

# LMi INSIGHTS

## **Educational and Career Choices for Students and Parents: The role of labour market information**

### **Key Findings**

- Parents and students agree that the best time to start receiving labour market information is during high school.
- Almost two-thirds (62%) of current college and university students reportedly looked for labour market information before enrolling in their post-graduate degrees and believe it had a significant impact on their decision.
- The most sought-after types of information by college and university students before enrolling in post-secondary education were salaries and wages (63%), skill requirements (53%), and current job openings (49%).
- When asked how labour market information affected their careers, both students and parents said that it confirmed the student's choice to pursue a particular career or education path.

#### Introduction

As high school draws to a close, Canadian students are faced with a multitude of decisions. Crucially, they must decide whether to further their education and what kind of training (e.g., college, university, or technical) and what field interests them. If they choose to pursue post-secondary education or training, they must also decide on a program of study as well as which institutions to apply to. Often, the whole family gets involved in this decision-making process. Rightly so, since choices about higher education help launch individuals onto their future educational and career paths. In order to gain better insight into the needs, expectations, and sources for labour market information, we asked the people who actually make these important decisions — students from private and public colleges and universities and parents of students from high school to those finished with post-secondary (see **Box 1**).

### Labour market information: Impactful but hard to find

As outlined in LMIC's **Strategic Plan**, labour market information has the potential to inform key decisions affecting students' future career



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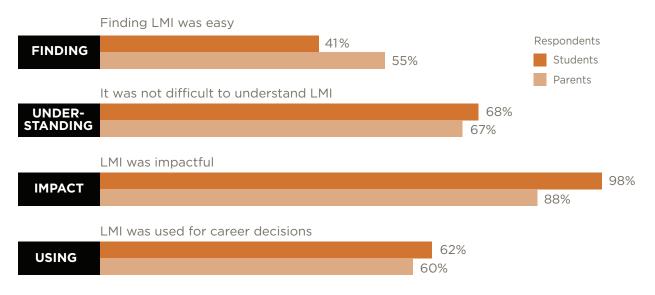
pathways. Close to two-thirds (62%) of students surveyed said they used labour market information before choosing a post-secondary program. Almost all of those who used it (98%) reported that it affected their decision of how to proceed. A majority of parents (60%) also used labour market information to advise their children on educational options and the labour market.

But what about the other third of students and parents? One possibility for why some do not use labour market information may be the current barriers to obtaining and interpreting it. In fact, the main challenge reported by both students and parents is the difficulty in finding relevant information. Almost 60% of students reported difficulty in finding information that meets their needs. Parents fared slightly better, with only 45% reporting difficulty in finding useful labour market information (see Figure 1).

## Box 1: Surveying parents and current college and university students

To better understand how Canadians use labour market information and what they find lacking in the current system, the Labour Market Information Council (LMIC) <u>surveyed nine distinct user groups</u>. Two of these user groups were 1) parents and 2) current college and university students, each surveyed independently of one another. The surveys were designed to represent each province and territory as well as urban and rural communities. This issue of *LMI Insights* reports on the survey results from both current post-secondary students and parents across Canada.

## Figure 1. Percentage of parent and current student responses on finding, understanding, the impact of, and the use of labour market information



Note: Responses related to either finding or understanding job market information were aggregated for the finding, understanding and using sections, the graph present the % of responds who selected 'not at all difficult' and 'not very difficult'. For the impact section, the graph presents the % of respondents who selected 'not a big impact', 'some impact' or a 'big impact'

# Communicating labour market information: Sooner than later

When asked about the best time to start receiving labour market information, most parents (63%) and students (54%) said that the ideal time is during high school (see Figure 2). Recent studies from the OECD confirm that early career education encourages students to explore their interests as well as help them match their expectations with the realities of particular jobs. The good news is that 87% of parents with children in high school reported having either some or many discussions regarding career planning.

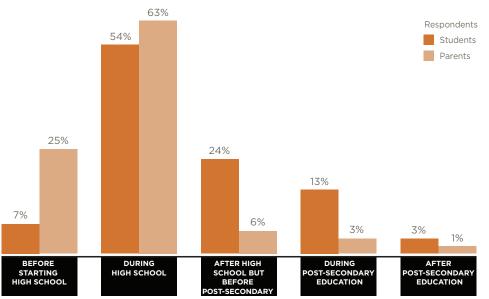
This echoes **recommendations** from Canadian career practitioners about providing students with earlier access to career development, even prior to high school. In order for these efforts to be successful, career guidance should address the different levels and diversity of exposure that students may have to careers, occupations, and workplace environments (e.g., through working part-time, interning, or co-op placements). Information that is relevant to some might not be as relevant for others. Providing successful career guidance by building upon each student's knowledge year by year means that students can manage their own careers by the time they leave school.

# Determinants of labour market information: What, where, and why

In order to ensure that students are exposed to relevant labour market information early in their educational and career pathways, it is important to understand why they choose particular postsecondary programs. Additionally, it is helpful to know what information they seek to make these decisions and the sources they use to obtain it. The **survey results** indicate that the main determinant of student decisions regarding which program to attend is their own personal interests (67%) followed by future employment opportunities (59%; see **Figure 3**).

The most frequently selected go-to sources for labour market information among current students are friends and family (47%). This aligns





with the main determinant in choosing postsecondary education, since personal networks can both support self-discovery through personal interests and provide digestible information about the labour market. The next most popular sources of labour market information for students are job advertising websites (43%) and social media (40%).

The most sought-after types of information by students before enrolling in their post-graduate degrees included salaries and wages (63%), skill requirements (53%), and current job openings (49%). After graduating, students also consider information on benefits (49%) and workplace environment (44%) as they go searching for their first career-oriented jobs.

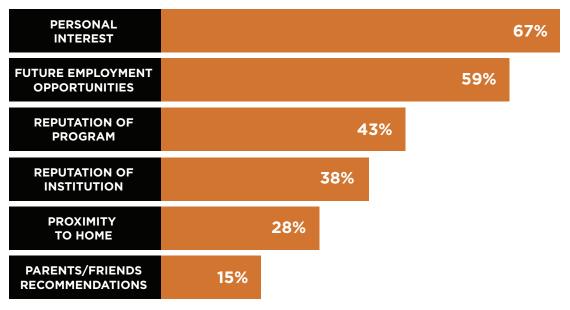
Although numerous statistical programs collect information on wages, finding relevant information can be **challenging** due to delays in publication, lack of detail, and a lack of information on job benefits. When asked what they felt were the greatest limitations in gathering labour market information, students reported a lack of insight into the future (27%) and out-of-date or inapplicable information (24% each).

# The role of labour market information in student choices: Just to confirm?

When asked to describe the effect labour market information had on their careers, both students and parents most often described it as confirming the student's choice to pursue a particular career path (see **Figure 4**). These results are important because they highlight the fact that, in many cases, labour market information reinforces preexisting notions of particular educational and career paths.

These results also highlight another important dynamic that can inform how students absorb labour market information: social and family networks. Close to half of students cited "friends and family" as their source for labour market

## Figure 3. Personal interest and future employment opportunities are central to the decision-making process



Percentage of students who report the following reasons as "very important" in choosing their post-secondary experience information — the highest percentage observed. Similarly, more than 60% of parents cited "family" when asked about who their children can rely on for career advice other than their educational institution.

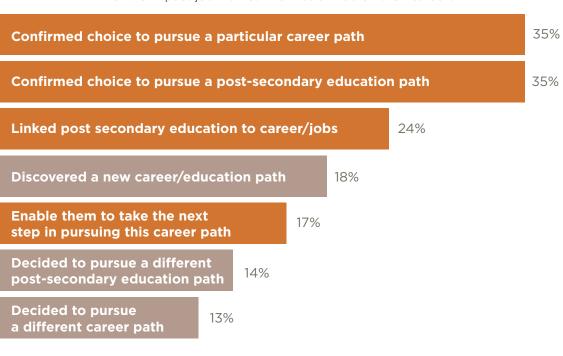
The two most cited sources used by parents to inform their children about the labour market were job boards and friends and family, again indicating that not only do children rely on parental career advice, but parents themselves also rely on the anecdotal evidence provided by their own personal networks.

### The Way Forward

Post-secondary education is typically the largest human capital investment that Canadians will make. It is crucial, therefore, to understand how these decisions are made to ensure that Canadians have the information they want and need, and in a format that supports and enables their decision making. The survey results presented here provide a first step towards better understanding the use, challenges, types, and sources of labour market information sought by both students and their parents.

Moving forward, we are conducting more indepth, qualitative research into decisions about post-secondary education. The focus will be on refining our understanding of the shape and form of the top labour market information needs of people considering if and how best to pursue post-secondary education. At the same time, a rich ecosystem of career practitioners, educational and community actors works to support students and provide them with reliable labour market information. Our intent is to provide the intermediaries with reliable, timely, and granular information that students are seeking and to support the ecosystem with powerful insights on how students want to access information to support their decisions.

## Figure 4. Students believe that labour market information played a confirmatory role in their career choices



Percentage of students who reported the following categories as representative of the impact job market information had on their careers

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For more information about this issue of *LMI Insights* or other LMIC activities, please check out our Publications page. You may also contact Elba Gomez Navas at **elba.gomez@lmic-cimt.ca** or Tony Bonen (Director, Research, Data and Analytics) at **tony.bonen@lmic-cimt.ca**.

Check out the **survey dashboard** and previous editions of **LMI Insights** discussing the needs, challenges, and difficulties of finding labour market information. Additional results will be made available as analyses are completed.