



THE Joseph Rowntree
REFORM TRUST LTD

Intergenerational Justice

Research report

June 2013

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KEY FINDINGS

The Joseph Rowntree Reform Trust Ltd (JRRT) commissioned Ipsos MORI to conduct qualitative and quantitative research to explore generational views of a number of important challenges facing British society. This report outlines the findings from the research, and is intended to stimulate further debate about intergenerational justice, and how different generations can work together to develop solutions to these difficult problems.

JOBS AND THE LABOUR MARKET

The economy, of course, loomed large over all of the issues covered through this research. The discussion groups in particular highlighted a gloomy outlook across generations, with things anticipated to get worse, at least in the short and medium term. Perhaps the most significant perceived impact of the recession was that it has closed off job opportunities for many and changed the nature of the jobs market.

One of the key areas of common ground is the view that it is the youngest generations – Generation Y and those who come after them – that are expected to bear the brunt of the current economic problems. All generations agreed that they are likely to suffer in terms of difficulty in buying homes, a lack of job opportunities, a stricter benefits system and a lack of preparation and support for care in their old age.

Older generations looked back to a time when they could walk in and out of employment but now say they struggle to find work if they lose their jobs. The recession was widely blamed, as were two other main factors: immigration and new technology. Both of these seemed to be particularly important to blue collar workers; those looking for manual and low-skilled jobs which are viewed as being replaced by a combination of new technology and immigrants willing to work for less pay. There was consensus across the generations that the jobs market now is a crowded place, with many more people looking for far fewer jobs. Some, but not all, looked towards technology as an area of growth and potential job opportunities – particularly for the younger generations who feel more comfortable learning about and using new technology.

Entrepreneurship, encouraging small businesses and investment in construction were seen as potential ways to improve the labour market, although there was also a recognition that creating jobs and improving the economy is not straightforward. Participants believed that their preferred

solutions need a level of government intervention, and their lack of confidence in the government's policies on unemployment confirmed their pessimistic outlook.

HOUSING

As with jobs, housing is an area where the generations agree it will be toughest for Generation Y and those who follow them. Generation Y themselves were particularly downbeat about the likelihood that they would be able to afford their own home, and this was coupled with a tinge of jealousy as they look to their older counterparts who “had it easier” when they were younger. Home ownership was still seen as the best way to long-term financial security by most in Generation Y, but also something that was out of reach for many. High prices and difficulty securing a mortgage together with demands for large upfront costs were identified as the main barriers to owning a home; but many in the qualitative research even found the social rented sector beyond their means, particularly in London.

Simply building more homes was not seen as the answer, as many believed that too many “luxury” homes were being built and there needed to be a greater concentration on the “affordable” end of the market, including more social housing. Although a lack of space was identified in the London based discussions was seen as a considerable problem, building on “green spaces” was the bottom of the list in terms of how to tackle the issue.

WELFARE

Public perceptions of welfare and state support are incredibly complex, and individuals often hold apparently contradictory views about how the system should work. These tensions appeared when participants discussed the ease with which benefits are handed out on the one hand, but also expressed concerns about the level of cuts being made and how difficult it can be to receive benefits personally on the other.

In principle, there was support in the discussion groups for contributions to be considered when it comes to benefit entitlements, but the preferred solutions to welfare problems involved some form of means testing. The quantitative research showed that benefits for disabled people receive the most support to be paid irrespective of the recipient's income. However, the generations differ slightly in their views on benefits for people with children. Generation Y are most supportive of child related benefits to be paid to all parents while older generations, who have typically already had their children, are more likely to think there is a need to only pay it those who are not wealthy.

While benefits for pensioners caused some heated debate in the qualitative research, the national survey shed some light on the issue. Generation X in particular that felt pensioners with high incomes should not receive benefits such as winter fuel payments or a free bus pass.

CARE

Across the generations, participants acknowledged a lack of preparation for care needs in later life. Generation Y in particular were not thinking about this – though this was also in part because many felt they were not in a position to be able to save for the future generally. Caring for relatives and friends was seen as extremely challenging for all involved, placing physical and mental pressure on those doing the caring.



INTRODUCTION

1



INTRODUCTION

BACKGROUND

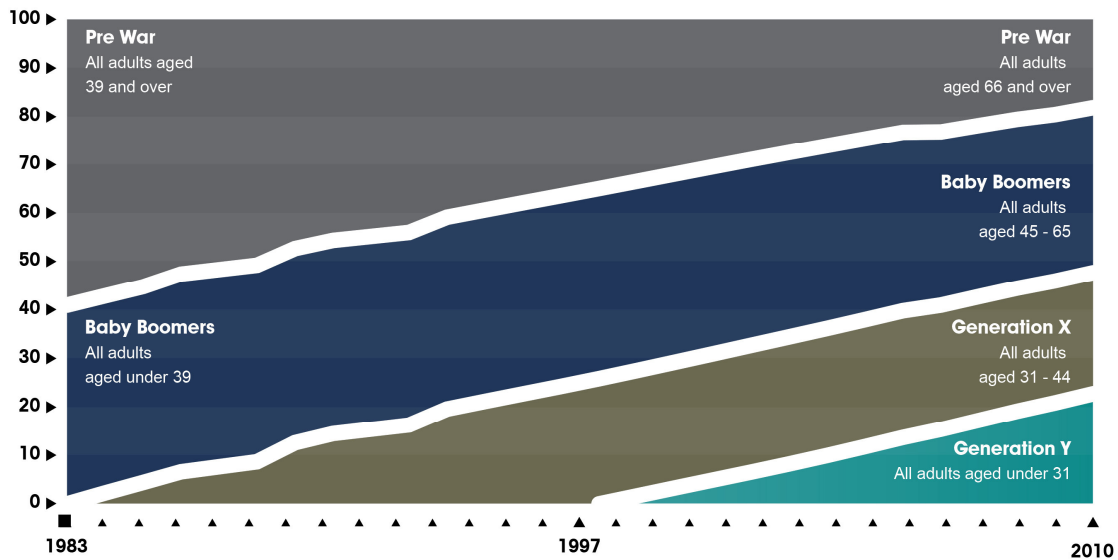
It is a natural desire to leave future generations in a better place. Until now, every UK generation has, on average, been better housed, more highly educated and experienced rising standards of living than the one preceding it. However, that pattern is set to be broken – UK living standards are no longer rising. As our economy struggles to cope, decisions are being made on austerity measures that threaten to pit generations against each other. The sense of victimhood amongst younger generations is acute in the current political climate, as is the discomfort of the older people who are often blamed for creating the problem but have their own challenges and insecurities as they head towards old age.

Nevertheless, we should not lose sight of the fact that unaffordable house prices, job insecurity and the cost of caring for young and old are problems that affect us all - whether you are a Baby Boomer or Generation Y. Multigenerational households are becoming the norm too, creating more networks of support as well as inevitable networks of dependency. What does this mean for our politics? Have tuition fees and bus passes divided us or are we more united across the ages than some would have us think?

The political debate on intergenerational justice has barely started in the UK but it is already being framed in negative terms as a generational conflict. As a long-standing advocate of democratic reform and social justice, the JRRT has commissioned this research to ask if it is a generational divide that threatens us, or whether it is a divide between common problems experienced across society – by young and old – and the political solutions currently being put forward.

While the debate about intergenerational justice is relatively new, there is increasing interest in understanding and explaining the similarities and differences between generations. As this report shows, this generational analysis will be important as we tackle some of the big issues facing society. And understanding different generations – and the relationships between them – is also relevant to other domains, including businesses, local communities and families.

In his book *The Pinch*, David Willetts highlights how we are at a point of “generational equipoise”¹, where the median person is around 40 years old and can expect to live to 80. But we are also at a point of generational balance, with four sizeable and culturally quite distinct cohorts coexisting. Defining the precise boundaries of distinct generations is an area of considerable debate, but for the purposes of this report we have used those in the following chart (based on age in 2010).



As Ipsos MORI’s ongoing analysis of generational issues highlights², each generation has distinct views on social issues. However, it is important to bear in mind that there are three drivers of changes in public perceptions on an issue over time:

- Period effects:** where everyone changes because of external events or a general cultural shift that affects all
- Lifecycle effects:** where an individual’s views change as they grow older or go through different lifestyles
- Cohort or generational effects:** where opinions are set by the formative experiences of a generation, and aggregate opinion changes over time because the composition of the population changes, with a new generation gradually replacing their older counterparts

¹ Willetts, D. (2011) *The Pinch: How the Baby Boomers Took their Children’s Future – and Why They Should Give it Back*

² See <http://www.ipsos-mori-generations.com/> for more details of this major programme of work focusing on these generational differences, and the implications they have for public policy and politics.

This report touches on generational views of a number of important social issues. Some of these we already know a great deal about, while other topics will require further research to unpick, not least from a generational perspective.

The JRRT recognises that intergenerational justice is an enormously complex phenomenon. However, we hope this modest piece of work will go some way to encouraging the generations and politicians of all colours to begin discussing these issues, and to start looking for common solutions to the biggest political challenges facing the UK.

METHODOLOGY

The research for this project was carried out over three phases; the findings from all three are included in this report.

PHASE ONE

Three discussion groups were conducted in London between 19th and 21st February 2013, each with 8-10 members of the general public. For each group a different generation was recruited: Baby Boomers (age 48-68), Generation X (age 34-47) and Generation Y (age 18-33). The groups were held at Ipsos MORI's offices in London. Within each group participants were recruited to reflect a broad mix of the population across a number of demographics such as gender, social grade and area of London.

PHASE TWO

Five participants from each generational discussion group from phase one were invited back for a reconvened group which took place on the 19th March 2013 in Ipsos MORI's London office. Throughout the evening participants worked in their generational groups to identify the main issues and potential solutions on the following topic areas: housing, labour market, welfare.

PHASE THREE

Ipsos MORI used the findings from the first two phases of the research to inform the design of a quantitative survey. Ipsos MORI interviewed a representative sample of 985 adults aged 15+ across Great Britain. Interviews were conducted face-to-face between 5th – 25th April 2013. Data are weighted to match the profile of the population. The generations in the quantitative research are defined as above, with the additional "Pre- War Generation" aged 69 and over.

INTERPRETING QUALITATIVE DATA

Unlike quantitative surveys, qualitative research is designed to be illustrative, detailed and exploratory, providing insight into the perceptions, feelings and intended behaviours of people rather than conclusions from a quantifiable valid sample. Therefore, these interviews do not allow statistical conclusions to be drawn about the extent to which views are held across the wider public.

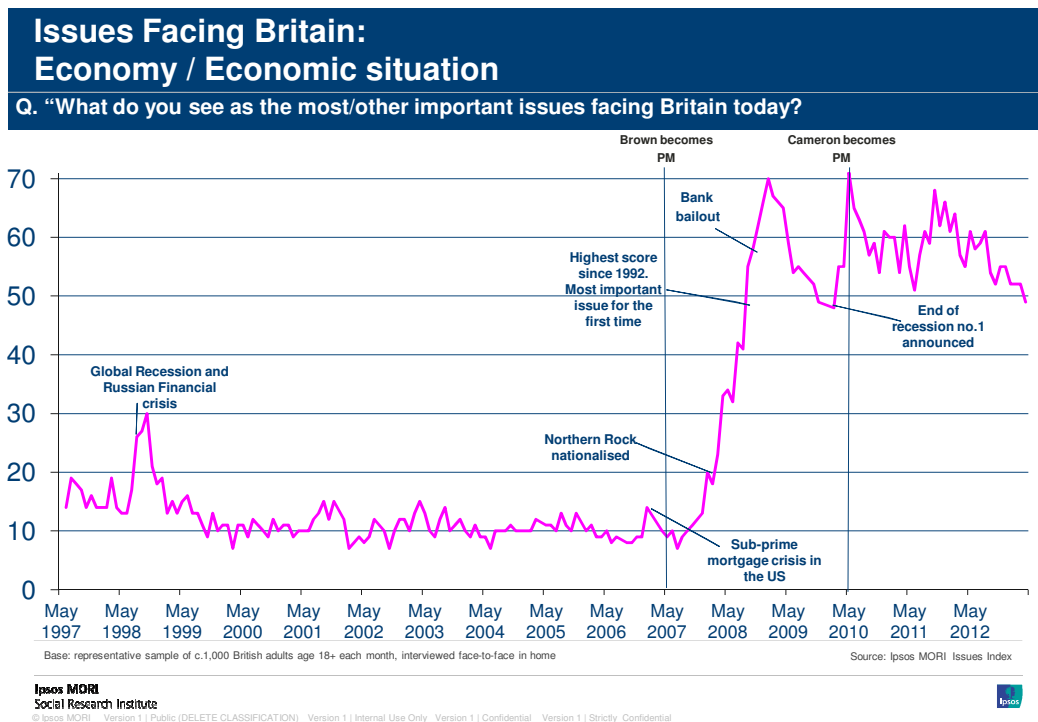
Throughout this report, verbatim comments from participants are used. Where this is the case, it is important to remember that the views expressed do not always represent the views of other participants, but are illustrative of the issues raised in the group discussions.



MOST IMPORTANT ISSUES

MOST IMPORTANT ISSUES

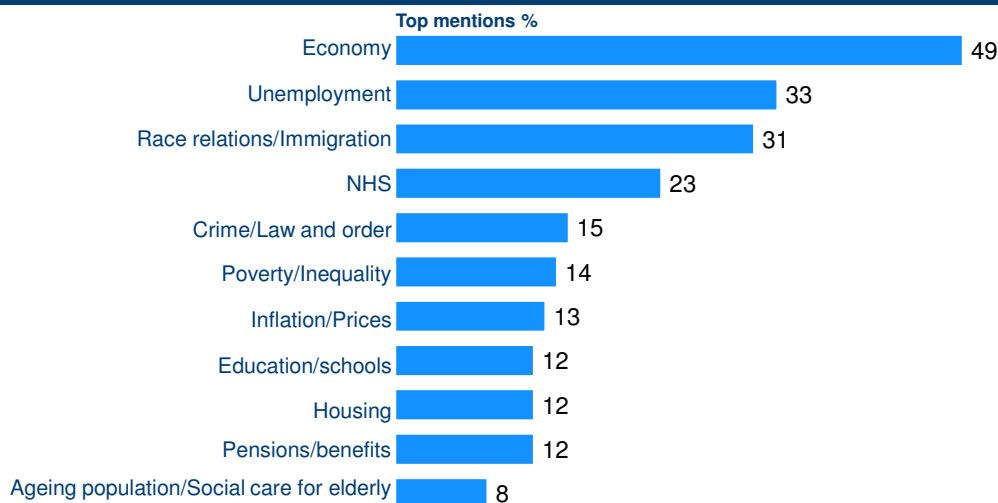
The British public see the economy as the number one important issue facing Britain today, and this has been the case since September 2008. Half of British adults (49%) name the economy as an important issue – a peak of 71% named it in May 2010 – and it is the top issue across all age-groups, although slightly less so for the youngest age group (39% among 18-34 year olds). It is important to bear in mind the current strong influence of economic worries when interpreting the findings described throughout the rest of this report.



The chart below shows that among Britons as a whole, unemployment and immigration are the second and third most important issues after the economy (33% and 31% respectively). Housing (12%) and pensions/benefits (12%) are further down this list and are covered in greater detail later in the report.

Biggest issues facing Britain

Q. “What do you see as the most/other important issues facing Britain today?”



Base: 936 British adults aged 18+, 5-25 April 2013

Source: Ipsos MORI

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Many participants in the discussion groups corroborated this, saying that they had significant concerns about the economy, particularly focusing on the impact of the recession on the state of the jobs market. Participants also linked the current level of immigration to jobs and unemployment, with many feeling that immigration made it more difficult for them to find work at all, or at least work with adequate pay.

Unemployment was seen as an issue affecting all three generations in the discussion groups, albeit in different ways. Many in Generation Y explained how they were struggling to find a first job, while older generations described a new feeling of insecurity in their work, and indeed some had experienced recent redundancy. Those Baby Boomers who were out of work said they felt it was almost impossible to get a job at their stage of life, despite many of them having extensive experience. Generation X similarly felt it was more difficult for people their age to secure employment and said that they had found it easier to get a job when they were younger. These issues are covered in greater detail in the “Jobs and labour market” chapter of this report.

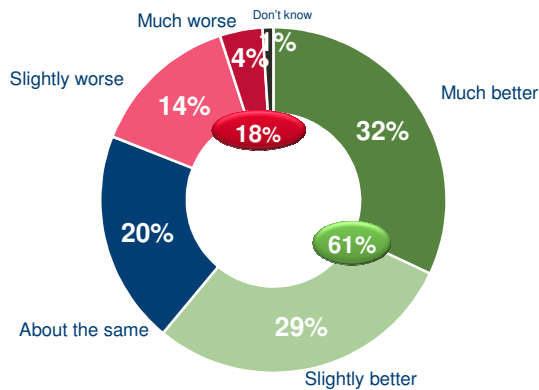
Other research conducted by Ipsos MORI shows that there is little optimism for the future of the economy. In March 2013 just one in five (22%) British adults believed the state of the economy would improve in the next year while almost double (41%) expected it to get worse.

Despite this pessimism about the short-term future of the economy, there is a general acceptance that people are enjoying a better standard of living than their parents’ generation: six in ten Britons

(61%) feel their generation will have had a better life than their parent's generation compared to 18% that think it will have been worse.

Standard of living better than parents' generation?

Q. "To what extent, if at all, do you feel that your generation will have had a better or worse life than your parents' generation, or will it have been about the same?"



Generations		
	Better %	Worse %
Generation Y	42	29
Generation X	60	19
Baby boomers	70	14
Pre-War	79	8

Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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There are clear differences between generations, with older generations being more likely to feel their standard of living is better compared with their parents. Just four in ten (42%) of Generation Y feel their generation will have a better standard of living than their parents, and this rises with age to almost twice that among the Pre-War generation (79%).

These differences were reflected in the qualitative research. Generation Y participants had a bleak outlook on their future and contrasted this with their parents more positive experience. Of course, the disparity between generations may also be a result of older generations placing their own parents in what they consider worse times than they are experiencing now.

Overall, there was agreement across the generations that Generation Y will experience the toughest times in the future. Indeed, some from older generations expressed sympathy for their prospects, alongside a feeling of powerlessness about the situation. Older participants seemed to consider it almost inevitable that the youngest generations will find life more difficult than they have.

*"I think it's the youngest that have things roughest...20 years ago
it was much easier to get money."*

Generation Y

“Younger generations will go through the hardest times. Not only jobs but the stability of the world and what is going to happen to the work. Long term prospects are bad for the younger generation.”

Baby Boomer

“I empathise with them [the younger generations]. I see their problem but there’s not much I can do about it. They will be the one group that are more volatile, they will be more full-on because they are living it.”

Baby Boomer

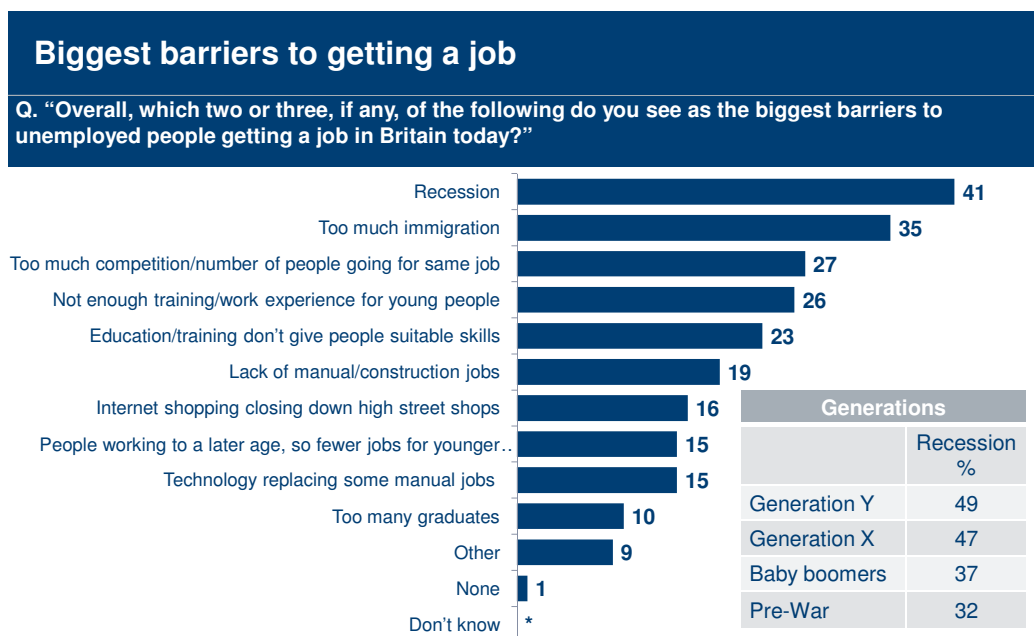


JOBS AND THE LABOUR MARKET

JOBS AND THE LABOUR MARKET

OVERALL VIEWS

As described earlier in this report, the general public see unemployment as the second most important issue facing the country. Exploring this in more detail, the chart below shows that the recession and immigration are the top two most commonly named barriers to getting a job in Britain today. Too much competition for jobs (27%), a lack of training/work experience for young people (26%) and education not giving people suitable skills (23%) were all named as barriers by around one in four Britons.



Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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On the top two barriers there are differences between older and younger generations. While the recession was the most commonly named barrier for Generations X and Y, the top barrier amongst Baby Boomers and Pre-War generations was immigration (39% and 40% respectively). Too much immigration was also more commonly named as a barrier by people in lower social grades than those in higher social grades (39% among C2DEs compared to 31% of ABC1s). This may be linked to manual workers being more likely to feel that they are competing with immigrants for jobs.

In the qualitative research views of the labour market were very negative across all three generations. Participants said it is currently extremely difficult to get a job, harder than it was just a few years ago, and expected that the situation would continue to get worse.

“There are no jobs out there when you graduate”

Generation Y

“I’ve been working in finance all my life and I can’t get a proper job now. I lost my job all I can get is temp work. I’m on a 6 month contract but in March I’ll be out of a job again. There’s a lack of opportunities.”

Generation X

“I’ve worked since 1987 but now I’ve been unemployed for a year.”

Generation X

Baby Boomers and Generation X looked back to a time when they felt able to walk in and out of jobs, despite often having limited or no qualifications or relevant experience. Baby Boomers in particular were aware that their adult life had been during years of financial and job security, characterised by a feeling that they had a “job for life” and the sense of identity that this gave them. They did not expect Generation Y to have the same opportunities, and Generation X shared the view that there will be less job security for younger generations, especially those who are unskilled.

As the national survey shows, immigration is seen as a major barrier to getting a job and was also blamed for the lack of available jobs by discussion group participants from across the generations. They argued that immigrants apply for jobs (particularly in the unskilled jobs market in London) and are willing to work for less money than British workers.

“We’ve got all these Eastern Europeans [in construction] and they work for less than everyone else. They are grafters and work like crazy...but they undercut us and it shouldn’t be allowed.”

Generation Y

“I’ve got nothing against no one but if you’re British, you’re born here and you can’t get a job, it’s depressing.”

Generation Y

Participants from the two older generations said that experiencing redundancy now (as some had) meant struggling to find another job for months or even years. Added to this was a feeling that older workers were not valued despite having more experience. They were also worried about the effect of technology on their job prospects. Some of these participants felt new technologies were replacing some of their (largely unskilled) roles, making it even more challenging to find employment. Both Generation X and Baby Boomers tended to be resentful of suggestions that they should just get “any job” as they felt they had built careers, experience and skills that should be recognised.

“You get pigeon-holed. I’ve been made redundant 3 times now. It was easier to get a job again when I was in my 20s and 30s. The most I was ever unemployed then was for 6 months, but it’s been a year now I’ve been unemployed.”

Generation X

TECHNOLOGY

The impact of technology on the jobs market generated considerable debate in the discussion groups. Many in Generation Y described technology as something that can create jobs if you understand it and have the right skills. For example, one participant from the Generation Y focus group explained that her partner who works with new technology in IT gets many job offers as this is a sector that is expanding.

“I think it depends; for example my boyfriend is in IT and he gets called for jobs like 10 times a day. He has so many offers; there is so much work available in IT.”

Generation Y

However, technology was also seen by some as a threat to jobs, for example replacing manual work or online shopping leading to the closure of high street shops. In the national survey, around two in three (64%) British adults believe new technology to be good for the economy as it creates opportunities for new businesses and new jobs. By contrast a quarter (25%) see new technology as

being bad for the British economy, leading to businesses closing and people losing their jobs. This balance of opinion was similar across all of the generations.

Technology – good or bad for the British economy?

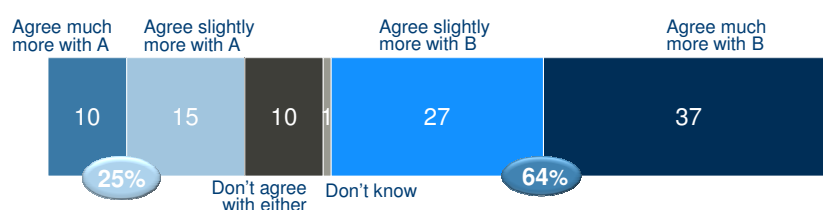
Q. “Please read the two statements, and decide which comes closest to your own opinion. Please tell me whether you agree much more or slightly more with statement A or B or if you don’t agree with either.”

Statement A

Overall, new technology is bad for the British economy, leading to businesses closing and people losing their jobs

Statement B

Overall, new technology is good for the British economy, creating opportunities for new businesses and new jobs



Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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Views on technology’s impact on the economy differ by social grade. Those in lower social grades are more likely to think new technology is bad (30% of C2DEs compared with 21% of ABC1s) while those in higher social grades are more likely to think it is good for the economy (71% of ABC1s compared to 55% of C2DEs). Again, this may be linked to the types of jobs that are perceived to be under threat because of developing technology – specifically manual and low-skilled jobs. Similarly, those who do not have access to the internet are less likely to think that new technology is good for the economy (47% compared with 67% among those who are online).

“There is less labour jobs nowadays. Look at Tesco’s self-service machines.”

Generation Y

“The difference for Baby Boomers, Generation X and Generation Y is technology. We had a car industry, now cars are built by robots. Technology has created problems for Generation Y – there are limited jobs.”

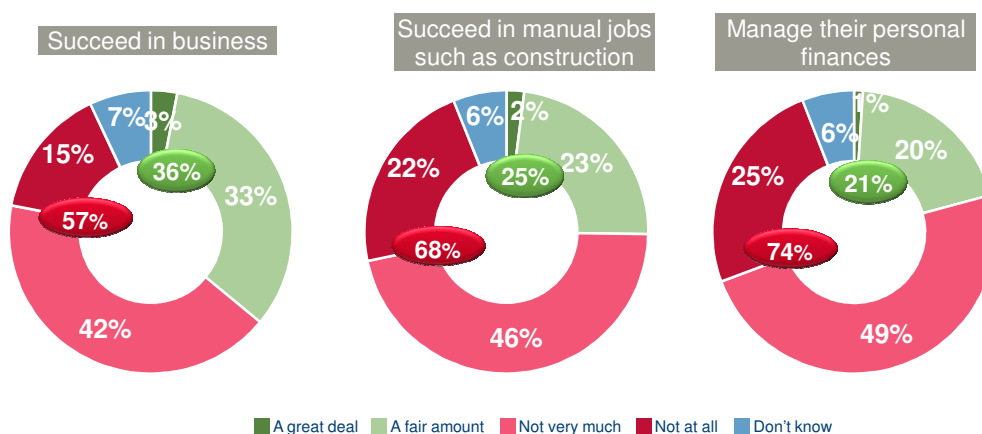
Baby Boomer

EDUCATION AND SKILLS

Just one in four (25%) people think the education system in Britain prepares young people with the skills needed to succeed in manual jobs. Just over a third (36%) think the education system helps people develop the skills to succeed in business. However, most people feel that the British education system currently does not leave people with the skills needed to succeed in either business (58%) or manual jobs (68%).

The education system preparing young with the right skills?

Q. “As far as you know, to what extent, if at all, does the education system in Britain prepare young people with the skills they need to...”



Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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Those most likely to take on manual jobs – in social grades C2DE – are more likely than those in higher social grades to think the education system does give people the skills needed to succeed in these jobs (31% of C2DEs compared to 21% of ABC1s). Of course, people are likely to have different views about what the education system should focus on, and this is perhaps something the JRRT might wish to explore as it takes this programme of work forward.

An issue that was raised in the discussion groups was the view that younger generations these days are not prepared enough to deal with “the real world”. The concern was that young people are not being properly equipped with life skills such as managing their own finances which could lead to problems in adult life. The national survey reflects this, showing that Britons feel that the education system leaves people less capable of managing their personal finances than succeeding in business or manual jobs. Just 21% of British adults believe the education system prepares young people with the skills they need to manage their personal finances, and three quarters (74%) think it does not.

“They need to teach skills that you would use later on in life, not geography and religion.”

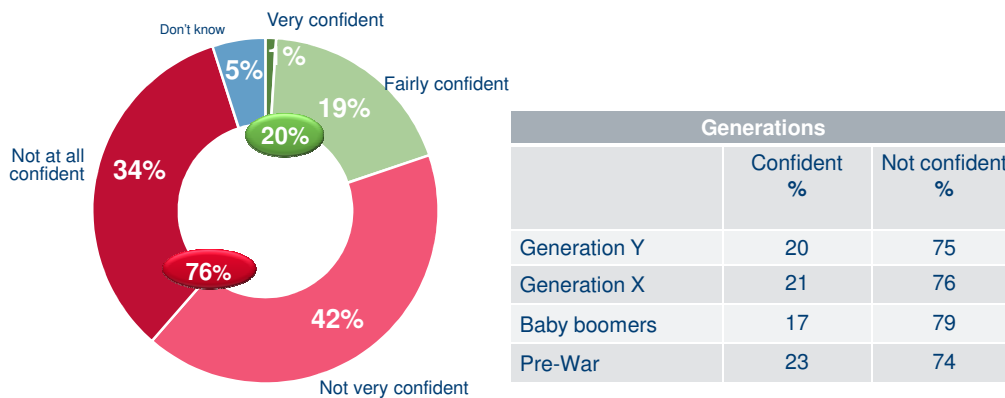
Generation Y

DEALING WITH UNEMPLOYMENT

There is a significant lack of confidence that the government has the right policies to deal with unemployment. One in five (20%) adults have confidence in government but three quarters (76%) do not. This pessimism about the government’s policies on unemployment is shared across the generations.

Confidence in government dealing with unemployment

Q. “How confident, if at all, are you that the current government has the right policies to deal with unemployment?”



Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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It is not unusual to find low levels of confidence in government policies, especially when overall satisfaction with the government is low (the April Ipsos MORI Political Monitor showed 65% of British adults to be dissatisfied with the performance of the government.) The reconvened discussion group – bringing together representatives from all three generations – showed that there was little consensus about how best to fix the problem of unemployment.

In their initial discussions, both Baby Boomers and Generation Y felt that “technology developments creating new jobs and business opportunities” was the best solution to unemployment while Generation X placed “changing the education system to encourage those looking for manual jobs” as the top solution. Generation Y also believed government had a role to play in supporting manual

jobs and placed this as the second most effective solution. Stricter immigration was a priority for Generation X, while Baby Boomers saw encouraging new small businesses as the second most important solution.

When the generations came together to discuss their priorities, encouraging small businesses was seen as an important solution to the problem of unemployment as this was thought to be a good way to create new jobs. It was felt that while training and better education may be helpful they would be of little benefit without more jobs being available. Participants therefore argued that there needs to be a focus on encouraging businesses to grow and increasing the levels of manufacturing in the UK, which would create more manual jobs.

“If you do more training and there are no jobs it doesn’t matter. We don’t produce anything, we need to be more self sufficient.”

Generation X

“Small business is how you get the economy going.”

Generation Y

Overall, there was agreement that tackling unemployment was too complex and serious a challenge for a single, easy solution. Indeed, there was an air of resignation across the generations that the difficult times are with us for the foreseeable future, making it particularly challenging for Generation Y.



HOUSING

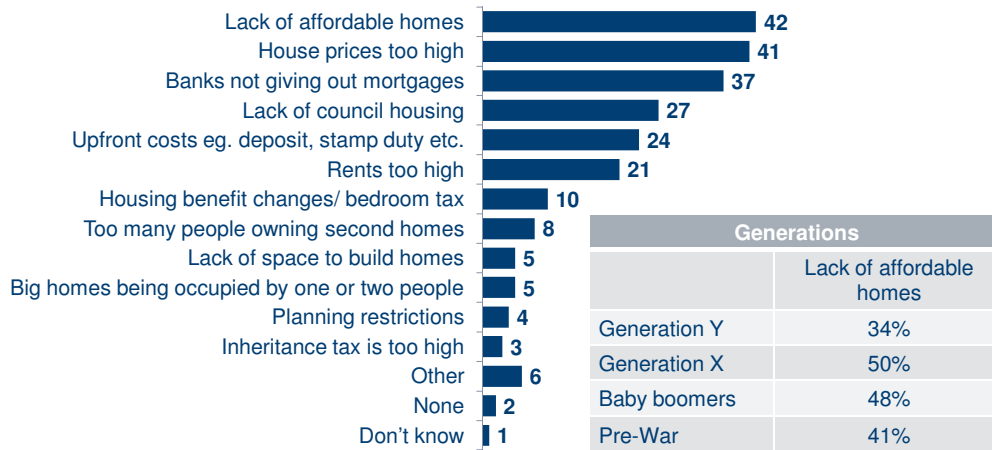
HOUSING

OVERALL VIEWS

Lack of affordable homes (42%), house prices being too high (41%), and banks not giving out mortgages (37%) are seen as the biggest issues facing the housing market in Britain. These barriers to home ownership were also discussed extensively during the qualitative research.

Biggest issues facing housing market

Q. “Overall, which two or three, if any, of the following do you see as the biggest problems facing the housing market in Britain today?”



Base: 985 British adults aged 15+, 5-25 April 2013

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The national survey highlights that lack of affordable homes is particularly seen as an issue by Generation X and Baby Boomers (50% and 48% respectively), perhaps because buying or owning a home is more of a pressing issue to them than either younger or older generations. For example, rent being too high is seen as a bigger issue by Generation Y (30% compared to 21% overall), as we might expect given their greater likelihood to be renting.

Although a lack of space to build homes was only named as one of the biggest problems facing housing by 5% of Britons in the national survey, it was an issue that was raised in the discussion groups³. For Generation Y this was exacerbated by a feeling that new homes tended to be “luxury” and unaffordable while cheaper, affordable housing, such as flats, were not being built in sufficient

³ The discussion groups were held in London where a lack of space for housing is more of a problem than elsewhere in the country.

numbers. This formed part of a larger debate among Generation Y, who felt Londoners on a low income were being pushed out of the city (some felt deliberately) through expensive new housing and increasing taxes in certain parts of London. They were less sure about the extent of these problems in other parts of the country.

“They are knocking big tower blocks down and putting 10 new houses there – it’s ridiculous really – people are forced to move out of London.”

Generation Y

“London is going to become for the rich like in New York with all the poor people on the outside.”

Generation Y

HOME OWNERSHIP

As a result of these challenges Generation Y – and to some extent Generation X – were pessimistic about the possibility of ever buying a home. For younger participants it was seen as something beyond their reach, unless they made a lot of money or were “lucky” enough to inherit from a family member. Despite this, many still aspired to own a home, but conceded that this was one dream that they did not expect to realise.

Many Baby Boomers recalled owning a home as being something they prioritised from a young age and worked hard in order to achieve. The ambition to own a property was even described as a “mindset in this country” by one Baby Boomer. However, all generations agreed that owning a home continues to get harder.

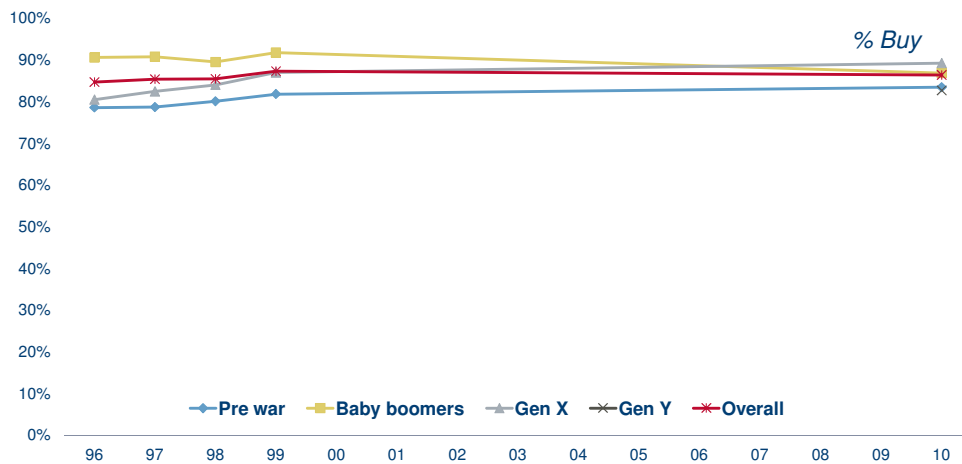
*“I wanted a front and back garden and room for each of my kids...
I made sure I got it.”*

Baby Boomer

Ipsos MORI’s generational analysis of the British Social Attitudes data shows that the aspiration to buy rather than rent accommodation has remained fairly constant over time and hardly differs by generation, with a large majority preferring to buy rather than rent.

Rent or buy?

Q. “If you had a free choice, would you choose to rent accommodation, or would you choose to buy?”



Source: NatGen/BSA. Each data point taken from a generation containing >180 responses

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The qualitative research uncovered a number of different reasons for wanting to own a home. In general, buying a home was seen as a good way to invest in an asset that offers increased security compared to the uncertainty and lack of control when renting.

“With a house you’ve got an asset behind you – banks look at the value of your house when they decide if they loan you money.”

Generation Y

“My family came from Turkey 30 years ago – a house used to be £30k – now it’s £250-300k – in the future maybe it’ll average a million. I think we should invest like that – in the long run you will see a return.”

Generation Y

Those from younger generations said they felt some jealousy towards older generations when it came to home ownership. Previous generations were viewed as having had an easier time getting on the housing ladder because mortgages were more readily available in the past, and both prices and deposits were also lower (relative to income). Indeed, an Ipsos MORI survey for the Evening

Standard in January 2013⁴ showed that 92% of Generation Y agreed *“It is harder for me to buy or rent a home now than it was for my parents’ generation when they were my age”* compared to 62% of those aged 55 and over.

LIVING WITH PARENTS

Grown up children living with their parents was seen as a further consequence of a lack of affordable homes, both to buy and rent. Some in younger generations felt there was stigma attached to having to live with parents as an adult. However, there were mixed reactions to this, with cultural differences evident; living with extended family appeared to be more accepted by those from a non-British background.

From Generation Y’s point of view many felt personally frustrated that they were still living with their parents, but did not see any alternative because they could not afford to move out. Some younger people were more positive arguing that living with several generations can make for a better society and improves the way older family members are cared for.

*“I wouldn’t mind renting ‘cos I live with my mum at the moment.
I’ve been on the housing list for four years and I was
born round the corner.”*

Generation Y

However, most Generation X and some Generation Y participants felt that children living at home for longer would be bad for society in the long run because people would grow up without necessary life skills and experience to take responsibility for looking after themselves. A few Baby Boomers had negative experiences of grown up children still living at home, for example discussing how they ended up subsidising their children financially and the strain that sharing a house put on relationships. While they were sympathetic to the financial pressures of living independently, they would much prefer that their children had an opportunity to have their own place.

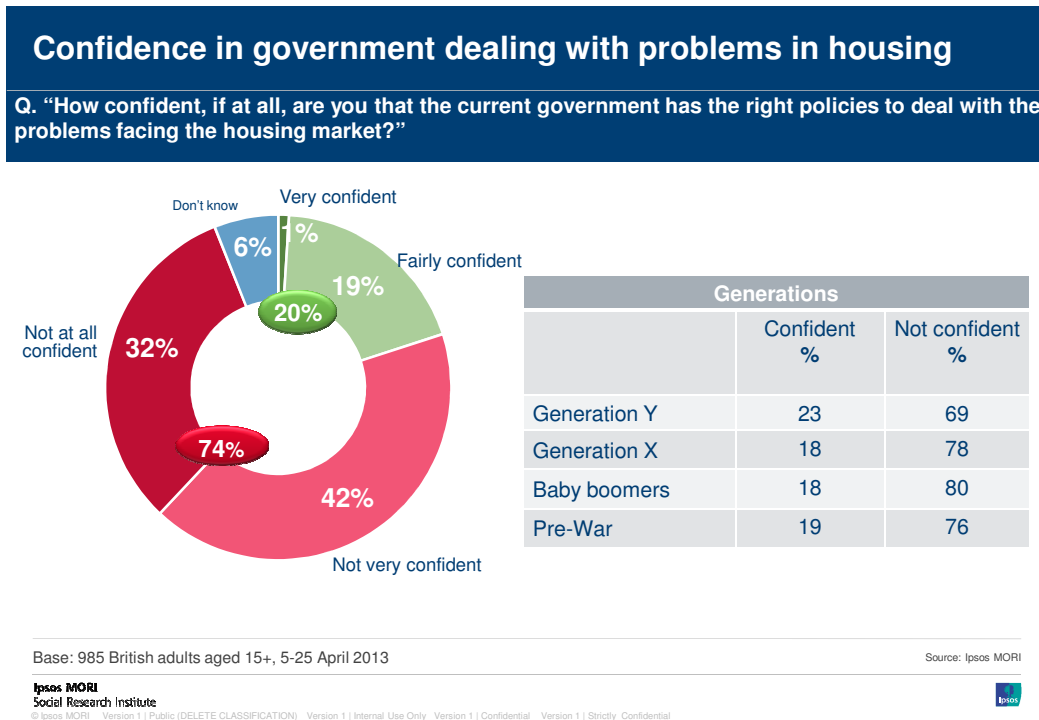
*“Young people are less independent now. I feel old because I moved
out of my parents’ place when I was 20.”*

Generation Y

⁴ <http://www.ipsos-mori.com/researchpublications/researcharchive/3129/80-per-cent-agree-UK-has-a-housing-crisis.aspx>

DEALING WITH HOUSING

As the chart below shows, one in five (20%) British adults have confidence that the government has the right policies to deal with the problems facing the housing market but three quarters (74%) do not. This pessimism is reflected across all the generations. The public's lack of confidence in the government to deal with the problems facing housing is similar to views of the government's ability to deal with unemployment.



One possible reason for the lack of confidence is the apparent disconnect between what people feel would help ease the problems of the housing market and those being talked about by politicians. In the reconvened discussion group all three generations chose "building more council homes" as the number one solution to the problems of the housing market. Both Generations X and Y placed "encouraging elderly people (with tax breaks) to move into smaller homes – therefore freeing up homes for families" as the second best solution, although Baby Boomers rated this only the fifth best solution. Baby Boomers chose "building more blocks of flats" as their number two solution.

"Scrapping inheritance tax" was rated in the bottom two by all three generations and was not felt to be an important solution. However, in the first phase of discussion groups participants from all three generations were opposed to inheritance tax in principle as it was felt that a home was something that should be able to be passed down through the family without the government collecting tax on it. Indeed, many felt that the only chance they would ever have of getting on the housing ladder would be by inheriting a property as they could not afford to buy one themselves.

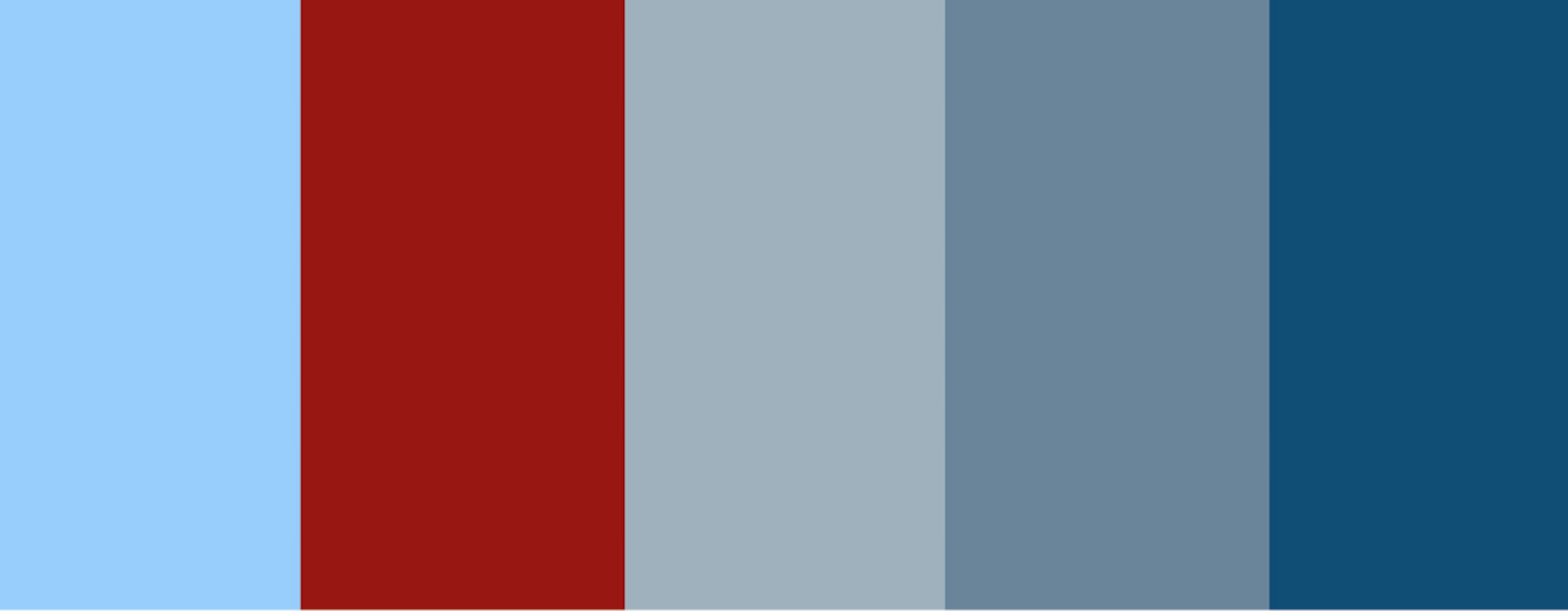
But participants did not seem to associate scrapping inheritance tax with solving the housing crisis, because this measure would only help some, and typically not those who currently struggle to afford housing.

“You should be able to give your house to your children. Having a house, it’s a foothold.”

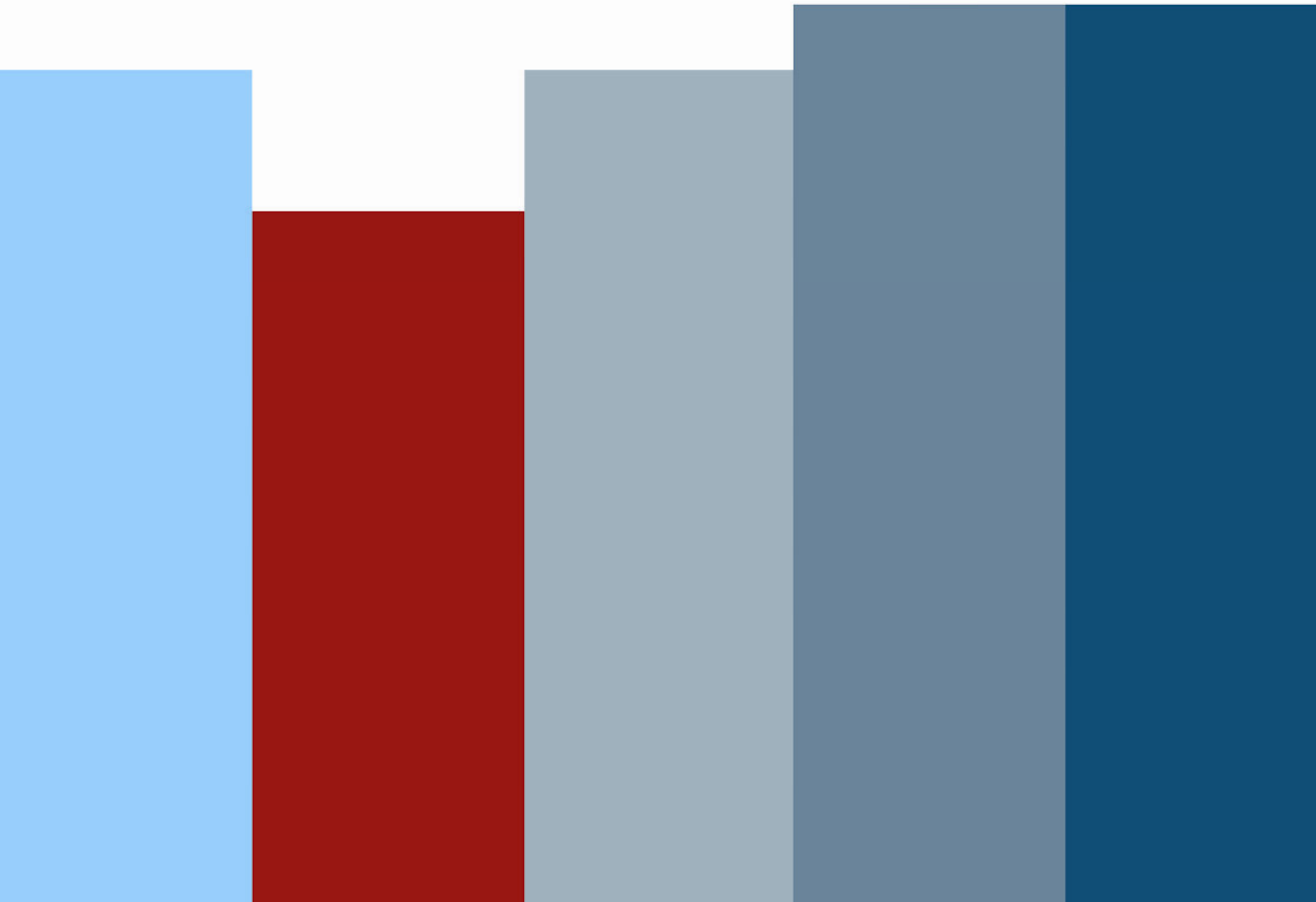
Generation X

“I think it’s so wrong that you have to pay tax on it... if it is my dad then what has the government done to get any of that money? My dad has paid his taxes all his life – he’s done everything by the law.”

Generation Y



CARE



CARE

Participants from all three generations associated care and caring with stress on individuals and their family situations – both financial and emotional – which they said could lead to significant sacrifice and even resentment between generations. For example, participants discussed how people have to give up jobs or their way of life in order to care for older relatives. They were also concerned about cuts to state care provision with both Generation X and Generation Y feeling that older people in Britain are often perceived as a “burden”.

“It can cause resentment if you start thinking, ‘I could have been this’ or ‘I could have been that’.”

Generation X

“It affects you if you have other priorities and you’re caring for someone. It puts pressure on your marriage or your relationship with your family. It’s a lot of pressure, mentally and physically”

Generation X

Despite this, most participants had not given any thought to preparing for their own care needs in older age, and Generation Y in particular felt this was “pointless”. Rather than saving their often limited income for retirement or investing in a pension the general preference was to “invest in myself”. This meant either enjoying themselves by spending money now, or taking steps to improve their employability (through training, education, or by starting a business). And if they did have any money they felt owning a home was more secure than a pension in any case.

“I’d rather save my money than put it in pensions. I would invest and then when I am older I don’t need to rely on a pension, I will have my own income.”

Generation Y

“I want to save money for the future but I don’t want to spend my life putting money away and not living.”

Generation Y

Baby Boomers – perhaps unsurprisingly – had given the issue of care most thought as they had the most direct experience themselves or through friends and relatives. A few talked about moving to sheltered or retirement communities when they needed to. But even they had not really considered their own care needs in any detail, and none had prepared financially beyond their pension contributions.

“I may have to go into communal living, sheltered accommodation. I don’t have family on so will go into sheltered housing.”

Baby Boomer

“There will be a move towards elderly villages, more flexibility in the system. Passive supervision systems, integrated community – that is the future.”

Baby Boomer

All participants agreed that provision of care will become more difficult in Britain as the population gets older, particularly if the recession continues. Indeed many in Generation X and Y said that they would not want to grow old in Britain, and this was also a concern among Baby Boomers. This was partly because older people are already thought to be treated badly and partly because participants believed the worsening economic situation will mean people will struggle even more in their old age, often with low incomes and offered only very limited care provision.

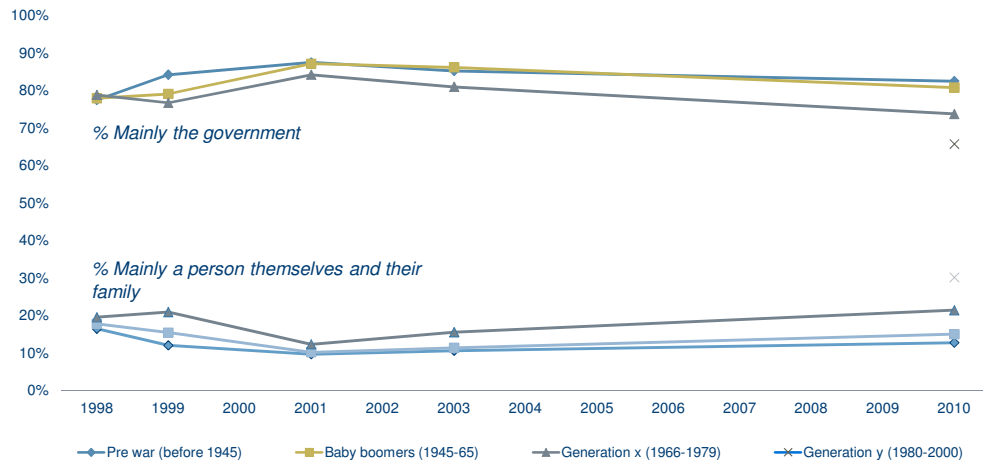
“I don’t want to be old in this country.”

Generation X

Ipsos MORI’s analysis of British Social Attitudes data shows that in general British adults support the cost of care needs of elderly people living in residential and nursing homes being covered mainly by the government rather than individuals. However, there are signs of generational differences, with younger generations being slightly more likely than older generations to support individuals having to pay for their care needs. Even so, among Generation Y the overwhelming balance is in favour of government paying the main cost of care.

Who should be mainly responsible for paying for care?

“Who do you think should mainly be responsible for paying for the care needs of elderly people living in residential and nursing homes?”



All data points represent > 200 responses

Source: British Social Attitudes

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The image features a decorative header and footer. The header consists of five vertical bars of equal width, colored from left to right: light blue, dark red, light grey, medium blue-grey, and dark blue. The footer consists of five vertical bars of equal width, colored from left to right: light blue, dark red, light grey, medium blue-grey, and dark blue. The word 'WELFARE' is centered in the white space between the header and footer.

WELFARE

WELFARE

OVERALL VIEWS

As we often find when researching welfare, the discussion groups revealed some tensions and inconsistencies in views about how the benefits system should work. There was a strong perception that too many people currently receive state benefits, and that this is because it is too easy to receive benefits. This is backed up previous research carried out by Ipsos MORI which found that just 23% of British adults believed the benefits system was working effectively⁵.

However, apparent contradictions appeared. Many participants spoke about benefits being paid out too easily to those who did not deserve them, while at the same time explaining how difficult they have personally found receiving welfare support they felt they deserved. In particular it was felt that the public spending cuts being implemented make it even harder to access benefits.

The complexity of the issue was further evidenced in the reconvened discussion group, when all three generations were asked to rank the biggest issues affecting welfare. Each generation named a different issue as the top problem but “government gives benefits/services out too easily to people that don’t deserve them most” was named in the top three by each generation, with Baby Boomers ranking it at number one. Conversely “government cuts to benefits and support services” was named by each generation in the top two problems (ranked number one by Generation X) and “government doesn’t give support to those who need them most” was the biggest problem according to Generation Y.

“There’s a benefit for everything these days.”

Generation X

“Benefits should be something that’s really drastic, not just when you’re struggling.”

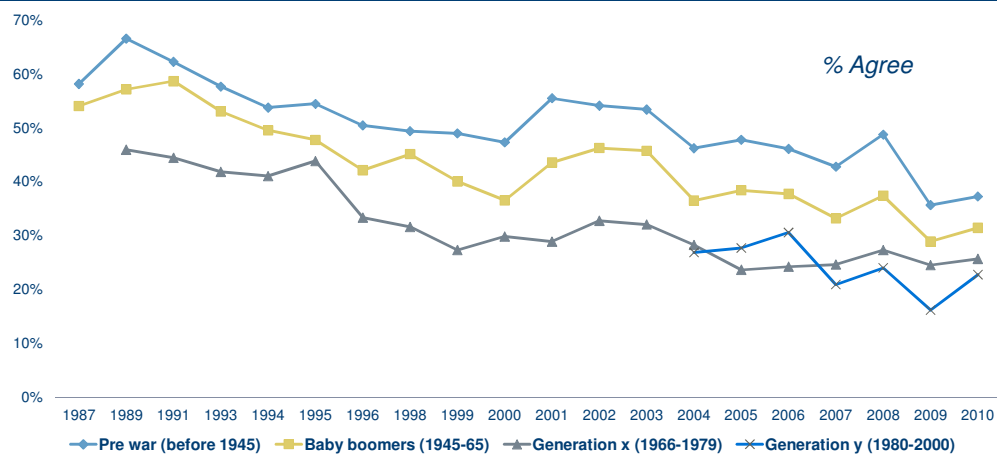
Generation Y

⁵ “Future State of Welfare”, 1,003 adults aged 18+ across Great Britain. Interviews were conducted by telephone 16-18th September 2011.
<http://www.ipsos-mori.com/researchpublications/researcharchive/2876/Future-State-of-Welfare.aspx>

Ipsos MORI's analysis of British Social Attitudes data shows clear generational differences on attitudes towards welfare. The Pre-War Generation and Baby Boomers are prouder of the creation of the welfare state than their younger counterparts. Similarly, while there has been an overall decline in support for increased spending on welfare benefits for the poor, the two older generations (Pre War and Baby Boomers) remain more in favour than the younger generations (Generations X and Y), highlighting the role of both period and cohort effects on this issue.

Should government spend more money on welfare benefits?

"The government should spend more money on welfare benefits for the poor, even if it leads to higher taxes"



All data points represent > 200 responses

Source: British Social Attitudes

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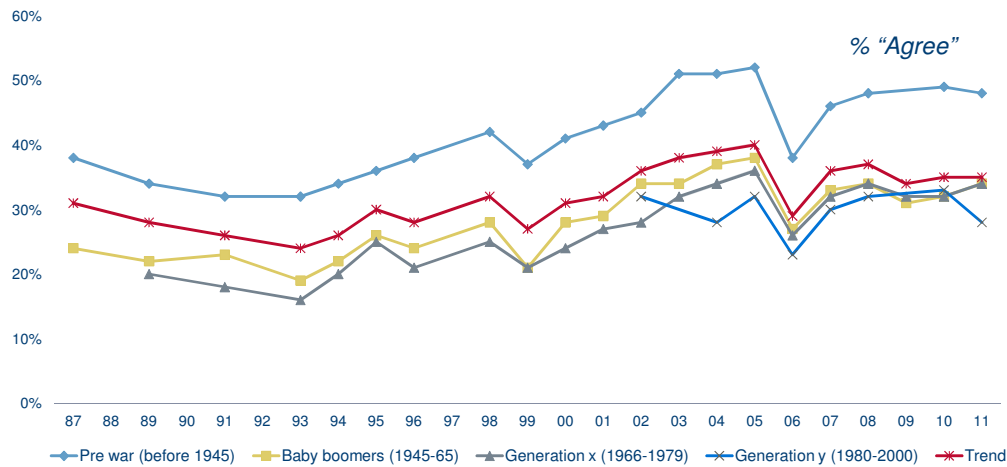
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Despite the Pre-War Generations' greater support for and pride in the principle of the welfare state, they are also most likely to be critical of the way it works. For example, the chart below shows that the Pre War Generation is more likely to agree that "many people who get social security don't really deserve any help".

Many people who get social security don't really deserve any help

"How much do you agree or disagree that ... many people who get social security don't really deserve any help?"



All data points represent > 200 responses

Source: British Social Attitudes

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CONTRIBUTIONS, ENTITLEMENT AND MEANS-TESTING

It was on the topic of welfare that the discussions in the discussion groups became most overtly political. Most participants agreed that people should make – or at least be willing to make – a contribution before being entitled to claim benefits. However, the details of who should be entitled to support, what support they should receive, and based on what level of contribution were all much more difficult issues for participants to work through.

Baby Boomers and many Generation X participants looked back to the previous Labour government as a time when more state support was available; perhaps too much in their view. Under the current government spending cuts mean that benefits and support are considered more difficult to come by, making life harder for many people. Most Baby Boomers saw this as an inevitable adjustment. While they acknowledged that they had benefited and that younger people may now have it tougher there was no appetite for them as individuals to give up what they felt entitled to.

"Benefits used to be easily picked up. Money was thrown around and then tax credits suddenly came in. I wasn't complaining but it was madness. Labour threw money about crazily, now it's gone the other way."

Baby Boomer

“Some benefits are too generous, but one that isn’t is pensions.”

Baby Boomer

Generation Y participants, many of whom had experienced receiving Job Seekers Allowance, felt the payments were too small to live on. They suggested that the government could do more to help the unemployed, particularly by paying them to carry out some work. This would mean that time out of work could be made more useful, giving people experience and skills. However, Generation Y also felt that receiving JSA alone would not be enough of an incentive in these circumstances, and that payments should be higher if people were doing some form of productive work.

Generation Y were largely in favour of having means-testing for benefits as they felt this would ensure “fairness”, with only those people that participants felt “deserve” to get help receiving it. For most, being deserving of help was linked to levels of need, because people had made sufficient contributions to merit support, or a combination of the two.

Indeed, some participants felt that even those people who did not “need” support from the state are entitled to some things that others get because they have “worked hard, paid taxes” and contributed – and should not be penalised for this. Baby Boomers supported means testing too, but were worried about the administrative burden, arguing that complex means-testing arrangements can cause delays and increase the costs of running the system. Generation X also focussed on having benefits for those who “deserve” it or have become “unlucky” but have already contributed into the system.

Support for the contributory principle was evident across all three generations. Participants felt that this was a good way of protecting against people trying to make money through benefits without being willing to support themselves (even though payments were considered small). Participants felt that it was important to ensure people who have worked and paid taxes receive support when they need it.

*“They (the government) should look at how much they contribute...
everyone should get what they deserve.”*

Generation Y

“They should look at the tax you’ve paid...if you know you are getting rewards later on for paying tax then people will do it.”

Generation Y

“I want a fairer, consistent system. If you try your best and have contributed, then if you’re unlucky they should try and help you back into a job.”

Generation X

“They should go through your history, see how much National Insurance you’ve paid or haven’t.”

Generation X

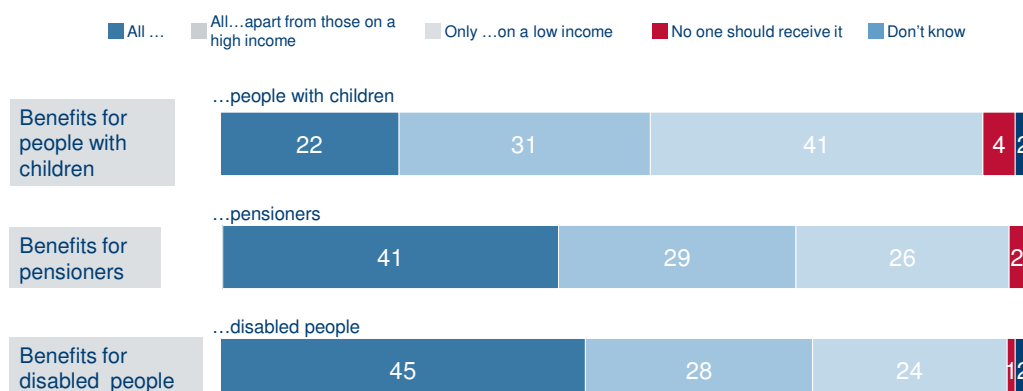
WHO SHOULD RECEIVE BENEFITS?

Given the complex views around who “deserved” benefits emerging from the qualitative phase some questions were included on the national survey to try and uncover further insight. The chart below shows the differences in people’s opinion when it comes to three groups of people who receive state benefits: people with children (e.g. Child Tax Credit, Child Support), pensioners (e.g. winter fuel allowance, free bus pass) and disabled people (e.g. Disability Living Allowance, Personal Independence Payment).

Universal benefits for pensioners and disabled people receive around twice as much support as universal benefits for people with children. Around one in five (22%) British adults believe all people with children should receive benefits such as Child Support, 41% think all pensioners should receive their benefits and 45% think all disabled people should receive benefits. The converse is also true with many more people saying that only people with children that are on a low income should receive benefits (41%). Smaller proportions say that only pensioners and disabled people on a low income should receive benefits (26% and 24% respectively).

Who should receive benefits?

Q. “Different groups of people are eligible for benefits and support from government. Please tell me who, if anyone, you think should receive the following benefits and support from government.



Base: 985 British adults aged 15+, 5-25 April 2013

Source: Ipsos MORI

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Looking across the generations, the highest level of support for universal benefits for people with children comes from Generation Y (29%) which could be in part explained by “period effect” seen in other generational research. Because Generation Y are more likely to either have young children or expect to have them soon, they are more likely to support benefits that they will receive. However, that does not seem to be the case when it comes to benefits for pensioners: in this case universality is supported by 47% of Generation Y, 40% of Baby Boomers and 44% of the Pre-War Generation. The lowest support comes from Generation X (31%) who are more likely to support all pensioners apart from those on a high income getting benefits.

When participants in the reconvened discussion group were asked to rank a number of potential solutions to the welfare challenges, Baby Boomers and Generation Y both ranked “means testing for all benefits” as the number one solution, while it was only fourth on the list for Generation X. However, Generation X did place a form of means testing “do not give benefits to those earning over £60ka year” as their number one solution, and it was also ranked highly by both Baby Boomers and Generation Y (second and third respectively).

Despite the debate around the contributory principle during the separate generational discussion groups, at the reconvened discussion group “prioritising paying benefits to those people who have

contributed to the system by paying taxes” was only ranked fourth out of five potential solutions by both Baby Boomers and Generation Y; it was second for Generation X.

*“If someone has millions in their bank and gets a free bus pass it’s
(benefits) not going to the right people”*

Generation Y

“Benefits should only go to those who need it”

Generation Y

*“Good luck to them [wealthy pensioners who receive benefits].
They’ve been paying enough. They’ve contributed.”*

Generation X



CONCLUSIONS



CONCLUSIONS

As this research shows, examining the views of different generations provides a useful way to understand public perceptions of some of the biggest issues facing the country. Life stage and shared experiences within generations play a part in the formation of attitudes and outlooks, as evidenced by Ipsos MORI's wider analysis of generational differences.

For example, the economic downturn has affected each generation, but not in exactly the same way. Generation X and Baby Boomers feel less secure at work, and worry about finding alternative employment that fits with their skills and motivation, if they can find any at all. Generation Y want a chance to establish themselves in their careers and by living independently, but for many this is proving to be extremely difficult.

But on some issues other factors are just as important, if not more so. People's socioeconomic background has shaped their experiences of the economic downturn, affecting feelings of job security and how confident they are that they will be able to support themselves and their families. Unskilled workers are nervous about the introduction of new technologies and what this will mean for them; those with suitable skills welcome these developments as a good way to create new jobs.

Cultural differences are also evident, as seen on attitudes to caring for older relatives, and the extent to which Generation Y continuing to live with extended family carries a stigma or not. Underlying political views are important too, informing attitudes to welfare and the debate about who should be entitled to support in what circumstances. Indeed, many factors other than generational differences play a role in shaping perceptions of the topics covered during this research.

The generations included in this project were distinct, with different opinions and approaches on a number of the themes explored. Yet they also shared attitudes and aspirations in many areas. Finding work, being able to afford a home, looking after family, and receiving support from the state in a crisis were important irrespective of life stage. Generations, as with all social or demographic groupings, have plenty that divides them and much that brings them together. The key challenge for policy makers is to develop solutions that are palatable across generations but that also recognise the different experiences, needs and preferences of each cohort.