

Policy Agendas for Improving Young One-Person Households' Residential Conditions

Summary

1. Rapid increases in one-person household and emergence of youth housing crisis.
 - The percentage of a person household was 27.2% in 2015 and is expected to grow maximum 36.3% in 2045.
 - Dilapidated residential environment, excessive housing-cost burden and other residential matters are indirectly and directly affecting social problems such as late marriage, single by choice trend and low birth which are experienced not only nationwide but worldwide.
2. In terms of young adult's housing expenses, 71% of deposits and 65% of monthly rents are paid by parents.
 - The average amount of deposit is 2,660,000won and about 147,600,000won (71%) are supported by parents.
 - 230,000won among monthly rent of 350,000won and 460,000won among total living cost of 900,000won which is more than a half of are paid by parents.
 - Main factors of Housing cost burden are as follows: Monthly rent > Deposits> Monthly maintenance fee > Loan interests from Bank
 - Young adults feel the housing costs that is 20~30% lower than current would be the adequate costs for housing.
3. Housing cost burden will greatly affect young adults' future decisions in marriage and childbirth.
 - Housing cost burden will affect young adults future decisions as follows: love affairs < childbirth childcare < home ownership
4. The housing support policy for young adults announced by new administration involves high importance and commitments however its feasibility seems rather low.
 - In terms of its importance perceived by youth were followed as Housing cost burden alleviation> Provision of 30 thousand youth rental housing > Provision of Share house typed youth accommodation, whereas their expectation on feasibility of such agendas were evaluated relatively low which reflects discrepancies between the ideal and the reality.
 - The predominant response to most needed housing policy was on provision of affordable rental houses.

Policy Implication

- ① Housing support for young one-person households should be implemented considering both curative and preventive approaches to remedy current difficulties and to prevent and control further occurrences of problems.
- ② Allocation of youth housing stabilization fund, support for Jeonse mortgage loan interest or any assistance related to housing costs alleviation and provision of moderately priced houses are necessary to lead younger generations to join in the next stage of life cycle personally and to be prepared for sustainable future socially.
- ③ Housing policy in support of housing benefits should extend a tone of inclusiveness at policy level especially in policies which excludes young one-person household at housing benefits while strengthening the supports for low interest loan provision, one-time grants or incentives to encourage self-reliance and independence of young adults than parent or welfare dependency.
- ④ Demand oriented policy is imperative to relieve and solve any difficulties occurred in access to public transportation, housing contract and conditions.