Millennials on the move: Life transitions and Australian millennials

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About me

- Social psychology background
- Travel behavior, public transport, transport and social exclusion, transport and well-being
Research context

- My research is from Australia
- This discussion is about developed countries’ context
Outline

1. Auto-mobility across the life course
2. What’s going on with millennials?
3. Final thoughts
Household car ownership follows a ‘life cycle effect’

Car ownership by cohort over the life cycle

Source: Adapted from (Dargay and Vythoulkas 1999)
Children are heavily dependent on adults for mobility
Adolescent travel needs become increasingly complex and independent

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Parental Dependence</th>
<th>Personal Independence</th>
<th>Travel Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-school</td>
<td>Very high</td>
<td>Very low</td>
<td>Low</td>
</tr>
<tr>
<td>Upper primary</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Lower secondary (pre-teen)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Upper secondary (mid-teen)</td>
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<td></td>
<td></td>
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<tr>
<td>16+ (learner permit)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18+ (driving license)</td>
<td>Very low</td>
<td>Very high</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Graham Currie (2007) Young Australians: No Way to Go
For many young people, driving is the ultimate way to express that independence.

Source: keys2drive.com.au

ntnews.com.au

Source: keys2drive.com.au
In young adulthood, important life decisions are still fluid
‘Adult’ life transitions are strongly associated with car ownership and use
In retirement, work travel reduces but travel habits are strongly entrenched
Driving cessation among the elderly strongly associated with negative well-being
Will millennials follow this same trajectory?

Source: Klein & Smart, “Millenials and car ownership: fewer cars, less money” 2016 TRB Annual Meeting 16-5879
Outline

1. Auto-mobility across the life course
2. What’s going on with millennials?
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Why are we interested in millennials?
They’re Australia’s most numerous generation
They’re on the cusp of settling into transport habits
And they’re becoming less likely to get a driving license (in Victoria)...
...and in much of the developed world

Source: Delbosc & Currie (2013)
Causes of youth licensing decline: a synthesis of evidence
Why are millennials changing their travel?

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**Careless and carless: youth**

There's a growing hole in the vehicle market as the under 30s connect up via phone, public transport or car-share schemes.

Deirdre Macklan

Car makers have tried hot pink hatchies. They've added car around ski gear, running shoes, sunglasses and digital media brands. They've created cars with graffiti decals, adorned them with hip music and explored the lesson for hip names — Soul, Sens, Swim and other similar.

Nothing works.

The next generation is falling in love with cars that aren't driving and the non-driving.

Against the new car sales, have been the youth car.

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**Why Don't Young Americans Buy Cars?**

MAR 25 2012, 9:00 AM ET 5:18

Auto makers are worried about the Millennials. They just don't seem to care about owning a car. Is this a generational shift, or just a lousy economy at work?

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**Gen Y’s Take on Car Ownership? ‘Not Cool’**

By BRAD TUTTLE | @bradrtuttle | May 2, 2012

Millennials are often viewed as “game changers” in the auto industry. Over the next 10 years, it’s anticipated that 40% of new cars sold will be purchased by Gen Y consumers. That's assuming Gen Y consumers actually wind up owning...
Attitudes toward cars have changed

- Cars have always been a symbol of independence and freedom
- To baby boomers they were a status symbol
- To millennials they’re a responsibility or even burden

[Owning a car] is a part of growing up and being independent I guess. Learning to do things yourself. I'm not going to have my parents paying for things for the rest of my life am I? Get a job, pay for it yourself the hard way. (18 year old interviewee)
Aren’t millennials all on smartphones? Why do they need cars?

- Virtual contact complements face-to-face contact
  - A way to organise meet ups
  - Keep in touch with past friends
- It does not replace face-to-face contact
  - Electronic-only bonds are tenuous

(Social networking) does not replace the essential bonding through face to face contact, and I do feel that because I do not have my own transport - my bonds with previous friends are not as strong as it [sic] used to be. (19 year old interviewee)
Graduated licensing surely contributes

- But declines began before graduated licensing was implemented
- Happening in countries without graduated licensing (UK*)
Licensing restrictions likely short-term barrier

Delbosc, A. and Currie, G. (2014) 'Impact of Attitudes and Life Stage on Decline in Rates of Driver's License Acquisition by Young People in Melbourne, Australia'. Transportation Research Record 2452: 62-70
Millennials are moving into cities and using different travel modes*

*Proportion of population aged 20 to 29

Legend

- Population 20-29
- up to 7.5%
- 7.5% to 10%
- 10% to 15%
- 15% to 20%
- 20% to 25%
- 25% or more

Institute of Transport Studies (Monash)
The Australian Research Council Key Centre in Transport Management
...although not in America

“We find no evidence that Americans are using public transportation as a substitute for driving” — King, Manville & Smart paper 16-5403 2016 TRB Annual Meeting

Brown et al 2016 TRB Annual Meeting paper 16-5472
Affordability a complex factor

- Declines began before the economic recession
- Affordability involves both incomes **and** cost of motoring
- Overall cost of motoring has declined compared to inflation
- Youth income is changing (see next point)
- May be a change in *priority*; rather spend money on other things
Big changes in life stage of millennials

- Cohabitation, marriage and child-rearing are taking place later
- Increase in tertiary study
- Move from full-time to part-time employment

Source: Australian Bureau of Statistics
‘Adult’ life stage strongly associate with driver license and auto-mobility

Regression weights of model predicting driver licensing, age 18-30

Delay in ‘adult’ life stage reduces need for and ability to pay for a car

Who needs a car?

We need a car!
Outline

1. Peak car

2. Peak car license

3. Final thoughts
Is there any hope for millennials?
Strong signs that millennials will become car-dependent as they age

United States driver licensing rate

Victorian driver licensing rate

Source: Alexa Delbosc (in press) Delay or Forgo? A Closer Look at Youth Driver Licensing Trends in the United States and Australia, Transportation
“…differences in time use between millennials and the prior generation are likely to fade with age” – Garikapati et al. paper 16-6024 TRB 2016 Annual Meeting

“We caution planners to temper their enthusiasm about “peak car,” as this may largely be a manifestation of economic factors that could reverse in coming years.” – Klein & Smart paper 16-5879 TRB 2016 Annual Meeting

“…we find no evidence in the data analyzed here that [millennial’s use of transit] reflect[s] a waxing embrace of the mode that may be expected to persist as teens and young adults age” – Brown et al. paper 16-5472 TRB 2016 Annual Meeting
Strong links between neighbourhood type and mode

“Old Urban” Neighbourhood

Only 4% of US population and census tracts!

Mode use by neighbourhood type

Voulgaris et al 2016 TRB Annual Meeting paper 16-2942
Can we demonstrate the impacts of transit and land use through cross-national comparisons?

Source: NHTS (USA), VATS & VISTA (Melbourne)

Watch this space!
Meanwhile, back in Australia…

- Just awarded three years of government fellowship support (DECRA)
- Longitudinal panel study of millennials
Use a longitudinal survey to study mobility transitions

- Task A1
  - Wave 1
    - Sub-panel 1: Young millennials (Stage A)
      - Age 16
    - Sub-panel 2: Older millennials (Stage B)
      - Age 21-28

- Task A2
  - Wave 2
    - Age 17
  - Wave 3
    - Age 18
    - Age 22-29
    - Age 23-30
Thank you

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