

Education Vs. Income

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How much is higher education worth in cold hard money? A college master's degree is worth \$1.3 million more in lifetime earnings than a high school diploma, according to a recent report from the [U.S. Census Bureau](#).

The report titled "[The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings](#)" (.pdf) reveals that over an adult's working life, high school graduates can expect, on average, to earn \$1.2 million; those with a bachelor's degree, \$2.1 million; and people with a master's degree, \$2.5 million.

Persons with doctoral degrees earn an average of \$3.4 million during their working life, while those with professional degrees do best at \$4.4 million.

"At most ages, more education equates with higher earnings, and the payoff is most notable at the highest educational levels," said Jennifer Cheeseman Day, co-author of the report.

The figures are based on 1999 earnings projected over a typical work life, defined as the period from ages 25 through 64.

Americans Staying In School Longer

Along with the financial data, the report also shows that more Americans are staying in school longer than ever before. In 2000, 84 percent of American adults age 25 and over had at least completed high school and 26 percent continued to earn a bachelor's degree or higher, both all-time highs.

"Glass Ceiling" On Earnings Still Intact

The report also shows that while more American women than men have received bachelor's degrees every year since 1982, men with professional degrees may expect to cumulatively earn almost \$2 million more than their female counterparts over their work lives. Glass ceiling aside, the U.S. Bureau of Labor Statistics reports that women who graduated from college [earned about 76 percent more](#) than women with only a high school diploma in 2004.

Additional highlights from the report show:

- In 1999, average annual earnings ranged from \$18,900 for high school dropouts to \$25,900 for high school graduates, \$45,400 for college graduates and \$99,300 for the holders of professional degrees (medical doctors, dentists, veterinarians and lawyers).

- Over a work life, earnings for a worker with a bachelor's degree compared with one who had just a high school diploma increase by about \$1 million for non-Hispanic Whites and about \$700,000 for African Americans; Asians and Pacific Islanders; and Hispanics.
- Currently, almost 9-in-10 young adults graduate from high school and about 6-in-10 high school seniors go on to college the following year.

A separate report released last year, ["What's It Worth? Field of Training and Economic Status: 1996,"](#) said among people with bachelor's degrees, those working full time in engineering earned the highest average monthly pay (\$4,680), while those with education degrees earned the lowest (\$2,802) in 1996.