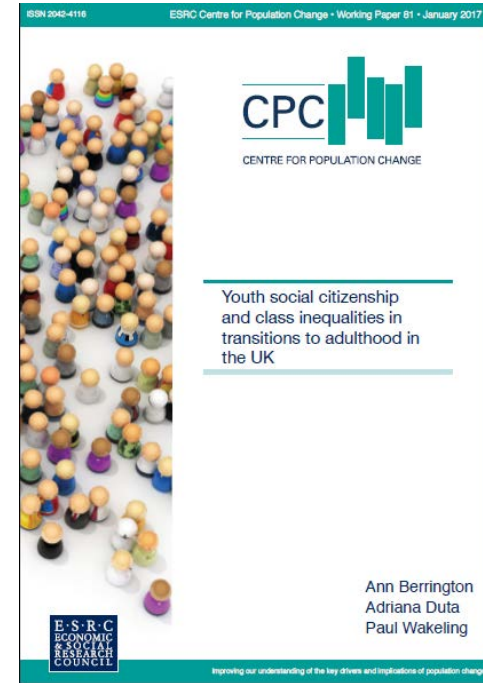


Social Inequalities in Transitions to Adulthood in the United Kingdom

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Danish Centre for Youth Research, Copenhagen

22nd November, 2018



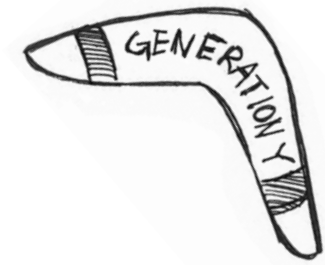
Overview



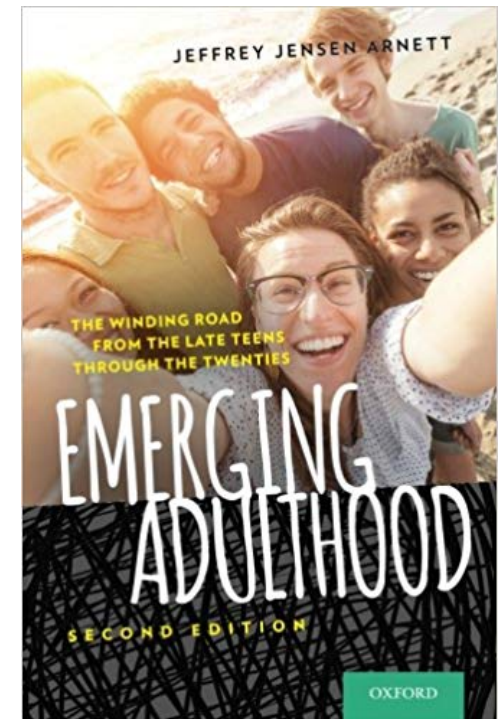
1. The changing context within which youth are making their transitions
 - Increased uncertainty in jobs, housing, welfare support
2. Consequences for inter-generational inequality
3. Consequences for intra-generational inequalities
4. Conclusions

1. The changing context
within which youth are
making their transitions

Transitions to adulthood



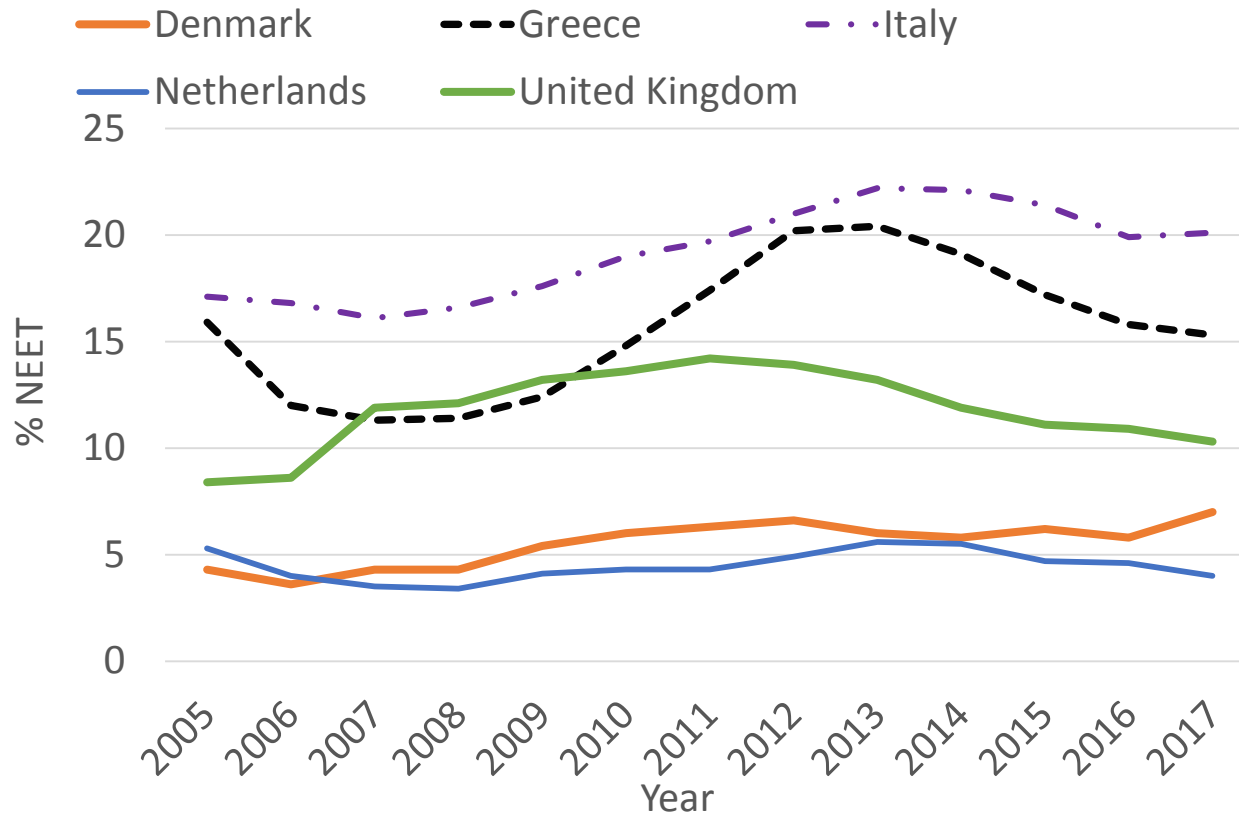
- **Traditional markers**
 - Leaving education, getting stable job, leaving parental home, partnership formation, parenthood
- Postponed, **de-standardized**, reversed
- **Emergent** adulthood – Arnett (2000)
- Increased **uncertainty** in multiple domains
 - a) Economic uncertainty
 - b) Housing uncertainty
 - c) Austerity => increased reliance on family



a) Increased economic uncertainty

Uncertain job market

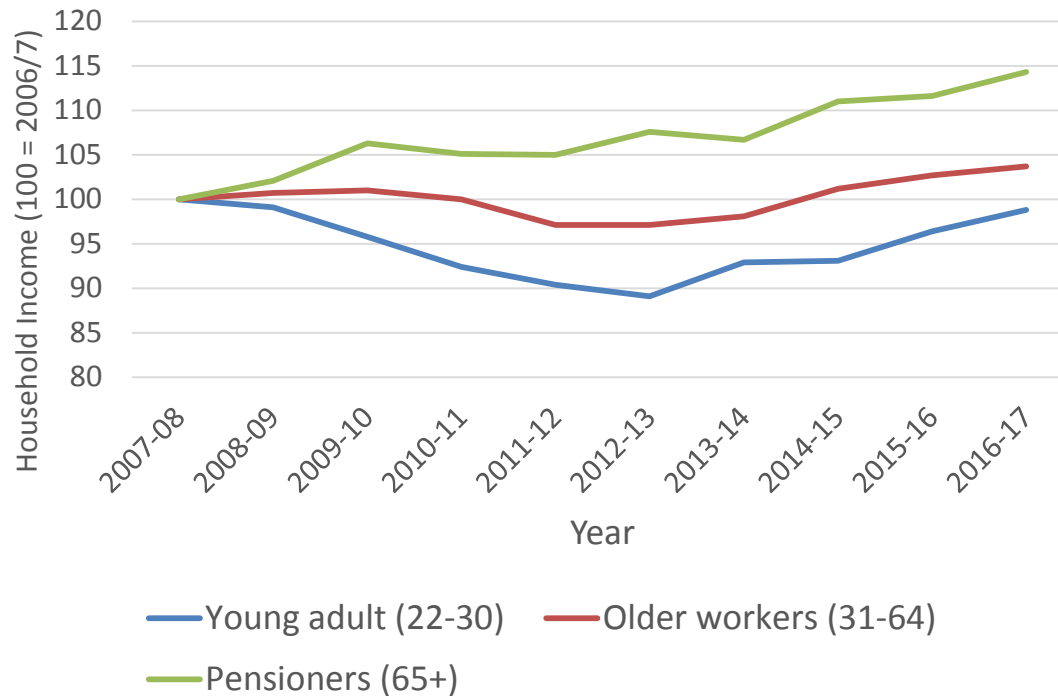
% 15-24 NEET 2005-2017 – Neither in Employment, Education or Training



Source: Eurostat, 2018

Uncertain income

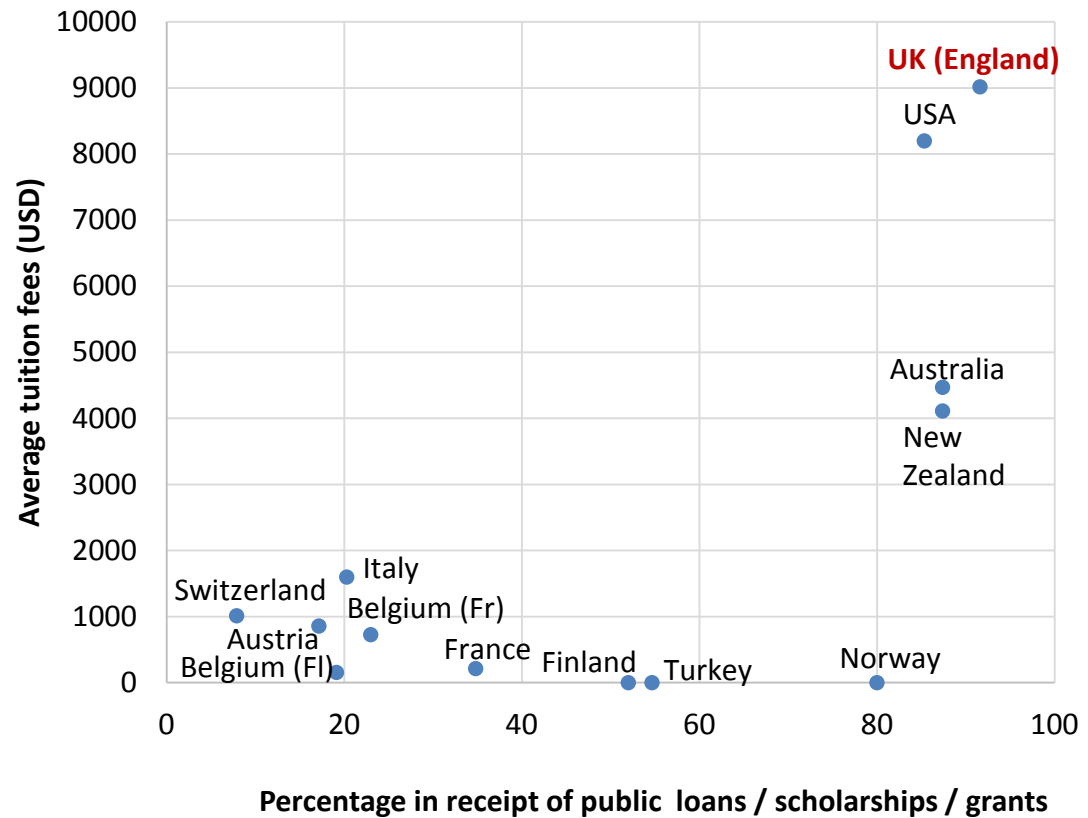
- Low pay, short hours working, lack of career progression



Adapted from Hood & Waters, T. (2017) Incomes and inequality: the last decade and the next parliament, IFS.

Increased Student indebtedness

Student support and tuition fees (US dollars) for full time bachelor students (public institutions) in selected OECD countries, academic year 2013-14.

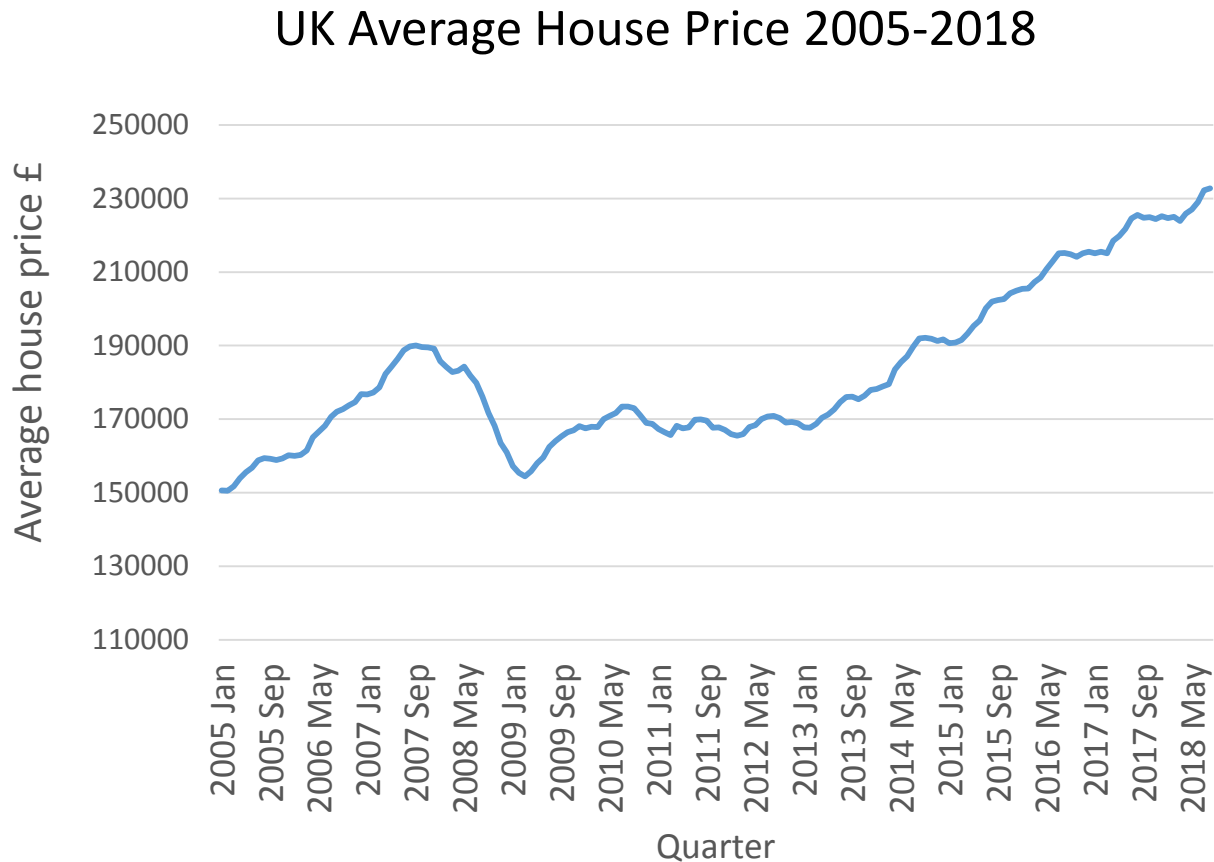


Source: OECD figures. Berrington, A., et al. (2017) Youth social citizenship and class inequalities in transitions to adulthood in the UK. CPC Working Paper 81, ESRC Centre for Population Change

b) Increased housing uncertainty

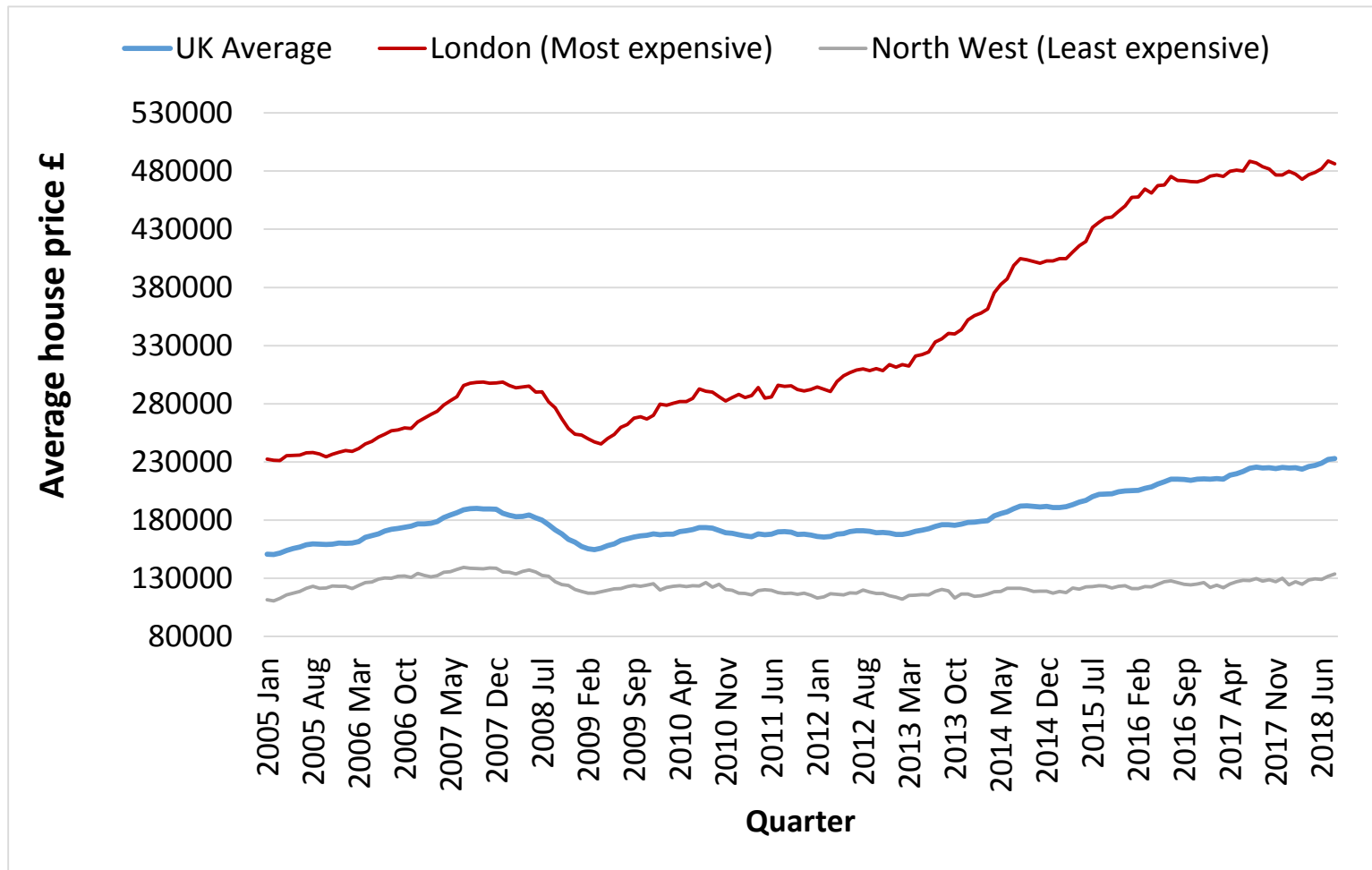
Costs of buying a house

- House prices
- Lack of mortgage credit, especially since 2007



Source: ONS, 2018

Housing Affordability – varies by region

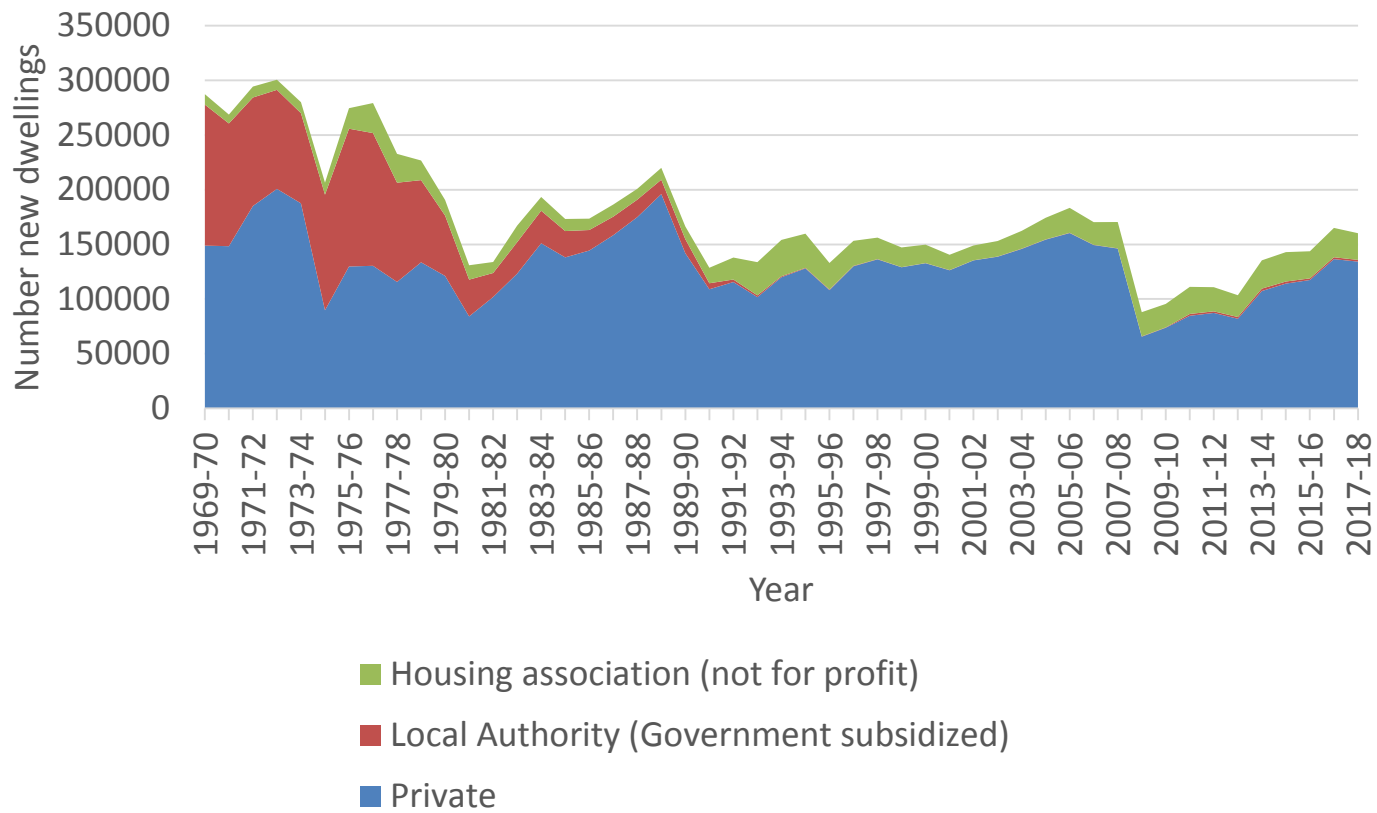


Source: ONS, 2018

Housing tends to be most expensive in those areas which have the greatest job opportunities and potential for social mobility

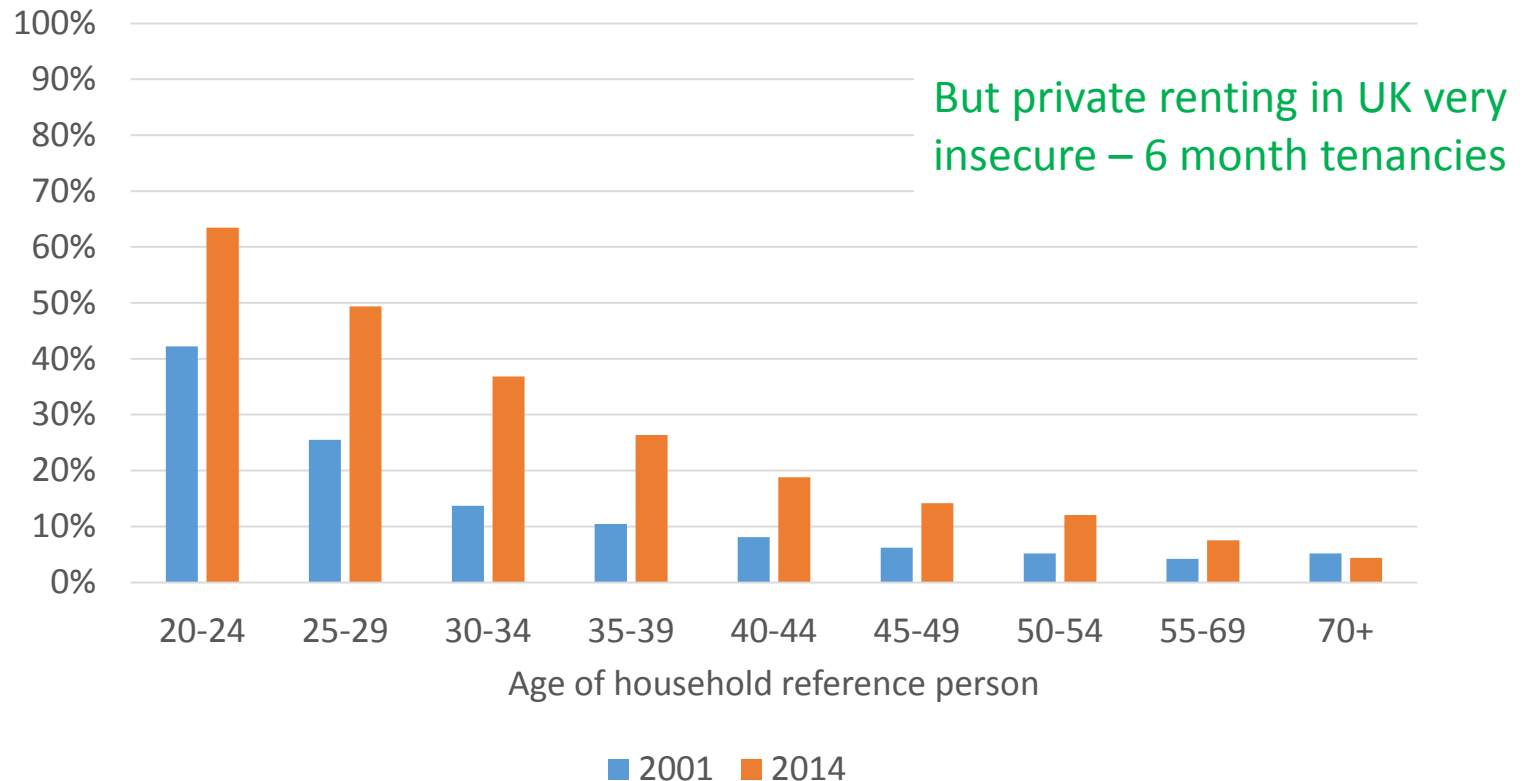
Residualisation of public rented sector

- Dramatic reduction in number of local authority new build
- Existing stock sold off through “right to buy”
- Low income young adults => poor quality private rented sector



Increased reliance on private rental sector

Percentage private renting by age of Household
Reference Person UK, 2001 and 2014



Source: Berrington and Simpson (2016) Housing composition and housing need in the UK. In T. Champion, & J. Falkingham (Eds.), Population Change in the United Kingdom Lanham, US: Rowman & Littlefield International.

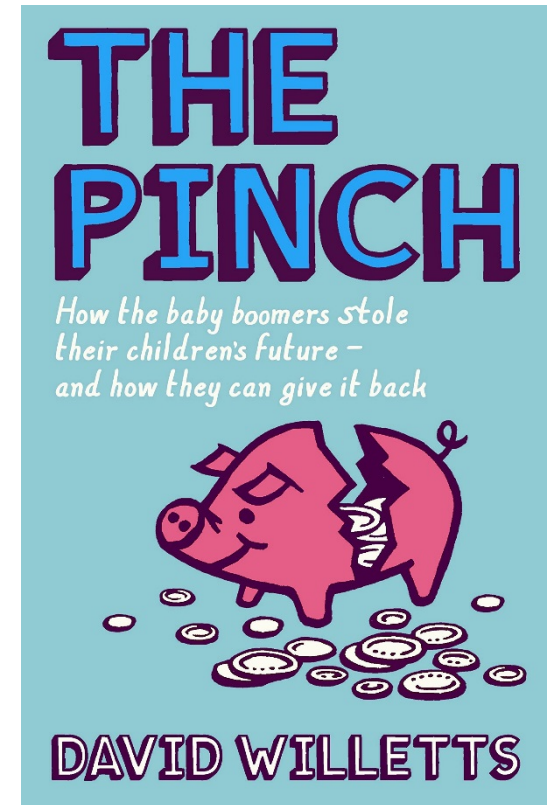
c) Austerity

Austerity

- Decreasing value of benefits / benefits caps
- Increased age at which Government assumes young adults remain economically dependent upon family

Age	Policy / welfare support
18 yrs	(Rise from 16) Compulsory school leaving age
21 yrs	National minimum wage rate for 21-24 year olds (adult rate)
22 yrs	(Rise from 18) Housing support available to low income young people through Universal Credit (but constrained to amount to rent a room in shared house for those with no co-resident children)
25 yrs	Minimum age that single adults can receive higher rate of Income Support and Job Seekers Allowance.
25 yrs	National minimum wage rate for 25+ year olds (national living wage). Previously the top band was attained at age 21.
35 yrs	(Rise from 25) Housing benefit available at higher rate available to all young people irrespective of whether have co-resident children

2. Consequences for inter-generational inequality



The different generations

Generation	Born in years
Silent generation	1926-45
Baby boomers	1946-65
Generation X	1966-80
Generation Y (Millennials)	1981-2000

Baby Boomer –
Tim Cook



Silent – QE2



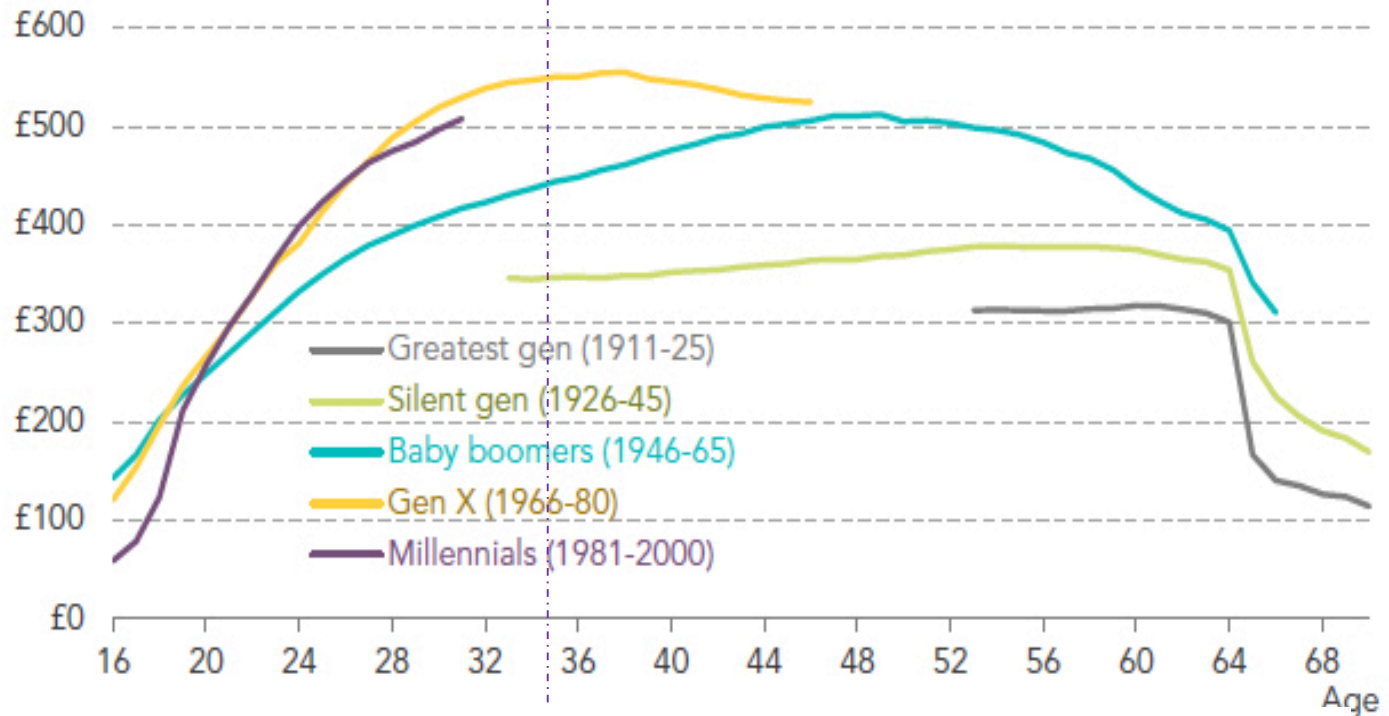
Generation X –
Angelina Jolie

Generation Y –
Justin Bieber



Inter-generational inequalities in earnings




Figure 2.3: Today's young adults are earning less than the generation before them did at the same age
Median real weekly employee pay (CPIH-adjusted to 2017 prices), by age and generation: UK, 1975-2017



Source: Resolution Foundation, 2018

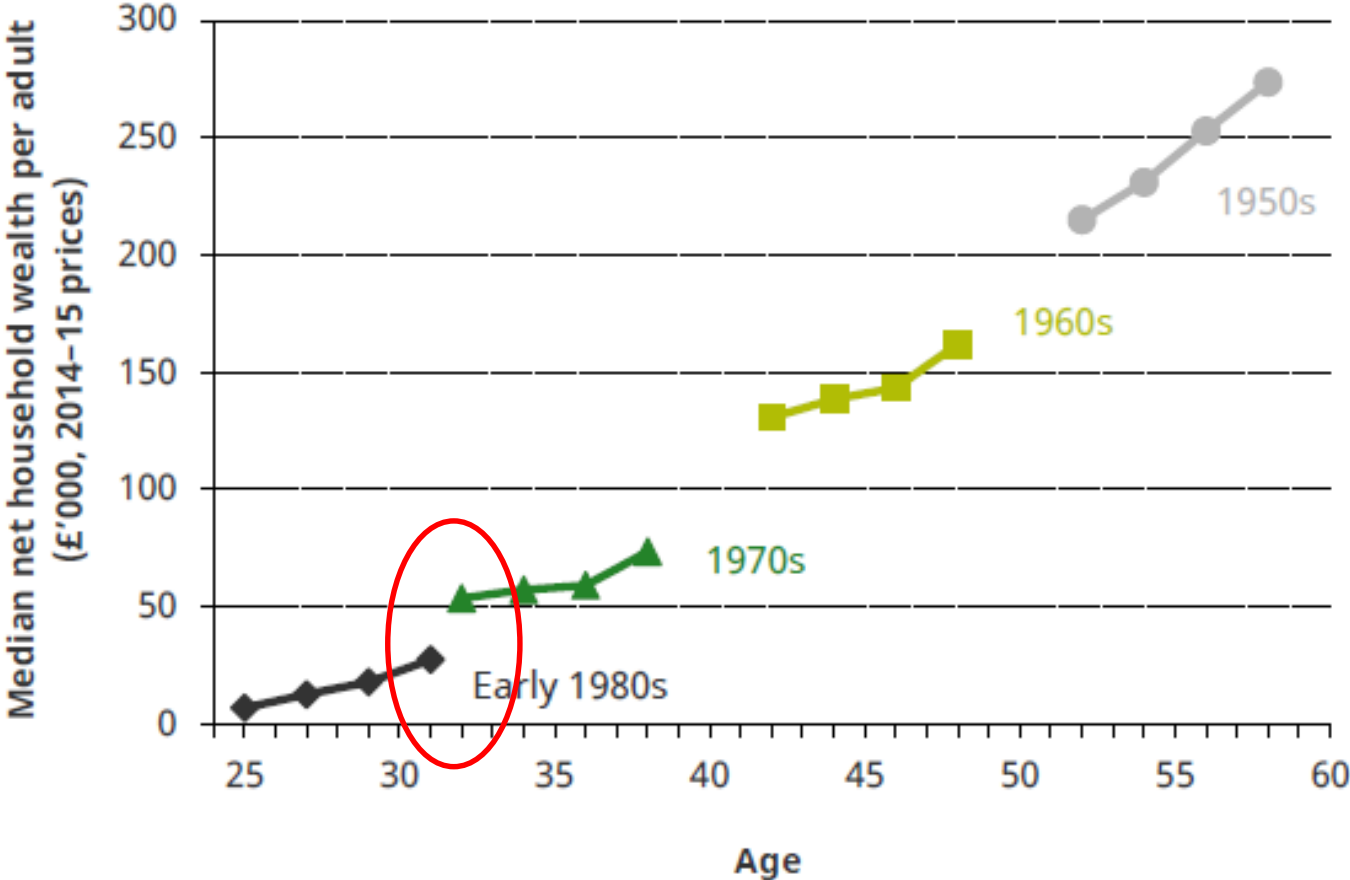
Intergenerational inequalities in housing wealth

% a home owner at age 25-34, by cohort

	Birth years	Aged 25-34 in...	Current age	Home ownership rate at age 25-34
Boomers	1962-71	1996	45-54	61% 
Gen X	1972-81	2006	35-44	56% 
Gen Y	1982-91	2016	25-34	38% 

Source: Cribb, Hood & Joyce, 2016

Median net household wealth per adult by age, by cohort



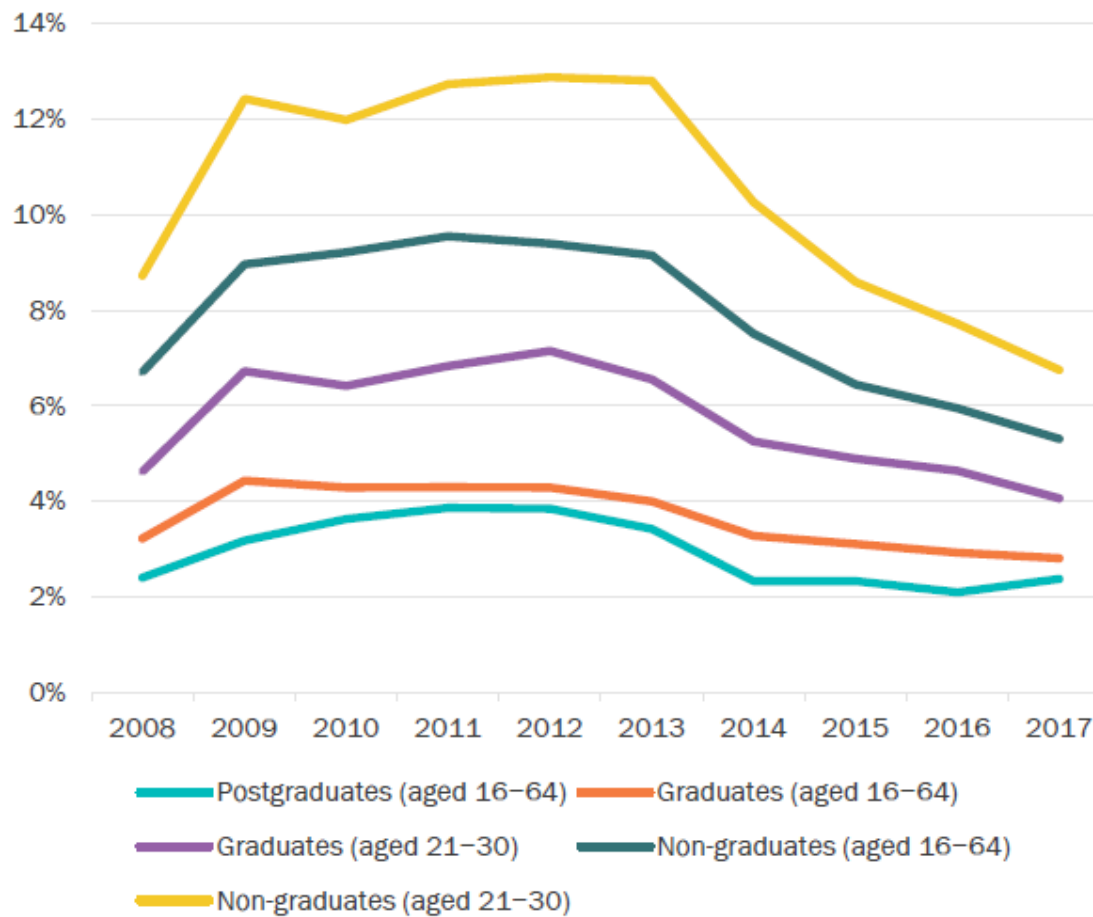
Source: Cribb, Hood & Joyce, 2016

3. Consequences for intra-generational inequality

Recession hits those least educated hardest

FIGURE 15

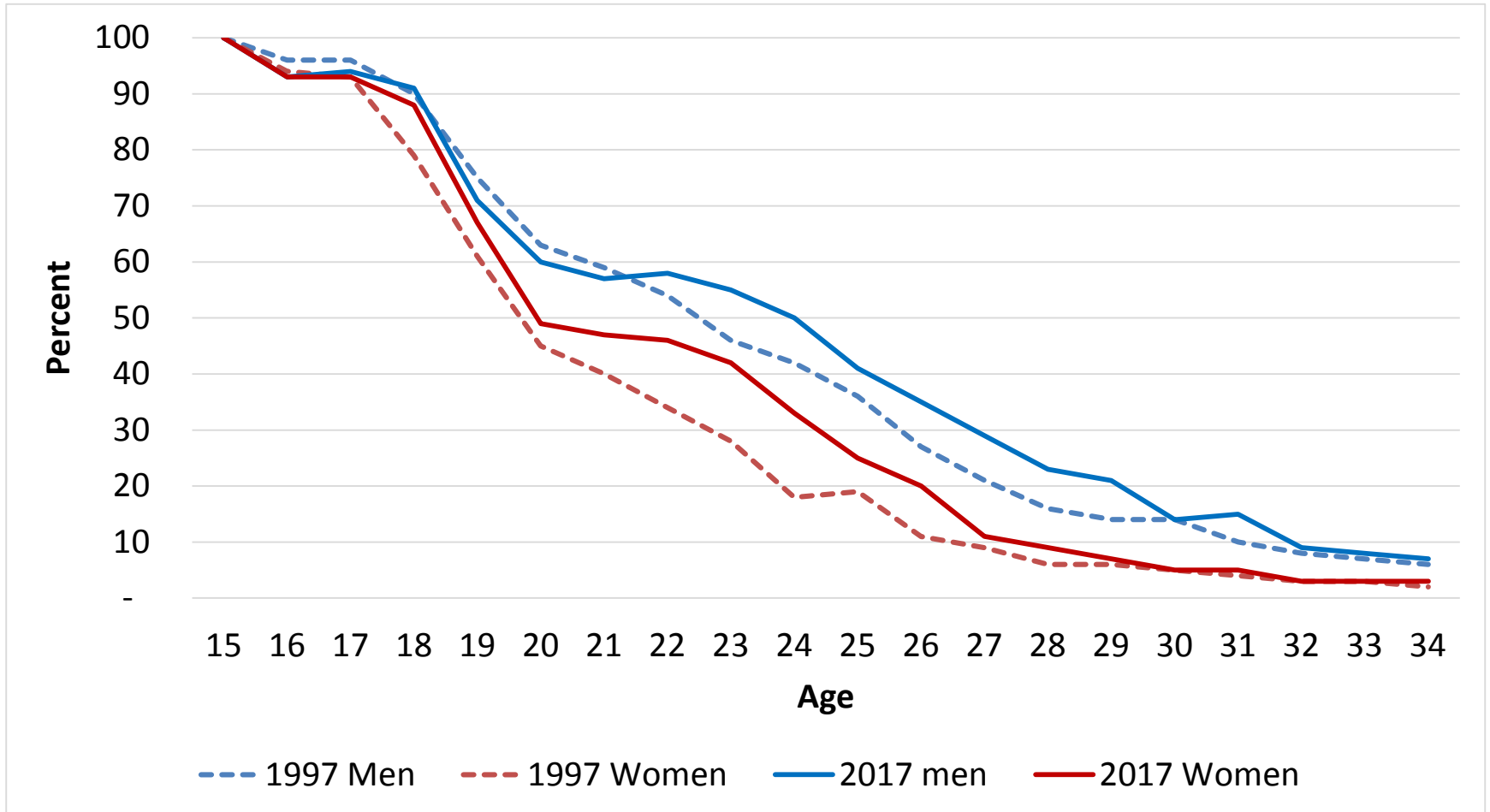
Trends in unemployment rates in England, 2008 to 2017



Source: DfE (2018), Graduate labour market statistics 2017

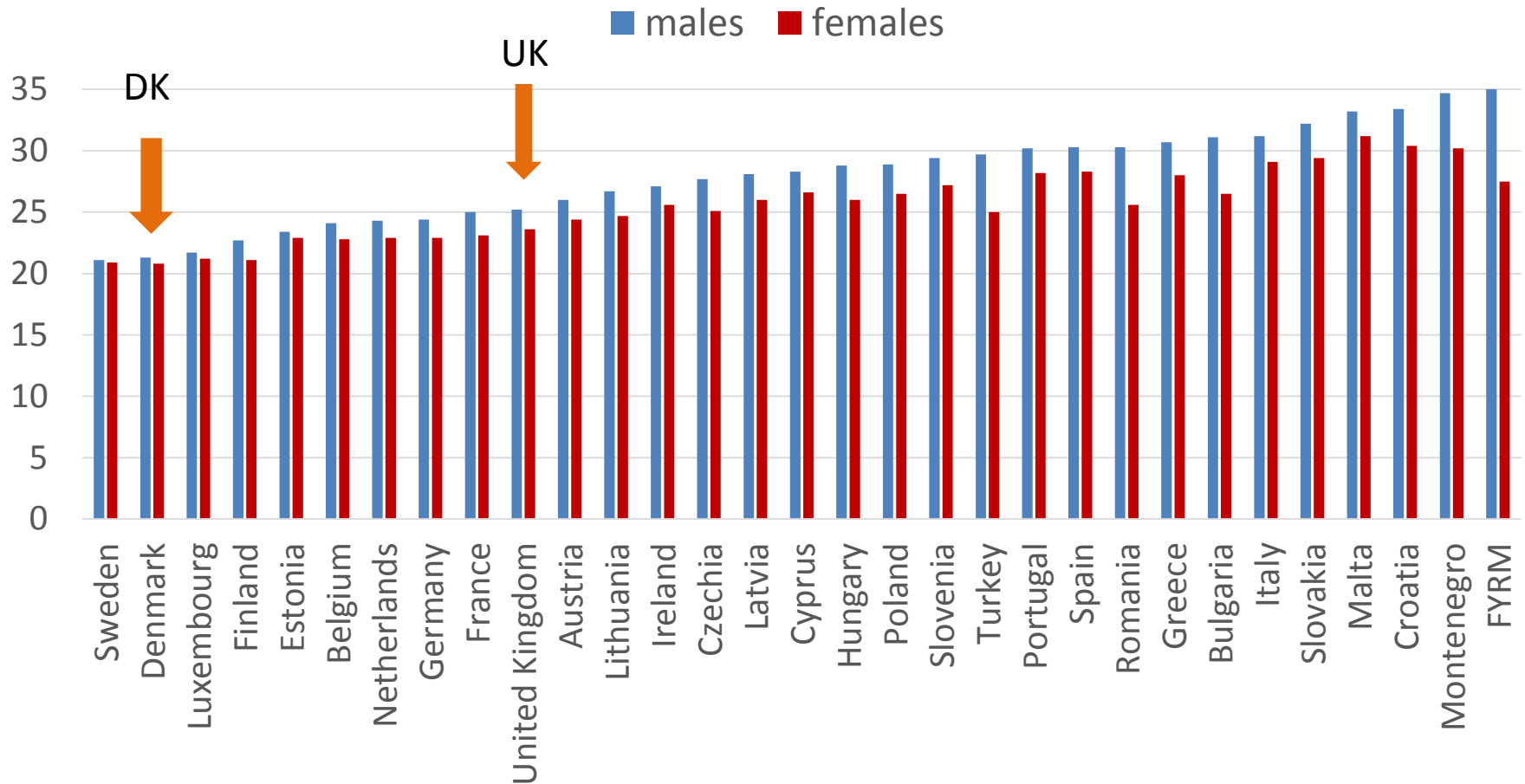
More inter-generational co-residence

% living in parental home by age, UK 1997 and 2017



Source: ONS, 2018

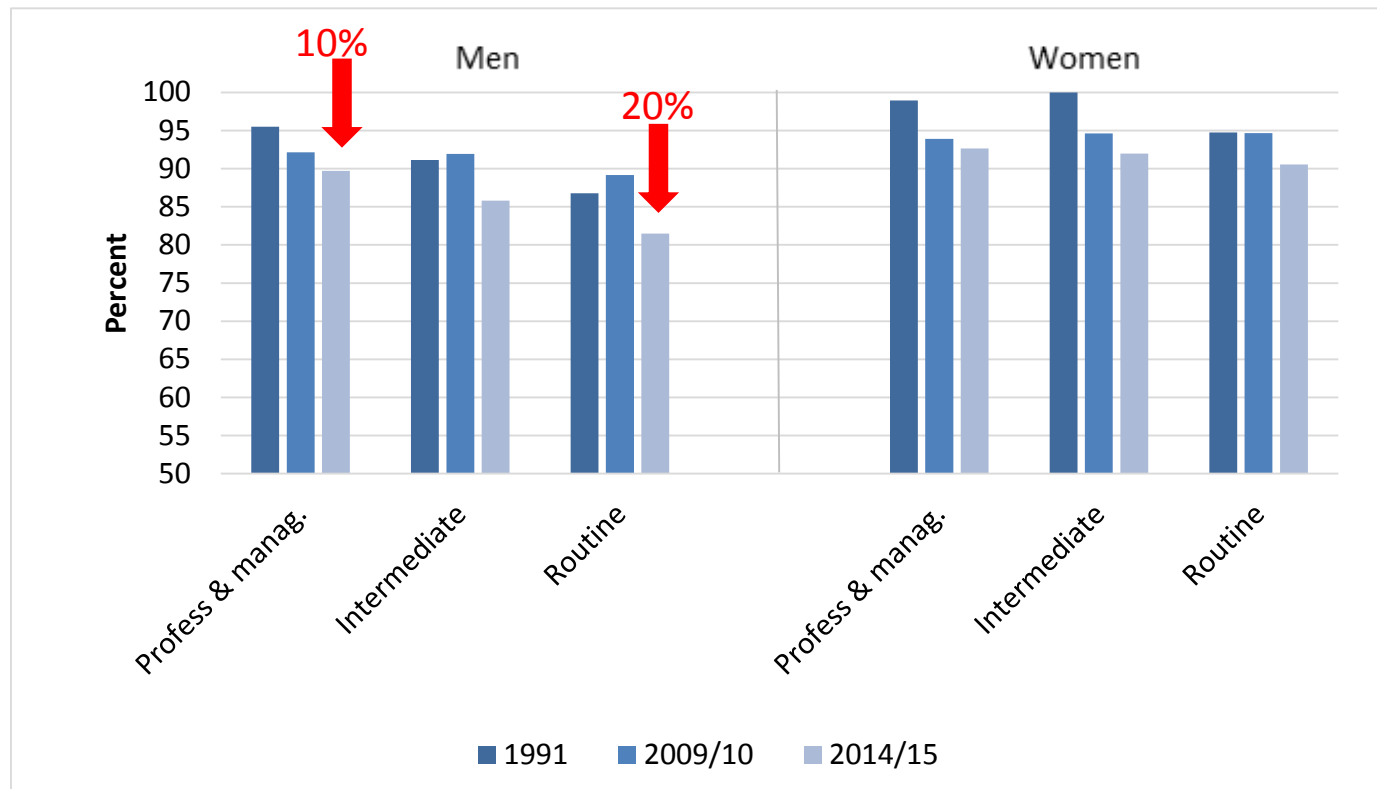
Mean age at leaving home in Europe, 2017



Source: Eurostat, 2018

Increased class inequalities in leaving home

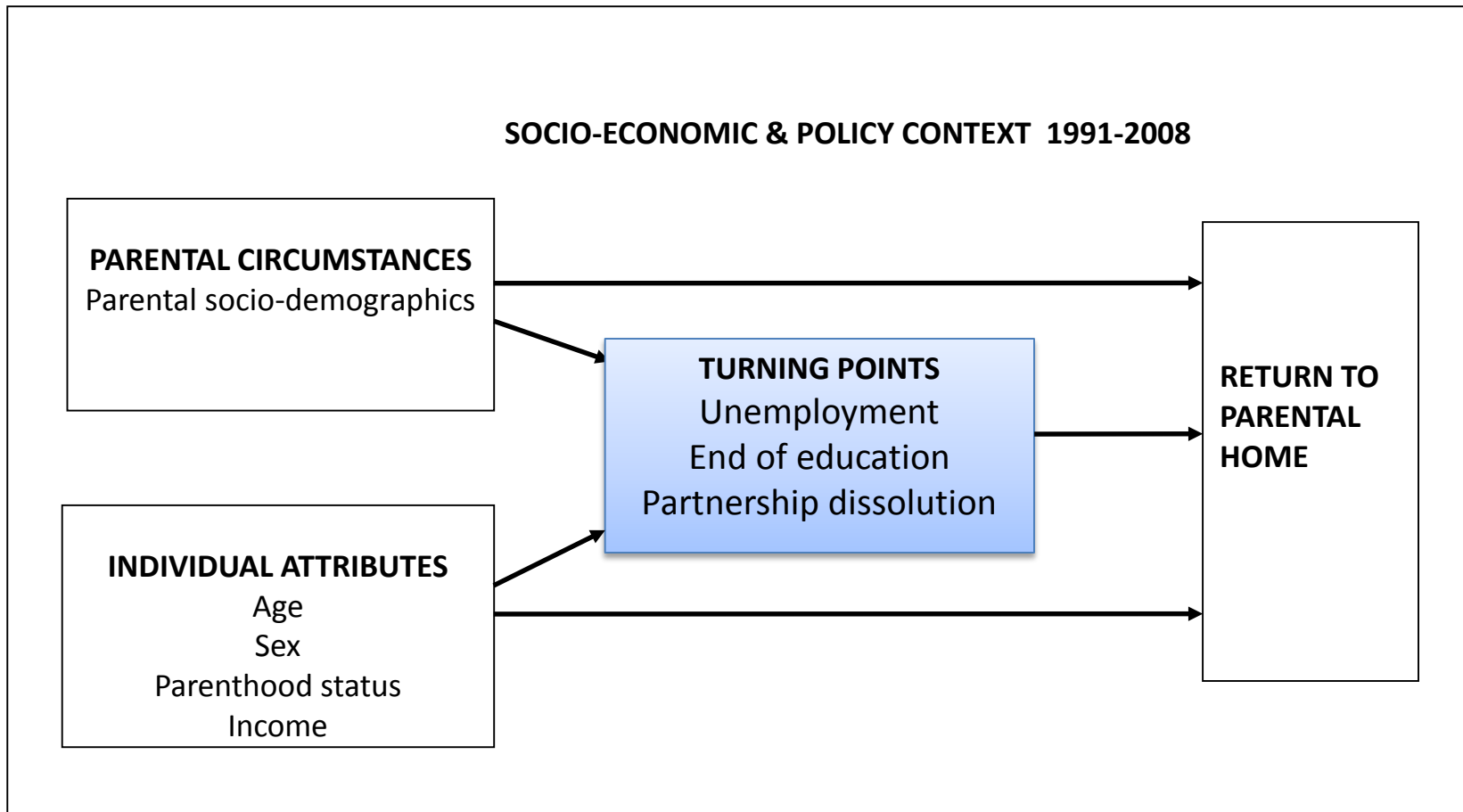
Percentage UK-born men and women aged 30-34 who are living independently of parental home, by parental class background, 1991, 2009/10, 2014/15



Data: 1991 from wave 1 of BHPS, 2009/10 from wave 1 of UKHLS, 2014/15 from Labour Force Surveys.

Source: Berrington, A., et al. (2017) Youth social citizenship and class inequalities in transitions to adulthood in the UK. CPC Working Paper 81, ESRC Centre for Population Change

Turning points and boomeranging home



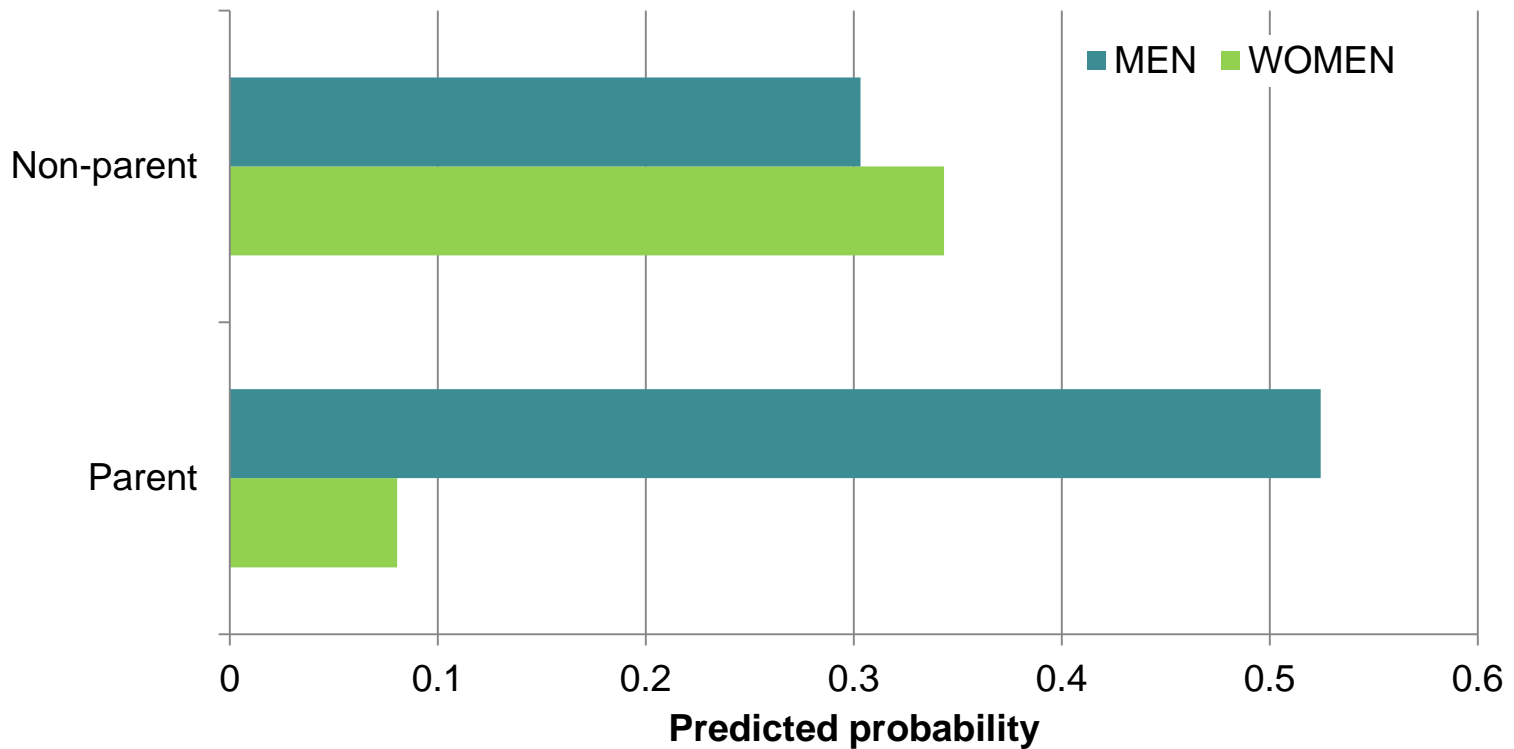
Source: Stone, Berrington & Falkingham (2014) Gender, turning-points and boomerangs: returning home in the UK. *Demography*, 51, (1), 257-276.

Modelling the Transition Back to Parental Home

- Analysis of paired waves from British Household Panel Survey (BHPS) 1991-2008
- Sample: men and women aged 20-34 living away from home at t0
- Model: logistic regression hazards model of returning to live with parent(s) between t0 and t1
- Covariates: Parental / individual attributes and turning point variables
 - e.g. change in employment status, partnership status

Partnership dissolution and returning home

Predicted probability of returning to the parental home after union dissolution by gender and parenthood status. Men and women aged 20-24



Source: Stone, J. et al. (2014) Gender, turning-points and boomerangs: returning home in the UK. *Demography*, 51, (1), 257-276.

Key findings on boomeranging home

- Turning points related to boomeranging home
 - leaving education, losing a job, partnership dissolution
- Association between partnership dissolution and returning home dependent on both gender and parenthood.
 - childless often return home following dissolution
 - lone mothers likely to maintain residential independence
 - non-resident fathers very likely return home
- After union dissolution, mothers and fathers find support from different sources
 - lone mothers more reliant on the welfare state
 - single, non-resident fathers requiring greater support from their parents

Linked lives: Parental resources as buffers in transition to adulthood

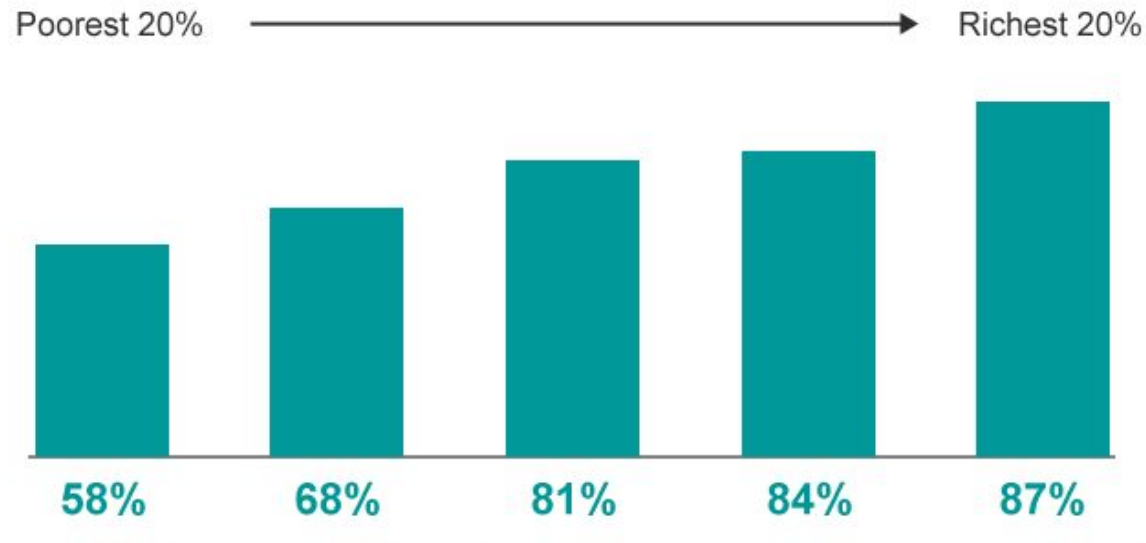
- Buffer “negative life events”
- Facilitate successful transitions
 - ➔ *increased intra-generational inequalities*

Family help in house purchase

- CML: % UK first-time buyers under 30 reliant on family support rose from less than one-tenth in 1995 to around four-fifths by 2011
- English Housing Survey: % first time buyers reliant on inheritance rose from 3% 1994/5 => 10% in 2014/15

People born in the 1970s who have received or expect to receive an inheritance

Percentage receiving an inheritance divided according to income



Source: Cribb, Hood & Joyce, 2016

Increased class inequalities in home-ownership

Percentage UK-born men and women aged 30-34 who are owner-occupiers, by parental class background, 1991, 2009/10, 2014/15



Data: 1991 from wave 1 of BHPS, 2009/10 from wave 1 of UKHLS, 2014/15 from Labour Force Surveys.

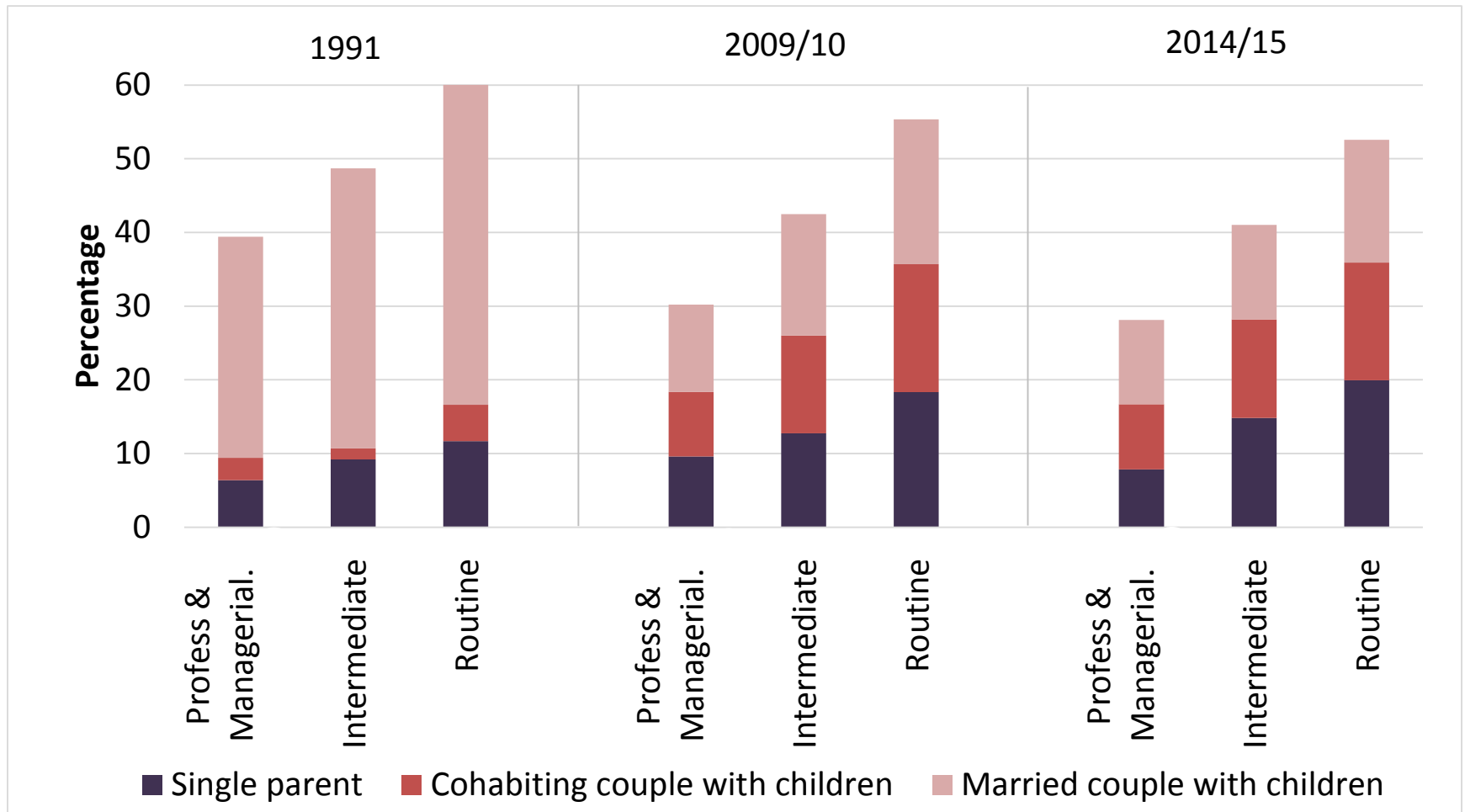
Source: Berrington, A., et al. (2017) Youth social citizenship and class inequalities in transitions to adulthood in the UK. CPC Working Paper 81, ESRC Centre for Population Change

Intra-generational inequalities associated with divergence in dynamics of partnership and fertility

- Average age at entry into motherhood
 - Educational enrolment => postpones family formation
 - Higher education => economic incentive to delay childbearing

Increased class differences in family formation

Percentage of UK-born women aged 25-29 who are mothers, by current family type, according to parental class, UK, 1991, 2009/10 & 2014/15



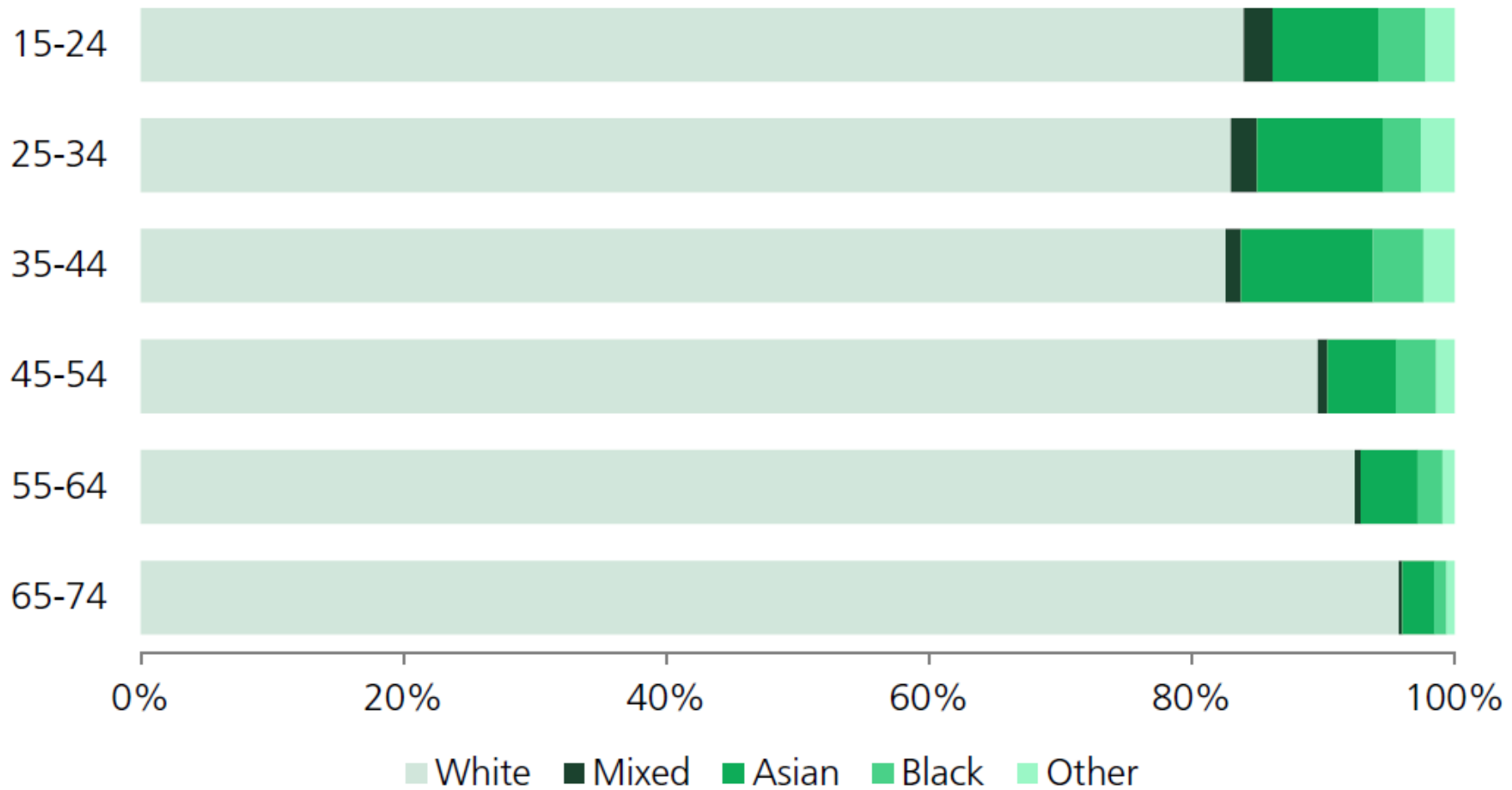
Source: Berrington, A., et al. (2017) Youth social citizenship and class inequalities in transitions to adulthood in the UK. CPC Working Paper 81, ESRC Centre for Population Change

Intra-generational inequalities associated with divergence in dynamics of partnership and fertility

- Partnership context of first birth
 - Economic uncertainty factor contributing to relationship stress and partnership dissolution
 - Can be risky to form co-residential partnerships if this means that you will lose welfare entitlements
 - Economic barrier to (wedding) marriage, marriage not seen as necessary or a priority?

See Berrington et al 2015 Commitment and the changing sequence of cohabitation, childbearing, and marriage: Insights from qualitative research in the UK. *Demographic Research*

Population of the UK by age and ethnic group, Q3 2016



Source: Labour Force Survey, Q3 2016

Increasingly ethnic diverse youth population

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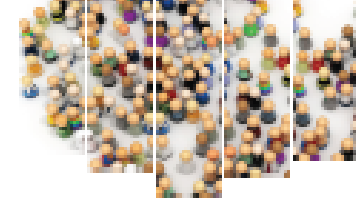
Educational aspirations among UK young teenagers: exploring the role of gender, class and ethnicity

This paper presents an overview of teenagers' aspirations for higher levels of education during the recent economic recession. We analyse the responses of 4899 young people aged 10 to 15, who participated in the UK Household Longitudinal Study in 2009-10. The timing of the survey is especially significant given the political emphasis on raising aspirations as a means to stimulate the economy. We consider the impact of gender, parental occupational class, parental educational background, family structure and parental attitudes towards education upon teenagers' educational aspirations, and use multiple regression analyses to consider whether their effects are consistent across ethnic groups. Until now, only limited nationally representative data on young people's aspirations have been available, especially in respect of ethnic differences. This research aims to fill that gap. It was undertaken as part of a wider study into the aspirations for living and learning among young people in the UK.

Key Points

- Two thirds of all young teenagers express a positive aspiration to go to college / university.
- Boys are less likely than girls to aspire to go to college / university across all ethnic groups.
- We find significant differences in aspirations according to ethnicity. White teenagers consistently report the lowest aspirations, and Indian and Black teenagers report the highest level.
- Ethnic differences remain even when parental characteristics are taken into account.
- Teenagers living in families where neither parent is employed have the lowest aspirations for college / university, although for boys this group is very similar to boys from routine class backgrounds.
- Living with a parent who has a degree is particularly associated with positive aspirations for boys.
- Teenagers whose parents view A-levels / Highers as important are more likely to have higher educational aspirations.
- Family structure does not make a difference, except those living with two natural or adoptive parents are more likely to aspire to go to college / university than those living with no parents.

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UK second generation young adults' expectations for living together, marriage and parenthood

Do current adolescents' cohabitation, marriage and parenthood expectations differ by ethnic group? Are differences similar for men and women? Are ethnic differences mediated by individual or parental socio-economic characteristics? This research explores whether family transitions among descendants of post second-world-war immigrants are converging towards those of white British young adults. We do this by examining 10-21 year-olds' expectations about living together, marriage and parenthood collected in the Understanding Society household survey.

Key Points

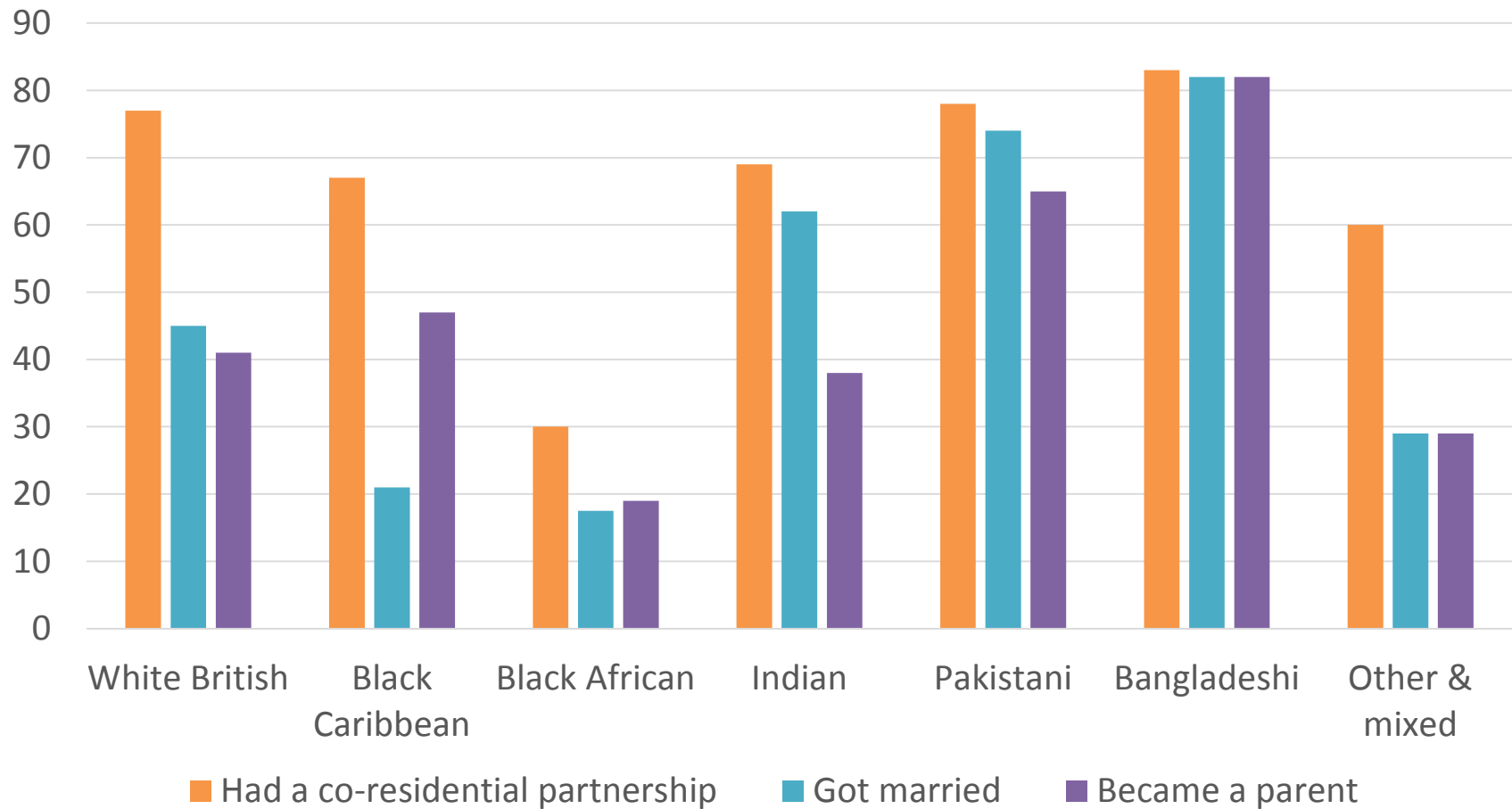
- Expectations for marriage and parenthood are unanimously high, but there is greater uncertainty among white British and black Caribbean adolescents as to the age at which these transitions will occur.
- South Asians, particularly second-generation Bangladeshi and Pakistani adolescents, have significantly lower expectations that they will cohabit.
- Ethnic group differences remain when religiosity, parental background and individual characteristics are taken into account.

Introduction

Gender, ethnicity and class background all influence the paths people take into adulthood, often in an interesting way. Second generation adolescents often have to negotiate contrasting value systems, those associated with their parents' heritage culture, and those which dominate in the UK. First generation immigrants from collectivistic cultures, such as those migrating from south

Asia, often retain strong support for their heritage culture where marriage is often seen as the only acceptable setting for intimate relations. The extent to which young adults from more collectivistic cultures adopt more individualistic attitudes towards family formation depends upon their socialisation, religion, and structural integration into the host society.

Family transitions by age 30 among men born in UK 1960-1979, according to ethnicity



Source: Berrington (2018) Expectations for family transitions in young adulthood among the UK second generation. *Journal of Ethnic and Migration Studies*

Conclusions

- Increased uncertainty across domains - work, family, housing, health inter-related
- Need joined up policy response
- Housing is an important component
 - Need supported pathways for early, non-student leavers
 - Improve regulation of private rented sector
 - Start building more social / affordable housing

“The Government must build more of the right homes at the right prices in the right areas”
David Orr (National Housing Federation)

Conclusions cont.

- Societal changes including austerity combined to make parents more important source of support for longer
 - Implications for intra-generational inequality
- State has to provide a better level of support for those who have less parental support / are more vulnerable
 - Government policy assumes that those under age 21 have a parental home to which they can return
 - Government policy forces low income singles to live in shared housing up to age 35. At what age should we expect young people to be able to live in self-contained accommodation?
 - Current housing policy supports main carer of dependent children but ignores non-resident parent.

Thank you!

For further information see

www.cpc.ac.uk

Acknowledgements

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British Household Panel Survey and Understanding Society are carried out by the Institute for Social and Economic Research at the University of Essex. Access to these data is provided by the UK Data Archive. The original data creators, depositors or copyright holders, the funders of the Data Collections (if different) and the UK Data Archive bear no responsibility for their further analysis or interpretation.