

# Parental education not always linked to child's earnings

January 12 2012

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A parent's education may not necessarily result in their child earning higher wages, researchers have found.

(PhysOrg.com) -- Researchers from our University claim a parents' background doesn't necessarily affect the long-term financial success of their children.

Academics from the Department of Economics used data from a USA survey to investigate the link between the [education](#) of a parent with their child's earning ability.

Professors John Hudson and John Sessions found that respondents in the early years of the labour market who were the children of well-educated parents enjoyed a greater increase in their earnings than those whose parents who had spent fewer years in education.

But the academics analysis of the data found that over time this advantage declined, and the worker's wages reflected their true ability, irrespective of their parent's education.

Professor Hudson said: "Looking at this data we found that if an individual's parents both have 15 years of education, then their wages peak after 16 years of experience when they are around half of what they can expect to earn in a lifetime and a quarter more than someone whose parents both have only ten years of education between them.

"When workers with parents with less years of education reached 35 year of working experience they were just as likely to earn the same as someone whose parents have had more years of education.

"We believe it is important because it delivers a different perspective on the head start some people get in their lives, just from having educated [parents](#)."

The study explored these issues using data derived from the US National Longitudinal Survey of Young Men (NLSYM).

The NLSYM began in 1966 with 5525 males aged 14-24 and continued with follow up surveys through to 1981. Of the 5525 sample, the study was able to use 3010 of these observations.

The research is taken from the paper, 'Parental education, labour market experience and earnings: New wine in an old bottle?' in the journal *Economics Letters* November 2011.

**More information:** To view this paper online, visit [www.sciencedirect.com/science/.../S0165176511002308](http://www.sciencedirect.com/science/.../S0165176511002308)

Provided by University of Bath

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