

Field of Study and Its Effect on the Youth Job Market

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Abstract

This paper looks at the major field of study pursued in university and college and looks to see if how it affects new graduates in the labour market. Using data from the Canadian census, 1986, 1991, 1996 & 2001, I use a wage analysis using an ordinary least squares model and an employment probability analysis using a multinomial logit model to determine the ranking order for the different fields of study. It is then looked at to compare the young graduates across each census and also looking at different cohorts from 1986, 1991 and 1996 to see how the fields of study change. What is found that in terms of wages, the field of study does not converge and in fact as individuals age, the gap between wages increase. Looking across time for both wages and full-time employability, the ranks stay the same with those fields being top, stay at the top, and those fields at the bottom, including high school graduates, stay at the bottom. Lastly, men increase in full-time employment by about five-percent when moving from the 23-27 to 28-32 age groups while women decrease by roughly five percent moving through the same age groups.