

The returns to university in the UK: new evidence from administrative data

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31 January 2019

In the UK, more than 350,000 students start full time undergraduate degrees each year, with most incurring student debts around £50,000. Yet current evidence on the returns to attending university in the UK is extremely limited. In this paper we make use of a pioneering new dataset that links administrative school, university and tax records for the population of English-educated students who turned 16 after 2002 to plug this gap in the literature. We investigate overall earnings returns to university by age 29, and how they vary by gender, subject and institution. We find much larger returns for women than for men, and many subjects and institutions that offer negative returns at age 29 compared to not going to university. We also find returns to be lower for the more academically marginal students, suggesting too many people might be going to university. Finally, we look at "course" (subject-institution) level estimates, and show significant variation in returns that do not correlate well with various standard measures of university quality.