

# Changes in Starting Salaries of College Graduates

February 2021



Are the starting salaries of college graduates rising?  
What jobs receive high wages?

The Income Status Focused on College Graduates  
- From Humanities to Arts and Sports

## Changes in the Starting Salaries of College Graduates

An illustration of four graduates in black caps and gowns, celebrating. They are holding diplomas and bouquets. The background is light blue with several graduation caps floating around.

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Employment Statistics on the Graduates of Tertiary Educational Institutions<sup>1)</sup> is being used as an important basic data to guide youths' career by understanding the college graduates' entrance to the society, such as employment and attending school. Since 2018, by strengthening the ties with public institutions, various data that can be analyzed further were obtained, and as of December 2020, a total of 3 detailed information (job search period, company type, industry type, job location, starting salary, etc.) were released.

Among the detailed job information, information on the monthly average income, median income and the number of workers in each income bracket were included in the status on starting salaries of the people with workplace health insurance. In this edition of Educational Issues, we looked into the starting salaries of people with workplace health insurance for 3 years, among the college graduates.

### 1. Status on the Starting Salaries of College Graduates

Among undergraduate college graduates, the average monthly income of people with workplace health insurance was 2.315 million won and the median income was 2.022 million won in 2017, and the most was distributed in the income bracket of 1~2 million won. 2018 also showed similar trend as the previous year, but the average monthly income was 2.416 million won and the median income was 2.15 million won in 2019, which was increase of 101,000 won and 128,000 won from 2017, respectively. Also the most was distributed in the income bracket of 2~3 million won in 2019. This indicates that the starting salary of college graduates have improved overall.

Moreover, with the increase in minimum wage, the ratio of people in the less than 2 million won bracket is decreasing each year (48.2% in 2017 → 47.8% in 2018 → 39.3% in 2019), and the more than 2 million won bracket is increasing each year (51.7% in 2017 → 52.2% in 2018 → 60.6% in 2019).

<Table 1> Status on Average, Median Income and by Income Brackets (Undergraduate)

(Unit: %, 10,000 won)

Year	Status by Income Bracket					Average Income	Median Income
	Less than 1 million won	1~less than 2 million won	2~less than 3 million won	3~less than 4 million won	4 million or more		
2017	3.4	44.8	33.8	10.9	7.0	231.5	202.2
2018	3.0	44.8	34.4	13.0	4.8	227.8	200.0
2019	2.4	36.9	39.6	15.0	6.0	241.6	215.0

**Note** 1) Survey Base Date: December 31 of each year

2) Average Income: The sum of all income divided by the number of people subjected to the analysis

3) Median Income: Amount in the middle when the income is ranked

4) The type of colleges included in undergraduate are junior college, university, university of education, industrial university, various colleges and polytechnic college

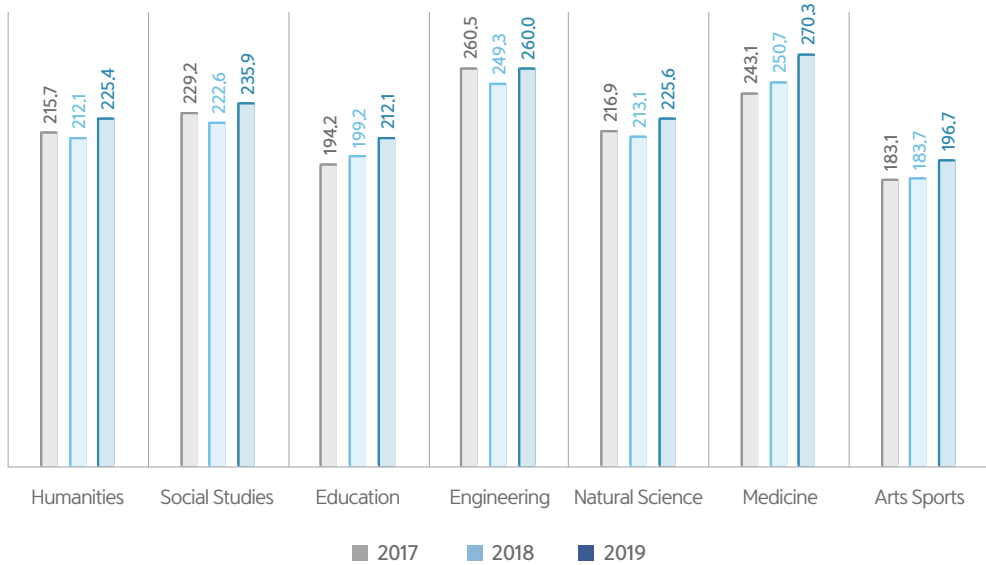
## 2. Status on Starting Salaries of College Graduates by Area

In comparing 7 areas, the areas with the highest monthly average income were medicine (2.7 million won in 2019) and engineering (2.6 million won in 2019), and they were 287,000 won and 184,000 won higher than the overall average monthly income of all graduates (2.4 million won in 2019), respectively. On the other hand, the area with the lowest monthly average income was arts & sports (1.967 million won in 2019), 449,000 won lower than the overall average monthly income of all graduates.

Also, the average monthly income of education, medicine and arts & sports areas increased for 3 consecutive years. The average monthly income increased 272,000 won for medicine, 179,000 for education and 136,000 won for arts & sports, from 2017 to 2019.

[Diagram 1] Status of Average Monthly Income by Area over 3 Years (Undergraduate)

(Unit: 10,000 won)



The ratio by each income bracket of 7 areas shows most distribution in 1~less than 2 million won bracket for humanities, social studies, education and art& sports areas, but ratio of such bracket decreases each year, and the ratio in the 2~less than 3 million won bracket is increasing each year.

Engineering and medicine areas, with high average income, has highest ratio in 2~less than 3 million won bracket, but the ratio for 1~less than 2 million won bracket is decreasing greatly, whereas the ratio for 3~less than 4 million won bracket is increasing greatly.

The natural sciences area had the most in 1~less than 2 million won bracket during 2017 and 2018, but in 2019, it had the highest ratio in 2~less than 3 million won bracket.

<Table 2> Status on Average, Median Income and  
Income Brackets by Areas (Undergraduate)

(Unit: %, 10,000 won)

Area	Year	Income Bracket Status					Average Income	Median Income
		Less than 1 million won	1~less than 2 million won	2~less than 3 million won	3~less than 4 million won	4 million on or higher		
Humanities	2017	4.6	50.4	30.9	9.5	4.6	215.7	190.0
	2018	4.4	49.9	32.6	9.9	3.1	212.1	191.3
	2019	3.1	42.0	39.6	11.0	4.3	225.4	204.6
Social Studies	2017	3.9	47.0	32.2	10.4	6.6	229.2	198.2
	2018	3.9	48.6	32.0	10.6	5.0	222.6	194.6
	2019	3.1	40.3	38.5	11.7	6.4	235.9	207.1
Education	2017	4.1	61.2	29.5	3.7	1.5	194.2	170.3
	2018	3.2	60.6	30.1	5.2	0.9	199.2	175.2
	2019	3.3	52.3	38.3	5.1	1.0	212.1	192.9
Engineering	2017	2.4	32.9	38.3	15.0	11.4	260.5	231.4
	2018	1.8	33.6	39.1	19.0	6.5	249.3	225.0
	2019	1.5	27.6	42.9	20.6	7.4	260.0	235.0
Natural Science	2017	4.2	50.3	31.3	9.3	4.9	216.9	191.0
	2018	3.3	49.8	34.1	9.9	2.9	213.1	193.5
	2019	2.8	41.1	41.3	11.0	3.8	225.6	205.0
Medicine	2017	1.3	36.7	42.0	13.1	6.9	243.1	227.3
	2018	1.0	33.8	40.3	18.3	6.6	250.7	231.5
	2019	0.7	25.2	40.6	24.1	9.4	270.3	255.2
Arts & Sports	2017	6.9	66.9	19.9	4.2	2.1	183.1	165.0
	2018	5.9	67.3	21.8	3.5	1.5	183.7	171.6
	2019	4.9	59.1	29.9	4.5	1.7	196.7	184.6

**Note** 1) Survey Base Date: December 31 of each year

2) Average Income: The sum of all income divided by the number of people subjected to the analysis

3) Median Income: Amount in the middle when the income is ranked

4) The type of colleges included in undergraduate are junior college, university, university of education, industrial university, various colleges and polytechnic college

5) The area classification applied the [Sourcebook of Yearly Major Classification (Korea Educational Development Institute)]

The biggest characteristic on the changes to the starting salaries of college graduates over 3 years was the fact that the average monthly income has increased due to increase in the minimum wage and the ratio has shifted from 1~less than 2 million won bracket to 2~less than 3 million won bracket. However, a gap between the average monthly income still exists between the majors. Therefore, a career and employment guidance needs to be strengthened according to the majors and more jobs appropriate for adolescents must be prepared.

### References

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- Korea Educational Development Institute (2018). 2017 Employment Statistics on the Graduates of Tertiary Educational Institutions
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