Who gains from housing growth, and is housing growth ever ‘inclusive growth’?

Becky Tunstall, Prof. Emeritus, University of York
Becky.tunstall@york.ac.uk, 07588 630 478
www.york.ac.uk/chp @CHPResearch

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Motivation


People at the best housed 90th percentile in England and Wales gained absolutely more housing space than the worst housed 10th percentile in 8/10 decades 1911-2011 (1911-21, 1931-1971 1981-2011)

The 90th percentile gained relatively more housing space in 5/10 decades (1911-21, 1961-71 and 1981-2011)

Housing development was so inefficient at improving things for the worst off that it took till 1991 for the 10th percentile to get to the 1911 median! Then there were no gains at all for the worst housed 10th percentile 1991-2011!
‘Inclusive growth’

World Bank –

“allows people to contribute to and benefit from economic growth” (Ianchovichina and Lundstrom 2009).

OECD –

“creates opportunity for all segments of the population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across society” (www.oecd.gov).

RSA – “enabling as many people as possible to contribute to and benefit from growth” (Inclusive Growth Commission 2017: 6).
‘Inclusive housing growth’

Focusing on housing space:
= Increased total housing space
+ increased mean space per person
+ no increase in inequality in space (measured by ratios and proportion under 60% median).

Space measured in ‘rooms’
Data source is the census
<table>
<thead>
<tr>
<th>HOUSING GROWTH (mean space per person)</th>
<th>No change</th>
<th>Housing growth</th>
</tr>
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<tbody>
<tr>
<td>INCLUSIVITY (change in house space inequality according to ratios and percentage under 60% median space per person)</td>
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<td>Non-inclusive non-growth</td>
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Population and housing growth
England and Wales 1981-2011

- 15% growth in population
- 32% growth in households
- 44% growth in rooms
- Mean rooms per person increased
- (Median increased from 1.5 to 2.0 rooms per person) = ‘housing growth’

- Those at worst housed 10\textsuperscript{th} percentile improved from 0.95 to 1.0 rooms per person
- Inequality in housing space increased (according to 10:50; 90:10 ratios, proportion under 60% median space) (Tunstall 2015) = ‘non-inclusive’
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Greater Manchester 1981-2011
– less growth

- 3% growth in population
- 19% growth in households
- 26% growth in rooms
- Mean space per person increased
- Median increased from 1.5 to 2.0 median room per person
- No change for worst housed 10th percentile (stayed at 1.0 room per person)
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Greater Manchester 2001-2011

- 7% growth in population
- 8% growth in households
- 9% growth in rooms
- (Tiny) increase in mean rooms per person
- No change in median room per person (stayed at 2.0 rooms per person)
  
  = “non-growth”

- No change for worst housed 10th percentile (stayed at 1.0 room per person
- No increase in inequality
  
  = “inclusive”
London 1981-2011
- lots of growth

- 24% growth in population
- 30% growth in households
- 32% growth in rooms
- Mean rooms per person increased
- No change in median rooms per person (stayed at 1.5 rooms per person)
- Those at worst housed 10th percentile lost out, going from 1.0 to 0.83 rooms per person
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- 14% growth in population
- 10% growth in households
- 12% growth in rooms
- Decline in mean rooms per person
- No change in median room per person (stayed at 1.5 rooms per person)
  = “non-growth”

- No change for worst housed 10th percentile (stayed at 1.0 room per person)
- No increase in inequality
  = “inclusive”
Who gained (absolutely) from housing growth 1981-2011?

England and Wales
– all but the worst housed 10\textsuperscript{th} percentile

Greater Manchester
– all but the worst housed 10\textsuperscript{th} percentile

London
- hardly anyone/what growth? Median housing space per person did not change. Only the best housed 80\textsuperscript{th} and 90\textsuperscript{th} percentiles of Londoners saw significant increases.
Can housing growth ever be inclusive?

No examples here... Growth in housing space per person has tended to go alongside growth in housing inequality.

Some examples of inclusive non-growth:

There may be inclusive growth in other places; at other times eg 1921-61, 1971-81