

What do students earn after their tertiary education?

New data from the Employment Outcomes of Tertiary Education (EOTE) dataset

About EOTE

- A dataset linking individual data on tertiary education with Linked Employer-Employee Database (LEED).
- LEED holds individual data on employment and income, and information about firms.
- Inter-agency project: Managed by SNZ – involving SNZ, MoE, DoL, TEC, NZQA and IRD.

About EOTE

- Tertiary education data includes both provider-based and workplace-based, and is linked by the National Student Number.
- Extremely rich unit-record administrative data, with near 100% coverage of formal post-secondary learning.
- Around 90% of these records linked to LEED using names, dates of birth and gender.

About EOTE

- Provides unique opportunity to track and compare employment and income experiences for different types of tertiary learning.
- Currently has 5 years of post study data for provider-based students (2003-2008), 7 years for workplace-based (2001-2008).
- Limitations: No information on occupation, hours worked, and limited information on prior tertiary attainment. Short time-series currently.

About EOTE

First release was in September 2009:

- report on potential new official statistics
- a research report on provider-based study
- a research report on workplace-based learning
- feasibility and technical assessment reports

More info on SNZ website.

Current and possible future EOTE research

- Pathways of labour market engagement (for eg international students, youth, women, PhD. graduates).
- Earnings benefits for older workers.
- Take up of workplace training in businesses.
- Employment during study.
- Productivity benefits from training.

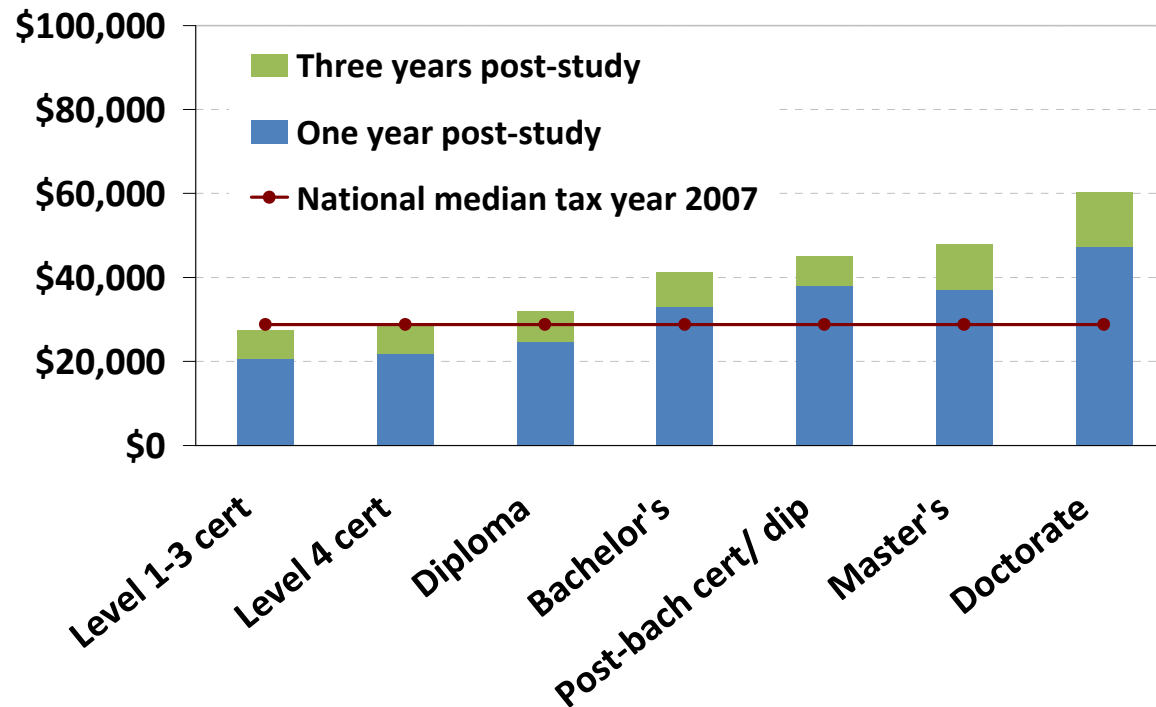
- and much more...

What do students earn after their study?

Study looked at 1-3 year post-study earnings for 30,000 young students last enrolled at a tertiary provider in 2003

- What were the earnings for different levels of study?
- What were the earnings for different fields of study?
- How much difference did completing a qualification make?
- Were there benefits to passing courses without gaining qualifications?
- Did it matter which type of provider you studied at?

Earnings by level over time – young completers



Earnings for young completers leaving in 2003

After 3 years:

- bach 51% > cert
- bach 30% > dip
- mast 16% > bach
- phd 46% > bach

Earnings by level – young leavers 3-years post study

Level of study	Median earnings (\$)		Proportion of the national median	
	Completing	Not completing	Completing	Not completing
Level 1-3 certificate	27,400	25,500	0.95	0.89
Level 4 certificate	28,500	26,800	0.99	0.93
Diploma	31,900	29,100	1.11	1.01
Bachelor's	41,300	32,100	1.43	1.11
Post-bach cert or dip	45,000	46,800	1.56	1.63
Master's	47,800	43,300	1.66	1.50
Doctorate	60,300	s	2.09	s

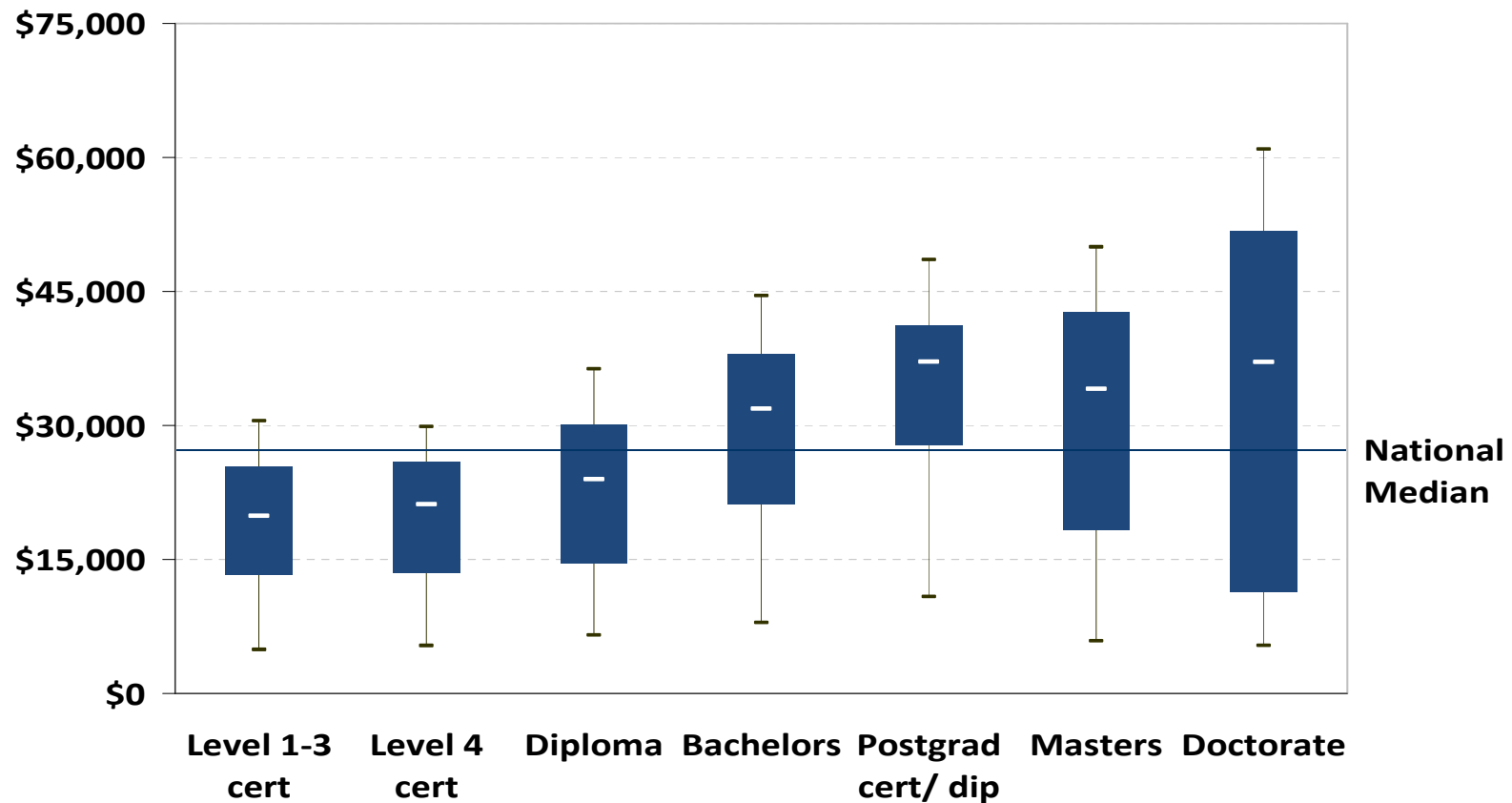
s = not reported due to small numbers

Earnings premiums for young completers

Level of study	Three-years post study	
	Actual	Adjusted
Level 1-3 certificate	1.00	1.00
Level 4 certificate	1.04	1.16**
Diploma	1.16	1.14**
Bachelor's	1.51	1.27**
Post-bachelor's cert or dip	1.64	1.30**
Master's	1.74	1.37**
Doctorate	2.20	1.83**

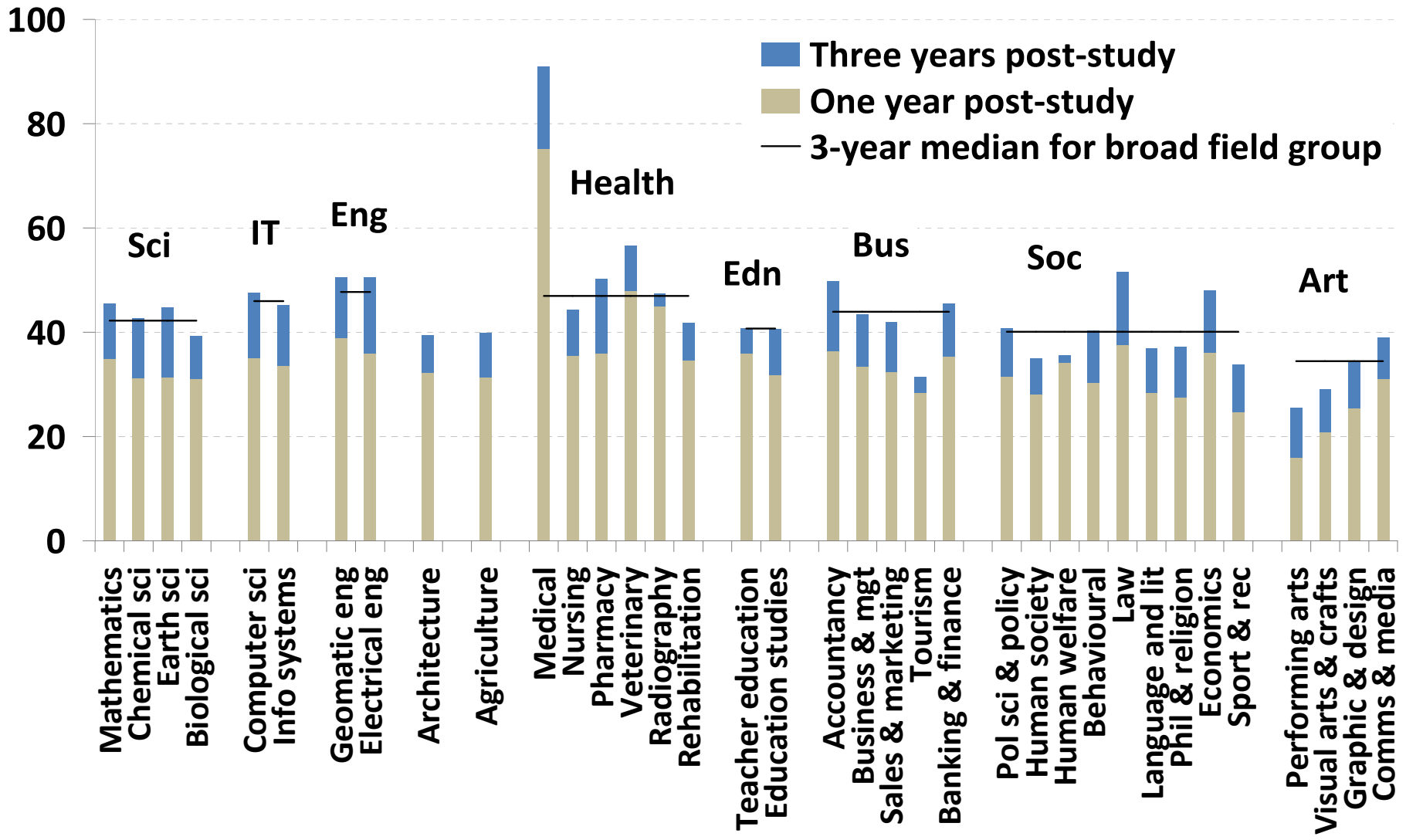
** statistically significant at 5% level

Distribution of earnings by level 1-year post study



Bachelors degree earnings by field of study

Earnings (\$000)



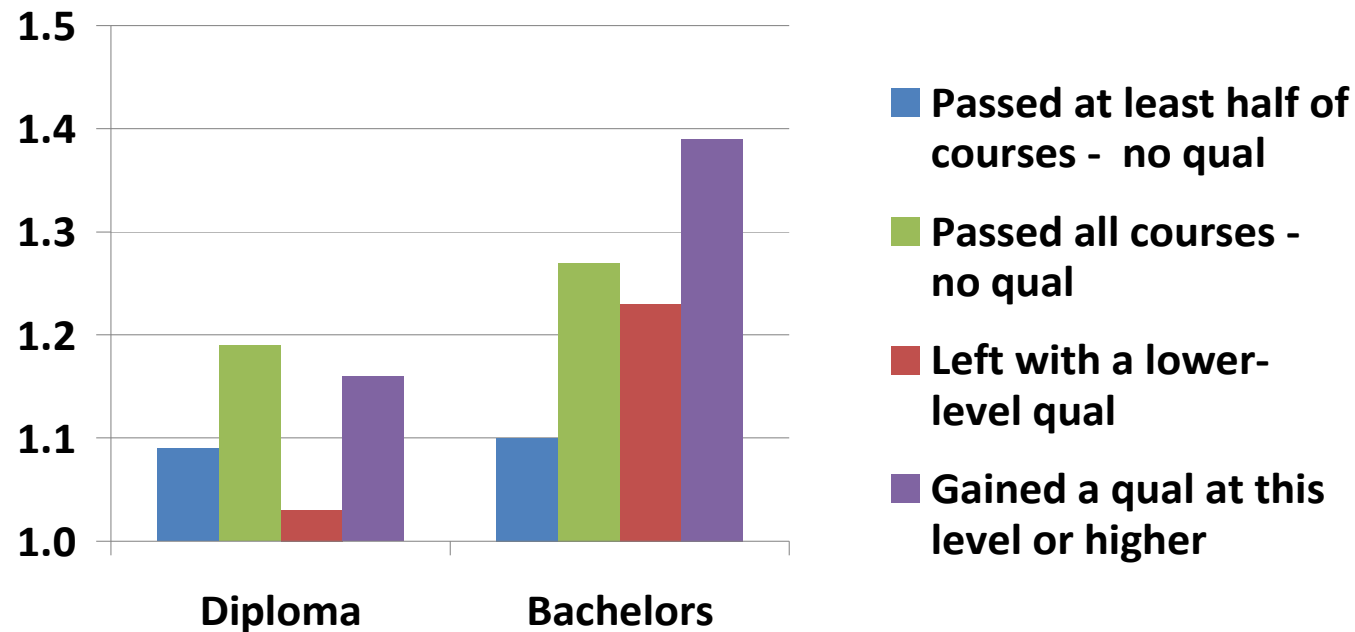
Bachelors degree - field of study premiums

Field of study of graduate	Earnings premium 3-years post study compared with humanities
Medical studies	2.59 times more
Veterinary studies	1.61 times more
Law	1.47 times more
Electrical engineering	1.44 times more
Computer science	1.36 times more
Nursing	1.26 times more
Biology	1.12 times more
All other science subjects	1.22 to 1.30 times more
Teaching	1.16 times more
Communication and media studies	1.11 times more
Tourism, performing arts, visual arts, and graphic and design subjects	between 10 and 20 percent less

Field of study

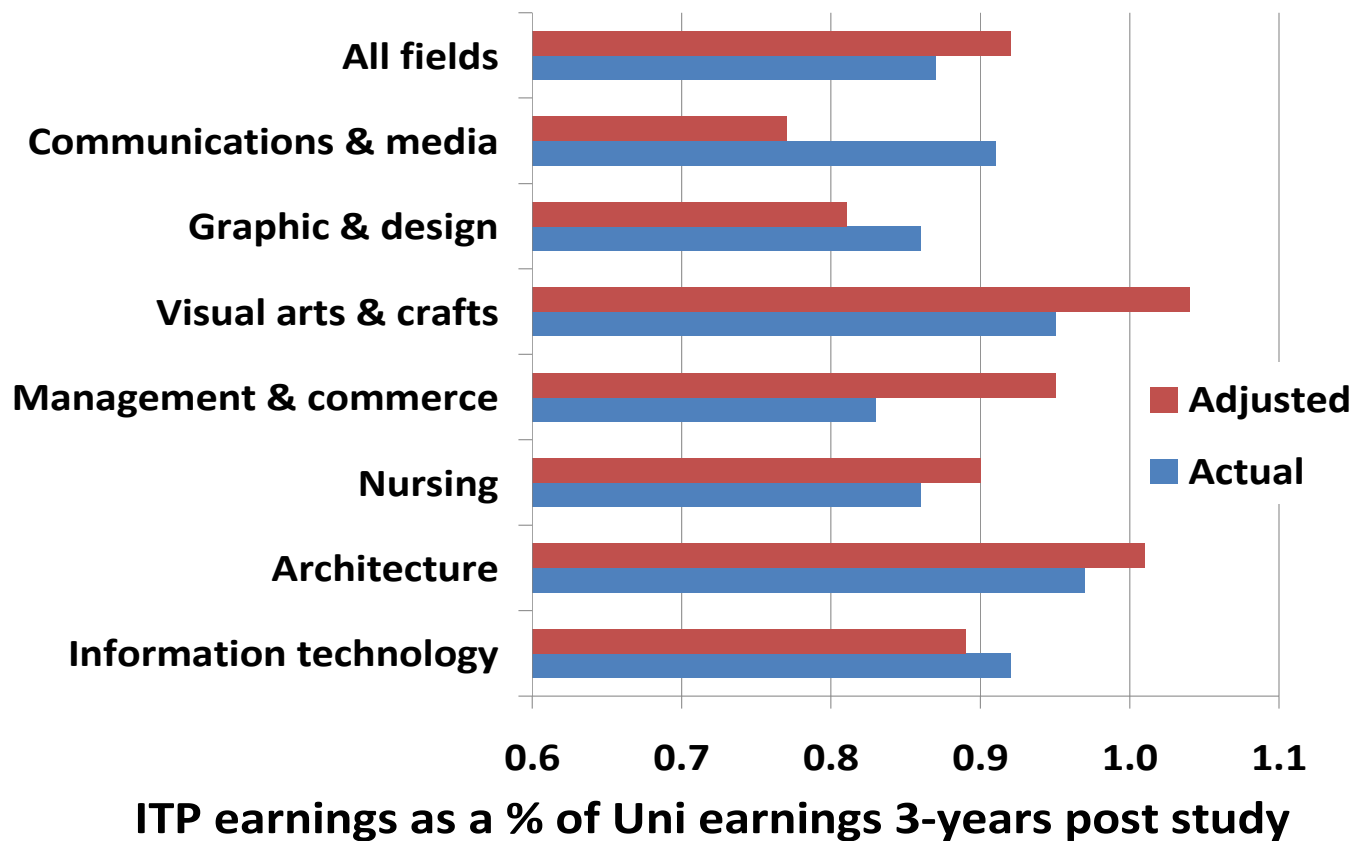
- Engineering, information technology, architecture and building, and health earned the most.
- Science, or management and commerce were in the middle range of earnings.
- Society and culture, creative arts, and food, hospitality and personal services earned less.
- Education starts higher, but after three years earnings similar to middle-earning fields.

Course versus qualification completion



Earnings premium 3-years post study compared with those who failed all or most courses

Bachelors degree – ITPs and Universities



Where to go to get more

- More on EOTE at Statistics NZ website
- www.stats.govt.nz

- More on education information at MoE's Education Counts
- www.educationcounts.govt.nz