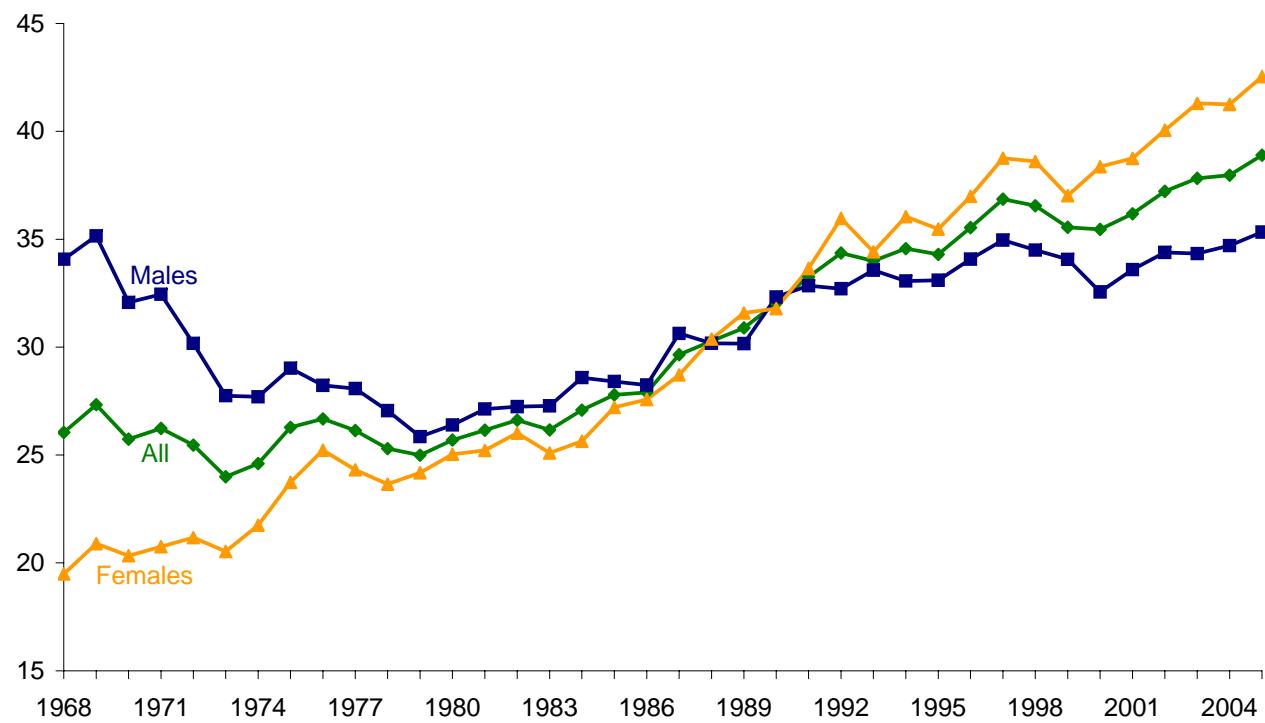


IN SHORT

College Enrollment

College enrollment is one measure of the responsiveness of individuals to market rewards for skill. As the rewards for a college degree increase, more individuals are expected to enroll in college, in the hope of sharing the gains from the increased demand for skill. If the enrollment response is sufficient, the college wage premium may even be effaced as the number of skilled workers increases. Linking enrollment numbers to the college premium seems to suggest that individuals do respond to the growing demand for skill, and that the college premium has increased despite the growing numbers of individuals enrolled. Indeed, as the college premium declined during the 1970s, the percent of the population aged 18 to 24 years enrolled in college declined. Since 1979, and concurrent with the college premium increase, college enrollment has been rising steadily.



October 2007

Note: Percent of 18- to 26-year-olds enrolled in college. Calculations based on the CPS October supplement