

## **Learning to Earning | Higher Education and the Changing Job Market Session Summary**

**Civic Ballroom  
Sheraton Centre Toronto  
123 Queen Street West, Toronto, M5H 2M9**

*Thanks to Ian Hartlen and Adrian Philp, recent graduates from the Master of Public Policy Program at the University of Toronto, for their work in summarizing the conference.*

### **Day One | Thursday, November 1, 2012**

#### **Session 1B | Returns across postsecondary pathways**

***Facilitator: Hillary Arnold, Higher Education Quality Council of Ontario***

***Craig Riddell, University of British Columbia***

***The role of education in producing cognitive skills, especially literacy skills***

Has the quality of PSE fallen? There are several ways the quality of PSE can be measured. One is to measure output through tracking earnings. However, this depends on many factors. Ideally, a purer output measure would be used.

A better measure of PSE quality is skills, especially literacy skills, of adult populations. By studying surveys that provide a measure of skills of people who are outside of school, it is possible to compare the literacy skills of successive generations and thus gain a measure of quality.

The use of synthetic cohorts allows for the separation of both age and cohort effects. This separation is impossible with only one survey and necessitates the use of multiple samples.

Estimates indicate that more recent cohorts have significantly lower literacy skills. This decline in skills is most evident at the top of the skill distribution. The 10th percentile shows no significant effects, while the median and 90th show significant differences.

This demonstrates that, at least in terms of literacy skills, we are doing a poorer job of educating successive generations. This is most prominent at the top. These findings are consistent with a decline in university quality, though this is not conclusive. Further data are expected which will enable much richer analyses.

***Phillip Oreopoulos and Uros Petronijevic, University of Toronto***

***Research on the returns to higher education***

Presents two opposing views on higher education. The first is popular among voters and thus, governments. More education is always better and as many people as possible should be encouraged into higher education. The second, less popular opinion is that the investment in higher education is no

longer worth it for marginal students. Increasing costs, falling completion rates and study times raise serious questions.

Education remains valuable. Although the value may differ depending on occupation even within specific occupations college graduates fare better than people in the same field with less educational credentials. However, causal evidence is questionable and mostly outdated.

PSE valued added is under question. However, tech-specific fields provide some evidence against this - the issue seems more related to arts and humanities. PSE appears to be of decreasing importance as a pre-requisite among employers. Signalling is difficult.

There is no evidence to suggest that not going on to PSE is a better option.

Suggested ways to maximize ROI in PSE include:

- Completing the program.
- Considering ability and interest, choose a program that does not foster routine tasks. This will make it harder to outsource your job.
- Stay informed about costs and aid.
- Maximize involvement and get high grades.

***Harry Krashinsky, University of Toronto***  
**Returns to apprenticeship**

Apprenticeship is becoming a more popular topic. However, little is known about the effect of apprenticeships on success in the labour market.

Studies have been impacted by data limitations. The 2006 Census was the first to give useful information for a large-scale study on apprenticeships. Before 2006 there were some data sets available but most were not ideal.

Using the much better and larger data set, it is found that apprenticeships lead to significantly higher earnings than high school or trade certifications. They are comparable in this regard to college education. The study shows correlation, but not necessarily causality.

The results are gendered. Female apprentices have lower wages than people with less certification.

Next steps include seeking verification of causal returns, possibly through use of Red Seal exam scores.