

Children's living arrangements



For children, emotional, financial and material support is mainly provided by those they live with, making the family central to their wellbeing.¹ Most Australian children live in families with both of their natural or adoptive parents to care for them. However, the living arrangements of some families are complex and can change for many reasons. Sometimes these changes, or transitions, can have a detrimental effect on family functioning² and disadvantage children in areas such as household income, housing, health and education.^{3, 4, 5}

In 2006, just under four million Australian children aged 0–14 were counted on Census Night (20% of all Australians counted). Most children were living with one or both of their natural or adoptive parents (87.1%), while a small proportion of children (6.5%) were living with step parents, or other adults such as foster parents or grandparents. Another 6.4% of children were counted in non-private dwellings such as boarding schools, or were counted as visitors in other dwellings.

Children in different living arrangements

	Children	
	%	'000
Natural/adopted children	87.1	3 428.0
Step children	5.0	197.9
Grandchildren	0.6	24.0
Otherwise related children	0.5	19.7
Foster children	0.2	9.1
Unrelated children	0.2	6.6
Children visiting other private households	2.0	77.8
Children in non-private dwellings	0.8	30.1
Total(a)	100.0	3 937.2

(a) Includes children counted in non-classifiable dwellings and migratory or offshore Collection Districts.

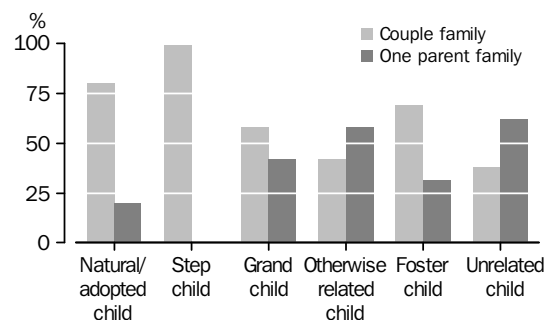
Children living with a lone parent

In 2006, the majority of Australian children counted in private dwellings on Census Night were living in families with both their natural or adoptive parents (75%). The second most common living arrangement was children living with just one of their natural or adoptive parents in a one parent family (18%).

Although the census did not collect information about shared care arrangements between parents living in separate locations, some children living with a lone parent also spend a significant proportion of their time living with their other natural parent. According to the 2006 Australian Bureau of Statistics (ABS) Family Characteristics and Transitions survey, 4% of all children aged 0–17, with a natural parent living elsewhere (38,000 children), spent half or more of their time per year living with their other natural parent.⁶

A high proportion of children who were not living with their natural or adoptive parents were living in one parent families. Unrelated children were more likely to live in a one parent family (62%) than a couple family, as were otherwise related children (58%). Just under half of grandchildren (42%) and one third of foster children (31%) lived in one parent families.⁶

Proportion of children in couple and one parent families in each living arrangement



Characteristics of families and households with children

The characteristics of children's families and households provide insights into what it may be like for children living in different family arrangements.

Number of children in the family

In 2006, the average number of children in the family differed depending on children's living arrangements. The averages include all children in the family who were aged under 25. For example, in couple families where there was at least one natural or adopted child under the age of 15, and there were only natural or adopted children present in the family, the average number of children under the age of 25 was 2.1. In a family where there was at least one step child aged under 15 present, the average number of all children in the family was higher (2.4). This is likely to reflect that two adults forming a new relationship may bring children from a previous relationship and go on to have one or more children together, to form a blended family.

Average number of children and family members(a)

	Average number in family	
	Children(b)	People
Couple family with natural/adopted children only	2.11	4.15
One parent family with natural/adopted children	1.91	3.02
Family with step children	2.36	4.41
Family with grandchildren	1.88	4.04
Family with otherwise related children	2.43	4.54
Family with foster children	3.01	4.84
Family with unrelated children	2.22	3.84

(a) Families with children aged under 15 years. Family categories are not mutually exclusive, for example a family with foster children may include both foster and natural/adopted children.

(b) Average includes all children under the age of 25. Children under the age of 15, and/or dependent students under the age of 25, who were temporarily absent on Census Night are also included.

Types of living arrangements

Unless otherwise noted, all children discussed are aged 0–14.

Natural or adopted child: a child who lives with and is related by birth or adoption to a lone parent or both parents in a couple.

Step child: a child who lives with and is related by birth or adoption to one parent in a couple relationship but is not related by birth or adoption to the other. As a consequence of relationship breakdown or the death of a spouse, some one parent families may include children reported as step children.

Foster child: a child being raised by an unrelated family in the absence of any natural, adoptive, or step parent(s), and 'foster' was the response to the question about relationship to people in the household.

Grandchild: a child living in a family where there is at least one grandparent present and a direct parent/child relationship cannot be established with anyone else in the family. In 2006, 46% of these families had only grandchildren under the age of 15 and grandparents present. In the other 54% of families there was a combination of other adults and/or children present. In some of these families, the adult or even another child may have been the parent of the grandchild, but the census could not establish this link.

Otherwise related child: a child living in a family with at least one other relative but where a direct parent–child relationship cannot be established with anyone in the family. The child can be related by blood or marriage, for example brother/sister, nephew/niece.

Unrelated child: a child being raised by an unrelated family in the absence of any natural, adoptive, or step parent(s). This group excludes children identified as 'foster' on the census form.

Living arrangements...Children's living arrangements

Families with at least one foster child under the age of 15 had the largest average number of children (3.0). This could be because many foster families care for more than one foster child. Just under half (46%) of all foster families cared for more than one foster child and just over one third (36%) cared for at least one foster child as well as at least one other child.

Families with at least one grandchild under the age of 15 had the lowest average number of children under the age of 25 (1.9). However, an average of 4.0 people lived in these families, even though almost half of grandchildren lived with a lone grandparent (42%). Explaining this, 26% of grandchildren lived with their grandparent(s) as well as one or more older grandchildren, aunts, uncles, or other relatives aged 25 and over. Families with otherwise related children also had a high average number of people (4.5) even though more than half were one parent families (57%).

Household income

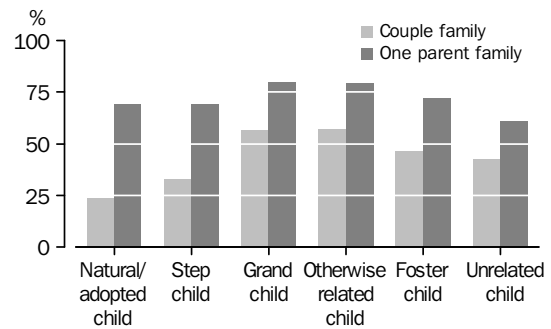
As children are dependent on their parents and families for food, clothing, shelter and social opportunities, children's current and future standards of living depend, to a large extent, on their household's income. An indication of the relative standard of living of different households can be obtained by comparing *household incomes*, that is, gross weekly household income, equivalised to account for differences in household size and composition (see Glossary for more detail).

In 2006, children who were not living with a natural or adoptive parent (that is, grandchildren, foster, otherwise related and unrelated children) were almost twice as likely to be living in households with *lower, or very low household incomes*^{7,8}, as step children and natural or adopted children. However, across the board, children living with a lone parent or lone adult carer were more likely to be in a household with *lower or very low household income* than those in a couple family.

Of all children at home on Census Night in 2006, those in one parent families were 2.8 times more likely to be living in a household with *lower or very low household income* than children living in couple families.

The highest proportion of children living in households with *lower or very low household incomes* were those living with a lone, otherwise related adult (79%) and those living with a lone grandparent (80%).

Children living in households(a) with lower or very low household income(b)



(a) A number of these groups had a high proportion of households where household income could not be calculated. Therefore graphed data are indicative only. See Endnote 7 for further information.

(b) For details of the income groups used see Endnote 8.

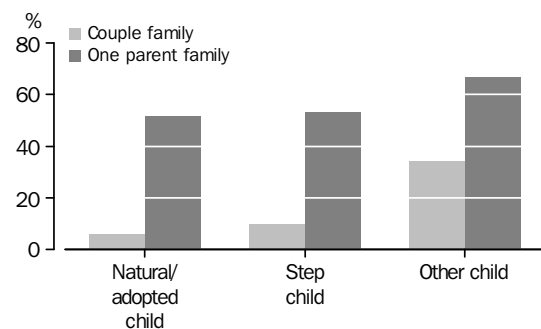
Children with no employed parent

Children living with no employed parent have a greater risk of experiencing financial hardship and may also experience adverse impacts on their psychological wellbeing and long-term personal development.⁹

In 2006, 6% of natural or adopted children (152,800 children) were living in a couple family where neither parent was employed. In comparison, just over half of natural or adopted children in one parent families were living with a parent who was not employed (52% or 344,800 children). However, some of these children would have a non-resident parent who was employed and providing financial assistance, as well as being a role model.

These patterns were similar for children in other living arrangements although at higher levels. The circumstances of grandchildren living with their grandparents are somewhat different, since many grandparents are retired.

Children in families with no employed parent



Children living with same-sex couples

In 2006, approximately 3,200 children were living with same-sex couples. Most of these children were living with same-sex female couples (89%).

Over half the children living with same-sex couples were reported to be step children (57%), while 38% were reported to be the natural or adopted children of both parents.

Examination of same-sex data from the census may have some limitations. These include the reluctance of some people to report being in a same-sex de facto partnership and the lack of knowledge that same-sex relationships would be counted as such in the census.

Housing tenure

Paying off a mortgage, or paying rent, can have a significant impact on the amount of income a family has available to meet their overall living costs. However, once a mortgage has been repaid, households may enjoy reduced housing costs, effectively improving their economic position. This reduction in housing costs over the long term is one reason why many Australian families aspire to own their own home. Home ownership, with or without a mortgage, also generally provides a sense of stability, privacy and autonomy¹⁰ and is associated with higher levels of attachment and identification with a local area¹¹.

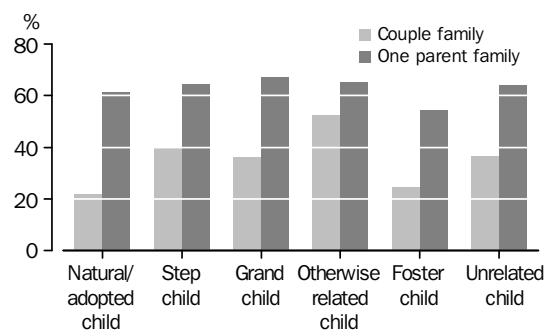
In 2006, children living with both their natural or adoptive parents were more likely to be living in a home that was owned, with or

without a mortgage (78%), than natural or adopted children living in a household with a lone parent (38%). Those living with a lone parent were more likely to be living in rental accommodation (61%).

As the proportion of people living in homes owned outright increases with age, it is not surprising that the highest proportion of children living in dwellings that were owned outright were those living with their grandparents (27% or 6,100 children). However, 67% of children living with a lone grandparent (6,500 children), were living in a rented dwelling. This was the highest proportion of children living in rented dwellings of all family arrangements. Over 47% of the grandchildren living in rented dwellings with a lone grandparent were in a home rented from a state or territory housing authority.

A high proportion of step children living in a couple family were in rented dwellings (40%). This was despite the fact that a relatively low proportion of step children lived in households with *lower or very low household incomes*, compared with children in other family arrangements.

Children living in rented dwellings



Children in non-private dwellings

The 2006 Census counted 30,100 children aged 0–14 in non-private dwellings on Census Night. Non-private dwellings include accommodation such as hotels, hospitals, institutions and boarding schools. Of the children in non-private dwellings, 30% were in hotels or motels, 24% were in boarding schools and 17% were in hospitals or hostels for the disabled. Of those who were at boarding school, 90% stated they were attending a non-government school.

On Census Night, 750 children were counted in institutions, including childcare, corrective and other welfare institutions. This was higher than in 2001 (500 children), but was still low when compared with the 1986 Census, when 1,700 children were reported to be in institutions. This reduction has mainly been due to child protection services shifting away from institution-based services.¹²

Living arrangements of Indigenous children

In the 2006 Census, 4.6% or 171,000 Australian children under the age of 15 were identified as being of Aboriginal and/or Torres Strait Islander origin. Even though this was a small proportion of all Australian children, it represented over one third (38%) of the Indigenous population. Consequently, the living arrangements of Indigenous children are of interest, particularly since a much higher proportion of Indigenous children were living in family arrangements that could lead to disadvantage than non-Indigenous children in 2006.

Using census data to analyse Indigenous living arrangements

The census is one of the main sources of data about Aboriginal and Torres Strait Islander peoples. It provides the basis for Indigenous population estimates and is the key source of socioeconomic characteristics of Indigenous Australians for small geographic areas.

However, there are a number of issues which affect the use of census data for the Indigenous population. These include: underenumeration of the Indigenous population, census records where Indigenous status is unknown, and the changing proportion of people identifying as Aboriginal and/or Torres Strait Islander between censuses. Consequently, care should be taken when interpreting information about Indigenous children's living arrangements and family composition, since census questions about family relationships cannot fully capture the complexity of many Aboriginal and Torres Strait Islander families.

For more information about Indigenous census data see *Population Characteristics, Aboriginal and Torres Strait Islander Australians, 2006*, ABS cat. no. 4713.0. Also see the research monograph *Agency, Contingency and Census Process: Observations of the 2006 Indigenous Enumeration Strategy in Remote Aboriginal Australia*, no. 28, by Frances Morphy from the Centre for Aboriginal Economic Policy Research.

Of all the Indigenous children living in family households (161,100), 43% were living with both their natural or adoptive parents while 40% were living with a lone natural or adoptive parent. This was very different to non-Indigenous children's living arrangements, where 76% of children were living with both their natural or adoptive parents and 17% were living with a lone natural or adoptive parent.

A further 6.7% (10,800) of Indigenous children were living with step parents, 4.6% (7,300) were living with grandparents and 3.7% (6,000) were living with otherwise related adults.

The 7,300 Indigenous children living with their grandparents represented almost one third (32%) of all children living with their grandparents. Indigenous children also represented almost one third (32%) of all otherwise related children. Although some Indigenous children living with their grandparents or otherwise related adults may be disadvantaged in terms of *household income* and housing, they may benefit culturally. For example, a relatively high proportion of these children were reported to be speaking an Indigenous language at home. In 2006, 31% of otherwise related Indigenous children (1,600 children) and 22% of Indigenous grandchildren (1,600 children) reported speaking an Indigenous language at home. This compares with only 9% of Indigenous natural or adopted children.

Indigenous children's living arrangements

	Children	
	%	'000
Natural/adopted children living in couple family	43.0	69.3
Natural/adopted children living in one parent family	39.8	64.2
Step children	6.7	10.8
Grandchildren	4.6	7.3
Otherwise related children	3.7	6.0
Foster children	1.4	2.3
Unrelated children	0.7	1.2
Total in private dwellings(a)	100.0	161.1

(a) Total excludes children counted in non-private and non-classifiable dwellings, migratory, or off-shore collection districts and children visiting other households on Census Night.

Indigenous children were also over-represented among foster children. In 2006, just over one quarter of foster children were Indigenous (26% or 2,300 children). Of all families with at least one Indigenous foster child, 42% also had at least one foster parent who was Indigenous. This reflects the Aboriginal Child Placement Principle which expresses a preference for the placement of Aboriginal and Torres Strait Islander children with other Aboriginal and Torres Strait Islander people when they are placed outside their family.¹³

The complexity of Indigenous children's living arrangements can be seen in the proportion of Indigenous children living in multiple family households (see Glossary). In 2006, 12% of Indigenous children living in family households lived in households with more than one family compared with 3% of non-Indigenous children.

Grandchildren living with their grandparents—a case study

Many of the different household and family characteristics discussed in this article can be brought together to focus on one small population group. For the first time, 2006 Census data can be used to focus on families where there are grandchildren living with their grandparents and there are no parents present in the family (although these families may have other family members present, such as aunts, uncles or older siblings). These families are of great interest, as many children who can no longer live with their natural parents are cared for by their grandparents. In 2006, 24,000 children lived in these families.

Often the circumstances leading to children living with their grandparents are traumatic, and include family breakdown, substance abuse, mental health problems, or the death of a parent.¹⁴ In many cases grandparents take on the care of more than one child, as evidenced by the average number of children being cared for by grandparents (1.9 children). This can place a strain on the grandparents as they may not be prepared psychologically, financially or physically for this role.¹⁵ However, many take on this role to give their grandchildren the best chance of leading happy and healthy lives.¹⁶

Most grandparents are older than parents looking after children under the age of 15 (median ages of 57 years and 38 years respectively) and have fewer resources available to cover the added expenses of caring for children.^{15, 16} The 2006 Census indicates that grandchildren living with their grandparents

In 2006, 24,000 children lived with their grandparents, with no parent in the family.

were approximately twice as likely to be living in a household with *lower, or very low income*⁷ than natural or adopted children. Only 42% of grandchildren (9,300 children) were living in a family with at least one employed grandparent.

Having to support grandchildren, while also paying for housing, can be financial burden for many grandparents. Going against the general pattern of higher levels of home ownership among older people¹⁰, only 34% of grandchildren living with both their grandparents, and 16% of children living with a lone grandparent, were living in a home owned outright. In fact, grandchildren living with a lone grandparent were the most likely of all children to be living in a rented dwelling (67%). Of all grandchildren living with a lone grandparent in rented dwellings, 47% lived in a house rented from a state or territory housing authority.

There was a high proportion of grandchildren living in Outer Regional, Remote or Very Remote areas of Australia (29% or 6,900 grandchildren) and two thirds of these children were Indigenous.

Family coding and other data sources

There are limitations when using census data to study complex families and their relationships. For information on these limitations, see *family coding* in the Glossary.

The ABS survey *Family Characteristics and Transitions, Australia, 2006–07*, cat no. 4442.0 was also conducted in 2006 and specifically focuses on family composition. This survey is another rich source of information on families and can provide further insight into family transitions over time, parental contact arrangements and family structure.

Endnotes

1 Australian Bureau of Statistics (ABS) 2003, 'Changing families' in *Australian Social Trends 2003*, cat. no. 4102.0, ABS, Canberra.

2 ABS 2001, *Measuring Wellbeing: Frameworks for Australian Social Statistics*, cat. no. 4160.0, ABS, Canberra.

3 ABS 2007, 'One parent families' in *Australian Social Trends 2007*, cat. no. 4102.0, ABS, Canberra.

4 Sawyer, M. et al. 2000, *The Mental Health of Young People in Australia*, Department of Health and Aged Care, Canberra.

5 Cashmore, J. 2001, *Submission to the Inquiry into the Provision of Public Education in New South Wales*, Social Policy Research Centre, UNSW.

6 ABS 2008, *Family Characteristics and Transitions, Australia 2006–07*, cat. no. 4442.0, ABS, Canberra.

7 A high proportion of grandchildren (23%), otherwise related (25%), foster (16%) and unrelated children (25%) were living in households where a *household income* could not be calculated, usually because a household member did not state their *personal income*. Therefore, any discussion about these groups' *household incomes* is only an indication of the proportion of these children living in households with *lower or very low household incomes*.

8 People with *very low household incomes* had gross equivalised household incomes which were in the lowest 10% of the distribution of *household income* for all persons. People with *lower household incomes* had incomes that were greater than 10% and up to 30% in this distribution. People with a *very low household income* have generally been omitted in discussions of *household income* in other parts of this report. This is because many of the people living in these households have had access to resources, such as savings, that allow them to have expenditure levels consistent with people on moderate incomes (see Glossary for more detail). However, a large proportion of grandchildren, otherwise related, foster and unrelated children were living in households with *very low household incomes* and including these children provides a more informative picture of their *household incomes* than if they were excluded.

9 ABS 2004, *Measures of Australia's Progress*, cat. no. 1370.0, ABS, Canberra.

10 ABS 2003, 'Home ownership across Australia' in *Australian Social Trends 2003*, cat. no. 4102.0, ABS, Canberra.

11 Australian Housing and Urban Research Institute (AHURI) 2007, *How do housing and housing assistance relate to social cohesion?*, AHURI Research and Policy Bulletin, Issue 92, November 2007, AHURI, Melbourne.

12 ABS 2003, 'People in institutional settings' in *Australian Social Trends 2003*, cat. no. 4102.0, ABS, Canberra.

13 Lock, J.A. 1997, *The Aboriginal Child Placement Principle: Research Project no. 7*, New South Wales Law Reform Commission, Sydney.

14 ABS 2005, 'Grandparents Raising Their Grandchildren' in *Australian Social Trends 2003*, cat. no. 4102.0, ABS, Canberra.

15 Statistics Canada 2003, 'Across the generations: Grandparents and grandchildren' in *Canadian Social Trends*, Winter 2003, cat. no. 11–008.

16 Fitzpatrick, M. and Reeve, P. 2003, 'Grandparents' raising grandchildren—a new class of disadvantaged Australians' in *Family Matters*, No. 66, Australian Institute of Family Studies, Melbourne.