

Educational Attainment in Hawaii

Overview

This brief presents an overview of educational attainment in Hawaii by major demographic characteristics and its impact on a person's earnings and economic activities. All figures presented in this brief were based on the 2010-2014 American Community Survey (ACS) 5-year estimates.

Educational attainment is the highest level of education that a person has achieved. According to the 2010-2014 ACS 5-year estimates, Hawaii had more educated people than the national average. 62.6 percent of population aged 25 and over in Hawaii had at least some college education, 4.2 percentage points higher than the national average. In the same context, the percentage of people with education less than a high school diploma was lower in Hawaii. Among the population aged 25 and over, 9.3 percent had education less than a high school diploma in Hawaii while its national counterpart was 13.6 percent. However, the numbers flip in education beyond a bachelor's degree. The national average of people with a graduate degree or professional degree was 11.0 percent while Hawaii's population fell slightly short with 10.3 percent.

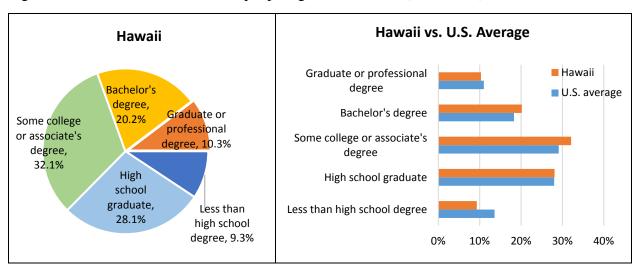


Figure 1. Educational attainment for people aged 25 and over (2010-2014)

Educational Attainment by Age and Gender

The percentage of people with higher education was greater in females than in males in Hawaii. 31.5 percent of the female population aged 25 and over during the 2010 to 2014 period had a bachelor's degree or higher while the corresponding share for male population was 2.1 percentage points lower at 29.4 percent. It contrasts to the national statistics that show no significant difference between male and female population.

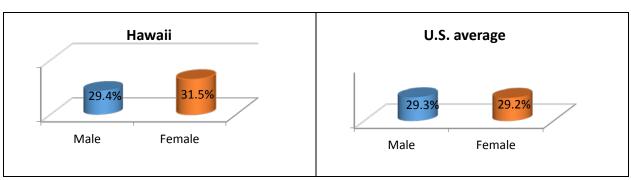


Figure 2, Population aged 25 and over with a bachelor's degree or higher by gender (2010-2014)

The first chart in Figure 3 presents educational attainment for different age groups in Hawaii. While 26 percent of population aged 65 and over in Hawaii had a bachelor's degree or higher, the percentage for 35-44 and 45-64 age groups were much higher at 33.6 percent and 32.1 percent, respectively. If a majority of people obtained their education when they were young, it could be a reflection of increasing educational attainment over time. Interestingly, however, the percentage of people with a bachelor's degree or higher was noticeably lower for the 25-34 age group in Hawaii. Part of the reason for this drop might be that some people choose to go to college later in life, not right after high school graduation.

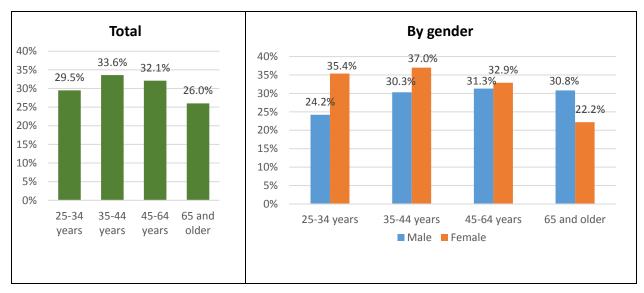


Figure 3, Share of people with a bachelor's degree or higher by age group (Hawaii, 2010-2014)

Many studies based on national statistics have shown that male dominating trend in higher education was reversed as more females pursued higher education and the new female dominating gender gap kept widening over time. Hawaii followed the same trend. For the 65 and over age group, the share of people with a bachelor's degree or higher was much higher in males than in females; 30.8 percent for males vs. 22.2 percent for females. However, the share of people with a bachelor's degree or higher in females than in males for the 45-64 age group and 6.7 percentage points higher for the 35-44 age group. For the 25-34 age group, the difference was as high as 11.2 percentage points.

Educational Attainment by Place of Birth

Figure 4 shows educational attainment of Hawaii residents by the person's place of birth. Of the population aged 25 and over during the 2010-2014 period in Hawaii, about half (46.8 percent) were born in Hawaii. Other 27.4 percent were born in the U.S. mainland while foreign born population accounted for 22.9 percent. Compared to the population born in Hawaii, people born in the U.S. mainland tended to have a significantly higher education. 79.0 percent of people born in the mainland had at least some college education, which was 20.8 percentage points higher than the same share for people born in Hawaii. On the other hand, foreign born population in Hawaii showed much lower levels of educational attainment. Especially, the share of persons with education less than a high school diploma was very high in this group. 20.5 percent of the foreign-born and aged 25 and over population in Hawaii didn't have a high school diploma, leaving them exposed to a high chance of working for a low skilled job.

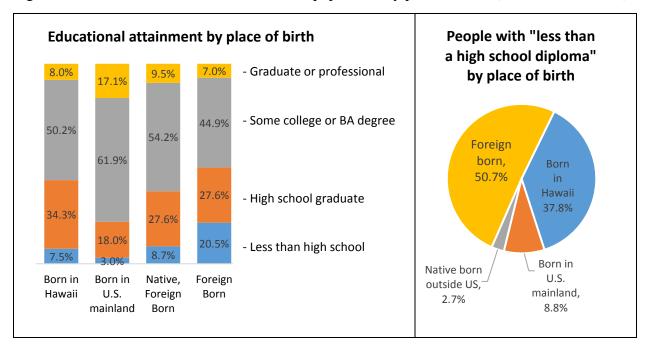
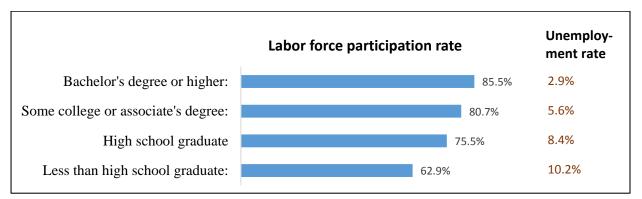


Figure 4. Educational attainment of 25 & over population by place of birth (Hawaii, 2010-2014)

Economic Characteristics by Educational Attainment

More educational attainment led to a higher level of labor force participation and a lower chance of being unemployed. The labor force participation rate of people aged 25-64 with a bachelor's degree or higher was as high as 85.5 percent in Hawaii during the 2010-2014 period. This rate decreased as educational attainment decreased, marking 62.9 percent for people with education less than a high school diploma. Unemployment rate was also extensively affected by the level of education. For Hawaii residents aged 25-64, the unemployment rate for individuals with less than a high school diploma was 10.2 percent during the 2010-2014 period while the rate for people with at least a bachelor's degree was more than three times lower, at 2.9 percent.

Figure 5. Labor force participation and unemployment rate of population aged 25-64 by educational attainment (Hawaii, 2010-2014)

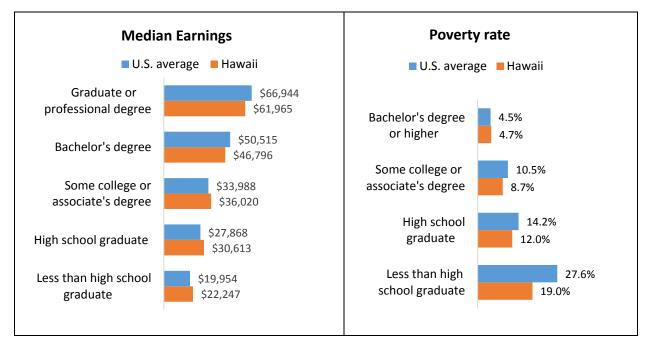


A large number of studies have shown a strong positive relationship between income levels and educational attainment. Figure 6 depicts how earnings of people in Hawaii increased while the poverty rate decreased with more education. The median income was the lowest for people who never achieved their high school diploma, at \$22,247 during the 2010-2014 period. With a high school diploma, the median income increased by about \$8,500, and an associate's degree or at least attempts at higher education earned approximately \$5,500 more than with just a high school diploma. The effect of education on earnings was greater when a person succeeded to get a bachelor's or advanced degree. Getting a bachelor's degree raised the median income to \$46,796, and a graduate or professional degree designates a median earning of \$61,965, more than 30 percent higher than the median earnings of college graduates.

The positive effect of education on earnings is reinforced in the relation between educational attainment and poverty rate. With a lower income associated with the group, 19.0 percent of people aged 25 and over with education less than a high school diploma were estimated to live in poverty in Hawaii during the 2010-2014 period. At the high school diploma level, the poverty rate dropped to 12.0 percent and then down to 8.7 percent for people with some college education. With a bachelor's degree, the poverty rate dropped to 4.7 percent.

Upon comparison with national levels, earnings and poverty rate alike indicate that the labor market in Hawaii was relatively favorable to those with less education. For the education levels ranging from below high school to some college, Hawaii's median earning outpaced the national average. The percentage of people living in poverty was also lower in Hawaii for those educational categories. However, median earning for individuals in Hawaii with a bachelor's degree or higher was about 7 percent lower than its national counterpart, posing a question of whether or not higher education is valued as much in Hawaii as it is in the nation.

Figure 6. Median earnings and poverty rate of population aged 25 and over by educational attainment (2010-2014)



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