

The Value of Postsecondary Education: *Higher Education as a Public Good*

Social returns of education exceed private returns to the individual.

Studies show higher education has spill-over benefits to the rest of society, including:

- ◆ The combined benefits of lower utilization of public assistance;
- ◆ Lower crime and incarceration; and
- ◆ Higher payback in the form of sales, property, and state income taxes.¹

\$1 in higher education yields \$4 in social returns.

A 2003 Texas study found the state gained \$4.00 in returns for every \$1.00 invested in higher education. A similar 2005 study showed a net return for California was \$3.65 for every \$1.00 of investment in higher education.¹

The supply of college graduates affect wages of all employees.

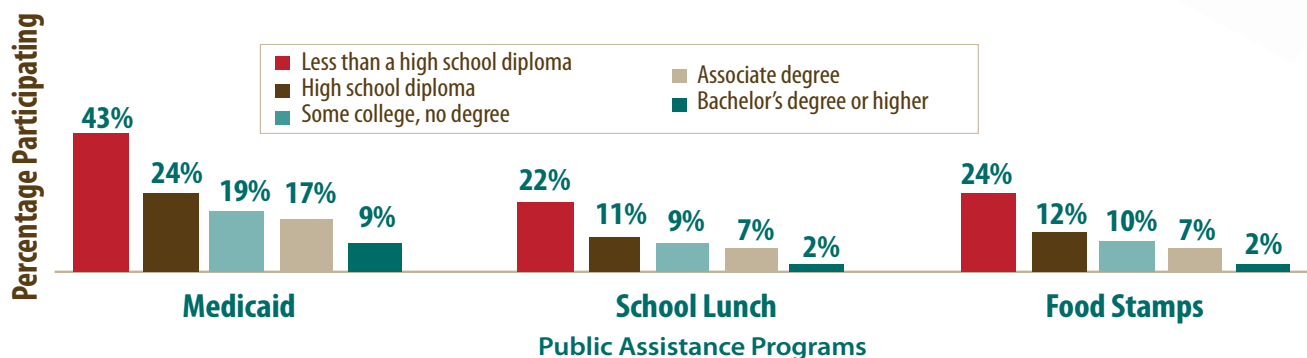
A 2004 UCLA study found that for every percentage point increase in college graduates there was a predicted wage increase of:

- ◆ 1.9% for high school dropouts;
- ◆ 1.6% for high school graduates; and
- ◆ 0.04% for college graduates.³

A college graduate saves taxpayer dollars.

According to calculations by the College Board Advocacy & Policy Center, there is an estimated lifetime savings of \$32,600 to \$108,700 through reduced utilization of social support programs and lower incarceration rates.²

Percentage of Individuals Ages 25 & Older Living in Households Participating in Selected Public Assistance Programs, by Education Level, 2011⁵

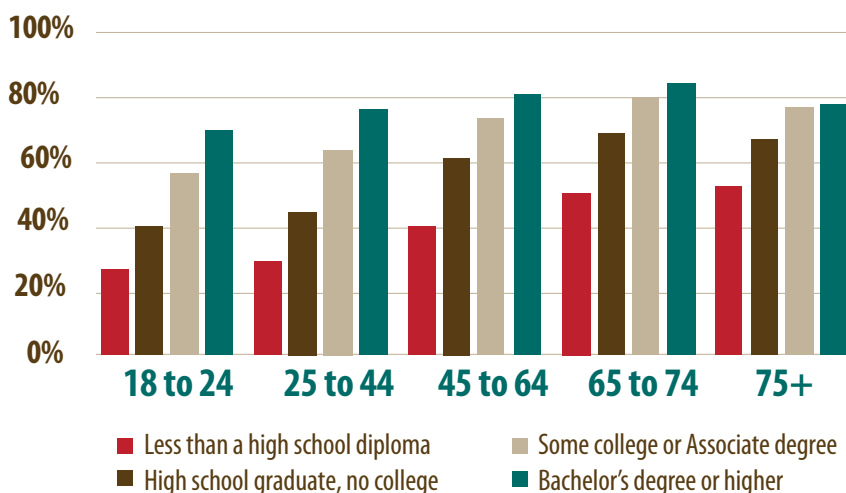


A college education increases rates of workforce participation, volunteerism, and voting.²

An individual with a bachelor's degree is twice as likely to volunteer when compared to a high school graduate.⁴

- ◆ At every age group, adults with higher levels of education are more likely to vote than those with lower levels of education, indicating greater civic participation.⁶
- ◆ For the 25-65 age range, 2012 workforce participation rates are **85%** for individuals with a bachelor's degree or higher, **11%** higher than the rates for high school graduates.

Voting Rates Among U.S. Citizens, by Age & Education Level, 2008⁷

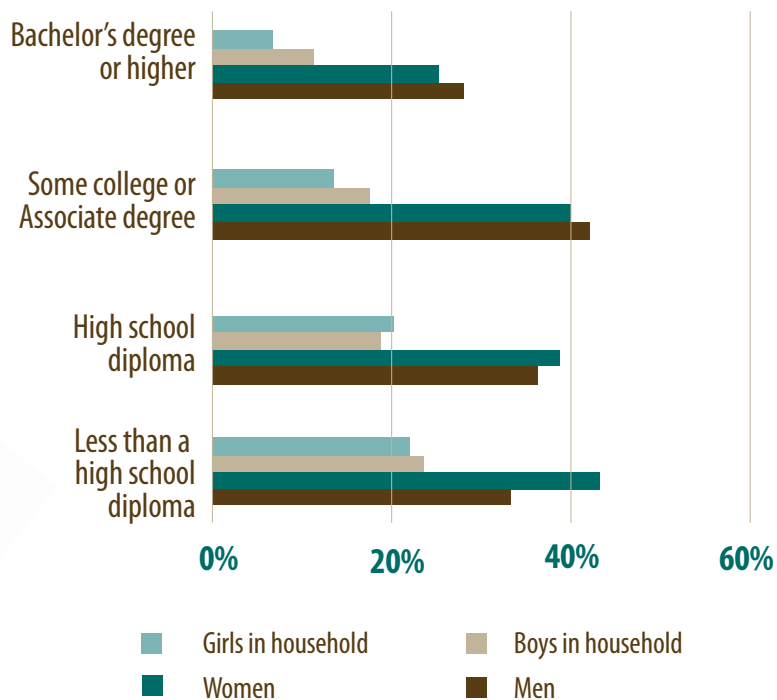


College graduates live healthier lifestyles.

In the aggregate, individuals with at least a bachelor's degree smoke less, exercise more, and have a lower rate of obesity.²

- ◆ In 2012, only **9%** of individuals with at least a bachelor's degree smoked, compared to **25%** of high school graduates.²
- ◆ Obesity rates among individuals with a bachelor's degree or higher are lower than the rest of the population, including obesity rates of children within their households.

Obesity Rates, Adults Ages 25 & Older, Children Ages 20-19 & Education Level⁸



Every \$1 investment in higher education yields \$4 in social returns

References

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