

Canada needs post-secondary grads, so where are they?

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POSTMEDIA NEWS

NOVEMBER 4, 2011



Grads enter Jack Simpson gym for the opening of the convocation for the faculties of law, medicine and graduate studies on Thursday May 12, 2011 in Calgary, at the University of Calgary.

Photograph by: Dean Bicknell, Calgary Herald

TORONTO — As the Canadian economy sheds jobs, finding the answer to why certain segments of the population — aboriginals, first-generation Canadians and low-income students — are so resistant to the lure of college or university has gained new urgency.

Governments have pumped money into grants and student aid. Given clear evidence of a higher education wage premium, it was expected that people from all socio-economic backgrounds would flood into institutions.

It hasn't happened. And if we still want people to get a post-secondary education, we have to ask where do we go from here if price is not an issue and the benefits of higher education are underrated.

The issue was centre stage this week at a conference on financial literacy organized by the Higher Education Quality Council of Ontario.

Harvey Weingarten, the council's president, said in an interview the motivation for the event was simple: "A post-secondary credential is the ticket to a better personal and professional life."

A well-educated population is critical to Canada's future as a knowledge-based economy, where, Weingarten said, diploma- and degree-holders are better placed to survive economic uncertainty than those without.

"The people who lose jobs are the people without post-secondary credentials," he said, hours before Statistics Canada released the latest job numbers, which showed there were 54,000 fewer people working in Canada in October.

But not every segment of society is participating equitably, "so we want to get them there," Weingarten said.

"Everything we know about the modern-day economy says that brains is more important than brawn in supporting the economy today. The competitive, successful economies today will be the ones that have the most talented, highly educated, skilled, innovative, entrepreneurial people supporting that economy," he said.

Many low-income Canadians overestimate the costs of a post-secondary education, while Canadians in general underestimate the benefits. And there is a clear financial benefit, according to the Association of Universities and Colleges Canada, which estimates that the average person with a B.A. will earn \$1.3 million more over a lifetime than the average person with a high school diploma.

Yet, among some, there's still a perception that post-secondary doesn't pay.

"Over the years, people have put out these inflated loan values and painted a dismal picture of the post-graduation outcomes," said Ross Finnie, a University of Ottawa economist who spoke at the conference.

"And it's misinformation of that type that may be just enough to turn away people from going when there really are huge benefits," he said.

Wait five years after graduation, he said, to measure the return on investment, as opposed to immediately after graduates enter the workforce.

"Most people find their way at least in part due to their educational experience," he said.

Some suggest simply going to college or university may not be enough. Students also have to choose the right subjects. Economist Alex Tabarrok released new data recently that confirms as much.

The number of American students graduating with computer science or chemical engineering degrees was lower in 2009 than it was in 1985, while the number of graduates of visual and performing arts, psychology and, journalism and communications are all up considerably.

Although she said the education premium still exists, Miriam Kramer of the Toronto-based Higher Education Strategy Associates said there are people with B.A.s that can't find jobs in their fields or in the city where they'd prefer to live.

"Any particular individual's story might not match up with what somebody's research evidence shows, but it doesn't mean that it's not true for the broader picture," Kramer said, noting any measure of the premium is based on averages.

Although Kramer agreed some college and university programs produce more employable grads, her research suggests that students are still optimistic about their job prospects.

"Students, despite the current economic climate, are relatively optimistic, at least in their survey responses regarding how much money they're going to make, that their going to find a job," she said.

Research has also shown that low-income Canadians tend to be averse to taking advantage of available student loan programs.

Weingarten says policy-makers used to think it was an easy fix — put more money on the table to increase the pot of cash available for student loans and help low-income youth pay their tuition fees.

"We did that and it didn't solve the problem," he said, noting research has shown 50 per cent of people eligible for student assistance in Ontario don't actually take out loans.

The conference showcased initiatives for engaging teens about their futures well in advance of when it's time to actually apply.

Among the programs are:

- Explore Your Horizons: Being piloted in Manitoba and New Brunswick. It

includes workshops, a magazine and website to talk to young people about post-secondary education and the related costs, starting in Grade 10 and continuing until graduation.

- Learning Accounts: Also being piloted in New Brunswick. It provides early guarantee of student aid to low-income students — \$8,000 on condition of staying in school and enrolling in college or university. It also begins in Grade 10 and the outcome suggests it has raised awareness, altered expectations about post-secondary education, lowered dropout rates, and changed perceptions of the values, costs and financing.

- Life After High School: The program operates in British Columbia and Ontario and goes into high schools where few graduates go to college or university and walks students through the application process for schools and financial aid with students, often during class. The goal is to get every student who participates into at least one post-secondary education spot.

There are a lot of interesting ideas out there, but many are highly imperfect and need to be better evaluated, Kramer said.

"There's not a one-size-fits-all," she said. "There isn't a panacea of a solution on this."

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