

Media Release

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Embargoed until 11:30 pm, Friday 12 December 2008

Graduate employment prospects on a high before the global economy's low

The initial results of the national 2008 Australian Graduate Survey (AGS) suggest that employment prospects for new bachelor degree graduates were the strongest they have been since 1990 in the period immediately prior to the recent global economic downturn.

Early results from the AGS show that of bachelor degree graduates who were available for full-time employment

- 85.2 per cent were in full-time employment within four months of completing their degrees;
- 9.6 per cent were working on a part-time or casual basis while continuing to seek full-time employment; and
- 5.2 per cent were not working and still looking for full-time employment at the time of the survey.

These figures represent the late 2007 and early 2008 labour market for new graduates and are the strongest since 1990. While a decline in graduate employment prospects is now possible due to the global economic downturn, these figures indicate that there was a good deal of confidence in the graduate labour market in the period covered by the survey.

Other key results include

- The median annual starting salary for new Australian resident bachelor degree graduates aged less than 25 and in their first full-time employment in Australia was \$45,000, representing 80.9 per cent of the annual rate of male average weekly earnings (\$55,600 at the time of the AGS).
- Overall satisfaction with courses as measured by the Course Experience Questionnaire (CEQ) remains at a high level, with 88.4 per cent of graduates expressing broad satisfaction with their courses.

Ms Cindy Tilbrook, Executive Director of GCA, said, "While we see yet another improvement in these graduate employment figures, prospects for new graduates are in a state of flux. The next AGS will possibly reflect a decline; however the degree to which figures might fall is impossible to predict. There are still underlying demographic characteristics, such as the 'ageing' of our workforce, which may mitigate some of the potential adverse impacts of the current economic downturn. Additional research GCA has conducted with graduate recruiters suggests that while some have plans to reduce their intake, others plan to recruit similar numbers for the coming year while others are taking a 'wait and see' approach. It is likely that the picture will become clearer in the first quarter of 2009."

She added, "Notwithstanding these uncertainties and in view of recent skills shortages, it is a good time to be recruiting graduates if other recruiters are hesitating in their plans or withdrawing from the labour market altogether."

Further information and comment

For more detailed AGS findings, including statistics on full-time study, starting salaries, university course satisfaction, see the attached Media Backgrounder or members of the public can download copies of *GradStats* and *The Grad Files* (free of charge) by going to www.gradcareers.com.au.

For comment please contact Cindy Tilbrook, GCA Executive Director: (03) 9605 3740 / 0438 988 772 or Bruce Guthrie, GCA Research Manager, on (02) 6367 5347 or 0418 25 3530.



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Employment

Early results from the 2008 AGS show that of bachelor degree graduates who were available for full-time employment, that is, those who were in or looking for full-time employment (*see Table 1a in GradStats*)

- 85.2 per cent were in full-time employment within four months of completing their degrees (up from 84.5 per cent last year);
- 9.6 per cent were working on a part-time or casual basis while continuing to seek full-time employment (down from 10.5 per cent last year); and
- 5.2 per cent were not working and still looking for full-time employment at the time of the survey (5.0 per cent last year).

These figures represent the late 2007 and early 2008 labour market for new graduates and are the strongest since 1990. While a decline in graduate employment prospects is now possible due to the global economic downturn, these figures indicate that there was a good deal of confidence in the graduate labour market in the period covered by the survey.

The current labour market for graduates is now being surveyed and results will be available in late 2009.

Historically, after figures fell from the previous highest point in 2000 and leveled out between 2003 and 2004, the AGS has shown a continued improvement in employment prospects for new graduates since 2005.

Further Full-time Study

Generally, between one-fifth and one-quarter of respondents elect to continue in further full-time study. Further study is often undertaken to improve a graduate's employment opportunities, or to add professional qualifications to a generalist degree, or for the purposes of professional registration.

- In 2008, almost one-fifth of respondents (19.6 per cent – down from 20.0 per cent last year), were undertaking further full-time study after completing their bachelor qualifications (*see Table 1 in GradStats*).

Graduate Starting Salaries

The median annual starting salary for new Australian resident bachelor degree graduates aged less than 25 and in their first full-time employment in Australia was \$45,000 (\$43,000 last year).

- This was 80.9 per cent of the annual rate of male average weekly earnings (\$55,600 at the time of the AGS), up from 80.1 per cent in 2007 (*see Table 3 in GradStats*).
- Males started work on a median salary of \$47,000 (up from \$45,000 last year) and females earned \$45,000 (up from \$42,000 last year) (*see Table 4 in GradStats*).

Graduate Course Satisfaction

- Overall satisfaction with courses as measured by the Course Experience Questionnaire (CEQ) remains at a high level, with 88.4 per cent of graduates expressing broad satisfaction with their courses (*see Figure 3 in GradStats*).

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Additional points from the 2008 AGS are:

- At \$70,000, dentistry graduates again earned the highest median starting salary of all aggregated fields of education (see *Tables 4 and 5 in GradStats*).
- The top ranked fields in terms of graduate starting salaries were dentistry, optometry, engineering, earth sciences, medicine and mathematics (see *Table 5 in GradStats for full list*).
- Fields of education with high proportions in full-time employment at the time of the AGS included mining engineering (100.0 per cent employment), pharmacy, medicine, civil engineering, and nursing (see *Table 2 in GradStats*).

The employment figures reported here are for new bachelor degree graduates. Employment figures for the wider population corroborate the labour market advantage conferred by higher education. The most recently available Australian Bureau of Statistics (ABS) data (May 2007) show that, in the population as a whole, just 2.0 per cent of bachelor degree graduates were unemployed. The comparative figure for the total population (with or without non-school qualifications) was 4.3 per cent and 6.5 per cent for persons with no post-secondary qualifications.

Further information about these highlights and additional findings have just been released in Graduate Careers Australia's (GCA) summary publications, *GradStats* and *The Grad Files*. *GradStats* is a general summary of the AGS results while *The Grad Files* is aimed at prospective university students and provides an overview of the type of occupations newly employed graduates enter.

The Australian Graduate Survey is conducted annually in co-operation with all Australian institutions of higher education, tracking the activities of new university graduates who completed their qualifications in the previous calendar year. In 2008, information from over 119,000 new graduates was collected and analysed for these new reports.

Further information and comment

For more detailed AGS findings, including statistics on full-time study, starting salaries and course satisfaction, members of the public can download copies of *GradStats* and *The Grad Files* (free of charge) by going to www.graduatecareers.com.au.

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