KEY FINDINGS: VALUING PROFESSIONAL LICENSING IN THE U.S.

INTRODUCTION

The Alliance for Responsible Professional Licensing (ARPL) commissioned Oxford Economics to produce a first-of-its-kind quantitative research study, Valuing Professional Licensing in the U.S., which explores the impacts of professional licensing in highly complex, technical fields. Here’s what the research found:

KEY FINDINGS

Across all professions and occupations, licensing is associated with a 6.5% average increase in hourly earnings, even after accounting for the job holder’s educational attainment, gender, and racial demographics.

Among professionals in technical fields requiring significant education and training, a license narrows the gender-driven wage gap by about one third and the race-driven wage gap by about half.

Minority engineers, surveyors, architects, landscape architects, and CPAs can expect an 8.1% hourly wage increase on average after becoming licensed in their field.

Female engineers, surveyors, architects, landscape architects, and CPAs can expect a 6.1% hourly wage increase on average after becoming licensed in their field.

Both white professionals and male professionals were shown to benefit from licensing too, but to a lesser degree. White engineers, surveyors, architects, landscape architects, and CPAs can expect a 2.9% hourly wage increase after becoming licensed; and males in these professions can expect a 0.7% hourly wage increase after becoming licensed.

Those in trade and vocational occupations (e.g., barber, plumber, etc.) can expect a 7.1% hourly wage increase after becoming licensed, while those in a profession requiring advanced education and training (e.g., engineer, architect, etc.) can expect a 3.6% wage increase after becoming licensed.

For more information about the research, email info@responsiblelicensing.org.