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Moving south for better paid jobs?
The experience of the 2000 cohort of university graduates

University graduates do not appear to be moving to the United States for work in great numbers, according to a study of Canada's 2000 cohort of university graduates published recently in *Canadian Public Policy*.

This study revisits the question of Canada's brain drain, drawing on data from Statistics Canada's National Graduates Survey. It compares university graduates who were working in Canada in 2002, two years after graduating, with those who had found employment in the United States.

Only graduates with the most "exportable" qualifications and skills were included in the analysis. Even so, a mere 6% had taken up employment south of the border. The proportion would have been lower still had students with undergraduate degrees in fields *other* than health, engineering and computer sciences, very few of whom emigrated to the USA, been included in the calculations.

Although only a small group of Canada's 2000 cohort of university graduates moved to the USA for work, they included a disproportionate number with post-graduate degrees (Masters, PhD or equivalent) in health, IT and engineering. Whereas 20% of university graduates who remained in Canada had obtained a post-graduate diploma in one of these fields, this was the case for 40% of those who relocated to the United States.

In addition, over half of graduates moving to the USA for work had received a scholarship during their studies, compared with only one quarter of those who remained in Canada. Migrants were also more likely to be English-speaking, male, unmarried and without children.

At over $60 000 (in Canadian dollar equivalents), the average annual earnings were 24% higher in the USA than in Canada. The earnings gap was particularly large for graduates with an undergraduate degree in engineering or computer sciences; those who relocated to the United States were earning nearly 50% more on average than their counterparts in Canada.

In fact, IT and engineering graduates who were working in Canada – even those with an advanced degree - had the lowest earnings of all groups in the study two years after graduation. It is possible that, after the IT downturn in the late 1990s, many had been unable to find work in their field of study.

In contrast, health science graduates had the highest average earnings two years after graduation in both Canada and the USA.

For Canada's 2000 cohort of graduates, the brain drain was more of a trickle than a torrent – and more than compensated by the brain *gain* of highly educated immigrants entering Canada from the United States and elsewhere. The fact that this trickle was highly concentrated in only a few

important fields raises some important questions about employment opportunities within Canada's IT and engineering sectors.

Note: Summary prepared by Heather Juby, RDC Knowledge Transfer Coordinator, based on Zarifa, David and David Walters. 2008. Revisiting Canada's Brain Drain: Evidence from the 2000 Cohort of Canadian University Graduates. *Canadian Public Policy* 34(3):305-320.

For more information or to enquire about the concepts, methods or data quality in this study please contact David Zarifa at David.Zarifa@statcan.gc.ca, or Tel (613) 951-0722.

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