

College grads take low-wage jobs, displace less educated

By Katherine Peralta, Bloomberg

Jeanina Jenkins, a 20-year-old high-school graduate from St. Louis, is stuck in a \$7.82-an-hour part-time job at McDonald's Corp. that she calls a "last resort" because nobody would offer her anything better.

Stephen O'Malley, 26, a West Virginia University graduate, wants to put his history degree to use teaching high school. What he's found instead is a bartender's job in his home town of Manasquan, New Jersey.

Jenkins and O'Malley are at opposite ends of a dynamic that is pushing those with college degrees down into competition with high-school graduates for low-wage jobs that don't require college. As this competition has intensified during and after the recession, it's meant relatively higher unemployment, declining labor market participation and lower wages for those with less education.

The jobless rate of Americans ages 25 to 34 who have only completed high school grew 4.3 percentage points to 10.6 percent in 2013 from 2007, according to Bureau of Labor Statistics data. Unemployment for those in that age group with a college degree rose 1.5 percentage points to 3.7 percent in the same period.

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