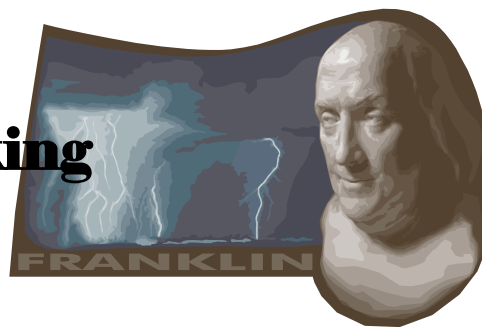


Let Ben do the talking



Does going to school pay off? Most people think so. Currently, almost 85% of people 18 and older graduate from high school and nearly 60% of high school seniors continue on to college the following year. People decide to go to college for many reasons. One of the most compelling is the expectations of future economic success based on educational attainment.

EDUCATION AND EARNINGS

Based on 2000 U.S. Census, over 75% of Arkansas adults ages 25 and over had at least completed high school; 34% have a high school diploma (includes equivalency); 4% have an associate degree; 11% have a bachelor's and a little over 5% have a graduate or professional degree.

In the U.S., adults ages 18 and older in 2004 earned an average mean income of \$34,626 per year. Average earnings ranged from \$16,485 for high school dropouts to \$26,156 for high school graduates, \$49,656 for college graduates, \$65,190 for master degree graduates, and \$104,299 for workers with professional degrees who have the highest average earnings, each successively higher education level is associated with an increase in earnings.

Over the past 30 years, earnings differences have grown among workers with different levels of educational attainment. In 1975, full-time, year-round workers with a bachelor's degree had 1.6 times the annual mean earnings of workers with only a high school diploma. By 2004, this ratio had risen to 1.8. Workers with an advanced degree, who earned 2.1 times the earnings of high school graduates in 1975, earned 2.7 times the earnings of workers with a high school diploma in 2004. During this same period, the relative mean earnings of the least educated worker fell. While in 1975, full-time, year-round workers with a high school diploma earned 1.3 times the earnings of workers without a high school diploma; by 2004, they were earning only 1.5 times the average earnings of workers without a high school graduates.

GENDER, EDUCATION AND EARNINGS

Among people ages 25 and older, the percentage of men and women with a bachelor's degree has increased sharply over the past 30 years, with women narrowing the gap. In 1975, 18% of men and 11% of women had attained a bachelor's degree or higher. By 2005, 29% of men and 27% of women had a bachelor's degree or higher. Additionally, 85% of both men and women had completed high school in 2005, up from 63% for men and 62% of women in 1975.

Men had higher average earnings than women with similar educational attainment. Among full-time, year-round workers ages 18 and over, male's mean earnings were \$17,317 higher than females in 2004 for all education levels. This wage gap became markedly greater with each increased level of educational attainment. For those without a high school diploma, the male female difference was \$8,882; for high school graduates, the difference was \$12,127; for those with a bachelor's degree, the difference was \$24,977; and for advanced degrees, males made on average of

\$43,232 more than their female counterparts. This pattern of male and female earnings discrepancy is not new. In 1975, the earnings difference between males and females for all education levels was \$6,123.