



NEW REPORT FINDS THAT RISK OF UNEMPLOYMENT VARIES BY COLLEGE MAJOR

Study also finds that some BA's outperform graduate degrees in the job market

(Washington, D.C., Jan. 4, 2012) – Unemployment figures show the jobless rate for recent college graduates with Bachelor's Degrees has been running at an unacceptable 8.9 percent. But, a new study from the Georgetown Center on Education and the Workforce finds that unemployment among job seekers with no better than a high school diploma is a catastrophic 22.9 percent – and an almost unthinkable 31.5 percent among high school dropouts.

So, is college still worth it? A major conclusion of the new report is that it all depends on your major. And while a college degree gives job seekers a formidable advantage over those without, the study points out, not all degrees are created equal, and there are a number of factors that prospective students should consider before sending off their college applications.

Choice of major determines unemployment. Risk of unemployment for recent graduates varies considerably depending on their major. The highest rate, the study found, is among Architecture graduates (13.9 percent) due to the collapse of the construction and home-building industries in the recession. Unemployment is generally higher for non-technical majors, such as the Arts (11.1 percent) or Social Sciences (8.9 percent).

What employed college graduates make also depends on what they take. Median earnings among recent college graduates vary from \$55,000 among Engineering majors to \$30,000 in the Arts, as well as Psychology and Social Work.

People who make technology are better off than people who use technology. For recent graduates in Math and Computing unemployment is low for specialists who can write software and invent new applications (6%), but still comparatively high (11.2 percent) for those who use software to manipulate, mine and disseminate information.

Unemployment is lowest where the ties between majors and occupations are highest. Unemployment rates are relatively low (5.4 percent) for recent graduates in Engineering, the Sciences, Education, or Healthcare related majors because they are tied to stable or growing industry sectors and occupations. Psychology and Social Work graduates also have relatively low rates (7.3 percent), because almost half of them work in the Healthcare or Education sectors.

At the same time, majors that are closely aligned with occupations and industries in low demand can misfire. For example, unemployment rates for recent college graduates who majored in Architecture start high at 13.9 percent and due to its strong alignment with the collapse in construction and housing, unemployment remains high even for experienced college graduates at 9.2 percent.

Consider a graduate degree. The overall unemployment rate for people with graduate degrees is just 3 percent. With the exception of Arts and Education, where pay traditionally has been low, workers with graduate degrees average between \$60,000 and \$100,000 per year, compared to a range of \$48,000 and \$62,000 for workers with Bachelor's Degrees.

Not all graduate degrees outperform all BA's on employment. For example, experienced college graduates in a healthcare field have lower unemployment rates than people with graduate degrees in every other field except the life and physical sciences.

The full report: *Hard Times, College Majors, Unemployment and Earnings: Not All College Degrees Are Created Equal* is available online at <http://cew.georgetown.edu/unemployment>.

The Georgetown University Center on Education and the Workforce is an independent, nonprofit research and policy institute that studies the link between individual goals, education and training curricula, and career pathways.