

Attending community college does make you richer, study says

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A recent study by Dave Marcotte, Ph.D., from the University of Maryland Baltimore County found women graduating from community college with a 2-year degree earn 45.8% more annually than high school educated women. Men who enroll at a community college and attain a 2-year degree earn, on average, 12.2% more annually than male peers who merely graduate high school. Full details of the study appear in the October issue of *Contemporary Economic Policy*, published on behalf of the Western Economic Association International by Wiley-Blackwell.

To advance understanding of the economic benefit of community college [education](#) for young Americans, Dr. Marcotte studied data from the National Education [Longitudinal Survey](#) (NELS), which follows the educational and work histories of sample members throughout the U.S. Data were analyzed for 11,559 NELS subjects who were employed at the time of the 2000 survey, eliminating those who earned graduate or professional degrees. The sample was balanced between men and women.

The National Center for Education Statistics reports nearly 40% of all students enrolled in postsecondary education are at 2-year institutions (2005). More people tend toward community colleges due to easier enrollment policies, lower tuition costs, and varied course selection. Compared with students attending 4-year institutions, community college students typically performed more poorly in high school, come from more disadvantaged backgrounds (family incomes less than \$50,000), and were less likely to have parents with a bachelor's degree. Dr.

Marcotte suggests, "Recent increases in enrollment at community colleges, are likely to result in improved employment opportunities, regardless of whether it leads to a degree or not."

The author found that of those who left 2-year institutions without a degree, 53.3% completed more than 30 credits, half of the required credits needed for an associate degree. Further analysis of the NELS data indicates that women earn an additional 9.6% annually by completing one year of full-time study at a [community college](#), even without earning a degree. Men earn 5.1% more annually for each year of full-time equivalent coursework completed, even though no degree was obtained. "The findings illustrate that the labor market returns to education at community colleges are substantial," noted Dr. Marcotte. "Clearly, enrolling in classes to improve skills, even without obtaining a degree, has considerable economic benefit."

"There is consistent evidence that average wages and salaries for young men and women who earn associate degrees from community colleges are substantially higher than for those without postsecondary education," says Dr. Marcotte. According to the American Association of Community Colleges, the average expected lifetime earnings for a graduate with an associate degree is \$1.6 million—about \$.4 million more than what a high school graduate earns. The findings of this research confirm this finding and illustrate the benefits by gender and that there are significant benefits even if the person doesn't graduate.

More information: "The Earnings Effect of Education at Community Colleges." Dave E. Marcotte. *Contemporary Economic Policy*; Published Online: September 3, 2009 ([DOI: 10.1111/j.1465-7287.2009.00173.x](https://doi.org/10.1111/j.1465-7287.2009.00173.x)); Print Issue Date: October 2009. [www3.interscience.wiley.com/jo ... /122589591/abstract](http://www3.interscience.wiley.com/jo.../122589591/abstract)

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