

Research [in] Brief

Early-Career Employment Advantage of a College Degree Dwindles



Primary issue

The financial advantages of a college degree have been cited as justification for individual and public investment in college access. The decline in the job-finding rate of college graduates in recent years, though, raises questions about whether the economic edge conferred by a degree is dropping.



Key findings

Prior to 2000, US college graduates consistently found jobs more quickly than high school graduates. Since then, that edge has gradually disappeared.

The decline in the job-finding rate has led to higher unemployment for young college grads and narrowed the unemployment gap with peers who have only high school diplomas and who historically have had higher jobless rates.

The timing of the decline in job-finding coincides with reduced labor market demand for skills specifically favoring college-trained jobseekers.



The bottom line

It remains to be seen if the greater difficulty in finding early-career jobs foreshadows an erosion of other advantages enjoyed by college graduates compared with high school graduates, including in job stability and compensation.

Want to find out more? Read “Are Young College Graduates Losing Their Edge in the Job Market?” at clefed.org/ec202514.

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