High and Rising Life-Satisfaction Levels Among Those With University Degrees in the UK 1996-2025. *

October 2026

Andrew E. Clark,† Maria Cotofan,‡ and Andrew Oswald§

†Paris School of Economics – CNRS. E-mail: andrew.clark@ens.fr.
‡Department of Political Economy, King's College London. E-mail: Maria.Cotofan@kcl.ac.uk.
§Department of Economics, University of Warwick. E-mail: Andrew.Oswald@warwick.ac.uk.

This is an interim report on a larger project being undertaken by the authors. It is designed as a background paper that can serve as supplementary material to a non-technical newspaper article.

---

*We are grateful to Gianna Boero, Amanda Goodall, Charlie Harrison, Robin Naylor and Jeremy Smith for valuable suggestions.

Research Transparency Statement

A.I. was not used in the creation of this paper.

FUNDING STATEMENT: No explicit funding source.
CONFLICT OF INTEREST: The authors declare none.
ETHICS APPROVAL: Not applicable; approval was gained by the original data-set collectors.

Abstract

There has been recent debate in the UK about the value of a university degree. It is now widely believed that the 'wage' return has fallen through time – in a way that makes some observers doubt whether a young person should attend university. This paper investigates that concern. It uses data on approximately 600,000 randomly sampled individuals from the early 1990s up to 2024/25. There are two main findings. First, the paper confirms the fact that the monetary return to higher education -- although still substantial -- has declined over the last few decades. Second, and by contrast, the paper demonstrates that the 'life satisfaction' return to a university degree is high and in fact has increased over the previous quarter of a century. This is true generally (that is, for the whole population) and for recent young cohorts. Put into everyday English, those who go to university in the UK have increasingly better and happier lives than those who do not.

"What is the fruit of these teachings? Only the most beautiful and proper harvest of the truly educated—tranquility, fearlessness, and freedom. Epicticus, Book II. 108 AD

"The human being can only become human through education."
Immanuel Kant, Lectures on Pedagogy: Published 1803.

"Education is the fundamental method of social progress and reform."
John Dewey, 1897 declaration, My Pedagogic Creed.

Going to university is a choice made by almost half of young UK adults and by some older adults. It is today routinely seen as an investment decision in the desire for higher income. Recent UK commentators, however, have raised doubts about whether on purely financial grounds it is sensible to attend university (Britton et al. IFS 2026, Burn-Murdoch 2026). "That bet has become less reliable" (NIESR, 2026). Other modern wage-premium estimates are available in Blundell et al. (2022) and Boero et al. (2025). Earlier ones are given in the well-known work of Naylor et al. (2016).

The original conception of education was different. It was not focused on monetary returns. Aristotle, Socrates and Plato, among others, including those individuals listed in the quotes above, argued that education was the route to improve a person's wisdom, virtue and courage. We suspect it is likely that the thousands of professors who teach in humanities departments in UK universities would also argue that it is fundamentally mistaken to see a university degree merely as a device to make money.

Our objective in this study is to examine, and to provide estimates of, two different kinds of 'return' to higher education. Does a university degree make people richer, and if so by how much? More broadly, does it actually improve individuals' lives, and if so by how much? Have these two kinds of return been altering in size through time in the United Kingdom? The evidence given later in this study suggests that the answer to these three questions is, in each case, reliably 'yes'.

We also offer evidence of an upward trend in the life-satisfaction premium coming from a university education. For a reader who wants to have an immediate sense of that, the later Figures 11A and 11B offer simple graphical illustrations.

We believe that our empirical results are not known by researchers or the general public.

BACKGROUND

There is a prior literature that attempts to estimate the influence of higher education upon happiness and life satisfaction. An early example on pooled European data was DiTella et al (2003), who found a substantial positive coefficient in equations that controlled for a wide range of covariates. However, there has apparently been little econometric work on specifically modern UK data, although this paper is in the same general spirit, that of thinking beyond money as the only metric, as that of Clark et al. (2024).

Empirically, the analysis here relies on two major UK household panel surveys: (i) the British Household Panel Survey which began in 1991 (BHPS) with additional samples subsequently added in Scotland, Wales, and Northern Ireland to extend UK-wide coverage, and (ii) its larger successor since 2009, Understanding Society (UKHLS). The two datasets have been harmonised into the longest UK-wide representative household panel survey. This allows us to analyse 35 years of continuous household panel data.

Two essential variables that we use in this study are life satisfaction (on a 7-point scale), first introduced in 1996 in the data set, and job satisfaction, which has been available since 1991. We also have labour-market information, which is available yearly, including on individuals' labour-market status, hourly pay, hours worked, and their 4-digit-level occupation. This latter comes from the most detailed occupational scheme that has remained consistent across all survey waves. It captures 383 distinct occupations.

Educational attainment in this study is measured through a set of three ordered categories, namely:

- respondents with a degree,
- with A-level or equivalent qualifications alone.
- with GCSEs or lower.

Finally, the econometric analysis also includes a standard set of exogenous demographic controls: sex, a quadratic (or categorical, in some specifications) term in age, and a dummy for white ethnicity. This is to adjust for some of the changing composition of UK citizens through time. In some cases in our later analysis we adjust also for the occupation within which people work. Crucially, it should then be borne in mind that

a university degree can help someone to be in a particular occupation, so that an analyst needs to decide whether or not what is desired is an estimate of the entire, net consequences of having been to university.

Life satisfaction is measured on a cardinal scale, where a higher number corresponds to a higher level of life satisfaction. Pay as measured in our study is the logarithm of hourly earnings, while hours are the logarithm of weekly hours (this is the sum of basic and overtime weekly hours).

We provide two links to more information about each data source:

BHPS: https://datacatalogue.ukdataservice.ac.uk/series/series/200005#abstract

Understanding Society: https://datacatalogue.ukdataservice.ac.uk/series/series/2000053#abstract

Numbers are available in Table 1 that give background statistics about the data set. Thus, for example, the mean of life satisfaction is 5.17; females make up 56% of the sampled population; the mean age of people in the sample is approximately 49 years old; 85% of the sample report themselves as white; and so on.

FINDINGS

The paper's first result, and we believe it is not well known by most commentators, can be seen in Figure 1. This diagram is a simple plot of data on the level of life satisfaction of UK citizens through the decades since the mid-1990s. Although there is a jagged path over the three decades, so that there are periods where reported wellbeing was increasing in the nation, more broadly it can be seen that the average level of satisfaction is dropping through time in an underlying sense. The downward trend is visible both for males and females; the two plotted lines in Figure 1 are largely similar to one another.

This diagram, Figure 1, is consistent with the troubling idea that there has been some kind of growing social discontent in the United Kingdom.

Figure 2 switches to how people feel about their work and workplace. For males, job satisfaction in Figure 2 is, as a trend, markedly flatter than life satisfaction from 1996 to the present day. Data on females, by contrast, here seem to reveal a slightly more noticeable, though not dramatic, downward trajectory in job satisfaction.

These two diagrams give a picture of the UK as a whole. The aim of the current study is to understand the differences between university graduates and others. Therefore it is necessary to be aware that, while all this has been going on, the share of UK adults with a university degree has increased substantially (Figure 3). This growth has been much discussed in the media and may have been shaped substantially by Tony Blair's (a previous prime minister) aim to increase educational levels in the United Kingdom.

To this point, everything has been presented in the form of averages in raw data or with minimal correction for the personal characteristics of different people.

Table 2 is different. It treats life satisfaction as a dependent variable in equations that adjust for demographic variables, pay, hours, and year fixed effects. In column 3 of Table 2, moreover, a set of dummy variables is included for the set of occupations.

It can be seen in Table 2 that people have notably higher life satisfaction if they are paid more, but also if they work longer hours. The latter result may be caused by the endogeneity of hours, so its appropriate interpretation here is unclear.

As background statistical information, Tables 3-6 turn to an issue that is more conventional in modern debate. They give a range of econometric estimates -- these are designed for readers who are specialists in economics and statistics -- of the monetary return, averaged over the decades, to having a university degree. That return (the 'wage premium') has been large. The coefficient in the first column of Table 3, for example, is 0.40. This implies, because the equation is for the natural log of pay, that the financial return to university education is greater than 40%.

However, this is on average through the period. Figures 7A and 7B present relevant information about the pattern through time. These reveal a secular decline over the years in the size of the 'wage premium' from university education (measured for, respectively, the whole labour force in Figure 7A and for those aged 25-

35 in Figure 7B). The implication of Figures 7A and 7B is that the advantage to a person of higher education if measured simply in terms of pay has dropped steadily to, at the current point, a wage rate approximately one third higher than for those who did not go to university. It should be noted that this does not bear in mind any of the costs of attending university, nor can it be interpreted as a decisively causal estimate.

Figures 8A and 8B broaden this. They show also the path through time in the financial return on A-levels. That pattern, too, trends downwards. Tables 7 and 8 are again for specialists and try to estimate -- see the right-hand side of Table 7 -- the size of cohort effects and various kinds of interaction effects. We hope to discuss details in our forthcoming technical paper. Figure 9 gives the downward wage-premium path for different kinds of individual.

Tables 9 and 10 switch back to Life Satisfaction equations. A university degree here is associated with a substantial increment in life satisfaction. Table 10 seems perhaps particularly useful. It reveals that about an extra quarter-point of life satisfaction could be said to stem from having a degree. Having A-levels only – i.e. ignoring those who have a degree or more, predicts a smaller life-satisfaction premium of approximately one tenth of a point.

All these estimates, it should be emphasized, are to be read as relative to individuals with no or low educational qualifications.

What are the patterns in recent data? Table 11 provides, for years later than 2012, econometric estimates of the life satisfaction return to a university degree, which is substantial. It shows that the life-satisfaction gain from university attendance is even larger than in the years before 2012 (it is necessary to add the numbers 0.225 and 0.084). The second column's interpretation is a nuanced one, however, so has to be treated carefully. That is because the column adjusts for occupation fixed effects, and then the -- presumably inevitable -- better occupations of degree holders on average is absorbed and thus somewhat hidden in the table. That is why the degree coefficient falls from 0.225 to 0.151. The former number can be thought of as the true net effect of university.

It is noticeable in Table 11 that in the first column the return to A levels approximately disappears after 2012. This can be seen by adding 0.101 to -0.120 and then adding 0.033. Table 12 (for specialists) and particularly Figures 10A-11B show how the life-satisfaction return to education has altered since the end of the 1990s.

Although Figure 10A is an elementary plot, it seems to carry a fundamental message about the United Kingdom that may be more easily seen than in the regression equations. After averaging the data, *university graduates have enjoyed a major life-satisfaction premium* over the three decades. It is, in fact, substantially greater than it was in either the mid-90s or the middle of the first decade in the 2000s. Figure 10A, it should be noted, effectively compares graduates with all others in the population.

Some parents may have started to think that going to university is for their offspring not necessarily a good idea. Therefore, perhaps a valuable contribution to the current debate about the value of higher education is depicted in Figure 11B. The dark line exhibits fluctuations around an apparently powerful increasing trend: It reveals that young people (those here between 25-35 years old) have experienced a broadly rising psychological return from attending university. Youngish degree-holders today thus obtain a far greater premium in life satisfaction than their equivalents did in the late 1990s.

It should again be emphasized that a diagram like Figure 11B contains lines that are comparing automatically with the life satisfaction level of those with low educational qualifications. The dotted line is thus included in Figure 11B to aid a comparison between those with A levels -- but who did not go further and thus to university -- to those with more basic levels of education.

To our knowledge, the citizens of the UK are unaware of the pattern in Figures 11A and 11B.

Finally, as a reminder and a check, how substantial is the life-satisfaction premium to a university degree?

To explore this, we ran equations of life satisfaction (7-point scale) with controls for age (3-categories), a dummy for being white, and gender and year fixed effects.

- The coefficient on female is -0.007 (0.004 SE)
- On young (18-29) relative to middle aged is 0.120 (0.005)
- On older (51 or older) relative to middle aged is 0.230 (0.004)

- On white ethnicity it is 0.188 (0.005)

We also checked what happened if we added to these equations, separately, the following variables: partnered status, employment status, and pay. We did this because we thought it might be a fair comparison to the education coefficients in Column 1 of Table 10 which already control for age, sex, ethnicity and years. The coefficient on university degree, recall, is 0.276 in Table 10. The coefficients are then:

- 0.393 (0.004) on partner status
- -0.799 (0.011) on unemployment
- 0.199 (0.004) on the logarithm of hourly pay (for those in employment only).

As partnered and jobless are two of the most substantial life characteristics -- unsurprisingly -- ever found in wellbeing equations, the coefficient of 0.276 from a degree is large.

CONCLUSIONS

Those in the UK who attended university over the last three decades went on to have much more satisfying lives than those who did not. Moreover, the psychological wellbeing premium from having a university degree is apparently now substantially higher than it was a quarter of a century ago. All this is also true if we focus specifically on cohorts of young people between age 25 and 35.

For any skimming reader, Figures 11A and 11B give an immediate view of the patterns through time.

It therefore seems that the general psychological and happiness kinds of consequences from going to university are greater than ever. Why has this happened? Currently, we are not certain. We hope to write more about this in our later technical paper. But, in the interim, three points are relevant.

First, when we examined the data separated one at a time into each of three categories (university graduates; those who left school with A levels or equivalent but did not go to university; those with lower or no qualifications) we found that the life satisfaction of the latter group, those with low levels of education in the UK, has collapsed since approximately 2008. Hence one explanation for the improving life-satisfaction

premium of university graduates relative to others is that the least-educated have simply done so badly. As a matter of arithmetic, a ratio increases when the denominator falls substantially. Of course this kind of ratio comparison has also been used by those who have studied the much-discussed alterations in the wage premium from a degree.

Second, marriage rates -- formal and informal -- have held up much more since 2008 among people with university degrees (see Figures 12A and 12B, although it can be seen that the gap between the decreasing lines is much smaller among the young group). It is known that marriage and intimate partnerships enter wellbeing equations with a large positive coefficient.

Third, unemployment rates have increased particularly strongly among those with low levels of education in the UK since 2008 (see Figures 13A and 13B). It is known that unemployment enters wellbeing equations with a large negative coefficient.

In closing, it should be noted that there are limitations to the econometric analysis in the paper. The most important is that it is not possible here to have the clarity of a randomized controlled trial of the sort we would use to test a sleeping pill against a placebo pill. People are not randomly assigned in their lives where Group A has to attend university while Group B does not. Students decide whether to go. We intend to take up this conceptual issue, one that also applies in the wage-premium branch of research, in our continuing work. A further potential concern is that human feelings in this analysis are being measured on a cardinal scale, and yet no objective scale -- as for temperature or air pressure -- is available. A large formal literature discusses the plusses and minuses of this. See, for example, Pavot and Diener (1993), Clark (2018), Sarracino and O'Connor (2025), and Powdthavee (2010). One recent study is Kaiser and Oswald (2022), who demonstrate the predictive power of simple cardinal measures of satisfaction. Another, and more straightforward, defence is that, presumably because they are valuable, cardinal satisfaction scales have been used for decades by the world's largest companies to assess their employees' feelings, their customers' feelings, their renters' feelings (as in Airbnb), and so on. Cardinal numbers have therefore successfully passed what economists -- ever since the so-called Chicago school including figures such as Milton Friedman and Gary Becker -- traditionally refer to as the key 'market test', in the sense that the use of cardinal ratings is a persistent feature of the economy.

The conclusion from our work appears to be a straightforward one. It is that over the last few decades university graduates in the United Kingdom have greatly benefitted from their degree, and that they continue, even more markedly, to do so. A focus on pay alone is therefore misleading.

References

Blundell R, Green DA, Jin W. (2022). The U.K. as a technological follower: higher education expansion and the college wage premium. Review of Economic Studies, 89(1), 142–80.

Boero G, Nathwani T, Naylor R, Smith J. (2025). The college wage premium in the UK: decline and fall? Oxford Economic Papers, 77(1), 1–18.

Britton J, Ogden K, Ornadel N, Waltmann B. (2026). New estimates of the impact of undergraduate degrees on lifetime earnings. Institute for Fiscal Studies (IFS). London.

Burn-Murdoch J. (2026). The university degree is losing its lustre. Financial Times, September 4, 2026.

Clark AE. (2018). Four decades of the economics of happiness: Where next? Review of Income and Wealth, 64, 245-269.

Clark AE, Cotofan M, Layard R. (2024). Do wages underestimate the inequality in workers' rewards? The joint distribution of job quality and wages across occupations. Economica, 91(362), 497-546.

Kaiser C, Oswald AJ. (2022). The scientific value of numerical measures of human feelings. Proceedings of the National Academy of Sciences of the USA, 119 (42) e2210412119.

National Institute of Economic and Social Research (NIESR). (2026). https://niesr.ac.uk/blog/why-graduate-wage-premium-falling-uk

Naylor R, Smith J, Telhaj S (2016). Graduate return, degree class premia and higher education expansion in the UK. Oxford Economic Papers, 68, 525-545.

Pavot W, Diener E. (1993). The affective and cognitive context of self-reported measures of subjective well-being. Social Indicators Research, 28, 1-20.

Sarracino F, O'Connor KJ. (2025). Governments should prioritize well-being over economic growth. Nature Human Behaviour 9(10), 2003-2005.

Di Tella R, MacCulloch R, Oswald AJ. (2003). The macroeconomics of happiness. Review of Economics and Statistics, 85, 809-827.

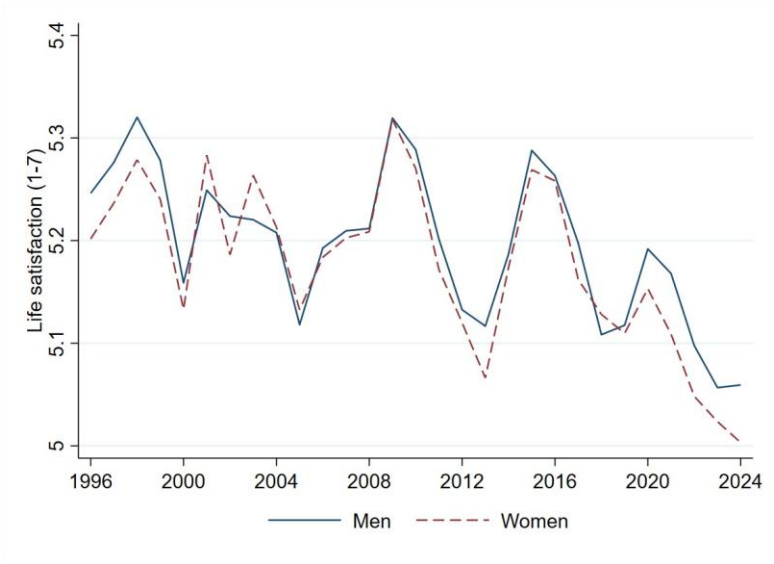
Powdthavee N. (2010). The Happiness Equation. Icon books, UK.

Table 1: Descriptive Statistics

	Mean	Standard Deviation	N
Full Sample			
Life satisfaction	5.17	1.42	625,411
Female	0.56	0.50	625,411
Age	49.39	18.01	625,327
White	0.85	0.36	625,411
Degree	0.24	0.43	625,411
A-level and other higher	0.33	0.47	625,411
GCSE and lower	0.43	0.49	625,411
Employed Sample			
Life satisfaction	5.20	1.30	297,029
Job satisfaction	5.32	1.36	296,821
Hourly Pay (Log)	2.64	0.61	297,029
Weekly Hours (Log)	3.32	0.57	297,029
Female	0.54	0.50	297,029
Age	42.01	12.34	297,029
White	0.84	0.36	297,029
Degree	0.32	0.47	297,029
A-level and other higher	0.36	0.48	297,029
GCSE and lower	0.33	0.47	297,029

Notes: Source: BHPS and UKHLS (1996-2025).

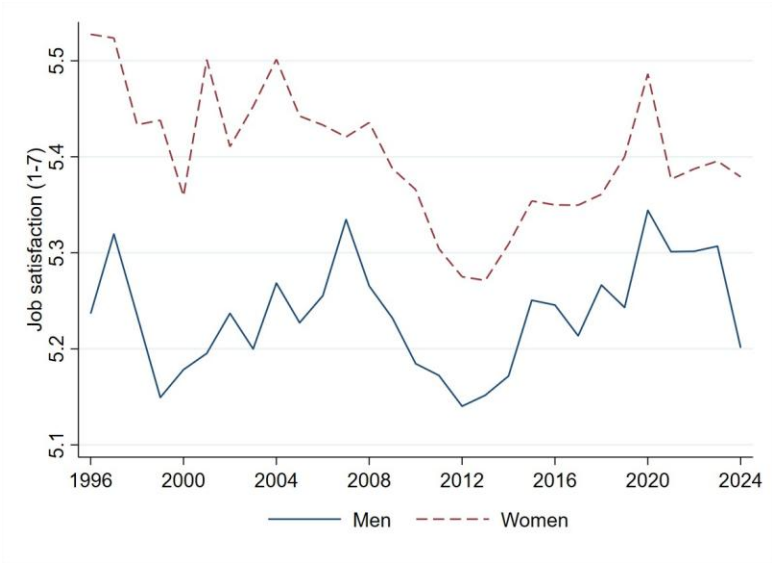
Figure 1: Life satisfaction in the UK over time, by sex.



Life satisfaction is measured on a 1-7 scale where 7 is the highest rating.

Source: BHPS and Understanding Society (1996-2024).

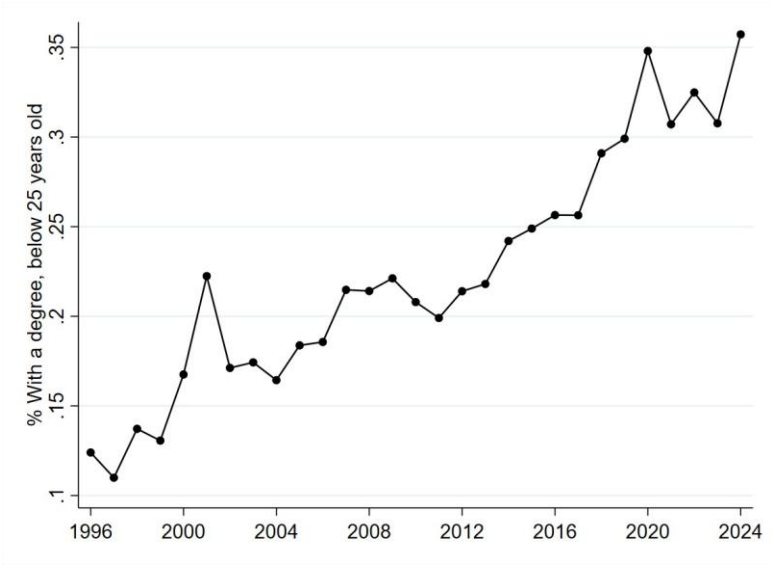
Figure 2: Job satisfaction in the UK over time, by sex.



Job satisfaction is measured on a 1-7 scale where 7 is the highest rating.

Source: BHPS and Understanding Society (1996-2024).

Figure 3: The share of people below 25 years old with a degree.



Source: BHPS and UKHLS (1996-2024).

Table 2: Regression analysis: Life satisfaction, pay, and hours

	Life Satisfaction	Life Satisfaction	Life Satisfaction
Hourly pay (Log)	0.196***	0.221***	0.158***
	(0.004)	(0.005)	(0.006)
Weekly hours (Log)	0.037***	0.049***	0.001
	(0.004)	(0.005)	(0.005)
Demographics	No	Yes	Yes
Occupation fixed effects	No	No	Yes
Year fixed effects	Yes	Yes	Yes
R-squared	0.009	0.013	0.019
F-value	88.275	110.443	13.444
N	297,029	297,029	297,029

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Life satisfaction is measured on a 1-7 scale. Pay is the logarithm of hourly pay. Hours is the logarithm of the number of weekly hours usually worked. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Table 3: Return to a degree in wages

	Hourly Pay (Log)	**Hourly Pay (Log)**
Degree	0.400***	0.175***
	(0.002)	(0.002)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.286	0.411
F-value	3493.848	497.055
N	297,029	297,029

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Pay is the logarithm of hourly pay. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Table 4: Return to education in wages

	Hourly Pay (Log)	Hourly Pay (Log)
Degree	0.500***	0.220***
	(0.002)	(0.003)
A-level and Other Higher	0.182***	0.068***
	(0.002)	(0.002)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.300	0.413
F-value	3639.820	499.570
N	297,029	297,029

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Pay is the logarithm of hourly pay. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). The sample only includes employed individuals.

Table 5: Return to education in wages before and after 2012

	Hourly Pay (Log)	**Hourly Pay (Log)**
Degree	0.532***	0.244***
	(0.004)	(0.004)
A-level and Other Higher	0.202***	0.081***
	(0.003)	(0.003)
After 2012	0.884***	0.896***
	(0.039)	(0.035)
Degree after 2012	-0.059***	-0.044***
	(0.005)	(0.005)
A-level and Other Higher after 2012	-0.042***	-0.028***
	(0.005)	(0.004)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.301	0.413
F-value	3449.194	497.575
N	297,029	297,029

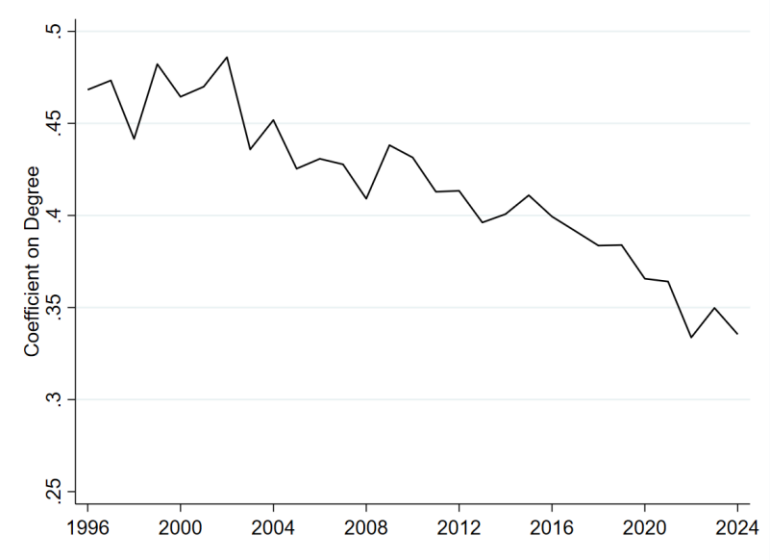
Notes: Source: BHPA and UKHLS (1996-2025). These are OLS regressions. Pay is the logarithm of hourly pay. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). The sample only includes employed individuals.

Table 6: Return to education in wages by time quartile

	Hourly Pay (Log)	Hourly Pay (Log)
Degree	0.550***	0.262***
	(0.005)	(0.005)
A-level and Other Higher	0.216***	0.093***
	(0.004)	(0.004)
Between 2009 and 2012	0.485***	0.515***
	(0.009)	(0.009)
Between 2013 and 2017	0.572***	0.598***
	(0.010)	(0.009)
Between 2018 and 2025	0.903***	0.911***
	(0.039)	(0.036)
Degree x 2009 - 2012	-0.036***	-0.034***
	(0.007)	(0.007)
Degree x 2013 - 2017	-0.059***	-0.049***
	(0.007)	(0.007)
Degree x 2018 - 2025	-0.096***	-0.076***
	(0.007)	(0.007)
A-Level x 2009 - 2012	-0.033***	-0.027***
	(0.007)	(0.006)
A-Level x 2013 - 2017	-0.052***	-0.036***
	(0.006)	(0.006)
A-Level x 2018 - 2025	-0.064***	-0.046***
	(0.006)	(0.006)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.301	0.413
F-value	3115.131	493.077
N	297,029	297,029

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Pay is the logarithm of hourly pay. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). The sample only includes employed individuals.

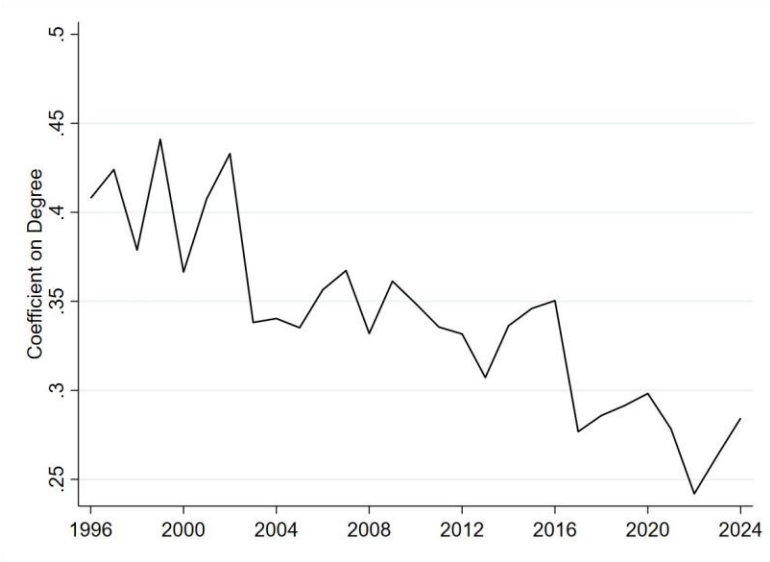
Figure 7A: The wage return to a degree over time



Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of (log) hourly pay on a dummy variable for having a degree, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50)

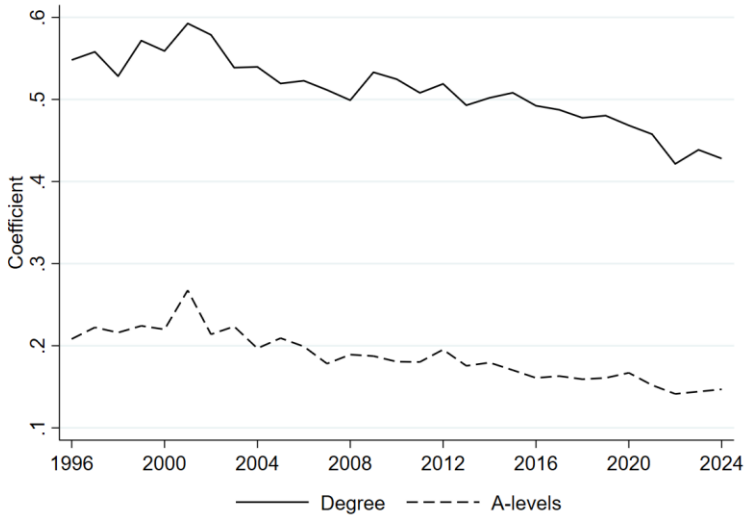
Figure 7B: The wage return to a degree over time for the young - 25 to 35 years old



Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of (log) hourly pay on a dummy variable for having a degree, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age dummy variable.

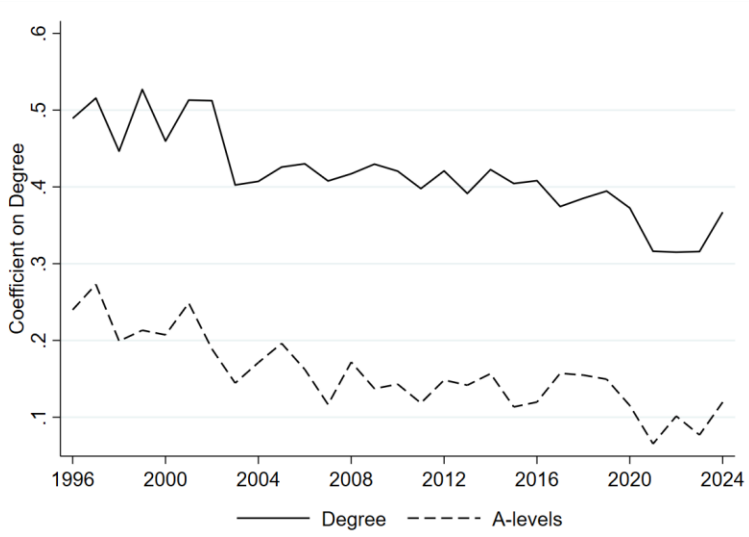
Figure 8A: The wage return to a degree and A-levels over time



Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of (log) hourly pay on a dummy variable for having a degree, and for having A-levels or other higher education, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50)

Figure 8B: The wage return to a degree and A-levels over time for the young - 25 to 35 years old



Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of (log) hourly pay on a dummy variable for having a degree, and for having A-levels or other higher education, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age dummy variable.

Table 7: Wage return to a degree: Heterogeneity, without controls for occupation

	Pay	Pay	Pay	Pay
Degree	0.431***	0.410***	0.368***	0.475***
	(0.003)	(0.003)	(0.005)	(0.006)
Female	-0.070***			
	(0.002)			
Degree × Female	-0.058***			
	(0.004)			
Aged 18–29		-0.307***		
		(0.003)		
Degree × Aged 18–29		-0.110***		
		(0.005)		
Aged 51 and older		0.007***		
		(0.003)		
Degree × Aged 51 and older		0.046***		
		(0.005)		
White			0.030***	
			(0.004)	
Degree × White			0.039***	
			(0.005)	
Born in the 1960s				-0.015***
				(0.004)
Born in the 1970s				-0.047***
				(0.005)
Born in the 1980s				-0.112***
				(0.006)
Born in the 1990s and later				-0.219***
				(0.008)
Degree × Born in the 1960s				-0.015**
				(0.007)
Degree × Born in the 1970s				-0.079***
				(0.007)
Degree × Born in the 1980s				-0.142***
				(0.007)
Degree × Born in the 1990s and later				-0.176***
				(0.009)
Year fixed effects	Yes	Yes	Yes	Yes
Occupation fixed effects	No	No	No	No
R-squared	0.286	0.287	0.286	0.293
F-value	3401.974	3325.350	3396.114	2770.442
N	297,029	297,029	297,029	281,084

Notes: Source: BHPS and UKHLS (1997–2025). These are OLS regressions. Pay is the logarithm of hourly wages. Demographic controls include sex, ethnicity, and age. The

sample consists of employed individuals. Standard errors are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table 8: Wage return to a degree: Heterogeneity, with controls for occupation

	Pay	Pay	Pay	Pay
Degree	0.199***	0.185***	0.147***	0.243***
	(0.003)	(0.003)	(0.005)	(0.006)
Female	-0.043***			
	(0.003)			
Degree × Female	-0.044***			
	(0.004)			
Aged 18–29		-0.237***		
		(0.003)		
Degree × Aged 18–29		-0.098***		
		(0.005)		
Aged 51 and older		0.031***		
		(0.002)		
Degree × Aged 51 and older		0.041***		
		(0.005)		
White			-0.001	
			(0.003)	
Degree × White			0.035***	
			(0.005)	
Born in the 1960s				-0.023***
				(0.003)
Born in the 1970s				-0.057***
				(0.004)
Born in the 1980s				-0.117***
				(0.005)
Born in the 1990s or later				-0.197***
				(0.007)
Degree × Born in the 1960s				-0.014**
				(0.006)
Degree × Born in the 1970s				-0.067***
				(0.006)
Degree × Born in the 1980s				-0.117***
				(0.007)
Degree × Born in the 1990s or later				-0.158***
				(0.008)
Year fixed effects	Yes	Yes	Yes	Yes
Occupation fixed effects	Yes	Yes	Yes	Yes
R-squared	0.411	0.412	0.411	0.417
F-value	496.358	497.196	496.068	473.790
N	297,029	297,029	297,029	281,084

Notes: Source: BHPS and UKHLS (1996–2025). These are OLS regressions. Pay is the logarithm of hourly wage. Occupations are classified at the 4-digit level using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a

categorical age variable (18–29, 30–50, older than 50). The sample only includes employed individuals. Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Figure 9: The wage return to education over time, by sex and ethnicity.

Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of (log) hourly pay on a dummy variable for having a degree, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50)

Table 9: Life satisfaction return to a degree

	Life Satisfaction (1-7)	**Life Satisfaction** (1-7)
Degree	0.221***	0.154***
	(0.004)	(0.005)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.014	0.021
F-value	270.206	32.338
N	625,411	625,411

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Life Satisfaction is measured on a 1-7 scale where 7 is the highest rating. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Table 10: Life satisfaction return to education

	Life Satisfaction (1-7)	**Life Satisfaction** (1-7)
Degree	0.276***	0.200***
	(0.005)	(0.005)
A-level and Other Higher	0.117***	0.083***
	(0.004)	(0.004)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.016	0.022
F-value	284.369	33.128
N	625,411	625,411

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Life Satisfaction is measured on a 1-7 scale where 7 is the highest rating. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics are as before.

Table 11: Life satisfaction return to education before and after 2012

	Life Satisfaction (1-7)	**Life Satisfaction** (1-7)
Degree	0.225***	0.151***
	(0.008)	(0.008)
A-level and Other Higher	0.101***	0.065***
	(0.006)	(0.006)
After 2012	-0.120*	-0.102
	(0.070)	(0.070)
Degree after 2012	0.084***	0.080***
	(0.010)	(0.010)
A-level and Other Higher after 2012	0.033***	0.035***
	(0.008)	(0.008)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.016	0.022
F-value	271.157	33.142
N	625,411	625,411

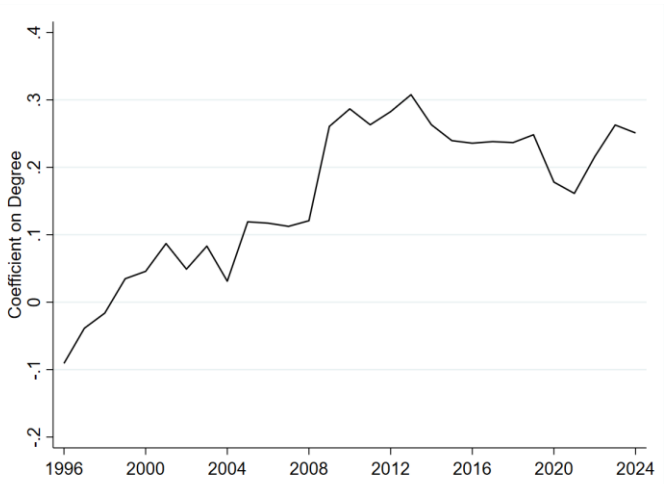
Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Life Satisfaction is measured on a 1-7 scale where 7 is the highest rating. Occupations are classified at the 4-digit level, using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Table 12: Life satisfaction return to education by time quartile

	Life Satisfaction (1–7)	**Life Satisfaction** (1–7)
Degree	0.070***	-0.004
	(0.012)	(0.012)
A-level and Other Higher	0.049***	0.014
	(0.009)	(0.009)
Between 2009 and 2012	-0.265***	-0.246***
	(0.018)	(0.018)
Between 2013 and 2017	-0.185***	-0.171***
	(0.018)	(0.018)
Between 2018 and 2025	-0.133*	-0.114
	(0.070)	(0.070)
Degree × 2009–2012	0.270***	0.263***
	(0.015)	(0.015)
Degree × 2013–2017	0.272***	0.266***
	(0.014)	(0.015)
Degree × 2018–2025	0.209***	0.208***
	(0.014)	(0.015)
A-Level × 2009–2012	0.114***	0.110***
	(0.012)	(0.012)
A-Level × 2013–2017	0.109***	0.109***
	(0.012)	(0.012)
A-Level × 2018–2025	0.060***	0.064***
	(0.012)	(0.012)
Demographics	Yes	Yes
Year fixed effects	Yes	Yes
Occupation fixed effects	No	Yes
R-squared	0.016	0.023
F-value	253.706	33.620
N	625,411	625,411

Notes: Source: BHPS and UKHLS (1996-2025). These are OLS regressions. Life satisfaction is measured on a 1–7 scale. Occupations are classified at the 4-digit level using the ISCO88 classification. Demographics include a sex dummy, a white ethnicity dummy, and a categorical age variable (18–29, 30–50, older than 50). Significance levels: *** $p<.01$, ** $p<.05$, * $p<.1$.

Figure 10A: The life satisfaction return to a degree, over time.



Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of life satisfaction on a dummy variable for having a degree, esti-mated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). The regressions are for the full population, not just those in the labour force.

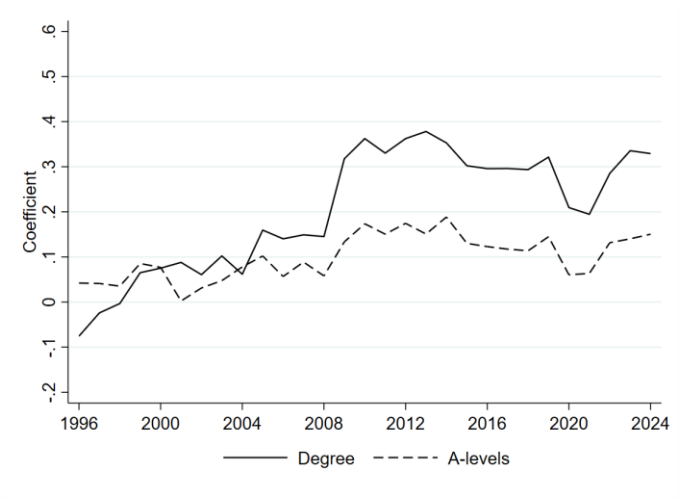
Figure 10B: The life satisfaction return to a degree for the young, over time - 25 to 35 years old.

Source: BHPS and UKHLS (1996-2024).

Notes. These are coefficients from a regression of life satisfaction on a dummy variable for having a degree, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable. The regressions are for the full population of younger people, not just those in the labour force.

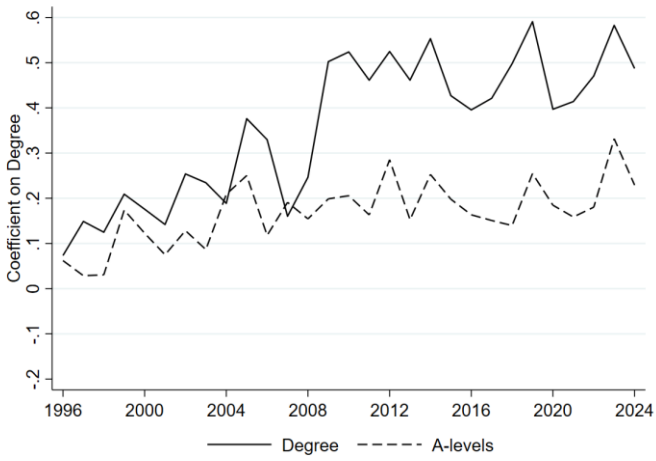
Figure 11A: The life satisfactions return to a degree and A-levels over time

Source: BHPS and UKHLS (1996-2024).



Notes. These are coefficients from a regression of life satisfaction on a dummy variable for having a degree, and for having A-levels or other higher education, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age variable (18-29, 30-50, older than 50). The regressions are for the full population, not just those in the labour force.

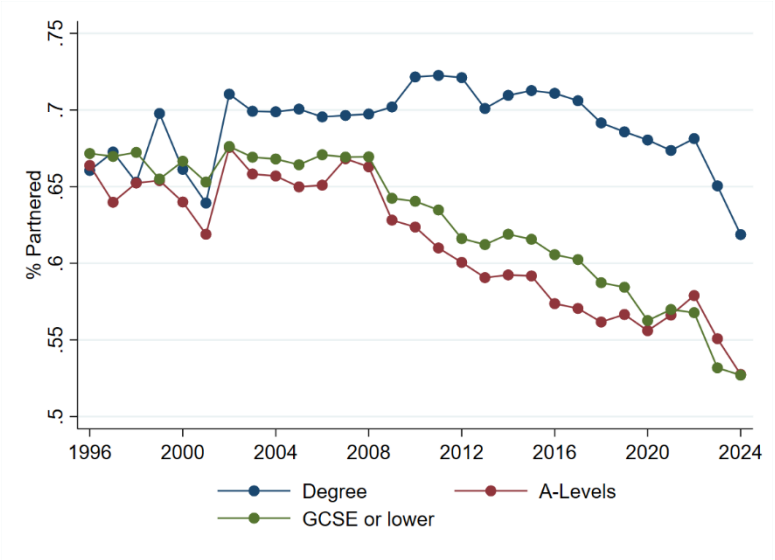
Figure 11B: The life satisfaction return to a degree and A-levels over time for the young - 25 to 35 years old



Source: BHPS and UKHLS (1996-2024).

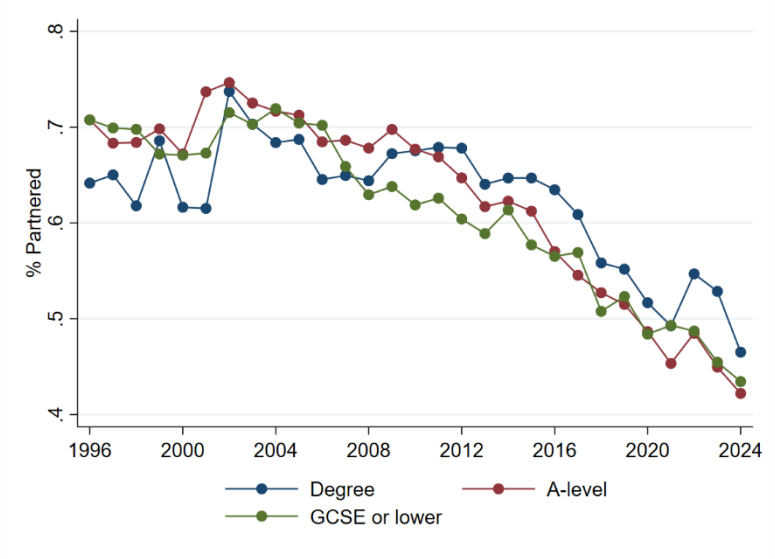
Notes. These are coefficients from a regression of life satisfaction on a dummy variable for having a degree, and for having A-levels or other higher education, estimated separately for each year. The regressions include the following controls: a sex dummy, a white ethnicity dummy, and a categorical age dummy variable. The regressions are for the full population of younger people, not just those in the labour force.

Figure 12A: The proportions of UK citizens living with a partner (ie. formal or informal marriage)



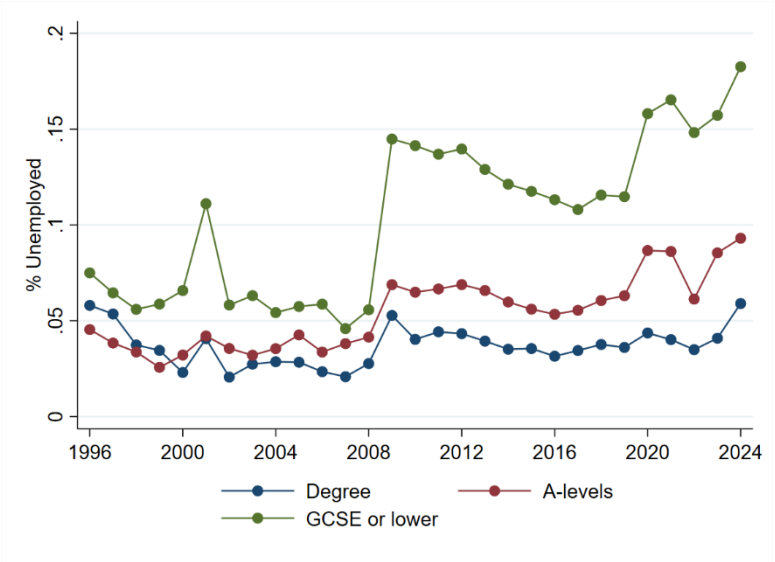
Source: BHPS and UKHLS (1996-2024).

Figure 12B: The proportions of young UK citizens living with a partner (ie. formal or informal marriage): Age 25-35.



Source: BHPS and UKHLS (1996-2024).

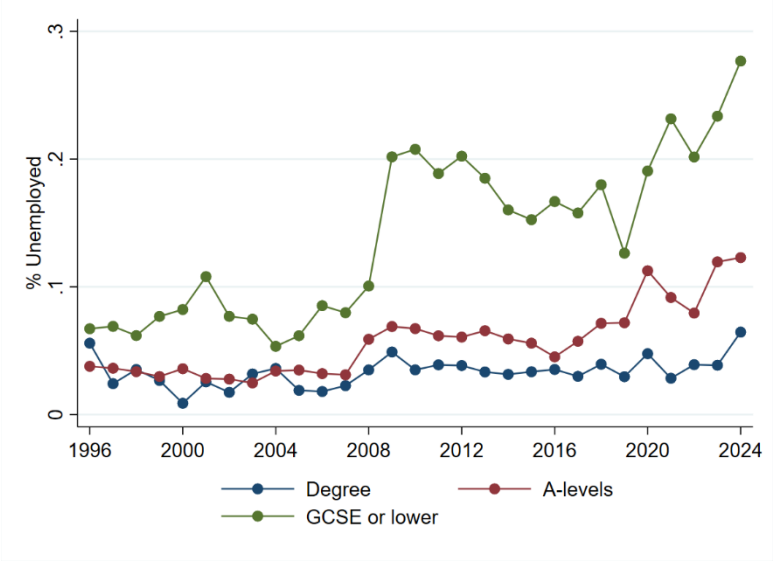
Figure 13A: The proportions of UK citizens who are unemployed



Source: BHPS and UKHLS (1996-2024).

Note: The unemployment rate is calculated for those in the working population.

Figure 13B: The proportions of young UK citizens who are unemployed: Age 25-35.



Source: BHPS and UKHLS (1996-2024).

Note: The unemployment rate is calculated for those in the (young) working population.