

# EDUCATIONAL ATTAINMENT IN 2005

Employers evaluating labor force skills and educators assessing literacy levels are among the many analysts who need data on educational attainment. The U.S. Census Bureau uses the Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS) to collect data on educational attainment. The CPS has tracked changes in education levels since 1947.

Among the 189.4 million people 25 and older in the civilian noninstitutionalized population in 2005, 85 percent had a high school diploma or more education—statistically matching the record high reached in 2004.<sup>1</sup> Among young adults, aged 25 to 29 in 2005, 86 percent had a high school diploma or more education, as shown in Figure 1.

<sup>1</sup> The ASEC numbers in this chapter differ from ASEC estimates prior to 2001 in that they are based on an expanded sample and use Census 2000-based population controls using administrative records on items such as births and deaths. These changes have been implemented to improve the reliability of the survey results. The estimates in this chapter (which may be shown in text and figures) are based on responses from a sample of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90-percent confidence level unless otherwise noted.

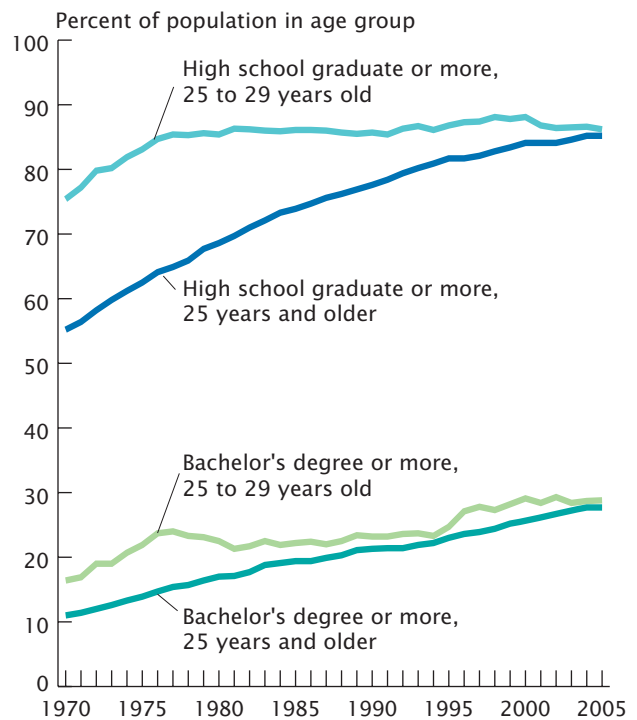
## Words That Count

**Educational attainment**, as described in this report, is that of the population 25 and older. It is derived from a single question asked in the ASEC: “What is the highest grade of school . . . completed, or the highest degree . . . received?” with response categories such as “7th or 8th grade,” “High School Graduate,” or “Some college, but less than 1 year.” Before 1992, educational attainment was measured in the CPS only by years of schooling completed.

In 2005, the percentage of women 25 and older with a high school diploma or more education (85.5 percent) was higher than the percentage of men (84.9 percent) for the fourth year in a row. Among young women and men (aged 25 to 29), the spread was wider, 87.4 percent and 85.0 percent, respectively.<sup>2</sup>

<sup>2</sup> The percentage of men aged 25 to 29 who were high school graduates or had more education is not statistically different from the percentage of men 25 and older with this much education.

Figure 1.  
**High School and College Graduates:  
1970 to 2005**



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 1970 to 2005.

Among the racial and ethnic groups discussed in this chapter, non-Hispanic Whites aged 25 and older had the highest proportion who graduated from high school or had more education (90 percent). They were followed by Asians (88 percent), Blacks (81 percent), and Hispanics (58 percent).<sup>3</sup> See Figure 2.

### College Graduates

In 2005, more than one-quarter (28 percent) of adults 25 and older had a bachelor's degree or more education—statistically matching the record high reached in 2004. The college graduation rate (29 percent) was higher for young adults—those aged 25 to 29.

Among people 25 and older, 29 percent of men and 27 percent of women held a bachelor's or higher degree. Among the younger set, aged 25 to 29, women were more likely to be college graduates than men. While 25 percent of young men held a bachelor's degree or more, 32 percent of young women did.

About half of Asians 25 and older were college graduates or had more education. They were followed by non-Hispanic Whites (31 percent), Blacks (18 percent), and Hispanics (12 percent).

### Education by Regions and States

At the regional level, the Midwest had the highest proportion of people who were high school graduates or

<sup>3</sup> Federal surveys now give respondents the option of reporting more than one race. Therefore, two basic ways of defining a race group are possible. A group such as Asian may be defined as those who reported Asian and no other race (the race-alone or single-race concept) or as those who reported Asian regardless of whether they also reported another race (the race-alone-or-in-combination concept). The body of this report (text and figures) shows data using the first approach (race alone). Use of the single-race population in this report does not imply that this is the preferred method of presenting data. The Census Bureau uses both approaches.

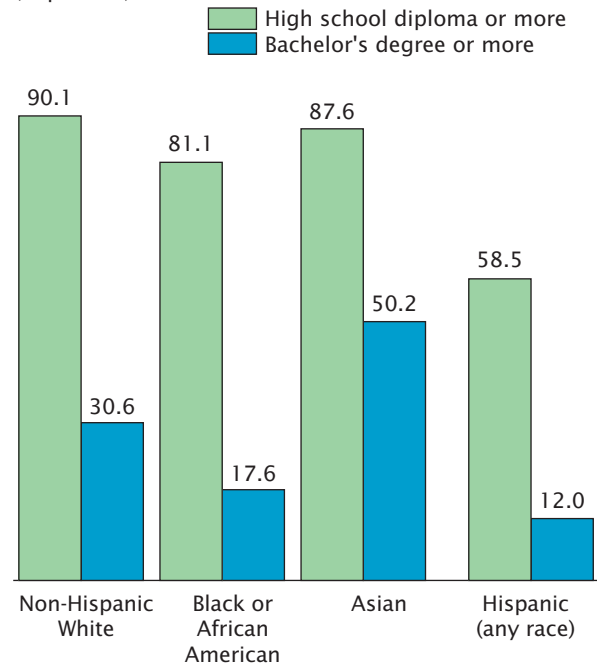
For 2003 and beyond, this chapter uses the term "non-Hispanic White" to refer to people who are not Hispanic and who reported White and no other race. The Census Bureau often uses non-Hispanic Whites as the comparison group for other race groups and Hispanics.

Data users should exercise caution when interpreting aggregate results for the Hispanic population or for race groups because these populations consist of many distinct groups that differ in socioeconomic characteristics, culture, and recency of immigration. In addition, the CPS does not use separate population controls for weighting the Asian sample to national totals. Data were first collected for Hispanics in 1972 and for Asians and Pacific Islanders in 1987. For further information, see <[www.bls.census.gov/cps/ads/adsmain.htm](http://www.bls.census.gov/cps/ads/adsmain.htm)>.

Because Hispanics may be any race, data for Hispanics overlap slightly with data for the Black population and the Asian population. Based on the population 25 and older surveyed in the CPS ASEC, 2.9 percent of the single-race Black population and 0.8 percent of the single-race Asian population were also Hispanic. Data for the American Indian and Alaska Native population, the Native Hawaiian and Other Pacific Islander population, and the Two or More Races population are not shown here based on their small sample size in the ASEC.

Figure 2.  
**Educational Attainment of the Population Aged 25 and Older by Race and Hispanic Origin: 2005**

(In percent)



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2005.

had more education. In the Midwest, 89 percent of the population 25 and older had this much education. It was followed by the Northeast (87 percent), the West (84 percent), and the South (83 percent).

The Northeast had the highest proportion (31 percent) of people 25 and older with a bachelor's degree or more education. It was followed by the West (30 percent), the Midwest (26 percent), and the South (25 percent).

### Educational Attainment and Average Annual Earnings

The 2005 ASEC data reinforce the value of a college education.<sup>4</sup> Among workers 18 and over with a bachelor's degree, average earnings were \$51,600 a year, while those with a high school diploma earned \$28,600. Workers with an advanced degree made an average of \$78,100, and those without a high school diploma averaged \$19,200.

<sup>4</sup> Earnings from the 2005 ASEC are for the 2004 calendar year.

## Field of Training in 2001

In 2001, more people in the United States held postsecondary educational credentials than ever before. Thirty-four percent of the adult population (18 and older) held degrees or certificates above the high school level, according to data collected in the Survey of Income and Program Participation (SIPP) in June through September 2001.<sup>5</sup>

Business was the most popular major for adults with a bachelor's degree and one of the most common among those with a vocational certificate or an associate's or advanced degree.<sup>6</sup> In 2001, 7.2 million adults held a bachelor's degree in business, 3.2 million held an associate's degree, and 2.1 million held an M.B.A. or other advanced degree in business. Other common fields of training were education, engineering, and health care.

Students in some fields of study were more likely than other students to go on to higher levels of education. Among people with a bachelor's degree who reported their major as preprofessional (such as prelaw or premedicine), two-thirds went on to earn an advanced degree. Among those people who majored in art/architecture, business, communications, health care, or computer science, 25 percent or less went beyond the bachelor's level.

Among full-time workers with a professional degree, average monthly earnings were approximately \$8,000. In contrast, full-time workers who did not complete high school earned about \$2,000 in a month.

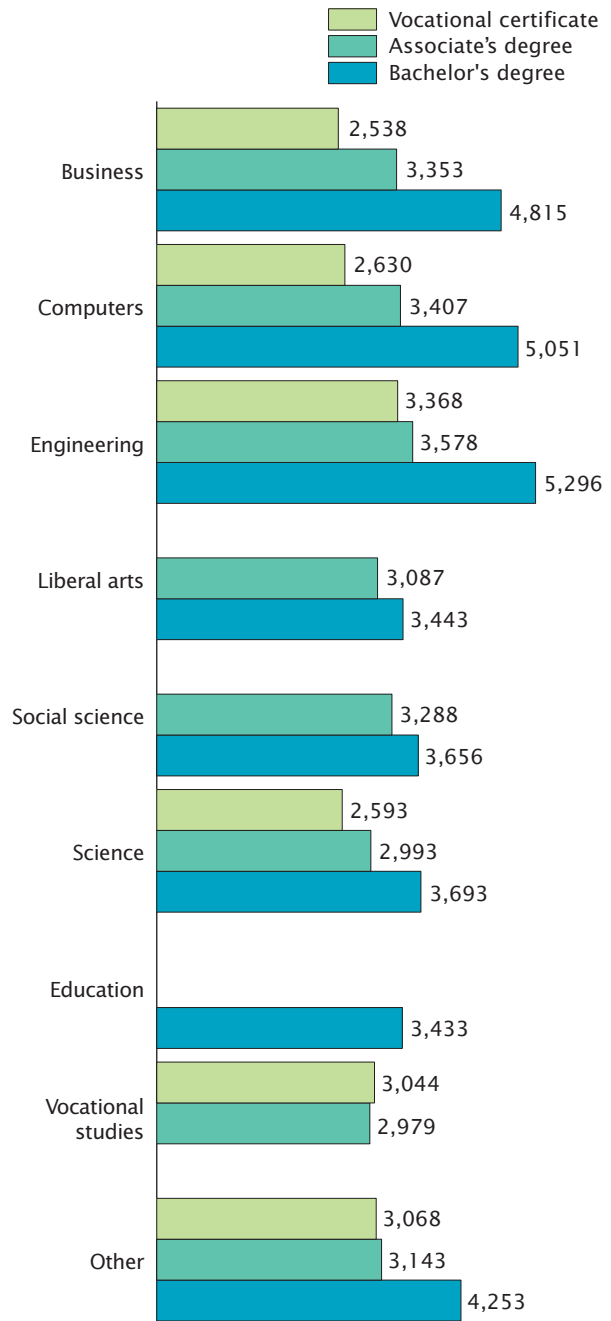
Field of training sometimes affects earnings as much as education does. In 2001, people with a bachelor's degree in engineering earned 54 percent more than people with a bachelor's degree in education. Vocational certificate and associate's degree holders with a technical degree in computers or engineering earned as much as people who held a bachelor's degree in liberal arts, education, or social science. See Figure 3.

<sup>5</sup> Data in this section were collected from June through September 2001 in the second wave (interview) of the 2001 SIPP. The population represented (the population universe) is the civilian noninstitutionalized population living in the United States.

<sup>6</sup> Although higher than other majors, the number with vocational certificates was not significantly different between those with business majors and those with health care and health sciences majors. Among those with associate's degrees, the number with business degrees was statistically tied for first place with "other" majors. At the advanced level, business majors ranked second, after those with education majors.

Figure 3.  
**Average Monthly Earnings by  
Field of Training for Selected  
Education Levels: 2001**

(Population 18 and older with earnings, employed full-time for previous 4 months. Earnings in dollars)



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2001 Panel.

## Estimates of Work-Life Earnings (1999)

Over the past 25 years, the disparity in earnings among workers with different levels of educational attainment has increased. In 1975, full-time, year-round workers with a bachelor's degree earned 1.5 times as much as workers with only a high school diploma.<sup>7</sup> By 1999, the ratio had risen to 1.8. During that same time period, the earnings ratio between people with advanced degrees and those with only a high school diploma increased from 1.8 to 2.6.<sup>8</sup>

Synthetic estimates can illustrate the value of education over a hypothetical working life from age 25 to 64, as shown in Figure 3.<sup>9</sup> CPS data collected in the March 1998, 1999, and

<sup>7</sup> Data are for full-time, year-round workers 18 years old and older.

<sup>8</sup> Advanced degrees include master's, doctoral, and professional degrees.

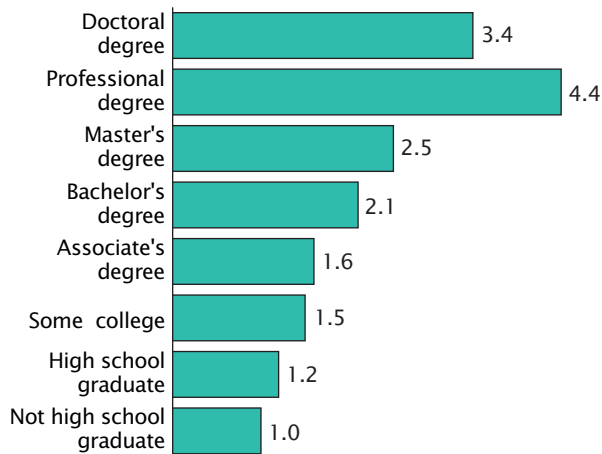
<sup>9</sup> Synthetic estimates of work-life earnings are created by using the working population's 1-year annual earnings and summing their age-specific average earnings for people ages 25 to 64. The resulting totals represent what individuals with the same educational level could expect to earn on average, in 1999 dollars, during a hypothetical 40-year working life.

2000 supplements revealed that a high school dropout might expect to earn an average of \$1 million (in 1999 dollars) during a lifetime of work (40 years).<sup>10</sup> Workers with a high school diploma

would earn about \$1.2 million. Some college experience but no degree would bring average lifetime earnings up to \$1.5 million, while adding an associate's degree would increase earnings to \$1.6 million. Over a work life, a person with a bachelor's degree would earn \$2.1 million, on average, while lifetime earnings would be about \$2.5 million for those with a master's degree, \$3.4 million for those with a doctoral degree, and \$4.4 million for those with a professional degree.<sup>11</sup>

Figure 4.  
**Synthetic Work-Life Earnings Estimates for Full-Time, Year-Round Workers by Educational Attainment Based on 1997–1999 Work Experience**

(In millions of 1999 dollars)



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 1998 to 2000.

<sup>10</sup> Earnings data are collected for the year prior to the survey date. So, the 2000 CPS would have asked for earnings in 1999.

<sup>11</sup> Some of the most common examples of professional degrees are M.D., J.D., D.D.S., and D.V.M.

## The Census Bureau Can Tell You More

Consult the following Census Bureau Current Population Reports: *Educational Attainment in the United States: 2003* (P20-550) by Nicole Stoops, *What It's Worth: Field of Training and Economic Status in 2001* (P70-98) by Camille L. Ryan, and *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings* (P23-210) by Jennifer Cheeseman Day and Eric C. Newburger.

Look for complete reports and detailed tables on the Census Bureau's Web site <[www.census.gov](http://www.census.gov)>.

Click on "Subjects A to Z." Click on "E" and select "Educational Attainment."

Contact the Census Bureau's Demographic Call Center toll-free at 1-866-758-1060.

E-mail <[ask.census.gov](mailto:ask.census.gov)>.

See Appendix A or information on the accuracy of the estimates.