



JOB MARKET FOR GRADS BEST IN YEARS

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As college seniors get ready to enter the job market this summer there are more opportunities than in recent years, but many positions may not offer long-term career opportunities.

A recent labor market report from the Department of Labor showed that 274,000 new jobs were created in April, far more than economists expected.

The increase in available jobs comes as nearly 2 million graduates prepare to receive their degrees this spring. More than 1.3 million will earn their bachelor's degrees and another 670,000 will earn associate's degrees or other two-year credentials.

The job market for new graduates

So how does this hiring season look, and what's the larger economic climate for young adults entering the workforce?

Unlike past years when the job market was weak and graduates had a hard time finding jobs, employers are hiring 13 percent more than they were last year, according to Marilyn Mackes, director of the National Association of Colleges and Employers.

Employers also are paying slightly higher salaries. In industries like computer science, computer engineering and information systems, the association's regular survey of more than 2,000 employers showed that salaries have increased by between 7 percent and 10 percent from last year.

"They are also improving benefits," Mackes said. "For example, more than 40 percent are going to be offering signing bonuses. There will be increased benefits in terms of whether it's vacation or ... recreational facilities."

The long-term outlook

Despite signs of an improved job market, college graduates still face an uphill battle finding permanent employment and earning enough money to pay off costly student loans.

"The statistics don't necessarily jibe with what people are seeing out there on the street because if you're getting out of school this month and you're looking at job Web sites, you're going to see new phrases like 'long-term temporary' or 'temporary to permanent'," said Anya Kamenetz, a

writer for the Village Voice in New York whose column "Generation Next" monitors economic prospects for young people.

According to Kamenetz, employers are cutting costs by creating temporary positions that don't come with health care benefits.

"The worry that they have is not 'can I find a job?' but 'is it going to be a solid job, a real job with benefits and real prospects for advancement?'"

About 30 percent of the job market is in temporary and part-time jobs, according to Kamenetz.

Student loan debt

At the same time, students are graduating with larger school loans to pay off.

Graduates of four-year colleges carried an average balance of \$23,485 in student loan debt and had monthly payments of \$184, according to a 2004 survey by Collegiate Funding Services, a student loan servicing company.

"Surveys are showing that people are postponing big decisions like buying a car or buying a house, and they may be constrained in looking for a job or in perhaps moving to a new city, even in starting a family because of the debt that's weighing them down," Kamenetz said.

"When you have an obligation like that ... you can't necessarily take the kind of risks and the kind of bold entrepreneurship that ... is really important to getting ahead in today's competitive market."

A grad's perspective

Lindsay Faulkner, a 22-year-old English major graduating from Fordham University in New York in May, is surprised how many temporary jobs are listed.

"I've been seeing a lot of entry-level stuff and stuff that's on a temporary basis for one or two years. Some of the jobs I've seen available I just know that after four years of college I'm just not interested."

But, unlike many of her friends, Faulkner does not have a large amount of debt to pay back.

"I owe like \$5,000. I don't owe that much at all. I'm really lucky," she said. "I know a lot of people who have some amazing bills they're going to have to pay when they leave. I feel really lucky that I don't have to deal with that but I feel badly for my friends that do."

-- *Compiled by Kristina Nwazota for NewsHour Extra*

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