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16% of Workers with High School Diplomas and 28% with Associate's Degrees Earn More Than Half of Workers With a Bachelor's Degree, Georgetown University Report Says

Bachelor's degree holders earn a median of \$2.8 million over their lifetimes

(Washington, DC, October 7, 2021) Workers with higher levels of education tend to earn more than those with less education, but that is not always the case. Earnings depend on many factors in addition to education—including age, field of study, occupation, gender, race and ethnicity, and location, according to a new report from the Georgetown University Center on Education and the Workforce (CEW). *The College Payoff: More Education Doesn't Always Mean More Earnings* finds that 16% of high school graduates, 23% of workers with some college education, and 28% of associate's degree holders earn more than half of workers with a bachelor's degree.

Lifetime earnings typically rise with each additional level of education. The lifetime earnings of a full-time full-year worker with a high school diploma are \$1.6 million, while those with an associate's degree earn \$2 million. However, at least one quarter of high school graduates earn more than an associate's degree holder. Bachelor's degree holders earn a median of \$2.8 million during their career, 75% more than if they had only a high school diploma. Master's degree holders earn a median of \$3.2 million over their lifetimes, while doctoral degree holders earn \$4 million and professional degree holders earn \$4.7 million. However, one quarter of workers with a bachelor's degree earn more than half of workers with a master's or a doctoral degree. The gaps in earnings by education level tend to widen with age as the earnings of workers with more education increase more dramatically.

"More education doesn't always get you more money," CEW Director and lead report author Anthony P. Carnevale said. "There's a lot of variation in earnings related to field of study, occupation, and other factors."

Workers in some high-paying fields can earn as much or more than workers at a higher education level across fields. Those with a bachelor's degree in architecture and engineering have median lifetime earnings of \$3.8 million, well above the median of \$3.2 million for all master's degree holders. Similarly, an associate's degree holder in a computer and mathematical occupation has median lifetime earnings of \$2.8 million, the same as median lifetime earnings for bachelor's degree holders overall.

Earnings gaps by gender persist across education levels. While women with associate's degrees earn a median of \$1.8 over their lifetimes, men earn \$2.3 million. Among workers with bachelor's degrees, women have median lifetime earnings of \$2.4 million, compared to \$3.3 million for men.

Earnings patterns also diverge by race and ethnicity. While White workers have the highest median lifetime earnings across racial and ethnic groups at lower levels of education, Asian workers have higher earnings at the master's degree level. At the associate's degree level, White workers earn a median of \$2.1 million, compared to \$2 million for Asian workers, \$1.9 million for Latino workers, and \$1.7 million

for Black workers. At the bachelor's degree level, White workers earn a median of \$2.9 million, compared to \$2.9 million for Asian workers and \$2.3 million for Black and Latino workers.

Lifetime earnings (adjusted for the cost of living) also vary by location among workers at the same education levels. For workers with a high school diploma, median earnings are highest in Wyoming and Alaska (\$2 million) and North Dakota (\$1.9 million). The District of Columbia, Connecticut, Virginia, and Maryland are the highest-earning places for bachelor's and master's degree holders, with median lifetime earnings above \$3 million for those with a bachelor's degree and above \$3.5 million for those with a master's degree.

"Students need professional guidance on the economic outcomes of college and career pathways before they make one of the biggest decisions of their lives," said Ban Cheah, report author and CEW research professor and senior economist.

Other Key Findings:

- While women with a high school diploma earn a median of \$1.3 million over their lifetimes, men earn \$1.8 million. At the master's degree level, women earn \$2.8 million, compared to \$3.9 million for men.
- Among high school graduates, White workers earn a median of \$1.7 million, compared to \$1.4 million for Asian, Black, and Latino workers. At the master's degree level, Asian workers earn \$4 million, compared to \$3.2 million for White workers, \$3 million for Latino workers, and \$2.7 million for Black workers.
- The majors with highest median lifetime earnings for bachelor's degree holders are architecture and engineering (\$3.8 million); computers, statistics, and mathematics (\$3.6 million); and business (\$3 million).
- Computer and mathematical, health practice, and architecture and engineering are the highest-paying occupations across education levels.

To view the full report and data visualizations, visit cew.georgetown.edu/collegepayoff2021.

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