

1-page summary: Does education pay for youth formerly in foster care?

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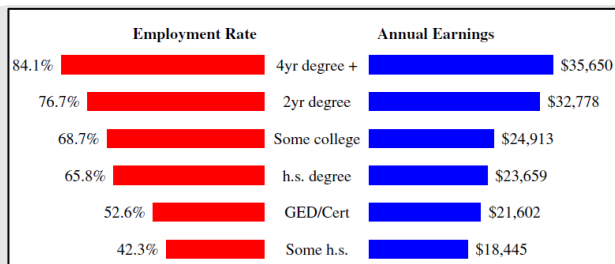
Research Questions

- Examine the employment status and annual earnings of young adults who were formerly in foster care:
1. How do the earnings and employment status of young people with foster care experience compare to those of a nationally representative sample of same-aged young adults?
 2. Among youth with foster care backgrounds, how do different levels of educational attainment affect how likely they are to be employed and how much they earn?

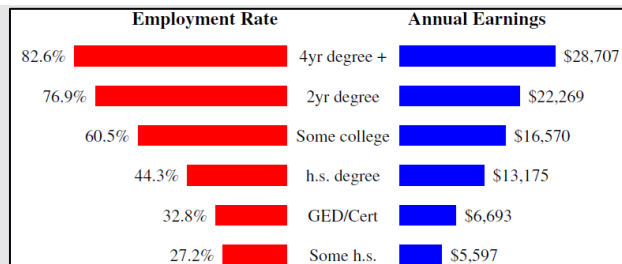
Data & Methods

Sample: There were two samples: (1) Young people who participated in the Midwest Study, a longitudinal study of young people in foster care in IL, WI, and IA. The sample includes 564 young people who completed the age-25/26 survey. (2) A nationally representative sample of young people aged 25/26 from the National Longitudinal Survey of Youth (NLSY97) (n=1514).

Analytic methods: The main outcomes were youths' current employment status and their annual earnings amount at age 25/26. First, we compared Midwest Study youth and NLSY97 youth on these two outcomes at different levels of education. Next, regression analyses were run with the Midwest Study sample to examine whether different levels of education influenced youths' likelihood of being employed and annual earnings, after controlling for many youth characteristics (e.g., demographics, foster care experience, education background).



NLSY97



Midwest Study

Main Findings

- Higher levels of educational attainment meant a greater likelihood of being employed and greater earnings. The biggest jumps came when youth earned a degree (e.g., a HS diploma, a college degree)
- Overall, Midwest Study participants were significantly less likely than NLSY97 participants to be currently employed (49% vs. 70%) and earned less (\$9,333 vs. \$22,169).
- However, gaps decreased as level of education went up, especially once youth went to college. E.g., the gap in current employment between Midwest Study youth and NLSY youth was much greater for youth with a HS diploma (44% vs. 66%) than for youth with a college degree (83% vs. 84%).
- The regression analyses displayed clear and significant benefits of postsecondary education on employment status and earnings for youth with foster care experience.
 - Youth with a HS diploma were expected to earn more than youth with no credential. The results did not find a benefit of having a GED vs. no HS credential.
 - Youth with some college were more likely to be employed and earned more than youth with no credential, a GED, or a HS diploma.
 - Youth with a 2- or 4-year college degree earned more than youth with just some college (but were not more likely to be currently employed).

Implications

- Findings suggest that **education does pay for youth with foster care experience**. Higher levels of attainment helped to close gaps in employment outcomes between youth with foster care experience and their peers. Among youth with care experience, higher levels of education predicted a greater likelihood of being employed and higher earnings.
- These findings **support investments made by federal policies and local initiatives to remove barriers and add supports** so youth can reach their educational aspirations.