

Lit Scan

Facts & Figures from the Colorado Literacy Research Initiative

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Bigger Costs & Payoffs Associated with Educational Attainment in U.S. Than Other Nations

According to a recent report from the National Center for Education Statistics, Americans who fail to get a high school diploma have lower earnings than their counterparts in other Western countries, and Americans who earn college degrees have higher earnings than their

Highlights

- American dropouts earn 68 cents per high school graduate dollar, compared with 75-87 cents for dropouts in other Western nations.
- American college graduates earn \$1.74 per high school graduate dollar—on a par with or higher than the earnings of their counterparts in other Western nations.

Table 1. Relative earnings of persons ages 25-64 with upper secondary education only and at least university education, 1995

Country	Lower secondary education or less (i.e., 9 th grade or lower)	Upper secondary education only (i.e., high school graduates)	University education (i.e., bachelor's degree or higher)
Canada	87	100	156
France	80	100	175
Germany	78	100	163
United Kingdom	75	100	179
United States	68	100	174

international counterparts. In other words, lack of education carries a higher cost and educational achievement carries a higher payoff in the U.S. than in other major developed nations.

Table 1 reports the relative earnings of adult workers based on their level of educational attainment. For each nation, the base is 100 for high school graduates or the equivalent.

U.S. citizens who dropout before beginning high school earn 68 cents for every dollar earned by high school graduates. For other major Western countries, early dropouts earn 75 to 87 cents per high school graduate dollar.

Conversely, Americans who earn college degrees enjoy comparatively high earnings. They earn \$1.74 for every dollar earned by a high school graduate. That figure is exceeded only in the United Kingdom, where the college-educated earn \$1.79 per high school graduate dollar. The U.S. is virtually tied with France at \$1.75 for college graduates.

SOURCE

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- **International Education Indicators: A Time Series Perspective**, 1985-1995, National Center for Education Statistics. Available at: < <http://nces.ed.gov/pubs2000/2000021.pdf> >.

CONTACT INFORMATION

For more information about this study or other projects of the Colorado Literacy Research Initiative, contact: Keith Curry Lance, Colorado Department of Education, 201 E. Colfax Ave., Suite 309, Denver, CO 80203-1799, (303) 866-6737, fax (303) 866-6940, e-mail klance@sni.net