

Precarity, Class, and Parental Coresidence: Evidence Amidst the UK Cost-of-Living Crisis

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Abstract: *While rates of parental coresidence have been rising gradually over time in the UK, periods of macroeconomic uncertainty such as the 2021-23 cost-of-living crisis are likely to have accelerated this increase. This paper examines how underexplored types of employment precarity (e.g., underemployment and temporary and agency work) are associated with parental coresidence. Extending the feathered nest/gilded cage hypothesis, the paper further analyzes how parental class moderates this relationship across the transition to adulthood phase, driven by competing protective and propellant motives. Estimating logistic regression models using select waves (2021-23) of the UK Labour Force Survey, we demonstrate the association between precarity and coresidence, and probe heterogeneities by sex, age, and parental social class. Three results are worth noting. First, apart from unemployment, labour underutilization (underemployment) and impermanence (temporary and agency work) are indeed associated with a higher probability of parental coresidence than stable employment. Second, parental social class moderates this relationship such that the positive precarity-coresidence association is most pronounced for young adults with service-class parents. Finally, our results lend support to a refined feathered nest/gilded cage hypothesis whereby (higher) parental resources facilitate coresidence at younger phases of adulthood transitions, especially for unemployed and precariously employed adult children, but tapers off with age.*

Keywords: *parental coresidence, precarity, parental class, underemployment, temporary work, agency work, logistic regression*

Introduction. Attaining residential independence in young adulthood remains an expected part of a successful transition to adulthood in many Western countries (Billari et al. 2021). Uncertain labour market positions and high housing costs make leaving the parental home to live independently more difficult (Warner and Sharp 2024). Although parental coresidence can be a preferred type of residence (Schoon and Heckhausen 2019; Schoon 2020), it is often a coping mechanism for economic precarity (Roberts et al. 2016). Amongst those who are economically precarious, parental resources can be used in different ways. At younger ages (i.e. early- to mid-twenties), parents with higher incomes and resources may encourage coresidence to facilitate their children’s successful completion of education and entry into the labour force (Avery et al. 1992). At older ages (i.e., mid-twenties and early-thirties) parental resources might be more often used to subsidize independence and prevent a “counter-transition” such as “boomeranging home” (Roberts et al. 2016; Stone et al. 2014; Saydam and Raley 2024; South and Lei 2015). The experience of coresidence is likely to differ according to parental resources with young adults from richer backgrounds being afforded more financial support, personal space, and privacy “to do their own thing” (White and Wyn 2004) than those for whom parental resources including living space is more restricted.

Given the central role of parental resources in facilitating the transition to adulthood, this paper proffers a re-appraisal of the relationship between employment precarity and coresidence in the UK amidst the cost-of-living crisis since 2021 and examines the following questions: (i) what is the association between employment precarity and intergenerational coresidence? (ii) how does parental class moderate this relationship? and (iii) how does the precarity-class-coresidence nexus differ across the young adulthood phase?

The UK context. We consider the case of the UK, a country where levels of intergenerational coresidence have significantly increased (Esteve and Reher 2021; Stone et al. 2011). Since 2021, the cost-of-living crisis has been a major concern in the UK. Inflation rates peaked at 9.6% in October 2022, driven in part by housing unaffordability—inflation for private rentals has increased throughout the UK, reaching as high as 6% towards the end of 2023. Young adults in more precarious situations, such as unemployment or unstable working conditions, inevitably struggle financially and may require further support. Repeated welfare cuts, including reductions in the availability of state-subsidized housing (Berrington and Stone 2014) mean that this support is less likely to come from the state, with the risks becoming more individualized.

Contributions. In addressing these research questions, we contribute to the literature in three ways. First, we utilize two distinct measures or specifications of precarious employment that are less explored in life course research: time-related underemployment as a state of *labour underutilization*; and temporary and agency work as a state of *labour impermanence*. Whereas prior studies on coresidence used fixed-term and part-time work as conventional measures of precarity (Gousia et al. 2021; Stone et al. 2011), we contend that underemployment and agency work are relevant yet overlooked markers of precarious employment that warrant a closer inspection apart from unemployment. Second, we analyse the moderating role of parental social class in this relationship, recognizing that

parents from different socio-economic backgrounds have different material and non-material resources that can have both “protective” (e.g. safety nets and buffers) and “propellant” (e.g., launching pads and savings bank) implications on young adult children in precarity.

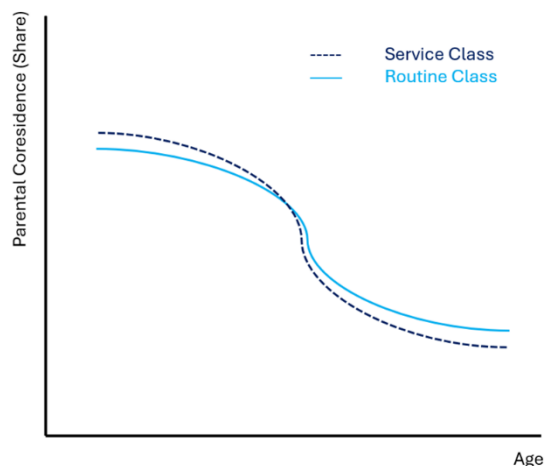


Figure 1. Feathered Nest/Gilded Cage Hypothesis (Avery, et al., 1992) Schema

Finally, we show how these interrelationships between precarity, class, and parental coresidence vary by the young adult’s sex and age to specifically identify whether and how parental support differs throughout the (extended) period of post-education young adulthood (aged 23-34). The seminal feathered nest/gilded cage hypothesis (Avery, et al., 1992) attenuates parental coresidence by age—arguing that at earlier ages, young adults are more reluctant to leave their (comfortable and upper class) parental home thus observing higher rates of coresidence whereas at older ages, adult children benefit from financial support from their parents to achieve economic and residential independence. We test

precisely this hypothesis that the inverse-S curve is steeper for service class parents (in managerial and professional occupations), implying that at younger ages, higher rates of coresidence capture the material advantage of parental financial stability in supporting their children-in-need (**“protective”**), while for older ages, lower rates of coresidence capture the financial support that parents can provide for their children to meet their own residential preferences (**“propellant”**).

Data and Methods. We use the third quarter (July-September) 2021-2023 waves of the UK Labour Force Survey (LFS) that contain information about the respondent’s parental occupational class. Most covid related mobility restrictions have been lifted around July 2021. Beginning in the Autumn of 2021, high energy costs drove inflation in the UK, resulting in the cost-of-living crisis that persisted through 2022 and 2023. Our focus on the period of the cost-of-living crisis consequently updates the parental coresidence estimates using the UK LFS in the 1980s by Berrington and Murphy (1994), in the late 1990s and 2000s by Stone et al. (2011) and Berrington et al. (2014), and in the mid-2010s by Berrington et al. (2017) and Esteve and Reher (2021). We restrict our analytical sample to 12,893 economically active young adults aged 23-34 years old with valid information on parental class.

Parental coresidence is defined by the relationship to the household head and the family unit composition. We identify respondents according to whether they are living with at least one biological, step or adoptive parent. Our comparison groups are those stably employed, precariously employed, and unemployed. Given the different possible operationalizations of employment precarity, we consider two specifications of employment uncertainty—

(timerelated) underemployment and **temporary and agency work**, repeating the analysis for each operationalization. The former refers to a state of labour **underutilization** which captures a mismatch at the intensive margin between workers' preferred and actual working hours, while the latter refers to a state of **impermanence** which captures working arrangements characterized by economic vulnerabilities and reduced workers' voice. Finally, we operationalize parental class using the respondent's reported occupation of the main earner parent when they were 14 years old are grouped using the three-level EriksonGoldthorpe-Portocarero (EGP) schema (Erikson et al. 1979), distinguishing between service, intermediate, and lower/routine/working classes.

Results: Precarity and Coresidence. To isolate the “effect” of the precarity channel, net of other potential confounders, on coresidence, we estimate multivariate logistic regression models present the marginal effects on the probability of parental coresidence in Figure 2. Results show that relative to stable employment, underemployment and temporary employment increase the probability of parental coresidence by 1.8% and 3.4% respectively. Meanwhile, unemployment increases the probability of parental coresidence by about 6%, lending stronger support for our first hypothesis that precarious positions are associated with higher probabilities of parental coresidence. In the full paper, we present results from additional interaction models demonstrating that the association between precarity and coresidence is most pronounced among males and younger adults (23-26 age group).

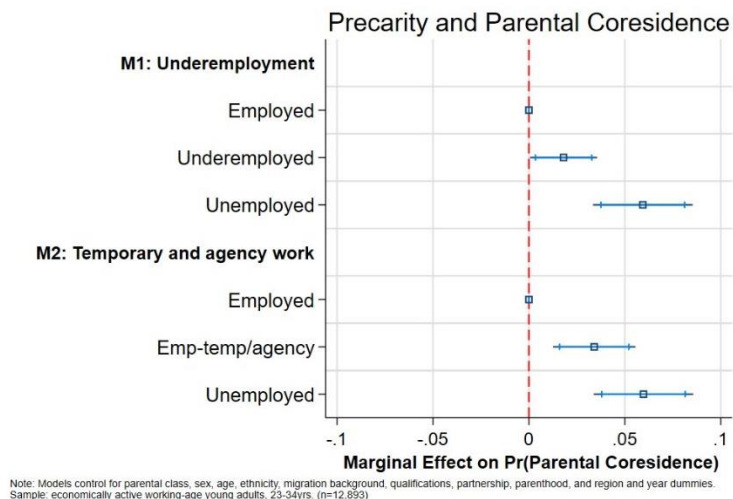


Figure 2. Marginal Effects of Precarity on Parental Coresidence

Results: Moderating Role of Parental Class. Using interaction models, we show that the association between precarity and coresidence is moderated by parental social class, as shown in Figure 3; the elevated coresidence probabilities of the precariously employed and unemployed are pronounced only for service class parents. Net of variables including coresidential partnership and parenthood status of the young adult, it is mainly the unemployed children of service class parents who experience significantly elevated probabilities of coresidence above all other groups. The same is true for the precariously employed (underemployed and TAWs) whose coresidence probabilities are significantly higher than those of the stably employed among the service class. Whilst unemployed young adults from service class backgrounds are far more likely to live with their parents than other unemployed young adults, the probabilities of coresidence of the precariously employed (both underemployed and TAWs) are similar across all social classes.

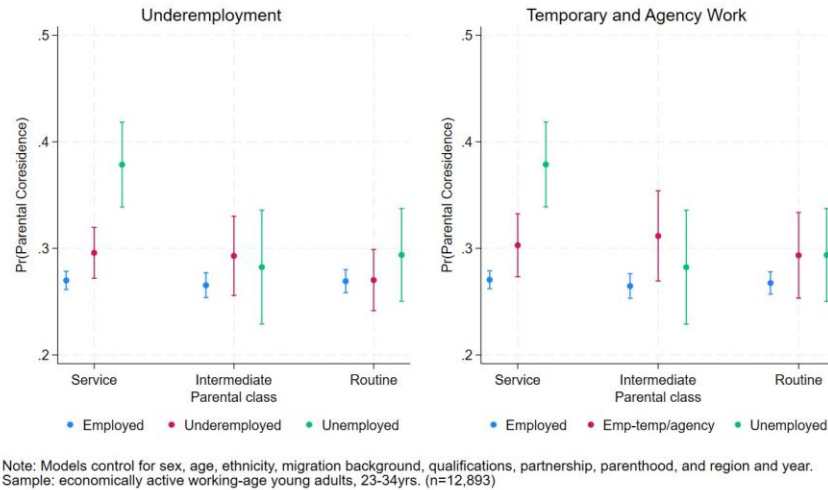


Figure 3. Interaction Models of Employment Precarity and Parental Social Class

Result: Precarity-Class-Coresidence Nexus by Age. Finally, we conduct further analyses showing how the moderating effect of parental class changes over the life course. Results from three-way interaction models suggest that the precarity-coresidence association among service-class backgrounds is more pronounced for the two younger age groups (23-26 and 27-30). By the early thirties, we see no differences in the likelihood of coresidence according to employment precarity in any social class. We interpret this finding such that the protective motive of coresidence whereby parents keep their precariously employed young adult children close is most pronounced earlier in the life course but tapers off with age, lending support to the feathered nest/gilded cage hypothesis.

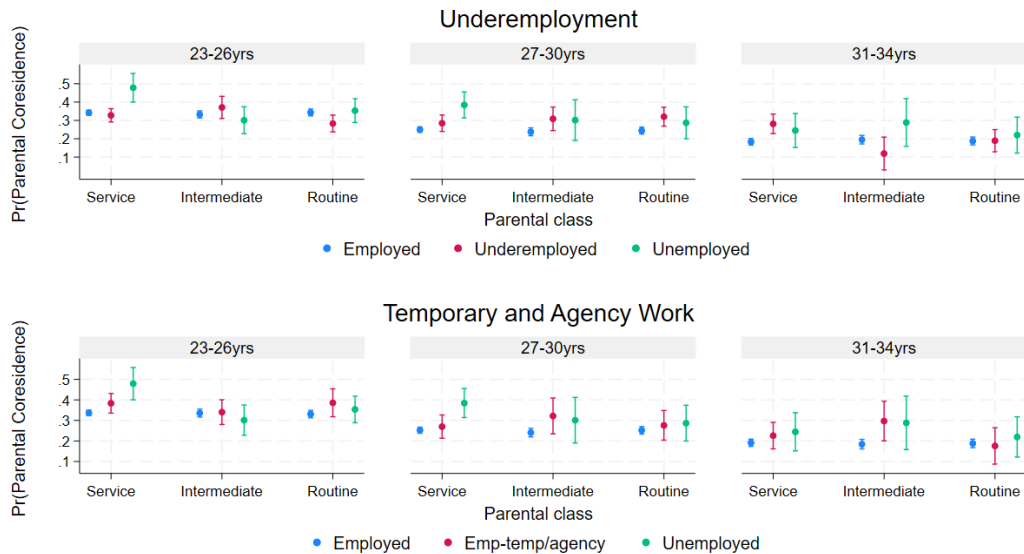


Figure 4. Interaction Models of Employment Precarity, Parental Social Class, and Age

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