

THE FUTURE IS BRIGHT



CHARITABLE TRUST



# THE FUTURE IS BRIGHT – Or Is It?

Comparing Opportunities Across the Generations  
in the UK Over the Last Fifty Years

March 2022

## THE FUTURE IS BRIGHT CHARITABLE TRUST

The Future Is Bright Charitable Trust believes there needs to be a mindset shift in Britain; a shift that prioritises young people and future generations in policy and decision-making, in schools and universities and in the workplace.

We were born in the 1960's and, like many of our contemporaries, have been fortunate to have had incredible opportunities. But from our personal experience, we are concerned that young people today do not have the same opportunities or the same hope.

Many of us flourished because we had the chance of a quality education, independent of means, be that free university or a meaningful vocational course; because we could find well-paying jobs in growing industries, set up after the de-industrialisation of the 1970's, with selfless mentorship and the prospect of a ladder to climb; and because housing wasn't something we had to worry too much about – we had the affordability and security that seems so distant to many young people today.

We are concerned that Britain is going backwards in these crucial areas. We worry that opportunities for young people are shrinking when they should be expanding.

Older generations owe it to young people to help cultivate these opportunities and let them enjoy the sorts of advantages we had.

Our focus in the years to come is on mobilising people like us, Boomers or Gen-Xers, whose lives have been totally transformed over their lifetime and who think it is time that society pivots and makes decisions based on what is best for future generations.



We think that individuals and companies can lead the way in bringing about this change. If those who started with nothing use their experience, influence, and wealth to bring change and improve opportunities for young people, it will show what can be done.

**It is our responsibility to keep the future bright.**

The following pages give our summary of the report findings and raise some other observations we think are important for understanding the deteriorating opportunities trends for young people. It is a summary of a thorough but readable report, and we strongly encourage you to visit our website and read the full report. If the prospects for young people today are something that concern you, we ask you to take half-an-hour to at least read the report's Introduction and Conclusion.

## ABOUT THIS REPORT

How have the different generations fared in Britain over the last fifty years? Have today's children and young adults had the same opportunities as their parents when it comes to education, employment and housing?

The Future is Bright Charitable Trust wanted to shed light on these questions, to find out in a rigorous analytical way what the data shows. We wanted to understand how some of the major economic and policy changes of the past half-century have changed the outlook for young people today.

To do this, we commissioned the University of Oxford to write a report, which we are now proud to unveil.

The report draws on long-running administrative and academic survey data to paint a picture of how younger generations are faring in these areas compared with their parents' generations. It brings together a vast body of evidence to outline some key challenges faced by young people today. It shows how gradual trends in education, work, and housing are affecting the birth rate – now at a historic low – and storing up other problems for the future.

The research also looks at how wealth is distributed in Britain today across the generations, highlighting that it is in our power, as older generations, to bring about meaningful change.

Find the full report here on our website: [www.thefutureisbright.org](http://www.thefutureisbright.org)

# BRITAIN'S GENERATIONS TODAY – Who are the Lucky ones? Who holds the wealth?



Although each generation has its own characteristics and has faced its own challenges, **all of us are inter-linked and rely on each other. Society does matter.** But are some generations more fortunate than others?

In the past year the average Baby Boomer reached 65 years of age. It was also when the average Millennial reached their early thirties; an age, in the past, when people started moving into positions of seniority at work, owning their own home and starting

## Who are the generations in Britain today?

Chart 1: Summary of generations

	Silent*	Baby Boomers	Gen-X	Millennials	Gen-Z
Years born	1928-1945	1946-1964	1965-1980	1981-1996	1997-2012
Age range (end of 2021)	76-93	57-75	41-56	25-40	9-24
Percentage of population (UK, mid-2020)	8.6*	21.1	20.8	21.3	18.9
Total Wealth Held (billions, 2014-16)	2,899	7,399	2,743	621	79
Percentage of total wealth held (2014-16)	21.1	53.8	20.0	4.5	0.6

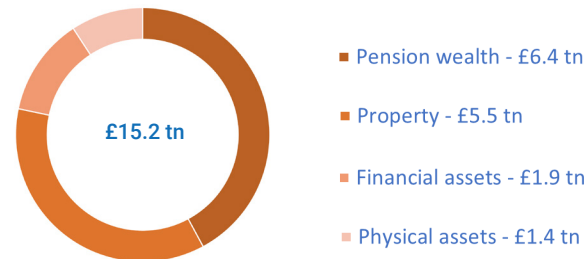
\*includes approximately 250,000 born 1927 and earlier. See REFERENCES at the end of this document for sources and notes for each chart, and a note on the wealth figures in this section.

a family. That is why now is an opportune time for reflection to compare the generations.

Household wealth in Britain just before the pandemic (2018-2020) had risen to over £15.2 trillion. The oldest three generations own about 95% of it. Not only are they in positions of power, they also have the financial means to make a huge impact in changing Britain for the better.

The (at least) £14 trillion held by those over 40 today is 40 times the £370 billion the British Government is expected to spend on its entire Covid-response.

Chart 2: Total net wealth by asset type £15.2 trillion (2018-20)

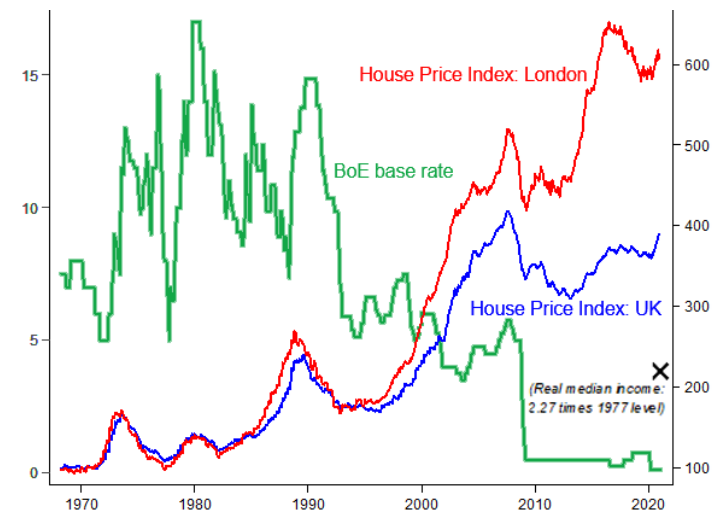


Imagine if a small fraction of this wealth could be used to help younger generations.

Since the Global Financial Crisis of 2007-2009 productivity growth in Britain has averaged a shameful 0.3% per annum - this stagnation is so fundamental that the Royal Statistical Society judged it the UK Statistic of the Decade for the 2010s.

But since the early 2000's, housing wealth has sky-rocketed in an era of historically low interest rates.

Chart 3: Bank of England base rate (left axis) and inflation-adjusted House Price Index for UK and London (right axis, 1970=100).



Ravaged by two historic recessions in just over ten years, young people have taken the brunt of the economic pain. **Isn't it time for us to think differently about how we can help them realise their potential, and convert some of our personal wealth into social wealth to benefit young people?**

## WHY DOES IT MATTER?

It goes without saying that different generations depend on one another.

Most people believe that each generation owes it to the next to at least pass on the same level of opportunity, if not improve it.

A good education, rewarding job and affordable home are the foundations of the opportunity to live a fulfilled, purposeful life and to be a productive member of society.

If opportunities are stalled in any of these areas, people lose hope. And we believe that hope is one of the key drivers of a productive society. Without hope, people feel despondent, they don't fulfil their potential and the nation's economic and social capital declines.

# HOPE

But intergenerational fairness and opportunity are also important in other ways:

- One is **how open** we want society to be in future – do we want to be a nation split between inheritors of wealth on the one hand and intergenerational tenants on the other. That is what will happen if the only way you can own a house is by inheriting it, or being gifted one by your parents.
- Second is **how competitive and productive** we want society to be in future. Britain is far less productive than peer countries such as Germany. Productivity and wages have largely stagnated since the financial crisis; two of the key reasons for this are workers' poor skills and a lack of investment in productive activities such as training and capital investment. We need to prioritise young people's skills.

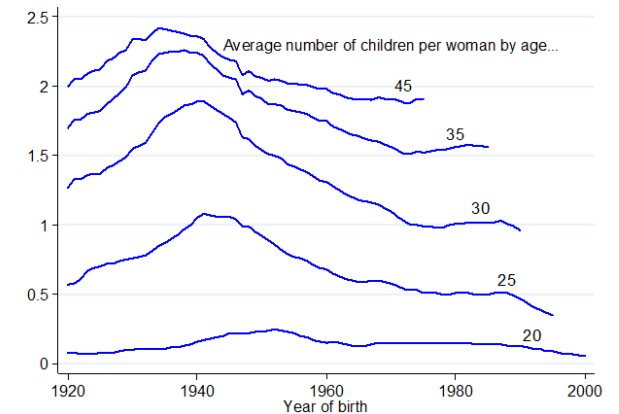
- Third is **how old** we want our society to be. We are living longer than ever and the outside Baby Boomer generation is entering retirement and old age. Health and social care is expensive and the British economy will need to keep a balance between old-age dependents and working age adults. This means it matters whether young adults today feel ready and able to start families and have children. Increasingly they do not: fertility reached a historic low in 2020 after a decade of decline.

Ultimately, if the foundations of a good education, rewarding job with prospects and good affordable housing are not secure it has implications for society at large, changing the demographics and the make-up of Britain.



As shown in the table below, the younger Millennials – now aged between about 25 and 30 – have the lowest number of children by age 25 ever observed in this country. But the downward trends have been evident for many years.

Chart 4: Fertility across the generations.



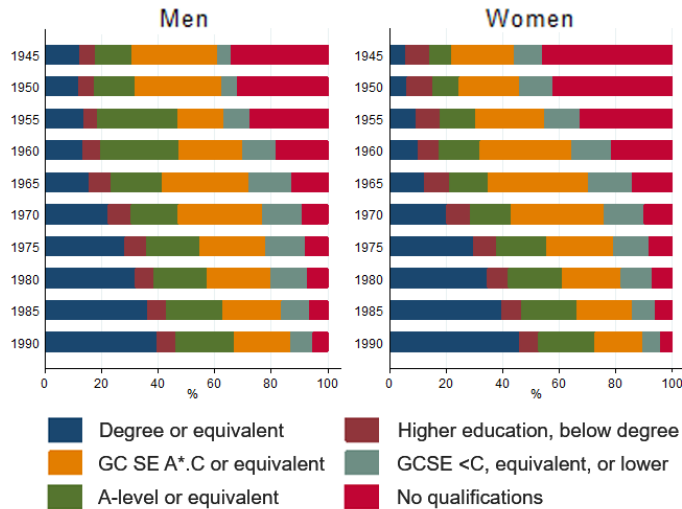
Many factors influence the decision to have children, but research is increasingly linking house price rises to lower fertility, particularly among renters. Would-be parents are sensitive to the costs of finding housing with enough space. Squeezed incomes and poor economic prospects also deter them. Extending the age when people start work, after longer periods in education, also plays a role.

We are in urgent need of radical policies to reverse the fertility crisis, and understand why younger generations put off having children until much later in life, if at all.

## EDUCATION – *background*

On the face of it, Britain has made strong progress in education over the last fifty years. But have we?

Chart 5: Highest qualification (at age 25-30) by sex and birth cohort.



In 2019, more than 50% of British 18 year olds went on to higher education. More girls now go to university than boys, and the less than 10% of Boomer girls going to university has risen to over 50%. That is significant progress.

But does Britain need 50% of its student's attending university? Is that what the UK economy needs and what is the cost to taxpayers? What are they studying; and is it enhancing UK productivity? Has social mobility in education really improved over time? And what about standards; are the younger generations better educated than their parents?

Maybe as a country we have become fixated on education for its own sake. Children are spending so much longer in education than



they used to, taking many more exams, and over a quarter of students now use private tutors, a new phenomenon over the last two generations. Student mental health is affected in the process. Education has become one of the fastest growing industries in the UK, but the evidence shows that Britain still has a chronic skills shortage. Compared with other OECD countries, the UK lags behind in young workers' literacy and numeracy.

As a country, the university system doesn't produce enough doctors or scientists to meet the UK's current, let alone future, needs. Nor does it foster enough new industries of the future.

There are good reasons to be concerned about the unconstrained expansion of higher education in its current form. Among these are its substantial cost and the self-reinforcing nature of educational expansion; the more young people that take the higher education route, the more their peers are judged against this standard and they themselves feel compelled to go.

For those who do not enter higher education, the path from school to work has become confused. There are far fewer vocational routes to success than in previous generations. Britain spends about a third less on vocational training than academic courses; most other OECD countries spend more. What results is not enough British builders, electricians or HGV drivers, driving changes in immigration.

## EDUCATION – *policy impact on the generations*

Over the last fifty years there have been multiple attempts to restructure the education system in Britain. First, in the 1960's, the abolition of the tripartite system, with its grammar schools and their replacement with comprehensives. In the 1980's OFSTED was established with its league tables. Then, since 2000, the introduction of Academies, removing schools from local authority control.

Today, the majority of secondary schools and over a fifth of primary schools have Academy status.

**Despite all of these changes, one has to question whether there has been a well thought through long-term education strategy for the country.**

An important difference between the generations is how higher education has been funded. The Boomers and Gen X-ers had free education through university. Student loans were introduced on younger generations in 1990. Tuition fees were introduced in 1998 at £1,000 per year, then increased to £3,000 in 2006, and currently UK students are required to pay up to £9,250 per year.

So many changes. But have they had the desired effect?

## EDUCATION – key findings

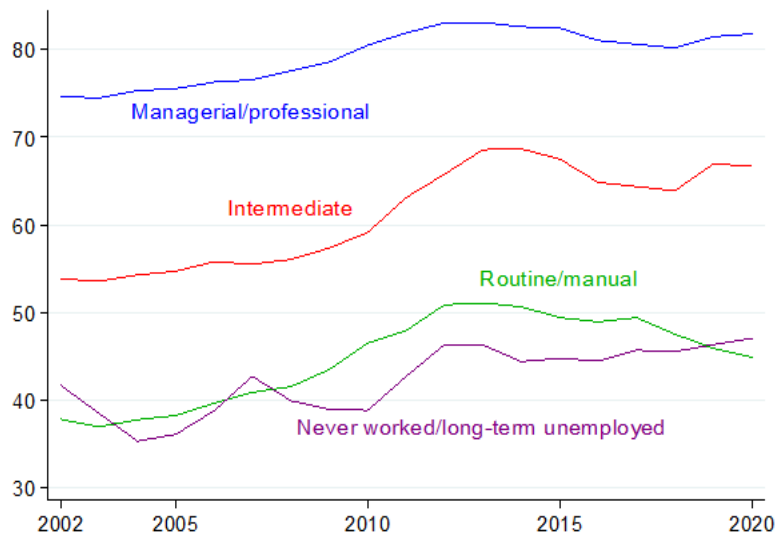
One key finding of the report is that **we really don't know if our education system is improving results over the generations**. Despite all the changes and increased investment, the country has not devised a basis for assessing whether younger generations are better educated than their parents. **We find this staggering**.

It is unfortunate that more effort has not been made to try to evaluate whether there has been any actual improvement in students' reading, writing, maths, and so on.

It is largely left to external organisations, such as the OECD, to try and track progress through surveys like the Programme for International Student Assessment (PISA) and its Survey of Adult Skills. In the latest Survey of Adults Skills, all of the other 22 nations surveyed around the same time as England, except for the US, had a substantially higher percentage of low-skilled adults in the 55-65 age group than in the 16-24 age group. Elsewhere younger people had stronger basic skills than those approaching retirement. But in England, around 30% in both of these age groups had low basic skills – suggesting little progress.

When we look at GCSE performance, the improvements over time are modest and there is still a significant delta between children from different socio-economic backgrounds.

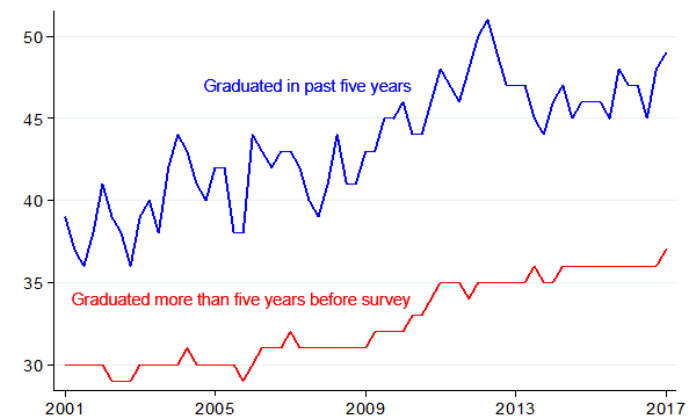
Chart 6: 17-18 year-olds with five GCSEs at A\*-C, by parental social class (%).



Looking at the increase in university education over the last fifty years, the report charts the growth in subjects studied since the rapid widening of university education in the 1990's. With a few exceptions, a large part of the increase in student numbers has been in Business & Administrative Studies, Social Studies and Creative Arts. There has been minimal increase in students studying Mathematical Sciences, Medicine and Engineering & Technology.

Once students enter the workplace, it is interesting to note that five years after graduating almost 50% of graduates are still employed in non-graduate employment.

Chart 7: Graduates in non-graduate employment (%)



More worryingly, current projections suggest that about half the student debt will never be repaid – amounting to £160 billion in March 2021 and expected to increase to £560 billion by the middle of the century. Graduates are currently expected to start repaying once they earn more than £27,295.



There is a strong case that the expansion of higher education could have been much better focused on the needs of the country, and we have a generation of debt-ridden graduates with dashed career expectations.

The UK spends much lower amounts on vocational training compared with most OECD nations and, for the half of students who don't go to university, the opportunities to enter a firm and work their way up are not what older generations benefited from. That is a huge waste of talent.

## EMPLOYMENT AND EARNINGS – *background*

As with education, perhaps the greatest long-term improvement has been in the opportunities women have in the workplace. Despite a persistent gender pay gap and norms around women still taking on the bulk of domestic labour, **female labour force participation rates have grown from 56% in 1970 to 76% by 2020**. Women are more likely than ever to work in high skill occupations. **That represents huge progress**.

But beyond that, there are big differences that have emerged across the generations in the work place and in terms of earnings over the past fifty years.



Every generation since the Baby Boomers has seen high youth unemployment in their early years and the older Gen-Xers, like us, who grew up during the days of UB40, have a lot in common with the post-financial crisis Millennials.

Part of what brought our late 1960s cohort through the tumult of the 1980s was the emergence of new and innovative industries. The deindustrialisation recessions of the 1980's led to an explosion in the financial services, legal and ancillary service sectors that transformed the life of many Boomers and Gen -Xers.

But the birth of the internet age and the rapid globalisation associated with it, and the impact of two major recessions over the last fifteen years, has had a different, more negative, impact on younger generations.

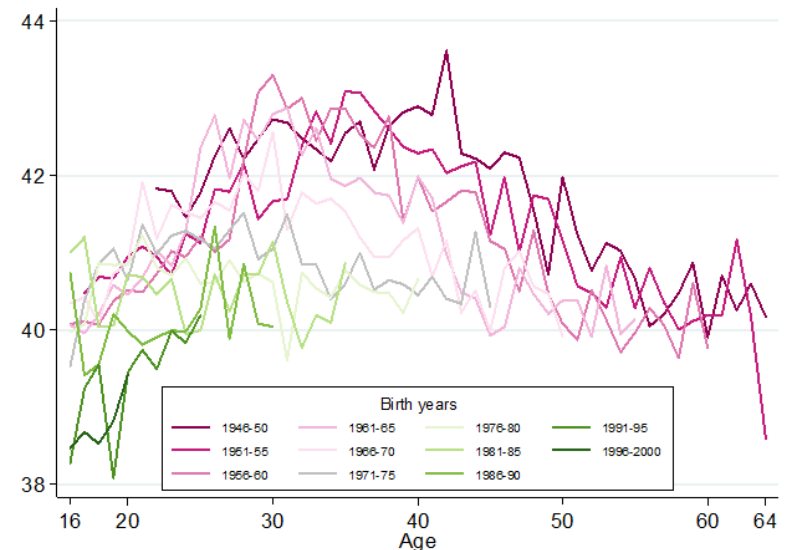
A crucial question going forward is whether the generations can work together to develop new enterprises that seize the moment and tackle today's challenges, from climate change, and the likely emergence of future pandemics, to an aging population and an epidemic of obesity. Huge challenges such as these are our 'world wars', and they need engagement and investment from all generations alive today.

Older generations, with a wealth of business experience and resources, can play a key role in helping mentor young people find solutions to these problems.

## WORK HOURS – *dispelling a myth*

We often hear in the press references to younger generations being work-shy; or the Thatcher-era generation claiming they worked harder than any other generation. But the data shows all generations working similar hours per week. As work-life balance issues have become more important the average working week has only marginally fallen across the generations.

Chart 8: Average weekly work hours by generation (full-time workers)



## EMPLOYMENT AND EARNINGS – *pension differences*

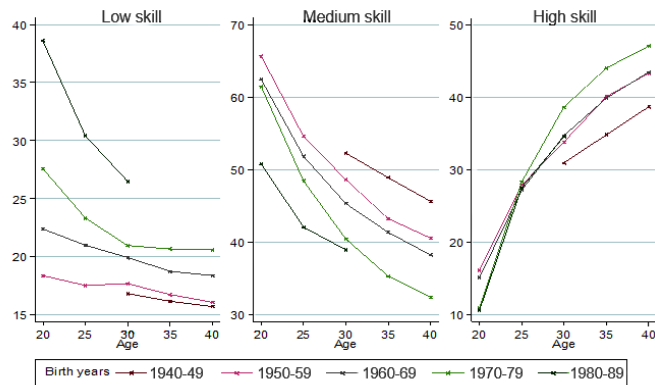
Chart 2 above shows that pension wealth is the single largest component of wealth held in Britain today. Even greater than housing wealth, and that surprised us.

But similar to the introduction of higher education fees, the younger generations do not benefit from the generous defined benefit schemes enjoyed by the Boomers. Whilst Auto enrolment into workplace pensions was mandated in the 2008 Pensions Act pensions are now overwhelmingly the defined-contribution type. Aged in their early 30's only a quarter of employees born in the 1980's were on a defined-benefit scheme (mostly public sector workers), compared with about a half of those born in the 1960's.

# EMPLOYMENT AND EARNINGS – *key findings*

We showed earlier that an increasingly greater number of graduates are ending up in non-graduate jobs. But a continuing educational expansion has also put young non-graduates at high risk of unemployment and inactivity, which can set them back for the rest of their lives. Today jobs are increasingly classified as either requiring a degree, or low-skilled and low-paid.

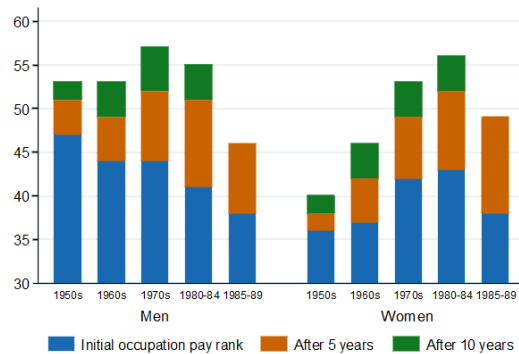
Chart 9: Share of workers employed in low, medium and high skill jobs (%), by age and birth cohort: men



Source: Cristini et al. (2018).

There is also some evidence that career progression has slowed.

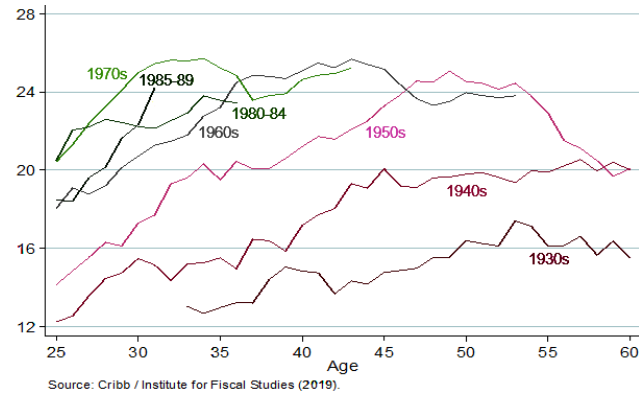
Chart 10: Mean occupation pay rank of initial job, five years later, and ten years later, by sex and cohort.



Source: Blundell et al. / Institute for Fiscal Studies (2020).

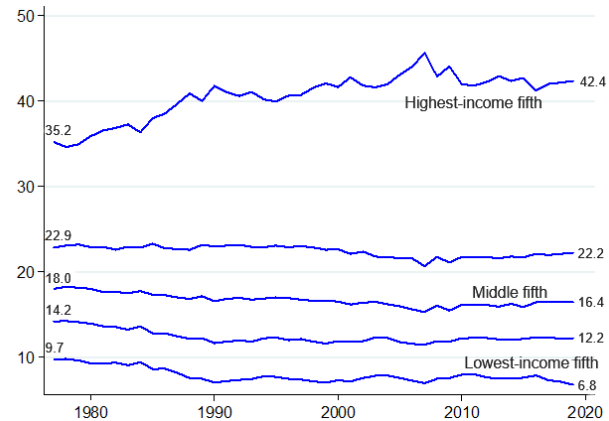
As the blue bars show in Chart 10, men in successive generations have been starting their working life in lower-ranking positions. For those born in 1985-89, even after 5 years in work they are still not at the pay rank that men born in the 1950's started out at. This demonstrates a slowing career progression over time. And how does all this translate into earnings?

Chart 11: Median annual pre-tax earnings of those in paid work, by decade of birth (£ thousands, 2017-18 prices).



Source: Cribb / Institute for Fiscal Studies (2019).

Chart 12: Share of total disposable household income by quintile group of individuals (%).



Generation-on-generation increases in earnings have stalled and even gone into reverse for those born in the 1980's. And over the last forty years, only the top fifth by income have seen an increasing share of national disposable income; the other eighty percent have seen falls. The lowest income fifth have seen the largest drops in their share.





## HOUSING – *background*

Housing is the area where the differences in opportunity between the generations shows up most clearly.

As a country we are obsessed by housing. What used to be seen as a home, is now seen largely as an investment. There are so many psychological benefits of owning one's own home or, at least of having certainty of tenure. But we seem to have lost sight of this.

There has been talk about a "housing crisis" for decades. Yet, for decades, endless new blocks of apartments have popped up across the skyline, particularly in London.

How do we make any sense of it all?

The data shows that a home with security of tenure is unattainable for far more young people today than previously, and particularly for those without access to parental wealth. At a given age, younger generations are far less likely to be homeowners or in social housing, which typically has more secure tenure, and far more likely to live in the private rented sector, or with their parents.

More children than ever before are also growing up in private rented accommodation. Private rented accommodation is also the most likely to be classified as 'non-decent'. Younger generations – especially those renting privately – spend a far higher proportion of their income on housing. At the same time, the majority of owner-occupied properties in England are under-occupied. 20% of private tenants also receive housing benefit: the taxpayer paying the landlord.

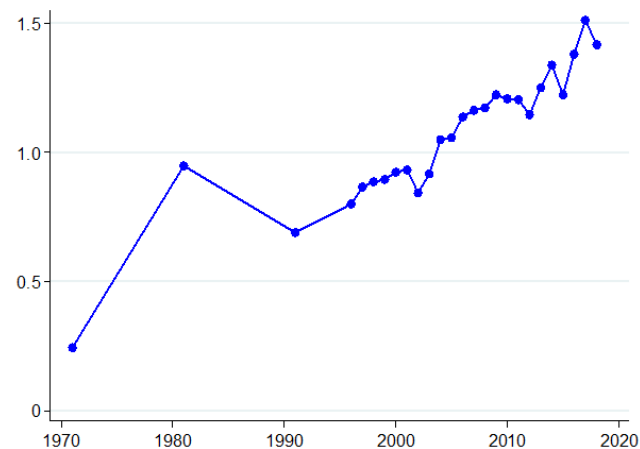
All of us who have been fortunate to own property, should take ourselves back to the very first property we bought. What did it cost then and now?

What multiple of our income was it then and now? Could you afford it doing the same job you had at the time you bought it? Only through real life comparisons can you see the extent of the current affordability crisis.

## THE HOUSING CRISIS – *who owns all the properties?*

Interestingly, throughout the last fifty years, the UK has always actually had a housing surplus and that is not always understood. Some of the excess properties are second homes, others are vacant homes, many with overseas owners, particularly in London.

Chart 13: UK housing surplus (dwellings minus households, millions).



In future we would like to research this further and really understand who owns the housing stock in the UK today.

## HOUSING – *policy impact on the generations*

An important difference impacting generational fairness in housing has been the policy environment of the last fifty years. The Boomers and Gen X-ers benefited from the sale of council houses in the 1980's at significant discounts, reducing the stock of cheaper social housing. MIRAS relief was introduced in 1983 to encourage home ownership and abolished in 2000. Assured short tenancy legislation in 1988 brought in the Buy-to-Let era, fuelling many private landlords across the older generations. And since the Global Financial Crisis, Quantitative Easing policies have led to interest rates close to zero for over a decade resulting in rapid house price inflation.

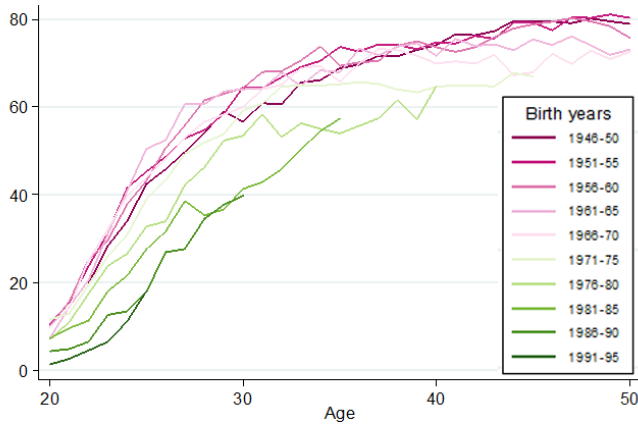
**The result: older generations have benefited from large (and untaxed) passive gains in housing wealth.**



# HOUSING – key findings

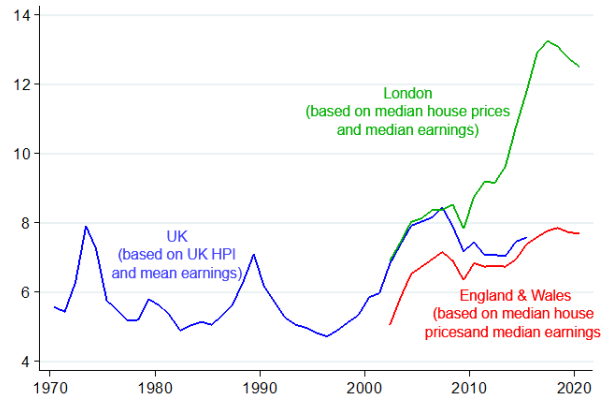
Younger generations are much less likely to own a home than previous generations. At age 30, 40% of the 'mid-Millennial' generation (born between 1986-1990) were owner-occupiers, compared with 64% for each of the Baby Boomer cohorts born between 1951-1965.

Chart 14: Homeownership by age and year of birth (%).



There are houses for sale, but at a very high cost relative to most young people's means. The Resolution Foundation recently estimated that the age at which a typical first-time buyer has saved enough for a deposit rose from 22 for those born in 1974 to 33 for those born in 1985, and projected that this will rise further. The time it takes for a low to middle income household to save for a deposit has risen from under five years through the 1980s and 1990s to 20 years in 2016.

Chart 15: House price to gross annual earnings ratios (various).



With the contraction in social housing over the years, private renting is far more prevalent for Millennials than the two older generations. Of that mid-Millennial 1986-1990 cohort, 11% lived in the social rented sector and 37% in the private rented sector at age 30. The equivalent numbers for those born between 1956-1960 are 19% and 7% respectively. In 1994, 6% of children lived in private rented accommodation. By 2017, this had risen to 22%. With its uncertainty of tenure this has major implications for family life.



Chart 16: Living in private-rented housing, by age and year of birth (%).

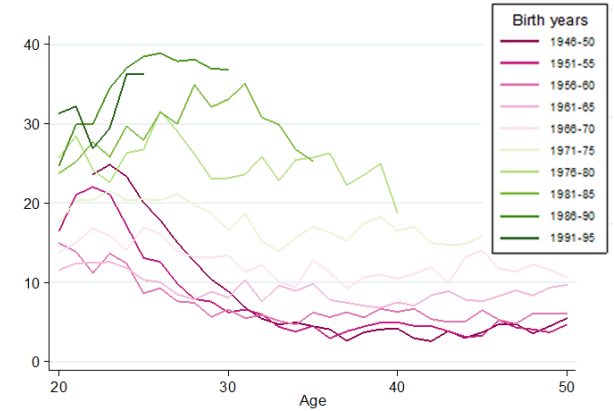
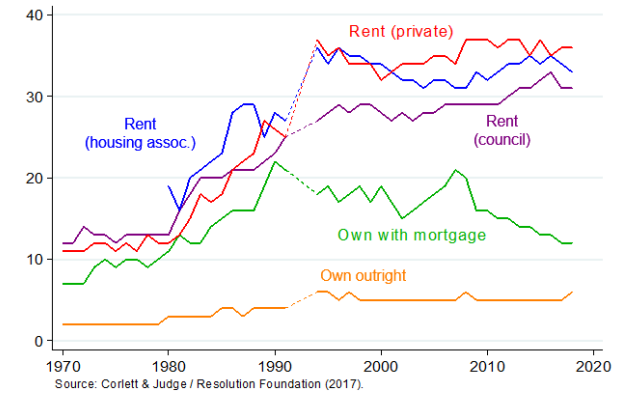


Chart 17: Percentage of family income spent on housing costs, by tenure and year.

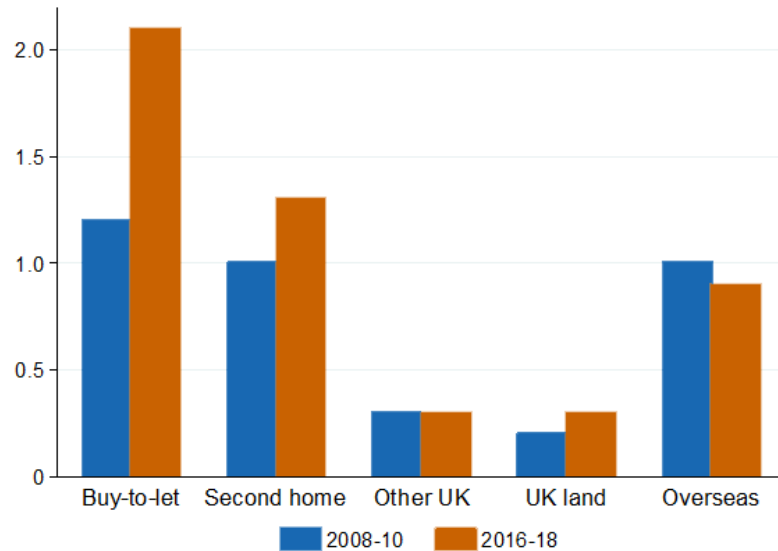


This matters, not only because private renting has the least certainty of tenure, but also because private rented property takes up a higher proportion of family income than any other property type. It utilises close to 35% of family income versus 12% for mortgaged properties and less than 10% for properties owned outright. That is money paid to private landlords that could be used for consumption that would in turn fuel economic growth.

## ....AND SINCE THE GLOBAL FINANCIAL CRISIS.....

Since the 2007-2009 Global Financial Crisis, Britain's obsession with owning property has become more acute. But only for those who already own property.

Chart 18: Number of GB residents holding each type of additional property wealth (millions).



The number of individuals who report owning a buy-to-let property increased from 1.2 million in 2008-10 to 2.1 million in 2016-18.

Over the same period, the number owning a second home has also grown, from 1 million to 1.3 million.

Both these categories take stock out of circulation and push up prices for those desperate to own their own home.

We would argue that this investment in property could have been put to more productive use, helping overcome the chronic stagnation of productivity growth at 0.3% per year in Britain over the same period. This is another area for future research.

We need to find radical solutions that will facilitate and encourage the transfer of personal property wealth to stimulate much stronger UK productivity that will benefit all in society.

## SUPPORT OUR NEXT PROJECTS

Ultimately our focus is on mobilising Boomers and Gen-Xers who have experience, time, wealth, and influence which they can put to use improving opportunities for young people in the UK.

Our first 'phase' as a charity is to build an evidence base for policy change and get our message out in the wider public domain.

We are now seeking funding for an in-depth investigation of the problems young people themselves report facing. This will include a large-scale nationally representative survey, asking different generations how they think Britain has changed over the last fifty years. This will serve to amplify the voices of young people and it will shape our work in the years to come.

We would also like to carry out a specific research project on the UK housing market, to understand who owns UK property today and to suggest changes to make it easier for young people to have access to good quality, affordable housing.

Longer term, we want to develop and promote specific suggestions to help improve opportunities for young people, and practical actions that older people can take in their companies or in everyday life to help improve the lives of younger generations.

More broadly, The Future is Bright Charitable Trust aims to build a network of people who share its vision of an ever-brighter future for each new generation.

We have no political allegiance. But what we do have are children, nieces and nephews growing up today, trying to navigate modern-day Britain. Our focus is on their generation and the generations to follow. We want them to have opportunities that let them fulfil their potential, not see it go to waste.

We hope you feel the same and enjoyed reading the report. Please contact Mark Kinvig at [info@thefutureisbright.org](mailto:info@thefutureisbright.org) or visit our website [www.thefutureisbright.org](http://www.thefutureisbright.org) if you wish to help sponsor our future work or if you have ideas you want to share with us. We would love to hear from you, and we look forward to working with you.

### The Future is Bright.

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## REFERENCES

**Chart 1:** Source: ONS (Population estimates), ONS Wealth and Assets Survey 2014-16. Inflated to January 2020 prices. 2014-16 data rather than the (latest available) 2016-18 microdata are used because age is available only in five-year bands and (reading 2015 for 2014-16) this wave allows a neater correspondence to the birth years traditionally defining the generations.

**Note on wealth figures:** At time of writing, 2018-2020 headline results had just been released by ONS (hence 'Household wealth in Britain just before the pandemic totalled over £15.2 trillion'), but not the underlying microdata that would allow this to be broken down by generation. 'The oldest three generations own about 95% of it' and 'The (at least) £14 trillion held by those over 40 today' thus extrapolate the generational breakdown of wealth from 2014-16 to 2018-2020.

**Chart 2:** Source: ONS Wealth and Assets Survey 2018-20. (Net) property wealth is the sum of all property values minus the value of all mortgages and amounts owed as a result of equity release. Pension wealth refers to private pension wealth and is partly based on ONS estimation of the value of individuals' pension entitlements. Financial wealth refers to formal and informal financial assets, plus the value of certain assets held in the names of children, plus the value of endowments purchased to repay mortgages, less the value of non-mortgage debt. Physical wealth refers to household contents, collectibles and valuables, and vehicles.

**Chart 3:** Source: Bank of England, HM Land Registry, ONS (Retail Price Index, The effects of taxes and benefits on household income). Real median income: median equivalised household disposable income of individuals, inflation-adjusted. Series begins 1977.

**Chart 4:** Source: adapted from ONS (2020) 'Childbearing for women born in different years'. This data is licensed under the Open Government Licence v3.0.

**Chart 5:** Source: ONS Labour Force Survey 1979-2020. 1945: born 1945-1949, etc. Equivalences between qualifications (e.g. A-level and level 3 NVQ) are nominal and are detailed in the LFS documentation available from the UK Data Service. They approximately follow the schema outlined at: <https://www.gov.uk/what-different-qualification-levels-mean>.

**Chart 6:** Source: ONS Labour Force Survey (April-June). Includes Scottish equivalents. Includes vocational GCSEs from 2004 onwards. A\*-C is equivalent to 4-9 under the new grading scheme. Three-year rolling average. Managerial/professional: NS-SEC analytic classes 1-2. Intermediate: 3-5. Routine/manual: 6-7.

**Chart 7:** Source: ONS Labour Force Survey.

**Chart 8:** Source: Family Expenditure Survey 1968-2001, Living Costs and Food Survey 2002-2020. Institute for Fiscal Studies Derived Variables Dataset, updated with most recent data. Full-time workers defined as those working 30 hours or more per week.

**Chart 9:** Source: Cristini et al. (2018) using the ONS New Earnings Survey and Annual Survey of Hours and Earnings, 1975-2015. The SOC90 classification of occupations is the basis for distinguishing broad groups according to skill level. Low consists of SOC90 categories 6 (Personal and protective), 7 (Sales), and 9 (Other). Medium consists of 4 (Clerical and secretarial), 5 (Craft and related), and 8 (Plant and machine operatives). High consists of 1 (Managers and administrators), 2 (Professional), and 3 (Associate professional and technical). Points for 1980-89 at age 30 represent those born 1980-1985 only.

**Chart 10:** Source: Blundell et al. (2020).

**Chart 11:** Source: Cribb (2019).

**Chart 12:** Source: ONS. Disposable income: income after direct taxes and cash benefits.

**Chart 13:** Source: Ministry of Housing, Communities & Local Government Table 401 (households 1971, 1981, 1991) & Table 101 (dwellings 1971, 1980-2014), ONS (households 1996-2018, dwellings 2015-2018).

**Chart 14:** Source: Family Expenditure Survey 1968-2001, Living Costs and Food Survey 2002-2020. Institute for Fiscal Studies Derived Variables Dataset, updated with most recent data.

**Chart 15:** Sources: UK: Bank of England (A millennium of macroeconomic data), HM Land Registry (UK HPI). London & England & Wales: ONS (House price to residence-based earnings ratios). HPI: House Price Index. The 'average' house price given by the UK HPI is based on the geometric mean.

**Chart 16:** See Chart 14.

**Chart 17:** Source: Calculated by Lindsay Judge of the Resolution Foundation using Family Expenditure Survey (1970-1991) and Family Resources Survey (1994/5-2018/9). Incomes and housing costs both include housing benefit. Original version published in Corlett & Judge (2017).

**Chart 18:** Source: ONS Wealth and Assets Survey. Adapted from Bangham (2019) and updated using the most recent available data. Other UK: other buildings / real estate in UK.

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