

No improvement in sight

Dismal job prospects for "the class of '77"

By ROY LA BERGE

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Canadians have been told they will have to lower their expectations if the economy is to recover from its current sluggish growth rate, and the current labour market is bringing this grim message home to thousands of graduating students in the "Class of '77."

It is estimated that 94,000 students will graduate from universities this year, and another 60,000 from community colleges and other post-secondary institutions.

Their employment prospects may be the worst facing any graduating class since the 1930s Depression and there is little likelihood they will improve in the near future.

In its midyear economic forecast, the Conference Board in Canada predicted a growth rate of only 5 per cent this year and 4.5 per cent in 1977. It foresaw a continuing weak labour market, with a 1977 average unemployment rate even higher

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than its 1976 estimate of 7.2 per cent.

If the Conference Board is right, that will mean the third consecutive year of more than 7 per cent unemployment - the rate was 7.1 per cent in 1975. With about 200,000 people leaving school to enter the labour market every year, the lowest unemployment rate so far in the 1970s was 5.4 per cent in 1974. That followed rates of 5.6 per cent in 1973, 6.3 per cent in 1972, 6.4 per cent in 1971 and 5.9 per cent in 1970.

Generally poor employment prospects were forecast in the midyear national survey by Manpower Temporary Services of Toronto. Of 1,318 companies responding, 69 per cent predicted no increase in employment, 3.3 per cent predicted decreases and only 21.5 per cent foresaw any growth in their labour force.

Canada makes no official count of unemployment - or underemployment - of each year's graduating class, but Statistics Canada, in its midyear labour force survey, found an unemployment rate of 10.2 per cent for labour force members in the 20 to 24 age category, in which most graduates fall.

Despite the lack of official data, there are many indications that job prospects are generally poor for the expected 32,000 arts and education graduates, but somewhat better for the approximately 10,000 graduates

in science, commerce, and business administration.

Many of the 2,700 law graduates are running into a tight labour market, and the 1,600 students expected to graduate from universities with nursing degrees face competition in a declining market from thousands of community college graduates.

Roger Worth, a writer for *The Financial Post*, has quoted a Canada Manpower official as saying that 25 per cent of the graduates from spring convocation still had not found jobs by mid-summer and that another 25 per cent were underemployed.

"Jobs aren't available even in the most specialized fields," the unidentified official was quoted as saying. "There are all sorts of cases where people with master's or doctor's degrees are driving cabs, waiting on tables or working as labourers."

Accurate measurements may be lacking, but newspaper reports across the country suggest Canada is not tapping the potential ability of many graduates. A PhD graduate in history, after applying unsuccessfully for 140 academic positions, took a \$3-an-hour job as a salesman in a tobacco store. An employer who advertised for a ware-house foreman got replies from seven masters of business administration. Hospitals from several southern states of the U.S. started successful staff recruiting drives in Ontario where hundreds of newly graduated nurses couldn't find work. One nursing graduate could not even find a job as a ward aide, her occupation before she entered nursing school. Some arts and general science graduates found jobs, but only after sending out from 150 to 200 resumes and following them up with telephone calls.

One master of science graduate from Carleton University in Ottawa decided to become an apprentice plumber to improve his potential earning power. Carleton president, Michael Oliver, says the graduate's choice of a career in plumbing does not disturb him. Oliver holds the view that while universities provide young Canadian adults with an opportunity to study, exchange ideas with academics, and perhaps come to a better understanding of themselves and their society, they are not necessarily places where people go to prepare themselves to hold jobs.

That view may be shared by other academics, but it is not the one held by hundreds of thousands of students who enter university to qualify for employment at above-average salary levels. These students will find little consolation in the findings of the Technical Service Council, a non-profit personnel consulting and placement service that makes

quarterly surveys of 1,500 employers from coast-to-coast, all in the private sector of the economy.

"The 1976 university graduating classes have been hard hit by the economic slump," the council reported. Its midyear survey found job openings for executives, accountants, scientists and other professionals down 25 per cent from mid-1975. The council attributed the decrease to slower growth of both consumer spending and capital expenditures by industry, as well as slow export sales and a decrease in hirings by government.

Prospects for arts and general science graduates ranged from "indifferent" to "poor", with some of the "class of '75" still unemployed.

The council reported that master's graduates in many disciplines, including business administration, were also finding job prospects poor, and most universities reported "poor" or "non-existent" job prospects for PhDs.

Otherwise, the council says, its current surveys appear to bear out predictions it made in mid-1975 in a 10-year forecast: good job prospects for business and commerce, chemistry and engineering graduates until the 1980s, when demand would decrease sharply. That survey found the bachelor or honours bachelor degree to be the qualification sought most by industry, and it predicted that master's and PhD graduates would have trouble finding employment.

The bleak prospect facing many PhDs comes as no surprise. Almost a decade ago, at hearings of a special Senate committee on science policy, it became apparent that surpluses of PhDs were developing in several disciplines. In 1971 and Economic Council of Canada economist found job prospects "uncertain" for PhDs in their traditional occupations. "There is no possibility that the 13,800 PhD graduates that can be expected in the next five years will be absorbed by universities in the traditional manner," wrote Max von Zur-Huehlen.

In the population boom that flooded Canadian campuses in the 1960s, the universities not only absorbed the PhDs graduating in Canada in that decade but also imported large numbers from abroad. That was during a period of rapid expansion, with enrolments increasing at an average 12 per cent a year, but those increases have slumped in the 1970s. There are few avenues of employment for PhDs outside universities. Von Zur-Huehlen found that foreign-owned industries were cutting back their research programs in Canada, and so was the federal government.

Some holders of new doctorates have found work as teachers in high schools and community colleges - which they regard as "under-utilization of their training." That avenue is not a broad one, for two reasons: community colleges cannot always meet PhDs' salary expectations, and many of the colleges "remained unconvinced that 'overtrained' research scientists have undergone the ideal preparation for their type of education."

On the job market, Canadian PhDs also face competition from a similarly qualified, but much greater number of PhDs produced by U.S. universities. von Zur-Huehlen says Canadian universities hold several attractions for U.S. graduates: "a two-year tax holiday, a shorter academic year, rapidly improving salary structures, a different social and political climate, and the possibility of achieving academic distinction and then returning to the United States when the opportunity



arose."

One result of the anti-inflation program has been cutbacks in government spending at all levels - federal, provincial, regional and municipal - throughout the country, aggravating an already bad employment situation. One cutback that particularly hurt the class of '76 was a reduction to \$24 million of the federal summer employment program for students.

In recent years, almost 1.5 million students have joined the labour force during their summer vacations, hoping to earn money to cover all, or at least part of the following year's education expenses. With the federal program cut this year, untold numbers face the prospect of not returning to their schools, and their continuing presence on the labour market may

Government spending cut backs have aggravated an already bad situation

mean extra competition for new graduates.

An NDP Member of Parliament, John Rodriguez, has estimated that 15 per cent of the students, or more than 225,000 didn't find any work at all last summer and hence didn't return to classes this fall. Nobody knows precisely how many students are unemployed because Statistics Canada dropped its annual survey of student summer employment last year, as a cost-saving measure.

While few universities conduct formal surveys of job prospects or graduates' employment, several campus officials have provided *The Labour Gazette* with reports on their experience with employers and 1976 graduates. One experience common almost everywhere is that graduates in education, nursing and several other health professions are having trouble finding professional openings because of government spending cutbacks in their fields.

W.H. Thomas, branch manager of the Canada Manpower Centre at McMaster University, Hamilton, Ont., found a noticeable drop in the number of employers who were recruiting on campus in recent years. He attributed this not only to the current labour market but also to the fact that many employers are hiring business or technological graduates of community colleges "and using them in areas where previously university graduates were in fact underemployed".

At McMaster, as elsewhere, arts, health science and social work graduates were not doing as well as engineering, computer science, chemistry, commerce and business administration graduates. Chemistry graduates were in

"average" demand, and the demand for biochemistry and biology graduates was only "fair". Thomas also noted "very little demand" for graduates in physics, pure mathematics and geology - "a decline from other years."

At Mount Allison University in Sackville, New Brunswick, E.D. Boothroyd, manager of the on-campus Manpower Centre, described the picture as "probably no different from other universities across Canada."

"BA. and B.Sc. graduates have been getting little attention from recruiters," he says. "They have no specific marketable skills, and wherever they apply they find others have been there before them." While teaching contracts had been signed by only about one third of bachelor of education graduates, employment prospects appeared "reasonable" for bachelor of commerce graduates.

The one campus that reports good prospects for its education graduates is Universite de Moncton in New Brunswick, largely because they are bilingual and there is a demand for teachers of French as a second language. Some of them, however, would be accepting teaching jobs in Quebec, Ontario and the Prairie provinces.

In its 1976 study of the Canadian labour market, the Economic Council of Canada found that many young people enter the market "with little appreciation of the world of work" and that part of their job dissatisfaction "seems to reflect a mismatching of their educational training and expectations with the realities of the jobs they are offered."

To young people who have been guided by parents, teachers, professors and guidance counsellors throughout their lives, it is a particularly shocking experience to have to seek work in the labour market of the late 1970s. They find little consolation in predictions by the Economic Council of Canada and Statistics Canada that job opportunities will improve in the 1980s.

On October 14, 1975, when Prime Minister Trudeau announced the anti-inflation program, he said he was asking the people of Canada "to accept tough limits on their behaviour so that our economy can recover, so that we can all be much better off than we would be if we allowed the economy to continue along its present destructive course."

Thousands of member of the class of '77 have had to accept the limits imposed on their behaviour by unemployment or underemployment, and they see little prospect of any improvement in their status.

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