Housing, Fuel Poverty and Health: a Pan-European Analysis


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Public health people talk and write a great deal about the social, economic and environmental determinants of health and the consequent unequal and persistent patterns of illness, but they are quieter about what the direct links are and the policies that can reduce these inequalities. Jonathan Healy is an Irish economist who has explored these issues in relation to fuel poverty, a relatively new concept1 that has helped to shape a lively European policy debate.

This is not a new topic in public health. In the Registrar-General's Third Annual Report, William Farr devoted several pages to a discussion on the influences of housing and on seasonal patterns of mortality in London during the years 1838-1841.2 Healy's book, which is an extension of his doctoral thesis, provides welcome empirical data to test the idea that if housing were of better quality, and if it were more affordable, people could afford to better heat their homes, their health would not suffer when they were indoors, and there would be less excess winter mortality.

Healy conducts a comparative institutional analysis of 14 European Union states with Ireland as the benchmark. He expertly models the relationship between:

- Housing quality, which varies widely (for example, in the 1990s 70% of Greek households did not have hot water);
- Domestic energy efficiency (all Finnish and Swedish houses were fully insulated whereas only about 6% of Portuguese houses were);
- Fuel poverty (three-quarters of Portuguese felt they were unable to heat their houses adequately compared with fewer than 5% of Finnish households, and one-fifth of lone-parents in the UK and Ireland are suffering from fuel poverty);
- Behavioural risk factors (fuel-poor households suffer more and have longer episodes of cold-induced shivering);
- Poor self-assessed health; and
- Excess winter mortality (between 18-28% in southern Europe, Ireland and the UK).

This is the first such study to use such a comprehensive approach and his conclusions are important and sobering. Indeed, as housing conditions in New Zealand closely parallel those in Ireland and Portugal, in many respects the book describes a neglected policy area in Australasia as much as the EU. The originality of the book lies in its exploration of an important area where government thinking in housing, energy efficiency, sustainable environmental policy and health protection should be 'joined up', to use a well-worn policy catchphrase, but rarely is.

Healy concludes that there is indeed a strong relationship between poor housing and premature mortality and makes a reasonably convincing case that the link is fuel poverty. When housing is poorly insulated, it requires relatively higher levels of energy consumption to heat, compared with well-insulated housing. With rising fuel prices, heating consumes an increasing proportion of the household budget, and poor insulation and heating performance contributes to greater environmental emissions. When levels of heating are lower than necessary for health, excess winter mortality ensues. Paradoxically, there is little evidence to suggest that such mortality is any more common in poorer households,3 although earlier work by Healy and colleagues has shown that the poorest individuals tend to spend three times more than the average on energy relative to income.

The strength of the book is the clear, policy-oriented hypotheses outlined by Healy and the strong empirical analyses. He uses longitudinal datasets from the European Community Household Panel as well as Irish cross-sectional data and other data obtained from the United Nations and World Bank. On the downside, while the book is deliberately structured as a number of stand-alone chapters, this leads to some annoying repetition in the text and footnotes and restrains Healy from pulling all the strands of his arguments and evidence together in as cogent a manner as could have been the case.

Healy's main conclusion is that while poverty could in principle be eradicated through rising incomes with some income redistribution, fuel poverty requires more concerted policy action not only through taxation or benefits, but also in crucial investment...
in household capital stock. As others have pointed out, landlords in particular are reluctant to make investments that do not necessarily translate into a stream of benefits, such as an enhanced rental flow or increased capital value of the house, so it is those tenants in the less energy-efficient houses who are left spending a greater proportion of their income on energy. While the British Government has publicly committed itself to eliminating fuel poverty by 2016, progress has been slow. The New Zealand Government has yet to even recognise the problem, although the proportion of excess winter deaths in New Zealand is similar to Ireland and Portugal.\(^4\)\(^5\) It is to be hoped that this book is read widely, not only by those working in public health and health policy but also in finance, energy and environmental policy.

References