Study: Labour market outcomes of young postsecondary graduates, 2005 to 2012

Released at 8:30 a.m. Eastern time in The Daily, Thursday, September 17, 2015

There was no substantial deterioration in the earnings and employment patterns of young postsecondary graduates between 2005 and 2012—a period that included the economic recession of 2008 and 2009. A new study found that this outcome held even when graduates from specific fields of study were examined.

Using linked data from the 2006 Census, the 2011 National Household Survey, and tax data from 2005 to 2012, the study examined Canadian-born 25- to-34-year-old men and women with a high school diploma, college certificate or bachelor's degree. Annual wages and salaries as well as full-year, full-time employment rates were compared before and after the recession of 2008 and 2009. Full-year, full-time employment involves at least 49 weeks worked per year, mainly for 30 hours or more per week. The dollar figures are expressed in 2012 constant dollars to account for inflation.

Overall, average annual wages and salaries of young male bachelor's degree graduates rose 5%, from \$65,388 in 2005 to \$68,563 in 2012. Over the same period, earnings of young male college graduates grew 7% (from \$52,076 to \$55,753), while earnings of young female bachelor's degree graduates increased 9% (from \$46,543 to \$50,506).

Average annual wages and salaries increased more for graduates of certain disciplines. For example, average annual wages and salaries of young male college graduates in engineering increased 13%, while wages and salaries of bachelor's degree graduates in the same discipline rose 10%. Similarly, wages and salaries increased by 9% among young female health graduates at the college level and 10% among young female health graduates at the bachelor's degree level.

Other graduates that registered higher wages and salaries included female graduates in education and business administration at the bachelor's degree level, as well as male college graduates in mathematics, computer and information science and personal and protective services. In no case did wages and salaries among graduates of a specific discipline display a statistically significant decline.

Although wages and salaries increased or remained steady among most groups of postsecondary graduates, some groups experienced a decline in full-year, full-time employment rates between 2005 and 2010, the years with available data.

For example, full-year, full-time employment rates fell among male bachelor's degree graduates—from 84.4% in 2005 to 81.6% in 2010. In contrast, full-year, full-time employment rates changed little among female bachelor's degree graduates and male and female college graduates.

Throughout the period, young male and female postsecondary graduates in most fields of study received higher earnings and were more likely to be employed full-year, full-time than their counterparts with a high school education.



Definitions, data sources and methods: survey numbers 3701, 3901 and 5178.

The research article "Labour Market Outcomes of Young Postsecondary Graduates, 2005 to 2012," which is part of *Economic Insights* (11-626-X), is now available from the *Browse by key resource* module of our website under *Publications*.

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