

Press Release

Children with strong maths skills at age 10 earn significantly more in their 30s

This is the main finding of new research published today by the Institute for Fiscal Studies (IFS) and funded by the Department for Education via the Centre for the Analysis of Youth Transitions (CAYT).

The report uses data from the British Cohort Study – a large group of individuals born in April 1970 – to look at the link between reading and maths scores at age 10, and earnings at ages 30, 34 and 38.

It shows that:

- A child who scores in the top 15% of maths scores at age 10 is likely to earn 7.3% more at age 30 than an otherwise identical child who achieves a middle ranking maths score, even after controlling for the qualifications that they go on to obtain. This is equivalent to earning around an extra £2,100 per year.
- Reading skills are also important, but less so than maths skills: a child who scores in the top 15% of reading scores at age 10 is likely to earn around 1.9% (£550) more per year at age 30 than an otherwise identical child who achieves a middle ranking reading score.

These results suggest that:

- Although reading skills earn some return in the labour market, employers seem to value maths skills more highly and are willing to reward them with higher wages, indicating that there may be a shortage of such skills.
- Maths skills at age 10 continue to be an important determinant of how much someone earns in their 30s, over and above the qualifications that they obtain.
- Both factors point to the importance of investing in children's maths skills during primary school.

Claire Crawford, Programme Director of the Skills sector at IFS, and one of the authors of the report said: "Our research shows that maths skills developed during primary school continue to matter for earnings 20-30 years down the line. Moreover, they seem to matter more than reading skills, and over and above the qualifications that young people go on to obtain. This highlights the importance of investing in skills, particularly maths skills, early."

ENDS

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Notes to editors

1. *Reading and maths skills at age 10 and earnings in later life: a brief analysis using the British Cohort Study* is a CAYT (Centre for the Analysis of Youth Transitions) Impact Study, funded by the Department for Education (see the CAYT website for more information: <http://www.ifs.org.uk/centres/cayt>). The authors are Claire Crawford and Jonathan Cribb from the Institute for Fiscal Studies.
 2. This report can be downloaded from the IFS website: http://www.ifs.org.uk/caytpubs/CAYT_rep03.pdf
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