

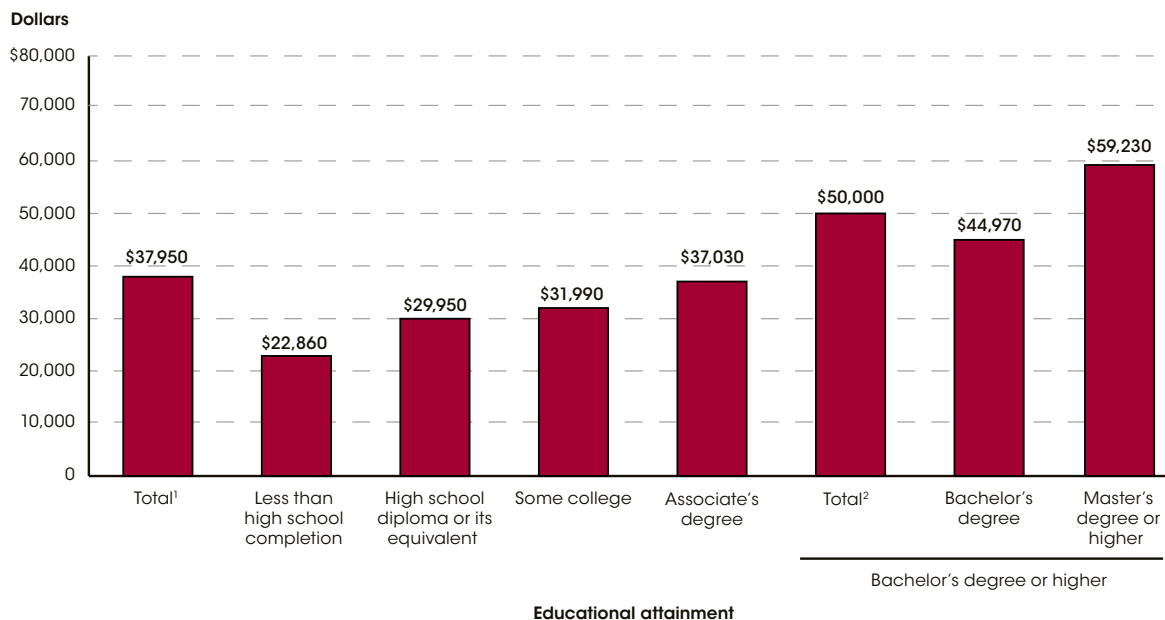
Annual Earnings of Young Adults

In 2011, young adults with a bachelor's degree earned almost twice as much as those without a high school diploma or its equivalent (97 percent more), 50 percent more than young adult high school completers, and 21 percent more than young adults with an associate's degree.

This indicator examines the annual earnings of young adults ages 25–34, many of whom have recently completed their education and constitute the youngest group of the general working-age population. In 2011, some 63 percent of young adults ages 25–34 who were in the labor force worked *full time* (i.e., 35 or more hours per week) and *full year* (i.e., 50 or more weeks per year). The percentage of young adults working full time throughout a full year was generally higher for those with higher levels of educational attainment. For example, 71 percent of young adults with a bachelor's degree or higher were full-time, full-year workers in 2011, compared with 59 percent of young adult high school completers (those with a high school diploma or its equivalent).

For young adults ages 25–34 who worked full time throughout a full year, higher educational attainment was associated with higher median earnings. This pattern of higher median earnings corresponding with higher levels of educational attainment was consistent for selected years 1995, 2000, and 2005–2011. For example, young adults with a bachelor's degree consistently had higher median earnings than those with less education. During this period, this pattern also held across sex and selected racial/ethnic subgroups (White, Black, Hispanic, and Asian).

Figure 1. Median annual earnings of full-time, full-year wage and salary workers ages 25–34, by educational attainment: 2011



¹ Total represents median annual earnings of all full-time, full-year wage and salary workers ages 25–34.

² Total represents median annual earnings of young adults with a bachelor's degree or higher.

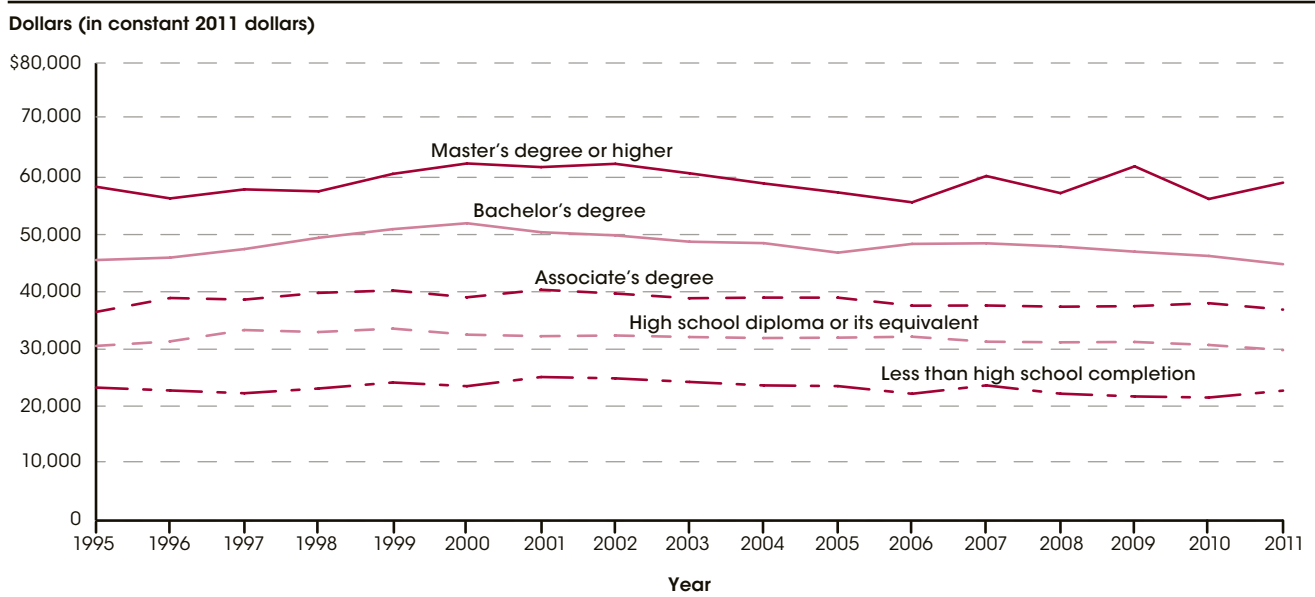
NOTE: *Full-year workers* refers to those who were employed 50 or more weeks during the previous year; *full-time workers* refers to those who were usually employed 35 or more hours per week.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), "Annual Social and Economic Supplement," 2012. See *Digest of Education Statistics 2012*, table 439.

In 2011, the median of earnings for young adults with a bachelor's degree was \$45,000, while the median was \$22,900 for those without a high school diploma or its equivalent, \$30,000 for those with a high school diploma or its equivalent, and \$37,000 for those with an associate's degree. In other words, young adults with a bachelor's degree earned almost twice as much as those without a

high school diploma or its equivalent (97 percent more), 50 percent more than young adult high school completers, and 21 percent more than young adults with an associate's degree. Additionally, in 2011 the median of earnings for young adults with a master's degree or higher was \$59,200, some 32 percent more than the median for young adults with a bachelor's degree.

Figure 2. Median annual earnings of full-time, full-year wage and salary workers ages 25-34, by educational attainment: 1995-2011



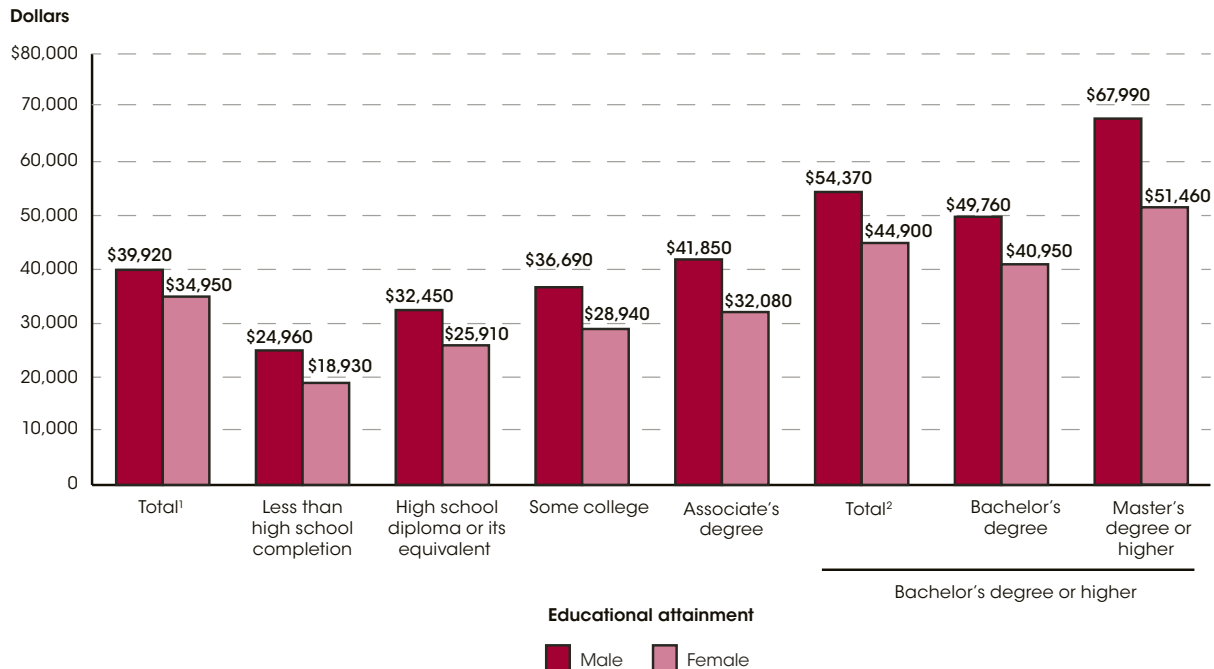
NOTE: Earnings are presented in constant dollars, based on the Consumer Price Index (CPI), to eliminate inflationary factors and to allow for direct comparison across years. *Full-year workers* refers to those who were employed 50 or more weeks during the previous year; *full-time workers* refers to those who were usually employed 35 or more hours per week.
 SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), "Annual Social and Economic Supplement," 1996-2012. See *Digest of Education Statistics 2012*, table 439.

Median earnings (in constant 2011 dollars) for young adults with different levels of educational attainment exhibited different patterns of change over time. Between 2000 and 2011, the median earnings of young adult high school completers declined 8 percent, from \$32,700 to \$30,000, and the median earnings for those with a bachelor's degree decreased by 14 percent, from \$52,100 to \$45,000. The median earnings for young adults without a high school diploma or its equivalent and for those with a master's degree or higher did not change measurably between 2000 and 2011.

The difference (in constant 2011 dollars) in median earnings between those with a bachelor's degree or higher and those without a high school diploma or its

equivalent widened between 1995 and 2009 and then narrowed between 2009 and 2011. In 1995, the median of earnings for young adults with a bachelor's degree or higher was \$25,300 greater than the median for those without a high school diploma or its equivalent; in 2009, this earnings differential was \$30,400; but in 2011, this earnings differential was \$27,100. Though there were no patterns of increase or decrease in the earnings differential between those with a bachelor's degree or higher and high school completers between 1995 and 2011, the earnings differential was greater in 2011 (\$20,000) than in 1995 (\$18,000). There was no measurable difference, however, between the 2011 median earnings differential and the 1995 median earnings differential of those with a master's degree or higher over those with a bachelor's degree. In

Figure 3. Median annual earnings of full-time, full-year wage and salary workers ages 25-34, by educational attainment and sex: 2011



¹ Total represents median annual earnings of all full-time, full-year wage and salary workers ages 25-34.

² Total represents median annual earnings of young adults with a bachelor's degree or higher.

NOTE: *Full-year workers* refers to those who were employed 50 or more weeks during the previous year; *full-time workers* refers to those who were usually employed 35 or more hours per week.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), "Annual Social and Economic Supplement," 2012. See *Digest of Education Statistics 2012*, table 439.

2011, the median of earnings for young adult males was higher than the median for young adult females at every education level. For example, in 2011 young adult males with a bachelor's degree earned \$49,800, while their female counterparts earned \$40,900. In the same year, the median of earnings by education level for White young adults exceeded the corresponding medians for Black and Hispanic young adults. Asian young adults with a bachelor's degree or with a master's degree or higher

had higher median earnings than did their Black and Hispanic counterparts in 2011; in addition, Asian young adults with at least a master's degree also had higher median earnings than did their White peers. For example, the median of earnings in 2011 for young adults with at least a master's degree was \$73,200 for Asians, \$58,700 for Whites, \$50,900 for Hispanics, and \$50,000 for Blacks.

Reference tables: *Digest of Education Statistics 2012*, table 439

Glossary: Bachelor's degree, Constant dollars, Consumer Price Index (CPI), Educational attainment, High school completer, Master's degree