Introduction
Earning an income is based on our productivity or potential productivity when we work. Our productivity is measured by our ability to produce goods and services in the marketplace. And, our ability to produce is based on our human capital. Human capital is usually developed through education and training. Building our human capital means that we are continually investing in ourselves and in our qualifications. People who have invested in their human capital are people who have stayed in school, received specialized training, or taken other steps to improve their knowledge and skills. As we increase our level of education and training, we become more valuable and more productive employees— which increases our income.

Purpose
This lesson will help students understand the value of education. Students will calculate the differences in lifelong income for persons with different levels of education.

Tool Kit
Create a worksheet using the following data: Median income for full-time workers in the U.S. – high school dropouts ($18,876, age 16); high school diploma ($26,208, age 18); associate’s degree ($30,940, age 20); bachelor’s degree ($42,796, age 22); advanced degrees ($54,600, age 24). Students will use this data to calculate differences in annual salaries and differences in lifetime earnings.

Procedure
1. Ask students the following: why do people work? Have they ever been paid for any work they have done? Why do some jobs pay more than other jobs? Explain staying in school helps increase a person’s income because added education gives them more career opportunities. A few people may earn more income because they have a specialized skill that most other people do not have (e.g. professional athlete or entertainer).
2. Have students calculate difference in salaries between different categories on the worksheet, then compute percentage differences and illustrate answers on a bar graph.
3. Have them calculate the total lifetime earnings for someone in each category who works until 70 years old, using the identified age in tool kit as starting age; compute percentage differences. Ask students to discuss their answers and identify the advantages of staying in school. (Note: You may want to explore the costs of a college education for the different degrees and have students compute the return on their investment.)
4. Use the stories, ads, and classified ads in the newspaper to find jobs that meet the following criteria. Write a short summary of each one on the lines below.

A job in a growing field

A high-paying job

Someone who is a good team player

A restaurant worker

A business owner

A computer specialist

A government worker

A school teacher

A volunteer

A professional athlete or entertainer

Someone with an unusual occupation

Ask your child to write a story about their ideal job. Be sure to have them identify the level of education, special training, or skills needed to perform that job. Encourage them to read their papers to the class or discuss their ideal jobs with other class members. They may also want to read the newspaper to find someone who has a job similar to the one they would like to have. If possible, arrange for your child to talk with someone who has a job like the one they described. Help your child research different colleges or training schools that offer classes or degrees they would need to be employed in their ideal job.

Career Scavenger Hunt
Career Scavenger Hunt a good way to explore possible careers is from reading the newspaper. Take a scavenger hunt through the paper to find what jobs sound interesting or meet your criteria for the “ideal” job. Make a list of the jobs you find interesting and identify at least one person who performs that job.

Job __________________ Person(s)

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