

Stakeholder Summary

Higher PSE participation rates yield 'substantial' effects on underrepresented students

A long-running research study looking at ways to increase access to postsecondary education of underrepresented students found that enhanced career-education programs and promises of financial support made as early as high school boosted participation rates. And higher participation rates yielded substantial economic returns to the lives of young people.

The study, *Education and Labour Market Impacts of the Future to Discover Project*, was conducted by the Social Research and Demonstration Corporation (SRDC) and published by the Higher Education Quality Council of Ontario. SRDC's Future to Discover project began in 2003 to look at ways of reducing barriers that underrepresented students face, such as a lack of financial resources, poor academic preparation and a lack of information about postsecondary education. The study provides "a first, cautious answer to one of the most critical questions asked by decision makers concerned with PSE access programming: 'How much of a difference will PSE make to the lives of youth who will not go if we do not intervene?'"

More than 5,400 students in two provinces — Manitoba and New Brunswick — took part in the study, which tested the effectiveness of two interventions designed to help students overcome some of these barriers. One intervention provided high school students enhanced career planning, and information about the costs and benefits of postsecondary programs. The program was delivered through voluntary, after-school workshops beginning in Grade 10. The workshops explored various postsecondary paths including college, university, apprenticeships and vocational training.

The second intervention, which was conducted only in New Brunswick, promised high school students from low-income families up to \$8,000 in non-repayable aid should they pursue postsecondary studies. The promise was made to students about to enter Grade 10. To receive the bursary, students had to successfully enrol in a full-time postsecondary program at which time they would receive \$4,000 a year during their first two years of PSE.

The project, spanning more than 10 years, set out to assess whether these interventions, offered either separately or together, would increase high school students' likelihood of enrolling in PSE and the economic implications of that choice. The students were randomly assigned to one of four test groups: one received access to the after-school information workshops, the second was promised funding for postsecondary studies, a third group received both at the same time and a control group received none. SRDC tracked the students from the time they were in Grade 9 to their mid-20s, when they had entered the workforce.

The study found that in New Brunswick the interventions, offered either separately or together, increased high school graduation rates and PSE enrolment among underrepresented students, including those from low-income families and first-generation students — in some cases substantially so. But

when it came to postsecondary completion, the effects were less encouraging. While the promise of financial aid encouraged college completion, neither intervention had any noticeable impact on university completion. However, lower-income New Brunswick students who had received the interventions spent considerably longer in PSE than they would have otherwise, the study noted. In Manitoba, where students were offered only the workshops, no long-term impact on PSE participation was seen.

In the final stage of the study, SRDC evaluated the employment and earnings outcomes of the students in their early years in the labour market. The study found that in New Brunswick the interventions provided strong labour market returns. The workshops held the most potential. Based on earnings at age 23–24, participants from low-income families offered the opportunity to take part in the workshops saw an annual increase in income of \$1,669 compared to the control group; those offered the bursary saw an increase of \$660; and those offered both saw an increase of \$1,062. These estimates are the average earnings gains across all members of each research group, some of whom went to PSE and some of whom did not.

In New Brunswick, at least, the effects of encouraging young people to participate in postsecondary education, regardless of whether they graduate, “are substantial,” the authors said. In Manitoba, where the intervention did not lead to higher participation rates, no economic effects were apparent, indicating that interventions may yield different results in different settings, they added.

The authors noted that only a small portion of New Brunswick youth were offered the interventions (3,015 students). If the interventions had been offered to all students over multiple years, the combined earnings differential would have been significant, they said. What’s more, each Grade 9 cohort in Ontario is 20 times that of New Brunswick’s, offering the possibility of an even greater impact. “Access interventions hold remarkable potential,” the authors said. And it isn’t individuals alone who will benefit, they added; a portion of the returns will go to government in the form of higher tax revenues.

Education and Labour Market Impacts of the Future to Discover Project is written by Taylor Shek-wai Hui and Reuben Ford of the Social Research and Demonstration Corporation.