

Higher Wages continued:

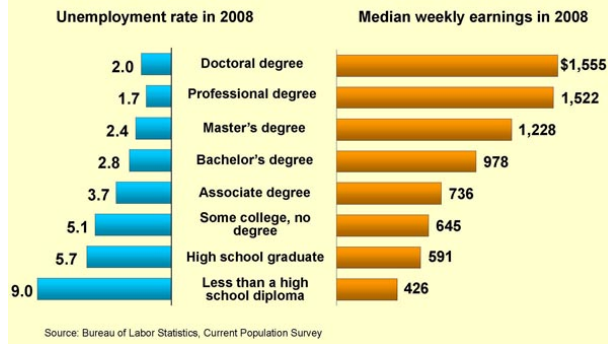
As Figure 1 shows, the younger age groups experience higher wage gains, with those in the 18 - 21 age group experiencing the greatest gains (\$8,465).



However, beginning with the 22 - 24 age group, the gains begin to decline to the point where there is a net earnings loss for the 55 and older group. This pattern is evident in every completer cohort and highlights the difficulty that older workers have in recouping previous wages even when additional education is obtained. Among displaced workers it is common to see a wage recovery of 85% of pre-layoff earnings.

Figure 2 – National Perspective

Education pays



Source: <http://www.bls.gov/emp/emptab7.htm>

Lower Unemployment:

Across the United States, individuals with higher levels of education have lower unemployment rates (Figure 2). In 2008, the unemployment rate for individuals with less than a high school diploma was 9.0% compared to 5.7% for high school graduates,

5.1% for individuals with some college, and 3.7% for those with an associate degree. (<http://www.bls.gov/emp/emptab7.htm>)

Increased Tax Revenues:

Over the past 10 years, Illinois community college students paid an estimated \$3.3 Billion in state taxes and \$12.8 Billion in federal taxes.

More than 9 out of 10 graduates remain in Illinois after completing college and contribute to the state's economy. (<http://www.iccb.org/pdf/ICCBFactSheetFinalJuly.pdf>)



Sources:

The Center for Governmental Statistics. (2007). The Economic Impact of Illinois Community Colleges. Northern Illinois University: DeKalb, IL. <http://www.iccb.org/pdf/reports/EconomicImpact2007.pdf>

Illinois Community College Board. (2007). Our Illinois Community Colleges: An Economic Fact Sheet. Author: Springfield, IL. <http://www.iccb.org/pdf/ICCBFactSheetFinalJuly.pdf>

U.S. Bureau of Labor Statistics. (August 26, 2008). Current Population Survey (CPS): Educational Attainment-People 25 Years Old and Over, by Total Money Earnings in 2007, Work Experience in 2007, Age, Race, Hispanic Origin, and Sex. Author: Washington D.C. http://pubdb3.census.gov/macro/032008/perinc/new03_001.htm

U.S. Bureau of Labor Statistics. (March 6, 2009). Employment Projections: Education Pays. Author: Washington D.C. <http://www.bls.gov/emp/emptab7.htm>



Illinois Community College System

Illinois and National Perspectives: Economic Returns for Attending and Graduating from a Community College



Compiled by
Illinois Community College Board
Research and Policy Studies
401 East Capitol Avenue
Springfield, IL 62701-1171
217-785-0123
<http://www.iccb.org>



Introduction:

Community colleges contribute to the vitality of their regions and the state in many ways: educationally, culturally, civically, and economically. Among the least measured and understood of these are the economic contributions. Attending and graduating from a community college is beneficial to individuals in many ways. A community college education contributes to:

- Higher Wages
- Lower Unemployment
- Increased Tax Revenues

Higher Wages:

On average, a 25-year old Illinois community college program graduate can expect a total lifetime earnings gain of \$541,115 which is 55 percent more than the projected total lifetime earnings of \$1.2 Million if they had not completed an Illinois community college program.



<http://www.iccb.org/pdf/ICCBFactSheetFinalJuly.pdf>

The average earnings gain per credit hour completed for community college completers was \$168 per credit hour. Adult Secondary Education, Career and Technical Instruction, English as a Second Language and Adult Basic Education completers all had higher than average earning gains per credit hour.

Table 1
Illinois Average Earnings Gain and
Average Gain Per Credit Hour
FY2005 Exiters
(Completers and Non-Completers)

Completer Type 2005	Average Earnings Gain	Average Gain per Credit Hour
Completer	\$6,628	\$168
Non Completer Exiter	\$3,207	\$264
Total	\$3,782	\$226

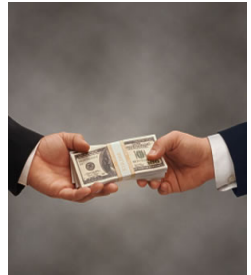
Source: <http://www.iccb.org/pdf/reports/EconomicImpact2007.pdf>

While the average overall earnings gains were substantially higher for the completer group – \$6,628 -- the average gain per credit hour earned was higher for non-completer exiters. Results show that while there was a strong positive relationship between the number of credit hours earned and earnings gains, as the number of credit hours increases there was a decrease in the average gain per credit hour. Contributing factors involve the actual pre-program earnings, age, and workforce experience of the exiters versus the completers.

<http://www.iccb.org/pdf/reports/economicimpact2007.pdf>

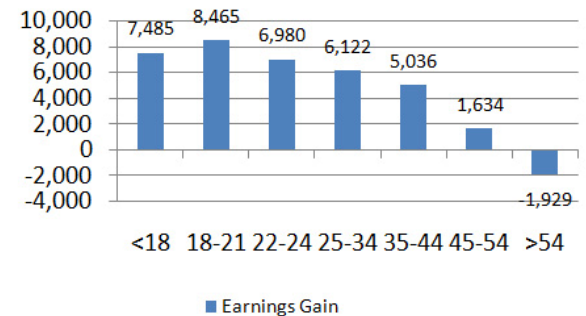


Nationally, median weekly earnings for individuals with less than a high school diploma in 2008 were \$426 compared to \$591 for high school graduates, \$645 for individuals with some college, and \$736 for individuals with an associate degree. <http://www.bls.gov/emp/emptab7.htm>



Nationally, the average annual earnings for people 25 and above who earned just a high school diploma, averaged \$33,609 compared to \$41,447 for those with associate degrees. <http://pubdb3.census.gov/macro/032008/perinc/new03001.htm>

Figure 1
**Illinois Average Earnings Gain by Age
Program Completers FY2005**



Source: <http://www.iccb.org/pdf/reports/EconomicImpact2007.pdf>

