

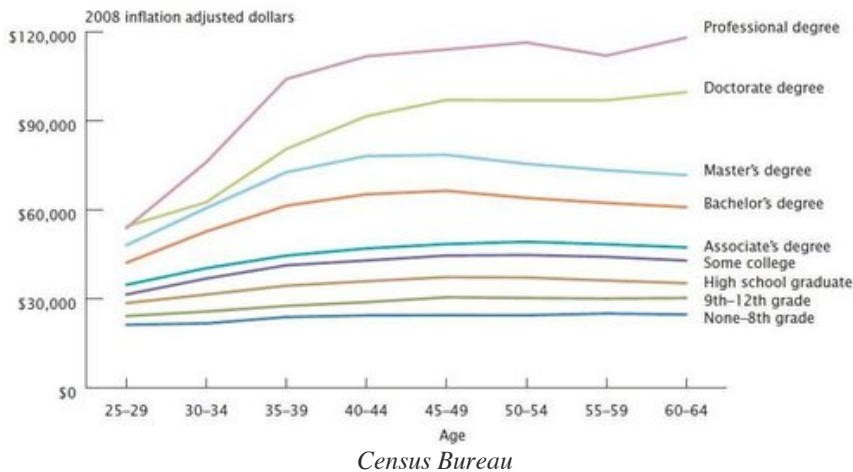
Yes, college degree has value -- try \$1 million

By Martin Wolk, NBC News

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Figure 3.
Median Annual Earnings by Age and Educational Attainment
(Full-time, year-round workers)



The Census Bureau has taken a new stab at answering the age-old question: Just how much is a college degree worth?

The answer: \$1 million.

That is a rough average, of course, but data collected in an extensive Bureau study suggests that a college degree is worth about \$1 million in additional lifetime earnings compared with a comparable worker with only a high school diploma.

Based on 2008 data, full-time workers with a bachelor's degree had median earnings of \$57,000, compared with \$34,000 for workers with only a high school diploma.

That adds up.

For example, white men with a bachelor's degree who work full-time can expect to make more than \$2.8 million over their 40-year working lifetime, compared with \$1.7 million for white men with only a high school diploma, for a difference of \$1.1 million. White women with a bachelor's degree will make about \$2 million over their working lifetimes, compared with about \$1.2 million for white women who go no further than high school.

A Census Bureau news release said the average lifetime difference for a bachelor's degree vs. a high school diploma was \$1 million.

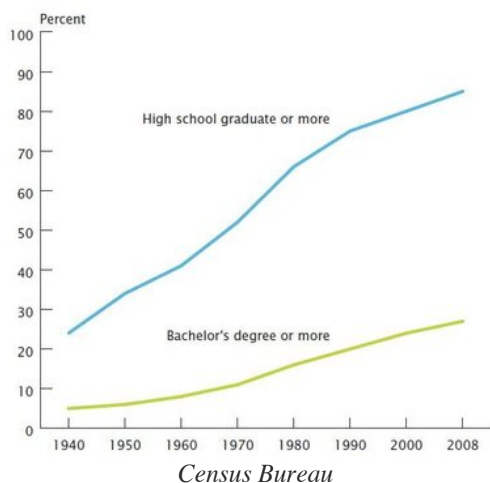
The results were based on data collected from 2006 to 2008 and were presented in 2008 dollars.

The report shows a "clear and well-defined relationship between education and earnings," even after considering demographic and other characteristics, write authors Tiffany Julian and Robert Kominski.

While white men generally get the biggest advantage from higher education, all races benefit from advanced study, according to the report. Black men, for example, will make nearly \$800,000 more over their working lifetime if they go beyond high school and attain a college degree.

A master's degree typically adds about \$500,000 to lifetime earnings, according to the report, while a professional degree in medicine or law can easily add another \$1 million on top of that.

Figure 1.
Educational Attainment of the Population 25 Years
and Over: 1940 to 2008



White men typically earn more than any other demographic groups, but Asian men are not far behind and are even or ahead at the master's level and above.

Women at virtually every level make considerably less than comparably educated men, the study confirms. White women, for example, typically earn about 70 percent of what white men earn over their lifetimes, although the gap narrows substantially for women with doctorate degrees.

The report also shows that while 85 percent of adults have high-school diplomas, fewer than 30 percent have college degrees.

Just as a reminder, the current average “sticker price” for a college education, including tuition, fees, room and board, is \$16,000 a year at an in-state public university and \$37,000 at a private school.

So, is a college education worth it?