

## Smaller “Bachelor’s Bump” in earnings for poorer kids

Chart shows that people of all education levels start with lower earnings in their 20s, make the most in their 40s, and then wages steeply decline after 50. People with only a high school diploma have flatter earnings over the course of their careers than people with at least a BA.

- People with at least a BA whose families make above 185% the Federal Poverty Line have the highest earnings, reaching almost \$100,000 mid-career and over \$80,000 at age 61.
- People with at least a BA whose families make below 185% the Federal Poverty Line start out making more than all people with only a high school diploma, but actually drop below the people with high school diplomas whose families make over the 185% the Federal Poverty Line by the end of their careers.
- People with only a high school diploma whose families make below 185% the Federal Poverty Line earn the least throughout their lives, making around \$20,000 at the beginning and end of their careers, and less than \$40,000 in the middle.

Data are from the Brookings Institute based on the authors’ calculations from the Panel Study of Income Dynamics. The note says that profiles are fitted values from a regression of earnings on a quadratic in potential experience (age - years of schooling - 6) and survey year dummies.