

CHICAGO—When graduates reach for their diplomas at June commencement ceremonies, Baby Boomer parents will be reaching for their wallets according to a just-released survey conducted by Age Lessons and The Nielsen Company. The national survey discovered that almost one-quarter of U.S. Boomer households contribute to the financial upkeep of an adult child over age 18 and not in college, and that 56 percent of those households spend more than \$1,000 each year. “Family matters. Boomers have assumed the mantle of financial, as well as emotional, center of the family constellation,” noted Laurel Kennedy, president of Age Lessons, the pre-eminent Boomer think tank and consulting firm. “Their generosity extends beyond the four walls of their own home as they pitch in and provide incremental financial support to keep adult children afloat.” Fifteen percent of these benevolent Boomer parents spend more than \$5,000 per year on adult children, while one-third spend more than \$2,500 annually. In large part, parental financial assistance went to defray the costs for household fundamentals as adult children began to set-up independent lives. Almost 60 percent of Boomer supplemental spending on adult children was for groceries, followed by help with housing [47 percent], car [46 percent], clothes [41 percent] and medical expenses [37 percent]. Willingness to help adult children financially, and the ability to do so, often proved to be different matters. While parents with higher incomes [\$70,000+ per year] were more likely to help adult children than others, those in the \$70-\$100,000 range accounted for nearly 30 percent of all dollars spent. Larger, five-plus member households were the most likely to come to the financial aid of an adult child, although it was three-to-four member households that contributed more than 40 percent of dollars. Moms age 45-54 were twice as likely as other female heads of household to kick into the kitty for adult children, representing some 40 percent of contributed dollars. Households with teenage children were the most likely to offer financial support, while those with no children under age 18 accounted for more than two-thirds of nominal support dollars. The Age Lessons/Nielsen survey was fielded in March 2007 and the respondent base comprised 21,830 Nielsen Homescan PanelViews Baby Boomer households.