

Department for Business Innovation & Skills

Graduate Labour Market Statistics Consultation Response

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Graduate Labour Market Statistics

1. Executive Summary

- Following consultation with users, we will be consolidating our Graduate Labour Market Statistics (GLMS) into a single annual publication. The first annual GLMS will be published on 26th April 2016.
- Consolidation of the publication will allow us to provide more granular breakdowns of outcomes for different graduate sub-categories, for example by gender. This analysis will appear in the next publication on 26th April 2016.
- We will investigate the feasibility of reporting the additional statistical information that users requested during the consultation, and providing more detailed breakdowns of the data where findings are judged to be statistically robust.
- We will continue to welcome feedback from users on this new publication format.

2. Introduction

Graduate Labour Market Statistics (GLMS) is a quarterly publication covering labour market conditions for English domiciled graduates and postgraduates relative to non-graduates. GLMS was first published by BIS in December 2014 and was designed to be published on a quarterly basis. At the current time, these statistics are classified as experimental meaning that they are still in the testing phase and are not yet fully developed.

In November 2015, BIS launched a consultation to gather views on their continuing value and ascertain whether they were meeting users' needs.

The consultation sought to gather information on:

1. Who uses the GLMS, for what purpose and how BIS can make the GLMS more useful.

2. Users' views on the future frequency and content of the GLMS, including the proposal to release the statistics on an annual rather than quarterly basis, but with greater analytical content.

The consultation period ran for 2 weeks from 17th November 2015 until 1st December 2015. The list of individuals or organisations that responded to the consultation can be found in Annex A. The list of questions asked in the consultation can be found in Annex B.

The link to the GLMS consultation document can be found on the gov.uk website at the following link: <u>https://www.gov.uk/government/consultations/graduate-labour-market-statistics-content-and-frequency-of-future-releases</u>.

Links to all previous GLMS publications, supporting data and the methodology note can be found on the gov.uk website at the following link: <u>https://www.gov.uk/government/collections/graduate-labour-market-guarterly-statistics</u>.

3. Responses

3.1 Purpose and frequency of use of the publication

Questions 1 and 2 asked why stakeholders use the publication and how often they do so. Rather than answering these questions directly, respondents offered more general views on the usefulness of GLMS statistics. In particular:

- One respondent said that it is helpful that graduate employment figures continue to be monitored centrally, and regularly, by Government as it enables policy makers and universities to look closely at the emerging trends and the prospective market for graduates.
- One respondent pointed out that early outcome statistics (such as Destinations of Leavers from Higher Education) allow us to gauge a general view of the situation for new leavers whereas GLMS gives a more rounded picture of the overall graduate economy.
- One respondent noted that if the publication of GLMS were to cease completely, their analysis of recent graduate outcomes would be significantly hampered given that the GLMS is the only official survey that reports outcomes for graduates of all ages.
- One respondent noted that 16-64 year old data is important as it is directly comparable to other ONS labour market statistics, e.g. Annual Survey of Hours and Earnings (ASHE).

3.2 Publication schedule

Question 3 sought views on the likely impact on users if GLMS were released less frequently or the publication ceased altogether. There were wide-ranging views on this particular issue:

The majority of respondents noted that they would not be adversely affected by a change from a quarterly to an annual publication. Many of these respondents said that they would be content with an annual publication if it allowed for a more detailed statistical analysis, as was proposed. One respondent who noted they didn't require the statistics on a quarterly basis, made the suggestion of an additional shorter round up at another stage in the year.

Some respondents more strongly supported a move towards an annual publication. One respondent (an academic at the University of Cambridge) felt strongly that given the use of the statistics among non-specialists and in the media, annual statistics were more suitable than quarterly statistics. Another respondent noted that making the GLMS an annual publication would bring it into line with the Destinations of Leavers from Higher Education (DLHE) and Higher Education Statistics Agency (HESA) surveys.

Some respondents highlighted reasons for continuing the publication of these statistics on a quarterly basis. One respondent pointed out the risk that reducing the frequency of the publication could lessen its 'market brand', as users would not get regular reminders. Another respondent pointed out that the reduction to an annual publication would provide fewer opportunities to track graduate outcomes, but that this could be offset by increasing the detail of the publication.

3.3 Views on data to be included in the publication

Questions 4, 5 and 6 invited stakeholders to comment on the indicators currently used in the publication and any further breakdowns or analysis that could be included in future publications.

Overall respondents thought the current indicators were useful, with some commenting positively on the comparison between graduates and non-graduates and the comparison across age categories. Some respondents provided several ideas as to what data could be included in the publication, suggesting various breakdowns of graduates in the labour market including:

- Gender
- Ethnicity
- Disabled graduates
- Mature students
- Institution of study
- Subject of study
- Degree Class achieved
- Region of employment
- Industry of employment (Sector Industrial Classification codes)
- Occupation type(Sector Occupational Classification codes)
- Age categories (21-30, 31-40 etc.)

Respondents also suggested a number of additional indicators or populations to include:

- Publishing earnings at the 20th and 80th percentiles to capture the variation in graduates' earnings
- Wages in real terms (CPI adjusted), rather than only nominal terms
- Percentage of graduates in the population
- Self-employment rates
- Employment in Small and Medium Enterprises (SMEs)
- Further differentiation between Masters (or PGT) and Doctorate (or PGR)
- Non-graduate differentiated further by NVQ of highest qualification
- Apprenticeships

These suggestions will feed into our final decisions about what breakdowns should be included in the publication going forward. It should be noted, however, that this will not be possible for all proposed breakdowns due to insufficiently large sample sizes to produce robust statistics.

4. Next steps

The experimental nature of the GLMS statistics means that they must be subject to continual review so as to improve further their robustness and usefulness.

Final decisions regarding the frequency and content of official statistical publications lie with the Chief Statistician of the relevant Department, operating independently of Ministers. Following the result of the consultation, and further statistical analysis of the robustness of the data, it has been decided that GLMS statistics will be published on an annual basis. While this will mean a reduction in the frequency with which GLMS statistics are reported, it will enable us to provide

more granular breakdowns of outcomes for different graduate sub-categories, subject to testing their feasibility within the data. This appears to be more in line with user requirements. It will also avoid inefficiency and potential confusion associated with publishing statistics that, despite quarter on quarter variation, are unlikely to show statistically significant changes. The Government's general policy preference is for greater data transparency and the Minister for Universities and Science in particular expressed a preference for regular data releases. BIS statisticians will therefore keep this decision under review and continue to explore with the Office for National Statistics (ONS) alternative routes to publishing graduate labour market data on a more frequent basis. The Labour Force Survey, on which this publication is based, will continue to be publicly available.

Annex A: List of Individuals/Organisations that responded to the consultation

Government Departments

Office for National Statistics

External Stakeholders

GradCore Prospects Universities UK Russell Group University of St. Andrews Cardiff Metropolitan University University of Reading (x2) University of Southampton Open University

Individual respondents

An academic at the University of Cambridge

Note: In parallel to the consultation, views from the Minister of State for Universities and Science were sought.

Annex B: Consultation questions

- 1. For what purpose do you use the Graduate Labour Market Statistics publication?
- 2. How frequently do you or your organisation use or refer to the Graduate Labour Market Statistics?
 - 1. Very frequent 12+ times a year
 - 2. Frequently between 4-11 times a year
 - 3. Infrequent 2-3 times a year
 - 4. Once
 - 5. Never
- 3. What would be the impact on you/your organisation if the frequency of the publication was:
 - a. reduced to an annual publication?
 - b. no longer published?
- 4. The current publication focusses on:
 - four main labour market outcomes; employment, high skill employment rate, unemployment and median salary,
 - three groups; postgraduates, graduates and non-graduates
 - two age categories; 16-64 year olds and 21-30 year olds.

Are these breakdowns useful? We would be grateful if you could highlight those that are more useful and those that are less useful.

- 5. Do you have suggestions for further breakdowns of the data that could be included in future publications and could you explain why these would be helpful to you or your organisation?
- 6. If the GLMS is published on an annual basis it will contain analysis of trends in the graduate labour market over time, likely to cover the areas outlined above in Question 4. Are there any further areas of interest that should be considered in this trend analysis?



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