

**NEWS RELEASE**

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**Higher education brings higher earning power  
 And more good reasons to go to school this fall**

*At every level – associate, bachelor’s or graduate – greater education translates into greater earning power for Missourians.*

Escalating fuel and food prices are pushing the cost of living ever higher. Many people are looking for ways to cut expenses, but trimming the fat from one’s budget is not the only solution.

Another way to beat inflation is to increase one’s earnings, and a good way to do that, plus improve one’s job security, is to go back to school.

“It may be a forced opportunity, when times are tough, to go back and get that higher education,” said Dr. James Kellerman, executive director of the Missouri Community College Association. “It has happened historically that during hard economic times people go back to school. People realize that if they want to have a better job, if they want to earn more money, then they have to have a different skill set.”

**Top Degree Programs by Pay**

Continuing your education makes even more sense if you know which degree programs are associated with the greatest earnings. Thanks to new research from the Missouri Department of Higher Education, Missourians can.

“While there are many good reasons and benefits to continuing one’s education, there’s certainly value in thinking about the earning power of your course of study,” said Jeremy Kintzel, research associate with the MDHE. “Most people are aware that higher earning power and higher education are connected, but looking at the earning power of graduates by award level and program provides additional valuable information to students, institutions and policymakers.”

The study, which looked at graduates from all public two-year and four-year institutions within the state, was a collaborative effort between the MDHE and the University of Missouri. The research focused on the short-term, looking at the median earnings of degree-earners six months to a year after their graduation. Included in the study were only those graduates who went on to work in Missouri. It is important to

<b>Median Earnings            by Degree Level</b> <b>New Graduates 2005-06,            Missouri Public Institutions</b> <i>6-12 months after graduation</i>	
Associate	<b>\$26,192</b>
Bachelor’s	<b>\$29,000</b>
Master’s	<b>\$39,345</b>
Professional	<b>\$42,963</b>
Doctoral	<b>\$46,293</b>

*Source: Missouri Department of Higher Education, July 2008*

note that the study did not consider which fields the earners actually entered after their graduations but only their areas of study.

According to the research, Missouri's Top 5 degree programs by pay for new graduates are as follows:

For associate degrees: (1) dental support services and allied professionals; (2) fire protection; (3) electrical and power transmission installers; (4) nursing; and (5) precision metal working.

For bachelor's degrees: (1) chemical engineering; (2) electrical, electronics and communications engineering; (3) mechanical engineering; (4) computer engineering, general; and (5) industrial engineering.

For master's degrees: (1) nursing; (2) computer and information sciences, general; (3) management information systems and services; (4) civil engineering; and (5) rehabilitation and therapeutic professions.

For first professional degrees: (1) pharmacy, pharmaceutical sciences and administration; (2) dentistry; (3) veterinary medicine; (4) law; and (5) medicine.

"A striking characteristic of all of these lists is a heavy emphasis on careers associated with math, engineering, technology and science, or METS occupations," said Betty Brown, a research analyst with the Missouri Economic Research and Information Center, or MERIC. "In general, METS fields are not only high-paying but also in high demand, so workers trained in these fields are in an optimal position for career success."

The study also found an increase in the overall median earning between each education level, so that six months to a year after graduation, doctorate earners were making 77 percent more than associate degree earners.

### **Better Odds against Unemployment**

The connection between higher earning power and higher education is not the only good reason for going back to school. Cory Koedel, an assistant professor of economics at MU, explains that higher education improves one's chances of having any work at all, especially during tough economic times.

"In general, higher skilled jobs weather recession better than lower skilled jobs," he said. "When you see reports that unemployment is on the rise, that's kind of misleading because it's largely lower-skilled jobs that are disappearing. If you'll look across skill levels, unemployment really increases for some groups, and for some groups, there's hardly any change."

This difference is apparent in Missouri data from the Bureau of Labor Statistics. According to the data, the unemployment rate for Missourians with less than a high school diploma or GED grew from 7.7 to 8.7 percent between January and June 2008, compared with 3.6 to 4.2 percent for those with some college or an associate degree. Faring best of all were employees holding a bachelor's degree or higher. Their rates hardly grew at all, from 2.1 to 2.3 percent.

### **The Secret to Long-term Success**

Laying aside the practical concerns of earning power and job security, there is still another strong motivation for going back to school: the long-term satisfaction that comes from a successful career. Of course, new graduates should not expect to start at the top, said Dr. Kellerman.

"If you want to advance in your career, education is the key," he said. "Advancing your education doesn't guarantee anything, but it opens doors for you that would not open otherwise. It puts you in the position to take advantage of those opportunities that may come."

### **Financial Aid is Available!**

Unfortunately, many Missourians may believe higher education is not an option for them because they have read or heard that the current "credit crunch" has made student loans impossible to obtain.

That's a false report, said Julie Meyer, Director of Marketing and Customer Assistance, Missouri Department of Higher Education.

“While it’s true that the national credit crunch and changes within the student loan industry have prompted some lenders to leave the Federal Family Education Loan Program (FFELP), there is no need for Missouri students to worry that such federal student loans will not be available to them,” she said.

“We encourage students to exhaust all possibilities for receiving financial aid that don’t have to be paid back (i.e., grants and scholarships) before taking out a student loan, but we do realize that borrowing is necessary for some to realize their educational dreams. For those students, the current list of eligible lenders ([www.dhe.mo.gov/mdhe/lenderlist.jsp](http://www.dhe.mo.gov/mdhe/lenderlist.jsp)) is still hundreds strong.”

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Fact sheet, state and national graphs, and more information are available at

[http://dese.mo.gov/divcareered/missouri\\_connections\\_news\\_room.htm](http://dese.mo.gov/divcareered/missouri_connections_news_room.htm).

*The Missouri Connections Public Outreach Partnership workgroup represents a collaboration of state agencies concerned with education and workforce development who are helping inform and build awareness among the public, particularly students and potential students, of targeted careers, educational and industry trends, and workforce development priorities. Workgroup members represent the Department of Elementary and Secondary Education; Department of Higher Education; Department of Economic Development, Division of Workforce Development and Missouri Economic Research & Information Center; Missouri Center for Career Education; and Missouri Chamber of Commerce and Industry. Freelance writer is Anita Neal Harrison*

<b>Top Paying Degrees</b>		<b>Median Earnings</b>
<b>New Graduates 2005-06, Missouri Public Institutions</b>		<b>6-12 months after graduation</b>
<b>ASSOCIATE DEGREE</b>		
Dental Support Services and Allied Professions		<b>\$44,855</b>
Fire Protection		<b>\$41,973</b>
Electrical and Power Transmission Installers		<b>\$41,707</b>
Nursing		<b>\$41,610</b>
Precision Metal Working		<b>\$36,653</b>
Allied Health Diagnostic, Intervention, Treatment Professions		<b>\$35,092</b>
American Sign Language		<b>\$34,032</b>
Heavy/Industrial Equipment Maintenance Technologies		<b>\$33,058</b>
Health Professions and Related Clinical Sciences, Other		<b>\$31,919</b>
Electrical Engineering Technologies/Technicians		<b>\$31,663</b>
<b>BACHELOR'S DEGREE</b>		
Chemical Engineering		<b>\$57,503</b>
Electrical, Electronics and Communications Engineering		<b>\$53,295</b>
Mechanical Engineering		<b>\$50,176</b>
Computer Engineering, General		<b>\$49,535</b>
Industrial Engineering		<b>\$49,298</b>
Civil Engineering		<b>\$44,721</b>
Nursing		<b>\$43,540</b>
Computer and Information Sciences, General		<b>\$42,943</b>
Allied Health Diagnostic, Intervention, and Treatment Professions		<b>\$41,837</b>
Management Information Systems and Services		<b>\$38,707</b>
<b>MASTER'S DEGREE</b>		
Nursing		<b>\$62,973</b>
Computer and Information Sciences, General		<b>\$61,652</b>
Management Information Systems and Services		<b>\$60,000</b>
Civil Engineering		<b>\$59,000</b>
Rehabilitation and Therapeutic Professions		<b>\$46,794</b>
Accounting and Related Services		<b>\$45,419</b>
Business Administration, Management and Operations		<b>\$45,122</b>
Business/Commerce, General		<b>\$44,082</b>
Educational Administration and Supervision		<b>\$42,608</b>
Social and Philosophical Foundations of Education		<b>\$42,494</b>
<b>PROFESSIONAL DEGREE</b>		
Pharmacy, Pharmaceutical Sciences, and Administration		<b>\$92,117</b>
Dentistry (DDS, DMD)		<b>\$57,692</b>
Veterinary Medicine (DVM)		<b>\$54,647</b>
Law (LL)		<b>\$42,480</b>
Medicine (MD or DO)*		<b>\$40,242</b>
<i>*While in a residency program</i>		
<b>DOCTORAL DEGREE</b>		
Social and Philosophical Foundations of Education		<b>\$65,155</b>
Education, General		<b>\$63,508</b>
Multi/Interdisciplinary Studies, Other		<b>\$57,794</b>

Source: Missouri Department of Higher Education, July 2008