Family background and young adults’ housing pathways, 1971-2011

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Overview: Objectives

Part of a wider project: *Family trajectories and young adults’ housing transitions*

Core objectives:

1. To identify how family background and changes in family structures are linked to housing transitions in young adulthood.

2. To better understand how and why these patterns vary over time and space (regional and national level)
Overview: Theoretical framework

Underpinned by the life course perspective

This has five ‘principles’ (Elder et al, 2003):

1. Life span development
2. Agency
3. Time and place*
4. Timing
5. Linked lives*

Analysis requires long-term longitudinal perspectives
Study background

Housing a key political issue in 2015
Study background

Building more Homes

Britain has had a housing shortage for years. We are working to tackle this problem in Government. Together, our housing policies will create up to 340,000 construction jobs.

- **70,000 empty homes brought back into use**
- **190,000 more affordable homes**
- **£10bn to help builders borrow money for new housebuilding**
- **Help for first time buyers by making mortgages cheaper**

1. **End rip-off prices on energy bills.**
   - We will make life more affordable for millions of people. We’ll freeze gas and electricity bills until 2017 and lower the rate of energy bills.

2. **Help people get on the housing ladder.**
   - Labour will build the homes Britain needs by getting 200,000 homes built a year by 2020. We will get a fair deal for renters with longer, more predictable tenancies and a ban on rip-off letting fees.

3. **Support working parents with the cost of childcare.**
   - Parents shouldn’t face the prospect of taking a job that ends up costing them more than they’ll earn. We will give working parents 25 hours of free childcare for three and four-year-olds per week.

A Labour government will freeze gas and electricity bills until 2017.
A Labour government will give 25 hours per week of free childcare to working parents with three and four-year-olds.
A Labour government will support renters by introducing longer-term tenancies and banning rip-off letting fees.
Study background

Changes in young adult life courses at forefront of debates and policy responses
1. Changing tenure patterns (households)

Source: Survey of English Housing, English Housing Survey
Key trends

1. Changing tenure patterns (households)

2. Delayed ownership linked to costs and student debt (individuals)
   • Andrew 2004; 2012

3. New patterns of living arrangements
   • Boomerang children (Stone et al, 2014), parental safety nets (Sage et al, 2013), doubling up or sharing

Stratification and inequality

Resurgent interest in housing and social stratification

Dorling (2014): Trends in the housing system are reproducing inequalities

National Housing Federation (2014) identify the growing disparity between housing “haves” “have not’s” to be a key policy challenge

Can be understood with a life course perspective
Intergenerational inequalities

Time and place matters for inequality

Willetts (2011): Baby Boom generation privileged in labour and housing markets
  • Early entry into owner-occupation and rapid price inflation

Willetts argues these ‘cohort effects’ have created intergenerational inequalities in wealth holdings

However, homeownership a ‘casino’ as gains/losses dependent on social/spatial position (Hamnett, 1999)
First research question

Analysing cohort trends can best be achieved by comparing housing pathways (Clapham, 2002)

Question 1
How have young adults’ housing pathways changed over the last few decades?

Requires longitudinal data covering young adulthood
• Defined as up to age 35 (Berrington et al, 2009)

Disaggregate by tenure and living arrangements
Intragenerational inequalities

Linked lives relevant for housing experiences

- These in turn affect well-being and wealth

Long recognised that entering homeownership linked to class and tenure background

- Payne and Payne (1977); Ineichen (1981); Murphy (1984) in GB
- Henretta (1984) for US
- Blaauuboer (2010); Helderman (2007) for NL

Tenure (dis)continuities across generations thus part of a broader system of social stratification
Intragenerational inequalities

Concern that intergenerational continuities increasing

Some European evidence
  • Sweden (Ost 2012), W. Germany (Kurz 2004)

Several gaps:
  1. Unclear if the case in Britain
Intragenerational inequalities

Source: National Housing Federation (2014: 10)
Intragenerational inequalities

Deposit as a percentage of property price for first-time buyers (1988 - 2013)

Source: National Housing Federation (2014: 12)
Concern that intergenerational continuities increasing

Some European evidence
- Sweden (Ost 2012), W. Germany (Kurz 2004)

Several gaps:
1. Unclear if the case in Britain
2. Role of living arrangements
3. Lack sample size to test interaction effects
Second and third questions

Question 2
How are young adults’ housing experiences linked to the family structure, socio-economic position and housing tenure of their parents?

Question 3
Do these parental effects vary over time?

Focus is on young adults’ housing tenure position and intra-household relationships
## Hypothesised patterns

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Evidence</th>
<th>Implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Null</td>
<td>No effect of parental disadvantage</td>
<td>No intergenerational effects</td>
</tr>
<tr>
<td>Mediation</td>
<td>Parental disadvantage matters, but not once individual attainments are controlled</td>
<td>Intergenerational continuities due to similar life courses</td>
</tr>
<tr>
<td>Stability</td>
<td>Parental disadvantage matters, but effects stable over time</td>
<td>Stable inequality</td>
</tr>
<tr>
<td>Divergence</td>
<td>Parental disadvantage matters and is more negative for more recent birth cohorts</td>
<td>Increasing inequality</td>
</tr>
</tbody>
</table>
Office for National Statistics Longitudinal Study (ONS LS), 1971-2011

Linked census records for 1% sample of the English and Welsh population, refreshed at each census

- Pros: (1) sample size, (2) timeframe covered, (3) good linkage rates, (4) limited non-response, (5) good range of variables and relationship information

- Cons: (1) decennial observations, (2) linkage rates lower for young adults (but still typically 80-90%), (3) census definitions and questions change over time
Sample

Children aged 12-14 at 1971-2001 censuses who are:
- Resident in a private household with 1 or 2 parents
- Linked at the $t+1$ and $t+2$ census (low death rate)

Use 12-14 to ensure dependent at baseline and to miss the peak student years (18-21) at $t+1$

Caveat alert! A complete case analysis
- Under-enumeration of certain groups in the census
- Lower linkage rates for men and individuals living in larger households, rented housing, London and workless/working class households at baseline
Four cohorts available

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Born</th>
<th>Tracked</th>
<th>N cases</th>
</tr>
</thead>
</table>

*cohort truncated at baseline +1
Key variables

Tenure coded into four categories
- Owner-occupation, social rent, private rent, CE

Use relationship to HOH/HRP to identify living arrangements

Class defined using NS-SEC back coded for 1971-91
- Adapted for the LS by Buscha and Sturgis

Independent variables harmonised as far as possible across censuses (eg. labour force status)
How have young adults’ housing pathways changed over the last few decades?
Results (1): Tenure patterns by cohort

Source: ONS Longitudinal Study (own calculations)
Results (1): Tenure patterns by cohort

Source: ONS Longitudinal Study (own calculations)
Results (1): Tenure & living arrangements

Source: ONS LS (own calculations)
Results (1): Tenure & living arrangements

Source: ONS LS
(own calculations)
Results (1): Tenure & living arrangements

Source: ONS LS (own calculations)
Questions 2 and 3

How are young adults’ housing experiences linked to the family structure, socio-economic position and housing tenure of their parents?

Do these parental effects vary over time?

Compare odds of being in 4 tenure*living arrangement combinations at $t+2$ by parental attributes

Note: ‘unrelated living’ collapsed in with ‘family’ due to small numbers (14.7-17.9% of the resulting ‘family/other’ group)
Results (2): Parental family type

% with lone parent

<table>
<thead>
<tr>
<th>Source</th>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB (‘71)</td>
<td></td>
<td>8.42</td>
</tr>
<tr>
<td>SC (‘81)</td>
<td></td>
<td>12.27</td>
</tr>
<tr>
<td>GX (‘91)</td>
<td></td>
<td>17.35</td>
</tr>
</tbody>
</table>

Source: ONS LS (own calculations)
Results (2): Parental NS-SEC

<table>
<thead>
<tr>
<th>Year</th>
<th>% Parents with Routine NS-SEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB (’71)</td>
<td>49.36</td>
</tr>
<tr>
<td>SC (’81)</td>
<td>32.88</td>
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<tr>
<td>GX (’91)</td>
<td>29.93</td>
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</tbody>
</table>

Source: ONS LS (own calculations)
Results (2): Parental tenure (SRS)

% parents in SRS

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB ('71)</td>
<td>40.99</td>
</tr>
<tr>
<td>SC ('81)</td>
<td>30.24</td>
</tr>
<tr>
<td>GX ('91)</td>
<td>17.53</td>
</tr>
</tbody>
</table>

Source: ONS LS (own calculations)
Results (3): Logistic regression models

Source: ONS LS (own calculations)

N cases: 12378

McF’s $r^2$: 0.161

Extra controls included for region and inter-censal migration (not shown)
Results (3): Logistic regression models

- Source: ONS LS
- Own calculations

- N cases: 12378
- McF’s $r^2$: 0.330

Extra controls included for region and inter-censal migration (not shown)
Results (3): Logistic regression models

N cases: 32059
McF’s r^2: 0.193

Extra controls included for region and inter-censal migration (not shown)
Results (3): Logistic regression models

- N cases: 32059
- McF's $r^2$: 0.299

Extra controls included for region and inter-censal migration (not shown)

Source: ONS LS (own calculations)
1. Large changes in young adults’ housing pathways
   • Patterns differ by gender

2. Need to consider living arrangements
   • Particularly relevant for men

3. Parental background matters
   • Effects not mediated by life course attainments and experiences
   • Housing one arena for intergenerational transmission of (dis)advantage
Next steps...

1. Cohort patterning of ‘shadow effects’

2. Test whether other baseline attributes matter:
   - Eg. Age of parents, n siblings

3. Refine how living arrangements coded
   - HoH-HPR transition a key issue
   - Focus instead just on who’s in the household

4. Suggestions?
   - Questions, methods, coding…
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References


References


