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PROJECT SNAPSHOT



Multi-Credentialed Graduates in Canada: Employment, Earnings, and Student Loan Holding

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Keywords

transfer students; high school performance; non-traditional PSE pathways; student mobility; student borrowing; student debt; postsecondary graduation

Overview

Students are taking increasingly complex pathways through postsecondary education and acquiring unconventional combinations of credentials (St-Denis et al., 2021). This has, in part, been driven by increasingly competitive labour markets, in which graduates require more robust resumes than before to obtain even entry-level jobs.

Despite these trends, little research exists on the returns associated with holding various (and unconventional) combinations of credentials.

This study investigates the relationship between different combinations of credentials and graduates' early labour market outcomes—including earnings, underemployment, and loan obligations—through an analysis of Ontario respondents in the 2013 and 2018 National Graduate Surveys.

Why It Matters

This research suggests that “vertical” educational pathways experience a labour market gain. By contrast, individuals who pursue a postsecondary credential at a lower level than their first credential are unlikely to increase their earnings and are more likely to be underemployed. These findings suggest that there is no evidence for labour market gains resulting from university-to-college pathways. Any claims to the financial benefits of taking a “reverse” educational pathway should therefore be treated with caution.

“If programs were put in place to better prepare graduates for postsecondary education, and to avoid the time and monetary costs of switching majors, transferring schools, or pursuing additional degrees, there is the potential for significant individual savings.”

This report presents a case for alternative opportunities for upskilling and retooling that do not carry the same time and financial costs of a second pass through traditional postsecondary programs. Advancements in the “short-credential” market are continuing to grow, offering novel opportunities to develop skills and competencies via micro-credentials, stackable credits, and badges. As the labour market continues to diversify and specialize in response to rapid advancements in innovation and technology, these types of non-traditional skilling pathways could alleviate some of the individual costs associated with lengthy and costly additional postsecondary pursuits.

The report also suggests that there may be better ways to support individuals' educational interests without the greater risk of more time in school, forgone income in the labour market, or taking on large loans. This may be in the form of improved career counselling directed at high school students or recent secondary school graduates. One pertinent area for investment would be to focus on students without prior family history in postsecondary education or postsecondary completion. If programs were put in place to better prepare graduates for postsecondary education, and to avoid the time and monetary costs of switching majors, transferring schools, or pursuing additional degrees, there is the potential for significant individual savings.

Key Findings

Demographic Profile

Female students, racial minorities, and immigrants are more likely to be multi-credentialed graduates (MCGs). Persons with disabilities appear underrepresented in this population, suggesting that disability status — whether via accommodation requirements or financial obligations — may be a barrier to obtaining subsequent credentials. Individuals with multiple credentials are also more likely to be married and have children.

Underemployment

MCGs—except for those holding two bachelor's degrees—have a higher estimated likelihood of experiencing objective underemployment. However, MCGs are generally not more likely than single credential holders to *feel* overqualified in the jobs they acquire three years after graduating.

Loan Burden

MCGs—apart from those with multiple university bachelor's degrees—are no more likely than their single-credentialed counterparts to possess a student loan balance at the end of their studies or to have larger loans.

Earnings

Completion of a college credential after a university bachelor's degree does not result in increased earnings, but completing a second bachelor's degree does provide an earnings increase. Nevertheless, there is limited payoff to obtaining a second college credential but a sizable benefit to completing a university credential after college.

The Figure on the next page presents the average annual earnings of National Graduate Survey respondents by credential status for the full sample (in blue) and the sample of full-time workers used in the earnings analysis (in orange).

Figure 1: Average Earnings across Credential Type, by Sample

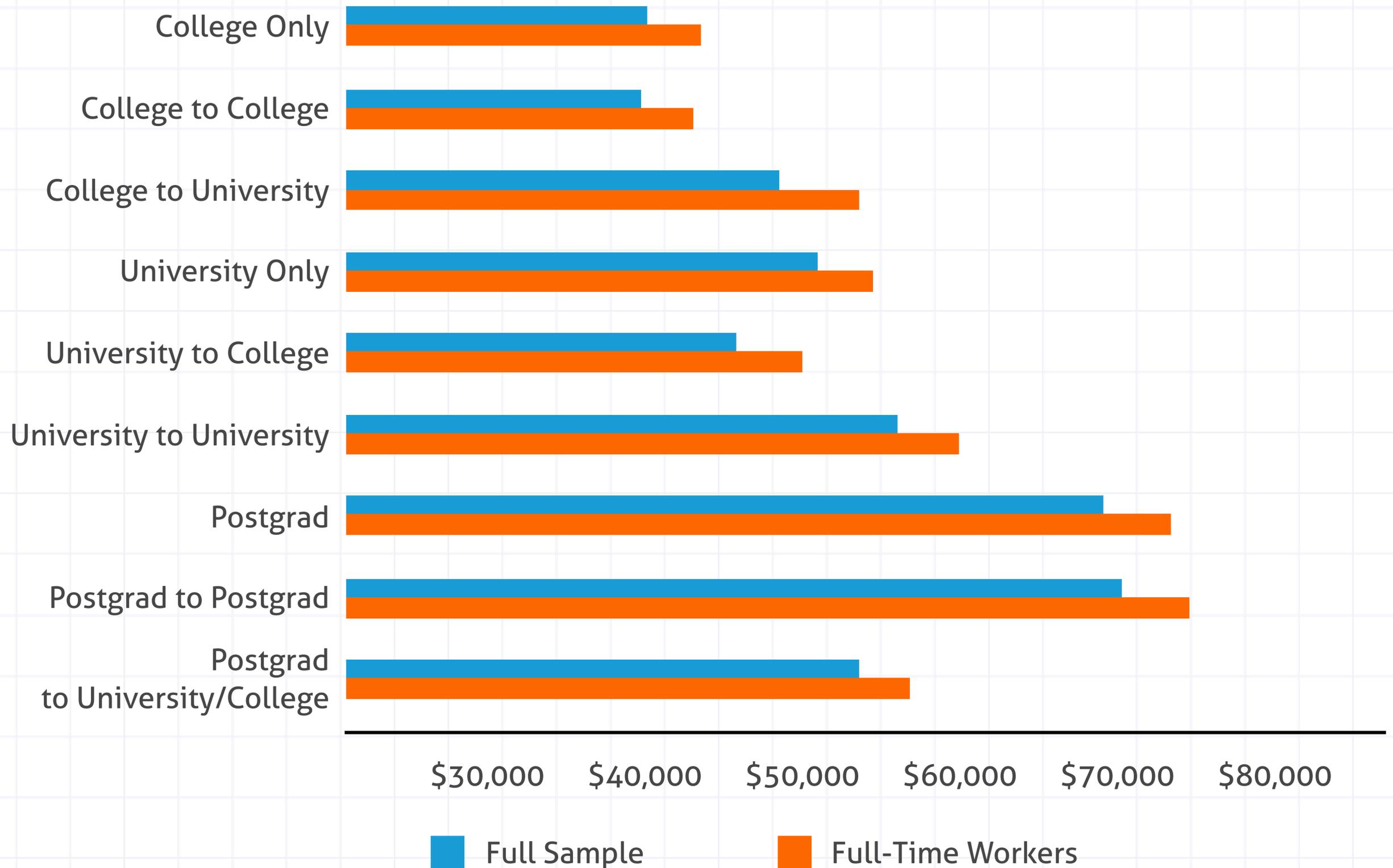
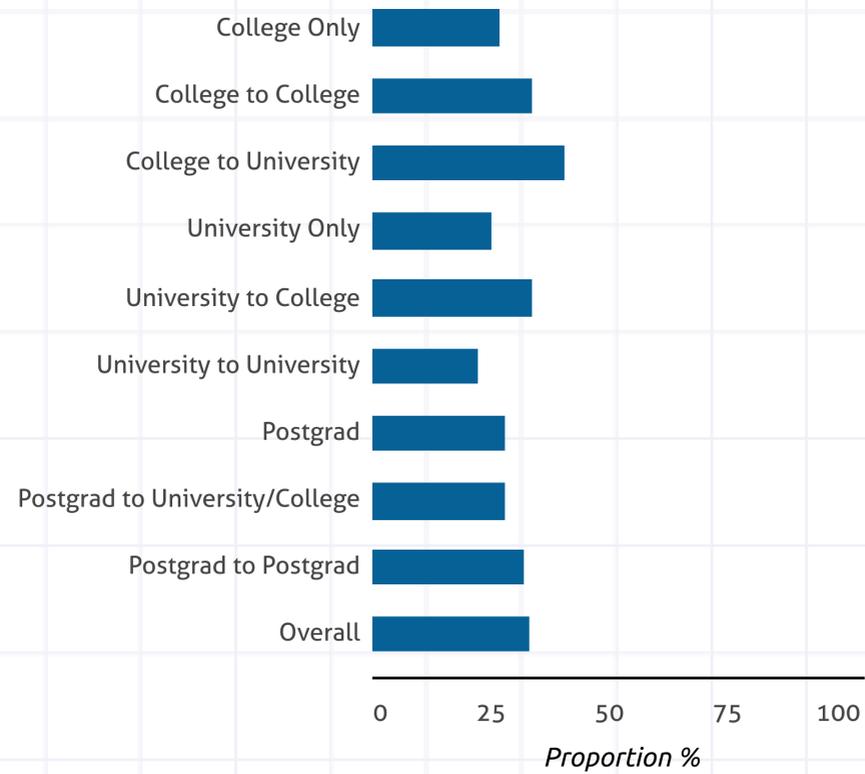
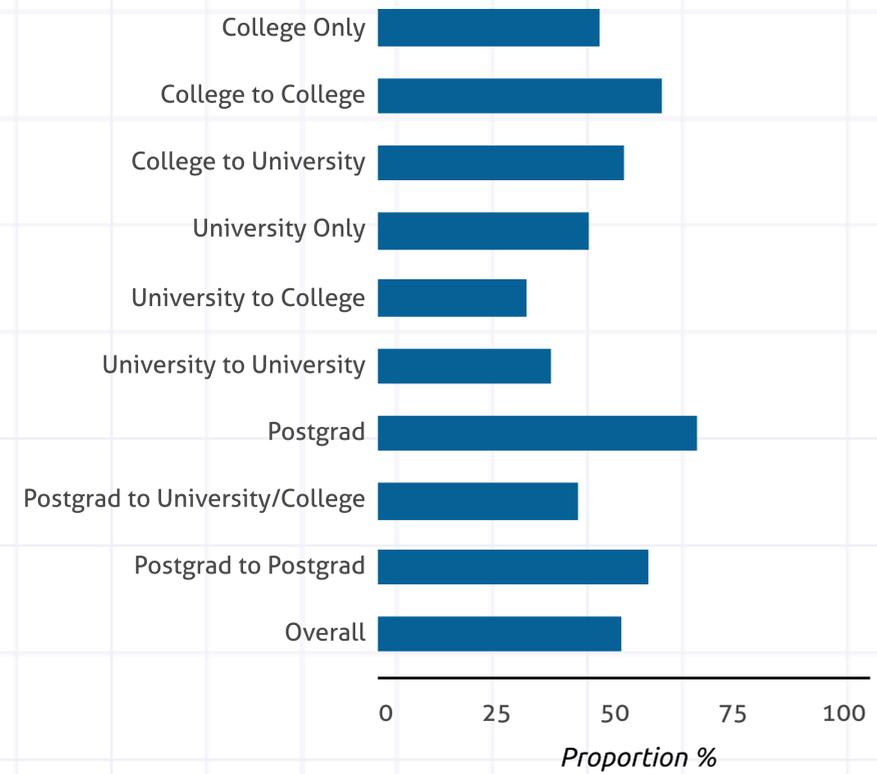


Figure 2: Average Outcomes of Interest by Credit Type

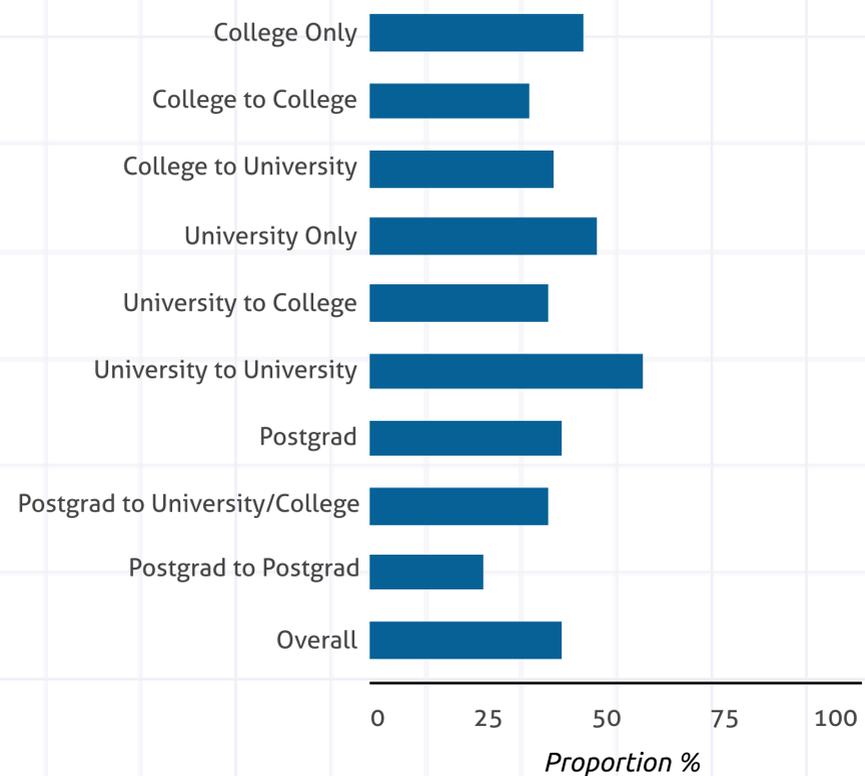
A. Feels Overqualified



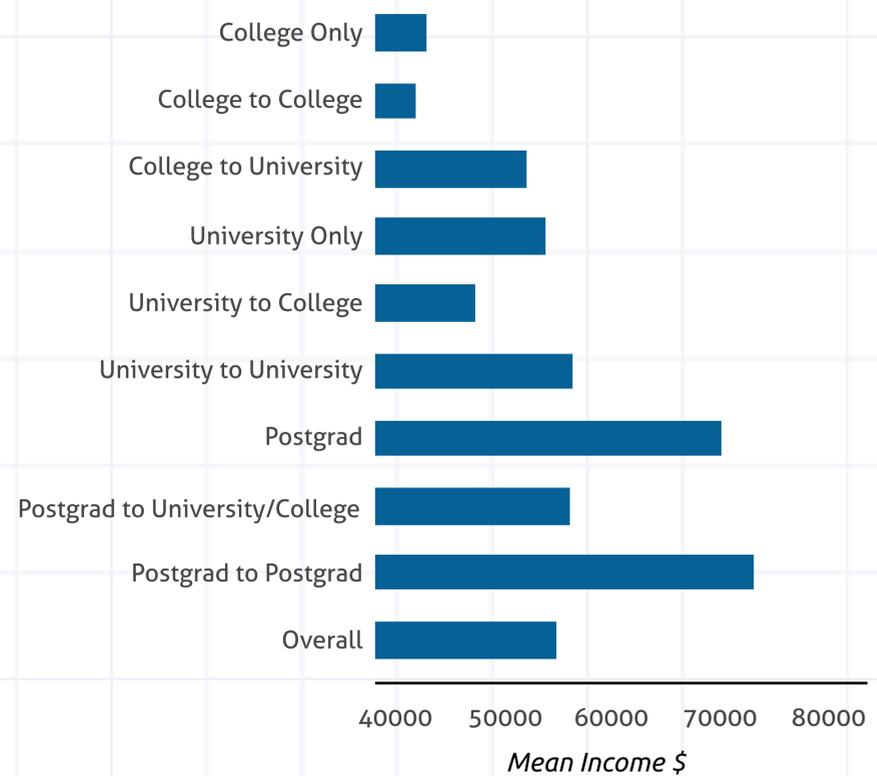
B. Underemployed



C. Loans at Graduation



D. Annual Earnings



Further Reading

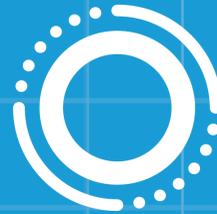
To read the full report, please [visit the report homepage](#).

St-Denis, Xavier, Yacine Boujija, and Stephen Sartor. (2021). "Non-Linear PSE Pathways and Credential Accumulation." Toronto: Ontario Council for Articulation and Transfer.

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To read the full report, please visit:

<https://oncat.ca/en/projects/multi-credentialed-graduates-canada-employment-earnings-and-student-loan-holding>



Established in 2011, the Ontario Council on Articulation and Transfer (ONCAT) was created to enhance academic pathways and reduce barriers for students looking to transfer among Ontario's public colleges, universities, and Indigenous Institutes. ONCAT is funded by the Government of Ontario.

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