

College degrees tied to higher employment rates, but student loan debt and delinquency reach all time high

Redshirted students outscore peers in reading, math, and science

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Total student loan debt—the only form of loan debt that has increased since the recession—stood at nearly \$1 trillion in 2012 and delinquency on student loan debt has also been increasing. *The Condition of Education 2013*, a report released today by the National Center for Education Statistics (NCES), also shows that nearly 30 percent of 20-24 year olds are not employed or in school, although the employment rates are higher among young adults with at least a bachelor's degree compared to their peers – 87 percent for college graduates compared to 48 percent for those who did not finish high school.

“Today's economy puts young graduates in a difficult position” said NCES Commissioner Jack Buckley. “A college diploma no longer guarantees a direct pathway to the middle class, making it harder to justify the expense of a degree. Yet, when we look at the low employment rates for those who have only completed high school or less, we see how hard it is to get a good job without some type of higher education.”

In addition to the financing of postsecondary education and the employment rates of young adults, *The Condition of Education* also features Spotlights on the academic “redshirting” of kindergartners, or the act of purposefully delaying a child's entrance into kindergarten, and rural education in the U.S.

Findings from these Spotlights include:

- **HIGHER EDUCATION LEVELS ATTRIBUTED TO HIGHER RATES OF EMPLOYMENT:** In 2012, some 69 percent of young adults (ages 20-24) who were not in school were working. However, *less than half* of young adults who had not completed high school – and were not in school – were employed, compared to those who had completed high school (64 percent), and those who had finished college (87 percent).
- **FEDERAL GOVERNMENT INCREASED FINANCIAL AID:** The federal government has increased financial aid to students over the last ten years, reaching \$146 billion in 2011. Grant aid, mostly in the form of Pell grants, increased nearly four-fold between 2000 and 2011 and the total amount of student loans disbursed increased by 150 percent, reaching \$109 billion in 2011. The growing demand for student loans, in combination with a change in policy, has resulted in over \$500 billion of student loans owned by the federal government. Today, student loans are the largest form of consumer debt outside of mortgages. However, 11 percent of student loans were at least 90 days past due in the third quarter of 2012.
- **ABOUT SIX PERCENT OF KINDERGARTNERS HAVE DELAYED-ENTRY STATUS:** In fall 2010, about 6 percent of all kindergartners were redshirted. Higher percentages of students whose parents had a bachelor's degree or higher (8 percent) were redshirted than students whose parents had only completed high school (4 percent). The percentages of redshirted kindergartners were higher for students living in households that were at 200% or more of the federal poverty threshold (7 percent) than for students living below the poverty threshold (4 percent).
- **OVER HALF OF ALL SCHOOL DISTRICTS LOCATED IN RURAL AREAS:** In the 2010-11 school year, 24% of all public school students (12 million) attended rural schools. Fifty-seven percent of public school districts (8,000 districts) were rural. Rural schools serve more White students (71 percent) than the average public school (52 percent).

The Condition of Education also provides an annual portrait of education in the United States. There are 42 indicators in this year's report covering all aspects of education, including early childhood through postsecondary education, student achievement and outcomes, and school environments and resources.

Highlights include:

- **ENROLLMENT IN FULL-DAY PRESCHOOL INCREASED:** In 2011, almost two-thirds of 3 to 5 year olds were enrolled in preschool, and nearly 60 percent of these children were in full-day programs.
- **MORE HIGH POVERTY SCHOOLS IN AMERICA:** At the elementary and secondary level, about one in five public schools was considered high poverty in 2011, meaning that 75 percent or more of the students qualified for free or reduced-price lunch. This number was closer to 1 in 8 in 2000.
- **ENROLLMENT IN CHARTER SCHOOLS CONTINUES TO RISE:** Enrollment in charter schools has steadily increased over the last decade from 300,000 students in 1999-2000 to 1.8 million in 2010-11.
- **FOR-PROFIT COLLEGES ATTRACT OLDER STUDENTS:** At 4-year colleges in 2011, nearly 90 percent of full-time students at public and private nonprofit institutions were under the age of 25. However, only about 29 percent of full-time students at private for-profit colleges were, while 39 percent were between the ages of 25 to 34 and another 32 percent were 35 and older.

The National Center for Education Statistics is the statistical center of the Institute of Education Sciences in the U.S. Department of Education. The full text of *The Condition of Education 2013* (in HTML format), along with related data tables, can be viewed at <http://nces.ed.gov/programs/coe>.