



# *Hispanic High School Completion: The Role and Value of the GED*

Richard Fry

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# Pew Hispanic Center

Chronicling Latinos' diverse experiences in a changing America.

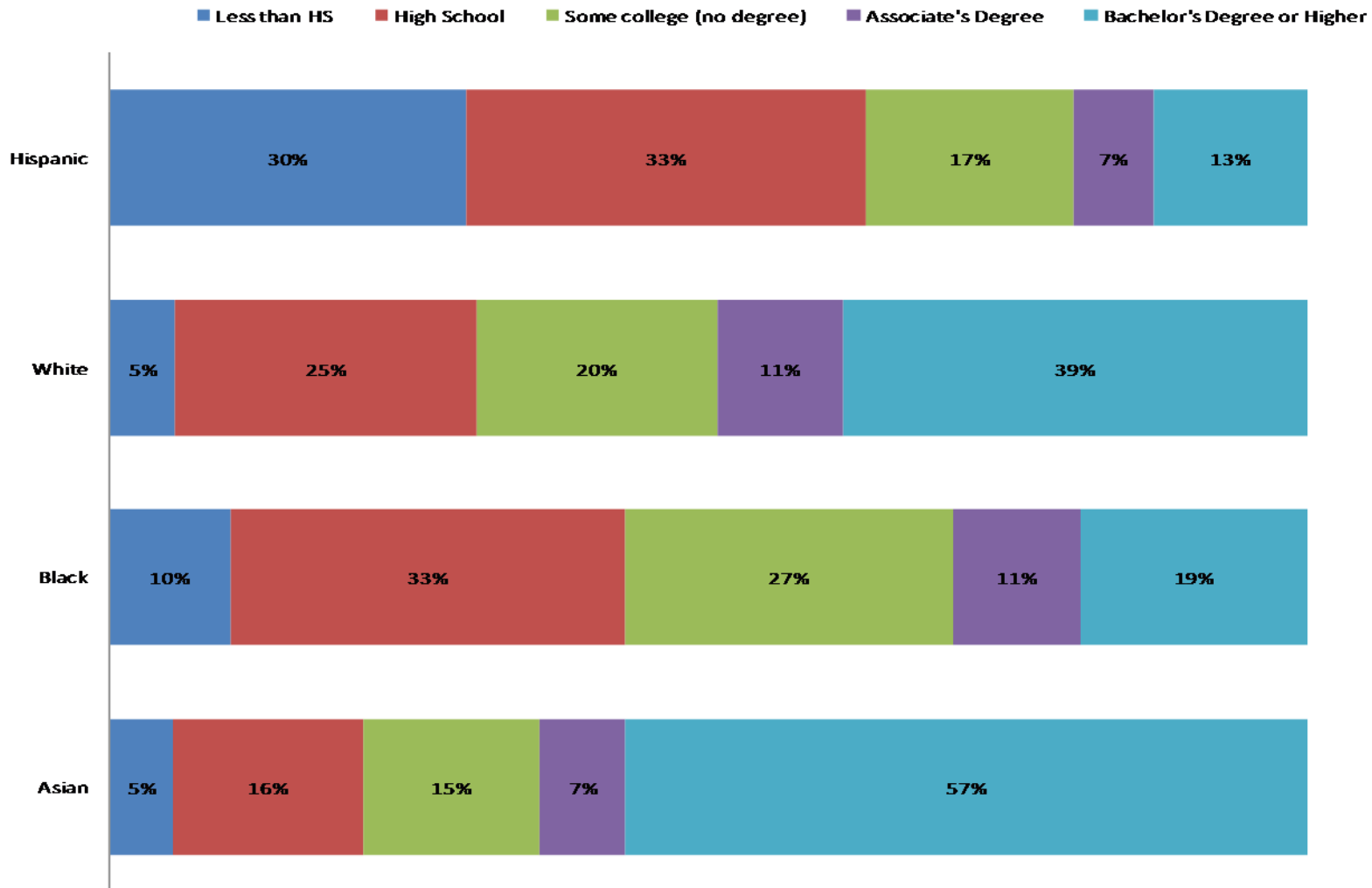
*1615 L Street, NW, Suite 700  
Washington, DC 20036  
202.419.3600  
202.419.3608 Fax  
[www.pewhispanic.org](http://www.pewhispanic.org)*



# Introduction

- Thumbnail on the General Educational Development (GED) test
- Economists' interest in GED:
  - Stimulus to further education
  - Labor market returns to a GED
  - Measuring the national high school graduation rate

# Educational Attainment of 25-to-29 Year-olds, 2010



Source: March 2010 CPS, universe is the civilian, non-institutionalized population

# DATA

## 2008 American Community Survey

- Collected by the U.S. Census Bureau
- Mail-in, mail back survey

# STRENGTHS OF THE DATA

- Includes the entire resident population, including the institutionalized population & the armed forces, important for measuring attainment of minority males
- Measurement of spoken English language ability
- Very large sample sizes

# SAMPLE SIZE

Hispanics Age 20-to-64 Old  
Not enrolled in high school  
Full-time, Full-year workers in 2007  
Positive Wage and Salary Income

<u>Nativity</u>	<u>Male</u>	<u>Female</u>
Native-born	26,054	21,599
Immigrants		
Adult Arrival	31,873	15,128
Child Arrival	6,414	4,431

Source: 2008 American Community Survey IPUMS

# WEAKNESSES OF THE DATA

- Inferring GED receipt from the highest education attained question:

“What is the highest degree or level of school this person has completed?”

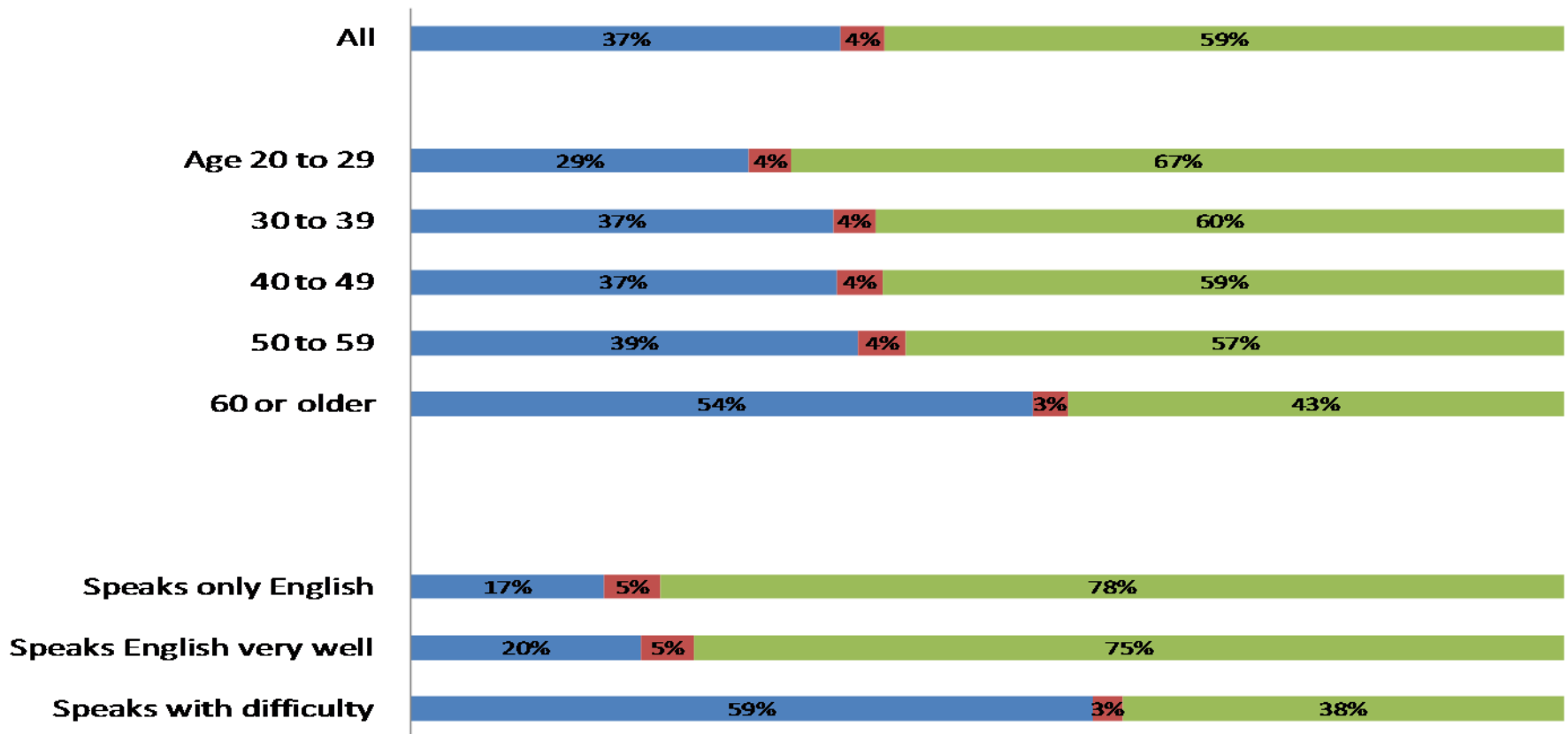
so persons who obtained a GED and went on to complete some college credit or postsecondary degree can not be identified as GED completers, underestimating GED receipt and not illuminating one important benefit of the GED



# THE PREVALENCE OF THE GED

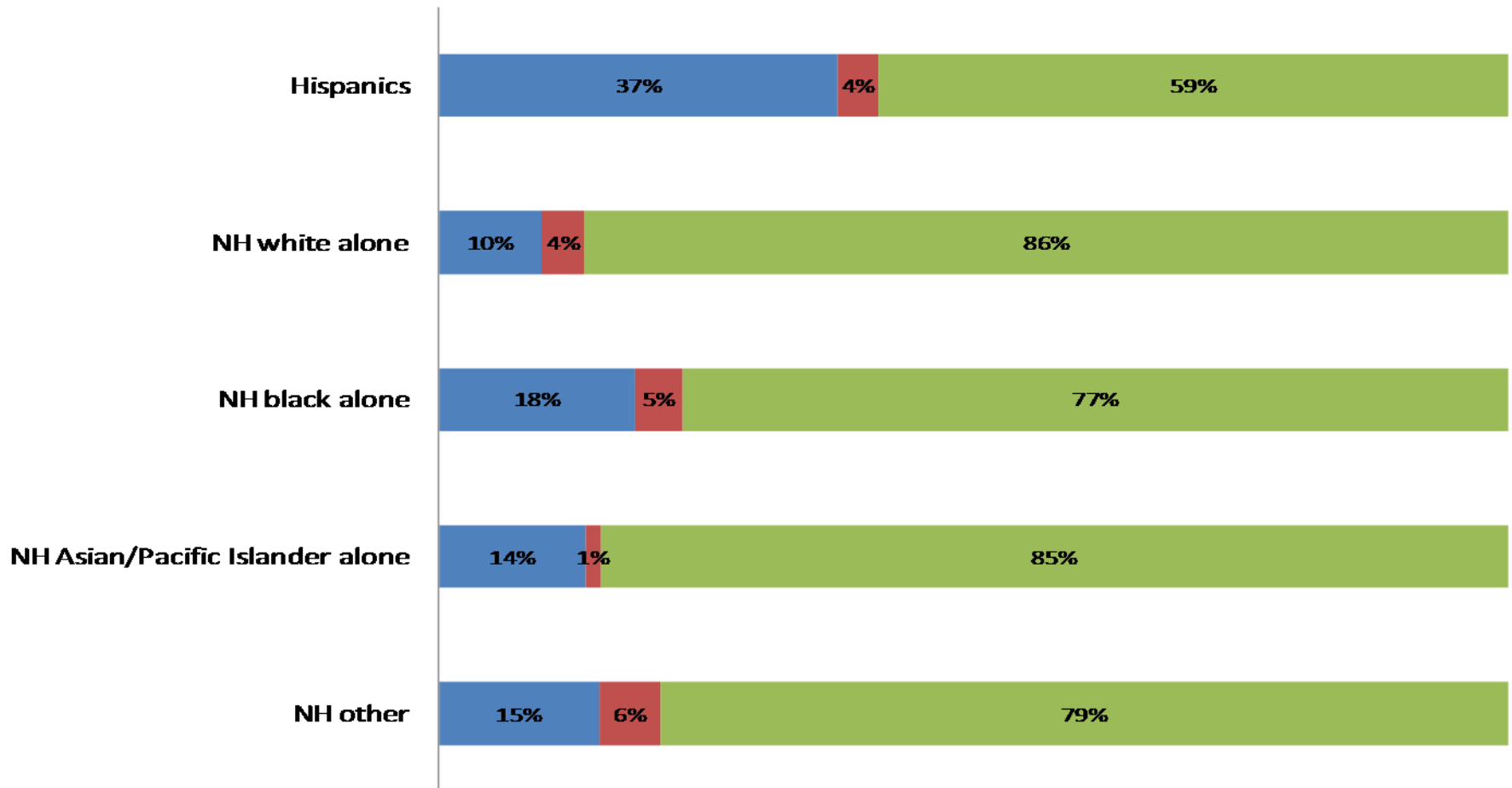
# Distribution of Educational Attainment of Hispanic Adults Age 20 and Older -- 2008

■ Uncredentialed dropout   ■ GED   ■ HS Diploma or more



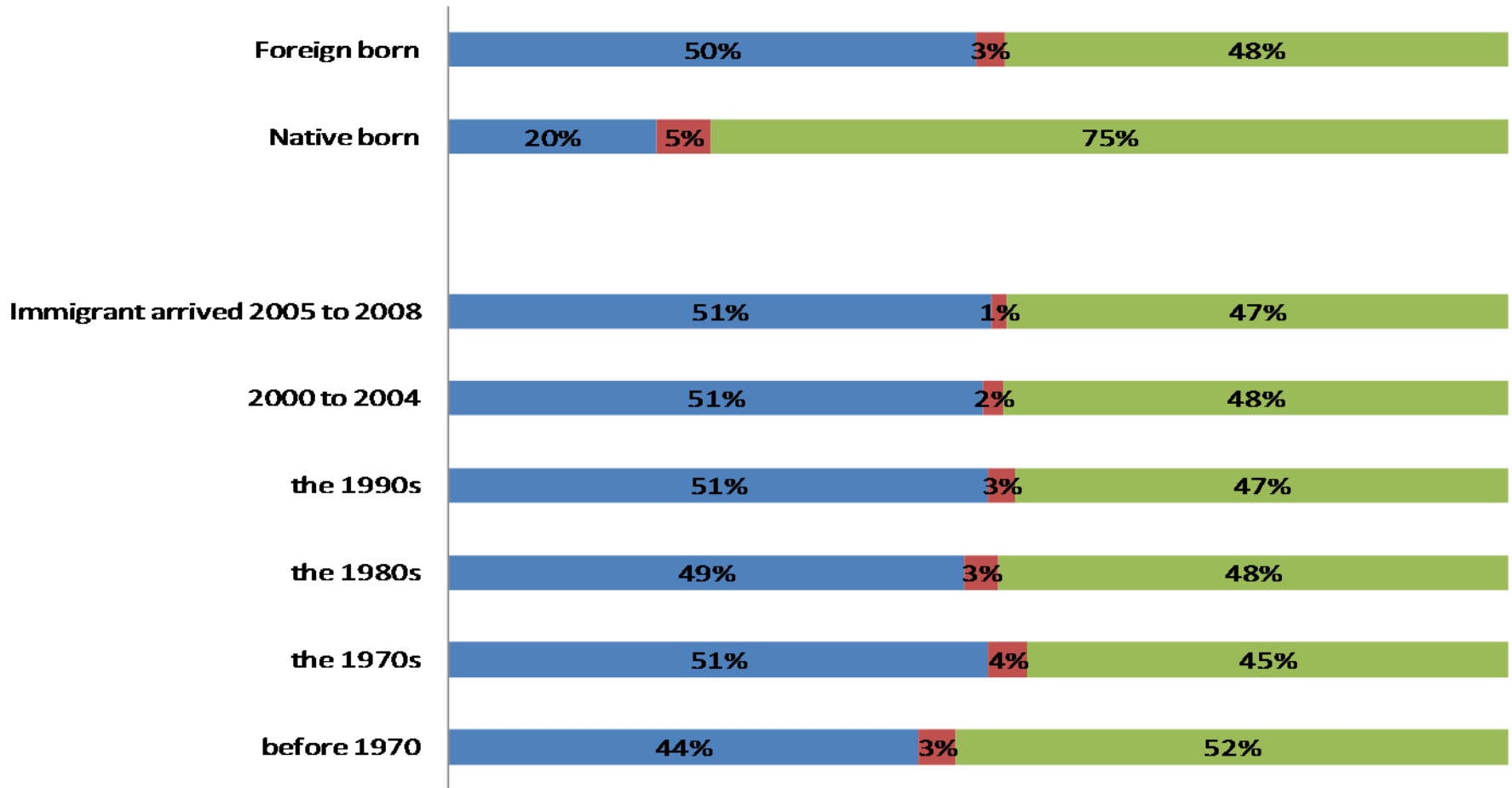
# Prevalence of the GED Across Racial/ethnic Groups -- 2008

■ Uncredentialed dropout ■ GED ■ HS Diploma or more



# Hispanic Immigrants less likely to have a GED -- 2008

■ Uncredentialed dropout ■ GED ■ HS Diploma or more



# THE VALUE OF THE GED

# Non-Labor Market Outcomes of Hispanics -- 2008

<u>Outcome</u>	Dropouts			
	Did Not Complete High School	GED	HS Diploma	Some College or More
Married (in %)	47	43	45	47
Institutionalized (in %)	2	6	1	1
Veteran Status (in %)	1	5	4	7
Mean Household Income	\$50,177	\$57,995	\$62,872	\$81,868

Note: Universe is the adult population not enrolled in high school.

Source: 2008 American Community Survey IPUMS

# Employment Outcomes of Hispanic Workers -- 2008

<u>Employment Outcome</u>	Dropouts			Some College or More
	Did Not Complete High School	GED	HS Diploma	
Employed (in %)	66	67	74	80
Unemployment Rate (in %)	8	9	7	5
Worked at least 48 weeks last year (in %) <sup>1</sup>	76	75	80	81
<u>Mean Usual Hours Worked per Week<sup>1</sup></u>	<u>39.6</u>	<u>39.6</u>	<u>39.8</u>	<u>39.8</u>

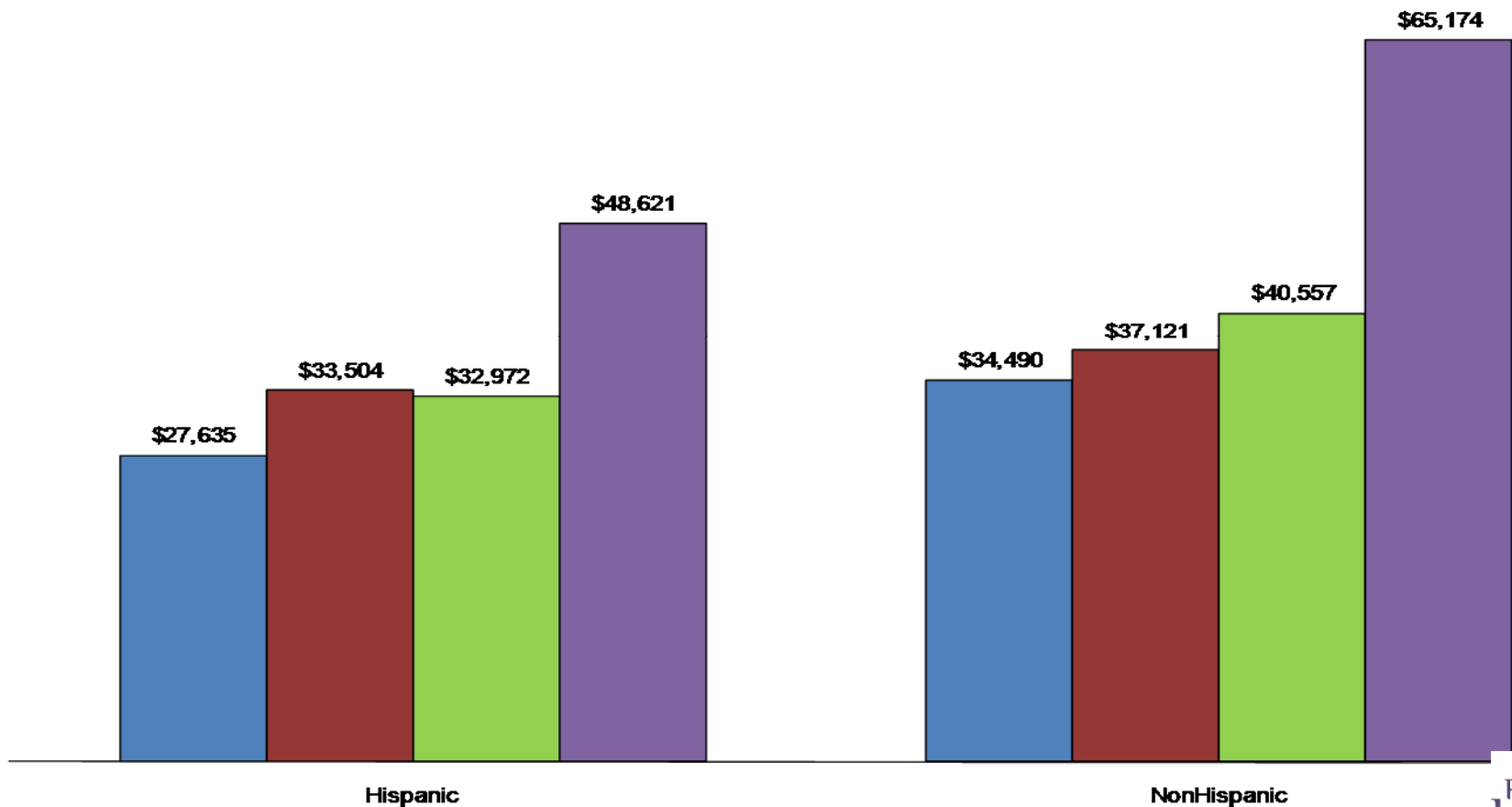
Note: Universe is the adult population not enrolled in high school, age 20-to-64.

<sup>1</sup>Tabulated among those who worked last year.

Source: 2008 American Community Survey IPUMS

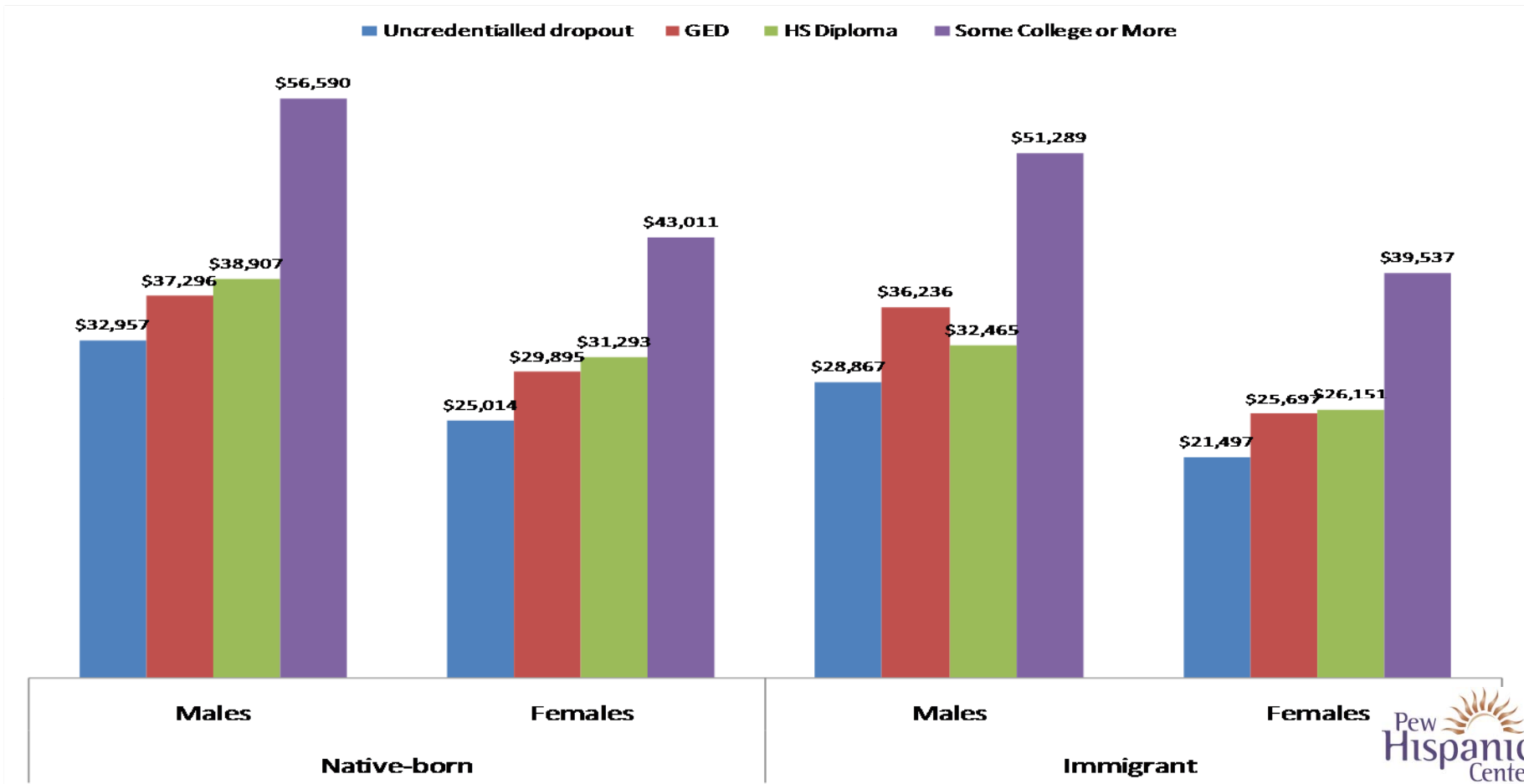
# Mean Earnings of Full-time, Full-year Workers -- 2008

■ Uncredialled dropout ■ GED ■ HS Diploma ■ Some College or More





# Mean Earnings of Full-time, Full-year Hispanic Workers -- 2008



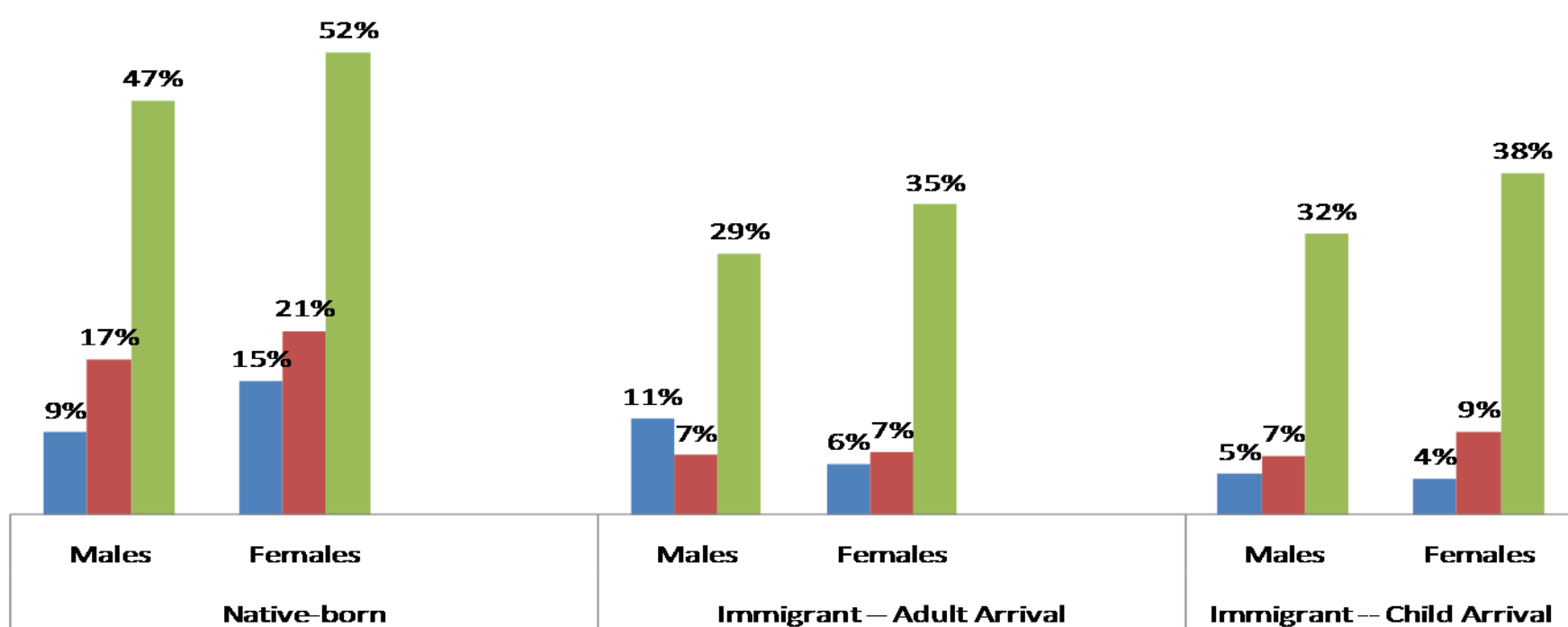
# MULTIVARIATE RESULTS

- Dependent variable: Log Annual Earnings
- Sample: Full-time, Full-year Hispanic workers age 20-to-64
  
- Regressors:
  - Potential Labor Market Experience
  - English Language Ability
  - For foreign-born: years since migration
  - Geographic controls: South Census region and metropolitan status
  - Hispanic origin subgroup

# Estimated Earnings Premium for Hispanic Workers – 2008

(uncredentialed high school dropout is the omitted reference group)

■ GED ■ HS Diploma ■ Some College or More



# Limitations of the Analysis:

- GED as a spur to postsecondary education not illuminated
- Unable to control for completed years of school for GED recipients
- No measure of cognitive ability



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