

Graduates find mixed results in labour market

March 11 2013



New research on the absorption of recent graduates into the labour market has revealed wide differences in how readily graduates from various fields of study and university groups find jobs to match their level of education.

A research paper jointly written by The University of Western Australia's Ian Li and Curtin University's Paul Miller and published in the March issue of *The Australian Economic Review*, examines how much the field of study and type of university attended - whether from the Group of Eight, Australian Technology Network, [Innovative Research Universities](#) or others - contributes to an education-job match or mismatch.

It found a large proportion of graduates are employed in jobs which require a lower level of education than a university degree, and that this kind of over-education can result in a 12 per cent reduction in earnings.

The study, which used data from Graduate Destination Surveys circulated to graduates every year from 1999-2009, found that nurses are the least likely group to be over-educated, while those in the natural and physical sciences are the most likely to be over-educated.

"The results showed a large disparity according to the field studied," said Assistant Professor Li, of UWA's School of [Population Health](#). "In comparison to the benchmark category of management and commerce graduates, nurses were 46 per cent less likely to be over-educated, while natural and physical science graduates were 12 per cent more likely to be over-educated."

The data was collected four months after degree completion and does not show longer-term outcomes.

The study also looked at whether the institution attended made a difference to over-education and earnings outcomes. It found that universities belonging to the prestigious Go8 - which includes UWA - and to the Australian Technology Network had an edge in supplying graduates who ended up in jobs which matched their qualifications.

"It tells us that university of graduation does make a difference, although the effects are modest," Assistant Professor Li said. "[Graduates](#) from Go8 universities and ATN universities were less likely to be over-educated and there were also small positive earnings affects with those institutions. However, no individual university group comes across as being superior in terms of all the members having relatively high estimated earnings effect."

More information: [onlinelibrary.wiley.com/doi/10...
62.2013.00713.x/full](https://onlinelibrary.wiley.com/doi/10.1002/9781118400000.ch62)

Provided by University of Western Australia

Citation: Graduates find mixed results in labour market (2013, March 11) retrieved 26 June 2024
from <https://phys.org/news/2013-03-results-labour.html>

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