

## High School Transitions to Workforce: Median Wages by High School Outcomes

### What do the MLDS data show?

Students who dropout or persist<sup>i</sup> in high school have wages that are lower than students who graduate with a high school diploma. High school persisters have the lowest wages overall<sup>ii</sup>.

**\$14,100** Median 4-quarter wage of high school *graduates* 2 years after high school. *Dropouts* made slightly less at **\$12,350**, and *persisters* had the lowest median wage of **\$7,800**.

**\$7,460** The *increase* in wages of high school *graduates* from 1 year after high school to 4 years after high school. Students who were *dropouts* had an increase of **\$4,600**.

**-\$2,500** The *decrease* in 4-quarter median wages for *persisters* from 1 year after high school to 4 years after high school.

### Why is this important?

Students who complete high school earn significantly higher wages over their lifetime than students who do not complete high school<sup>iii</sup>. Students who do not graduate from high school have fewer job opportunities and contribute less to federal and state taxes. Reduced earnings often prevent these individuals from fully participating in society, and may require them to utilize public services at higher rates<sup>iv,v</sup>.

### Contextual Information

In 2014, the [Federal Interagency Forum on Child and Family Statistics](#) issued<sup>vi</sup> a report on the well-being of young adults. The median annual income for young adults in 2012 (ages 20-24) with a high school degree was \$16,000, as compared to the median annual income for those with less than a high school education of \$13,910. This study population is different than the Maryland population; however, the income gap between the educational groups is consistent with that found in Maryland.

### Next Steps

Using data from the MLDS allows us to examine median wages among high school graduates, dropouts, and persisters for students who had reported wages for 4 quarters. This allows trends and patterns to be established which in turn help to inform policymakers about the need for interventions. For example, school-based programs that keep students in school could enable more students to graduate from high school while community-based programs could guide students in workforce participation.

Learn more about this topic by reviewing the dashboard: [High School Transitions to Workforce: Median 4-Quarter Wages by High School Outcomes](#).

## Notes

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<sup>i</sup> Persisters are defined as students who did not formally withdraw from high school, nor earn a regular diploma after attending four or five years of high school.

<sup>ii</sup> The data presented here provides the median 4-quarter wages for students who had wages for all four quarters in the year after high school. The wages were sorted from lowest to highest and the median was the middle wage for each of the groups. The Maryland wage data do not include wages for federal employees, military employees, individuals who are self-employed, or private contractors.

<sup>iii</sup> Kena, G., Hussar W., McFarland J., de Brey C., Musu-Gillette, L., Wang, X., Zhang, J., Rathbun, A., and Velez, E. (2016). *The Condition of Education 2016* (NCES 2016-144). U.S. Department of Education, *National Center for Education Statistics*. Washington, DC. Retrieved from <http://nces.ed.gov/pubsearch>

<sup>iv</sup> Levin, H. (2005). *The social costs of inadequate education*. Columbia University Teachers College. Retrieved from [www.tc.columbia.edu/i/a/3082\\_SocialCostsofInadequetEducation.pdf](http://www.tc.columbia.edu/i/a/3082_SocialCostsofInadequetEducation.pdf).

<sup>v</sup> Belfield, C. R., Levin, H. M., & Rosen, R. (2012). *The Economic Value of Opportunity Youth*. Corporation for National and Community Service. Paper in association with Civic Enterprises for the Corporation for National and Community Service. Retrieved from [http://www.civicerprises.net/MediaLibrary/Docs/econ\\_value\\_opportunity\\_youth.pdf](http://www.civicerprises.net/MediaLibrary/Docs/econ_value_opportunity_youth.pdf).

<sup>vi</sup> Compared to the MLDS, Child and Family Statistics identified the population of interest, young adults, as persons between the ages of 18 to 24. Educational attainment references the highest level of education an individual has completed. Individuals were identified as completing high school if they obtained a high school diploma or the equivalent of a General Education Department (GED) or any college completion (some college). The labor force participation rate included individuals between the ages of 18 to 24 who were working or actively seeking employment and not enrolled in school. The median earnings indicator examined the average annual earnings for young adults (ages 20-24) who were either working or actively seeking employment and were not enrolled in school.