents did not know what the financial help they were supplying to their younger family members was to be used for, while 17 percent indicated that the money was to assist in the purchase of a large item other than housing. Altonji et al (1996) found financial transfers between parents and children in the US to be more responsive to the current income of the child than to permanent income.

Amount of financial help given to family members

The median amount of financial help given, among those who provided help, was \$4000 per family member per annum. It is important to consider that a substantial proportion (30 percent) of respondents who said they did provide financial help to family members did not state the value.

Generational family type

Respondents in the Sandwich group gave slightly more valuable transfers, with 12 percent giving between \$6000 and \$10,000 compared with 5 percent of KANPs. About one-third of both the Sandwich and KANPs groups gave large transfers (\$10,000 or more). About 60 percent of households in both generational family groups gave either very modest or very substantial amounts.

Age, marital status and income

Generally, younger respondents gave a larger amount of money in financial transfers when compared with older respondents (Appendix Table A.7); however younger respondents were also more likely to report the value of monetary transfers compared to older respondents. There is no apparent relationship between financial transfers and marital status but the small number of cases of financial transfers by marital status group precludes definitive conclusions. It is notable however that nearly 40 percent of married respondents gave \$4,000 or more to other family members.

The relationship between income and value of transfer is not direct; in fact there is little difference between the middle and higher income groups, both of which have very different distributions compared with the low income group (Appendix Table A.8). Some studies have found that wealthier parents were the most likely to give financial help to their children (eg Altonij et al 1996, Zissimopoulos 2001) although Litwin et al (2008) report no direct relationship.

Comparisons with respondents who did not give or receive time or money

Table 3.7 shows provision and receipt of time and money by demographic characteristics; age, employment status and income level were the key factors. Marital status, location (ie. whether in capital city or a non-metropolitan area) and distance appear to be relevant in giving time, but not receiving it. Interestingly, there is no difference in health between those who gave and did not give, and even more unexpected is that those who received time were as healthy as those who did not.

Similar differences in demographic profiles are evident for transfers of money, although location and distance are not factors in this type of transfer. Respondents who gave time were significantly younger than those who did not. The same pattern holds for money. Respondents who received time were markedly older than those who did not but respondents who received money were younger than those who did not. The few respondents (n=49) receiving money were heavily over-represented in the 50-54 age group and the 85+ age group. As would be expected for these groups, the 50-54 age group received money mainly from their older relatives whereas the 85+ group received money from younger relatives. Not surprisingly, people who do not give help were significantly more likely to be on low incomes. The distribution of income amongst people who do give help is more even. A similar pattern applies to people giving money although respondents in the middle income category of \$60-80,000 were slightly more likely to give money than time. The only large (and statistically significant) difference between respondents who received time and those who did not is for income group 60-80k (the value of the adjusted residual for this group was 3.1; all other residuals were less than 1.2).

Table 3.3 Proportion Respondents Who Provide Help to Younger or Older Generation by Generational Family Type

	Sandwiches percent	PANKs percent	KANPs percent	Neithers percent	Total percent
N	206	18	162	8	394
Percent helping older generation	54.9	77.8	3.7	0.0	33.8
Percent helping younger generation	70.9	5.6	89.5	75.0	75.6

Note: Respondents may help family members in more than one generation

Source: APMRC Survey of Intergenerational Transfers, November 2011.

Table 3.4: Levels of Practical Help Given by Generational Family Type

	Sandwiches (n=205) percent	PANKs (n=18) percent	KANPs (n=162) percent	Neithers (n=8) percent
None stated	2.9	0.0	9.3	25.0
Up to 5 hours	46.3	44.4	45.1	37.5
5 hours or more	50.7	55.6	45.7	37.5

Source: APMRC Survey of Intergenerational Transfers, November 2011

Table 3.5: Share of All Financial Transfers to Younger and Older Generations by Respondent Intergenerational Family Type¹

	Sandwiches (n=122)	KANPs (n=91)	Total Sample ² (n=219)
Percent transfers to older generation	8.2	0	4.6
Percent transfers to younger generation	69.7	73.6	71.7

¹ Includes only respondents who provided financial help (n=219). Totals for each generational family type do not amount to 100 percent because multiple family members could be nominated and some did not nominate a family member.

² Includes PANKs and Neithers

Source: APMRC Survey of Intergenerational Transfers, November 2011

Table 3.6: Reasons for Financial Transfers to Younger Generation¹

	Percent		Percent
To meet basic needs	27.1	For a major family event	6.3
Don't know	20.8	To help with health expenses	5.1
To help with a large item of expenditure other than housing	16.8	For education purposes	5.1
No specific reason	6.7	Other	3.5
To buy or furnish a house	6.3	Refused	2.2

¹ Respondents could list up to three reasons for providing financial help – these responses have been aggregated from n=447 reasons listed in total.

Source: APMRC Survey of Intergenerational Transfers, November 2011

People who received money were much more likely to be in the highest income group themselves in comparison with people who did not receive any money from relatives. Respondents who gave help were more likely to be married and less likely to be widowed. They were also more likely to live in a capital city than a non-metropolitan area than people who do not give time. Respondents who gave time were significantly more likely to be working full time than those who did not give time to relatives, but most people in both groups were not in the labour force. The pattern for giving money is very similar. Whether or not respondents were in part time employment (but not any other labour force status category) seems to influence whether they receive

time. The graphical distributions of each demographic variable identified as significantly different between respondents who did and did not receive or give time or money (Appendix Figures A.2-A.14).

Summary

There is limited evidence at the aggregate level for substitution of time for money or vice versa but there are clearly complex interactions between various demographic characteristics of people aged 50+ and the generations to whom they give time or money. There are also distinct demographic differences between people who give and receive and those who do not, which may assist in predicting future transfers and in gauging the overall social and economic impact of transfers.

Table 3.7: Differences Between Respondents Who Gave and Received Time and Those Who Did Not, and Gave and Received Money and Those Who Did Not

Selected Demographic Characteristics	Time		Money	
	Gave vs Did Not Give	Received vs Did Not Receive	Gave vs Did Not Give	Received vs Did Not Receive
Age	($X^2= 52.99$ (7, N = 592), p = .0)	($X^2= 19.55$ (7, N = 601), p = .007)	($X^2= 25.65$ (7, N = 594), p = .0)	($X^2= 20.97$ (7, N = 609), p = .004)
Employment status	($X^2= 19.27$ (3, N = 586), p = .0)	($X^2= 8.28$ (3, N = 598), p = .04)	($X^2= 27.98$ (3, N = 594), p = .0)	($X^2= 8.87$ (3, N = 606), p = .031)
Health	No difference	No difference	No difference	No difference
Income	($X^2= 24.6$ (5, N = 589), p = .0)	$X^2=11.13$ (5, N=512), p=0.049	$X^2= 37.26$ (5, N = 594), p = .0	$X^2= 15.06$ (5, N = 518), p = .005
Marital status	($X^2= 45.31$ (3, N = 588), p = .0)	No difference	$X^2= 25.86$ (3, N = 589), p = .0	No difference
Country of birth ¹	No difference	No difference	No difference	No difference
Location (capital city vs non-capital)	($X^2= 4.79$ (1, N = 589), p = .029)	No difference	No difference	No difference
Distance between respondent and first child	($X^2= 9.79$ (4, N = 75), p = .044)	No difference	No difference	No difference
Distance between respondent and mother ²	No difference	No difference	No difference	No difference

¹ Most respondents were Australian born (83 percent of respondents who gave time and 79 percent of those who did not) with small numbers in other country categories.

² There were only 23 cases where distance could be calculated between respondents who did not receive time and their mothers
Source: APMRC Survey of Intergenerational Transfers, November 2011

What motivates older people to make these transfers?

Motivations for intergenerational transfers are inextricably linked with norms related to family solidarity, a concept which broadly refers to family cohesion and loyalty. Traditionally, the prime responsibility to provide support and care for both older and younger individuals has been the family (Daatland and Herlofson, 2003). However, the development of the welfare state over the course of the 20th century has led to increased State involvement through the provision of services, institutional care, and financial transfers. Families are now able to buy care in place of their time, often at a subsidised price, or to have it provided free by the state if they meet certain criteria. Within this context, a study of what motivates intergenerational transfers assumes considerable relevance. For instance, to what extent are these transfers influenced by traditional norms around family solidarity and have these altered in response to demographic and socio-cultural change? Equally, has State support 'crowded out' familial support or has it resulted in more support or a different type of support? Based on 28 telephone interviews with older adults, this section begins by exploring values held in relation to family solidarity, and beliefs about the duties and responsibilities older and younger family members have to each other. This then provides a framework from which to interpret the motivations respondents give for the transfers they make.

Respondents were presented with two scenarios and asked their opinion on how the key actors in these scenarios should behave. The first scenario relates to Susan, a divorced parent in her fifties with three children. Susan has recently completed a course of study and obtained full-time employment as a physiotherapist but finds herself faced with some tough decisions when her widowed mother returns home from hospital after suffering a stroke. The second scenario relates to Mary and George, a retired couple in their 70s whose recently divorced daughter has asked for their assistance with babysitting and home maintenance. Respondents were asked their views about the type and extent of the transfers that Susan, Mary and George should provide in these circumstances, and the extent to which the recipients

should accept their assistance. In addition, they were asked questions about their own situation such as the benefits or drawbacks of the transfers they make and so on.

The key themes emerging from the interviews are:

- The continuing importance of family solidarity;
- The complementary nature of family support and government services;
- The influence of 20th century individualism;
- Reciprocity and altruism as prime motivators for giving;
- The mediating effect of circumstances on what and how much is given; and
- The importance of communication, honesty and consideration when negotiating the boundaries around the provision of support.

The continuing importance of family solidarity

The qualitative data suggests that family solidarity is alive and well, with a considerable proportion of respondents identifying family duty and familial affection as being the underlying rationale for providing support and assistance. The comments made by respondents often suggested strongly internalised norms relating to the value of the family unit, for example, Ms CG (a member of the Sandwich group) explained her view that parents should be given assistance by saying, *Yeah, well it's something that you ... I don't know how to explain it, it is something that you just do, if it is your own mother, then you just do it.* Similarly, Ms MH (Sandwich) commented, *... I just think that is what families should do for each other, while Ms PH (a member of the Neither group) noted that ... my family, I feel as though if any of them ever need anything they only have to ask, if I can possibly help in any manner shape or form I will.* Mr MI (a member of the PANKs group) stated that parents should offer to help children by babysitting because *... it is the family group, one should help out the other at any stage (MI).*

The complementary nature of family support and government services

Although nearly all respondents deemed family solidarity to be important, the expression of this norm through the provision of care and support appears to have been influenced by socio-cultural change, the expansion of the welfare state and the growth of individualism. The overwhelming response to Susan's dilemma in Scenario 1 was that services should be engaged to meet her mother's personal care needs while Susan's role should be to provide some emotional and social support in her spare time. This is captured in a comment by Ms JB (PANKs) who noted that Susan should definitely provide ... *some support in her spare time like taking her shopping or ... going around there a couple of times a week instead of once. And maybe making sure that Blue Care could come in and help her with showers and stuff like that.* More comprehensive care would not be possible because ... *she is relying on her own income to support her family [and] if she has to give up work to look after her mother that probably wouldn't work because nobody would win.* These sentiments were echoed by many of the respondents and reflect a belief that where older and younger generations both need support it is necessary to find a balance, with the main strategy for achieving this being through government services. However, a number of respondents, from both the Sandwich and KANPs generations, also felt that it was important for the whole family, including adolescents, to pull together and provide support when this was required.

The impact of individualism

Family solidarity was clearly an underlying motive for providing support, however, for quite a few respondents this was tempered by a belief that support should not be at the expense of an individual's own life, thus reflecting the growth of individualistic values over the 20th century. This sentiment was particularly marked in relation to the obligations of grandparents to assist their adult children through babysitting. Although most respondents thought that parents could, or would like to help out with grandchildren, it was generally felt this should be framed as a choice rather than a duty. For instance, in relation to Scenario 2, Ms C

(Sandwich) commented, *I don't think it is for someone else to say 'you will now do this' and dispose of their time, the one thing that they have,...* while, Ms MH (Sandwich) felt that the grandparents ... *should [not] have to give up their own lives to fill a gap just because their daughter's marriage has fallen apart.* Similarly, Ms MS(3) (KANPs) noted that Mary and George's daughter had ... *chosen her life and her parents should be allowed to have theirs.* Although there was a general sense that the lives of older individuals should not be sacrificed to help out their children there were some, such as Ms EE (KANPs), who retained a strong sense that ... *parents are there to help their children no matter what age they are because they are still their responsibility ... they brought them into the world ... so they should be helping them out.*

By contrast, family duty, rather than choice, framed the assistance adult children gave their parents, with the majority of respondents feeling that children should be prepared to give up some of their time. However, even for these upward transfers, the extent of the obligation owed was sometimes strongly qualified. For instance, Ms MS(2) (Sandwich) noted, ... *you do have an obligation to support your parents when they need you ... [but] it shouldn't come at the expense of your own life'* while Mr BC (KANPs) commented, ... *she has got her life and her family so she can't really give it all to her mother you know?* These comments are in strong contrast to those of Ms MD (Neither), an overseas born respondent who held more traditional views and believed that a woman in Susan's situation ... *shouldn't work, the government should support her and then she can stay home and look after her kids and look after her Mum.* However, even this very traditional perspective on the role of family is modified by the presence of the welfare state which is allocated a role that previously would have been filled by extended family.

Motivations for transfers - reciprocity/exchange and caring/altruism

From a theoretical perspective, there are two primary models through which the motivations for inter-generational transfers are usually understood, the reciprocity or exchange model and the caring or

altruistic model (Bianchi et al, 2006; Litwin et al, 2008; Silverstein et al, 2002). The reciprocity/exchange model emphasizes the importance of self-interest in which the motivation for transfers is linked with the '... expectation of some form of reciprocity or exchange' while in the caring/altruistic model motivations are more likely to be linked with familial affection in which help is given without expectation of return. Bianchi et al (2006:12-13) note that there are a number of variations on these two models, with the one most frequently encountered in our analyses being the 'warm glow model' (Bianchi et al 2006; Silverstein et al 2002). This is closely linked to the caring/altruistic model and posits that transfers are made because they increase the happiness or pleasure of the giver (Bianchi et al 2006). A 'warm glow' may arise from the intrinsic pleasure of giving, or through delivering peace of mind at knowing your family is okay, a clear conscience that you have done your duty, or social applause. Motivations are not always solely aligned to either the reciprocity/exchange or the caring/altruistic model but can be a mixture of both. As one respondent noted, she gained pleasure from helping her mother (caring/altruism – warm glow) but also benefited from the help her mother gave her in relation to household tasks (reciprocity) - *Yes, just a simple pleasure and what she does for me in return is when my house is upside down I can take the washing over* (Ms MS(1), PANKs).

Upward transfers

The qualitative material suggests that family duty and reciprocity are the primary factors motivating upward transfers from adult children to parents. For instance, Mr GS (Sandwich) thought that Susan had an obligation to return the care that her Mum had given her as a child, ... *I mean she is family and she has looked after her through her childhood so it is perhaps time she gave a little bit back to her mum, while other respondents noted that ... what goes around comes around ...* (Ms MD, KANPs and Ms MN, Neither), or ... *I guess it works both ways.* (Mr DL, PANKs) or ... *I do not mind repaying ... [my mother]* (Ms BN, PANKs). However, for a number of respondents the principles of family duty and reciprocity were leavened by comments which spoke of love and affection (caring/altruistic model) and

the pleasure and enjoyment that was derived from providing support (warm glow model).

Downward transfers

Downward transfers from older adults to adult children, nieces or nephews were generally underpinned by familial affection rather than duty. For instance, Ms MM (Neither) was happy to give her nieces some of the money she inherited from her mother because she felt they ... *needed a bit of a boost along and because she felt really close to them, they might be in their 30s but they are my babies* while Mr BC (KANPs) said they looked after grandchildren ... *because we want to – we like the kids and the kids like us* The motivations of some respondents contained elements of both the caring/altruism and reciprocity exchange models. For instance, Ms MS (KANPs) gave one daughter considerably more financial assistance than her other children because she suffered from depression and was on a disability pension (caring/altruism). However, her comment that her daughter ... *needed to learn to drive and to have a vehicle and then if I needed to be taken to an appointment or something like that and I couldn't do it myself that she would be there to do it for me*, suggests that she was also motivated by the reciprocity/exchange model.

Although the downward transfers of some respondents were clearly made with the expectation of return, motivations for the majority of respondents were more closely aligned with the caring/altruistic model, particularly the 'warm glow' variant. One example is Ms C (Sandwich) who commented that providing assistance would give her ... *peace of mind...* and that it was particularly *nice* when something she said or did changed things in a positive way for her children. The warm glow variant was a particularly strong motivator for looking after grandchildren/nieces/nephews. It was perceived as keeping respondents young, ... *it was something I wanted to do – I love my grandkids and I love having them around, they keep me young* (Mr GS, Sandwich); as providing pleasure, *I get a lot of pleasure out of them, their little happy voices and I do enjoy it ... it is nice filling in the time looking after the kids* (Ms PH, Neither); as keeping respondents active, ... *it keeps you going, it keeps your body*

and that moving (Ms EE, KANPs), as strengthening ties of familial affection, ... I have got a wonderful relationship with my children and my grandchildren (Ms ML, KANPs); and as bringing enjoyment, I enjoy looking after grandchildren. In fact one thing is if I had known grandchildren were so much fun, I would have had them straight off! (Mr LH, KANPs).

The mediating effect of circumstances on what and how much is given

Respondents' views on both upward and downward transfers were strongly qualified with reference to circumstances, as these were considered to mediate first, whether or not transfers were made and second, the nature and extent of the transfer. Key mediating factors included the circumstances of both the giver and recipient (work commitments, needs of other family members, availability, financial resources, special needs of recipient); the impact of support on the giver's own life; the quality of the relationship between giver and recipient; and the availability of government services. For instance, support which placed too much stress on the giver, or which occurred within a strained relationship was considered to lead to a 'no win' situation, with this view most often cited in relation to caring for parents. The degree to which parents should assist adult children by babysitting was strongly qualified by the view that this period of life 'belonged' to parents, it was their time to enjoy life untrammelled by obligations or restrictions; therefore, adult children should not expect or demand support and if they did accept assistance should ensure that it did not adversely affect their parents.

The importance of communication, honesty and consideration

It was clear from the interviews that regardless of whether motivations for transfers sprang from reciprocity/exchange or caring/altruistic models, the strength or continuity of these motivations was influenced by the willingness of both parties to negotiate the boundaries around the provision of support with honesty and consideration. These qualities were felt to be the oil which kept the wheels of motivation turning. As one respondent noted, ... *nothing was ever dumped on me by anybody,*

*the lines of communication were always there, it was always talked over and that is very important, expectation is one thing, but you must talk and be honest (Ms ML, KANPs). Equally, Ms ML (KANPs) commented, ... communication is one of the most important things within a family, it really is very, very important indeed – don't ever expect anyone to give up their life, while Mr DB (Sandwich) felt that ... family members should offer to help [but]... the person who is the recipient of the help should ... be aware of the other situation and not be too high demand on the children Some respondents felt that where these values were not espoused there was a real chance that motivations would weaken, with Ms PH (Neither) commenting, *I think the worst thing that could happen is sort of being taken for granted, ... I don't think that anyone likes to be used ... and ... that would really annoy me.**

Summary

The interviews suggest that upward transfers were generally framed by the belief that adult children had an obligation to provide support to their elders, while downward transfers, particularly those involving care of grandchildren, were primarily framed by the belief that parents had the right to choose whether they gave support as well as the extent of the support. However, respondents frequently prefaced this view with the comment that they themselves would wish to give support and would imagine that most people would feel the same. Motivations for transfers were generally related to either the reciprocity/exchange model or the caring/altruism model but sometimes included elements of both models.

Conclusion

This study has explored the scale and value of interfamilial time and money transfers between older and younger generations. The findings challenge perceptions of older people as passive recipients of assistance and, instead, demonstrate that the value of interfamilial transfers older people make is substantial, with many people aged 80 and over providing some form of practical assistance to younger family members. These transfers have an attributed monetary value estimated at around \$50 billion dollars annually.

A second key finding is that the majority of intergenerational transfers, both practical and financial, flow from the older to the younger generation. In addition, the findings suggest that several decades of a strong welfare state have resulted in an expectation that interfamilial assistance will be supplemented by state services and support, particularly in relation to the care of elderly parents. Equally, it is clear from the wider literature that social change, particularly its influence on female labour participation and expectations of retirement lifestyles, has modified how family obligations are construed. These findings, together with the summary provided below, have significant implications for policy makers.

What motivates older people to make these transfers?

Based on interviews with respondents it appears that family solidarity is still a strong norm within Australian society. However, morés around this norm were highly flexible and it was generally accepted that the *extent* to which an individual should give or receive support was mediated by circumstances. This flexibility, and the mediation of obligation by circumstances, is likely to be connected to social and demographic change which has brought with it increased individualism, the disruption of the nuclear family and higher levels of female labour participation (Bianchi et al, 2006; Brandt et al, 2009; Buckley 2011). These factors make rigidity around traditional family morés impractical. The growth of the welfare state appears to have had a substantial impact on the type of transfers that families expect, or are willing, to make. Consistent with previous literature in the area, our

qualitative data suggests that families prefer the non-monetary transfers they make to the older generation to consist primarily of social and emotional support, with personal care generally being considered the domain of the State.

Although some scholars regard the welfare state as undermining family solidarity, with state services effectively ‘crowding out’ the family (Wolfe 1989), others suggest that when the state relieves the family of essential care responsibilities the effect is to stimulate family transfers in other areas – ‘crowding in’ (Kholi 1999; Daatland 2001). In effect, state support makes it possible for families to provide more socio-emotional support because they no longer have to spend the time providing personal care. The net result is that overall support is increased. Our qualitative data supports the ‘crowding in’ proposition, with the majority of respondents indicating that families should support each other but frequently qualifying this by identifying the state as the appropriate provider of personal care and the family as the most appropriate entity to provide social and emotional support.

What are the values of time and money transfers given between generations within families?

The dollar value of both time and money transfers to the younger generation at \$32 billion is large in both absolute and relative terms, as shown in Section 2. However, considerable time is received by the very old, both in terms of the number of hours and consequently its imputed value.

Are there different patterns of transfers between different socioeconomic and demographic groups?

Although patterns of transfers varied significantly by socioeconomic and demographic status, there were also some clear general trends. The proportion of respondents making both types of transfers decreased with age while the proportion receiving practical assistance increased with age. Nevertheless, for respondents aged 50 to mid-70s,

the proportion of respondents giving help was larger than the proportion receiving help, consistent with international trends. Financial transfers were far more likely to be made to the younger generation. The value of downward financial transfers was also higher (median of \$4000) than for upward transfers (\$1000). A higher proportion of males gave both financial and practical help. Females in the older generation were more likely to be given practical help but females tended to give more time per week than males. The proportion providing practical help was highest for those who were separated or divorced. By contrast, a much higher proportion of married respondents gave financial assistance compared to those who were separated/divorced or widowed.

Both financial and practical transfers varied by income, with mid (\$40-80,000) to high income (\$80,000 or more) groups being substantially more likely to provide both practical and financial assistance than the lowest income group (\$40,000 or less). Not surprisingly, the value of the financial transfers made by the mid to high income groups was larger than those made by the low income group. The low income group was slightly more likely than those on the highest income to receive practical help and the mid income group were the least likely to receive practical help. The relationship between transfer patterns and income is not direct but is likely to be moderated by other demographic factors associated with each of the income groups.

A comparison of the Sandwich and KANPs groups shows that patterns of transfers are strongly associated with life stage. The Sandwich group (mean age 58) were the most likely to provide both practical and financial assistance. Although most (71 percent) provided more practical assistance to the younger generation a substantial proportion also provided time to older family members (55 percent). The financial transfers made by this group were primarily directed to younger family members (70 percent). By contrast, the KANPs, who had a mean age of 72, were more likely to receive practical help. This is hardly surprising given their that 43 percent had poor-fair self-rated health compared to only 26 percent of the Sandwich group. However, the KANPs provided more help to the younger generation than the Sandwich group, with 90 percent giving practical assistance and 74 percent providing financial assistance.

Although the PANKs and Sandwich groups were of a similar age their socio-economic characteristics differed considerably. They had substantially lower incomes and a much higher proportion rented their homes, were unemployed and had poor-fair self-rated health. Reduced labour participation and the absence of children means they had more time to assist parents but this would, to some extent, be offset by their poorer health. Equally, the negligible proportion making financial transfers is clearly associated with lower financial resources. In spite of these disadvantages, of all four family-life stage typologies within the wider group of persons aged 50 or more, PANKs provided the most practical help to the older generation. Although the absence of children and the presence of parents is the primary explanation for these transfer patterns the other ways in which they differ from the Sandwich group are likely to shape the amount and type of help they are able to give. It is also important to note that the types of help required by the old-old such as personal care and housework can be much more physically (and emotionally) demanding or “active” than the help younger people receive, such as childcare, which is often passive (Himmelweit and Land 2010).

What factors influence the type of transfers given to family members?

Factors influencing the type of transfers given to family members are varied and complex but, as noted by Brandt and colleagues (2009), to a large extent relate to the needs of the recipient and the resources available to the giver and the receiver. The inclination or motivation to offer assistance is also clearly important. Indeed, as discussed in Section 4 it is likely that non-material motivations, together with the availability of state provided support and services, mediate both the extent and type of transfers made.

The much larger flow of transfers to children is partly related to the fact that only 49 percent of respondents had a living parent while 91 percent had one or more children. However, members of the Sandwich group who had both parents and children still made most transfers to their children. As Vaillant (2003) puts it, ‘love runs downhill’, that is, there is a biological imperative to give to children, so that

giving downwards is felt to be natural, brings more joy, and is more rewarding. This is also suggested by the qualitative findings in this study in which giving back to parents is more often associated with obligation, while assisting adult children through providing childcare is more frequently associated with joy and pleasure. The age-related decline in the proportion giving assistance, which occurs from the mid-70s, is likely to be related to poorer health, frailty, reduced mobility, and fewer opportunities to provide assistance as many in this age group would no longer have living parents.

Two factors influencing the higher level of transfers to females is their longer life expectancy and greater likelihood of having chronic conditions associated with morbidity and frailty (Australian Institute of Health and Welfare 2008). However, Australian research suggests that support in later life is also mediated by the marital history of parents, with widowed mothers who had not remarried being the most likely to receive help followed by mothers still in their first marriage (Millward 1997:31). The higher practical help provided by females is, in part, related to lower labour force participation.

The most common reason given for providing financial transfers to the older generation was to assist a family member to meet basic needs. Perhaps the most interesting response is that where the giver did not know what the money was to be used for. This suggests that transfers to the older generation were primarily intended to meet needs, while financial transfers to the younger generation were more likely to be connected to meeting 'wants', with a variety of (unspecified) motivations doubtless underpinning these transfers (for example, motives connected to reciprocity or altruism).

Implications for policy

The findings have relevance for policy makers; first, because they identify variations between subgroups in the nature and scale of the transfers made; second, because they draw attention to attitudinal changes to the respective responsibilities of state and family in the provision of assistance; and third, because they identify factors which mediate the capacity or willingness of family members to assist each other.

The Sandwich group is clearly of policy relevance as it makes the most transfers to both older and

younger generations. Given that over half of this group are still in the workforce they are likely to face considerable stress in balancing their work obligations with the provision of practical assistance to family members. Policy options to alleviate this stress include the adequate provision of affordable and appropriate community care and childcare services and the introduction of legislation to provide them with the option of flexible working conditions, similar to provisions which have been introduced for families with children (see National Employment Standards at www.fairwork.gov.au). A second issue is the degree to which this group makes financial transfers. Although some of these transfers are discretionary, a considerable 16 percent were made to meet basic needs and 22 percent of transfers to the older generation were for this reason. The introduction of Youth Allowance in 1998 means that the burden of support for young adults is increasingly being shifted onto the family (Cobb-Clark 2008) and while this may reduce the burden on the public purse at one stage of the life cycle, it may well increase it later through the effect it has on the capacity to save for retirement (Buckley 2011). This is particularly the case for low income members of the Sandwich group for whom the financial burden may be considerable.

The increase in divorce rates and the higher proportion of individuals who have never married is likely to influence the availability of familial assistance by reducing the pool of people available to provide help and therefore implies a greater role for State support and services. Divorced men, in particular, are the least likely to have familial support (Millward 1997) and hence should be a target group for service provision. These factors also affect some generation-life stage groups more than others, such as members of the PANKs group, a group which will increase its share of the generation-life stage typology over the next two decades. For those who have never married, or whose marriage has ended in divorce, it will be especially important to ensure the provision of appropriate and affordable housing which provides opportunities for social interaction and support as well as practical support services.

Goudswaard and Caminada (2007) have commented that depending on the value and pattern of transfers associated with socioeconomic status, there may be a positive or negative redistributive effect on society's economic well being. This research shows that higher

income households are both more likely to make transfers and to make higher value transfers, which could perpetuate and even intensify polarisation in socioeconomic status. On the other hand, two thirds of persons aged 50 or more do not make such transfers at all, and so most of the next generation has no assistance from that quarter.

Directions for future research

Given the relatively limited scope of the current research in terms of timeframe and budget, many issues remain to be addressed. Two are presented here – the full list of research priorities is available online.⁸

- We now have some idea of the scale and value of financial transfers but how much difference do downward transfers from parents make to the life courses of their children? How do the lifecourses of children who do not receive assistance compare with those who do, especially for those from similar socioeconomic backgrounds and family size (ie number of siblings)? What is it that prevents many parents from giving money to their adult children while others in similar socioeconomic circumstances do give?
- A closer examination of the source, types and costs of support used by persons aged 50+ who have no support from children is warranted, given that this group formed a substantial 20 percent of the sample.

Summary

We find that overall flows of money are downward, whereas transfers of time spent in practical assistance flow in both directions. The value of both time and money is substantial in relation to government expenditure on social services. The time received by the older generation is similar to the time given to the younger generation (but is strongly influenced by the time received by the very oldest age groups), while there is a very low value of financial transfers to the older generation. However, there are substantial differences in giving and receiving patterns within the age group of persons aged 50 or more. Future research into intergenerational transfers should account for cohort differences amongst this group. Although traditional norms around family obligation remain strong, variations between subgroups in the nature and scale of transfers have implications for the respective responsibilities of state and family in the provision of practical help and economic support.

⁸ See www.productiveageing.com.au

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Appendix

Appendix materials along with the full length report can be accessed from www.productiveageing.com.au

ABOUT THE NATIONAL SENIORS PRODUCTIVE AGEING CENTRE

The National Seniors Productive Ageing Centre is an initiative of National Seniors Australia and the Department of Health and Ageing to advance research into issues of productive ageing. The Centre's aim is to advance knowledge and understanding of all aspects of productive ageing to improve the quality of life of people aged 50 and over.

The Centre's key objectives are to:

- Support quality consumer oriented research informed by the experience of people aged 50 and over;
- Inform Government, business and the community on productive ageing across the life course;
- Raise awareness of research findings which are useful for mature age people; and
- Be a leading centre for research, education and information on productive ageing in Australia.

For more information about the Productive Ageing Centre visit www.productiveageing.com.au or call 02 6230 4588.



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