

Recent Advances in Research on Housing Transitions and the Life Course

Tuesday 10 December 2013, 10am – 5pm (followed by drinks reception)
Royal Statistical Society, 12 Errol St, London EC1Y 8LX

Meeting abstracts

Housing, people and places: two decades of advances in housing research

William A.V. Clark (University of California, Los Angeles)

As others have observed, there has been a disjunction between the study of housing and the studies of people who occupy that housing. Economists focused on the operation of housing markets, sociologists on issues of access to housing and geographers on transitions through the housing stock as households progressed through the life course. While there are still strong disciplinary perspectives in housing research the last two decades have been a time of greater intersection and collaboration amongst social scientists interested in housing and society. In the past demographers examined fertility and fertility change but stopped short of asking how the decisions about fertility interacted with the housing stock. Economists examined the operation of the housing market but stopped short of asking how the cost of housing affected family formation. Geographers studied mobility but did not always link the residential moves to neighbourhood outcomes. Now there is real interest in the way in which housing markets, migration and family composition change are inter-related and this has led to significant advances in our understanding of how housing and the life course are interconnected. Studies of housing and social outcomes, both over time and across space, are providing new thinking about the links between housing and social outcomes. This interaction is nowhere more direct than in countries experiencing low fertility, population decline and the issues of what to do about surplus housing. In this presentation I provide some observations on recent research on housing and the economy, residential location choice, neighbourhood sorting, and the intersection of fertility and the housing stock.

Differences in opportunities? Wage, employment, and house-price effects on migration

Birgitta Rabe and Mark Taylor (University of Essex)

Most empirical studies of individual migration choice analyse factors associated with outmigration from an origin location. In contrast, we model the migration decision within the context of potential destinations, combining British panel data over the period 1992–2008 with other data sources. Contrary to earlier micro studies, we show that differences in house prices levels (but not growth) are important determinants of household migration for homeowners. Unemployed individuals respond to regional differences in expected individual wages, whereas the employed are more sensitive to employment opportunities. Our evidence is consistent with partners of heads of households being tied migrants.

Housing and fertility in Britain

Hill Kulu (University of Liverpool)

This study examines childbearing patterns by housing conditions and housing changes after the birth of a child. We use data from the British Household Panel Study and apply hazard regression techniques. We extend previous research on the interplay between housing and fertility in the following ways. First, we will examine fertility variation by various housing characteristics (tenure, dwelling type, the number of rooms). Second, we will also investigate various housing transitions after the birth of children. Third, we will compare patterns in different residential and housing contexts (London, large cities, small towns and rural areas). Fourth, we will study the housing-fertility relationship over two decades to detect changes over time. The analysis will deepen our understanding of how couples plan their family lives in existing socio-economic context and how the context promotes or hinders transitions in family and residential careers.

The impact of parents on their adult children's housing transitions

Clara H. Mulder (University of Groningen)

Much of the research on housing transitions (for example the transition to homeownership) focuses on factors on the household level or on the impact of housing markets. Another important factor, however, is the impact of parents. Studies for several countries have shown a considerable impact of parental homeownership on transitions to homeownership. In this presentation I will give an overview of the previous work on the impact of parents on housing transitions, and proceed to discuss the preliminary results of a new study, in which two co-authors and I investigate the extent to which the intergenerational transmission of homeownership differs across countries. Our main hypothesis is that the impact of parental homeownership on the likelihood of an adult child's entry into homeownership is stronger in countries where mortgages are less widespread, and where the family plays a bigger role in the provision of welfare. We perform discrete-time event history analyses of the transition to first-time homeownership using the retrospective SHARELIFE data for 11 European countries, collected in 2008/2009. Our preliminary findings show surprisingly little variation in the impact of parental homeownership on adult children's homeownership across countries. In most countries the likelihood of an adult child's entry into homeownership is 25-50% greater if the parents were owner-occupiers than if they were not. The few countries where the impact is smaller and statistically insignificant are not especially those where the family is particularly important in welfare provision.

Residential mobility and residential histories: an innovative analysis

David Manley (University of Bristol), Maarten van Ham (Delft University of Technology), Lina Hedman (Uppsala University) and Rory Coulter (University of Cambridge)

The extent to which socioeconomic (dis)advantage is transmitted between generations is receiving increasing attention from academics and policymakers. However, few studies have investigated whether there is a spatial dimension to this intergenerational transmission of (dis)advantage. Drawing upon the concept of a neighbourhood biography, this study contends that there are links between the places individuals live in with their parents and their subsequent neighbourhood experiences as independent adults. Using individual level register data tracking the whole Swedish population from 1990 to 2008, and bespoke neighbourhoods, this study is the first to use innovative sequencing techniques to construct individual neighbourhood histories. Through visualisation methods and ordered logit models, we demonstrate that the socioeconomic composition of the neighbourhood children lived in before they left the parental home is strongly related to the status of the neighbourhood they live in 5, 12 and 18 years later. Children living with their parents in high poverty concentration neighbourhoods are very likely to end up in similar neighbourhoods much later in life. The parental neighbourhood is also important in predicting the

cumulative exposure to poverty concentration neighbourhoods over a long period of early adulthood. Ethnic minorities were found to have the longest cumulative exposure to poverty concentration neighbourhoods. These findings imply that for some groups, disadvantage is both inherited and highly persistent.

Neighbourhood choice of young families in England

Elizabeth Washbrook (University of Bristol) and Fiona Steele (London School of Economics)

Parental choices about where to live are a crucial determinant of the environments in which children are raised and of the aggregate concentration of child poverty. The residential choice literature has argued that a range of neighbourhood characteristics are valued particularly highly by households at the child-bearing and rearing stages of the life course, such as safety, availability of owner-occupied single-family dwellings, good schools and green spaces. Even families with limited resources will have some discretion over where to live. Disentangling which factors drive location decisions is inherently difficult because households choose from a limited set of alternative neighbourhoods, each of which is a 'package' of multiple characteristics. In this paper we use a longitudinal discrete choice model to explore which factors matter most when parents choose a neighbourhood in which to live. We consider a large set of area characteristics and evaluate whether their relative influence on parental decisions varies with socio-economic status and the age of children from birth to secondary school entry. Our framework recognises that residential choices are generally made within a constrained geographical area and distinguishes between factors that influence the choice to remain in one's current neighbourhood and those that affect choice between potential alternatives. MCMC estimation methods allow the consideration of very large choice sets and the incorporation of complex unobserved heterogeneity in households' preferences for different characteristics. The analysis draws on ten years of data from the British Household Panel Survey matched to a broad range of indicators at the small (LSOA) area level.

Neighbourhood poverty dynamics and residential mobility among families in the Millennium Cohort

Ludovica Gambaro (Institute of Education), Heather Joshi (Institute of Education) and Ruth Lupton (University of Manchester)

This paper will assess how far residential moves can result in improvements or deterioration of the local environment and housing circumstance for families with young children. To do so, the paper will compare several 'objective' and 'subjective' measures of neighbourhood deprivation available to classify areas of residence. We will use data from the Millennium Cohort Study and concentrate our analysis on two time points: infancy and age five, as this time span is sufficiently long to capture neighbourhoods change.

We are planning to contrast IMD-based classifications of LSOAs and their precursor, the Child Poverty Index, to a new measure of household poverty – UMBR (Unadjusted Means-tested Benefits Rate). This is a time-varying measure of household poverty at LSOA level, which reflects neighbourhood change year by year. This enables us to categorise home moves not only in relation to the poverty level of the neighbourhood in the year of the transition, but also before and after, and the direction of neighbourhood change, if any. We will also estimate how many families experienced improvements in their neighbourhood without moving at all, in what sorts of places. In addition, the paper will examine respondents' reasons for moving, which allows distinguishing those who moved because they wanted to live in a "better area", "larger home" and so on from those who attribute their moves to negative life circumstances (evicted, lost job).

Finally, we will compare these different 'objective' indicators to subjective responses about neighbourhood quality over time to see whether neighbourhood change is consistently captured by the two sorts of measures. The results will be of interest for the interpretation of other data sets where only 'objective' or 'subjective' indices are available, especially only for one point in time.