

**Economic Benefits of Studying Economics in Canada:
A Comparison of Wages of Economics Majors with those in Other
Disciplines Circa 2005**

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Abstract:

In universities across many western countries, student enrolments in economics discipline rose sharply towards the end of last decade but not in Canada. One reason for this outcome may be the continued perception of Canadian students of a lower economic reward to an economics degree. Using micro data from the 2006 census, we perform a comparative analysis of the wages earned by university degree holders in 50 disciplines in relation to economics. At undergraduate level, economics majors earned the 9th highest average wage in 2005, after controlling for demographic variables. On average, after controlling for demographic differences, workers whose wages were below those of economics majors earned about 16 percent lower while those who earned above economics majors earned about 10 percent higher. Similarity of their wages with physical science majors and their wage advantage over political science majors are also striking findings of this study. At graduate level, economics majors have greater wage advantage over other disciplines except for the business majors.

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