

Bloomberg

MOST US COLLEGE GRADS DON'T WORK IN THE FIELD THEY STUDIED, SURVEY FINDS

A quarter of grads over the age of 25 make less than \$35,000 a year, with many close to the poverty level.

By Paulina Cachero
April 18, 2022

With student-loan debts ballooning, American parents may be debating whether or not a college degree is worth the five-, sometimes six-figure price tag.

Here's a statistic that may give some pause: More than half of college graduates over the age of 25 don't work in their field of study, according to a new survey from Intelligent.com.

The survey also found that 25 percent of respondents earn less than \$30,000 a year, while approximately one out of seven earned less than \$15,000 per year. An individual annual income of \$14,097 is considered below the federal poverty threshold.

The disparity between fields is stark. Nearly 40 percent of business, engineering, biomedical science and computer science majors earned more than \$90,000 annually, while more than 40 percent of social science, communication, education and art majors earn less than \$45,000. The survey, done in late March, polled 1,000 Americans over the age of 25 with either a four-year or postgraduate degree.

Since the pandemic, college enrollment has been dropping due to remote learning and obstacles for international students to get to the U.S., among other factors. The impact of roaring inflation, which hit 8.5 percent in March, may exacerbate the decline as families find it more difficult to save for their children's education.

Simultaneously, the cost of higher education continues to rise every year. In the 2021-22 school year, the average tuition and fees for fulltime undergrads in a four-year program rose 2.1 percent to \$38,070 at private universities and climbed 1.5 percent to \$27,560 for out-of-state students at public schools before adjusting for inflation, according to the College Board.

As the costs for higher education balloon, wages for average American workers haven't kept up. As a result, more borrowers, particularly millennials and Gen Z, have had to take on more debt than previous generations. The average student loan debt increased 4.5 percent between 2020 and 2021, with public-school graduates borrowing an average of \$30,030 for a bachelor's degree, according to the Education Data Initiative.

Out of the college grads surveyed, nearly half live paycheck to paycheck. Many reported putting off major financial milestones like buying a home or a car because they couldn't afford it, and 29 percent said they were uncertain that they'll be able to pay their rent or mortgage every month.