

Economic Impact of Tennessee Adult Education in the U.S.

The impact of Adult Education on the lives of adults and businesses in the US is immeasurable. The ripple effect of education can reach through generations, breaking the cycle of poverty and improving the present and future workforce. While these benefits are difficult to quantify, the potential economic impact of Adult Education is more obvious.

In the January 2007, the United States Department of Labor’s Bureau of Labor Statistics reported that there was a “\$9,464 differential for workers with a high school diploma (or GED) over those who did not graduate.”¹.

Number of GEDs achieved in 2005-2006:	11,585
Average dollars invested in student: (state AND federal)	\$215.72
Total Investment	\$2,499,116
Number of GEDs achieved in 2005-2006:	11,585
Income differential:	\$9,464
Total increase in taxable income per year:	\$109,640,440
Federal tax rate:	15%
Potential return on investment per year:	\$16,446,066
Potential Return on Investment , Year 1	558%
Potential Increase in TN Tax Revenue, Year 5	\$82,230,330



When looked at over a 5 year period, the original \$2,499,116 spent on the 11,585 GED students shows a potential return on investment of an astounding \$82,230,330 (3,190%). Adult Education truly is an investment in America.

¹ Bureau of Labor Statistics (Jan. 19, 2007). Retrieved February 7, 2007 from <http://www.bls.gov/opub/ted/2007/jan/wk5/art01.htm> (based on fourth quarter for 2006 for full-time workers).