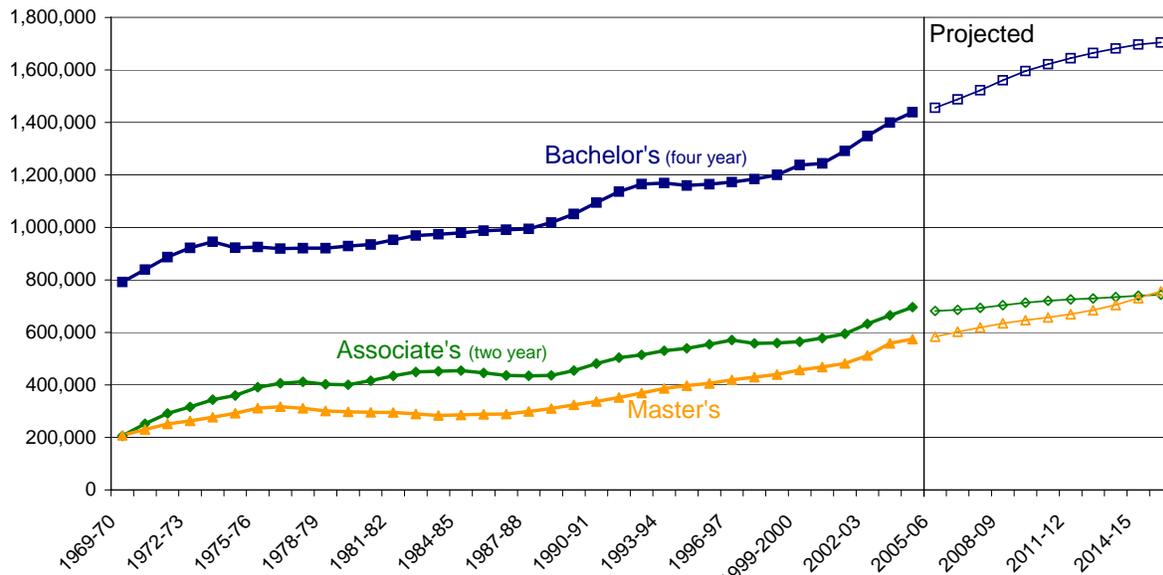


Degrees Conferred

Education is an important factor of economic growth. While much discussion focused on college enrollment as a measure of the supply of skilled labor, it is actually the number of degrees conferred that matters for production. Higher enrollment rates do not necessarily translate into more graduates (see [College Completion and Persistence](#) link). Looking first at degrees conferred (top two panels), we see that since 1970 the number has been rising for all education levels, with the exception of first-professional degrees falling slightly between 1986 and 1988. The U.S. Department of Education predicts that the demand for skilled workers will continue to rise and attract more individuals to enroll in college and graduate. In particular, it predicts the most rapid growth for bachelor's (four-year) degrees and professional degrees such as M.D., D.D.S. and law.

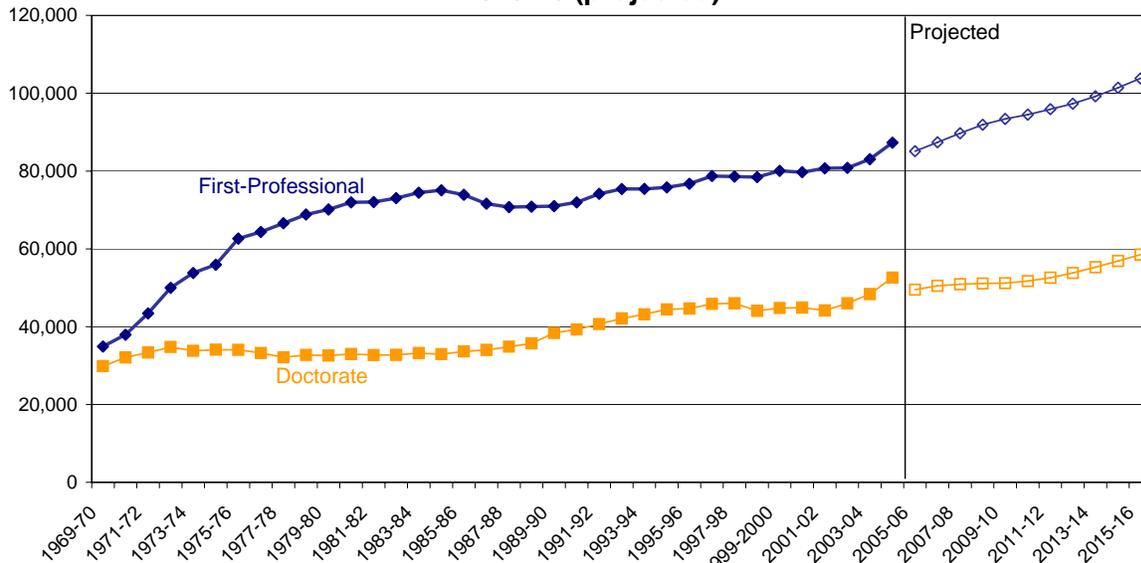
The bottom panel describes the degrees conferred as percentages of the age 20-24 population. The fluctuations in these percentages reflect changes in this age group's educational attainment and are also believed to be influenced by the premium that education receives in the labor market, albeit at a lag implied by participating in school for a few years. Indeed, when the college premium ([see link](#)) started rising in 1979, college enrollment increased, but it took two years for the number of associate's degrees to start rising, and similarly it took four years for the number of bachelor's degrees to start rising. This time-lag friction is one reason the predictions regarding changes in the demand for skilled and professional workers are important.

Degrees conferred by level of degree, 1969-70 through 2015-16 (projected)



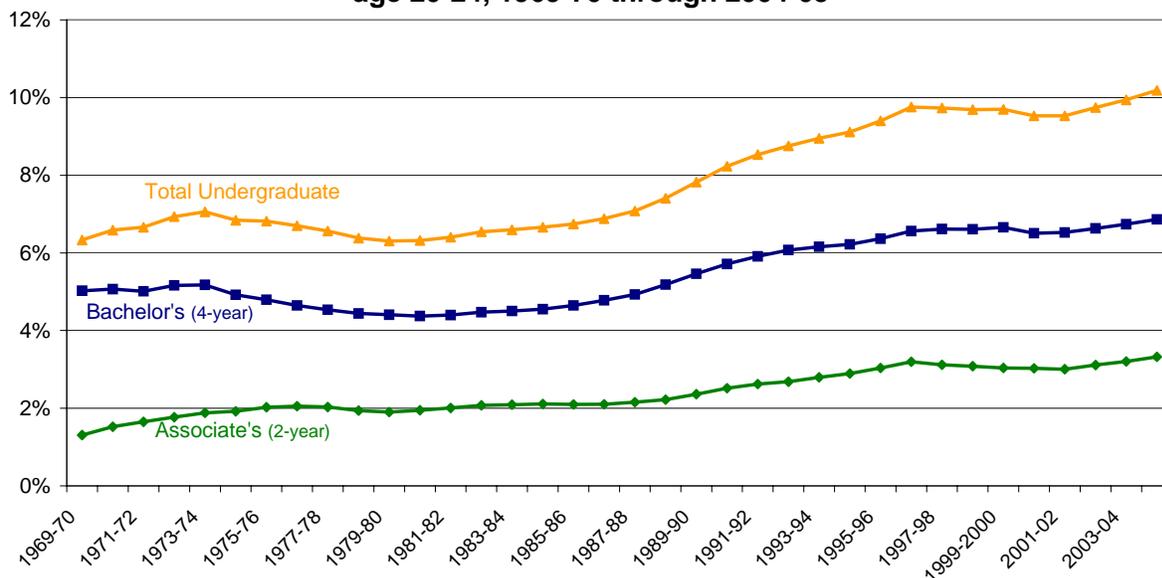
SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education* 2006, Table 251. Earned Degrees Conferred, 1869-70 through 1964-65; Projections of Education Statistics to 2015; Higher Education General Information Survey (HEGIS), "Degrees and Other Formal Awards Conferred" surveys, 1965-66 through 1985-86; and 1986-87 through 2004-05 Integrated Postsecondary Education Data System, "Completions Survey" (IPEDS-C:87-99), and Fall 2000 through Fall 2005.

First-professional and doctorate degrees conferred, 1969-70 through 2015-16 (projected)



SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education* 2006, Table 251. Earned Degrees Conferred, 1869-70 through 1964-65; Projections of Education Statistics to 2015; Higher Education General Information Survey (HEGIS), "Degrees and Other Formal Awards Conferred" surveys, 1965-66 through 1985-86; and 1986-87 through 2004-05 Integrated Postsecondary Education Data System, "Completions Survey" (IPEDS-C:87-99), and Fall 2000 through Fall 2005. NOTE: First-professional degrees include M.D., D.D.S., law degree, and similar professional degrees. Doctorates include Ph.D., Ed.D., and comparable degrees at the doctorate level, excluding first-professional degrees.

Undergraduate degrees conferred as a percentage of the population age 20-24, 1969-70 through 2004-05



SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education* 2006, Table 251. Earned Degrees Conferred, 1869-70 through 1964-65; Projections of Education Statistics to 2015; Higher Education General Information Survey (HEGIS), "Degrees and Other Formal Awards Conferred" surveys, 1965-66 through 1985-86; and 1986-87 through 2004-05 Integrated Postsecondary Education Data System, "Completions Survey" (IPEDS-C:87-99), and Fall 2000 through Fall 2005. U.S. Department of Commerce. Bureau of the Census; U.S. Population Estimates by Age, Sex, Race, and Hispanic Origin.