

# THE VALUE OF A UNIVERSITY DEGREE



## A UNIVERSITY DEGREE IS VALUABLE

Its value can be measured by the benefits it brings to the graduate, to the local community, to the economy and to government.

In fact, a university degree has never been more valuable. Recent trends illustrate that having one is more likely to get you a job. Between 2004 and 2009, employment of bachelor's graduates rose by 22% and by 28% for those with a graduate degree. Employment for college and CEGEP graduates rose by 16%, followed by small increases of 4% for high school graduates and 2% for trade-school graduates. (Labour Force Survey, Statistics Canada)

## A UNIVERSITY DEGREE BUILDS A CAREER

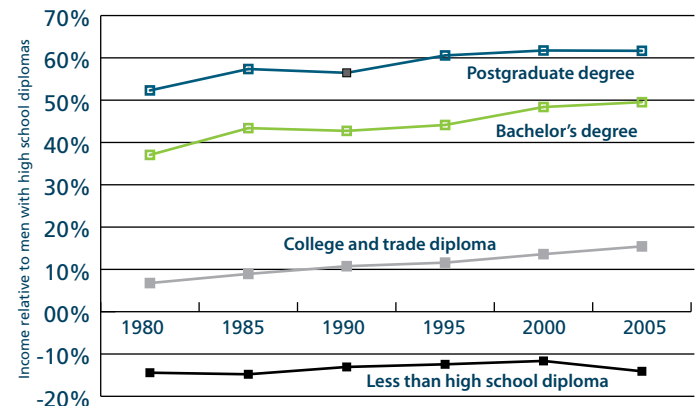
Studying expands knowledge, nurtures critical thinking, and inspires new ideas and creativity.

**A university degree contributes to:**

- Marketable, adaptable career skills
- Greater opportunities for advancement
- Fewer periods of unemployment
- Greater income over career – on average \$1.3 million more than high school graduates.

University graduates, Census data confirm, see their income increase more rapidly and consistently throughout their careers. For example, in 1980, the earnings advantage for male bachelor's graduates was 37%. By 2005, the earnings advantage had grown to 50%. Census data show a much smaller premium for college or trade school graduates – approximately 7% in 1980 and about 15% in 2005. (Boudarbat, Lemieux, Riddell 2010)

**THE EARNINGS ADVANTAGE FOR MALE UNIVERSITY GRADUATES INCREASED SIGNIFICANTLY BETWEEN 1980 AND 2005**



## VALUABLE CONTRIBUTORS TO THEIR COMMUNITY AND TO THE ECONOMY, UNIVERSITY GRADUATES:

- Volunteer more
- Engage more frequently in social and political activities
- Pay higher taxes, allowing governments to provide more public and social services
- Rely less on government benefits such as social welfare and services
- Live healthier lives
- Place less strain on health care
- Influence the educational, health and social values of their children.

### As employees, they are:

- Flexible and adaptable
- Innovative
- Productive
- Effective problem solvers
- Knowledgeable and able to share expertise with less educated workers.

People with these skills, and the knowledge of a discipline, create a cohort of lifelong learners who can easily adjust to shifts in Canada's employment market. For example, the 2006 Census revealed that about 120,000 people with bachelor's degrees were employed as computer and information systems professionals but just 36% had majored in computer science. The remaining 64% had graduated from an array of disciplines – from English to engineering, to forest management, to geography and video gaming – demonstrating that universities produce graduates whose expertise can be adapted widely.

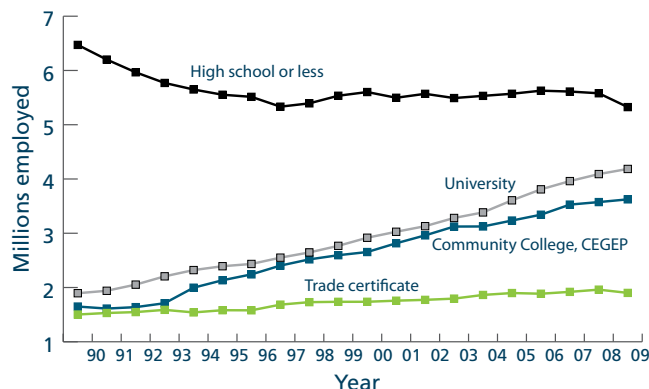
## DEGREES ARE IN GREATER DEMAND TODAY

A shift from a resource-based economy to a knowledge-based economy is one factor. From 1990 to 2009, the number of jobs filled by people with a degree more than doubled – from 1.9 million to 4.2 million. At the same time, there were 1.1 million fewer jobs for those with a high-school diploma or less.

Even during the economic slowdown the trend continued. From September 2008 to March 2010, there were more jobs for university grads —150,000 more, compared to 684,000 fewer jobs for those without a degree.

(Labour Force Survey, Statistics Canada)

### STUDENTS ARE RESPONDING TO GROWING DEMAND FOR KNOWLEDGE WORKERS IN CANADA'S LABOUR MARKET



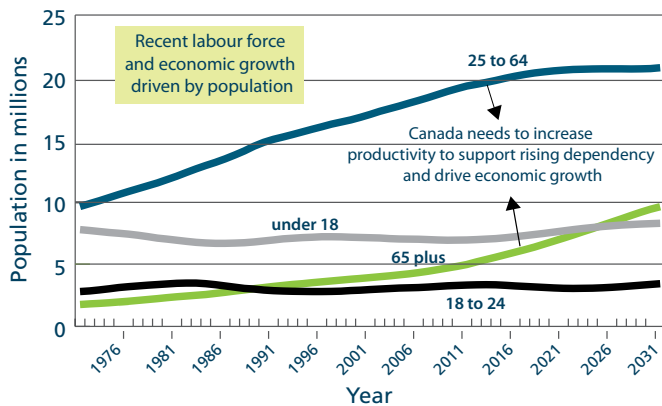
“ University education will need to be the engine of future prosperity and of our capacity for innovation and enterprise in a globalized world. ”

- Monique F. Leroux, President and CEO, Desjardins Group

## DEGREES FOR TOMORROW

During the next two decades, Canada's economy is in for a dramatic demographic shift. By 2030, the population over 65 will double while the population (aged 24-64) will increase by a mere 8%. In addition, retiring baby boomers will create greater demand for professionals with a variety of expertise, including in medical, legal, financial and social services. Canada needs more university graduates to meet rising labour market demands.

**EXPANDING ACCESS AND IMPROVING QUALITY WILL HELP SOLVE CANADA'S MID- AND LONGER-TERM DEMOGRAPHIC AND PRODUCTIVITY CHALLENGES**



## UNIVERSITY GRADUATES ARE A SMART INVESTMENT

Trends indicate that for Canada to meet its demographic and productivity challenges, it will need to both expand access and enhance the quality of higher education. Government investments are crucial on both fronts. Why? Government investments:

- Reduce the cost of education to individuals
- Promote equitable access to high quality learning experiences
- Enable universities to create the kinds of interactive and engaging learning experiences that will help to generate the skills graduates need to contribute to all facets of our economy and society, and future labour market demand.

“Universities have the most important job of all – nurturing our future leaders.”

- Blake C. Goldring, Chairman and CEO, AGF Management Limited

The Association of Universities and Colleges of Canada is the voice of Canada's universities.

AUCC represents 95 Canadian public and private not-for-profit universities and university-degree level colleges.

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