

EDUCATION: THE KEY TO YOUR FUTURE

As adults we know that careers that pay more money generally require more education or training. “Education: The Key to Your Future” provides conversation starters for adults and helps them stress that students need to study now so that they can make money to pay their bills later. The section underscores that in order to get almost any job in the twenty-first century individuals will need at least a high school diploma. The topic addresses the fact that high school dropouts with a job make less money than individuals with a degree; high school dropouts make \$454 per week, while high school graduates make \$626 per week (median weekly earnings in 2009).⁸ It helps teachers explain that the earnings continue to rise with educational attainment.

The section highlights the idea that people have to work to earn money to pay for the many costs associated with living. It provides discussion questions/answers for teachers to use to exemplify this. It identifies self-sufficiency and that individuals need to earn more than minimum wage and the poverty wage in order to be able to pay for the costs of living each month. It identifies that students will need a job when they get older because they will need to pay phone, grocery, car, rent or mortgage, garbage, and electricity bills.

The information helps students understand that they need to learn the material assigned by their teachers and do well in middle school, then high school and college or a training program, and then eventually find a career that they like. It also helps adults stress that the amount of money an individual earns isn't the only important thing to consider because happiness will depend on many factors: Family life, how much enjoyment is received in a career, and living a fulfilling life are just some factors.

SUBJECTS COVERED IN THIS TOPIC

- 1-1 The Costs of Living
- 1-2 Dropouts Earn Less
- 1-3 College Grads Earn More
- 1-4 College: Not the Only Route to Success
- 1-5 Supporting a Family Is Expensive



This icon identifies the material that can be downloaded and printed for students at www.corwin.com/connectingthedots.

1-1 THE COST OF LIVING

Matt is 18 years old and just graduated from high school in Illinois. He is moving out of his parents' house to live on his own. His parents told him that he will need to learn to budget his money because each month he will need to pay his bills on time. How much money do you think it will cost Matt to live alone each month?



- A \$ 500 B \$1,800 C \$4,000

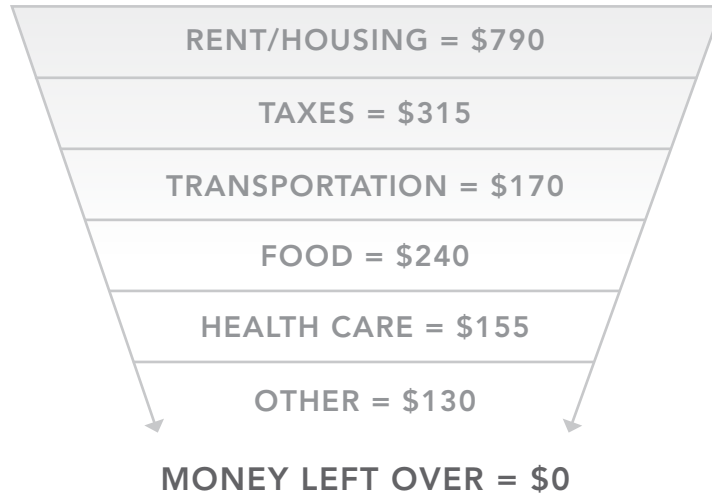
Summary: In order to be self-sufficient* it will cost Matt at least \$1,800 to live each month, and over the course of the year it will cost him \$21,250.⁹ In order to make \$1,800 a month Matt will need to earn a wage of \$10.06 an hour, which is more than Illinois' minimum wage (\$8.00/hour) and its poverty wage (\$8.67 per hour).¹⁰ And still, it will actually be hard to live on \$1,800 a month. This amount only covers the necessities: food, housing, transportation (e.g., car, insurance, gas and maintenance), health care, clothing, phone, personal items, and taxes. Explain that taxes are taken out of a paycheck to pay for local, state, and federal services (police and fire departments, post office, and other things). If Matt wants to go on trips, to the movies, or out to dinner or pursue other fun things, he will have to make more money than \$1,800 per month.

Explain that to live a comfortable life students will need to be able to pay for all of these necessities and fun things; to do this, they will need a good job. Usually, the more education or training they get, the more money they can make in a job, which will help them pay bills and enjoy life.

* Self-sufficiency is what it costs to make ends meet without public or private assistance.

EXTENSION ACTIVITY

COST OF LIVING FOR ONE MONTH \$1,800 PER MONTH



Lead the students in a discussion of how much money it costs to live for one month. Show them the list of average monthly costs that a single adult living in Illinois needs to budget. The information above describes what is necessary to budget for an adult living alone in Illinois.¹¹ Remind students that \$1,800 per month can be spent very quickly when it costs more than \$200 a month to buy groceries and usually more than \$700 dollars a month for housing.

To highlight how quickly money can be spent, ask students to determine how much money it would cost them to eat at their favorite fast-food chain every day on their lunch break, Monday through Friday (five times a week), for four weeks. If the meal they like costs \$5.00, then they will have to pay \$5.00, five days a week. The cost per week would be \$5.00 per meal x 5 days a week = \$25 per week, and the cost per month would be \$25.00 per week x 4 weeks = \$100. The student, according to this example, would have used \$100 on 25 meals of the \$240 dollars that is budgeted for food. The student has only \$140 dollars left, and if eating three meals a day, the student has 59 more meals that have to be paid for (3 meals x 7 days per week = 21 meals per week, and 21 meals per week x 4 weeks a month = 84 meals, so 84 meals – 25 meals = 59 meals left over for the rest of the month). This leaves only \$2.37 per meal (\$140 left in the budget/59 meals) for each meal for the rest of the month.

1-2 DROPOUTS EARN LESS

Jessie and Kevin are both 17 years old and would have been in their senior year of high school together. However, Jessie dropped out of school. Kevin decided to stay in high school and is graduating and receiving his high school diploma. Jessie has been looking for a job because she lives on her own and needs to pay her bills. She is learning the hard way that without a high school diploma, she may not be able to get a job that pays enough money to pay her bills. On average, how much money do you think a high school dropout with a job makes per week?



A \$ 100

✓ B \$454

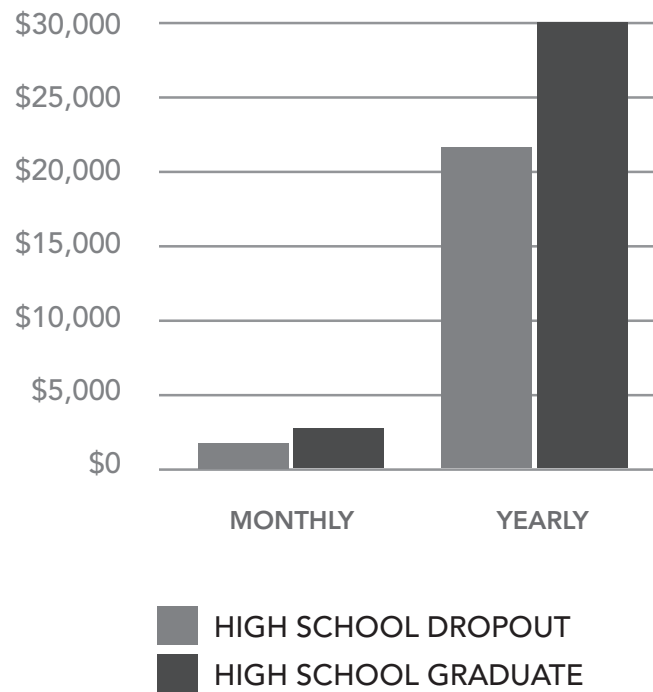
C \$850

Summary: Jessie has found out that it is really hard to get a job without a high school diploma. For the jobs she qualifies for, she can make an average of only about \$454 per week,¹² or about \$1,800 per month ($\$450 \times 4 \text{ weeks} = \$1,800$ per month simple estimate). This might sound like a lot of money, but when you consider the costs of living you get a different picture. Jessie will have to budget for rent/housing, transportation, food, health care, taxes, and other necessities. Clearly, the \$454 per week is not a lot of money in light of all of the budget considerations. What if she wants to do something else with her money? What if she wants to see a movie or buy new clothes? If she wants to use some of her money for entertainment, her monthly bills will add up. How will she earn extra money?

*The data represent annual averages for individuals age 25 and over. Data represent earnings before taxes and other deductions and include any overtime pay, commissions, or tips usually received.

Jessie's friend Kevin, who earned his high school diploma, can make an average of \$170 more a week than Jessie. Comparing Jessie and Kevin over the course of a month, Kevin will make \$700 more per month, which will make paying his bills much easier and provide him with extra money to use for entertainment or to save. Making money isn't the only important thing in life, but it is important that you have enough to pay for your basic needs. Life really is more fun if you can pay for entertainment, too.

EDUCATION & INCOME: INCOME OVER ONE YEAR



Source: Bureau of Labor Statistics, Current Population Survey. The data for the monthly and yearly categories in the chart are projected from the weekly earnings information obtained from the Current Population Survey. To determine monthly and yearly projections, each educational level was multiplied by 4 (weeks) and 12 (months), respectively. These are simple estimations.

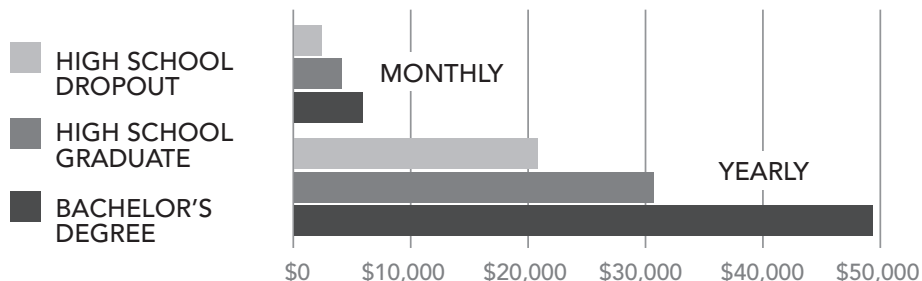
1-3 COLLEGE GRADS EARN MORE

Kerwin’s mom nags him all the time that he’d better stay in school, get his high school diploma, and then go to college or get a training certificate. She tells him that if he doesn’t graduate from college or at least high school he is more likely to be unemployed and it will be harder to pay his bills. His mom recently told him that college graduates make \$400 more a week than high school graduates and \$570 more than high school dropouts. Do you think what his mom said is true or false?



Summary: Kerwin’s mom was right. If Kerwin earns his college degree, he will likely make \$400 more a week than a high school graduate and \$570 more than a high school dropout.¹³ He will make \$2,300 more a month than a high school dropout and more than \$27,000 more in one year. Kerwin will make more than \$19,000 more each year than someone with a high school diploma. The General Rule: The more education a person has, the more likely that person will get a job and the more that person will earn in his or her lifetime. If Kerwin gets more education or training after high school, Kerwin will be able to make more money and more easily pay his bills and pay for things to enjoy life (such as entertainment) when he grows up.

INCOME DIFFERENCES BY EDUCATIONAL ATTAINMENT



Source: Bureau of Labor Statistics, Current Population Survey. The data for the monthly and yearly categories in the chart are projected from the weekly earnings information obtained from the Current Population Survey. To determine monthly and yearly projections, weekly earnings for each educational level were multiplied by 4 (weeks) and 12 (months), respectively. These are simple estimations.



1-4 COLLEGE: NOT THE ONLY ROUTE TO SUCCESS

Dusty really wants to be an electrician and is thinking about going to a community college to do an apprenticeship—a combination of on-the-job training and classroom work. Dusty was talking with some of his friends who are planning to go to college to get their bachelor's degrees. His friends told him that people who do apprenticeship programs will make less money than people who go to college. True or false?



A True B False

Summary: What Dusty's friends told him is false. Dusty needs to know that, in many cases, apprenticeships and on-the-job training can help people earn as much money as people who earn bachelor's degrees. The type of education or training you will need depends on what you want to do when you grow up. You should also spend some time thinking about your skills and interests. Dusty knows that he wants to be an electrician; he likes the idea of working with electricity and wires and fixing electrical problems in homes and businesses. He's learned that he can do that through an apprenticeship program. Other career areas you can pursue through apprenticeships include health care, construction, manufacturing, and technology.*

 The table on the next page lists careers with apprenticeships.

* Some jobs with above-average earnings do not require a bachelor's degree, but most require substantial training.



STATS OF NOTE

CAREER*	EDUCATION*	INCOME**
<p>CARPENTERS They build, install, and repair things that are usually made of wood.</p>	3-4 YEARS	\$39,470
<p>CHEFS, HEAD COOKS They oversee food service of a restaurant.</p>	2 YEARS	\$40,090
<p>DENTAL ASSISTANTS They provide patient care, office, and laboratory duties. Activities might include disinfecting equipment, preparing tools used to treat patients, and updating records.</p>	1-2 YEARS	\$33,230
<p>ELEVATOR INSTALLERS/REPAIRERS They put together, install, and replace elevators, escalators, moving walkways, etc.</p>	4 YEARS	\$69,050
<p>EMERGENCY MEDICAL TECHNICIANS They assess injuries, administer emergency medical care, and transport the sick or injured to medical facilities.</p>	1-2 YEARS	\$30,000
<p>HEATING, AIR CONDITIONING, REFRIGERATION MECHANICS They install or repair heating, air conditioning, or refrigeration systems.</p>	6 MONTHS TO 2 YEARS	\$41,100

<p>JEWELERS They design, make, fix, and determine the cost of metals and gems.</p>	<p>1 YEAR OR MORE</p>	<p>\$34,060</p>
<p>PLUMBERS They put together, install, and repair pipelines that carry water, steam, air, or other liquids.</p>	<p>4-5 YEARS</p>	<p>\$46,320</p>
<p>SHEET METAL WORKERS They make, put together, install, and repair sheet metal products.</p>	<p>4-5 YEARS</p>	<p>\$40,640</p>

* Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Handbook, 2010-11 Edition*.

** Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Employment Statistics*.

1-5 SUPPORTING A FAMILY IS EXPENSIVE

Theresa is a ninth grader and has five brothers and sisters. She knows that when she grows up she wants to have at least four children. She told her dad this, and he said, “It’s expensive to raise kids, and the more kids you have, the more money you need to feed them and pay the monthly bills.” His advice to her was that she needs to study hard and graduate from high school and go to college so she can make enough money to support her family. He said that, usually, the more education people get beyond high school, the more money they will earn in their jobs. Do you think the advice Theresa’s dad gave her is true or false?



A True



B False

Summary: The advice Theresa’s dad gave Theresa is true. Earning an associate’s degree, a specialized-skills-training certificate or a bachelor’s degree can increase your earnings and give you the skills you will need in the workforce. If Theresa wants a big family, she must be sure that she can get a job where she will make enough money to raise her kids and pay her monthly bills. For example, the self-sufficiency wage in the state of Illinois for a single person is \$10.06 an hour, but for a family with two adults, a preschooler, an elementary school student, and a teenager, both adults have to earn \$14.25 an hour. To highlight this, the single person has to make \$21,247 a year just to make ends meet, and the family in the example has to earn \$60,188 to make ends meet.¹⁴ If Theresa wants a large family she is going to have to find a job where she can earn enough money to support the family. Theresa’s dad also could have told her that in the future about two out of three jobs will require at least some college education. Remember that the more your job matches your skills and interests, the happier you will be working at that job every day. And the more education you have, the more employers will consider hiring you.

SUPPLEMENTAL DISCUSSION

Why Some People Make More Money

Ask the students to identify two reasons some people make more money than other people.

Suggested talking points for facilitators:

A. It's usually the case that the higher the level of education you earn, the more money you will earn.

B. The longer you've worked in your job, the more money you will make.

C. The career you choose will have an effect on how much money you make.

