

## **The High Education / Low Income Paradox: College and University Graduates with Low Earnings, Ontario, 2006**

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Statistics Canada

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According to the 2008 report, *Education at a Glance* from the Organisation for Economic Co-operation and Development (OECD), the percentage of university- and college-educated workers who earned at or below half of the national median employment income (or \$16,917) was higher in Canada (and Ontario) in 2006 than most, if not all, key OECD countries.

Using Statistics Canada's Survey of Labour and Income Dynamics (SLID), the authors seek to understand the factors that contribute to low earnings situations as well as to identify which individuals are most at risk of not receiving high returns to their investments in postsecondary education.

The key factor explaining why some individuals fell into the low earnings category is the nature of their labour market attachment. Those who cited self employment as their main form of employment, those who listed another activity other than working, or those that listed both self-employment and not working as their main activity earned at or below half of the national median employment income.

After self-employment and non-working earners were removed, university- and college-educated workers in low earnings situations in 2006 comprised only 5 per cent and 8 per cent respectively, of the overall postsecondary-educated earners in Ontario.

### **About the Authors**

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