Adult Education Pays… For America’s Workers

On October 8, 2013, OECD released *Skills Outlook 2013: First Results from the Survey of Adult Skills* from the Program for the International Assessment of Adult Competencies (PIAAC). PIAAC was a survey of 5,000 adults aged 16-65 in the U.S. and 24 participating countries. The survey assessed literacy, numeracy, and problem-solving skills in technology-rich environments.¹

On average across countries, the median hourly wage of workers who scored high (Level 4 or 5) on the PIAAC literacy test is more than 60% higher than those who scored at Level 1 or below. Those with poor literacy skills were more than twice as likely to be unemployed. Poor skills severely limit people’s access to better-paying and more rewarding jobs.²

These PIAAC findings confirm earlier large-scale studies connecting skills and employment. According to a 2006-2008 U.S. Census Bureau study, education levels had more effect on earnings over a 40-year span in the workforce than any other demographic factor, such as gender, race and Hispanic origin.³

![Annual Earnings by Education Level](chart.png)

Source: U.S. Census Bureau, 2011


Also using U.S. Census data, The Center on Education and the Workforce released a report in 2012 that found:

- In the period 2007-2012, those with a Bachelor’s degree or better gained 2 million jobs during the recession and recovery
- In that same period, those with a high school diploma or less lost 5.8 million jobs
- Nearly four out of every five jobs destroyed by the recession were held by workers with a high school diploma or less⁴
The connection between education and employment is projected to grow stronger. Total employment is expected to increase by 20.5 million jobs from 2010 to 2020... Industries and occupations related to health care, personal care and social assistance, and construction are projected to have the fastest job growth between 2010 and 2020. Jobs requiring a master’s degree are expected to grow the fastest, while those requiring a high school diploma will experience the slowest growth over the 2010–20 timeframe.\(^1\)

Of the 20 predicted fastest-growing occupations for 2010-20, 4 required less than high-school education (2010 mean wages from $19,640 to $27,760) and 6 required high school or equivalent (2010 mean wages from $23,680 to $46,930).\(^2\) Of the 20 predicted occupations with the fastest decline for 2010-20, one required less than high-school education, and 16 required high school diploma or equivalent.\(^3\)

Occupations that require some postsecondary education are expected to experience slightly higher rates of growth than those requiring a high school diploma or less. Occupations in the master’s degree category are projected to grow the fastest, at about 22%; occupations in the bachelor’s and associate’s degree categories are anticipated to grow by about 17% and 18%, respectively. In contrast, occupations in the high school category are expected to grow by just 12%, while occupations in the less than high school diploma or equivalent category are projected to grow by 14%.

The current workforce comprises approximately 150 million workers. Public schools in the U.S. graduate three million students annually. Thus, only 2% of the annual workforce can be supplied by public schools. By projecting that statistic out for ten years, only 20% of the workforce in 2020 can come from public schools. That means that 80% of the 2020 workforce will consist of either adults currently in the workforce or those trying to enter the workforce today.\(^4\)

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4. The College Advantage: Weathering the Economic Storm, Center on Education and the Workforce, Georgetown Public Policy Institute, http://cew.georgetown.edu/collegeadvantage/
6. Ibid
7. Ibid