Study finds rising cost in not going to college but students should still look for value, by Michelle Singletary at The Washington Post

With the rising cost of college, people have been asking if it’s worth the investment.
**That might be the wrong question.**
We know that many employers demand a college degree — any degree — as a requirement for someone to be considered for an interview. It’s frustrating for laid-off workers without degrees to be ignored or undervalued despite their years of experience and skills. That’s the economy we have, with more people than jobs available.

Still if you have to borrow to go to college, the real question is not about the degree but rather the debt. Since it will take years to pay off, is that really worth it?

Now the Pew Research Center has looked at the issue in a different light — the rising cost of not going to college. And it would appear there’s hard evidence that it is worth it to get your degree, although I would still caution that you have to be careful in how much you pay.
Pew found that young college graduates are outperforming their peers with less education by all sorts of measures — from poverty levels to annual income to the ability to become employed full time.

College graduates aged 25 to 32 — the so-called millennials — earn about $17,500 more annually than employed young adults with only a high school diploma or its equivalent, such as a General Educational Development certificate, according to Pew. The research center surveyed 2,002 adults and supplemented its analysis with economic data from the Census Bureau.

Pew also noted that the income gap was significantly smaller in previous generations. “In 1979 when the first wave of baby boomers were the same age that millennials are today, the typical high school graduate earned about three-quarters (77 percent) of what a college graduate made,” its report said. “Today, millennials with only a high school diploma earn 62 percent of what the typical college graduate earns.”

Poverty rates are higher for people with only a high school diploma or the equivalent — 22 percent compared with 6 percent of today’s college-educated young adults. This is a huge difference when you consider that only 7 percent of baby boomers with just a high school diploma were living in poverty in 1979, when they were in their late 20s and early 30s.

Today’s young adults are the best-educated generation in history and as a result are more likely to be paid more. Millennials with a bachelor’s degree earn a median income of $45,500 compared with $28,000 for a high school graduate. They are also are significantly less likely to be unemployed than peers with a high school diploma.

Nonetheless, a degree doesn’t guarantee you won’t face economic hardships, Pew pointed out.
“To be sure, the Great Recession and painfully slow recovery have taken their toll on the millennial generation, including the college-educated,” the authors of the report wrote. “Young college graduates are having more difficulty landing work than earlier cohorts. They are more likely to be unemployed and have to search longer for a job than earlier generations of young adults.”

Pew asked the young adults whether they had major regrets while in college. In retrospect, people felt they should have prepared better for the type of job they wanted, studied harder, start their job search earlier or chosen a different major. The top regret: Half the college graduates surveyed felt that getting more work experience would have put them in a better position to enter their chosen career field.

I’m dismayed at the number of college students and graduates I talk to who tell me they failed to get even one internship related to the job they wanted while they were in school. My daughter is a freshman at the University of Maryland. My husband and I have set up several conditions she has to meet in exchange for us paying for her college education. One is that she has to get summer internships related to work in the field of education, which she hopes to make her career. We’re pleased she’s already lined up summer work at a camp, as she’s done the last several summers.

Pew asked the college-educated folks if college was worth it. The overwhelming majority said yes. However, here’s an interesting fact from the report. Graduates who didn’t take out education loans were more likely than those who did to say that their degree has paid off (91 percent compared with 79 percent)

So college does pay off for a lot of people. But don’t confuse that with college at any cost. You need to be moneywise about what you can afford and get some work experience while you are still in school.