

CIFREM SEMINARS

LEAVING HOME AND HOUSING COST. THE EXPERIENCE OF ITALIAN YOUTH EMANCIPATION

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This paper provides an explanation for the postponement of the youth emancipation in the Italian context mainly characterized by a sharp increase in both house and rent prices together with a stagnant disposable income over the last decade. We first assemble a unique database related to the housing and rental market value which is then matched with household characteristics based on their residence. We find the real estate market impact on young adults' residential choices: higher housing prices decrease the probability of residing out of parental home for both sexes, the rent effect being more relevant for females. Together with property prices, local labour markets are found to play a prominent role in determining unemployed youth decisions to postpone the transition.