Labour market outcomes of third level graduates in high-income EU members. Is Father's education important?

.....and what we know about labour market outcomes and the living standards of workers in 2024

Social Justice Ireland, Decent work, Nov 24 Ciarán Nugent







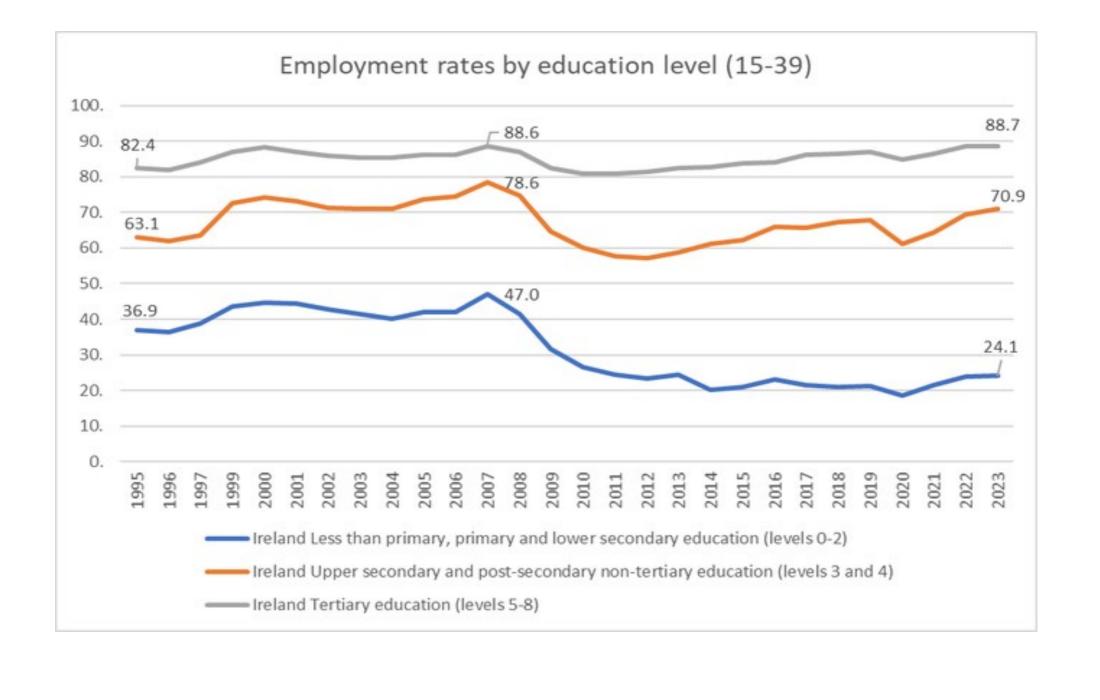
Structure

- Part1: Quick recap of previous reports in series on increasing third level attainment and third level by social origin
- Part 2: Outcomes of graduates (equality of opportunity?)
 ('high-end' employment in the labour market, overqualification)
- Part 3: (Equality of?) Outcomes of graduates by social origin, 2005, 2011, 2019 (father's education)
- Part 4: Is 2024 really so great? Jobs, Real wages, living conditions

The International Standard Classification of Education (ISCED 2011) provides a comprehensive framework for organising education programmes and qualification by applying uniform and

■ Table 1.3 ■
Comparison of levels of education between ISCED 2011 and ISCED 1997

ISCEE	2011	ISCED	1997
01	Early childhood educational development		_
02	Pre-primary education	0	Pre-primary education
1	Primary education	1	Primary education or first stage of basic education
2	Lower secondary education	2	Lower secondary education or second stage of basic education
3	Upper secondary education	3	(Upper) secondary education
4	Post-secondary non-tertiary education	4	Post-secondary non-tertiary education
5	Short-cycle tertiary education	5	First stage of tertiary education (not leading directly
6	Bachelor's or equivalent level		to an advanced research qualification) (5A, 5B)
7	Master's or equivalent level		
8	Doctoral or equivalent level	6	Second stage of tertiary education (leading to an advanced research qualification)

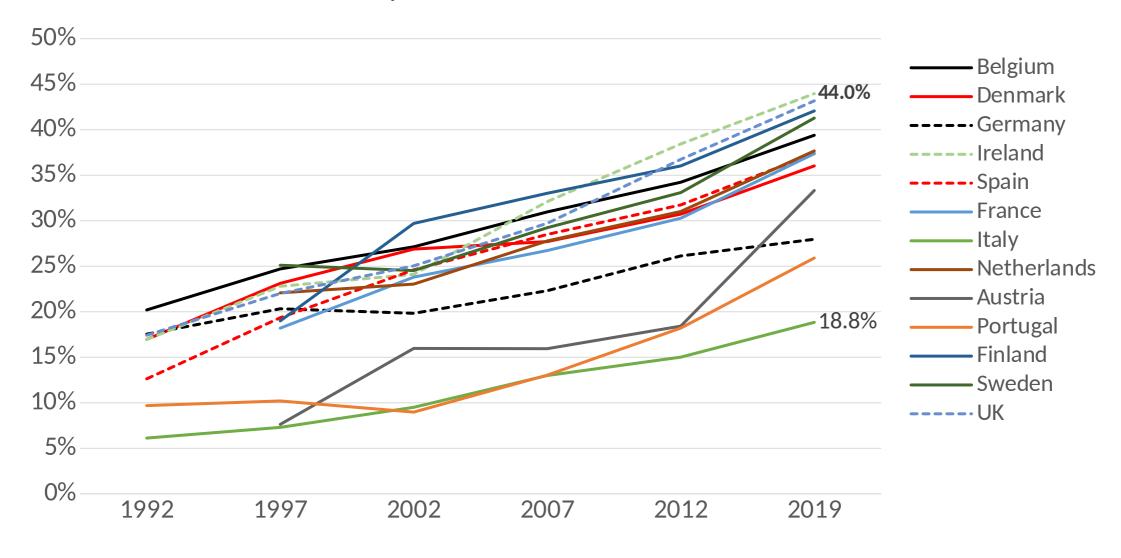


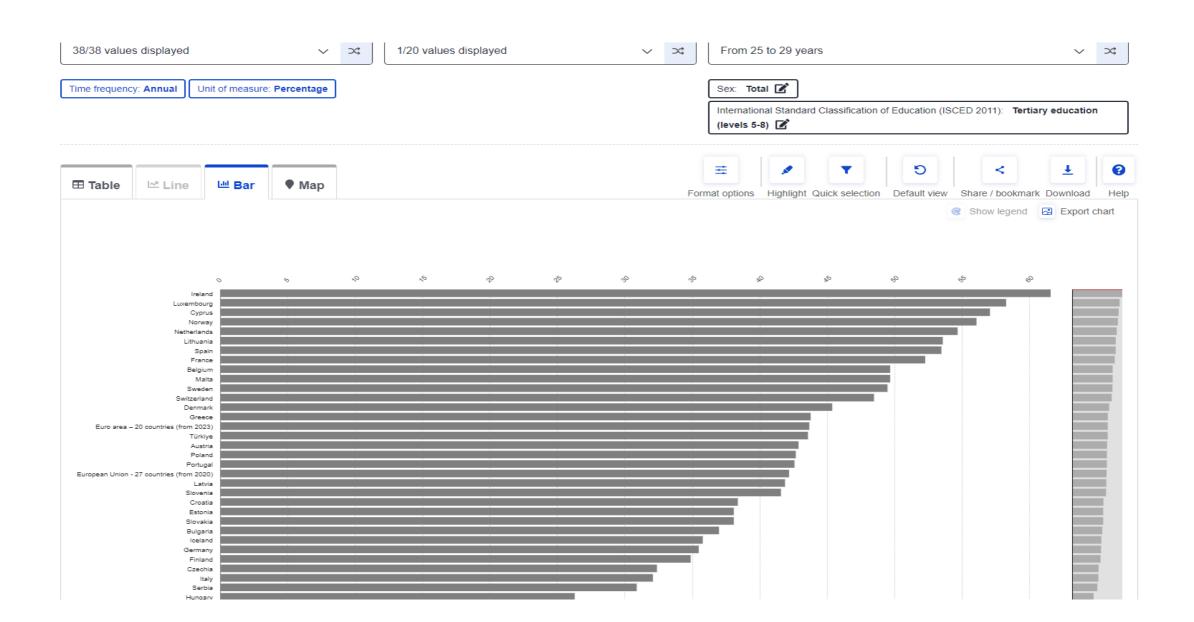
26/07/2024	23:00									
		A								
		Annual								
		From 25 to 34 year	ars							
		Percentage 2023								
		2023								
SEX	(Labels)	Total	Total		Males	Males		Females	Females	
	(,	Upper	1		Upper			Upper		
ISCED11	(Labels)	se condary and	Tertiary education	relative	secondary and post-secondary	Tertiary education	relative	se condary and	Tertiary education	relative
	(,	non-tertiary education	(levels 5-8)	difference	non-tertiary education	(levels 5-8)	difference	se condary non- tertiary		diffe re nce
GEO (Labe	els)				e da ca ti o ii			e a a a		
European		13.1		2.8	11.7	4.1	2.9		5.1	
Euro area			5.0	2.7	12.1	4.3	2.8			
Belgium		15.4	3.1	5.0	11.7	2.5	4.7		3.5	
Bulgaria		18.7	8.0	2.3	18.7				5.8	
Czechia		4.3	0.6	7.2	2.7	0.9	3.0		0.5	
Denmark		16.0		2.8	13.5	4.2				
Germany		15.2		2.2	15.1	6.3				
Estonia		3.1	2.2	1.4	2.0	1.7			2.6	
Ireland		16.0		14.5	9.5	0.0			2.1	
Greece		27.4 23.7		1.7 3.0		14.8			17.1	
Spain			7.8	3.0	18.6	6.7 2.6			8.8	
France		15.4 3.5	4.0 1.2	2.9	13.3 3.5	2.6 0.5	5.1 7.0	17.5 3.6	5.2 1.7	
Croatia Italy		7.1	2.3	3.1	6.6	1.6	4.1		2.8	
Cyprus		18.4	2.3 5.1	3.6	19.1	3.9	4.1			
Latvia		9.1	4.3	2.1	8.7	2.6	3.3		5.3	
Lithuania		10.3	6.8	1.5	10.0	7.3	1.4		6.4	
Luxembou	ıra	9.9	3.3	3.0	8.6	1.1	7.8		5.2	
Hungary	9	13.7	2.8	4.9	12.0	3.7				
Malta		5.5		1.3	5.4	4.6	1.2		3.9	
Netherland	ds	8.8	2.3	3.8	10.4	2.7	3.9		1.9	3.6
Austria		6.6	2.3	2.9	4.4	2.5	1.8		2.2	4.2
Poland		5.1	1.0	5.1	3.8	1.1	3.5		0.9	
Portugal		7.5		4.7	6.8	0.6			2.3	
Romania		23.4	7.5	3.1	23.4	7.2	3.3		7.7	
Slovenia		5.9	0.4	14.8	4.2	0.5	8.4			
Slovakia		13.3	3.9	3.4	14.7	1.1	13.4		5.7	
Finland		8.6		2.0	8.2		1.8			
Sweden		8.4	3.4	2.5	5.3	1.8	2.9	13.5	4.5	3.0

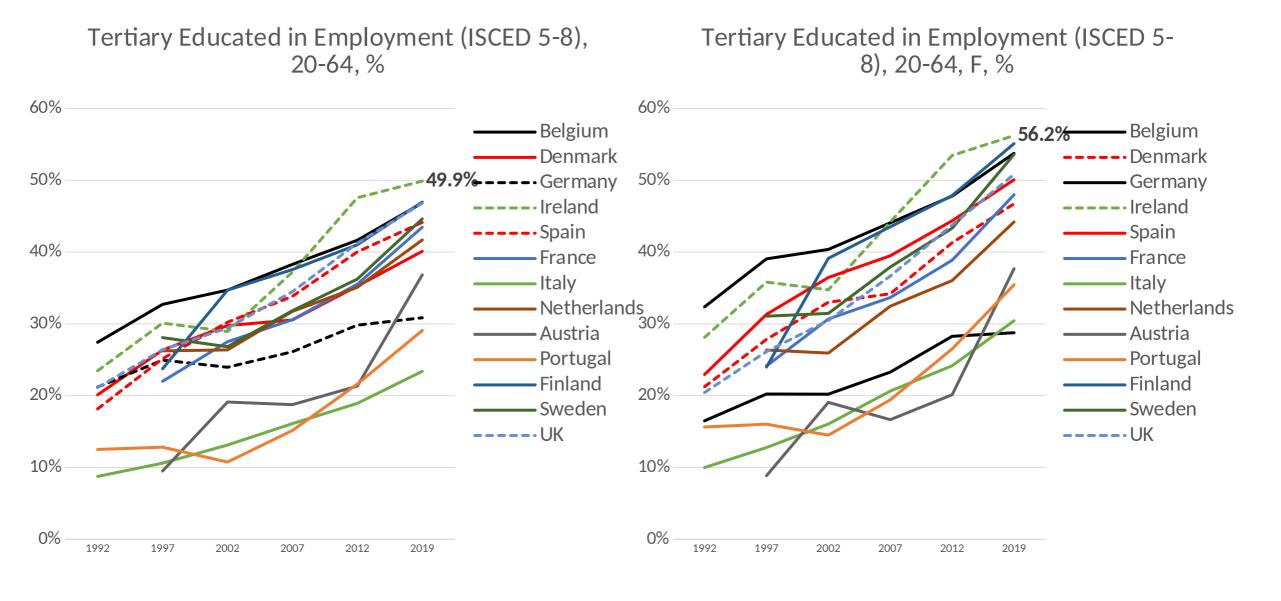
Material and social deprivation rate by age, sex and educational attainment level [ilc mdsd03 custom 12559218]

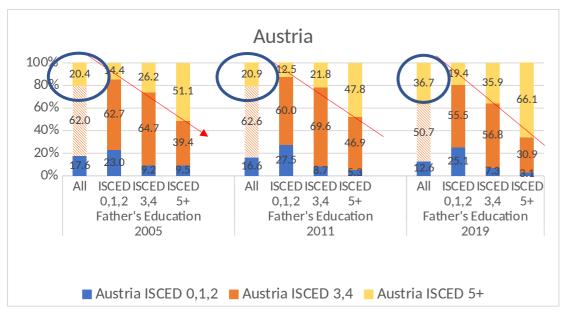
• Ireland (+Slovenia) are outliers in relative material **deprivation** by education level 25-34 yr olds are 15 times more likely not to be able to afford the basics if they don't complete 3rd level Irish women in this category are 3rd most likely in the EU to be in **deprivation** (26%)

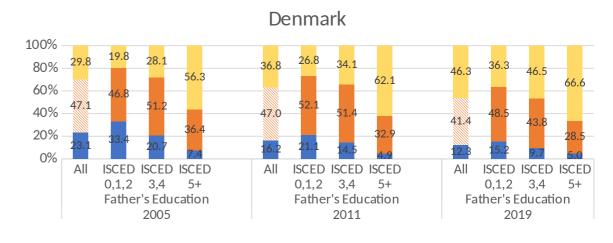
Tertiary Education (ISCED 5-8), 20-64, %



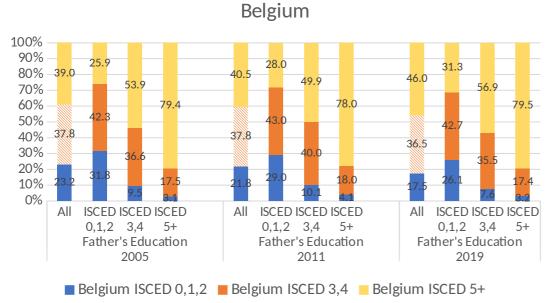


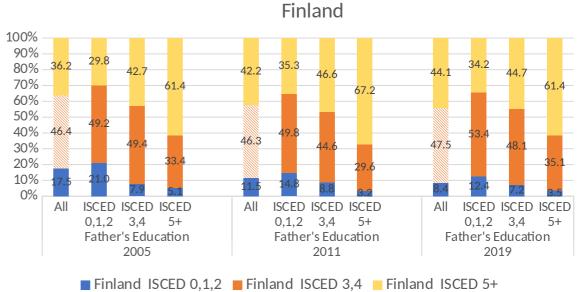


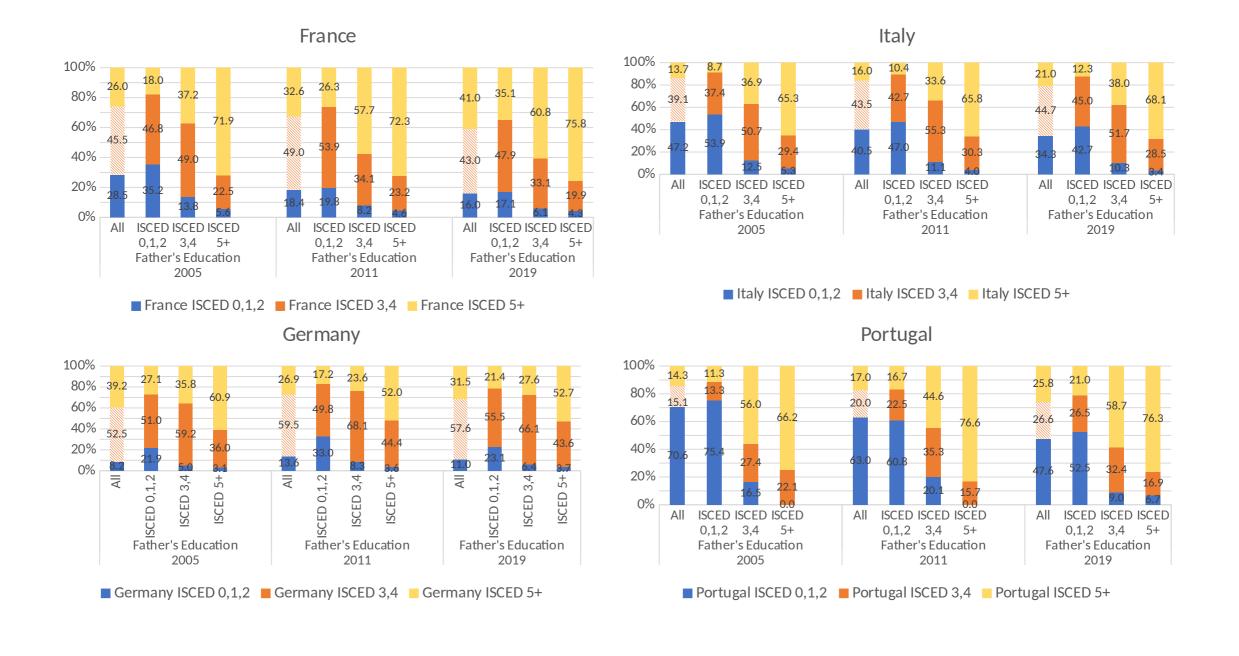


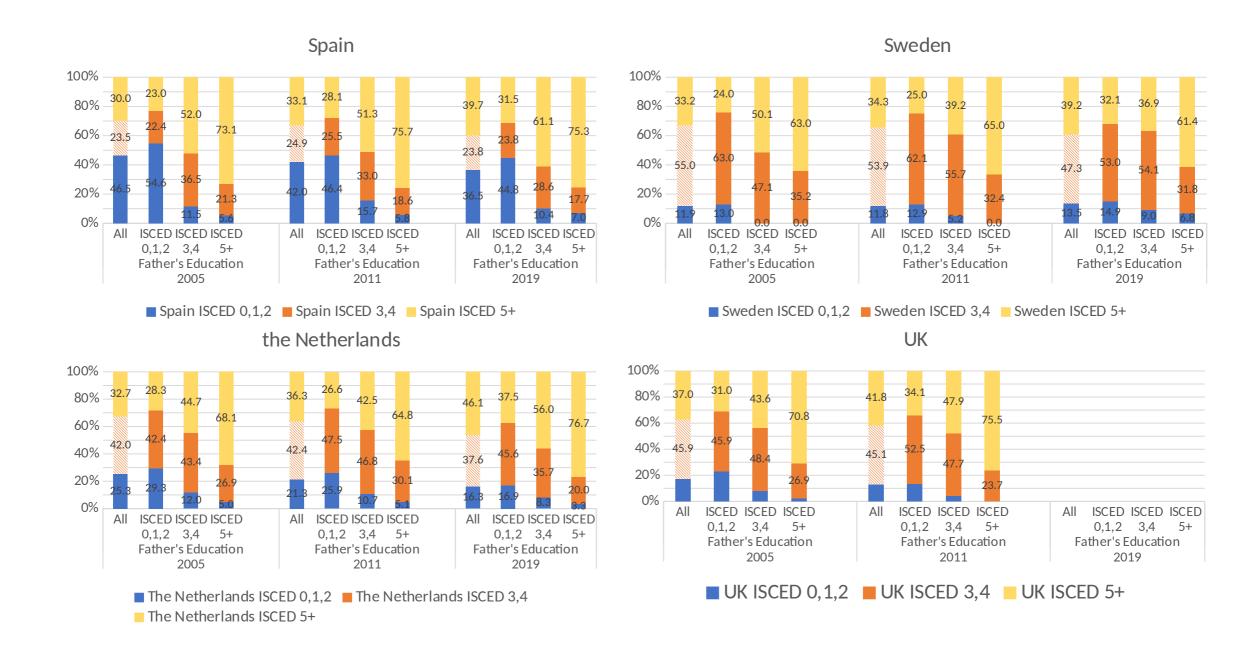




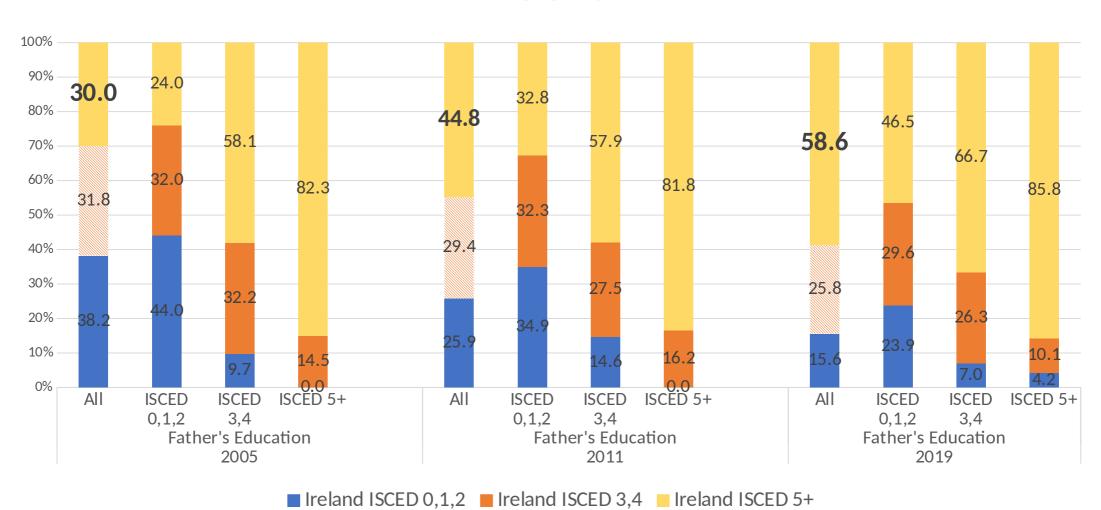


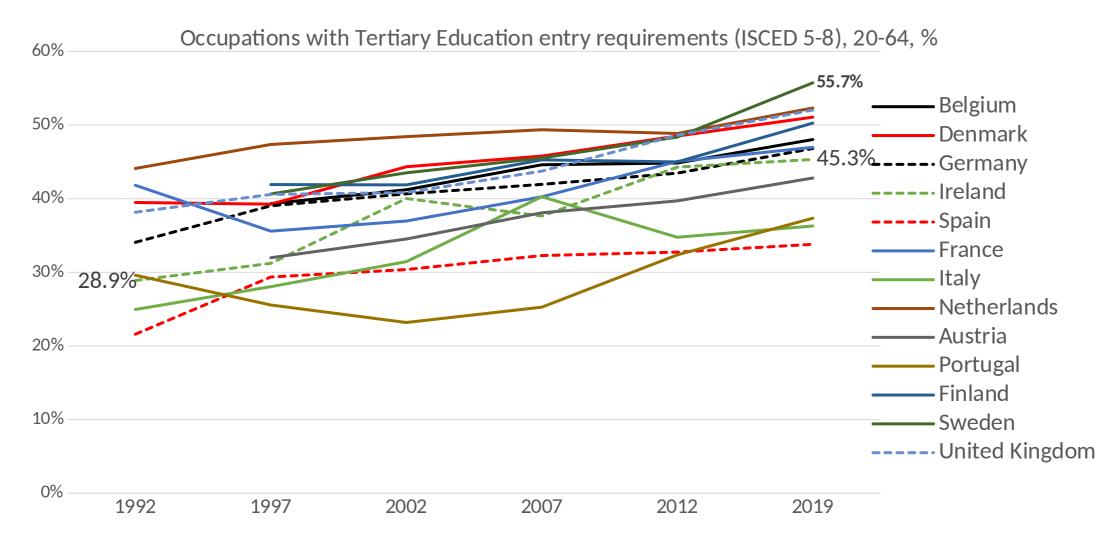






Ireland





International Standard Classification of Occupations (1-3)
1) Managers 2) Professionals 3) Technicians and Associate Professionals

Job Evaluation method

'The job evaluation method compares individual educational attainment with occupational job entry requirements, that are based on the assessments of professional job analysts in the context of drafting occupational dictionaries (such as DOT or O*NET in the United States, SOC in the UK or, more recently, ESCO, in the EU)' (Delaney et al. 2020)

ISCO-08 major groups	Skill level
Managers	3+4
Professionals	4 (ISCED level 5a or higher)
Technician and Associate Professional	3 (ISCED level 5b)
Clerical support workers	
Service and sales workers	
Skilled agricultural, forestry, & fishery workers	2 (ISCED level 2, 3, 4)
Craft and related trades workers	
Plant and machine operators, and assemblers	
Elementary occupations	1 (ISCED level 1)

Measurement

ISCO-08 major groups	Skill level
Managers	3+4
Professionals	4 (ISCED level 5a or higher)
Technician and Associate Professional	3 (ISCED level 5b)
Clerical support workers	
Service and sales workers	
Skilled agricultural, forestry, & fishery workers	2 (ISCED level 2, 3, 4)
Craft and related trades workers	
Plant and machine operators, and assemblers	
Elementary occupations	1 (ISCED level 1)

Examples of occupations in ISCO categories ('high-end' occupations)

• within the broader <u>Managers</u> group include Legislators, Chief Executive Officers and Product Development Managers.

 Teachers, Doctors, Nurses, Software Developers and Civil Engineers are examples of occupations classified as <u>Professionals</u> (the largest occupational group)

• Information and Communications Technicians, Building Surveyors, Pilots and Radiographers are in the <u>Associate Professionals and Technicians</u> group.

4 Clerical Support Workers

- 41 General and Keyboard Clerks
 - 411 General Office Clerks
 4110 General Office Clerks
 - 412 Secretaries (general) 4120 Secretaries (general)
 - 413 Keyboard Operators
 4131 Typists and Word Processing Operators
 4132 Data Entry Clerks
- 42 Customer Services Clerks
 - 421 Tellers, Money Collectors and Related Clerks
 - 4211 Bank Tellers and Related Clerks
 - 4212 Bookmakers, Croupiers and Related Gaming Workers
 - 4213 Pawnbrokers and Money-lenders
 - 4214 Debt Collectors and Related Workers

5 Services and Sales Workers

- 51 Personal Services Workers
 - 511 Travel Attendants, Conductors and Guides
 - 5111 Travel Attendants and Travel Stewards
 - 5112 Transport Conductors
 - 5113 Travel Guides
 - 512 Cooks
 - 5120 Cooks

6 Skilled Agricultural, Forestry and Fishery Workers

- 61 Market-oriented Skilled Agricultural Workers
 - 611 Market Gardeners and Crop Growers
 - 6111 Field Crop and Vegetable Growers
 - 6112 Tree and Shrub Crop Growers

7 Craft and Related Trades Workers

- 71 Building and Related Trades Workers (excluding Electricians)
 - 711 Building Frame and Related Trades Workers
 - 7111 House Builders
 - 7112 Bricklayers and Related Workers
 - 7113 Stonemasons, Stone Cutters, Splitters and Carvers
 - 7114 Concrete Placers, Concrete Finishers and Related Workers
 - 7115 Carpenters and Joiners
 - 7119 Building Frame and Related Trades Workers Not Elsewhere Classified

8 Plant and Machine Operators and Assemblers

- 81 Stationary Plant and Machine Operators
 - 811 Mining and Mineral Processing Plant Operators
 - 8111 Miners and Quarriers
 - 8112 Mineral and Stone Processing Plant Operators
 - 8113 Well Drillers and Borers and Related Workers
 - 8114 Cement, Stone and Other Mineral Products Machine Operators
 - 812 Metal Processing and Finishing Plant Operators
 - 8121 Metal Processing Plant Operators
 - 8122 Metal Finishing, Plating and Coating Machine Operators
 - 813 Chemical and Photographic Products Plant and Machine Operators
 - 8131 Chemical Products Plant and Machine Operators
 - 8132 Photographic Products Machine Operators

9 Elementary Occupations

- 91 Cleaners and Helpers
 - 911 Domestic, Hotel and Office Cleaners and Helpers
 - 9111 Domestic Cleaners and Helpers
 - 9112 Cleaners and Helpers in Offices, Hotels and Other Establishments
 - 912 Vehicle, Window, Laundry and Other Hand Cleaning Workers
 - 9121 Hand Launderers and Pressers
 - 9122 Vehicle Cleaners
 - 9123 Window Cleaners
 - 9129 Other Cleaning Workers
- 92 Agricultural, Forestry and Fishery Labourers
 - 921 Agricultural, Forestry and Fishery Labourers
 - 9211 Crop Farm Labourers
 - 9212 Livestock Farm Labourers
 - 9213 Mixed Crop and Livestock Farm Labourers
 - 9214 Garden and Horticultural Labourers
 - 9215 Forestry Labourers
 - 9216 Fishery and Aquaculture Labourers

Labour Market Outcomes of third level graduates

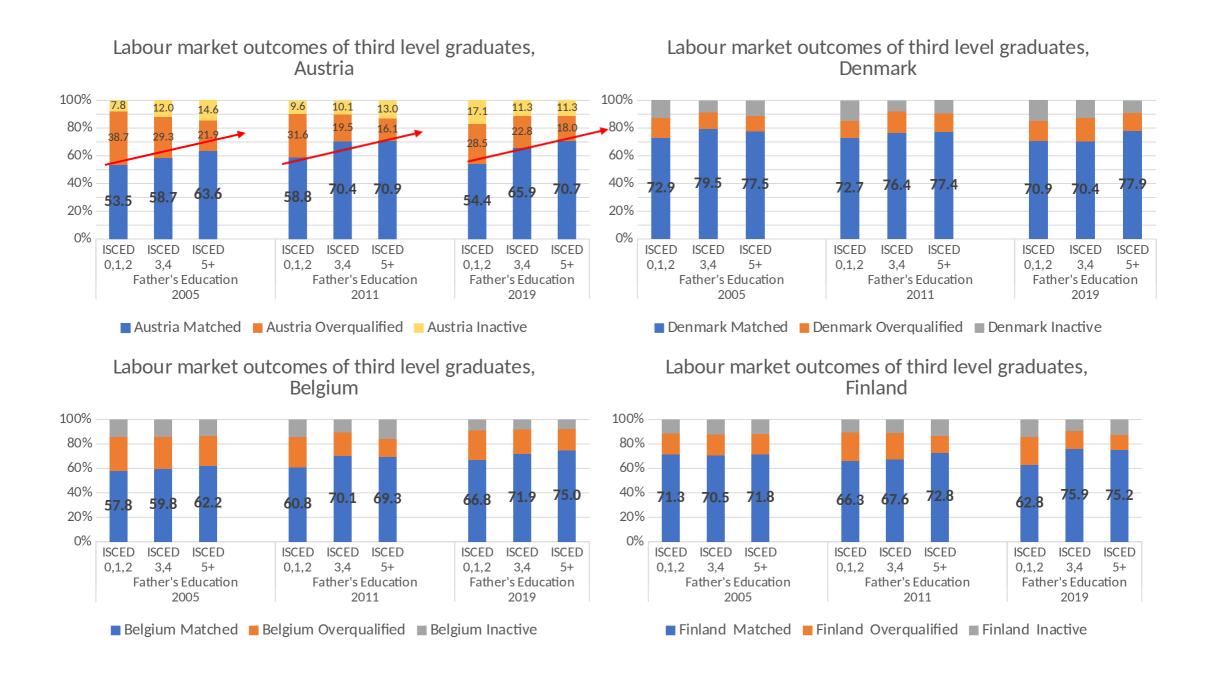
- 1) Matched employment (ISCO 1-3)
- 2) Overqualified (ISCO 4-9)
- 3) Inactive

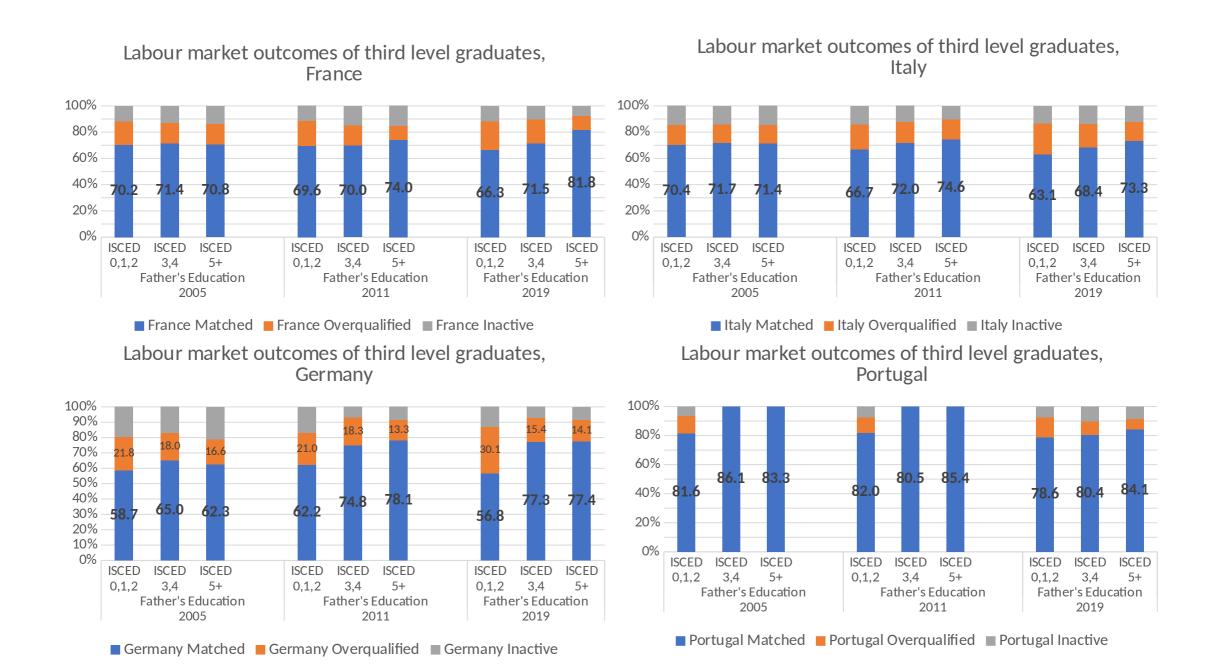
Outcomes of thir	d level graduates (25-59)				
		2005	2011	2019	
Austria	Matched	58.0	67.3	65.4	ľ
	Overqualified	30.9	21.9	22.2	
	Inactive	11.1	10.8	12.4	
Belgium	Matched	59.9	64.0	70.3	F
	Overqualified	26.2	19.1	20.0	
	Inactive	13.9	16.9	9.7	
Denmark	Matched	77.3	76.9	72.1	9
	Overqualified	11.9	13.6	15.7	
	Inactive	10.8	9.5	12.3	
Finland	Matched	72.9	69.3	71.8	9
	Overqualified	16.1	18.5	16.7	
	Inactive	11.0	12.2	11.5	
France	Matched	70.7	69.4	71.0	1
	Overqualified	16.6	16.8	19.0	
	Inactive	12.7	13.8	10.0	
Germany	Matched	63.0	74.7	73.2	l
	Overqualified	17.5	16.5	17.6	
	Inactive	19.4	8.7	9.2	

Italy	Matched	71.0	69.6	66.2
	Overqualified	14.6	17.4	19.7
	Inactive	14.4	13.0	14.1
Portugal	Matched	82.5	80.9	<mark>78.8</mark>
	Overqualified	10.8	11.0	12.7
	Inactive	6.7	8.1	8.6
Spain	Matched	53.1	52.7	<mark>51.8</mark>
	Overqualified	32.2	27.9	33.6
	Inactive	14.7	19.4	14.6
Sweden	Matched	77.6	75.9	79.1
	Overqualified	10.5	14.1	13.4
	Inactive	11.9	10.1	7.5
The Netherlands	Matched	74.6	77.2	73.0
	Overqualified	11.2	11.9	14.0
	Inactive	14.2	10.9	13.0
UK	Matched	60.7	66.5	
	Overqualified	26.0	21.8	
	Inactive	13.3	11.8	

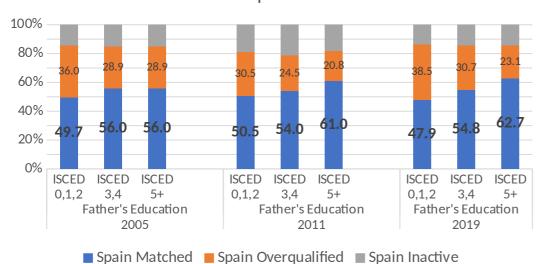
By background

- In 2019, the unweighted average share in the sample of graduates (excluding the UK) in high end jobs from highly educated backgrounds was 75.6%, 70.7% for those from backgrounds in the middle bracket of formal education and 63.5% for those from backgrounds in the lower bracket. In 2005, the same figures were 68.8%, 69.2% and 65.2%.
- Between 2005 and 2019 (excluding the UK), the outcome gap has widened by 8.3 pp on average between graduates from backgrounds in the top education bracket versus the lowest formal education bracket to 12.1 pp (excluding the UK).

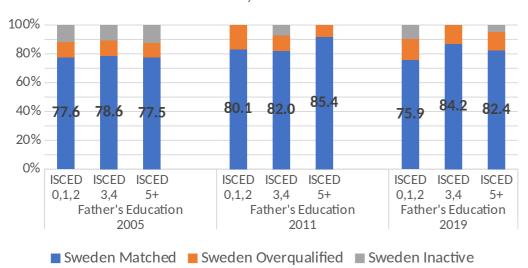




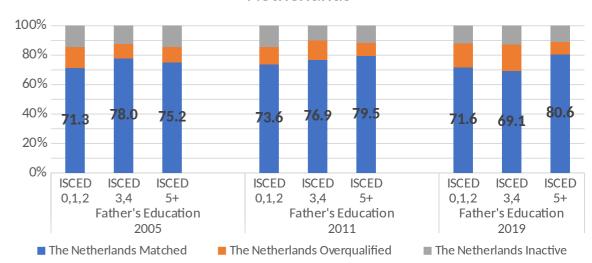
Labour market outcomes of third level graduates, Spain



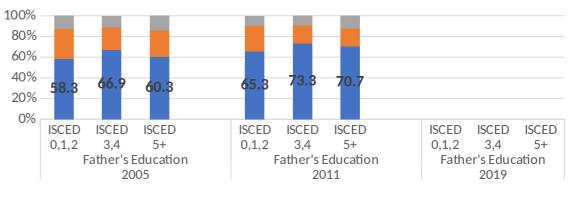
Labour market outcomes of third level graduates, Sweden



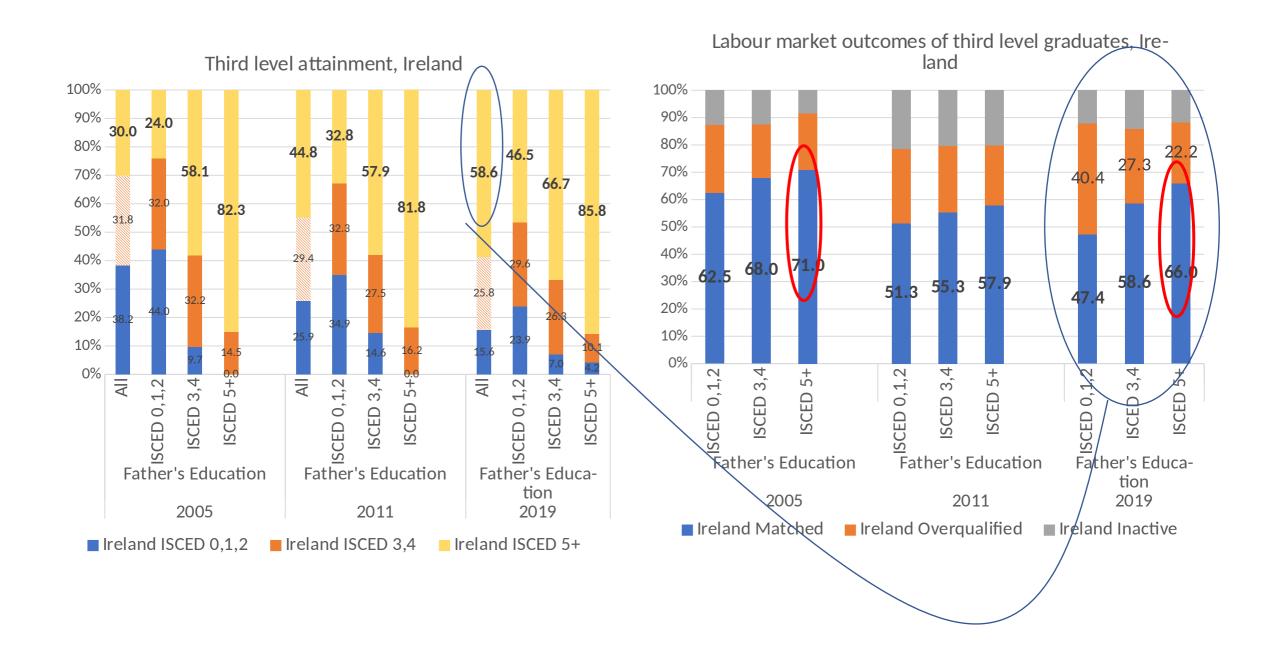
Labour market outcomes of third level graduates, Netherlands



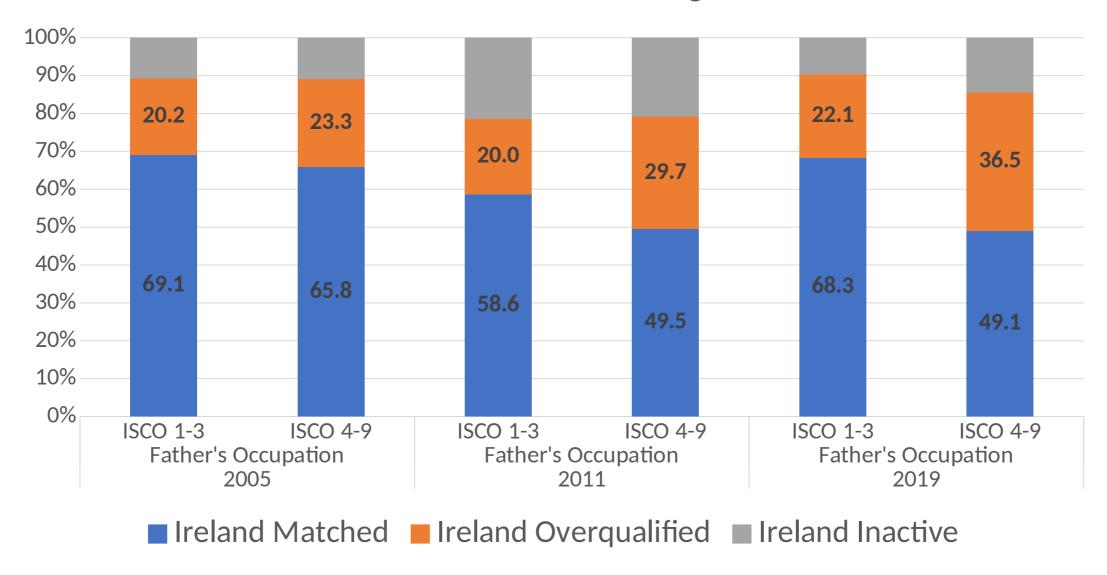
Labour market outcomes of third level graduates, UK



■ UK Matched ■ UK Overgualified ■ UK Inactive



Labour market outcomes of third level graduates, Ireland

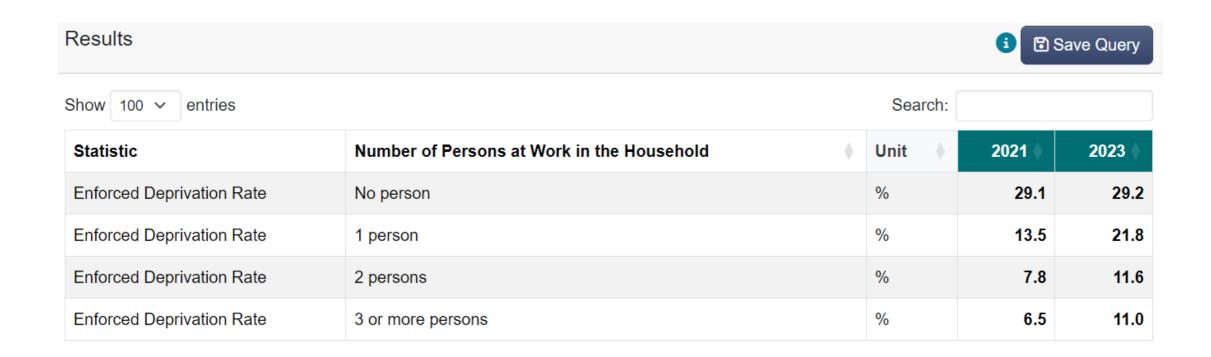


	2019Q2	2023Q2	2024Q2	Δ1yr	Δ1yr real	Δ5yr	Δ5yr real
Average Weekly Earnings							
All NACE economic sectors	771.39	911.74	963.17	5.6%	3.0%	24.9%	5.4%
Mining and quarrying (B)	952.06	1186.23	1035.37	-12.7%	-15.3%	8.8%	-10.7%
Manufacturing (C)	880.32	1022.56	1066.45	4.3%	1.7%	21.1%	1.6%
Construction (F)	789.4	900.39	1006.22	11.8%	9.2%	27.5%	8.0%
Wholesale and retail trade; repa	593.43	673.53	716.32	6.4%	3.8%	20.7%	1.2%
Transportation and storage (H)	846.43	890.41	917.69	3.1%	0.5%	8.4%	-11.1%
Accommodation and food service	365.97	432.25	451.93	4.6%	2.0%	23.5%	4.0%
Information and communication	1198.52	1554.55	1660.99	6.8%	4.2%	38.6%	19.1%
Financial and insurance activitie	1203.17	1383.01	1457.94	5.4%	2.8%	21.2%	1.7%
Real estate activities (L)	718.87	796.69	772.79	-3.0%	-5.6%	7.5%	-12.0%
Professional, scientific and tech	952.94	1118.99	1149.8	2.8%	0.2%	20.7%	1.2%
Administrative and support serv	615.02	714.5	764.39	7.0%	4.4%	24.3%	4.8%
Public administration and defen	972.6	1112.23	1165.09	4.8%	2.2%	19.8%	0.3%
Education (P)	852.77	946.03	988.6	4.5%	1.9%	15.9%	-3.6%
Human health and social work a	749.62	858.3	901.05	5.0%	2.4%	20.2%	0.7%
Arts, entertainment and recreat	528.71	626.86	652.82	4.1%	1.5%	23.5%	4.0%
Other service activities (S)	465.01	588.98	577.69	-1.9%	-4.5%	24.2%	4.7%
Financial, insurance and real est	1151.87	1336.37	1382.19	3.4%	0.8%	20.0%	0.5%
Average Hourly Earnings							
All NACE economic sectors	23.69	28.19	29.71	5.4%	2.8%	25.4%	5.9%
Mining and quarrying (B)	23.49	30.47	30.27	-0.7%	-3.3%	28.9%	9.4%
Manufacturing (C)	22.97	26.91	28.25	5.0%	2.4%	23.0%	3.5%
Construction (F)	21.42	24.62	27.43	11.4%	8.8%	28.1%	8.6%
Wholesale and retail trade; repa	19.36	22.23	23.14	4.1%	1.5%	19.5%	0.0%
Transportation and storage (H)	23.84	24.36	24.22	-0.6%	-3.2%	1.6%	-17.9%
Accommodation and food service	13.29	15.93	16.88	6.0%	3.4%	27.0%	7.5%
Information and communication	32.13	41.61	44.38	6.7%	4.1%	38.1%	18.6%
Financial and insurance activitie	34.04	39.14	41.19	5.2%	2.6%	21.0%	1.5%
Real estate activities (L)	24.3	26.56	26.06	-1.9%	-4.5%	7.2%	-12.3%
Professional, scientific and tech	27.94	32.43	33.87	4.4%	1.8%	21.2%	1.7%
Administrative and support serv	18.4	22.64	24.32	7.4%	4.8%	32.2%	12.7%
Public administration and defen	26.29	31.13	32.88	5.6%	3.0%	25.1%	5.6%
Education (P)	36.16	40.8	42.54	4.3%	1.7%	17.6%	-1.9%
Human health and social work a	23.75	27.41	28.49	3.9%	1.3%	20.0%	0.5%
Arts, entertainment and recreat	i 18.25	22.58	23.21	2.8%	0.2%	27.2%	7.7%
Other service activities (S)	16.87				-2.1%		
Financial, insurance and real est			39.76		1.3%	19.9%	
cpi May 2019-2024=19.5% May	2023-2024=2.	6%					

	2011	2023		
Annual Earnings				
Male				
10th percentile	16527	22537	36.4%	6010
20th percentile	22339	30172	35.1%	7833
30th percentile	27253	35597	30.6%	8344
40th percentile	32119	40986	27.6%	8867
50th percentile	37492	47189	25.9%	9697
60th percentile	43383	55067	26.9%	11684
70th percentile	51333	66125	28.8%	14792
80th percentile	62368	81577	30.8%	19209
90th percentile	80681	108714	34.7%	28033
95th percentile	102204	143853	40.8%	41649
Female				
10th percentile	10671	14849	39.2%	4178
20th percentile	15778	22454	42.3%	6676
30th percentile	20001	28176	40.9%	8175
40th percentile	24534	33267	35.6%	8733
50th percentile	29190	39041	33.7%	9851
60th percentile	34586	45390	31.2%	10804
70th percentile	40964	53844	31.4%	12880
80th percentile	48927	65273	33.4%	16346
90th percentile	60852	82288	35.2%	21436
95th percentile	71897	102365	42.4%	30468

weekly earnings, €					
	2018	2023	€Δ	%∆	%∆ real
p20	317	377	60	18.9%	0.3%
p30	412	497	85	20.6%	2.0%
p40	499	595	96	19.2%	0.6%
p50	593	699	106	17.9%	-0.7%
p60	700	826	126	18.0%	-0.6%
p70	830	988	158	19.0%	0.4%
p80	1034	1237	203	19.6%	1.0%
p90	1374	1663	289	21.0%	2.4%
p95	1750	2166	416	23.8%	5.2%
p99	3198	4101	903	28.2%	9.6%

There were approximately 330,000 workers in Ireland in enforced **deprivation** (unable to afford necessities) in 2023 (12.7% of 2.7 million) up from 200,000 in 2021 (8.7% of 2.3 million) -an absolute increase of almost two thirds



Mean and median income by age and sex - EU	-SILC and ECHP surveys	[ilc di03	custom 12	7658991
30/08/2024 23:00				
	Annual	Annual		
	Total	Total		
	Euro	Euro		
TIME			2023	
GEO (Labels)	GEO (Labels)	Ireland	Ireland	
INDIC IL (Labels)	AGE (Labels)			
Mean equivalised net income	From 18 to 64 years	20,793	36,808	
Mean equivalised net income	65 years or over	14,127		
Mean equivalised net income	75 years or over	12,619	30,910	
Median equivalised net income	From 18 to 64 years	18,876	32,587	
Median equivalised net income	65 years or over	11,289	28,480	
Median equivalised net income	75 years or over	10,444	25,894	147.9%

Figure 3.2 Permanent private households by nature of occupancy and age group of reference person, 2011 to 2022



July 27, 2023 11:00:00 UTC

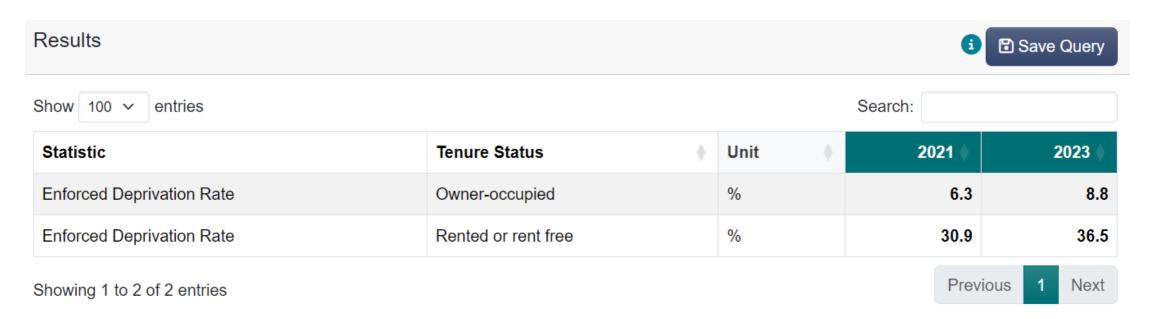
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Persons living with their parents or contribu	uting/benefi	ting from th	ne househo	old income (
12/06/2024 11:00				
	Annual			
		24 40000		
	From 25 to Total	34 years		
	Percentage	;		
TIME	2003	2007	2012	2023
GEO (Labels)				
Croatia	:	:	60.2	64.3
Slovakia	:	52.2	56.6	56.8
Greece	42.7	49.2	51.6	54.4
Poland	•	38.8	43.4	52.9
Portugal	:	41.7	44.5	51.0
Italy	:	45.8	46.0	50.8
Bulgaria	:	48.1	52.8	45.8
Spain	:	38.9	37.2	45.7
Ireland	24.5	25.2	21.1	39.7
Romania	:	35.6	40.9	39.3
Slovenia	:	50.5	43.5	38.9
Malta	:	42.4	45.5	32.9
Cyprus	:	31.8	30.4	32.6
Hungary	:	33.8	38.7	30.4
European Union - 27 countries (from 2020)	:	:	30.1	30.0
Latvia	:	40.5	34.5	28.7
Euro area – 20 countries (from 2023)	:	:	:	28.3
Luxembourg	18.6	19.9	24.1	24.0
Czechia	:	30.2	33.7	21.7
Lithuania	:	31.4	33.5	19.9
Belgium	15.4	17.0	16.5	18.5
Austria	21.0	24.6	21.8	18.1
France	:	8.0	11.5	16.4
Estonia	:	24.7	20.2	16.2
Germany	:	17.9	17.3	13.2
Netherlands	:	9.1	10.6	10.8
Sweden	:	4.1	5.1	6.4
Denmark	2.6	2.8	2.8	3.4
Finland	:	5.9	4.0	3.4
European Union - 27 countries (2007-2013)	:	27.4	27.7	sil sil

70% work full time, 8% part time, 5% students

Renters are approximately 4 times more likely to be struggling with the basics than homeowners (approximately 1 in 10 vs 4 in 10)

renters in the private market in Ireland are the fifth most likely to be in material **deprivation** (unable to afford the basics) in the entire EU. After 10 years of record employment growth this share has hardly improved at all.



Inability to face unexpected financial expenses - EU-SILC survey [ilc_mdes04__custo 03/06/2024 23:00 TIME 2023 2023 2023 Single Two adults Two adults person with with one with two **HHTYP (Labels)** dependent dependent dependent children children child 72.7 Cyprus 33.0 34.4 68.3 Ireland 36.8 37.6 Romania 66.8 36.7 39.3 66.3 36.7 36.4 Greece Slovakia 63.8 24.0 22.0 63.6 32.1 31.0 Germany 59.6 35.5 32.8 Spain 59.2 27.0 France 23.2 58.9 31.2 Croatia 33.4 Latvia 56.9 36.3 35.8 Bulgaria 55.7 39.3 35.8 Hungary 54.2 27.5 20.9 Czechia 54.1 15.4 14.5 Austria 53.4 22.8 22.8 **Estonia** 52.7 25.7 21.8 51.9 **Poland** 20.0 18.3 **Finland** 50.0 21.7 19.4 **Belgium** 49.8 20.1 13.7 49.3 21.8 Denmark 19.2 48.2 36.4 31.4 Lithuania Sweden 46.7 16.4 17.1 **Portugal** 45.2 24.7 20.9 Slovenia 42.2 20.4 16.9 41.7 9.5 7.8 Netherlands Italy 39.5 21.7 26.9

Thanks!





