

How can we build a more equal education system?

Thursday 27th October 2022

13:00 - 14:00

 IFS



Education Inequalities

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BTEC funding loss 'will deepen inequality', warns Rochdale MP

Workplace gains elusive for highly educated UK minorities

A new study finds that despite high levels of education, UK-born children of immigrant parents face lower levels of employment compared to their white counterparts.

Do GCSE results reveal growing inequality in education?

Skip college? Not if you want to make more money

Government education funding puts levelling-up into reverse, IFS claims

Maths A-Level can add up to £10k to an annual salary

Poorer children are doing worse at every stage of school

Black Caribbean girls in England 'twice as likely to be excluded from schools as white girls'

Covid could cost children £350bn in earnings due to lost learning, says IFS

Funding for deprived schools in England has shifted to wealthy areas, study finds

This presentation – the stories (and evidence!) behind the headlines



- 1. Why should we worry about education inequalities?**
- 2. When do educational inequalities develop?**
- 3. Who fares poorly, and well, in the education system?**
- 4. What are the issues with the existing education system?**
- 5. How can we build a more equal education system?**

Before we begin, a few caveats!



A huge topic... in about 30 minutes

We focus on the English education system and build a picture of education inequalities pre-pandemic

The full report is available online - search 'IFS education inequalities'

1. **Why should we worry about education inequalities?**
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3. Who fares poorly, and well, in the education system?
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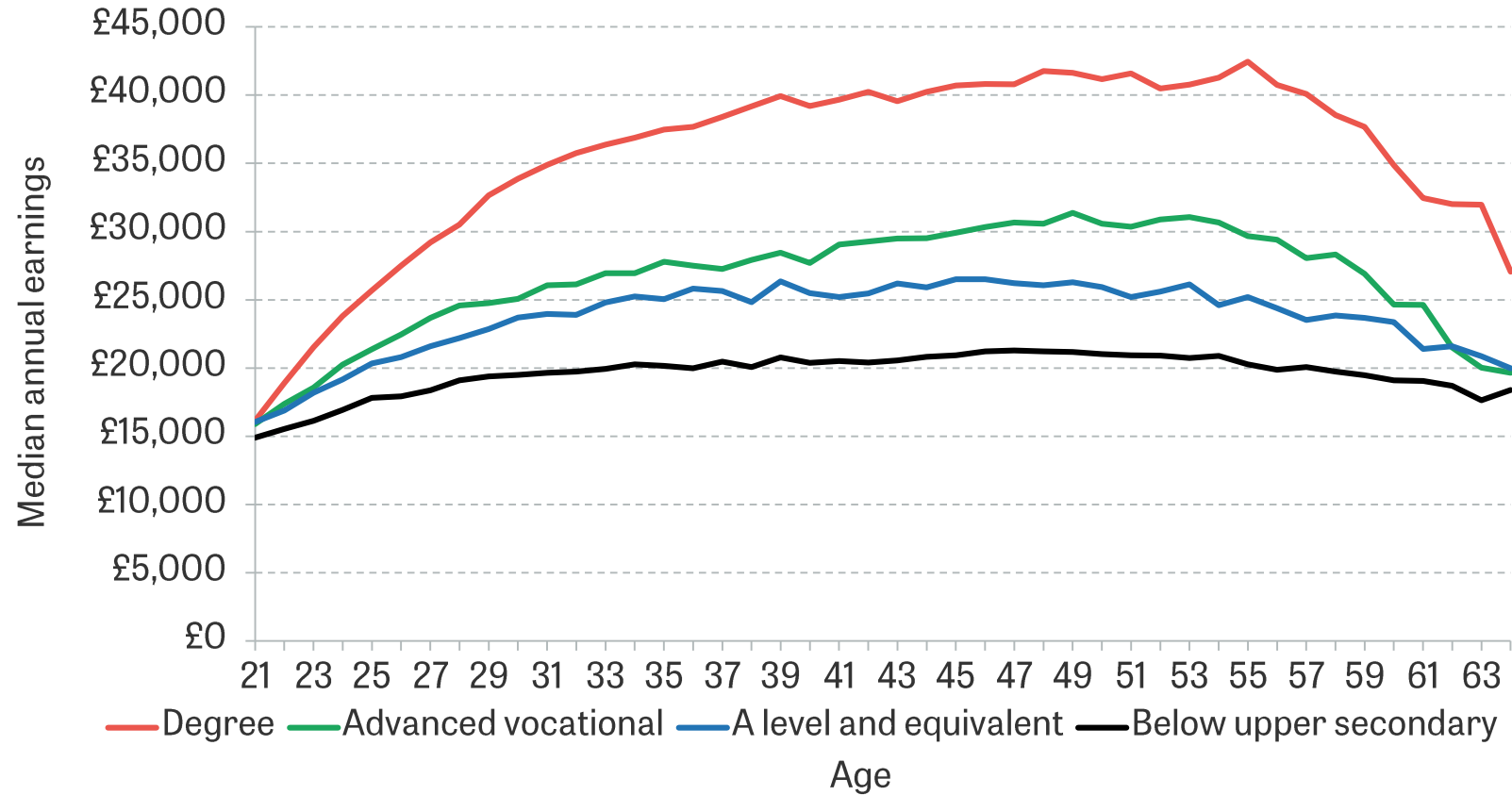
Why should we worry about education inequalities?



People with higher levels of education tend to earn more

Degree holders enjoy much higher earnings

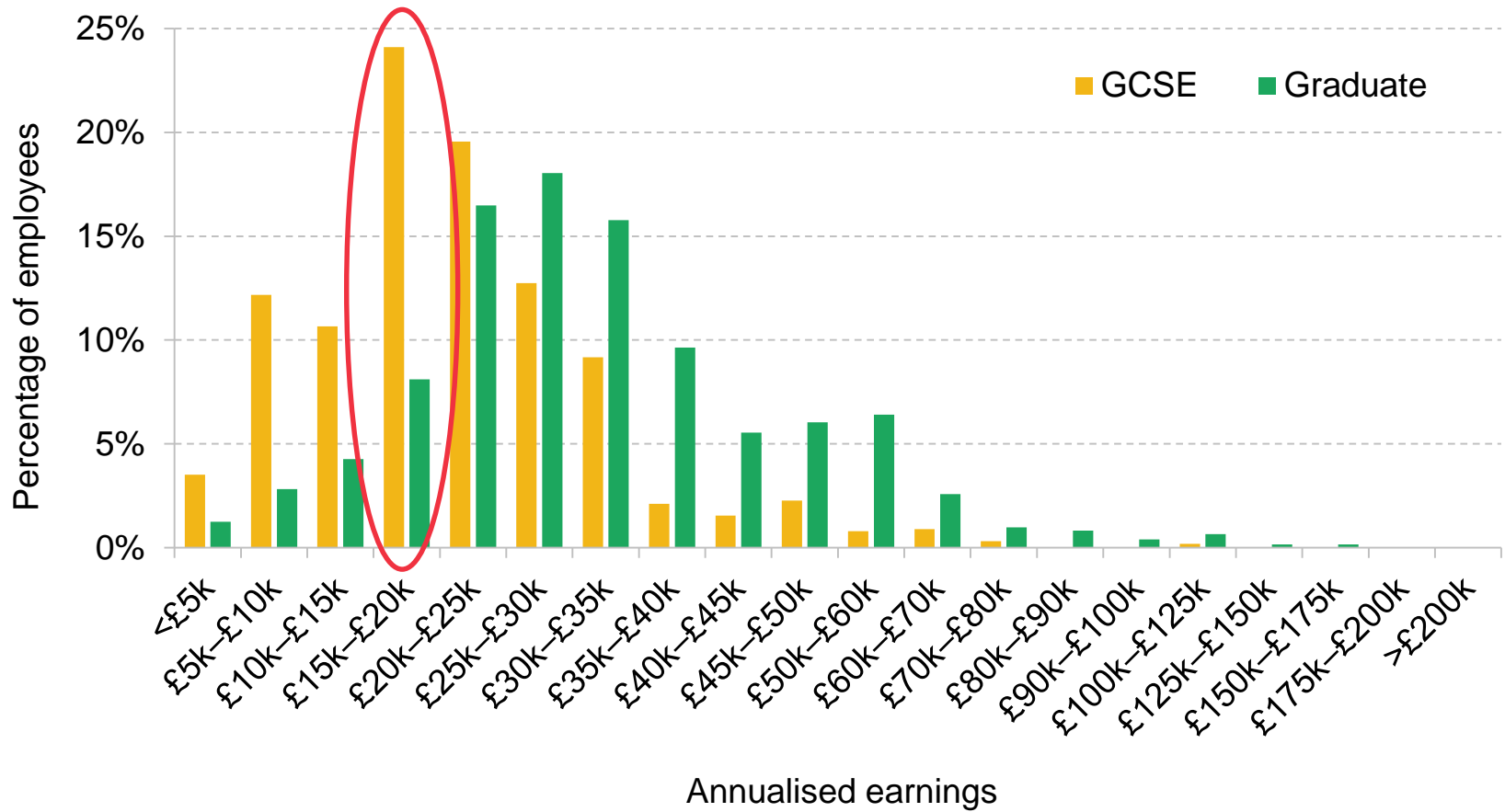
Median annualised earnings among employees, by age and qualification level



Source: Figures 14 and 15, Farquharson et al. (2022).

Graduates already earn more at the start of their career...

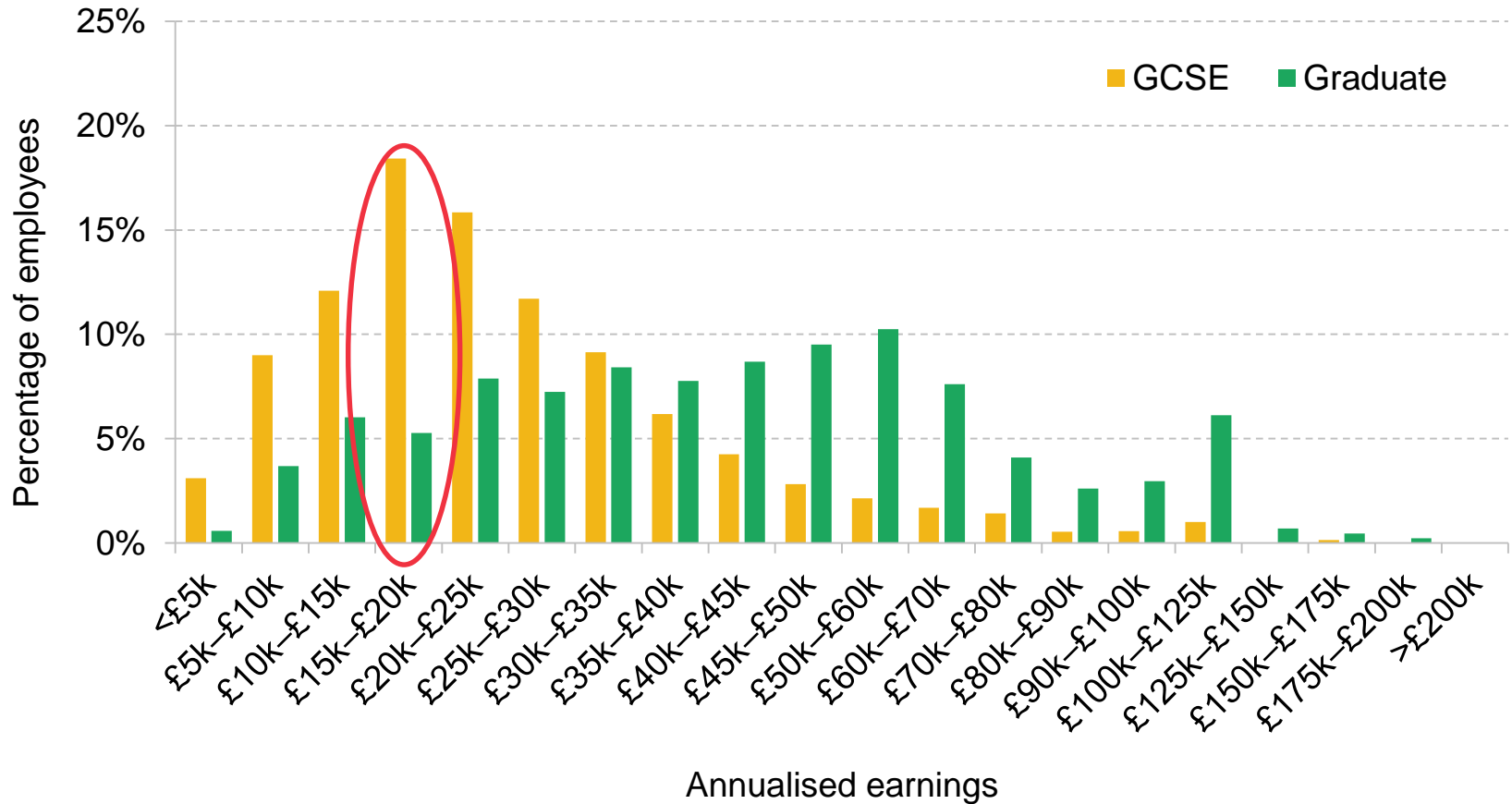
Distribution of annualised earnings among employees by qualifications, ages 25 to 30



Source: Figure 12, Farquharson et al. (2022).

... But the real differences are in their earnings *growth*

Distribution of annualised earnings among employees by qualifications, ages 45 to 50



Source: Figure 13, Farquharson et al. (2022).

Why should we worry about education inequalities?



People with higher levels of education tend to earn more

- By age 40, a university graduate earns almost twice as much on average as someone with below upper secondary education

People with higher levels of education also do better across a range of other outcomes

- Mental health
- Physical health
- Life satisfaction
- Civic participation
- Children's outcomes

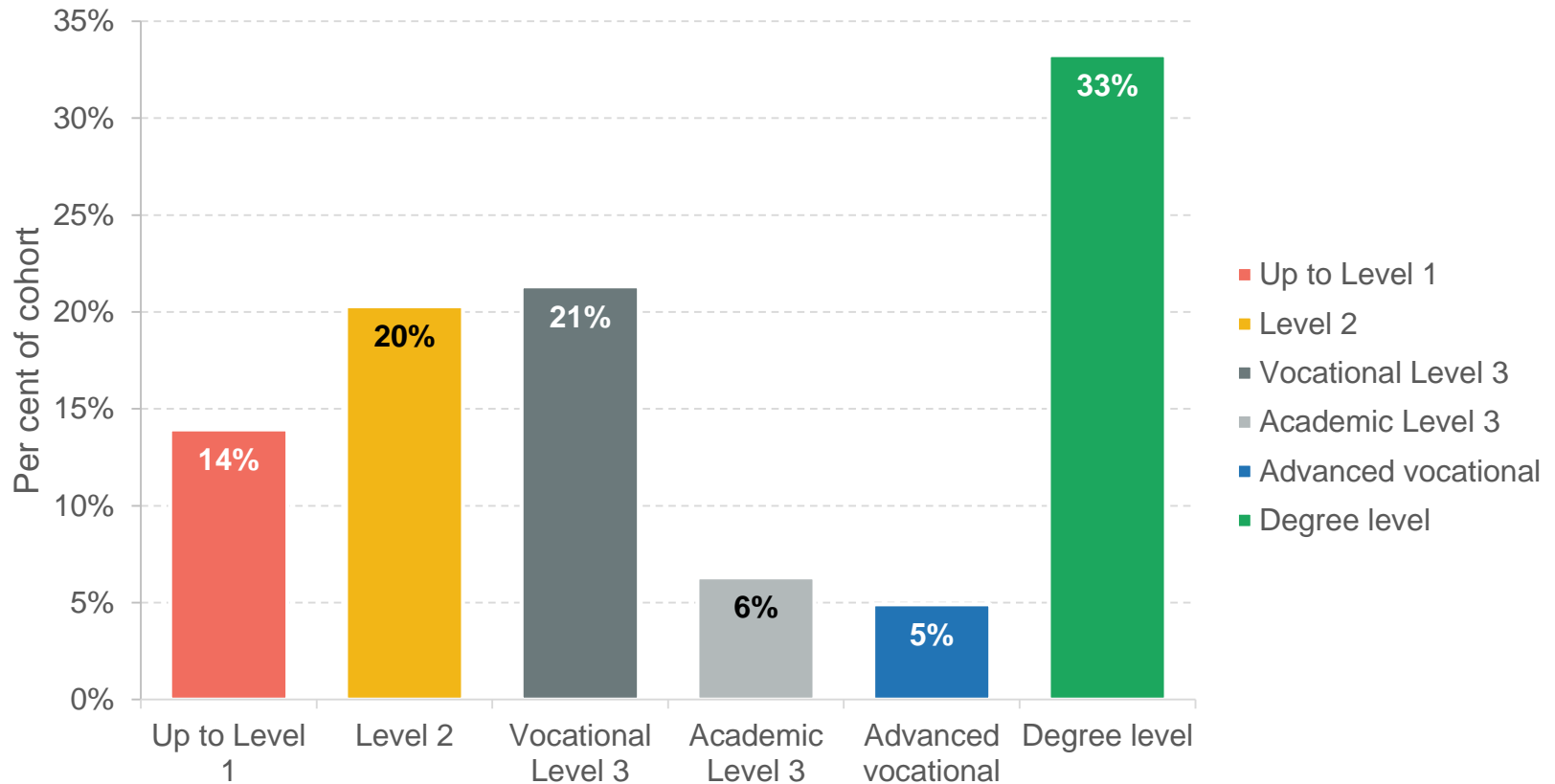
Education is at the root of many societal inequalities

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There are significant differences in how much education young people get

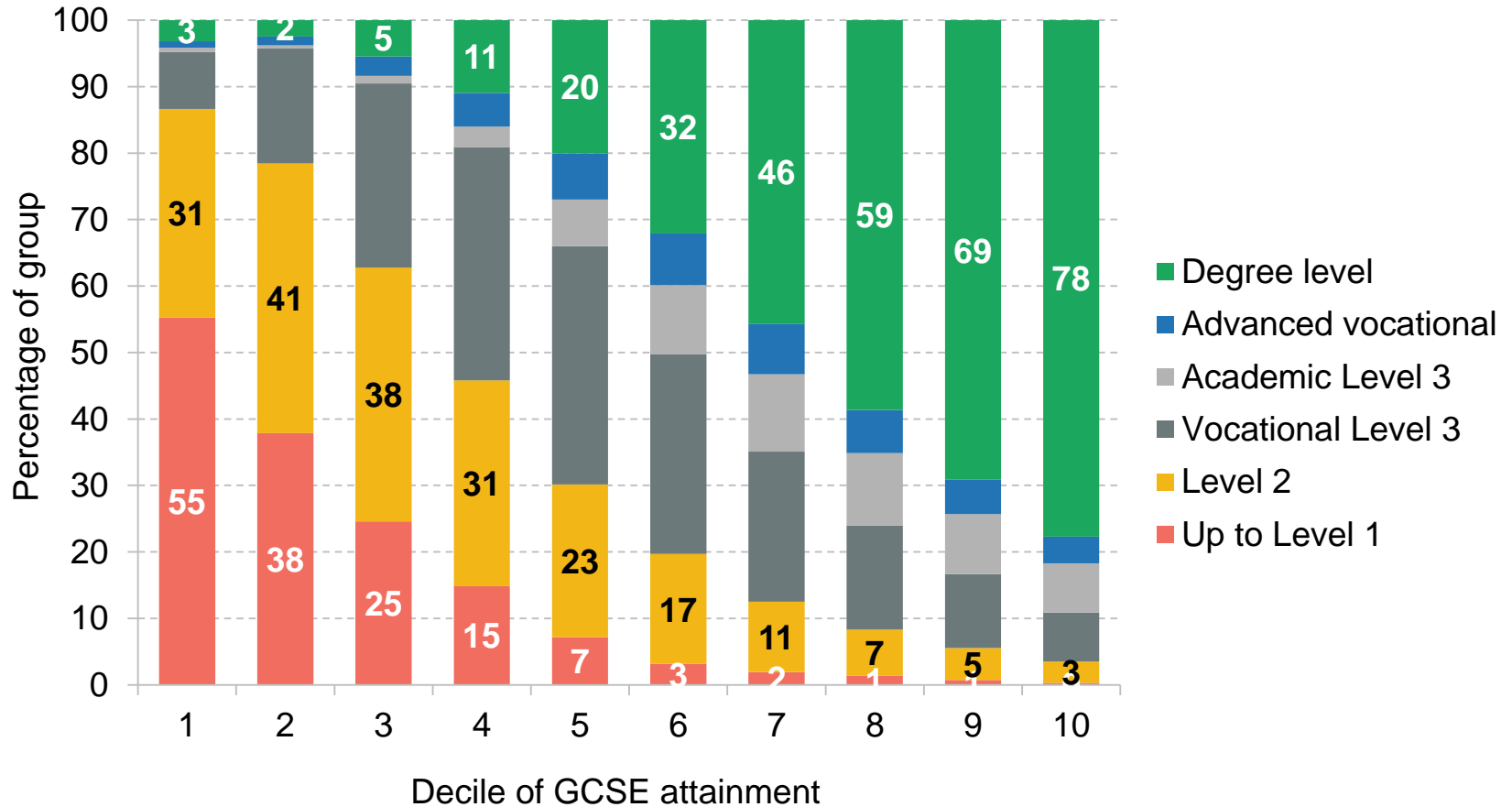
Highest qualification at age 26 (2016)



Source: Authors' calculations using Table A1.9 in Espinoza et al. (2020).

But those differences trace back to age 16...

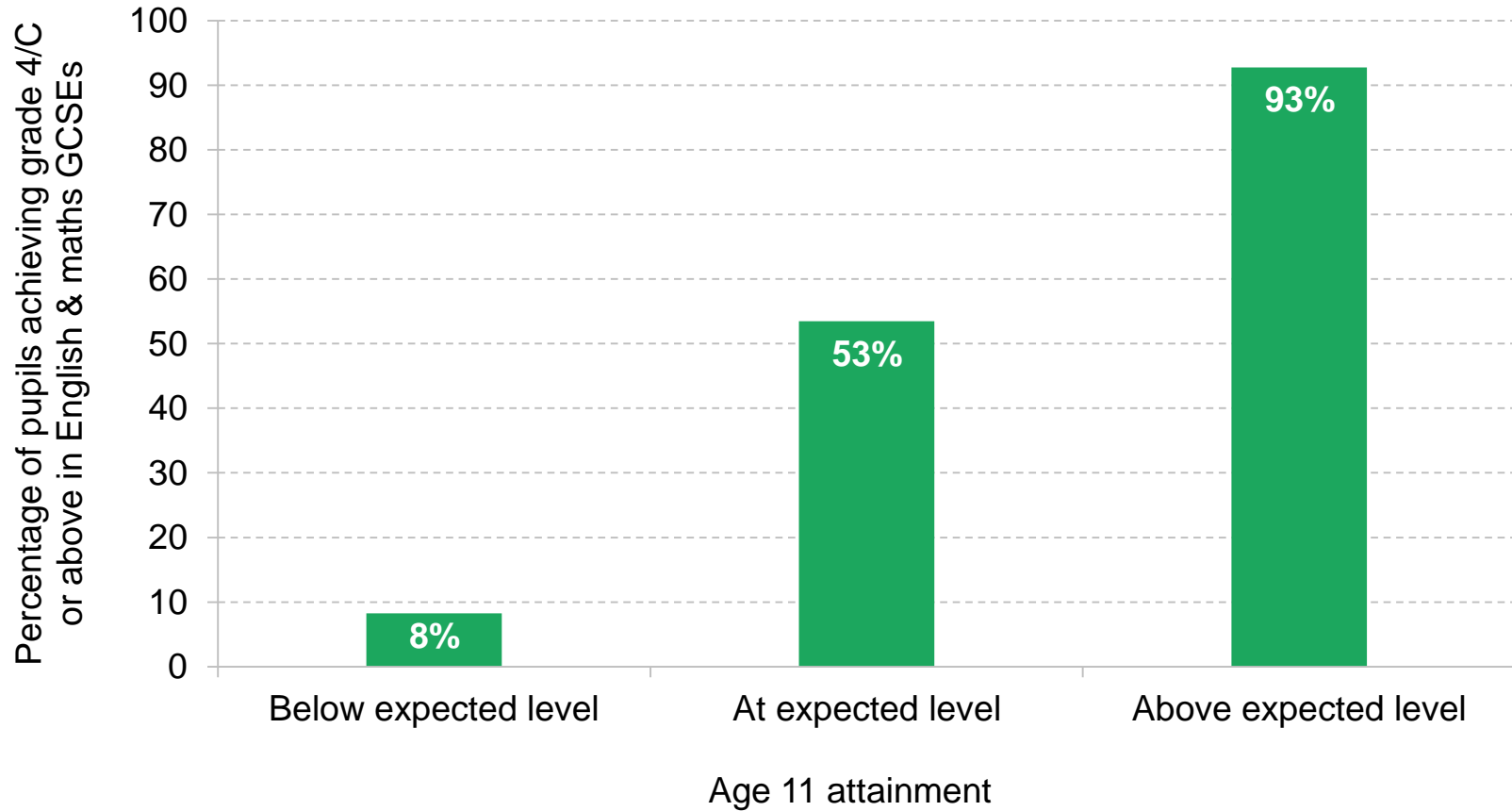
Educational attainment at age 26, by GCSE attainment (2016)



Source: Figure 59, Farquharson et al. (2022).

... which traces back to age 11...

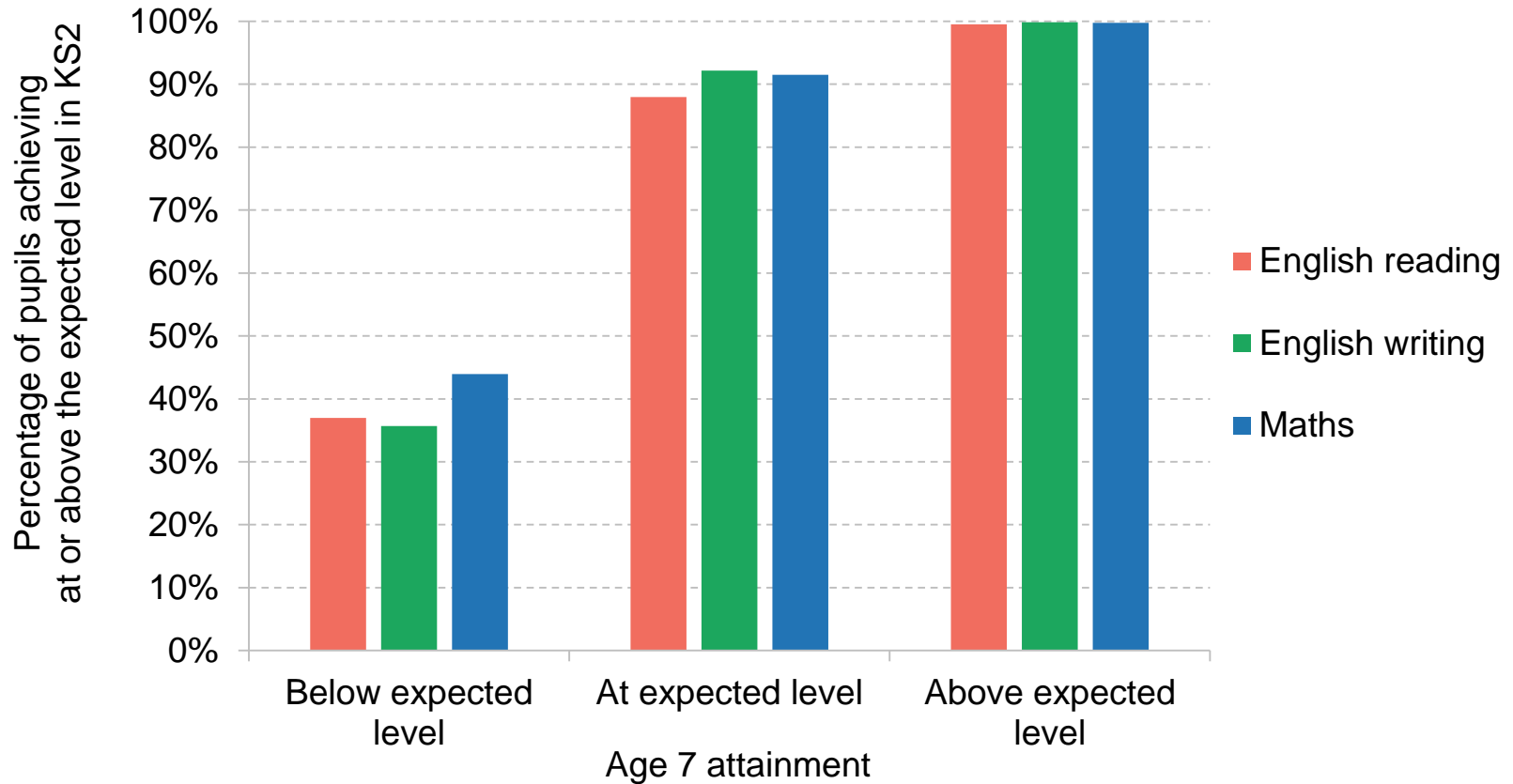
GCSE performance, by attainment at the end of primary school (2019)



Source: Figure 50, Farquharson et al. (2022).

... which traces back to age 7...

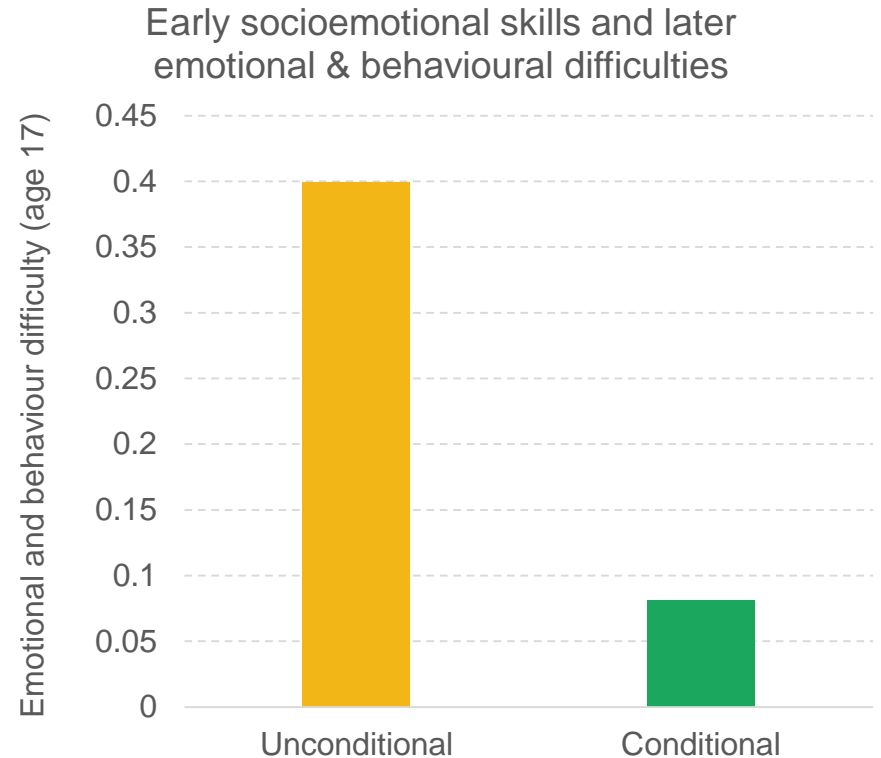
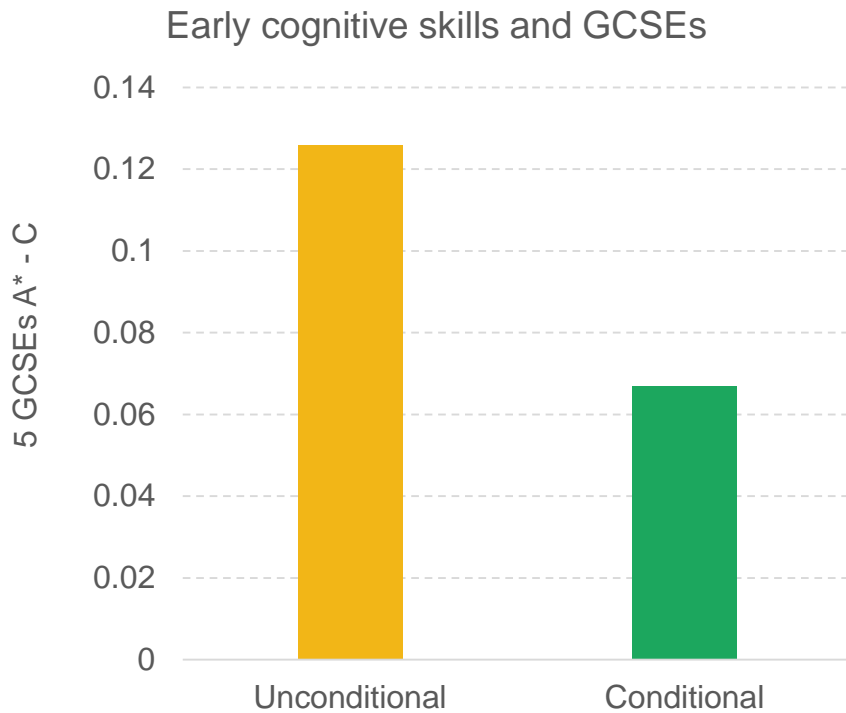
Attainment at the end of primary school, by level of attainment at age 7 (2019)



Source: Figure 49, Farquharson et al. (2022).

... which traces back to the pre-school years

Associations between early development (age 3) and later outcomes



Source: Table 2, [Cattan et al. \(2022\)](#).

Note: Conditional estimates control for characteristics of the child, family, environment and skills measures in adolescence

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What inequalities does the existing education system produce?

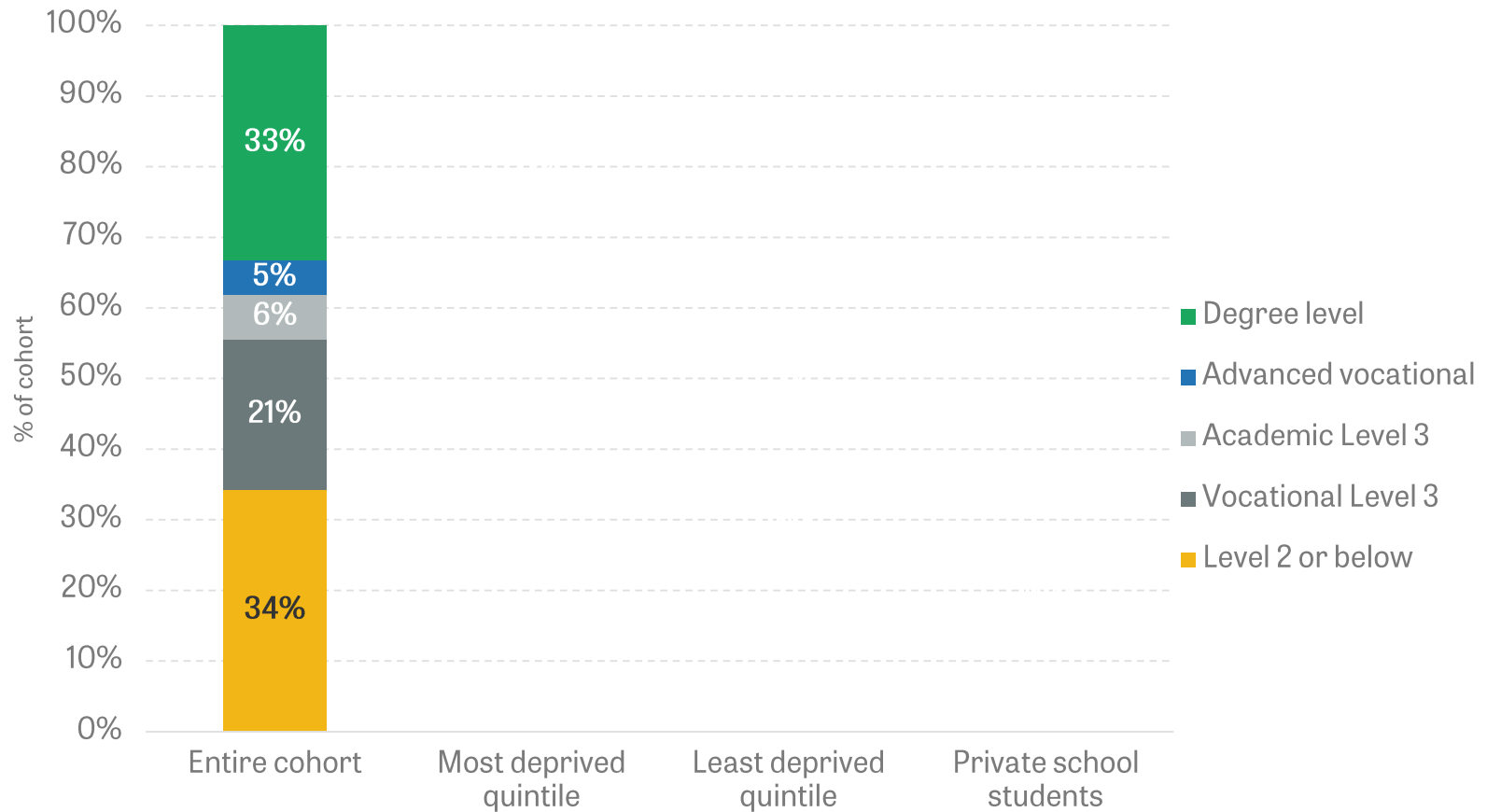
(How) are existing inequalities reflected in educational outcomes?

Enormous socio-economic gaps in educational attainment



There are sharp inequalities by socioeconomic status

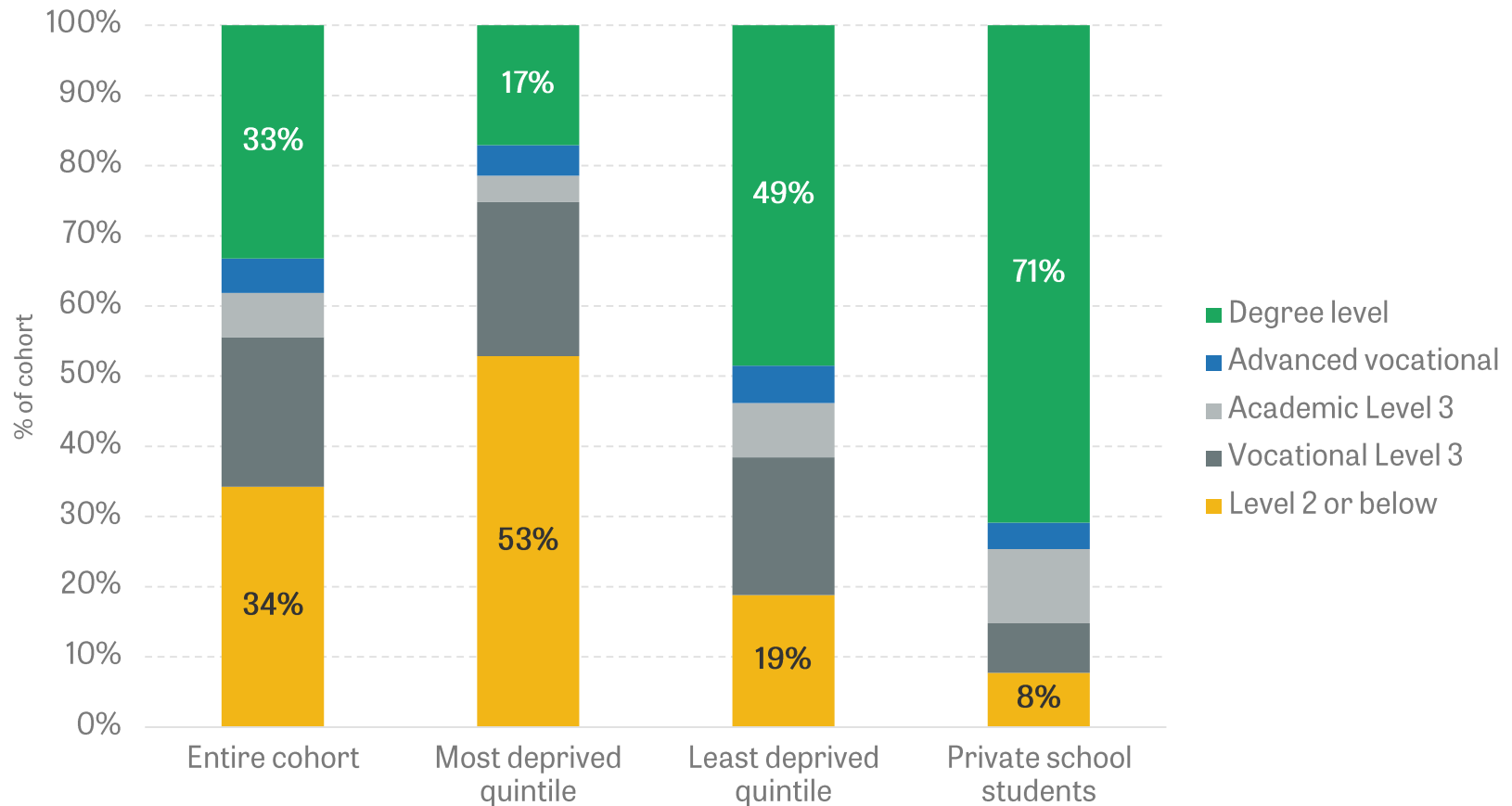
Highest qualification at age 26 (2016)



Source: Figure 33, Farquharson et al. (2022).

There are sharp inequalities by socioeconomic status

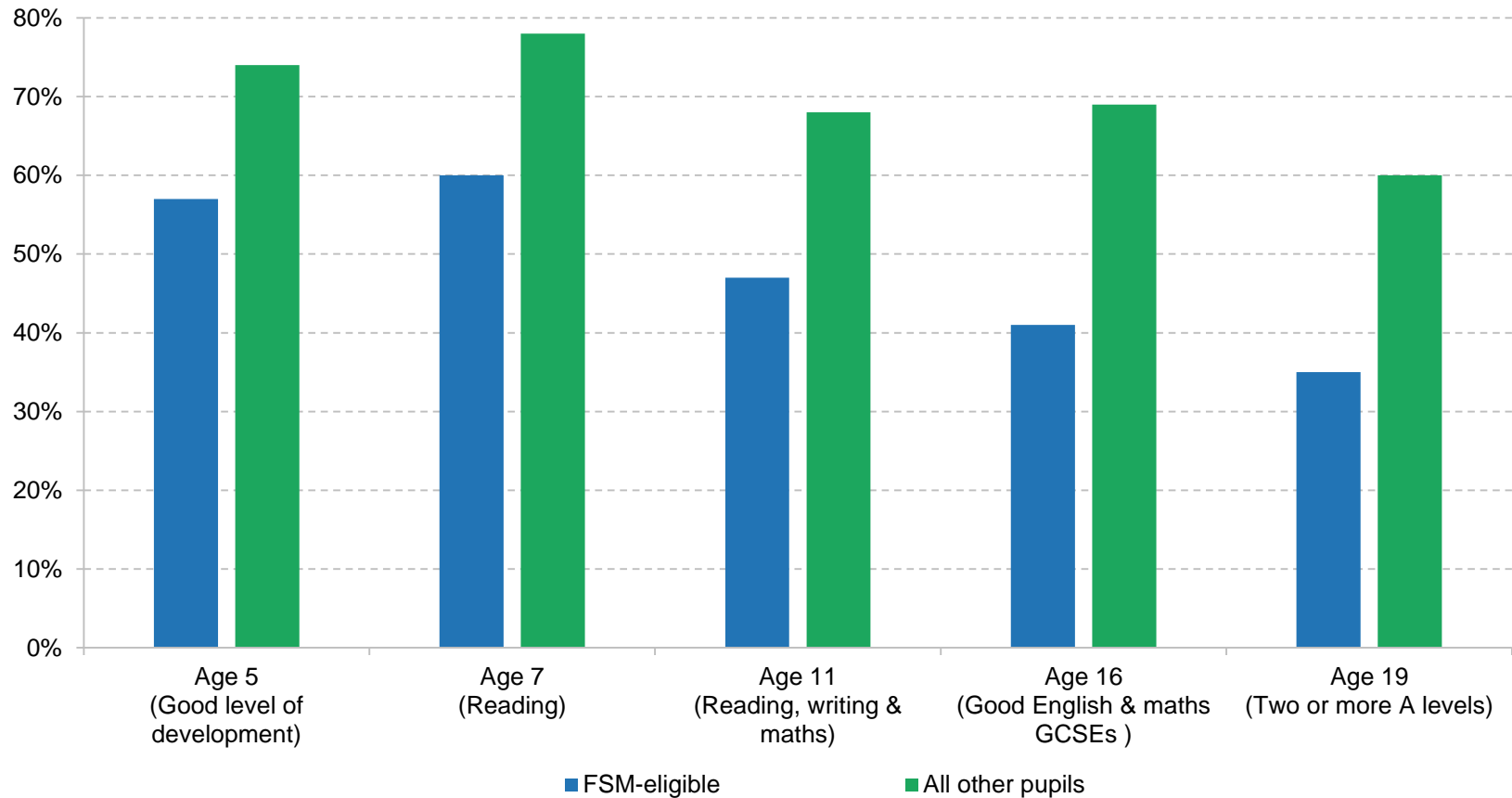
The distribution of educational attainment among 26-year-olds in England by socioeconomic status, 2016



Source: Figure 33, Farquharson et al. (2022).

And these inequalities have their roots earlier in life

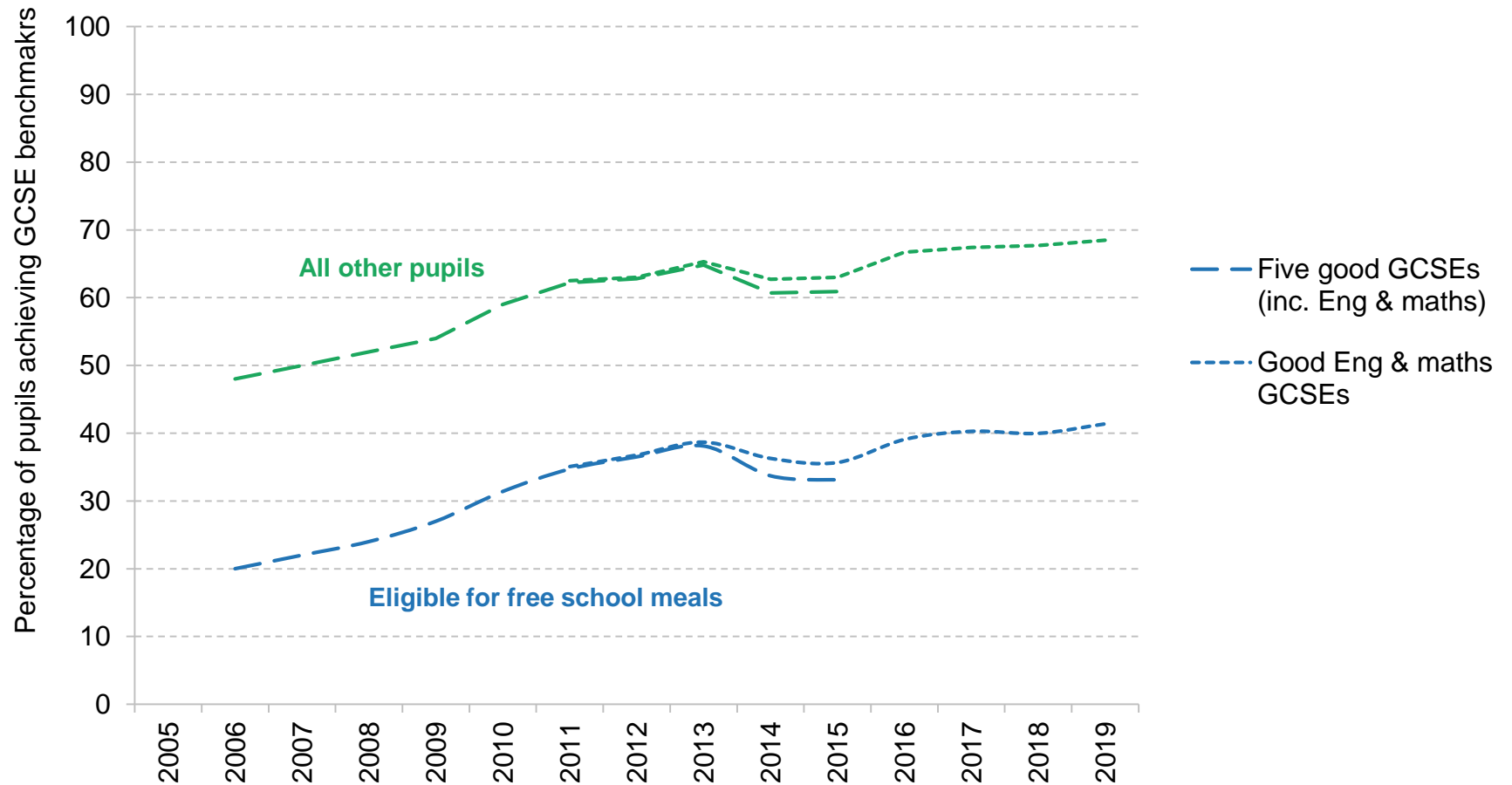
Attainment gaps between students eligible and not eligible for free school meals, 2019



Source: Figure 27, Farquharson et al. (2022).

These disadvantage gaps are very stubborn

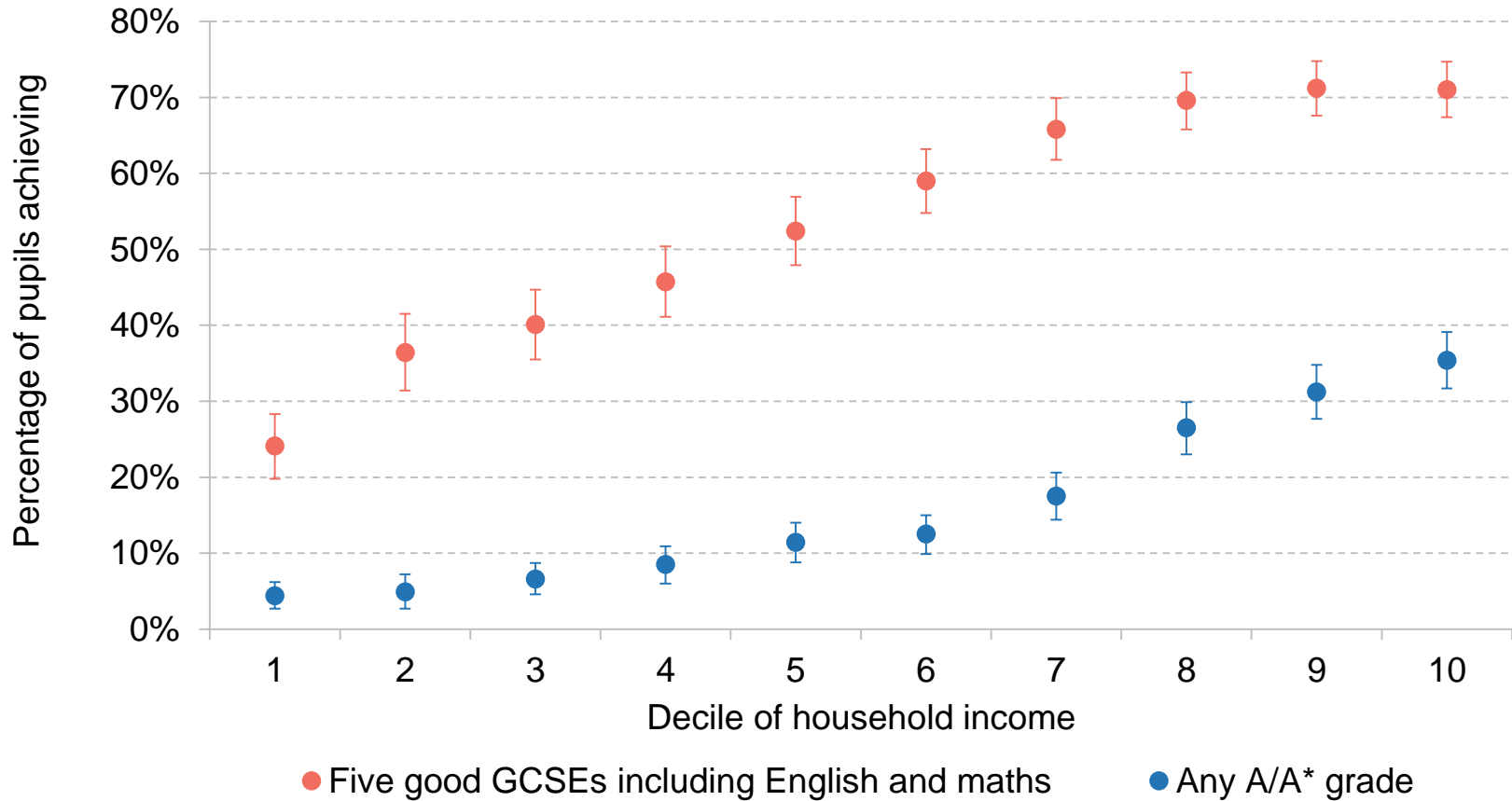
GCSE performance by eligibility for free school meals



Source: Figure 28, Farquharson et al. (2022).

And the gaps are not just about the poorest vs. the rest

GCSE attainment by decile of equivalised household income at age 14 (MCS cohort)



Source: Figure 29, Farquharson et al. (2022).

What inequalities does the existing education system produce?

(How) are existing inequalities reflected in educational outcomes?



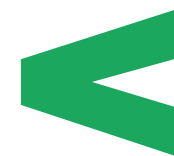
Enormous socio-economic gaps in educational attainment

- Young people from disadvantaged families are far less likely to be successful in their GCSEs and to study for higher-level qualifications

Girls outperform boys at school – but miss out on the highest returns

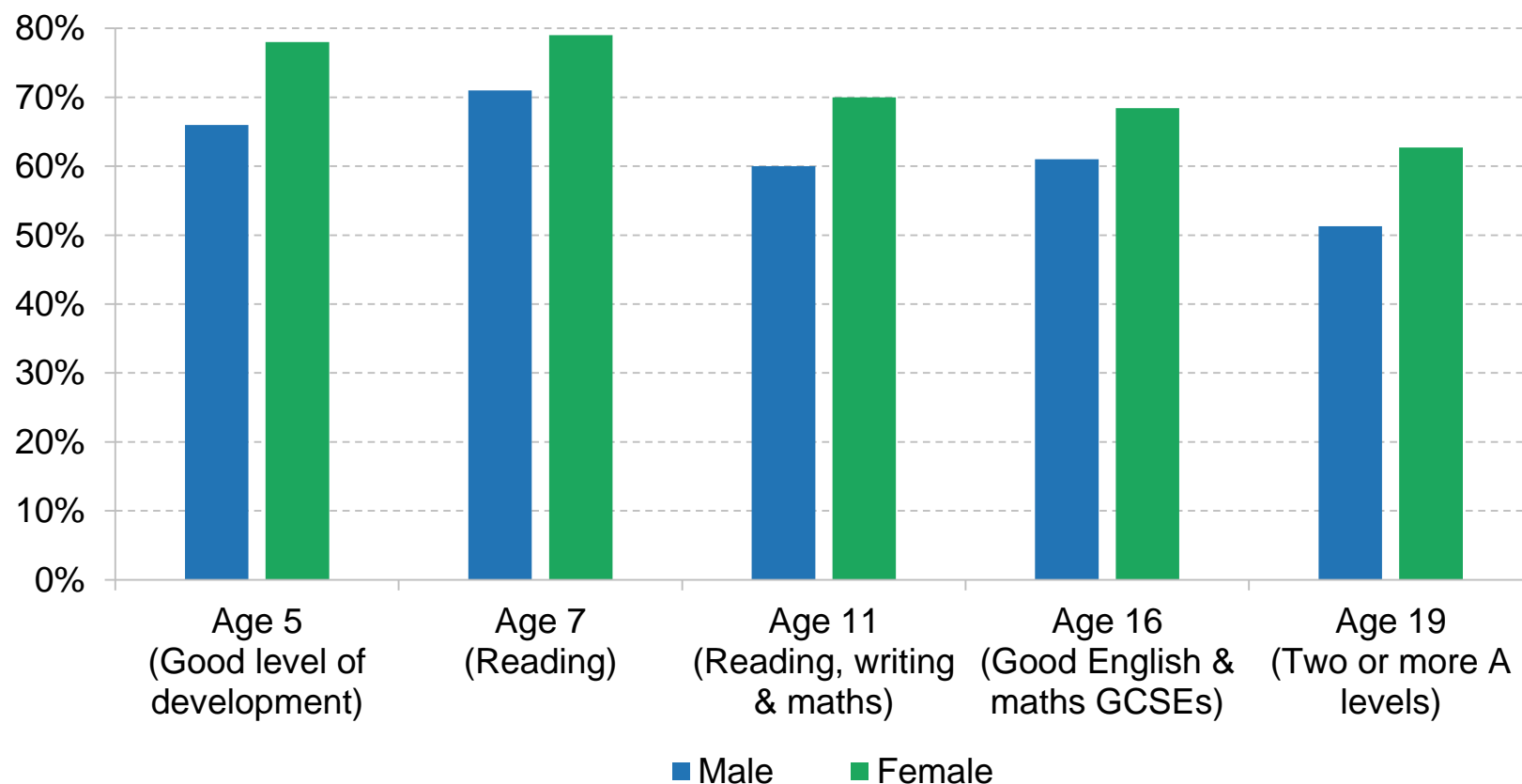
Girls do better in education – but worse in the labour market

Attainment gaps between boys and girls, 2019



Inequality

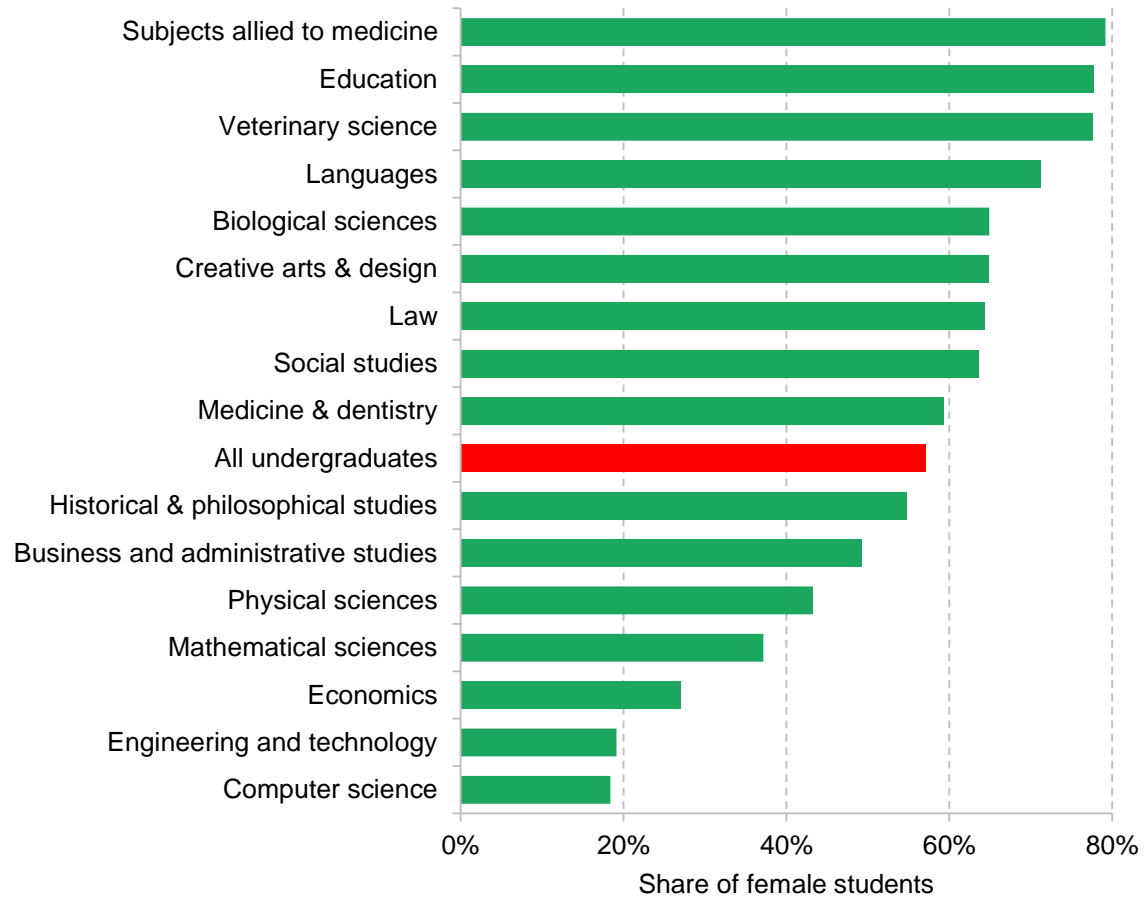
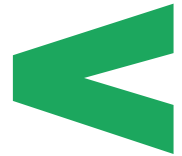
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Source: Figure 34, Farquharson et al. (2022).

Part of the reason for the gender wage gap is differences in subject choices

Share of female students in different degree subject areas, 2018–19



Source: Figure 36, Farquharson et al. (2022).

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Enormous socio-economic gaps in educational attainment

- Young people from disadvantaged families are far less likely to be successful in their GCSEs and to study for higher-level qualifications

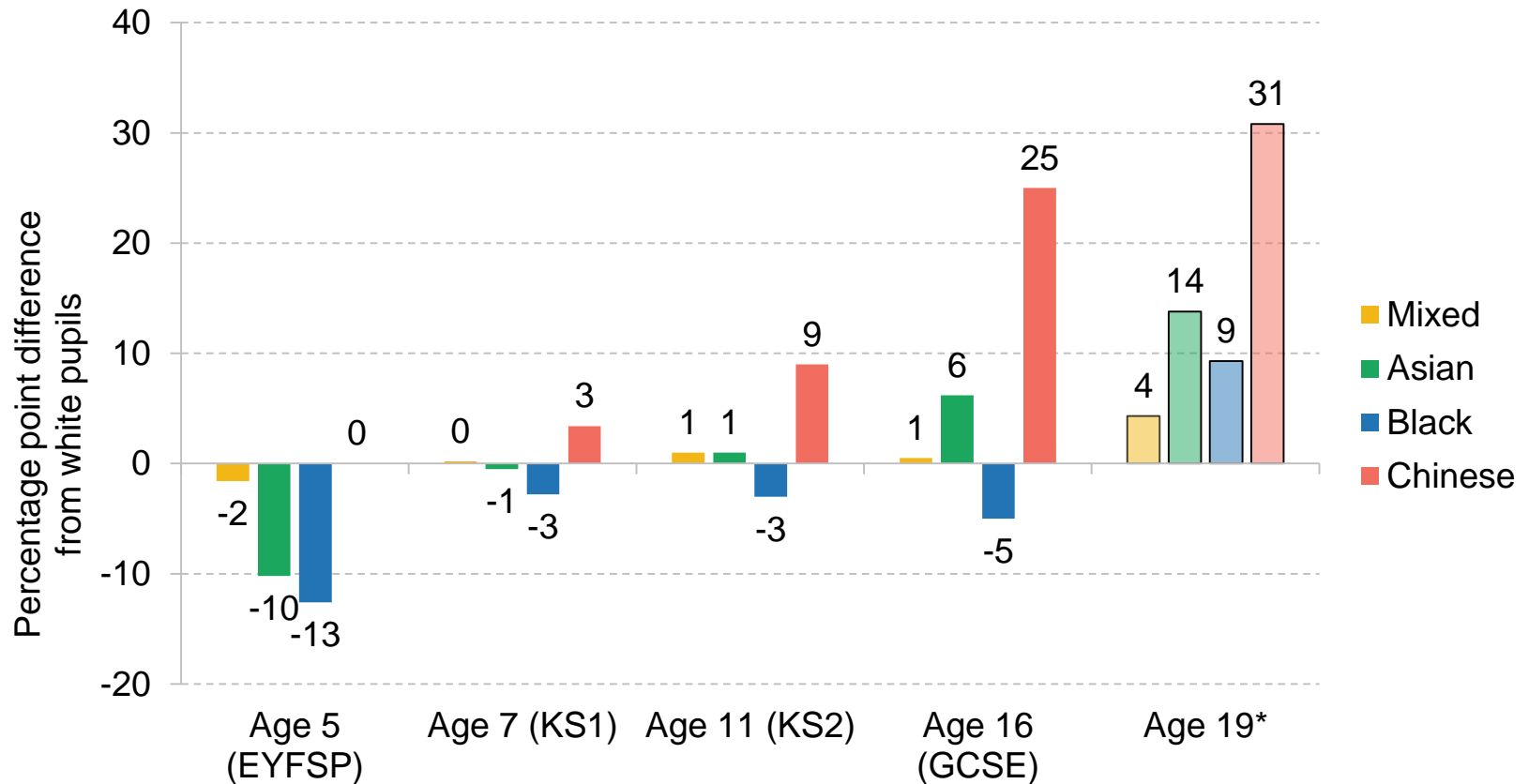
Girls outperform boys at school – but miss out on the highest returns

- Since the 1980s, girls have done better at school and more women now have degrees – but large earnings penalties still persist

Young people from non-white backgrounds start out behind, but make faster progress through the schooling system and beyond

Children from ethnic minorities start out behind, but make fast progress

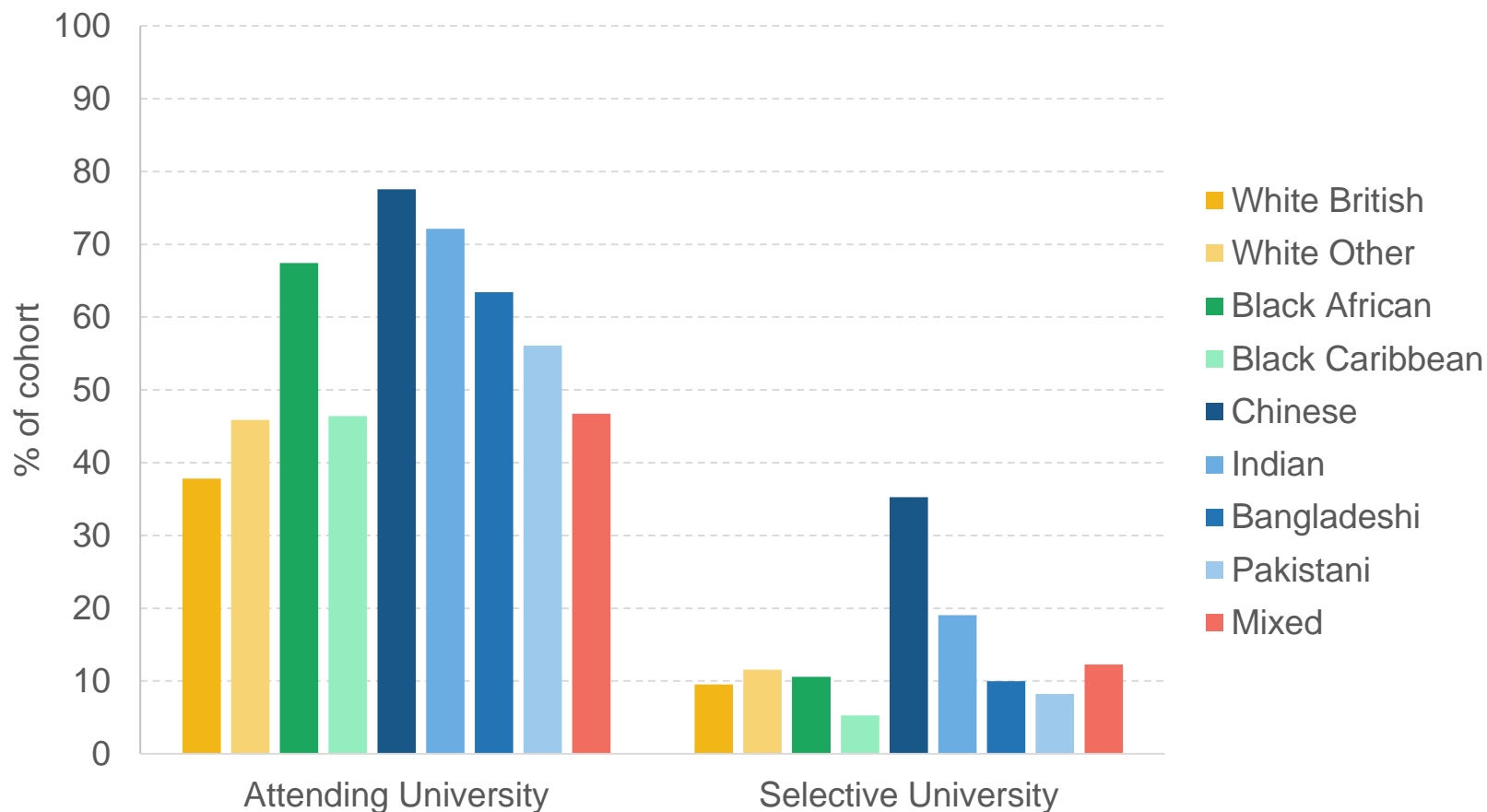
Attainment gaps between ethnic minority pupils and white pupils, 2019 GCSE cohort*



Source: Figure 37, Farquharson et al. (2022). Note that age 19 results are from a different cohort (the 2016 GCSE cohort).

Every ethnic minority group is more likely to progress to university than White British pupils

Progression to higher education at age 19 by ethnicity, 2018-19



Source: Adapted from Figure 39, Farquharson et al. (2022).

What inequalities does the existing education system produce?

(How) are existing inequalities reflected in educational outcomes?



Enormous socio-economic gaps in educational attainment

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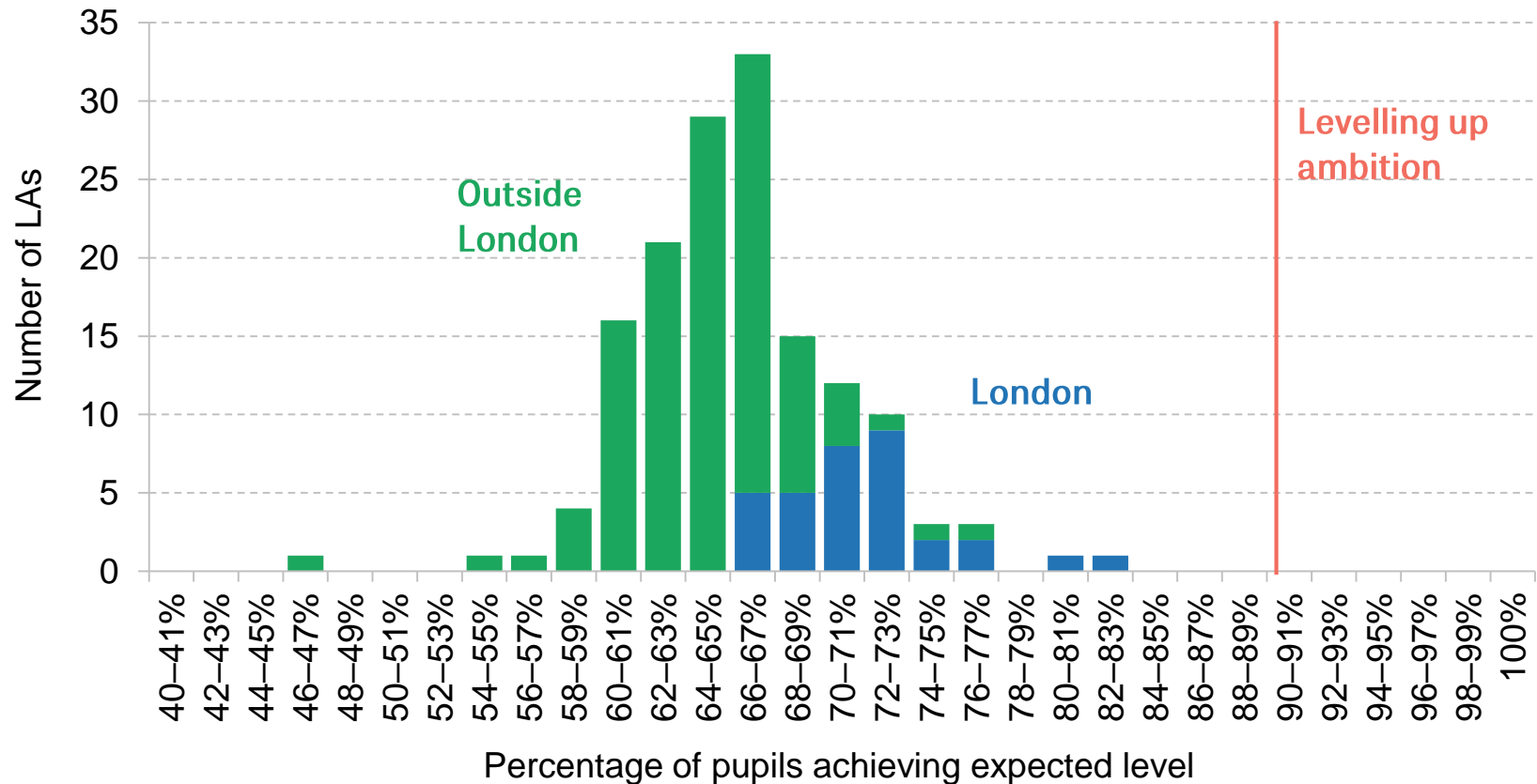
- Since the 1980s, girls have done better at school and more women now have degrees – but large earnings penalties still persist

Young people from non-white backgrounds start out behind, but make faster progress through the schooling system and beyond

Attainment in London is higher than elsewhere – though most of this is explained by income

And pupils in London fare better than elsewhere

Distribution of local authorities based on the share of primary school leavers meeting the expected level in reading, writing and maths, 2019



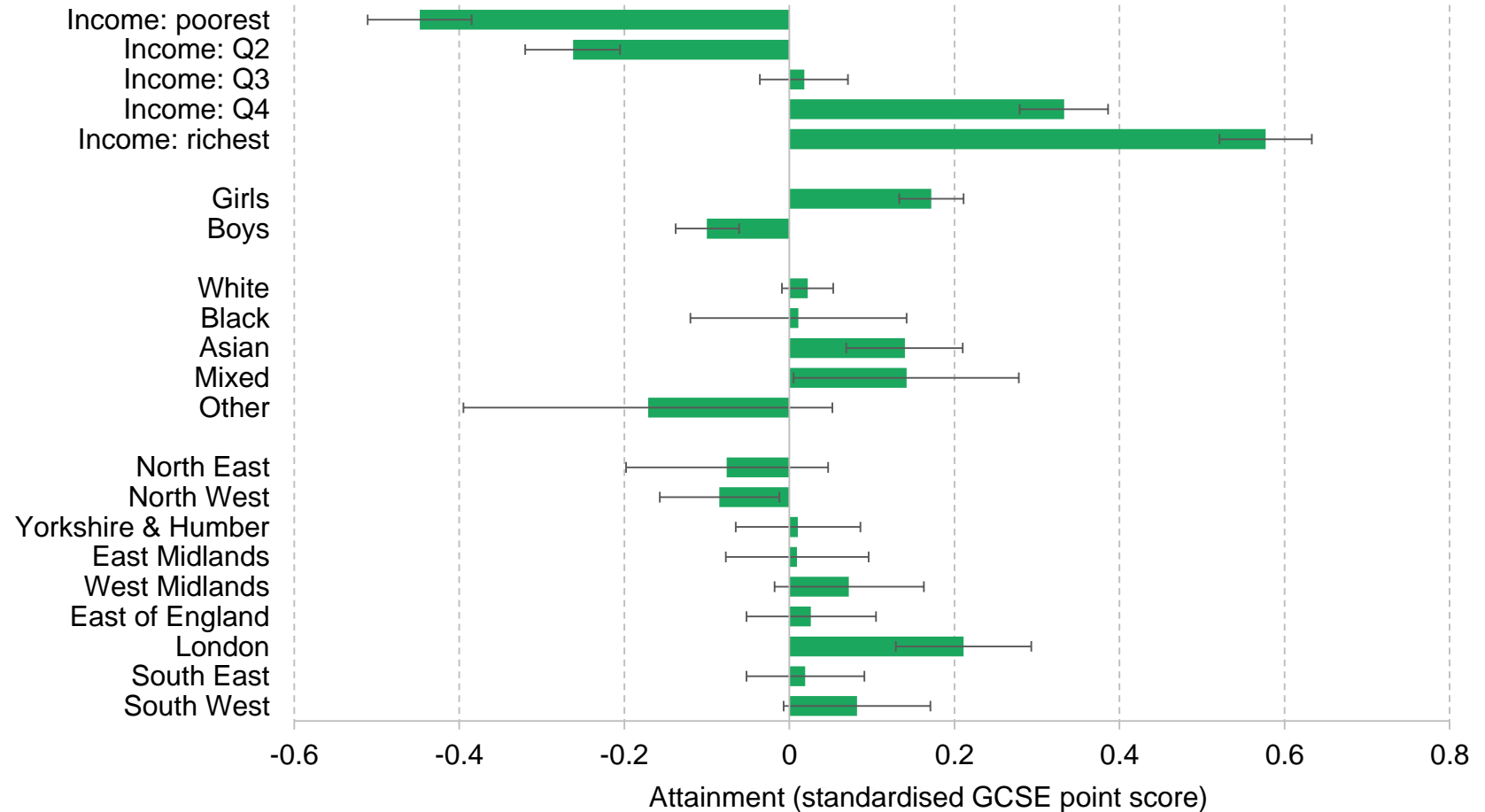
Source: Figure 41, Farquharson et al. (2022).

(How) are existing inequalities reflected in education?

Educational attainment at GCSEs, MCS cohort



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Source: Figure 24, Farquharson et al. (2022).

What inequalities does the existing education system produce?

(How) are existing inequalities reflected in educational outcomes?



Enormous socio-economic gaps in educational attainment

- Young people from disadvantaged families are far less likely to be successful in their GCSEs and to study for higher-level qualifications

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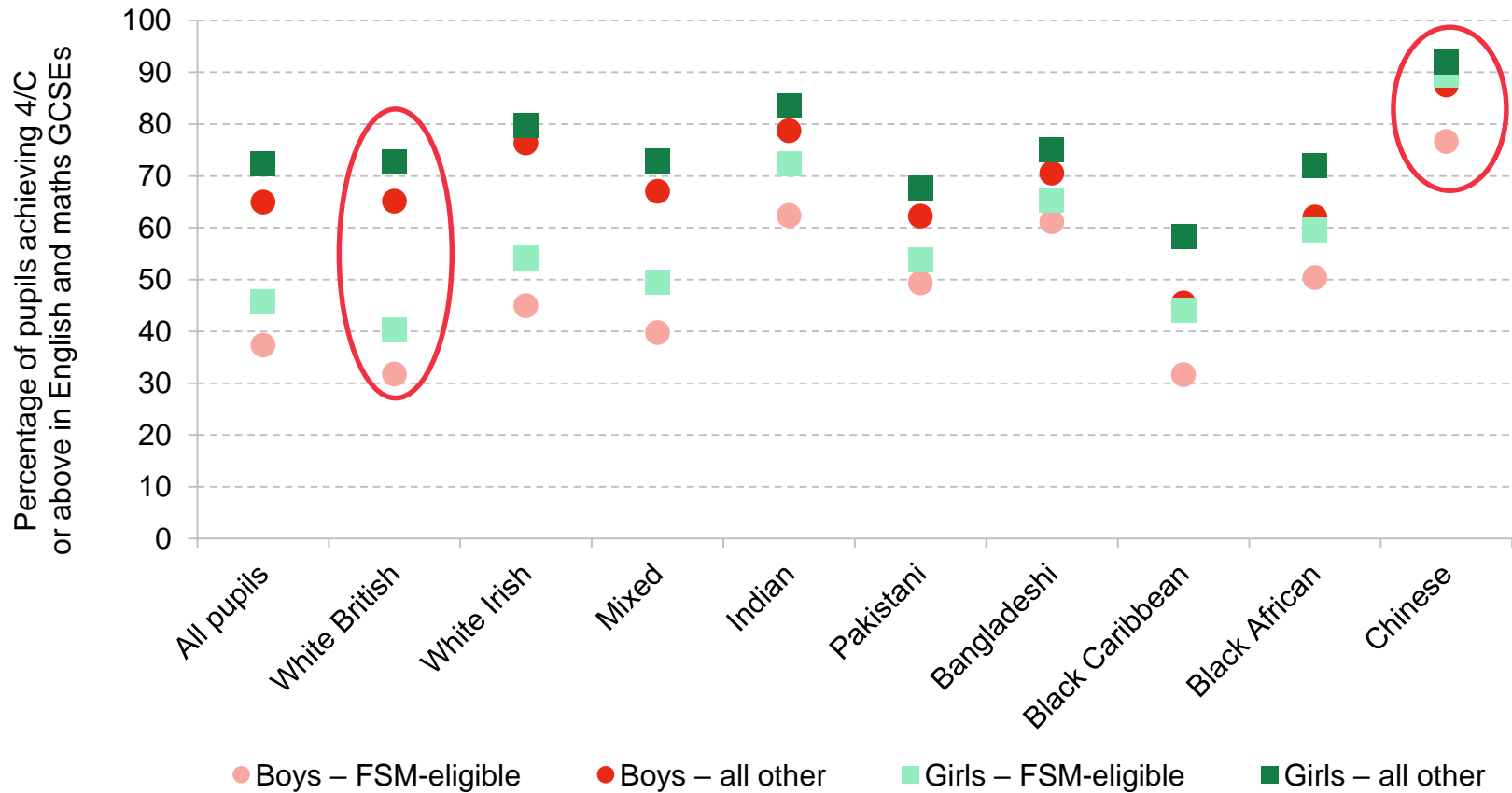
Young people from non-white backgrounds start out behind, but make faster progress through the schooling system and beyond

Attainment in London is higher than elsewhere – though most of this is explained by income

And these inequalities also intersect

The disadvantage gap is largest for White British pupils

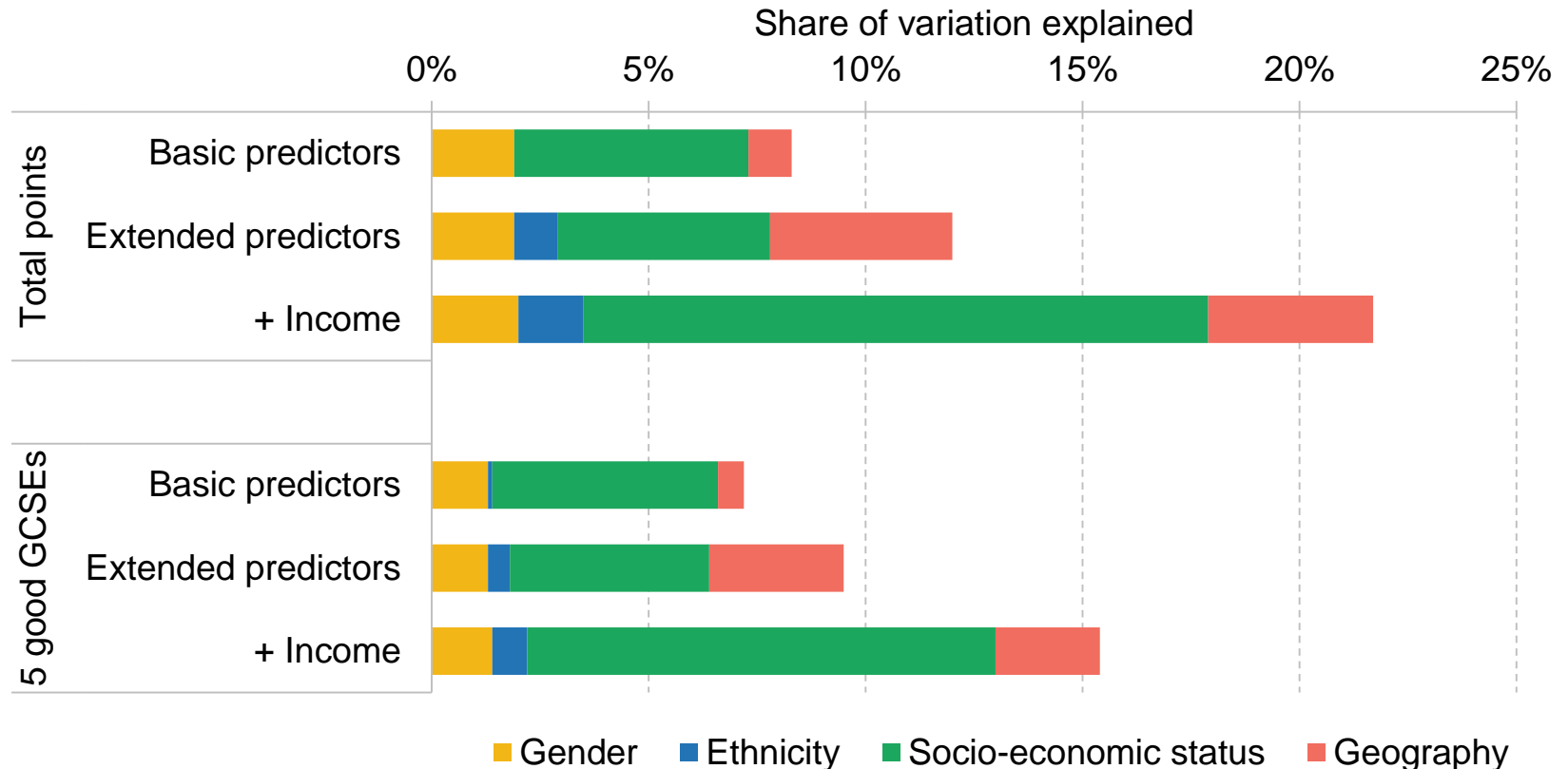
GCSE performance by eligibility for free school meals, gender and ethnicity (2019)



Source: Figure 45, Farquharson et al. (2022).

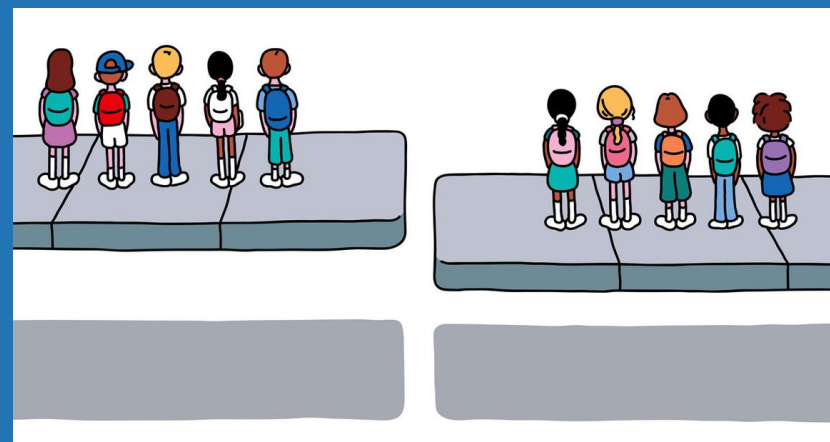
Income is a big predictor of attainment – but not the only one

Contribution of different demographic factors to inequalities in educational attainment (MCS cohort)



Source: Figure 48, Farquharson et al. (2022).

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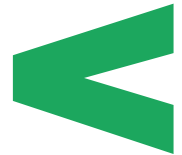
What are the issues with the existing education system?



There are large differences in the resources available to different schools

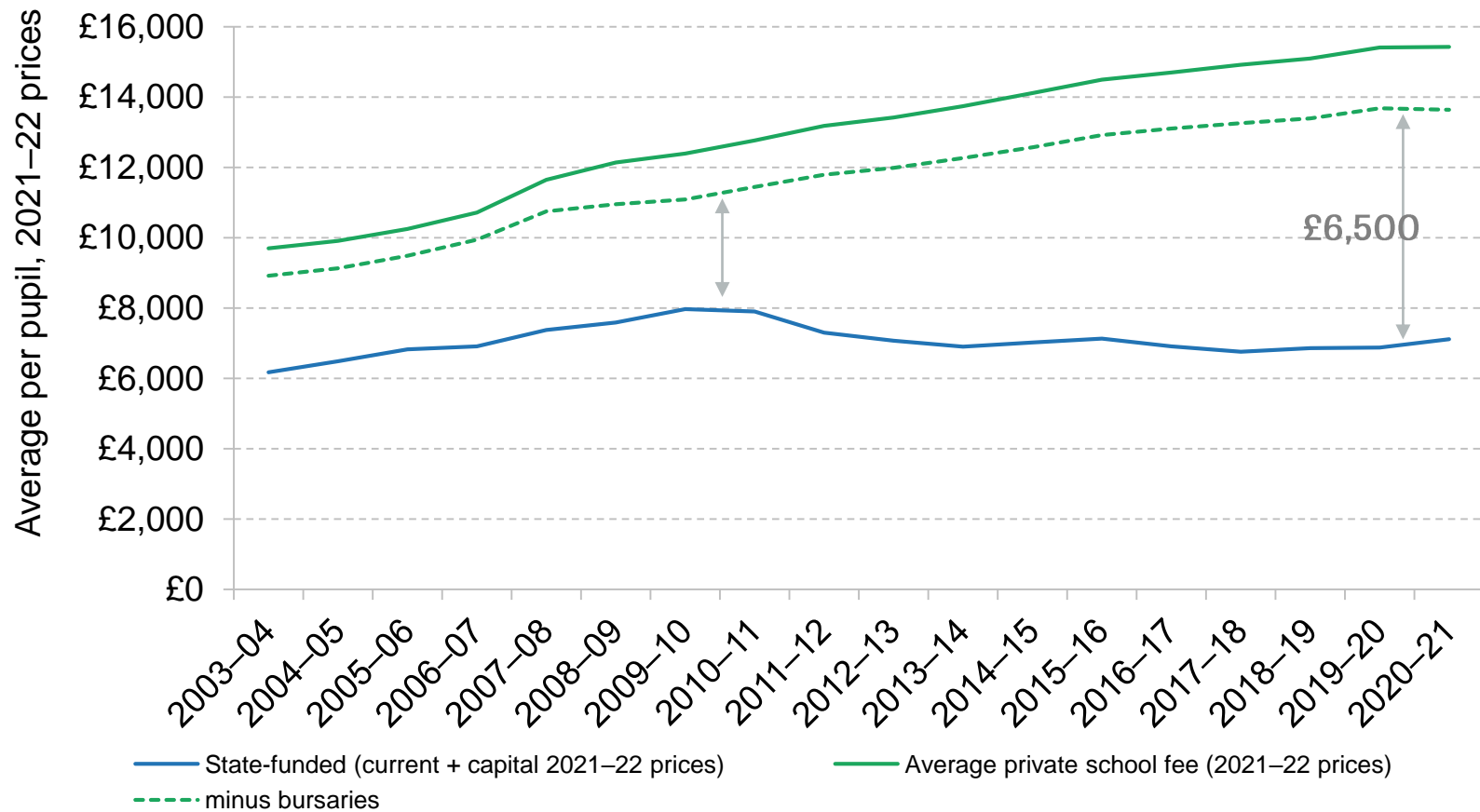
The resource gap between private and state schools more than doubled between 2010 and 2020

State school spending per pupil and average private school fees over time (2021–22 prices)



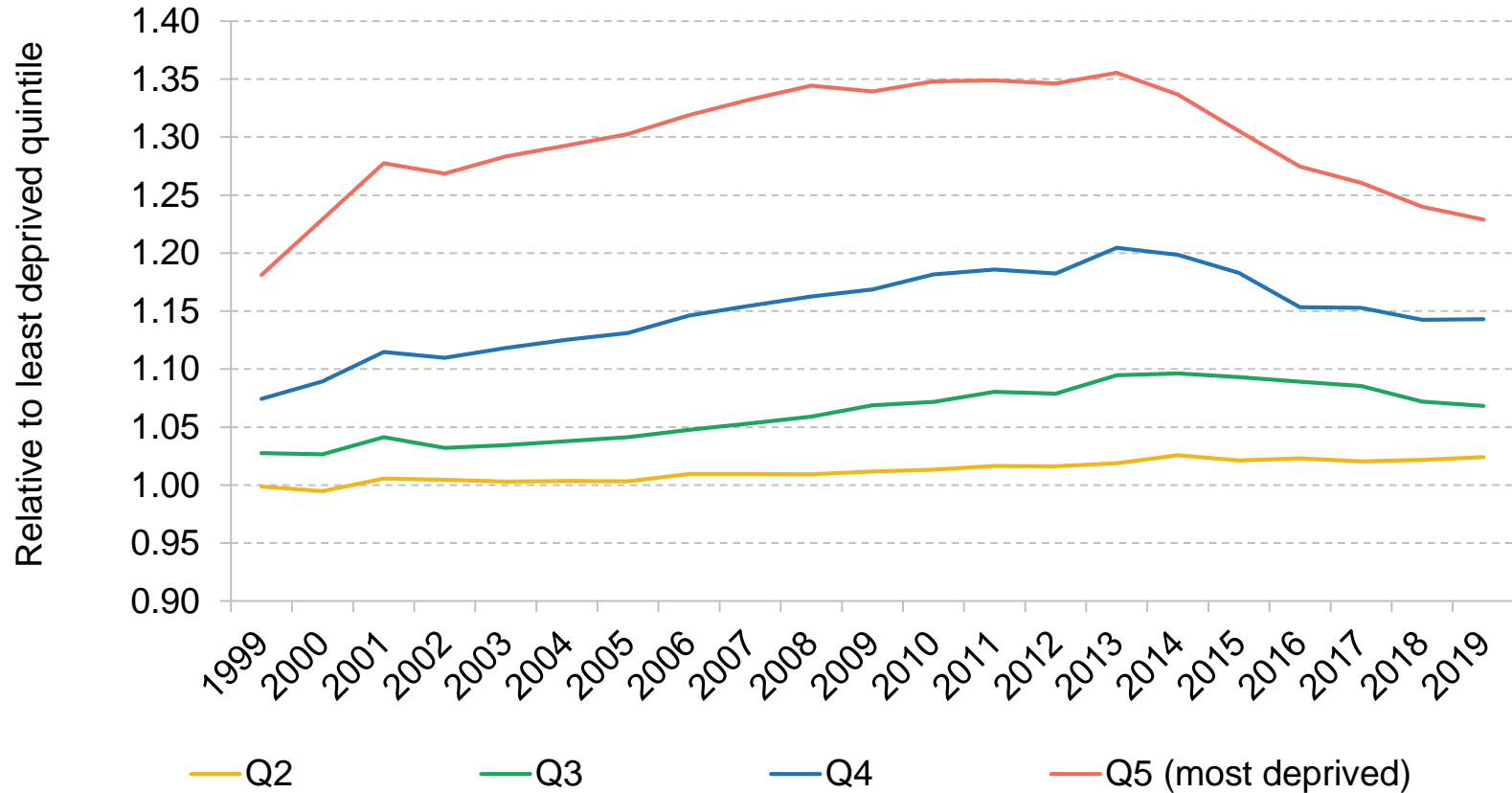
Inequality

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School funding has become less progressive

Spending per primary school pupil by quintile of eligibility for free school meals, relative to least deprived quintile



Source: Panel A, Figure 51, Farquharson et al. (2022).

What are the issues with the existing education system?



There are large differences in the resources available to different schools

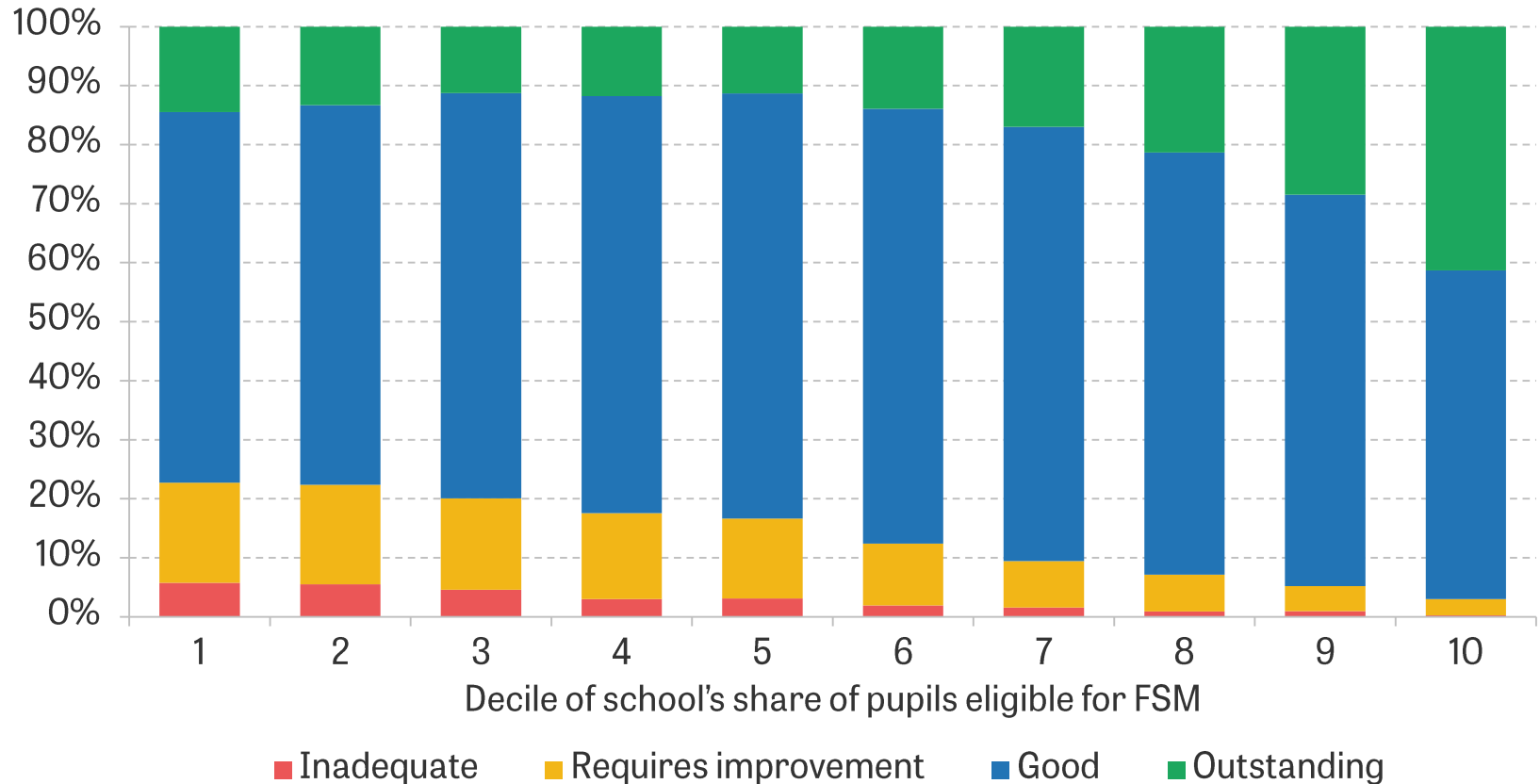
- Private schools spend substantially more on students, and state school funding has become less progressive over time

Disadvantaged schools are less likely to have high-quality teachers

- Teachers are less likely to hold a degree in their subject area, and less likely to be judged Good or Outstanding by the schools regulator

And poorer schools tend to have worse teaching

Ofsted ratings for quality of teaching, learning and assessment in state-funded schools in England (latest to August 2019)



Source: Figure 53, Farquharson et al. (2022).

What are the issues with the existing education system?



There are large differences in the resources available to different schools

- Private schools spend substantially more on students, and state school funding has become less progressive over time

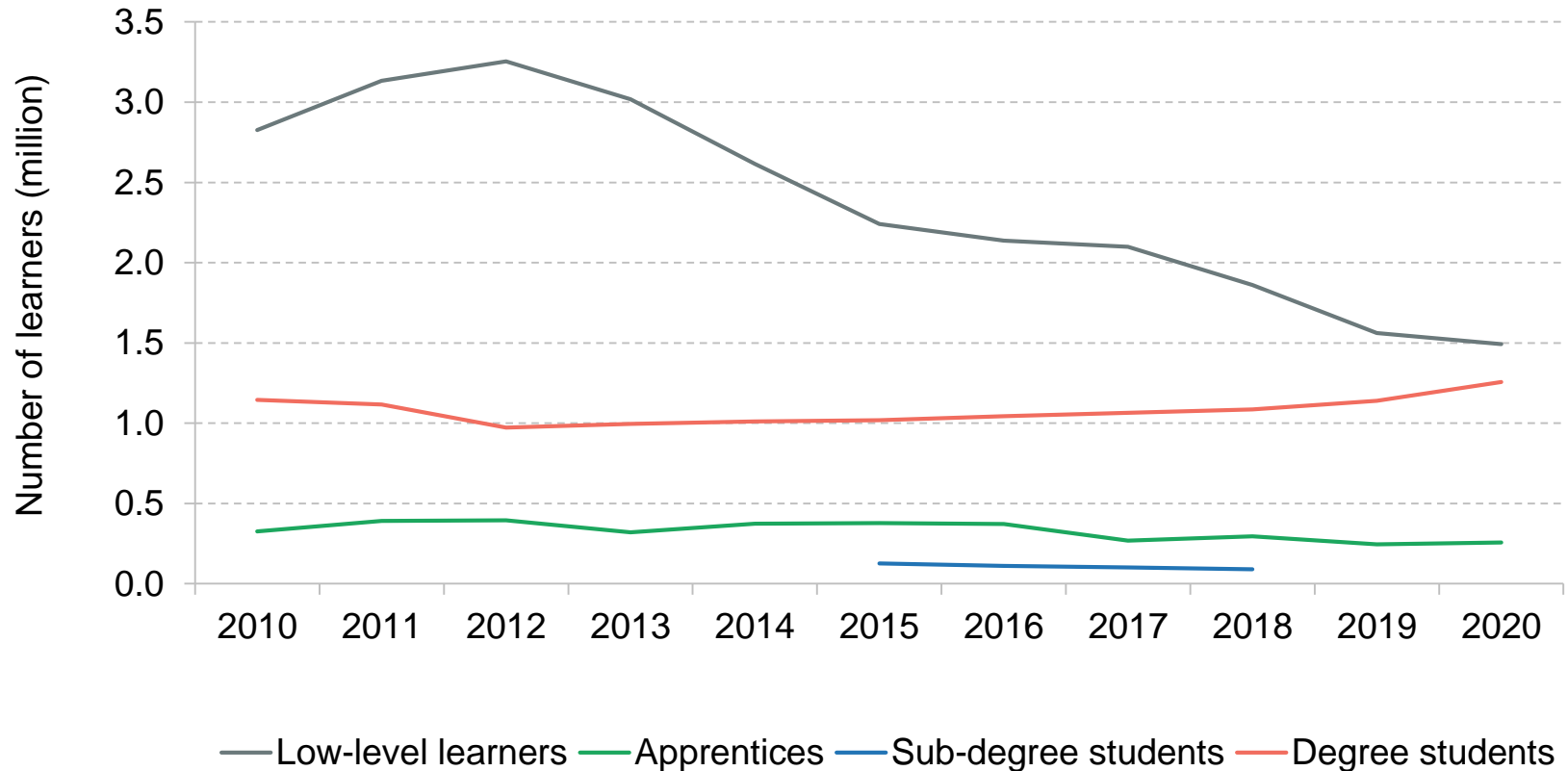
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It is not only school that matters – the post-16 education system provides fewer chances for students who do not attend university

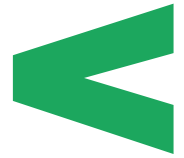
There are few 'second chances' for those who don't do well, both in the adult education system...

Total number of adult learners in England



Source: Figure 55, Farquharson et al. (2022).

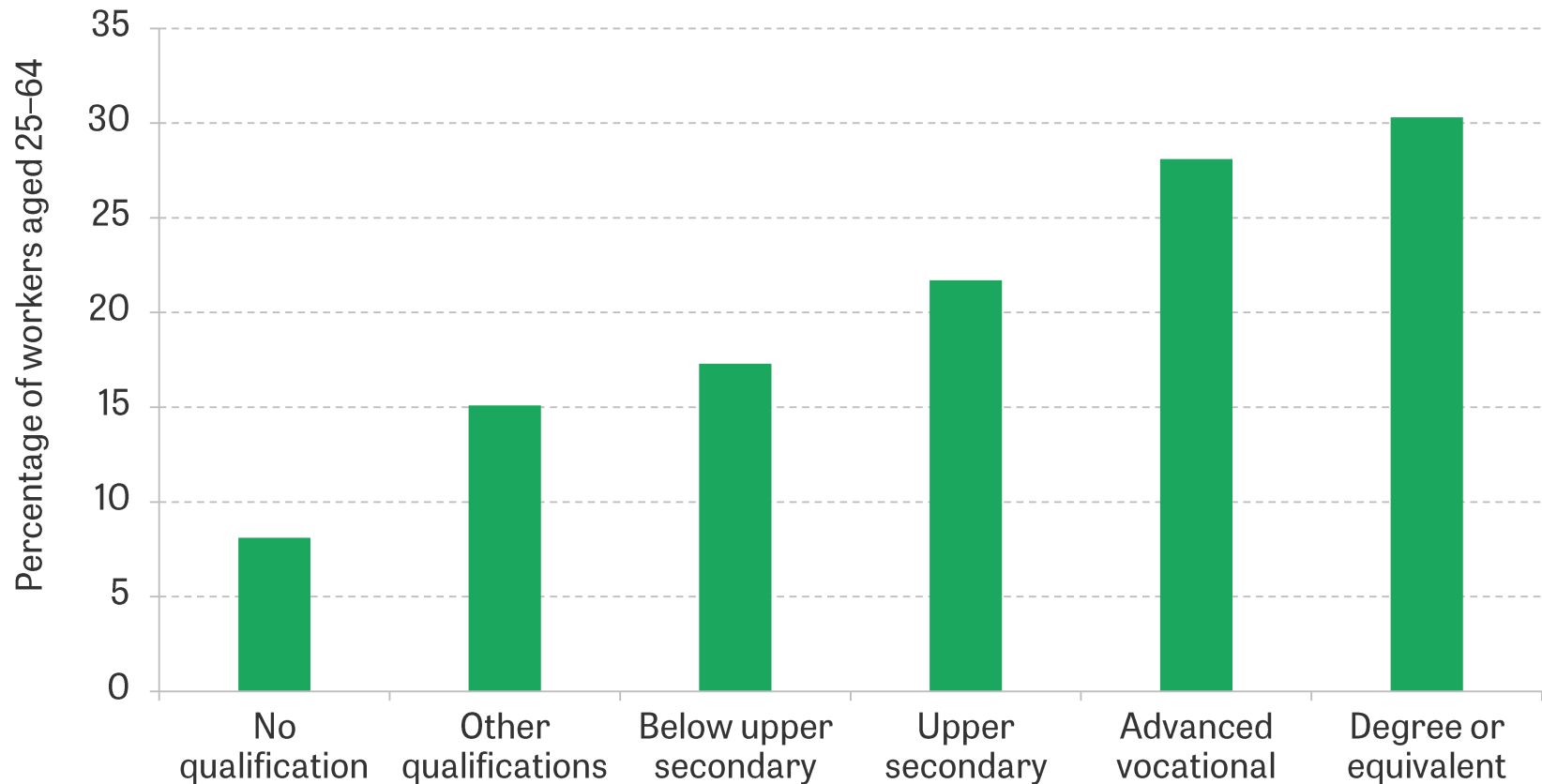
... and at work



Inequality

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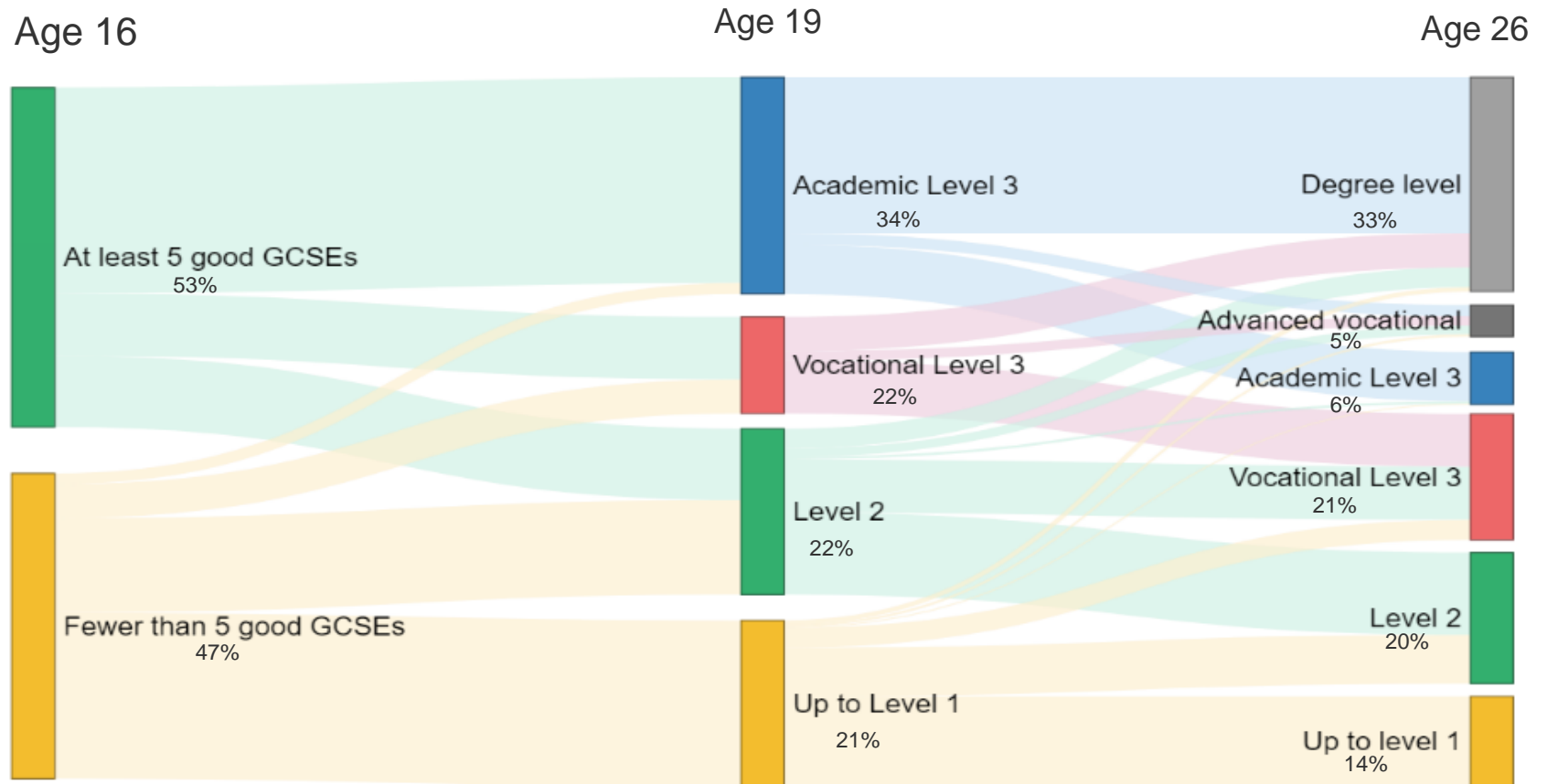
Share of workers receiving employer-provided training in the last three months, by highest qualification level (2017)



Source: Figure 58, Farquharson et al. (2022).

Meaning that some young people get stuck

The evolution of educational attainment for the 2006 GCSE cohort



Source: Figure 54, Farquharson et al. (2022).

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Define the problem



Making progress on tackling educational inequalities means defining the problem(s) we're trying to solve

- Inequalities **in** education or **by** education?
- Educational inequalities themselves, or wider social issues?
- Reducing inequality *per se*, or boosting skills at the bottom?

Consider the root causes

Think about the education system as a whole

- Early interventions can be a powerful tool – but must be followed up
- Resources matter – both their level and their allocation

Create opportunities for everyone

- Provide second chances and the means to reskill

And look outside the education system too

- Families differ in their knowledge and resources
- Today's income inequalities can become tomorrow's education inequalities
- Health, social services, economic insecurity, housing policy, tax and benefits system all play a role

But don't lose hope

Young people in the UK today are more qualified than ever

We've made progress in boosting some disadvantaged groups, e.g. women and ethnic minorities

- Though educational success for these groups is too often not rewarded as highly in the labour market

We all have an interest in raising skills and developing second chances

- Economic case – productivity, resilience to labour market changes
- Moral case – wildly different outcomes based on small differences at key moments

Education can be engine for social mobility

Thank you for listening!

**To find out more about the Deaton
Review of Inequalities, visit:
[ifs.org.uk/inequality/education-
inequalities](https://ifs.org.uk/inequality/education-inequalities)**