



ESRC Secondary Data Analysis Initiative



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## Social inequalities and changing transitions to home ownership among young adults in Scotland over two decades

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### Background

- “Late, protracted and complex” (Billari & Liefbroer, 2010) youth transitions to economic and residential independence, as well as to family formation.
- Young people’s precarious labour market position has a direct impact on their ability to get on property ladder (McKee & Hoolachan, 2015)
- An averagely priced house now costs about five times the average annual income, putting owner occupation beyond the reach of many people in Scotland, especially young adults.



## Social inequalities

On a New Schedule: Transitions to Adulthood and Family Change

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*Frank F. Furstenberg Jr.*

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“Men and women have become more alike over the course of the past century in how they move into adult roles. Class differences, however, have increased” (2010 : 72)

All  
that  
is  
Solid

Danny Dorling (2014)

Traces how housing has come to reflect class and wealth in Britain

How the Great Housing Disaster Defines Our Times, and What We Can do About It



## Research Questions

For young adults in Scotland:

- What are the key determinants of leaving the parental home, and have these changed since the 1990s?
- Who is most, and who is least, likely to make the transition to home ownership, and has this changed since the 1990s?
- Have social inequalities in access to home ownership widened since the 1990s?

## Data and Sample

### The Scottish Longitudinal Study

- a large scale anonymised linkage study linking data from censuses (1991, 2001 & 2011) and other administrative and statistical sources
- 5.3% sample of the Scottish population

### Young adults

- individuals aged 16-29 living with their parents at the beginning of the decade



## Methods

*For young adults living with parents at time 1*

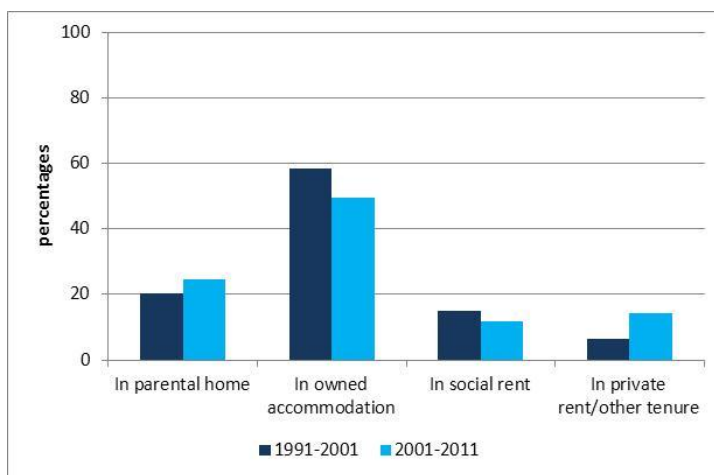
### **Logistic regression models**

1. Left the parental home by t2
2. For those that left: - transition to homeownership by t2

### **Covariates for 2:**

- Gender
- Age at t1
- Educational achievement by t2
- Living arrangements at t2
- Occupational status at t1 (employment status + social class)
- Change in health between t1 and t2
- One parent family at t1
- Parental social class at t1
- Parental housing tenure at t1
- Overcrowding at t1
- Urban/rural location of parental home at t1

## Young adults housing transitions in 1990s & 2000s



*Delay in leaving the parental home, decline in transition to home ownership (and social renting) and increase in private renting*

Source: own elaboration on data from the Scottish Longitudinal Study

## Who made the transition to homeownership?

### 1991-2001

#### *Most likely*

- Male
- Aged 20-29
- Post-secondary education
- In professional/managerial employment
- Good health
- Professional/ skilled parents
- Parents homeowners
- Parental home in large city

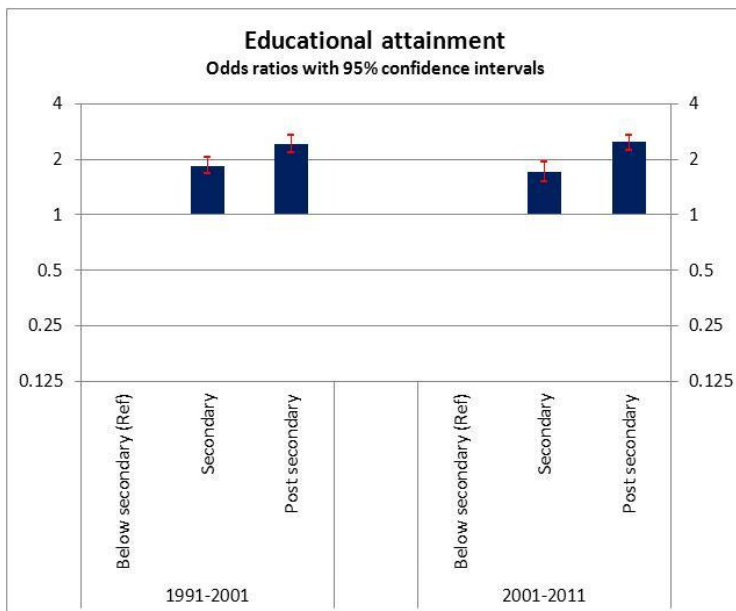
#### *Least likely*

- Female
- Aged 16-19
- Below secondary education
- Unemployed
- Poor health
- Parents have not worked in last 10 years
- Parents private renters
- Overcrowding in parental home
- Parental home in a small town

### 2001-2011

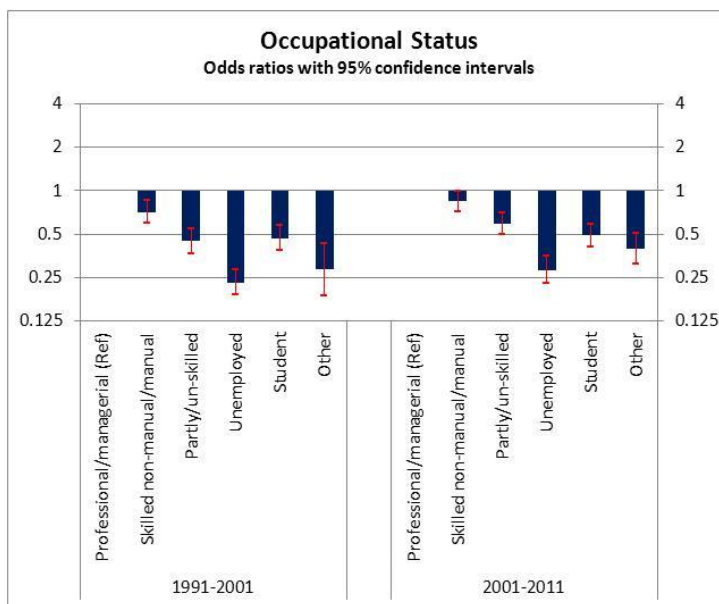
- Those aged 25-29 most likely to become home owners
- Key determinants remain education, occupational status, parental social class and parental tenure

## Results: education



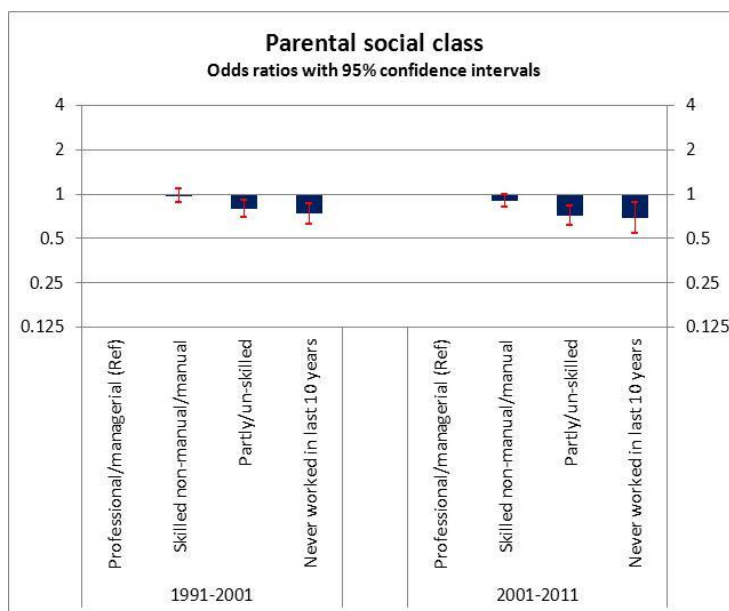
Source: own elaboration on data from the Scottish Longitudinal Study

## Results: occupational status



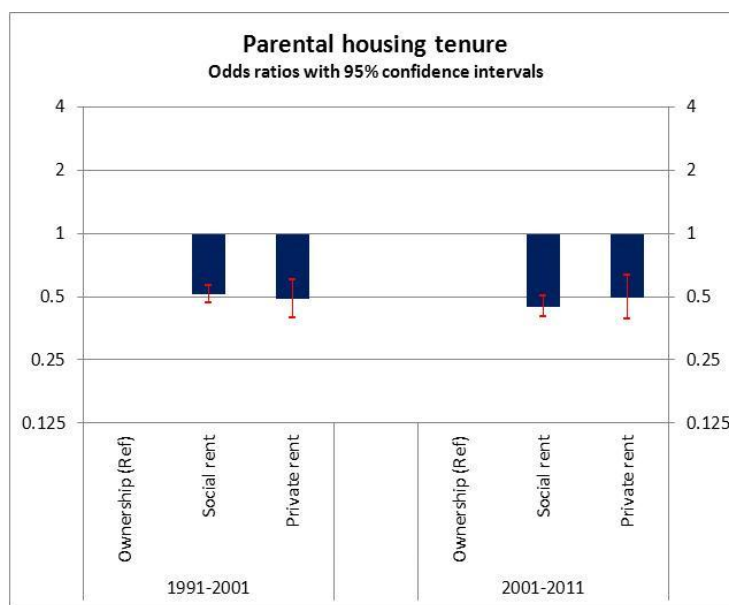
Source: own elaboration on data from the Scottish Longitudinal Study

## Results: parental social class



Source: own elaboration on data from the Scottish Longitudinal Study

## Results: parental housing tenure

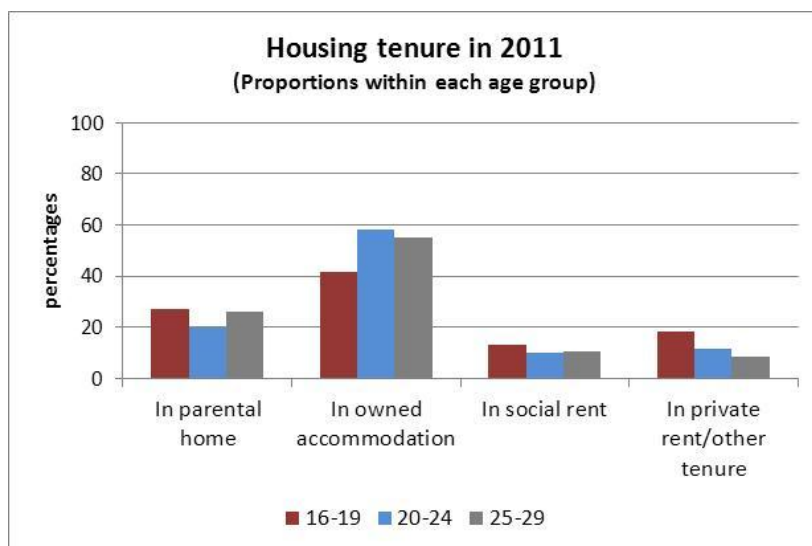


Source: own elaboration on data from the Scottish Longitudinal Study

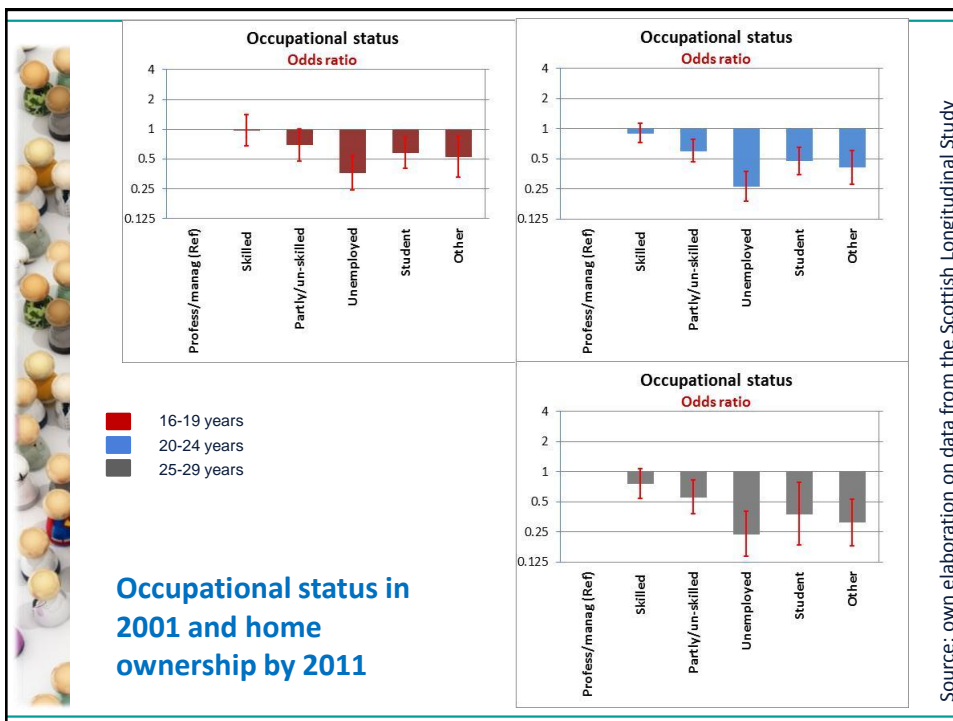
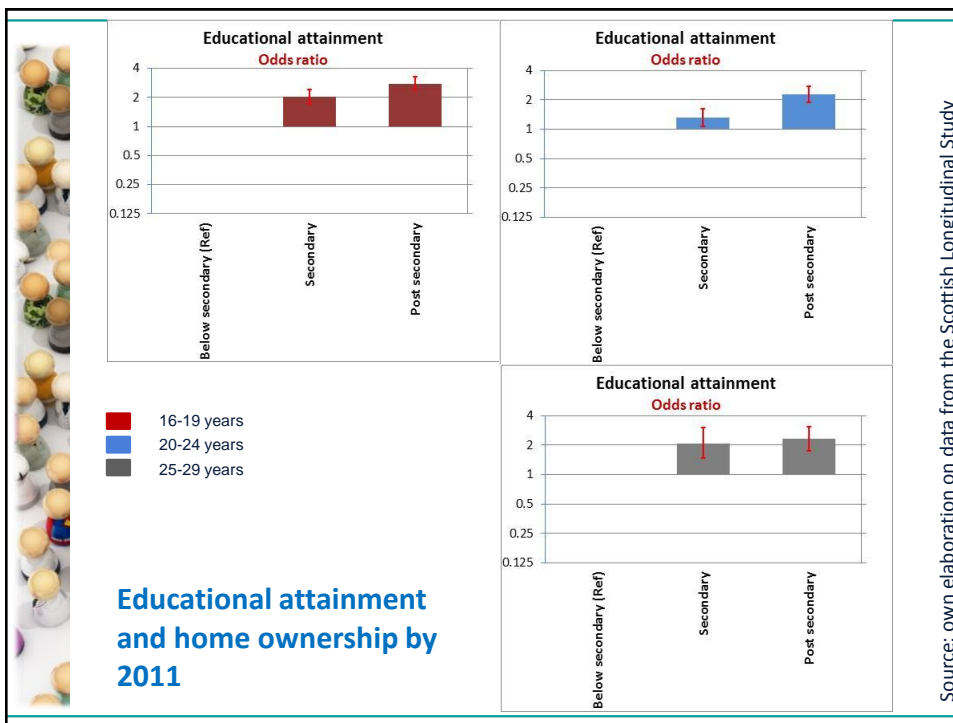
## How do key determinants differ by age?

- Among the 2001 cohorts, those aged 25-29 were significantly more likely than those aged 20-24 (OR = 1.29) to become homeowners by the end of the decade;
- This reflects a delay in the transition to home ownership during the 2000s compared with the 1990s;
- The delay can be associated both with more young adults spending longer in education, and with difficulties accessing the property market after the economic crisis of 2007-08;
- We expect the key determinants of the transition to home ownership to vary by age group because (a) the youngest age group (16-19) will have spent more of the decade in education, and (b) the impact of the economic crisis (period effect) may have been different at different ages.

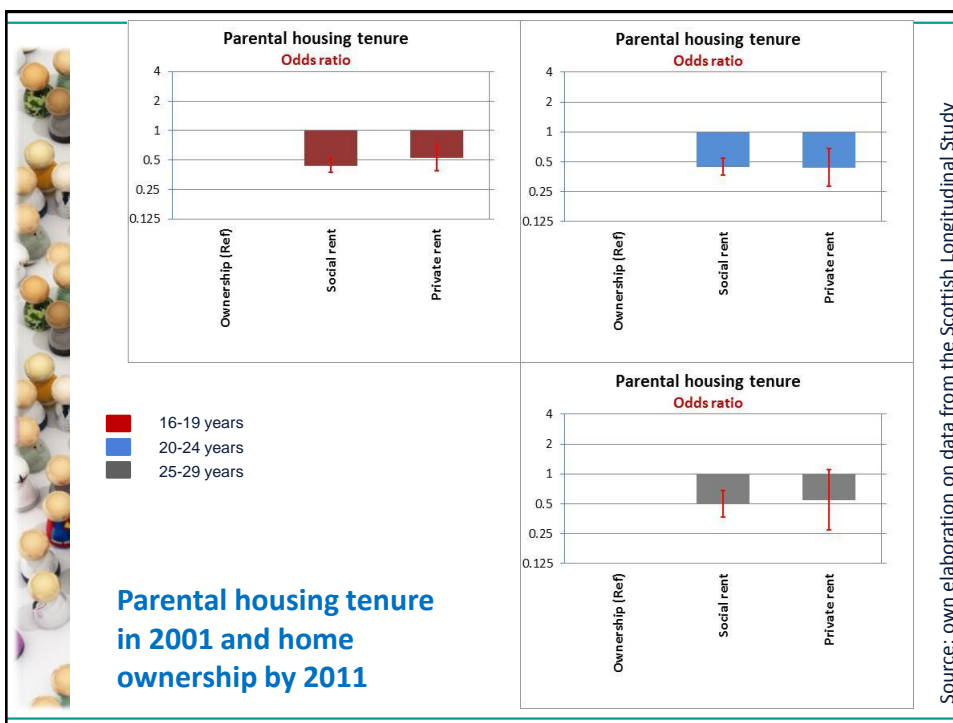
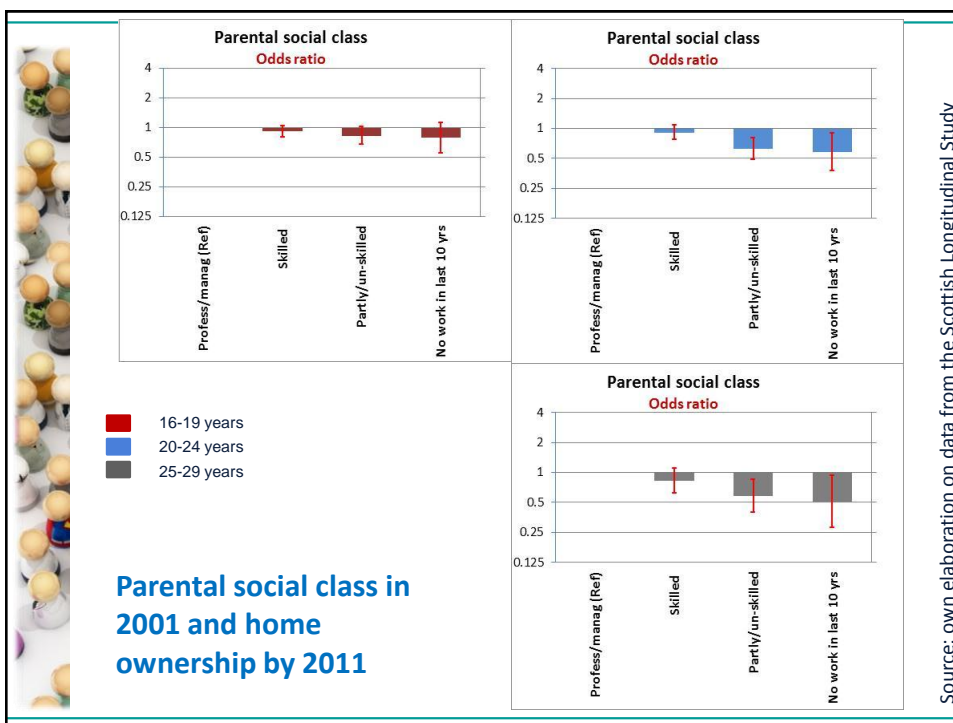
## Young adults housing transitions by age




Source: own elaboration on data from the Scottish Longitudinal Study










## Social inequalities

- There remain significant social inequalities in decadal transitions to owner occupation across the 1990s and 2000s;
- The educational gradient increases, strengthening the relative advantage of post-secondary education, whereas occupational status differences narrow over time;
- The disadvantages of unemployment increase with age;
- Differences by parental social class increase over time, as does the relative disadvantage of having parents who were social renters;
- The relative advantages of coming from a professional/ skilled social class background also increase with age, whereas the relative advantage of having parents who are homeowners diminishes slightly with age.



## Conclusions

- There are enduring social inequalities in the transition to home ownership *within* the young adult age cohorts of so-called 'Generation Rent';
- Our results for Scotland are in line with findings from previous research in other parts of the UK and Europe on the importance of individual resources *and* family background for young adults' transitions out of the parental home and into home ownership (Ermisch & Di Salvo, 1997; Blaauboer, 2010; Iacovou, 2010; Aassve, Cottini & Vitali, 2013);
- Inequalities 'inherited' from families of origin may become entrenched and further reduce the social mobility of young adults in the future. This should be of concern to policy-makers as it threatens to widen a gap that young people themselves, however well educated, can do little to close.

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