



Alamy

**In Britain, individuals from the poorest backgrounds have the worst life chances compared to most European countries**

# Measuring mobility

*Paul Gregg and Lindsey Macmillan of the ESRC Centre for Market and Public Organisation assess the government's indicators of social mobility*

**THE COALITION GOVERNMENT** has placed social mobility at the heart of its social policy agenda, downplaying child poverty relative to the previous government. When talking about social mobility, we are looking at how much the family background of an individual is associated with their later life chances. This can be measured in a number of different ways, most commonly by income and earnings, by social class or by education across two generations. The government is primarily interested in the differences in life chances of poor against more affluent children and hence are focusing on income mobility, but they are clear that they view educational attainment as a key driver of mobility.

In Britain, intergenerational income mobility is low, meaning individuals from the poorest backgrounds have the worst life chances, compared to most European countries. The situation has got worse for children leaving school in the 1980s compared to previous generations. There is cross-party support for a move to reverse this trend, but many of the government interventions take

place in childhood, and to capture the impact of this drive towards greater opportunity is often difficult as we can't observe life chances until the children affected now are adults.

## **USEFUL INDICATORS**

To attempt to address this problem, one of the elements of the government's new social mobility strategy is to measure and assess intermediate indicators of mobility annually. The idea is that these indicators of social gradients in educational attainment and other characteristics in childhood offer us a good prediction of a person's later life chances. Hence we can learn about future levels of mobility from current levels of inequality in intermediate indicators. For an indicator to be a useful measure of social mobility, it must therefore be a good predictor of later life outcomes as well as capturing current differences across the range of family backgrounds. Working under the assumption that returns to certain attainments, for example the higher earnings resulting from good exam results, do not vary wildly from year to

Indicator	Strategy review	Birth Cohort Study
1 Birth weight	Low birth weight	Low birth weight (<2.5kg)
2 Child development	School readiness	Cognitive test scores at age 5
3 School attainment 1	% achieving level 4 KS2	Cognitive test scores at age 10
4 School attainment 2	% achieving basics measure	% achieving 5A* including English and Maths
5 Employment and participation 1	% 18-24-year-olds in education	% staying on in education post-18
6 Employment and participation 2	% 18-24-year-olds not in education, employment, or training (NEET)	% of time NEET from 18-24
7 Further education	% achieving 2+ A Levels	% achieving 2+ A Levels
8 Higher education	Progression to higher education	% achieving degree

**Table 1: Mobility indicators in the strategy review and available measure in the British Cohort Study**

and middle-income children. The government does not suggest a specific measure of school readiness at age five, so we use measures of numeracy and literacy (basic counting and reading ability, and so on) without any particular threshold for attainment.

The extent of intergenerational mobility is commonly expressed as the correlation between income in childhood and that child’s earnings when they are an adult – this is called the Intergenerational Income Correlation. This captures how close people remain to their social origins, or the extent to which the poorest children become the poorest adults. Figure 1 shows the relative contribution of each indicator to the stability in individuals’ economic position in society. For any indicator to predict this stability it must be closely related to family income in childhood and predict later life chances, here measured by earnings as an adult.

Low birth weight is weakly related to family background, but is not related to future earnings. This therefore does not account for any of the mobility story. The educational measures account for 10-15 per cent of the total estimate of mobility, with staying on in education after age 18 accounting for 20 per cent. Achieving a degree is the single most powerful indicator, as it is very closely tied to family background and very important for predicting future earnings, capturing just under a third of the intergenerational correlation.

**THE FUTURE OF MOBILITY LEVELS**

You might expect that the amount of time spent not in education, employment or training would be strongly correlated with family background and future earnings. But it only accounts for three per cent of the total mobility story, a surprisingly low figure. This may have changed since the BCS cohort, as far more young people now stay on in education, and not doing so may be a stronger marker of disadvantage in later life. When all of the measures are included together, the indicators proposed so far account for just under 50 per cent of the total estimate of mobility.

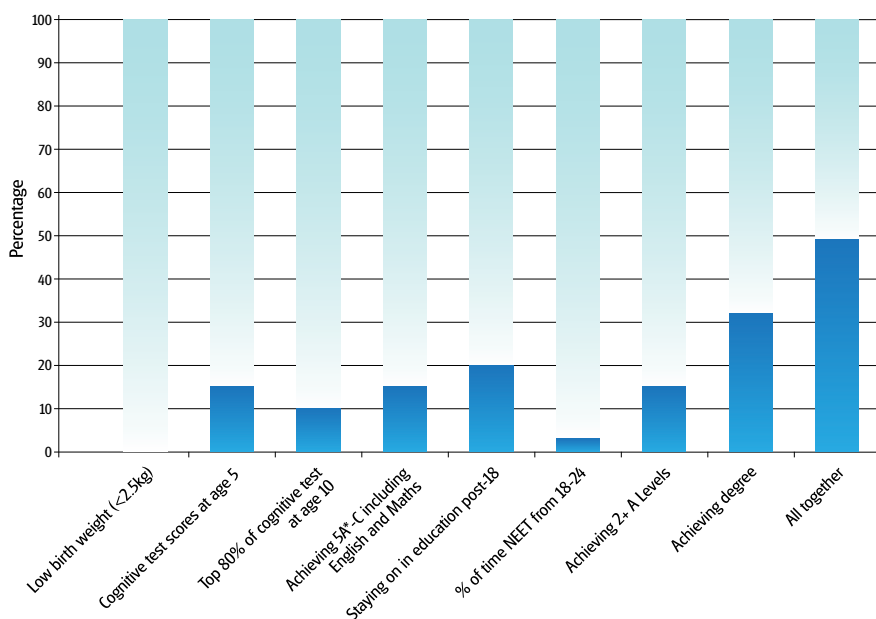
The government’s choice of mobility indicators is therefore likely to be useful in informing us whether today’s young people will experience similarly low levels of mobility as the previous generation, or whether new policies, such as the Pupil Premium, the abolition of EMA and the trebling of tuition fees, will improve life chances for the poorest in society. Given the important role of post-compulsory education and degree attainment in the story of mobility, policies that adversely affect the chances of poor kids achieving these outcomes relative to rich kids will be detrimental for future mobility levels. ■

year, changes in the relationship between these indicators and family background can indicate changes in mobility levels.

The government strategy suggests eight potential indicators, each one capturing a different life stage through childhood, adolescence and early adulthood. To measure the effectiveness of each indicator in predicting life chances we can use data already collected for individuals, who are now aged 41, from the British Cohort Study (BCS), and construct indicators that map as far as possible onto the indicators proposed in the strategy review, which are listed in the table above.

**The government is primarily interested in the differences in life chances of poor against more affluent children**

To make the collection of the data easier, and the results more intuitive, the indicators use thresholds to split the population into two groups – for instance achieving Level 4 at Key Stage 2 or not, rather than using full details of attainment. Likewise for measures of family background, alternative measures (such as eligibility for Free School meals or not) are used rather than actual income. This means that we are only comparing the performance of the poorest children with all others and are not measuring attainment gaps between the most affluent



**Figure 1: The relative contribution of each indicator to the Intergenerational Income Correlation**