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## It Makes You Think

### House prices are falling

During times of recession it is common for house prices to fall. The following headlines are not unusual:

**£25,000 WIPED OFF AVERAGE BRITISH HOME**

**House prices fall through the floor**

**Recession brings crash in housing market**

But what I want to know is...

1. Are all house prices falling by the 'average' amount? Are some kinds of houses (maybe houses in pretty rural villages?) still selling at high prices whilst the bottom is dropping out of the market in cities?
2. If most of the drop in prices is happening at the bottom end of the market, maybe my ordinary house has dropped by more than the average...

'Averages' do not always give the useful information we may be looking for, but it makes you think, doesn't it, and it needs a bit of follow up to see what's really happening.

### Chances are...

A friend of mine went for one of those scans that tell you whether your baby might have various problems. She got a result saying that there was a 1 in 30 chance that her baby had a problem. Which upset her quite a lot until somebody else said "1 in 30? That means there's about a 97% chance that the baby is fine". Both figures are right, but they felt very different to her.

Statistics are quoted in all areas of everyday life. Sometimes they are quoted in certain ways to influence us into buying certain products or behaving in a certain way.

It makes you think, doesn't it?

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## It Makes You Think

### Fair play across the board?

If we all get a 1% pay increase, it's not a lot, but at least it's fair, isn't it? We're all getting better off by the same margin.

Well, maybe not .....

- If you earn £20,000 a year, the 1% increase will get you an extra £200 a year.
- But if you're on £50,000, the 1% increase will get you an extra £500 a year.
- So your 1% and somebody else's 1% may not be the same thing - it all depends on the starting amount.

It makes you think, doesn't it?

### Food Prices

"Food prices shooting up by 20%" or "Food price rises held at 5%"

These can't both be true.... can they?

It's perfectly possible that food prices overall are only going up by 5%, whilst your shopping bill might be going up by nearer 20%. It all depends on what's in the shopping trolley.

Lobster and champagne might not be going up at all, whilst bread and dripping might be shooting up at a fierce rate. And if your diet is more bread-and-dripping than lobster-and-champagne, you may be looking at far more than a 5% increase, even though the overall increase taking into account all kinds of foods, might be just 5%.

It makes you think, doesn't it?

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## It Makes You Think

### It's only a 2% increase...

Government policy has consistently supported raising the standard of adult numeracy in England. Year after year we are aiming for higher targets. Let's look at what that means.

Suppose roughly 79% of the working age population has numeracy skills at Entry level 3 or above. Let's suppose the new Government target is to increase that to 81%. That sounds like a 2% increase which doesn't seem like a huge ask. But it's not what it seems.

The trouble is in the way we use the word "percent". There's a subtle but deadly difference between "a two percent increase" and "a two percentage points increase".

What the government is looking for is a "**two percentage points increase**", which isn't the same as a "**two percent increase**". In fact it's a lot more!

#### Look at it this way:

- If 6 out of the 100 top jobs in this country last year were held by women that's 6%.
- If this year there are 12 women in the top 100 that's 12%. A jump of 6 percentage points.
- But put another way it's a 100% increase as 12 is double 6.
- Percentage points increase isn't the same as percent increase.

These figures are made up but the bottom line is that things are not always what they seem with statistics – we need to take a closer look.

Tricky; but it makes you think, doesn't it?