

The income connection

A REGISTER-GUARD EDITORIAL

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With hearings on the higher education budget under way this week, members of the Legislature's Joint Committee on Ways and Means are repeatedly being told of the importance of Oregon's institutions of higher learning to the state's citizens.

Lawmakers could get the same message by looking at their own districts. Those who represent areas with above-average percentages of college graduates also represent areas with above-average incomes. Statewide, the 2000 Census found that 25.1 percent of Oregonians age 25 or older have bachelor's degrees, according to the Oregon Progress Board. The percentage varies widely from one county to the next, ranging from 47.4 percent in Benton County to 11 percent in Morrow County.

Incomes also varied from the statewide yearly average of \$30,561 in 2004, with the Oregon Employment Department reporting a high of \$37,094 in Clackamas County and a low of \$20,222 in Malheur County.

The two sets of statistics are closely connected. Of Oregon's 36 counties, the four with significantly more college graduates than the statewide average - Benton, Washington, Multnomah and Clackamas - are also the four with incomes above the state average. The four education leaders respectively ranked No. 3, No. 4, No. 2 and No. 1 on the income scale.

The four with less than half the statewide percentage of people with bachelor's degrees - Crook, Harney, Malheur and Morrow - ranked No. 34, No. 28, No. 36 and No. 8 on the income scale.

The correlation isn't perfect, as Morrow County - last in college graduates, eighth in average income - shows. Another outlier is Hood River County, which ranks eighth in the percentage of college graduates but only 22nd in average income. But the broad pattern holds. Lane County, for instance, ranks No. 5 in bachelor's degrees and ninth in income.

The lesson should be clear: If legislators want to improve their constituents' economic standing, they will open the doors to higher education.

For most of the past two decades, however, the Legislature has been closing those doors. In 1990, tuition and fees accounted for 29 percent of per-student revenue received by Oregon's seven four-year universities, and state appropriations accounted for 62 percent. By 2004, students paid 56 percent of the cost of their university educations, while the state supplied only 37 percent. There has been a generation-long shift of the financial burden of higher education from the state to students and their families.

This shift has given Oregon one of the nation's least accessible public systems of higher education. In 2004, the National Center for Public Policy and Higher Education ranked Oregon's colleges and universities fifth from the bottom in terms of affordability.

According to the center, the cost of attending a public university consumed 34 percent of an average Oregon family's income, more than in all but four states. Attending an Oregon community college soaked up 29 percent of an average family's income, more than in all but two states.

That helps explain why only 21.7 percent of Oregon high school graduates in 2005 enrolled in an Oregon university - the lowest percentage in a decade. The low rate of enrollment will translate into lower incomes eventually. Lower incomes generate less tax revenue, making it harder for the state to increase its investment in higher education.

The numbers can move in the opposite direction. In 1999, the last time the Legislature substantially increased the budget for higher education, enrollment and graduation rates climbed. Oregon can achieve the same results again by investing in affordable, high-quality universities and community colleges.

The payoff is direct: The way for lawmakers to improve their constituents' economic well-being is to raise the level of educational attainment.