Client Letter Article
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Are Daughters a Better “Investment?”

As Father's Day passes, a new survey from the online account aggregation firm Yodlee.com and Harris Interactive tells us that the financial relationship between fathers (and parents) can be very different for their sons vs. their daughters. The survey found that an astonishing 75% of young adult men (age 18-34) are receiving financial aid from their parents, compared with 59% for comparable age daughters. The financial dependency extends deep into adulthood; among sons aged 35-44, fully 32% are still living at home, while only 9% of women in that age bracket sleep in their former bedroom. Even those numbers understate the disparity, because more than a third of the women who are living with their parents are doing so to support them in old age, something that sons are, according to the report, far less likely to do.

Overall, daughters are 32% less likely to need their parents' money, and half as likely to move back home because they're unemployed. By age 45, the survey found, most of these stark differences in financial independence have faded; sons lag only a few percentage points behind daughters in these two areas. But then a new discrepancy emerges. The survey found that older sons are half as likely as daughters to provide emotional support (calls and visits) to their parents in old age. However, sons do have a redeeming quality—they are more likely to help subsidize their parents’ living costs.

— Bob Veres