

Profile & Trends
TERTIARY EDUCATION OUTCOMES AND
QUALIFICATION COMPLETIONS

2014

Published by:
Tertiary Sector Performance Analysis
Ministry of Education

For further information on this report visit:
www.educationcounts.edcentre.govt.nz/publications/tertiary/p&t-4-2014

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December 2015

ISSN: 2422-9857

STATISTICS AND RESEARCH

Profile & Trends 2014: Tertiary Education Outcomes and Qualification Completions has an associated set of statistical tables available on the Education Counts website: www.educationcounts.govt.nz/statistics/tertiary_education

The statistics in the web tables are used to inform the analysis in *Profile & Trends*. The tables provide comprehensive coverage of the key trends in: tertiary qualification achievement of the population, labour force participation, earnings of the tertiary qualified, the youth population, tertiary education outcomes of young graduates, and qualification and course completions.



TERTIARY EDUCATION OUTCOMES AND QUALIFICATION COMPLETIONS

Tertiary Education Outcomes and Qualification Completions is one of five reports, replacing *Profile & Trends: New Zealand's Tertiary Education Sector*. The new *Profile & Trends* series is being published throughout the year as information comes available.

Tertiary Education Outcomes and Qualification Completions contains data for the year ended December 2014, unless otherwise stated. The population statistics in this report are from Statistics New Zealand's *Household Labour Force Survey* and the information on qualification completions is derived from returns provided by government-funded tertiary education organisations to the Ministry of Education and to the Tertiary Education Commission. A list of figures is included at the end of the report.

The report begins with an overview of tertiary education outcomes and qualification completions. Chapter 2 profiles New Zealanders aged 15 years and over by highest qualification. The employment advantages and higher earnings of the tertiary qualified are described in chapter 3 and the tertiary education outcomes for young graduates are discussed in chapter 4. This chapter also includes information on young people, not in employment, education or training.

Chapter 5 focuses on the students who completed a tertiary education qualification in 2014. The latest course completion rates are covered in chapter 6 and selected statistics from the 2013 Population Census, focused on tertiary education, are presented in chapter 7.

This year's edition of *Profile & Trends* represents the 17th annual survey of the tertiary education system published by the Ministry of Education.



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Notes:

1. Unless otherwise stated, the data in this publication is for the year ended 31 December 2014 and has been sourced from the Ministry of Education.
2. Data in this report has been rounded. More detailed data is provided in the analytical tables on the Education Counts website. The data published in previous years may have changed as tertiary education organisations can submit updates for previous years back to 2003.
4. The information in this report and the analytical tables need to be used in conjunction with the technical notes provided on Education Counts.

1 OVERVIEW OF TERTIARY EDUCATION OUTCOMES AND QUALIFICATION COMPLETIONS

More New Zealanders with higher-level qualifications

The shift towards more New Zealanders gaining bachelors or higher qualifications continued from 2013 to 2014. The highest increases were for people aged 35 to 44 years and people aged 45 to 54 years.

The proportion with other tertiary qualifications, as their highest qualification, remained stable from 2013 to 2014, while there was also a further decrease in the proportion in the New Zealand population without a qualification.

Improved labour market outcomes of tertiary education

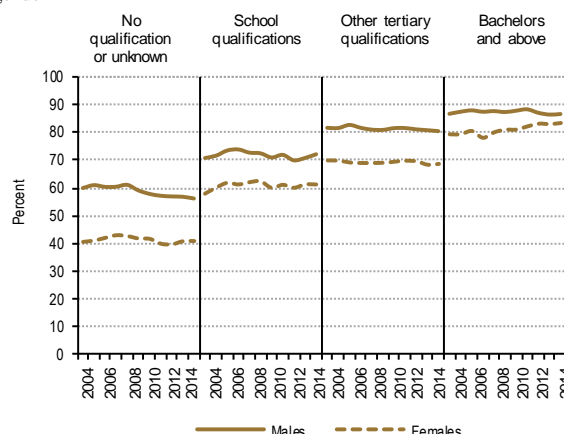
In 2014, the median hourly earnings of people with a bachelors or higher qualification were 67 percent higher than for people without a qualification. This compared to 66 percent more in 2009 and 75 percent more in 2004.

People with other tertiary qualifications earned 26 percent more in 2014 than people without a qualification. This compared to 28 percent more in 2009 and 37 percent more in 2004.¹

The labour force participation rate for women with bachelors or higher qualifications has risen in recent years, while it has been stable for men (Figure 1.1). Women with a bachelors or higher qualification had a labour force participation rate of 83 percent in 2014, compared to 79 percent in 2004. This increase has narrowed the disparity between men and women, down to four percentage points in favour of men.

Men without a qualification have fared less well in recent years. The labour force participation rate of men without a qualification has decreased from 59 percent in 2009 to 56 percent in 2014. For women without a qualification, the rate remained stable from 2013 to 2014, at just over 40 percent (Figure 1.1).

Figure 1.1 Labour force participation rates by qualification level and gender



Source: Statistics New Zealand (2015), Household Labour Force Survey.

For people with other tertiary qualifications,² the labour force participation rate remained stable from 2013 to 2014. The considerable disparity in the labour force participation rate between genders at the lower qualification levels continues to persist.

The unemployment rate fell from 2013 to 2014 for people with every type of qualification and for those without a qualification. From 2012 to 2013, the unemployment rate fell for people with qualifications, while it rose for those without a qualification.

People with a bachelors or higher qualification have the lowest unemployment and the rate for this group decreased from 3.9 percent in 2013 to 3.1 percent in 2014. While unemployment among people without a qualification also fell from 2013 to 2014, their unemployment rate was almost three times higher than for people with a bachelors or higher qualification.

For people with other tertiary qualifications, the unemployment rate remained stable from 2013 to 2014, at 5.2 percent.

Trends in youth activity and young graduate outcomes

Young people not in employment, education or training:

The NEET rate for young people aged 15 to 24 years remained stable from 2013 to 2014 for men, at just over 9 percent, while it decreased for young women to just under 14 percent.

¹ From 2013 to 2014, the New Zealand economy continued to expand and the increase in economic activity for the year ended March 2015 was the largest recorded over the last five years. Prior to this, the New Zealand economy decreased in 2009 and 2010.

² Level 1 to 4 certificates and level 5 to 7 diplomas/certificates.

Employment outcomes in New Zealand and destinations for young graduates: Tracking young graduates following the completion of a tertiary qualification shows that higher-qualified graduates have higher employment rates than lower-qualified graduates in their first year after study. Over time, the employment rates of these graduates then tend to decline as the proportion among them who go overseas increases.

On the other hand, young graduates with non-degree qualifications have lower employment rates in their first year after study. Over time, the employment rates of these graduates tends to increase. In part, this is likely to be due to these graduates enhancing their skill levels as they are more likely than graduates with higher-level qualifications to do further study after completing their first qualification.

Graduates with higher-level qualifications enjoy an earnings premium above the earnings of those with lower-level qualifications.

Eight years after completing a qualification, the employment rates of young graduates ranged from 45 percent to 54 percent.³ People with a graduate diploma/certificate, and those with a level 5 to 7 diploma/certificate, had employment rates at the higher end of that range.

Student achievement in formal tertiary education

In 2014, 144,000 students completed a qualification.⁴ Since 2011, over 140,000 students have completed a qualification each year.

As some students complete more than one qualification, the number of qualifications completed each year is higher than the number of students who complete a qualification. Since 2012, more than 160,000 qualifications have been completed each year.

The recent high numbers of qualification completion compared with earlier years reflect two factors: the movement of a population bulge of young people into tertiary education in recent years, and a portion of government funding becoming linked to a standardised performance process from 2012 onwards.⁵

From 2013 to 2014, the number of domestic students completing a qualification decreased. This decline was partially offset by more international students completing a qualification.

The number of qualifications completed also decreased slightly from 2013 to 2014. The decrease was mainly due to fewer domestic non-degree qualifications.

The number of bachelors degrees gained by Māori and Pasifika has increased substantially in recent years. This was due to the population bulge of young people moving into tertiary education, as well as, increases in the participation rate at bachelors-degree level. The numbers of domestic Māori and Pasifika students completing qualifications at this level are expected to remain stable. This reflects two factors that offset each other: a slowing down of increases due to the recent population bulge and rising completion numbers due to the higher participation by Māori and Pasifika at this level.

Course completion rates

Course completion rates have increased substantially over the last five years, especially for domestic students studying non-degree qualifications. For example, the course completion rate of students in level 3 certificates was 81 percent in 2014 – 10 percentage points higher than in 2009.

The course completion rates of domestic students in bachelors or higher qualifications have been consistently high in recent years, with small, or no, increases in these rates over the last five years. For example, the course completion rates in 2014 of students in bachelors degrees was 85 percent, compared to 83 percent in 2009, and the figure for honours qualifications was 92 percent in 2014, compared to 91 percent in 2009.

2013 Population Census

The latest census data shows that the New Zealand resident population aged 15 years and over continues to be more highly educated over time, confirming the findings from the Household Labour Force Survey discussed in chapter 2.

The census data also shows that higher-level qualifications were associated with a higher likelihood of full-time

³ Note that in this analysis graduates are assigned to a single destination in each year post study, using the order of precedence: overseas, further study, receiving a benefit, employment, and other activities. This order of precedence means that the employment rate is conservative and is not inflated by including those who do multiple activities throughout a year (for example, those who are overseas and in employment). It is important to note that this measure is not the same as the official measure of employment used in the Household Labour Force Survey. This is because of the order of precedence, the fact that the employment rate for young graduates excludes those who have worked without pay, and the use of an annual criterion, rather than a reference week as is the case in the Household Labour Force Survey.

⁴ These are formal qualifications registered on the New Zealand Qualifications Framework, requiring more than one week's study duration.

⁵ A portion of government funding became linked to a standardised performance process from 2012 onwards. The Tertiary Education Commission has published annual performance information since 2009 for all tertiary education organisations who receive student achievement funding. Standardised performance-linked funding is aimed at providing tertiary education organisations with incentives for improving teaching and pastoral care.

employment. Men exhibited higher rates of full-time employment than women at each qualification level.

Higher qualifications were also associated with higher incomes. In 2013, the proportions of men and women aged 25 to 64 years earning an income of over \$50,000 were:

- ▲ 65 percent of men and 43 percent of women with a bachelors degree
- ▲ 44 percent of men and 20 percent of women with a school qualification, and
- ▲ 25 percent of men and 7 percent of women with no qualification.

2 TERTIARY QUALIFICATIONS IN THE NEW ZEALAND POPULATION

This chapter includes highest qualification attainment for:

- ▲ the adult population
- ▲ ethnic groups, and
- ▲ gender.

Tertiary qualification achievement of the population

One in every two New Zealanders aged 15 years and over held a tertiary qualification in 2014.

The proportion of the New Zealand population aged 15 years and over with a bachelors or higher qualification increased from 20 percent in 2013 to 21 percent in 2014. The highest increases in the proportions with bachelors or higher qualifications were for people aged 35 to 44 years and people aged 45 to 54 years.

The proportion who hold a level 1 to 4 certificate or level 5 to 7 diploma/certificate (other tertiary qualifications) as their highest qualification remained stable from 2013 to 2014, at 30 percent.

The proportion without a qualification decreased from 24 percent in 2013 to 23 percent in 2014.

Tertiary qualifications and ethnic group

The European and Other ethnic groups⁶ had the largest increases from 2013 to 2014 in the proportion with a bachelors or higher qualification.

Comparing 2004 with 2014, the proportions of Māori and Pasifika peoples holding a bachelors or higher qualification have increased steadily. The proportion for Māori was 4.3 percent in 2004 and 9.8 percent in 2014. For Pasifika the proportion was 4.7 percent in 2004 and 7.9 percent in 2014. The comparable figure for Europeans was 13 percent in 2004 and 21 percent in 2014. The Other ethnic group continued to have the highest proportion of people with a bachelors or higher qualification as their highest qualification, at 34 percent in 2014, compared to 29 percent in 2004.

In 2014, Europeans continued to have the largest proportion among the ethnic groups with other tertiary qualifications as their highest qualification. In comparison, Pasifika had the largest proportion with only a school qualification.

Tertiary qualifications and gender

Over the last 10 years, the shift from lower- to higher-level qualifications has been stronger for women than men. In 2014, 23 percent of women and 20 percent of men held a bachelors or higher qualification.

The proportion with other tertiary qualifications continued to be higher among men than women. In 2014, 34 percent of men and 26 percent of women held other tertiary qualifications as their highest qualification.

Analytical tables: Data on tertiary education outcomes relating to employment, incomes and other post-study outcomes is available at: www.educationcounts.govt.nz/statistics/tertiary_education/life_after_study

⁶ The 'Other' ethnic group includes the Asian ethnic group and the Middle Eastern, Latin American and African ethnic groups.

NEW ZEALAND POPULATION BY HIGHEST QUALIFICATION¹

In 2014, over half of the population aged 15 years and over held a tertiary qualification. The proportion of the population with a bachelors or higher qualification increased from 20 percent in 2013 to 21 percent in 2014. The proportion of the population with other tertiary qualifications (level 1 to 4 certificates and level 5 to 7 diplomas/certificates) as their highest qualification has remained constant from 2013 to 2014, at 30 percent.

The proportion without a qualification has decreased from 24 percent in 2013 to 23 percent in 2014.

Proportions of the population by highest qualification in 2014

Bachelors degree or higher	21%	(17% in 2009)
Other tertiary qualification	30%	(33% in 2009)
School qualification	26%	(23% in 2009)
No qualification	23%	(26% in 2009)

Source: Statistics New Zealand (2015), Household Labour Force Survey.

Figure 2.1 Population aged 15 years and over by highest qualification

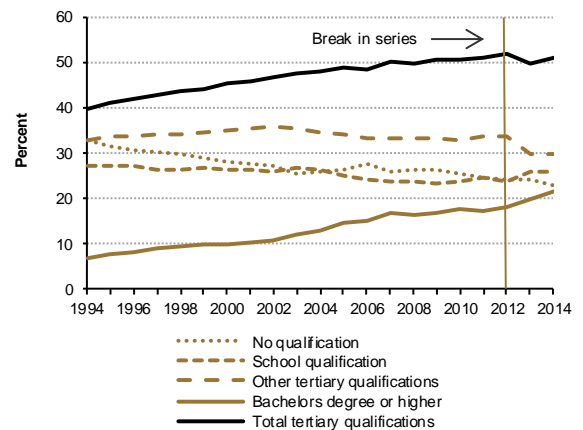


Figure 2.2 Population aged 15 years and over with a bachelors or higher qualification by age group

BACHELORS OR HIGHER-LEVEL QUALIFICATIONS

The proportion of people aged 15 years and over with a bachelors or higher qualification has increased from 13 percent in 2004 to 21 percent in 2014.

From 2013 to 2014, the proportion of people aged 35 to 44 years with a bachelors or higher qualification increased from 29 percent to 33 percent. For people aged 45 to 54 years, the proportion increased from 23 percent to 25 percent. The proportion also increased for people aged 55 to 64 years, up by 1.2 percentage points to 19 percent.

Proportions of the population with a bachelors or higher qualification in 2014

15-24 years	8.7%	(7.3% in 2009)
25-34 years	34%	(29% in 2009)
35-44 years	33%	(24% in 2009)
45-54 years	25%	(19% in 2009)
55-64 years	19%	(15% in 2009)
65 years and over	11%	(6.9% in 2009)

Source: Statistics New Zealand (2015), Household Labour Force Survey.

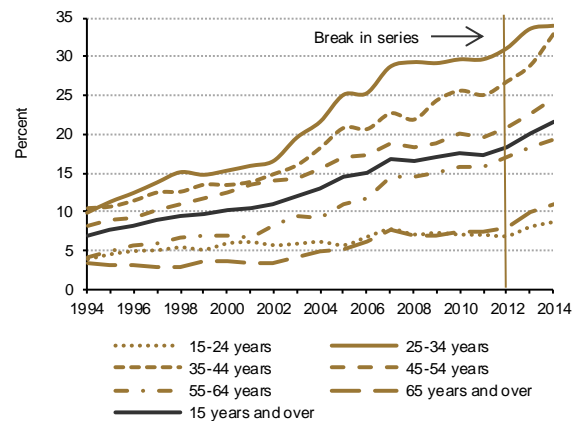


Figure 2.3 Population aged 15 years and over with other tertiary qualifications as their highest qualification by age group

OTHER TERTIARY QUALIFICATIONS

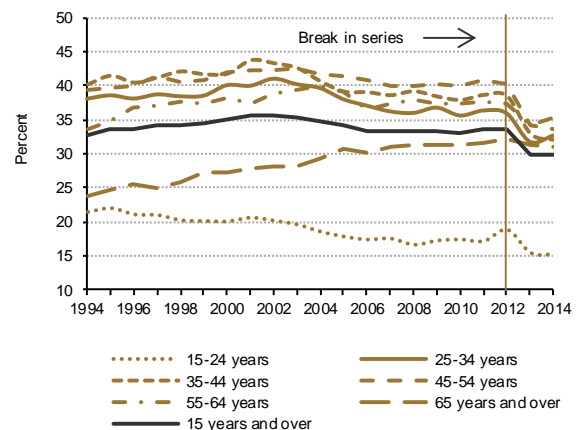
In 2014, 30 percent of the population aged 15 years and over held a level 1 to 4 certificate or a level 5 to 7 diploma/certificate (other tertiary qualifications) as their highest qualification. This compared to 35 percent in 2004.

People aged 15 to 24 years were the smallest group to hold other tertiary qualifications, at 15 percent in 2014. The proportion in 2009 was 17 percent.

Proportions of the population with other tertiary qualifications in 2014

15-24 years	15%	(17% in 2009)
25-34 years	33%	(37% in 2009)
35-44 years	32%	(38% in 2009)
45-54 years	34%	(40% in 2009)
55-64 years	36%	(37% in 2009)
65 years and over	31%	(31% in 2009)

Source: Statistics New Zealand (2015), Household Labour Force Survey.



¹ In 2012, the qualification question in the Household Labour Force Survey was updated, leading to improved estimates of people with school qualifications. The qualifications data from 2013 onwards is not strictly comparable with previous years due to these changes. The changes led to a decrease from 2012 to 2013 in the proportion of people with other tertiary qualifications.

TERTIARY QUALIFICATIONS AND ETHNIC GROUP

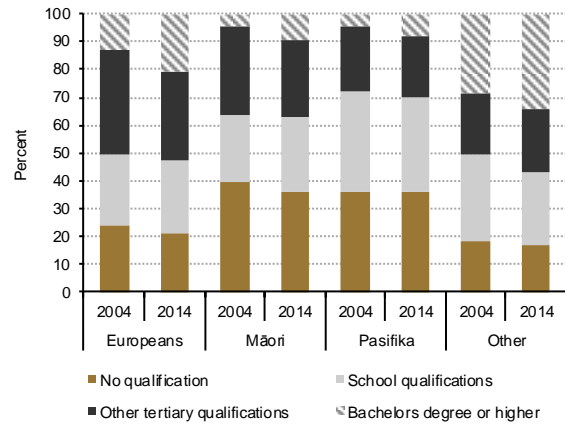
In 2014, Europeans had the highest proportion of people with other tertiary qualifications as their highest qualification, at 32 percent. The Other ethnic group had the highest proportion of people with bachelors or higher qualifications in 2014, at 34 percent. The European ethnic group had an 8.2 percentage point increase, from 2004 to 2014, in the proportion with bachelors or higher qualifications. While this was the largest percentage point increase, the proportion of Māori with a bachelors or higher qualification more than doubled from 2004 to 2014. The Māori ethnic group also had the largest decrease from 2004 to 2014 in the proportion without a qualification.

Proportion of the population aged 15 years and over with tertiary qualifications by ethnic group

	Bachelors degree or higher		Other tertiary qualifications	
	2004	2014	2004	2014
Europeans	13%	21%	38%	32%
Māori	4.3%	9.8%	32%	28%
Pasifika	4.7%	7.9%	23%	22%
Other	29%	34%	22%	23%

Source: Statistics New Zealand (2015), Household Labour Force Survey.

Figure 2.4 Population aged 15 years and over by highest qualification and ethnic group



TERTIARY QUALIFICATIONS AND GENDER

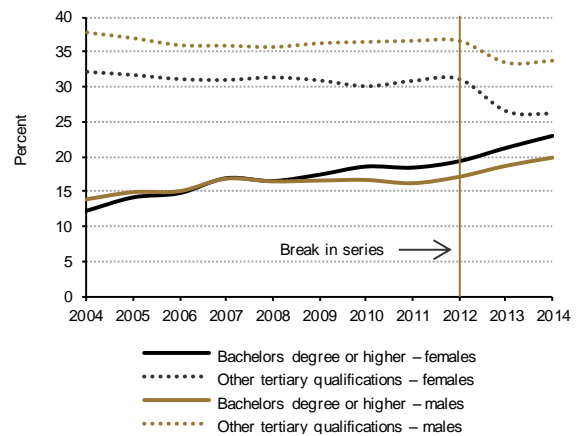
Since 2009, women are more likely than men to hold a bachelors or higher qualification, while men continue to be more likely to hold a level 1 to 4 certificate or level 5 to 7 diploma/certificate (other tertiary qualification) as their highest qualification. The proportion of men with other tertiary qualifications increased from 33 percent in 2013 to 34 percent in 2014.

Proportion of the population aged 15 years and over with a tertiary qualification in 2014 by gender

Bachelors degree or higher - females	23%	(17% in 2009)
Bachelors degree or higher – males	20%	(17% in 2009)
Other tertiary qualifications – females	26%	(31% in 2009)
Other tertiary qualifications – males	34%	(36% in 2009)

Source: Statistics New Zealand (2015), Household Labour Force Survey.

Figure 2.5 Population aged 15 years and over with a tertiary qualification by gender



3

LABOUR MARKET OUTCOMES OF TERTIARY EDUCATION

This chapter includes:

- ▲ unemployment rates
- ▲ labour force participation rates, and
- ▲ median hourly earnings.

Unemployment rates

The unemployment rate for people with a bachelors or higher qualification decreased from 3.9 percent in 2013 to 3.1 percent in 2014. While the unemployment rate also fell from 2013 to 2014 for people without a qualification, the rate for this group was almost three times higher than for people with bachelors or higher qualifications.

The unemployment rate of people with other tertiary qualifications¹ as their highest qualification remained stable from 2013 to 2014, at 5.2 percent.

Labour force participation

The labour force participation rate for women with bachelors or higher qualifications has increased steadily in recent years, while for men it has been stable over this time. This has led to the gap in the rate between the genders narrowing at this level to four percentage points in favour of men. From 2013 to 2014, the labour force participation rates for men and women with a bachelors or higher qualification remained stable, at 87 percent and 83 percent, respectively.

Over the last decade, there has been little change in the labour force participation rate for men and women with other tertiary qualifications as their highest qualification. In 2014, the labour force participation rate for men with other tertiary qualifications was 81 percent, compared to 69 percent for women.

The labour force participation rate for people without a qualification has remained stable overall over the last 10 years. In contrast, the labour force participation rate for people with a school qualification has improved, compared to 10 years earlier, by three percentage points for women and 1.4 percentage points for men.

The considerable disparity in the labour force participation rate between genders at the lower qualification levels continues to persist.

Median hourly earnings

People with a bachelors or higher qualification now earn 67 percent more than people without a qualification. This compared to 66 percent more in 2009 and 75 percent more in 2004.²

People with other tertiary qualifications earned 26 percent more in 2014 than people without a qualification. This compared to 28 percent more in 2009 and 37 percent more in 2004.

¹ Level 1 to 4 certificates and level 5 to 7 diplomas/certificates.

² From 2013 to 2014, the New Zealand economy continued to expand and the increase in economic activity for the year ended March 2015 was the largest recorded over the last five years. Prior to this, the New Zealand economy decreased in 2009 and 2010.

EMPLOYMENT ADVANTAGE FOR TERTIARY QUALIFIED¹

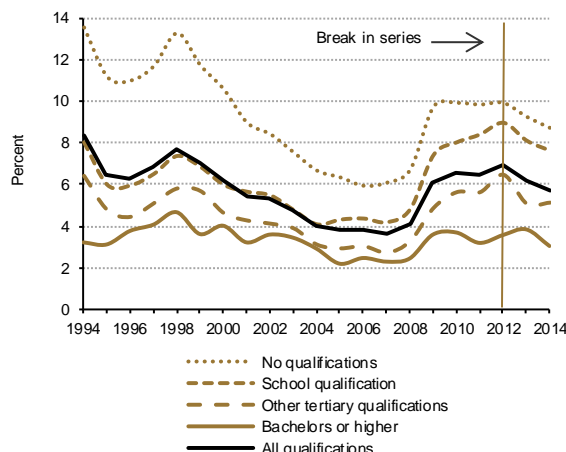
In 2014, people with bachelors or higher qualifications were more likely to be employed than any other group. The unemployment rate for people with a bachelors or higher qualification has decreased from 3.9 percent in 2013 to 3.1 percent in 2014. From 2013 to 2014, the unemployment rate also decreased for people with a school qualification only and those without a qualification, while it remained stable for people with other tertiary qualifications as their highest qualification.

Unemployment rates of the population aged 15 years and over by highest qualification in 2013

Bachelors degree or higher	3.1%	(3.6% in 2009)
Other tertiary qualifications:	5.2%	(4.9% in 2009)
Certificates 1-3	12%	(11.5% in 2013)
Diplomas/certificates 4-7	4.2%	(3.9% in 2013)
School qualification	7.6%	(7.4% in 2009)
No qualification	8.7%	(9.7% in 2009)
Total all qualifications	6.2%	(6.8% in 2009)

Note: New data series were introduced in 2012 for certificates 1-3 and diplomas/certificates 4-7.
Source: Statistics New Zealand (2015), *Household Labour Force Survey*.

Figure 3.1 Unemployment rates for the population aged 15 years and over by highest qualification



LABOUR FORCE PARTICIPATION

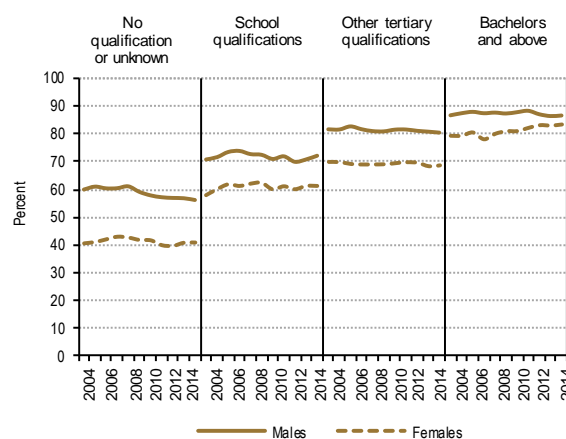
While men continue to participate in the labour force at higher rates than women, the gap for bachelors or higher qualifications has narrowed to four percentage points. From 2013 to 2014, the labour force participation rate for men and women with a bachelors or higher qualification remained stable, at 87 percent and 83 percent, respectively. The considerable disparity between the genders at lower qualification levels continues to persist.

Labour force participation rates of the population aged 15 years and over

	Females		Males	
	2013	2014	2013	2014
Bachelors degree or higher	83%	83%	87%	87%
Other tertiary qualifications	69%	69%	81%	81%
School qualification	61%	61%	71%	72%
No qualification	41%	41%	57%	56%

Source: Statistics New Zealand (2015), *Household Labour Force Survey*.

Figure 3.2 Labour force participation rates by qualification level and gender



HIGHER EARNINGS FOR THE TERTIARY QUALIFIED

In 2014, the median hourly earnings of people with a bachelors or higher qualification were 67 percent higher than for people without a qualification. This earnings premium was lower in 2013, at 62 percent.

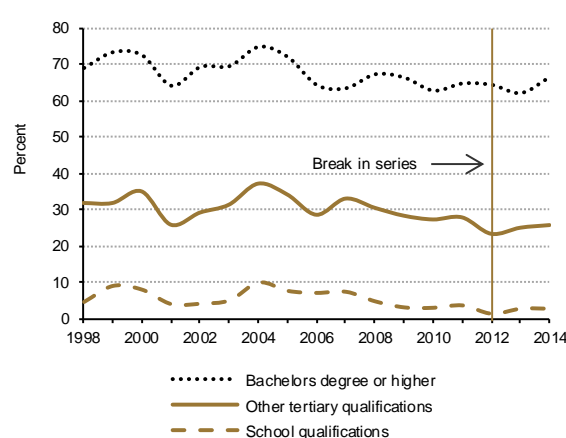
The median hourly earnings premium for people whose highest qualification was other tertiary qualifications or school qualifications remained stable from 2013 to 2014.

Median hourly earnings premiums by highest qualification (June quarter) compared with those with no qualification

	2004	2009	2014
Bachelors degree or higher	75%	66%	67%
Other tertiary qualification	37%	28%	26%
School qualification	10%	3.1%	2.8%

Source: Statistics New Zealand (2015), *Household Labour Force Survey*.

Figure 3.3 Median hourly earnings premium (June quarter) by highest qualification, compared with those with no qualification



¹ In 2012, the qualification question in the Household Labour Force Survey was updated, leading to improved estimates of people with school qualifications. The qualifications data from 2013 onwards is not strictly comparable with previous years due to these changes. The changes led to a decrease from 2012 to 2013 in the proportion of people with other tertiary qualifications.

4 YOUTH ACTIVITY AND TERTIARY EDUCATION OUTCOMES FOR YOUNG GRADUATES

This chapter includes:

- ▲ youth not in employment, education or training
- ▲ further study rates of young graduates
- ▲ employment rates of young graduates
- ▲ other activities of young graduates, and
- ▲ earnings of young graduates.

Young people not in employment, education or training

From 2013 to 2014, the proportions of young men who were not in employment, education or training remained stable, while from 2012 to 2013 the proportions decreased. In 2014, 7.8 percent of young men aged 15 to 19 years were not in employment, education or training and 11 percent of young men aged 20 to 24 years.

For young women, the proportions aged 15 to 19 years and 20 to 24 years who were not in employment, education or training decreased from 2013 to 2014 and from 2012 to 2013.

Young women aged 20 to 24 years have the highest proportion not in employment, education or training because about one in two of those classified as NEET are caregivers. In 2014, 19 percent of women aged 20 to 24 years were not in employment, education or training. This compared to a figure of 7.9 percent for young women aged 15 to 19 years.

Employment outcomes and destinations for young graduates

This report describes what young graduates earn and do in the first eight years following the completion of a tertiary education qualification. It looks at the employment outcomes and destinations of young graduates for the 2011, 2012 and 2013 tax years. The results described here are based on a similar methodology as used in a 2014 study on tertiary education outcomes,¹ except the results here are also shown for graduates who go overseas. 'Overseas' is defined as being out of New Zealand for nine months or more in a tax year.

Young domestic graduates with a level 1 to 4 certificate or a level 5 to 7 diploma are more likely than higher-qualified graduates to do further study after they complete their first qualification. Almost half of these graduates continued their studies in the next year. Consequently, the employment rates for this group in the first year after completing a qualification ranged from only 34 percent to 41 percent, while for young graduates with bachelors or higher qualifications the employment rates, one year after study, were around 50 percent or higher. Young people with a graduate diploma/certificate had an even greater proportion who were in employment in the first year after study, at 76 percent. On the other hand, the employment rates for young domestic graduates with a level 1 to 4 certificate or a level 5 to 7 diploma/certificate tended to increase over each of the eight years following study. It is likely that part of the reason for this increase in employment rates will be that, by doing further study, these graduates will have increased their skill levels and so enhanced their prospects of employment.

Eight years after study, the employment rates of young graduates ranged from 45 percent to 54 percent. People with a graduate diploma/certificate, and those with a level 5 to 7 diploma/certificate, had employment rates at the high end of that range. These employment rates are different from the rates published by Statistics New Zealand from the Household Labour Force Survey.²

In contrast to those with a level 1 to 4 certificate or a level 5 to 7 diploma, employment rates tend to decline over time for young domestic graduates who complete a bachelors qualification or higher. This is because the percentage of these graduates who go overseas tends to increase over time. Despite employment rates moderating over time for young graduates with higher-level qualifications, this group continued to have an earnings premium above the earnings of those with lower-level qualifications.

The differences in median annual earnings for young men and women who work after they complete their studies increased in the first eight years after study, with the disparity in favour of young men. However, as hours worked, pay rates and occupations are unknown, the contribution of each of these factors to the difference cannot be determined.

¹ Park, Z., Mahoney, P., Smart, W. & Smyth, R. (2014) *What young graduates earn when they leave study*, Wellington: Ministry of Education.

² Note that in this analysis graduates are assigned to a single destination in each year post study, using the order of precedence: overseas, further study, receiving a benefit, employment, and other activities. This order of precedence means that the employment rate is conservative and is not inflated by including those who do multiple activities throughout

a year (for example, those who are overseas and in employment). It is important to note that this measure is not the same as the official measure of employment used in the Household Labour Force Survey. This is because of the order of precedence, the fact that the employment rate for young graduates excludes those who have worked without pay, and the use of an annual criterion, rather than a reference week as is the case in the Household Labour Force Survey.

YOUTH NOT IN EMPLOYMENT, EDUCATION OR TRAINING

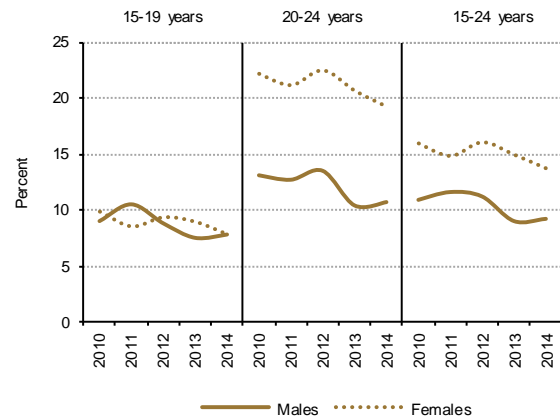
YOUTH INACTIVITY

The proportion of young men not in employment, education or training (NEET) has remained constant from 2013 to 2014. In 2014, the rate for young men aged 15 to 19 years was 7.8 percent and for those aged 20 to 24 years the rate was 11 percent.

For women aged 15 to 19 years the NEET rate has fallen from 9.0 percent in 2013 to 7.9 percent in 2014. The NEET rate for women aged 20 to 24 years has also decreased from 21 percent in 2013 to 19 percent in 2014. Women aged 20 to 24 years have the highest NEET rate because many of those classified as NEET are caregivers.

The downward trend for young women suggests that the labour market has continued to improve between 2013 and 2014.

Figure 4.1 Proportion of youth not in employment, education or training by gender and age group



Proportions of youth not in employment, education or training

	2011	2012	2013	2014
15-19 years old	9.6%	9.1%	8.3%	7.8%
20-24 years old	17%	18%	16%	15%

Source: Statistics New Zealand (2015), *Household Labour Force Survey*.

INTEGRATED DATA INFRASTRUCTURE (IDI) DATA – MANAGED BY STATISTICS NEW ZEALAND

The results for young graduates in this chapter of *Profile & Trends* that are based on the data in the Integrated Data Infrastructure (IDI) are not official statistics: they have been created for research purposes from the IDI, which is managed by Statistics New Zealand.

The opinions, findings, recommendations and conclusions expressed in this report are those of the author, not Statistics NZ.

Access to the anonymised data used in this study was provided by Statistics NZ in accordance with security and confidentiality provisions of the Statistics Act 1975. Only people authorised by the Statistics Act 1975 are allowed to see data about a particular person, household, business, or organisation, and the results in this paper have been made confidential to protect these groups from identification.

Careful consideration has been given to the privacy, security and confidentiality issues associated with using administrative and survey data in the IDI. Further detail can be found in the privacy impact assessment for the Integrated Data Infrastructure available from www.stats.govt.nz.

The results are based in part on tax data supplied by Inland Revenue to Statistics NZ under the Tax Administration Act 1994. This tax data must be used only for statistical purposes, and no individual information may be published or disclosed in any other form, or provided to Inland Revenue for administrative or regulatory purposes.

Any person who has had access to the unit record data has certified that they have been shown, have read, and have understood section 81 of the Tax Administration Act 1994, which relates to secrecy. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.

EDUCATION OUTCOMES FOR YOUNG DOMESTIC GRADUATES

DESTINATIONS OF YOUNG GRADUATES¹

Employment rates were highest for young domestic graduates with a graduate diploma or certificate, especially in the first year after study. Five years after study, the employment rates for graduates at all other qualification levels varied within a range of 8 percentage points.

Young people with a level 1 to 4 certificate or a level 5 to 7 diploma/certificate were more likely to be studying five years post study than those who completed a higher-level qualification. Conversely, those with a higher-level qualification were more likely to go overseas than those with a lower-level qualification.

The proportion of young graduates who received a benefit was highest for those with a level 1 to 3 certificate. Benefit rates for graduates at bachelors level and above were very low, two percent or less in each year after study.

Figure 4.2 Destination of young graduates by qualification level (5 years after study)

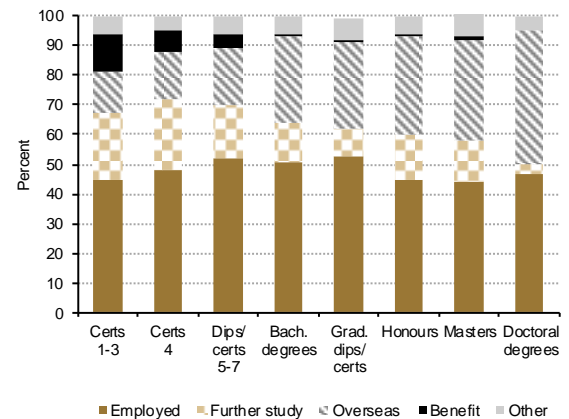
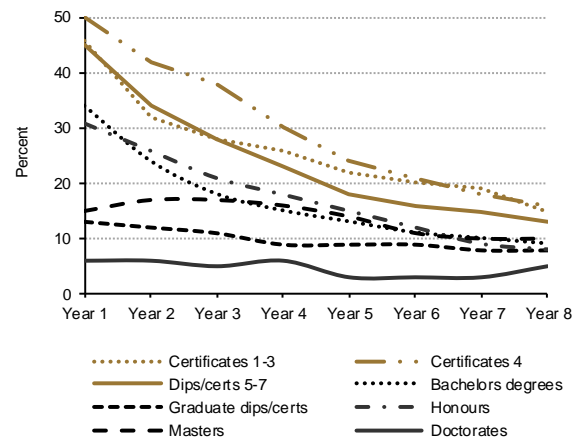


Figure 4.3 Further study rates of young graduates by qualification level (1 to 8 years after study)



FURTHER STUDY BY YOUNG GRADUATES

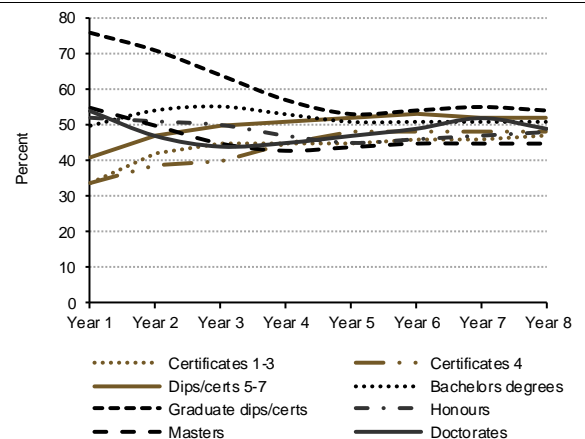
Further study rates were highest for young domestic graduates with a level 1 to 4 certificate or a level 5 to 7 diploma/certificate, with just under half of these graduates continuing to do further study in the first year after completing their first qualification. This is expected as many of these qualifications are designed to help people advance to higher-level qualifications.

Further study rates were also high for bachelors and honours graduates, at 34 percent and 31 percent, respectively, in the first year post study. Many of these graduates progressed on to further postgraduate study.

Further study rates were lower for graduates with a graduate diploma/certificate or a masters or doctoral degree.

The proportion of graduates doing further study tends to decrease over time, except for people who complete a doctoral degree, where rates are low initially and remain steady.

Figure 4.4 Employment rates of young graduates by selected qualification levels (1 to 8 years after study)



EMPLOYMENT RATES IN NEW ZEALAND OF YOUNG GRADUATES

In their first year after study, 76 percent of young graduates with a graduate diploma/certificate and 50 percent with a bachelors degree were employed. For young graduates with a non-degree qualification, the employment rates, in the first year after study, varied from 34 percent to 41 percent. The rates for young graduates with a graduate diploma/certificate or a masters or doctoral degree tended to decrease over time until about five years after study after which they stabilised. This decrease was largely due to an increase in the number of graduates who were overseas. The rates for young graduates with non-degree qualifications increased over time, levelling out five years after study at just below 50 percent. Eight years after study, the employment rates of young graduates converged, narrowing the differences between the groups and ranging from 45 percent to 54 percent.

Employment rates of young graduates by selected qualification levels

Years after study:	1	2	3	4	5	6	7	8
Certificates 1-3	34%	42%	45%	45%	45%	46%	46%	47%
Bachelors degrees	50%	54%	55%	53%	51%	51%	51%	51%
Masters	55%	50%	45%	43%	44%	45%	45%	45%

¹ In this report, 'honours' refers to bachelors degrees with honours and postgraduate diplomas/certificates. Percentages in Figures 4.2 to 4.10 are only available to zero decimal places in order to meet Statistics New Zealand's confidentiality requirements. The underlying graduate counts are randomly rounded.

EDUCATION OUTCOMES FOR YOUNG DOMESTIC GRADUATES

YOUNG GRADUATES ON A BENEFIT OR IN OTHER ACTIVITIES*

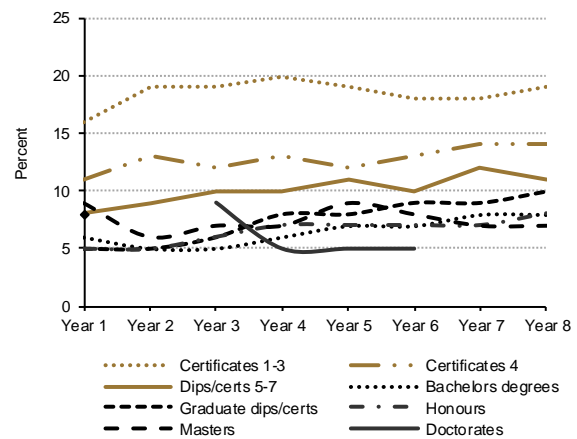
In the eight years following the completion of their studies, the percentage of young graduates on a benefit, or in non-labour market or mixed activities, increased: most of the increase was due to those doing more than one activity throughout the year. About 19 percent of young graduates with a level 1 to 3 certificate were in this category. For those with a level 4 certificate, the proportion was 11 percent in the first year after study, rising to 14 percent eight years after study. Young graduates with a level 5 to 7 diploma/certificate or a higher-level qualification had a lower percentage among them on a benefit, or in other non-labour market activities, in the first year after study, while, over time, the proportion increased to around 9 percent.

Young graduates on a benefit/in other activities by selected qualification levels

Years after study:	1	2	3	4	5	6	7	8
Certificates 1-3	16%	19%	19%	20%	19%	18%	18%	19%
Certificates 4	11%	13%	12%	13%	12%	13%	14%	14%
Dips/certs 5-7	8%	9%	10%	10%	11%	10%	12%	11%
Bachelors degrees	6%	5%	5%	6%	7%	7%	8%	8%
Doctorates	8%	s	9%	5%	5%	5%	s	s

*Other includes people who are not in the labour market or who are doing more than one activity during the year and so do not meet the criteria for any specific destination. s = value suppressed as it did not meet Statistics New Zealand's confidentiality requirements.

Figure 4.5 Young graduates on a benefit, or in non-labour market/mixed activity, by qualification level (1 to 8 years after study)



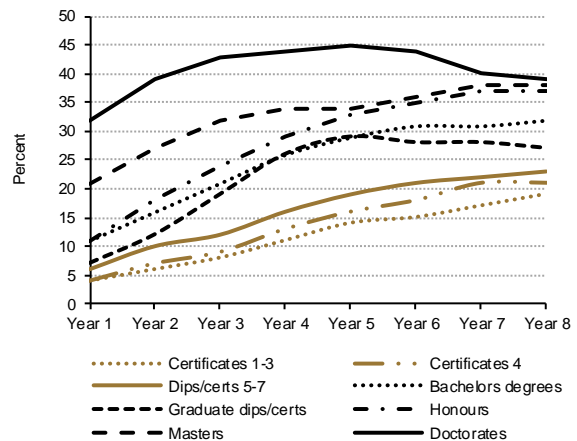
YOUNG GRADUATES SPENDING TIME OVERSEAS

Larger proportions of young graduates with bachelors or higher qualifications than those with non-degree qualifications, spent nine months, or more, overseas in a year. Over time, the proportions going overseas tended to increase among young graduates. After six to seven years, the proportion overseas levelled off among those with a bachelors or higher qualification, while for young graduates with non-degree qualifications the proportion continued to rise slowly over time. Young graduates with a doctoral degree had the largest proportion overseas and the proportion continued to increase for five years after study, before declining.

Proportions of graduates who were overseas by selected qualification levels

Years after study:	1	2	3	4	5	6	7	8
Certificates 1-3	4%	6%	8%	11%	14%	15%	17%	19%
Certificates 4	4%	7%	9%	13%	16%	18%	21%	21%
Dips/certs 5-7	6%	10%	12%	16%	19%	21%	22%	23%
Bachelors degrees	11%	16%	21%	26%	29%	31%	31%	32%
Doctorates	32%	39%	43%	44%	45%	44%	40%	39%

Figure 4.6 Young graduates overseas as main activity by qualification level (1 to 8 years after study)



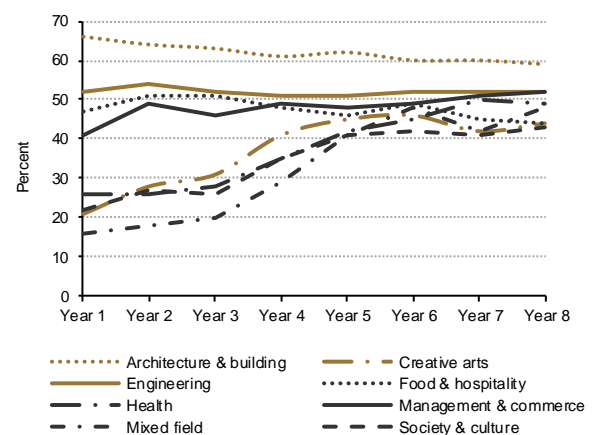
EMPLOYMENT RATES FOR PEOPLE WITH LEVEL 4 CERTIFICATES

The employment rates of young graduates with a level 4 certificate are influenced by their field of study.

Young graduates who studied architecture and building had the highest employment rates, although these decreased over the eight years after study, from 66 percent to 59 percent. Young graduates who studied engineering, food and hospitality, and management and commerce also had high employment rates, which tended to be stable over time at about 50 percent.

The employment rates of young graduates who studied creative arts, health, society and culture, and mixed fields were about 25 percent in the first four years after study. After eight years, the employment rates of young graduates with a level 4 certificate converged, narrowing the differences by broad field of study. Eight years after completing a qualification, the employment rates for this group ranged from 40 percent to 50 percent.

Figure 4.7 Employment rates of young graduates with a level 4 certificate by broad field of study (1 to 8 years after study)



EDUCATION OUTCOMES FOR YOUNG DOMESTIC GRADUATES

OUTCOMES OF YOUNG GRADUATES BY GENDER

There are differences in the outcomes for young men and women following the completion of a tertiary qualification. Some of these differences may relate to differences in fields of study and occupations/professions chosen by men and women.

Of the young graduates with a level 1 to 4 certificate, or a level 5 to 7 diploma/certificate, young men were more likely than young women to be in employment five years after study. At certificate level, young female graduates were also more likely than male graduates to be on a benefit.

Of the young graduates with a bachelors or higher qualification, men were more likely than women to be overseas five years after study, while the employment rates in New Zealand for women tended to be higher than those for men.

Young female graduates were more likely, in general, to do further study than young male graduates five years after completion of a qualification.

Figure 4.8 Destinations of young graduates by qualification level and gender (5 years after study)

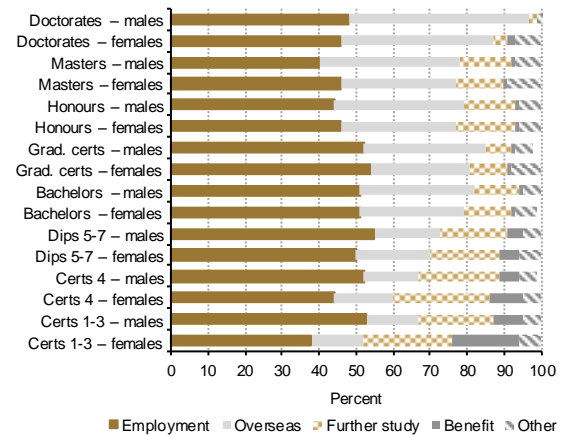
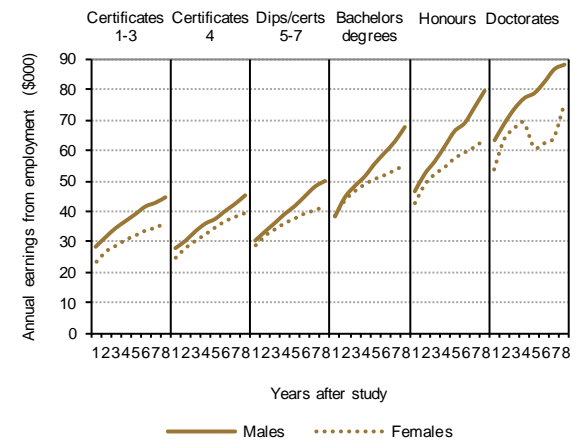


Figure 4.9 Median annual earnings of young graduates by qualification level and gender (1 to 8 years after study)



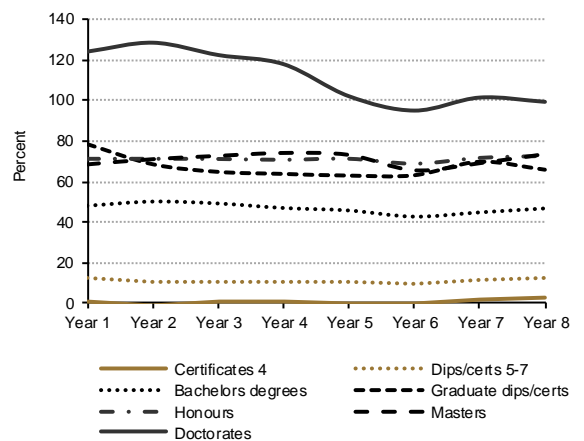
EMPLOYMENT EARNINGS OF YOUNG GRADUATES

There are differences in median annual earnings for young men and women who work after completing their study. However, as hours worked, pay rates, and occupations are unknown, the contribution of each of these factors to the difference cannot be determined. Differences in earnings between young men and women increase over time. Eight years after study, women only earn 76 percent to 84 percent of men's earnings at the equivalent qualification level. The exception is level 4 certificates, where the gap in young men's and women's earnings is smaller in most years, at around 10 percent lower.

Proportion of female to male employment earnings by qualification level

Years after study:	1	2	3	4	5	6	7	8
Certificates 1-3	82%	85%	83%	84%	82%	81%	81%	82%
Certificates 4	90%	93%	91%	91%	93%	92%	90%	88%
Dips/certs 5-7	95%	96%	94%	92%	90%	88%	84%	84%
Bachelors degrees	101%	98%	97%	95%	91%	88%	85%	82%
Graduate dips/certs	100%	98%	97%	96%	93%	88%	86%	83%
Honours	92%	94%	93%	89%	87%	86%	83%	80%
Masters	92%	89%	90%	85%	81%	81%	83%	76%

Figure 4.10 Median annual earnings of young graduates, compared with people with a level 1 to 3 certificate (1 to 8 years after study)



ANNUAL EARNINGS PREMIUMS OF YOUNG GRADUATES

People with higher-level qualifications tend to earn a premium above the earnings of people with lower-level qualifications.

Eight years after study, in 2012/13, young doctoral students earned 99 percent more than young people with a level 1 to 3 certificate. The comparable premium for young graduates with a bachelors degree was 46 percent and for young graduates with an honours or masters qualification the premium was over 70 percent.

Annual earnings premiums compared with people with a level 1 to 3 certificate

Years after study:	2	5	8
Certificates 4	-1%	0%	2%
Dips/certs 5-7	11%	11%	12%
Bachelors degrees	50%	46%	46%
Graduate dips/certs	69%	63%	65%
Honours	71%	71%	72%
Masters	71%	73%	73%
Doctorates	129%	102%	99%

Note: Data used here refers only to young graduates who stay in New Zealand and are classified as employed.

5 QUALIFICATION ACHIEVEMENT IN FORMAL TERTIARY EDUCATION

Students completing a qualification in 2014

In 2014, 144,000 students, including 18,200 international students, completed a tertiary education qualification. Of the 126,000 domestic students completing a qualification, 41,800 completed a bachelors or higher qualification and 84,500 completed a non-degree qualification.

From 2013 to 2014, the number of domestic students who completed a qualification decreased by 2.5 percent. The numbers fell at every qualification level except for doctoral degrees. The biggest falls were for level 4 certificates, level 5 to 7 diplomas/certificates and honours qualifications.

The number of international students who completed a qualification increased by 3.0 percent from 2013 to 2014. The biggest increases were in level 1 to 3 certificates, graduate diplomas/certificates, masters degrees and doctoral degrees.

European and Asian students completing qualifications decreased in number from 2013 to 2014, while for Māori and Pasifika students the number increased. There were 2.6 percent more Māori women who completed a qualification in 2013 than in 2014 and for Māori men the increase was 0.5 percent. In the case of Pasifika students, qualifications completed by men increased by 2.1 percent, while the number of qualifications completed by women decreased by 1.0 percent.

Qualifications completed in 2014

As some students complete more than one qualification per year, either at the same level or at a different level, the number of students who complete a qualification is smaller than the number of qualifications completed.

In 2014, 163,000 tertiary education qualifications were completed (Figure 5.1), 19,200 by international students. Of the 144,000 qualifications completed by domestic students, 43,200 were bachelors or higher qualifications and 101,000 were non-degree qualifications.

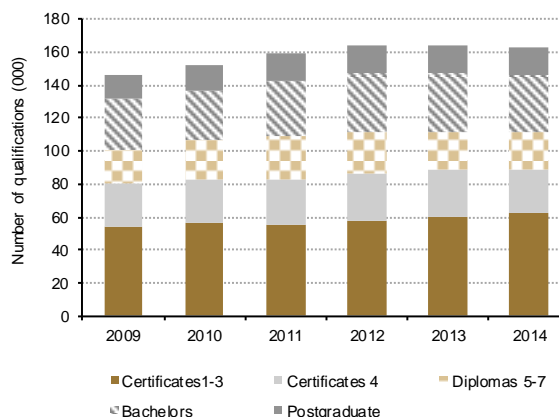
From 2013 to 2014, qualifications completed by Māori and Pasifika students continued to increase overall, while they continued to fall for the European and Asian ethnic groups.

From 2013 to 2014, the number of qualifications completed by Māori students increased, across all levels of study, by

2.5 percent to 38,900. The number of qualifications completed by Pasifika students increased by 1.9 percent to 15,500.

The number of bachelors degrees completed by domestic students in 2014 was 26,000, including 3,180 bachelors degrees gained by Māori and 1,650 by Pasifika. The number of bachelors degrees completed since 2009 has increased by 42 percent for Māori students and by 56 percent for Pasifika students. The numbers of domestic Māori and Pasifika students completing qualifications at this level are expected to remain stable. This reflects two factors that offset each other: a slowing down of increases due to the recent population bulge and rising completion numbers due to the higher participation by Māori and Pasifika at this level

Figure 5.1 Number of qualifications completed by students in formal study by qualification level



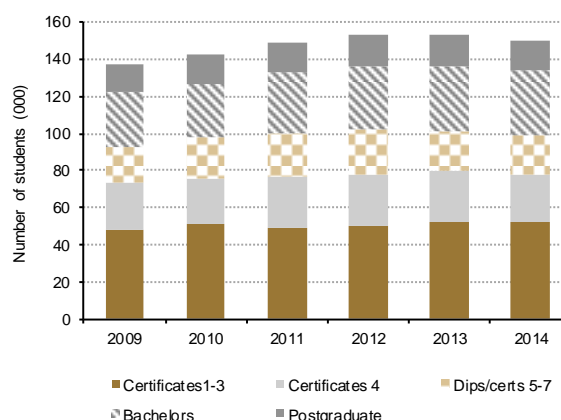
NUMBER OF STUDENTS COMPLETING A QUALIFICATION⁷

There were 144,000 students who completed a qualification in 2014. From 2013 to 2014, the number who completed a qualification decreased overall for domestic students by 2.5 percent to 126,000, while it increased overall for international students by 3.0 percent to 18,200. For domestic students, the largest decreases were for level 2 and level 4 certificates with large increases for level 1 and level 3 certificates.

Number of students who completed a qualification in 2014

	Domestic	% change from 2013	International	% change from 2013	Total	% change from 2013
Certificates 1-3	49,300	-0.6%	2,790	+12.3%	52,100	-0.1%
Certificates 4	23,800	-7.5%	2,050	-14.9%	25,800	-8.1%
Dips/certs 5-7	16,100	-3.8%	4,890	+3.0%	21,000	-2.3%
Bachelors degrees	25,600	-1.1%	3,400	-1.8%	29,000	-1.2%
Graduate dips/certs	4,680	-0.3%	1,640	+16.9%	6,320	+3.6%
Honours ⁸	8,230	-7.9%	1,670	-1.1%	9,900	-6.8%
Masters degrees	3,460	-2.2%	1,540	+20.3%	5,000	+3.8%
Doctoral degrees	771	+5.2%	668	+15.8%	1,440	+9.8%

Figure 5.2 Number of students who completed a qualification by level



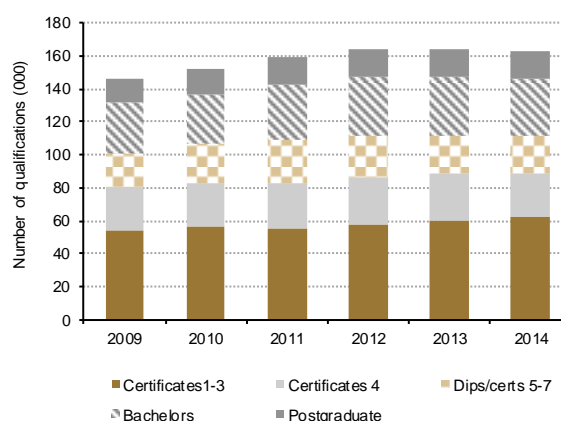
NUMBER OF QUALIFICATIONS COMPLETED

There were 163,000 qualifications completed in 2014. From 2013 to 2014, the number of qualifications completed decreased overall for domestic students by 1.6 percent to 144,000, while they increased overall for international students by 4.5 percent to 19,200.

Number of qualifications completed in 2014

	Domestic	% change from 2013	International	% change from 2013	Total	% change from 2013
Certificates 1-3	58,900	+2.7%	3,070	+15.5%	62,000	+3.3%
Certificates 4	24,600	-7.8%	2,090	-13.9%	26,600	-8.3%
Dips/certs 5-7	17,100	-3.8%	5,120	+4.9%	22,300	-1.9%
Bachelors degrees	26,000	-1.2%	3,410	-1.8%	29,400	-1.2%
Graduate dips/certs	4,700	-0.7%	1,660	+16.7%	6,360	+3.3%
Honours	8,270	-7.9%	1,670	-1.1%	9,940	-6.8%
Masters degrees	3,460	-2.3%	1,540	+20.3%	5,000	+3.8%
Doctoral degrees	771	+5.2%	668	+15.8%	1,440	+9.8%

Figure 5.3 Number of qualifications completed by level



Note: Some students complete more than one qualification per year, either at the same or at a different level.

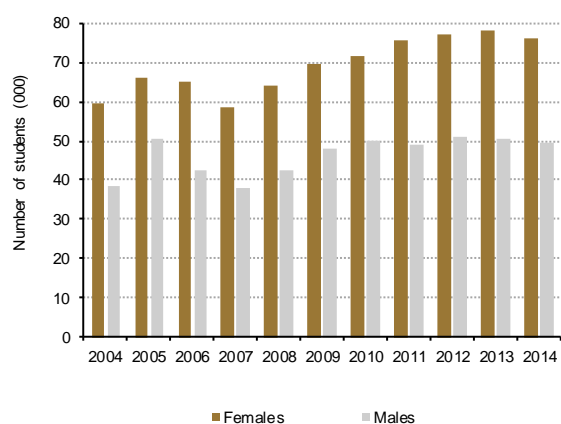
COMPLETING A QUALIFICATION BY GENDER

Of domestic students who completed a qualification in 2014, 76,200 were women and 49,400 were men. From 2013 to 2014, the number of women who completed a qualification decreased overall by 2.4 percent and for men the decrease was 2.5 percent. The total number of qualifications completed by women in 2014 was 86,900 and for men the figure was 56,900.

Number of students who completed a qualification in 2014 by gender

	Females	% change from 2013	Males	% change from 2013
Certificates 1-3	28,500	-0.5%	20,800	-0.7%
Certificates 4	15,100	-5.7%	8,690	-10.3%
Diplomas/certificates 5-7	9,700	-4.2%	6,450	-3.2%
Bachelors degrees	16,400	-1.4%	9,220	-0.5%
Graduate dips/certs	3,040	-1.8%	1,650	+2.6%
Honours	5,270	-7.4%	2,970	-8.8%
Masters degrees	2,030	+0.4%	1,430	-5.7%
Doctoral degrees	421	+5.8%	350	+4.5%

Figure 5.4 Number of domestic students who completed a qualification by gender



⁷ Data in this report has been rounded. This means that totals may differ from the sum of the components. The statistics on qualification completions refer to students in formal study of qualifications registered on the New Zealand Qualifications Framework, requiring more than one week's study duration.

⁸ 'Honours' refers to bachelors with honours degrees and postgraduate diplomas/certificates.

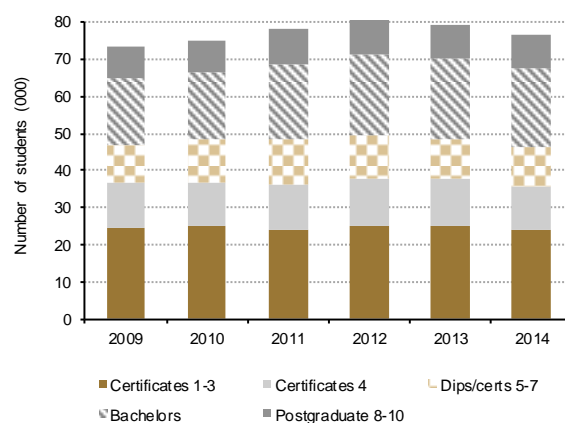
EUROPEAN STUDENTS COMPLETING A QUALIFICATION

There were 73,800 European students who completed a qualification in 2014. Of these, 44,800 were women and 29,000 were men. From 2013 to 2014, the number of European students who completed a qualification decreased overall for women by 3.6 percent and for men the decrease was 3.7 percent. In 2014, 49,800 qualifications were completed by women and 32,800 by men.

European students completing a qualification in 2014 by level

	No. of students	% change from 2009	% change from 2013	No. of quals	% change from 2009	% change from 2013
Certificates 1-3	24,200	-2.2%	-4.2%	28,500	+2.2%	-1.6%
Certificates 4	11,700	-3.3%	-6.1%	12,100	-3.1%	-6.4%
Dips/certs 5-7	10,300	+2.6%	-3.5%	11,000	+4.6%	-3.1%
Bachelors degrees	18,300	+22.0%	-1.4%	18,600	+20.9%	-1.6%
Graduate dips/certs	3,380	-4.5%	-2.6%	3,400	-4.9%	-3.0%
Honours	6,110	+4.1%	-5.3%	6,130	+3.6%	-5.3%
Masters degrees	2,400	+15.3%	-4.6%	2,400	+15.3%	-4.7%
Doctoral degrees	533	+10.1%	+3.5%	533	+10.1%	+3.5%

Figure 5.5 European students who completed a qualification by level



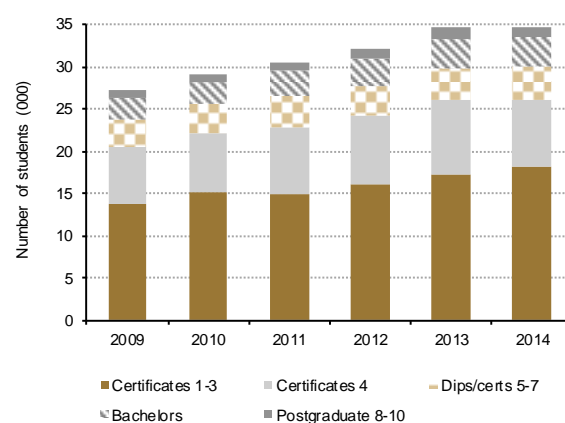
MĀORI STUDENTS COMPLETING A QUALIFICATION

There were 32,800 Māori students who completed a qualification in 2014. Of these, 20,400 were women and 12,300 were men. From 2013 to 2014, the number of Māori students who completed a qualification increased overall for women by 2.6 percent and for men the increase was 0.5 percent. In 2014, there were 24,000 qualifications completed by women and 14,900 by men.

Māori students completing a qualification in 2014 by level

	No. of students	% change from 2009	% change from 2013	No. of quals	% change from 2009	% change from 2013
Certificates 1-3	18,300	+31.8%	+6.0%	21,900	+39.8%	+9.8%
Certificates 4	7,940	+19.1%	-9.9%	8,190	+19.2%	-10.2%
Dips/certs 5-7	3,910	+22.8%	+4.4%	4,100	+24.8%	+3.4%
Bachelors degrees	3,130	+42.9%	-2.8%	3,180	+41.8%	-2.2%
Graduate dips/certs	441	+8.6%	+3.5%	443	+8.3%	+2.3%
Honours	673	+2.7%	-12.5%	675	+2.0%	-12.6%
Masters degrees	343	+44.1%	-8.8%	343	+44.1%	-8.8%
Doctoral degrees	56	+69.7%	-17.6%	56	+69.7%	-17.6%

Figure 5.6 Māori students who completed a qualification by level



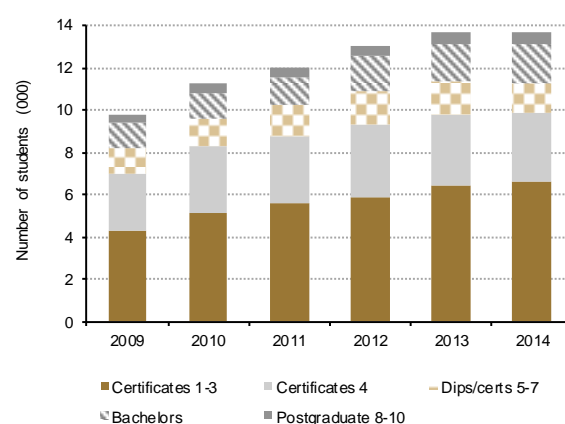
PASIFIKA STUDENTS COMPLETING A QUALIFICATION

There were 12,900 Pasifika students who completed a qualification in 2014. Of these, 7,850 were women and 5,090 were men. From 2013 to 2014, the number of Pasifika students who completed a qualification decreased overall for women by 1.0 percent, while the number increased overall for men by 2.1 percent. In 2014, there were 9,420 qualifications completed by women and 6,110 by men.

Pasifika students completing a qualification in 2014 by level

	No. of students	% change from 2009	% change from 2013	No. of quals	% change from 2009	% change from 2013
Certificates 1-3	6,600	+54.1%	+2.7%	8,260	+79.3%	+6.4%
Certificates 4	3,260	+18.1%	-3.8%	3,340	+18.9%	-4.3%
Dips/certs 5-7	1,440	+25.9%	-7.1%	1,530	+29.1%	-8.3%
Bachelors degrees	1,640	+57.3%	+7.1%	1,650	+56.5%	+6.9%
Graduate dips/certs	258	+28.4%	+17.8%	261	+29.2%	+18.6%
Honours	334	+21.9%	-14.8%	335	+21.4%	-15.0%
Masters degrees	138	+48.4%	-8.0%	138	+48.4%	-8.0%
Doctoral degrees	15	-11.8%	-25.0%	15	-11.8%	-25.0%

Figure 5.7 Pasifika students who completed a qualification by level



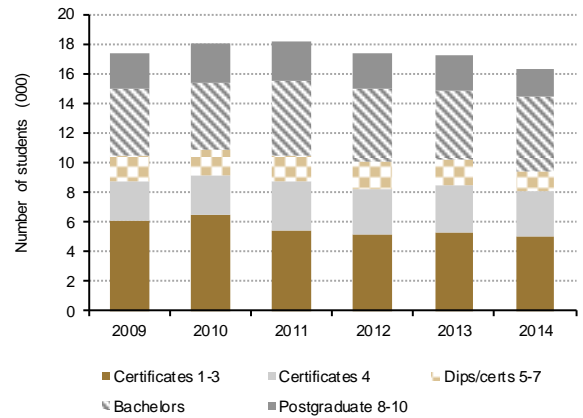
ASIAN STUDENTS COMPLETING A QUALIFICATION

There were 15,600 Asian students who completed a qualification in 2014. Of these, 9,320 were women and 6,320 were men. From 2013 to 2014, the number of Asian students who completed a qualification decreased overall for women by 5.3 percent and for men by 3.9 percent. In 2014, there were 10,700 qualifications completed by women and 6,950 by men.

Asian students completing a qualification in 2014 by level

	No. of students	% change from 2009	% change from 2013	No. of quals	% change from 2009	% change from 2013
Certificates 1-3	4,980	-17.8%	-6.7%	5,950	-15.0%	-3.6%
Certificates 4	3,060	+15.2%	-3.1%	3,120	+14.6%	-3.1%
Dips/certs 5-7	1,440	-18.0%	-13.5%	1,510	-18.3%	-14.7%
Bachelors degrees	4,220	+13.1%	+3.1%	4,260	+12.8%	+3.3%
Graduate dips/certs	798	-10.4%	+9.5%	798	-11.0%	+9.3%
Honours	1,310	-18.9%	-19.9%	1,320	-19.1%	-19.7%
Masters degrees	535	-21.6%	-11.0%	536	-21.6%	-10.8%
Doctoral degrees	124	-11.4%	-4.6%	124	-11.4%	-4.6%

Figure 5.8 Asian students who completed a qualification by level



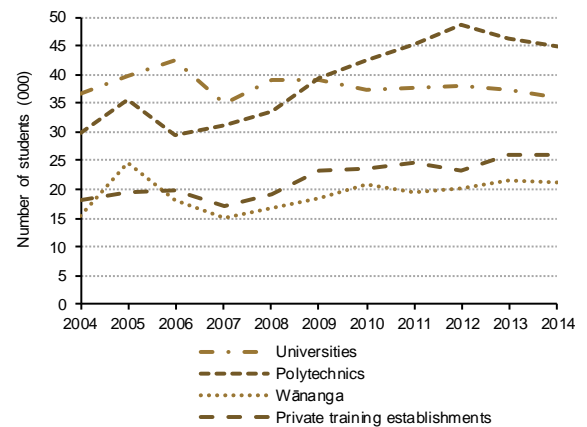
DOMESTIC STUDENTS COMPLETING A QUALIFICATION BY SUB-SECTOR

From 2013 to 2014, the number of domestic students who completed a qualification decreased at universities, polytechnics and wānanga. At private training establishments the number remained stable. Compared to 10 years earlier, the number of students completing qualifications in 2014 was larger for each sub-sector, except universities, which had stable numbers.

Number of domestic students who completed a qualification by sub-sector

	2009	2013	2014	% change from 2009	% change from 2013
Total	118,000	129,000	126,000	+6.6%	-2.5%
Tertiary education institutions	95,900	104,000	101,000	+5.2%	-3.2%
Private training establishments	23,100	26,100	26,000	+12.3%	-0.3%
Universities	39,100	37,500	35,900	-8.3%	-4.4%
Polytechnics	39,300	46,300	44,900	+14.3%	-2.9%
Wānanga	18,600	21,600	21,100	+13.7%	-2.1%

Figure 5.9 Domestic students who completed a qualification by sub-sector



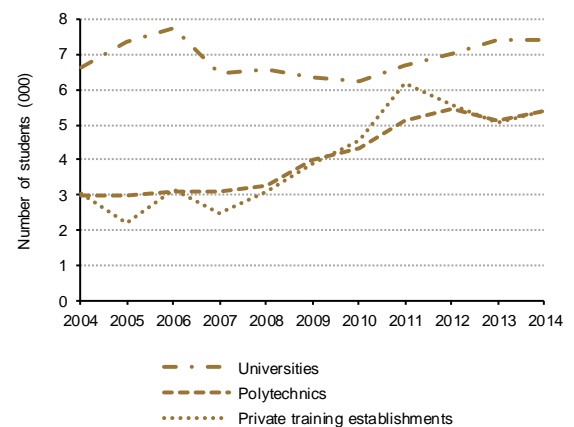
INTERNATIONAL STUDENTS COMPLETING A QUALIFICATION BY SUB-SECTOR

From 2013 to 2014, the number of international students who completed a qualification increased at universities, polytechnics and private training establishments. The number of international students completing qualifications in 2014 was larger than in 2009 for universities, polytechnics and private training establishments.

Number of international students who completed a qualification by sub-sector

	2009	2013	2014	% change from 2009	% change from 2013
Total	14,200	17,600	18,200	+27.8%	+3.0%
Tertiary education institutions	10,400	12,600	12,800	+23.3%	+1.7%
Private training establishments	3,860	5,060	5,390	+39.7%	+6.6%
Universities	6,330	7,390	7,410	+17.1%	+0.3%
Polytechnics	4,010	5,110	5,400	+34.6%	+5.6%

Figure 5.10 International students who completed a qualification by sub-sector



6 COURSE COMPLETION RATES IN TERTIARY EDUCATION

This chapter includes course completion rates of domestic students by:

- ▲ qualification level
- ▲ ethnic group, and
- ▲ sub-sector.

Tertiary education course completion rates increase

Course completion rates have increased substantially over the last five years. Comparing 2009 with 2014 shows that domestic students studying non-degree qualifications had the largest increases in their course completion rates.¹ For example, the course completion rate of students in level 3 certificate qualifications was 81 percent in 2014 – 10 percentage points higher than in 2009. There were also substantial increases since 2009 in the rates for students studying level 2 certificates, level 4 certificates and level 5 to 7 diplomas/certificates. In 2014, the course completion rates for these qualifications were all close to 80 percent.

The course completion rates of domestic students in bachelors or higher qualifications have been consistently high in recent years with small, or no, increases in these rates over the last five years. For example, the course completion rates in 2014 of students in bachelors-degree study was 85 percent, compared to 83 percent in 2009, and the figure for honours² qualifications was 92 percent in 2014, compared to 91 percent in 2009.

Differences in course completion rates by age group

Over the last five years, there has been a general upward trend in the course completion rates for non-degree qualifications among the age groups. The largest differences among the age groups were for level 1 to 4 certificate qualifications, with students aged 40 years and over having the highest course completion rates at these levels.

ABOUT COURSE COMPLETIONS DATA

The course completion rates in this chapter of *Profile & Trends* refer to courses which were successfully completed, or passed, by students. The course completion rate for each year relates to the courses completed in that year, irrespective of when the course was started.

A course is a distinct module, paper, or unit of study that generally forms part of a larger programme of study that may, or may not, lead to a recognised qualification.

The course completion rates are based on the equivalent full-time student unit (EFTS) value of the total number of successfully completed courses in any one year, as a proportion of the EFTS value of the total number of courses that could have been completed in that year. One EFTS unit represents one year of full-time study.

Data covers all domestic students enrolled in tertiary education providers who receive student achievement-component funding and Youth Guarantee funding from the government or who have courses that are eligible for student loans and allowances.

Course completion rates reported here may differ slightly from those published by the Tertiary Education Commission.

As the qualification level studied increases, differences in the course completion rates among the age groups become smaller. Of the students studying a level 4 certificate in 2014, there was a six percentage point difference among the age groups. At bachelors and higher levels the differences narrowed down to less than three percentage points.

Largest increases in course completion rates for Māori and Pasifika

From 2009 to 2014, the course completion rate (at all qualification levels) increased by 10 percentage points for Māori students, to 75 percent, and by eight percentage points for Pasifika students, to 74 percent. This compared to a course completion rate of 87 percent for Asian students and 86 percent for European students. The recent changes in the course completion rates (at all qualification levels) have narrowed down the differences in the rates among the ethnic groups from 18 percentage points in 2009 to 13 percentage points in 2014.

¹ The Tertiary Education Commission has published annual performance information since 2009 for all tertiary education organisations who receive student achievement funding. Standardised performance-linked funding is aimed at providing tertiary education organisations with incentives for improving teaching and pastoral care. A portion of

government funding became linked to a standardised performance process from 2012 onwards.

² 'Honours' refers to bachelors degrees with honours, postgraduate diplomas and postgraduate certificates.

Although the recent increases in the course completion rates for Māori and Pasifika students were highest for non-degree qualifications, the increases in the rates for bachelors degrees were also higher for Māori and Pasifika students than for the other ethnic groups. The differences among the ethnic groups at this level of study have narrowed from 20 percentage points in 2009 to 16 percentage points in 2014.

Largest increases in course completion rates for the polytechnic and private training establishment sub-sectors

From 2009 to 2014, the difference in the course completion rates has narrowed among the sub-sectors to six percentage points. The course completion rates (at all qualification levels) increased over this time by 10 percentage points for private training establishments to 84 percent, and by nine percentage points for polytechnics to 80 percent. This compared to an increase of six percentage points, to 80 percent, for wānanga, and an increase of two percentage points, to 86 percent, for the university sub-sector.

COURSE COMPLETION RATES BY QUALIFICATION LEVEL¹

The course completion rates of students in level 2, level 3 and level 4 certificates were substantially higher in 2014 than in 2009. The rate for level 5 to 7 diplomas/certificates was also higher in 2014 than in 2009, although the increase was smaller than for level 2 to 4 certificate courses. Students in level 1 certificate qualifications had the lowest course completion rates.

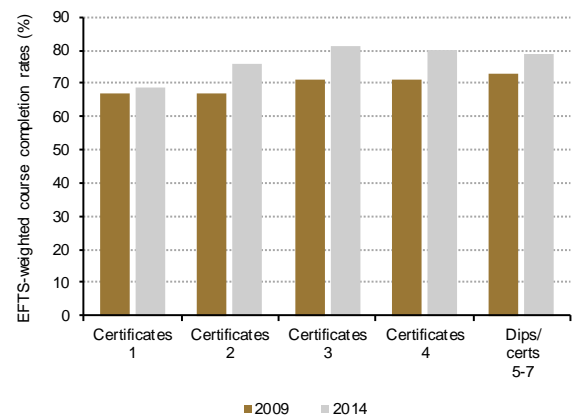
In 2014, level 2 to 7 qualifications comprised 41 percent of the total student study load, while level 1 certificates comprised 2.4 percent.

Course completion rates of domestic students in non-degree qualifications

	2009	2013	2014
Certificates 1	67%	75%	69%
Certificates 2	67%	77%	76%
Certificates 3	71%	82%	81%
Certificates 4	71%	80%	80%
Diplomas/certificates 5-7	73%	80%	79%

Note: These rates are weighted in terms of the time it takes to complete each course.

Figure 6.1 Course completion rates of domestic students in non-degree qualifications



COURSE COMPLETION RATES BY QUALIFICATION LEVEL

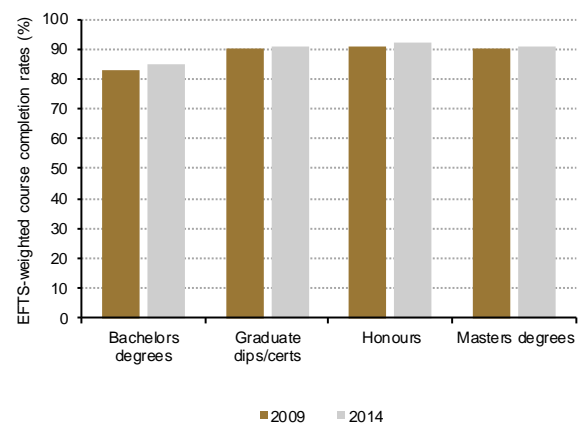
The course completion rates for bachelors and postgraduate qualifications remained stable from 2009 to 2014. In 2009 and 2014, more than four out of every five students in bachelors degrees completed their courses. This compared to over 90 percent of students in graduate diplomas/certificates, bachelors with honours degrees, postgraduate diplomas/certificates and masters degrees.

Selected course completion rates for domestic students in higher-level study

	2009	2013	2014
Bachelors degrees	83%	86%	85%
Graduate diplomas/certificates	90%	90%	91%
Honours	91%	92%	92%
Masters degrees	90%	92%	91%

Note: 'Honours' includes bachelors with honours degrees and postgraduate diplomas/certificates.

Figure 6.2 Selected course completion rates of domestic students in higher-level study



COURSE COMPLETION RATES BY AGE GROUP

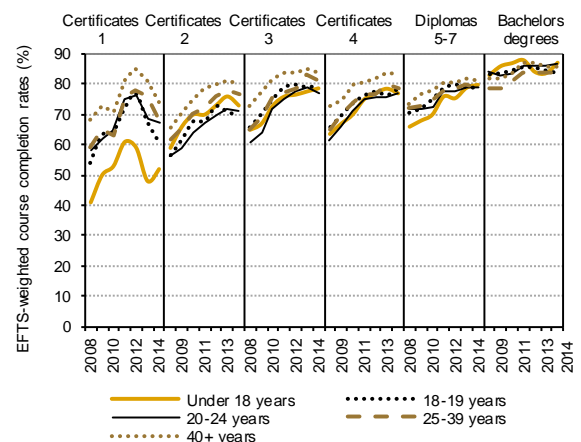
Figure 6.3 shows a general upward trend in the course completion rates for non-degree qualifications among the age groups. Students aged 40 years and over had the highest pass rates for level 1 to 4 certificates. The differences among the age groups are smaller at higher qualification levels.

The course completion rate for level 1 certificates decreased in recent years and this is due to different types of students undertaking study at this level. In part, this was due to a transfer of students and providers from Youth Training to Youth Guarantee programmes from 2013 onwards.

Course completion rates of domestic students in 2014 by age group

	Certs 1	Certs 2	Certs 3	Certs 4	Dips/certs 5-7	Bachelors degrees
Under 18 years	52%	73%	79%	77%	80%	87%
18-19 years	61%	70%	80%	79%	79%	84%
20-24 years	67%	71%	77%	77%	79%	87%
25-39 years	68%	77%	81%	79%	79%	84%
40+ years	74%	80%	84%	83%	81%	86%

Figure 6.3 Course completion rates of domestic students by age group and level



¹ Data covers all domestic students enrolled in tertiary education providers who receive student achievement-component funding and Youth Guarantee funding or who have courses that are eligible for student loans and allowances. 'Course' refers to a distinct module, paper, or unit of study that generally forms part of a larger programme of study that may, or may not, lead to a recognised qualification. 'Honours' refers to bachelors degrees with honours, postgraduate diplomas and postgraduate certificates. Course completion rates reported here may differ slightly from those published by the Tertiary Education Commission.

COURSE COMPLETION RATES BY ETHNIC GROUP

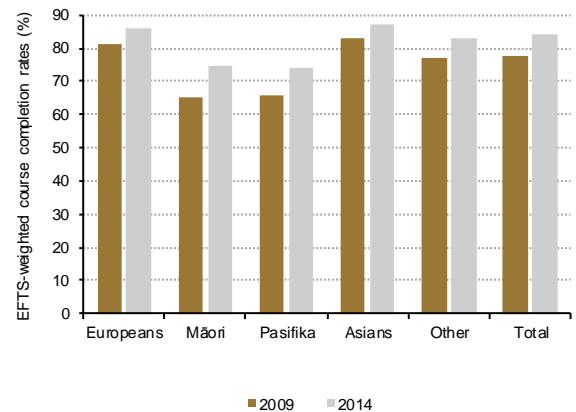
From 2009 to 2014, the course completion rates increased for all ethnic groups, with the largest increases for Māori and Pasifika students. The increase over this time was 10 percentage points for Māori students and eight percentage points for Pasifika students. This compared to increases of six percentage points for the Other ethnic group, five percentage points for European students and four percentage points for Asian students.

Course completion rates (all qualification levels) of domestic students by ethnic group

	2009	2013	2014
Europeans	81%	86%	86%
Māori	65%	76%	75%
Pasifika	66%	74%	74%
Asians	83%	87%	87%
Other	77%	83%	83%
Total	78%	84%	84%

Note: Students are counted in each ethnic group indicated.

Figure 6.4 Course completion rates (all qualification levels) of domestic students by ethnic group



COURSE COMPLETION RATES BY ETHNIC GROUP

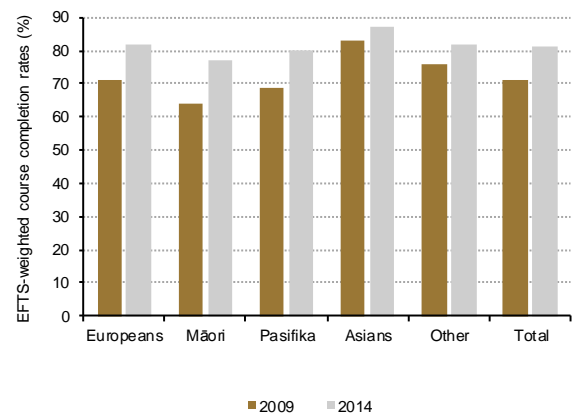
From 2009 to 2014, the course completion rates for level 3 certificates increased for all ethnic groups, with the largest increases for Māori, European and Pasifika students. The increase over this time was 13 percentage points for Māori students and 11 percentage points for European and Pasifika students. The comparable increase for the Other ethnic group was six percentage points and for Asian students it was four percentage points.

Course completion rates of domestic students in level 3 certificates by ethnic group

	2009	2013	2014
Europeans	71%	81%	82%
Māori	64%	79%	77%
Pasifika	69%	81%	80%
Asians	83%	89%	87%
Other	76%	84%	82%
Total	71%	82%	81%

Note: Students are counted in each ethnic group indicated.

Figure 6.5 Course completion rates of domestic students in level 3 certificates by ethnic group



COURSE COMPLETION RATES BY ETHNIC GROUP

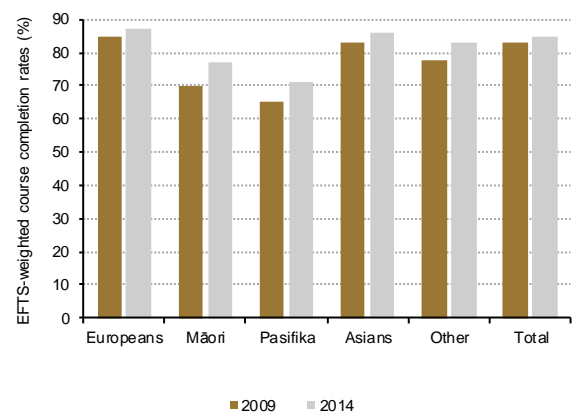
From 2009 to 2014, the course completion rates for Māori and Pasifika students in bachelors degree study had the highest increases. The increase over this time was seven percentage points for Māori students and six percentage points for Pasifika students. This compared to increases of five percentage points for the Other ethnic group, three percentage points for Asian students and two percentage points for European students.

Course completion rates of domestic students in bachelors degrees by ethnic group

	2009	2013	2014
Europeans	85%	88%	87%
Māori	70%	77%	77%
Pasifika	65%	71%	71%
Asians	83%	86%	86%
Other	78%	83%	83%
Total	83%	86%	85%

Note: Students are counted in each ethnic group indicated.

Figure 6.6 Course completion rates of domestic students in bachelors degrees by ethnic group



COURSE COMPLETION RATES BY SUB-SECTOR

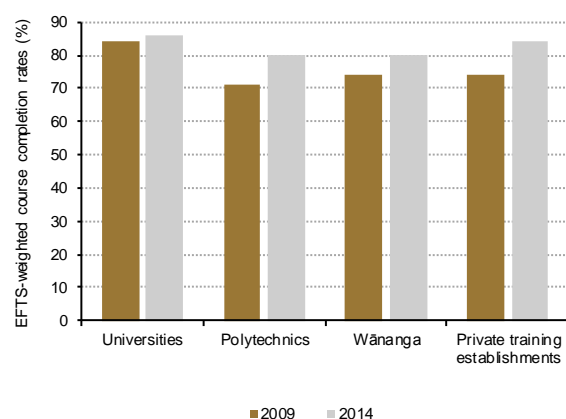
From 2009 to 2014, the differences in the course completion rates among the sub-sectors narrowed. The course completion rate (all qualification levels) increased over this time by 10 percentage points for students at private training establishments, by nine percentage points for polytechnic students, by six percentage points for students at wānanga and by two percentage points for university students.

In 2014, the university sub-sector continued to have the highest course completion rate (all qualification levels), at 86 percent.

Course completion rates of domestic students (all qualification levels) by sub-sector

	2009	2013	2014
Universities	84%	86%	86%
Polytechnics	71%	81%	80%
Wānanga	74%	81%	80%
Private training establishments	74%	84%	84%

Figure 6.7 Course completion rates of domestic students (all qualification levels) by sub-sector



7

TERTIARY EDUCATION STATISTICS FROM THE 2013 POPULATION CENSUS

This chapter includes data from the 2013 Population Census on:

- ▲ qualification attainment
- ▲ employment status by level of qualification, and
- ▲ distribution of income by level of qualification.

The latest census data shows that the New Zealand resident population aged 15 years and over continues to become more highly educated over time, confirming the findings from the Household Labour Force Survey in chapter 2. In 2013, 20 percent of the resident population had a bachelors or higher qualification, compared to just 4 percent¹ in 1981.

The census data shows that there are significant differences in the attainment of higher qualifications between age groups, with younger people being relatively better qualified. Of the New Zealand resident population aged 25 to 34 years, around 33 percent had a bachelors degree or higher qualification. This compared to just 10 percent of those aged 65 years and over.

Higher-level qualifications were associated with a higher likelihood of full-time employment. Men exhibited higher rates of full-time employment than women at each level of qualification. Among women aged 25 to 64 years, 60 percent who held a bachelors-level qualification were in full-time employment, compared to just 36 percent of those without a qualification. The figures for men aged 25 to 64 years, were 84 percent and 64 percent, respectively.

Higher qualifications were also associated with higher incomes. In 2013, the proportions of men and women aged 25 to 64 years earning an income of over \$50,000 were:

- ▲ 65 percent of men and 43 percent of women with a bachelors degree
- ▲ 44 percent of men and 20 percent of women with a school qualification, and
- ▲ 25 percent of men and 7 percent of women with no qualification.

¹ Percentages are only available to zero decimal places in order to meet Statistics New Zealand's confidentiality requirements.

HIGHEST QUALIFICATION OF THE POPULATION AGED 15 YEARS AND OVER¹

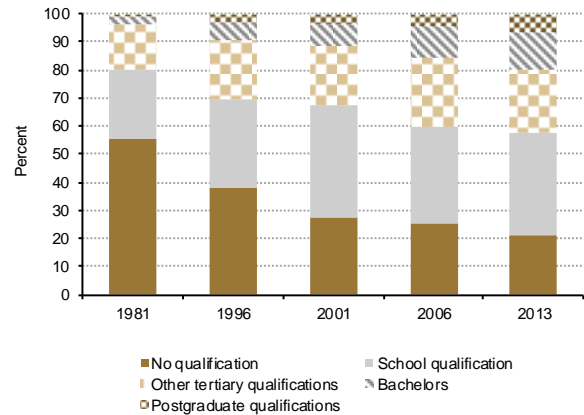
Data from the 2013 Population Census shows that the New Zealand resident population aged 15 years and over continues to become more highly qualified over time. The proportion of the population with a tertiary qualification has more than doubled from around 20 percent in 1981 to over 40 percent in 2013. In contrast, the proportion of the population without a qualification has decreased from 55 percent in 1981 to 21 percent in 2013.

Distribution of the population aged 15 years and over by highest qualification

	1981	1996	2001	2006	2013
Postgraduate qualifications	1%	3%	4%	5%	6%
Bachelors	3%	6%	8%	11%	14%
Other tertiary qualifications	16%	21%	20%	24%	22%
School qualification	25%	31%	40%	35%	37%
No qualification	55%	38%	28%	25%	21%

Source: Statistics New Zealand, *Population Censuses*.

Figure 7.1 Distribution of the 2013 population aged 15 years and over by highest qualification



HIGHEST QUALIFICATION OF THE POPULATION BY AGE GROUP

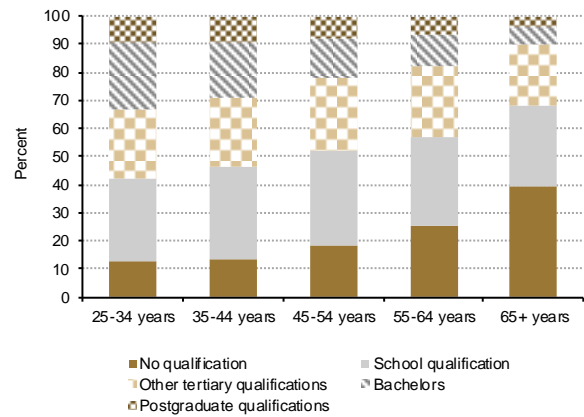
Younger people in the New Zealand resident population are more highly qualified than people aged 45 years and over. In 2013, 33 percent of 25 to 34 year-olds had a bachelors or higher qualification, compared to 18 percent of people aged 55 to 64 years and 10 percent of those aged 65 years and over.

Distribution of the 2013 population by highest qualification and age group

Years:	25-34	35-44	45-54	55-64	65+
Postgraduate qualifications	9%	10%	8%	7%	4%
Bachelors	24%	19%	14%	11%	6%
Other tertiary qualifications	24%	24%	26%	26%	22%
School qualification	30%	33%	34%	32%	29%
No qualification	12%	13%	18%	25%	39%

Source: Statistics New Zealand, *Population Censuses*.

Figure 7.2 Distribution of the 2013 population by highest qualification and age group



EMPLOYMENT STATUS OF WOMEN BY HIGHEST QUALIFICATION

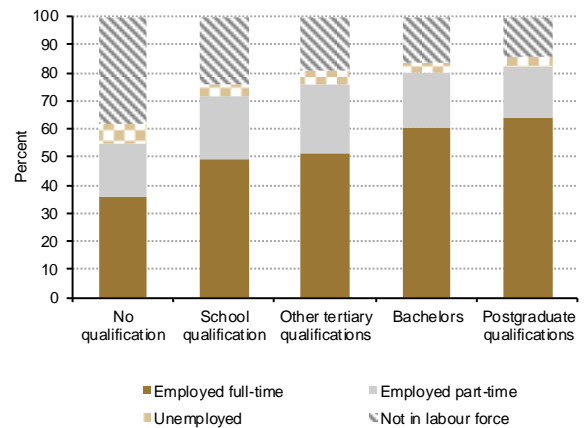
Women with higher-level qualifications are more likely to be in employment (especially full-time employment) than women with lower-level qualifications. Around 60 percent of women aged 25 to 64 years with a bachelors-level qualification were in full-time employment in 2013, compared to 36 percent of women without a qualification and 49 percent of women with a school qualification.

Employment status in 2013 of women aged 25 to 64 years by highest qualification

Qualification level:	None	School	Other tertiary	Bachelors	Postgraduate
Employed full-time	36%	49%	51%	60%	64%
Employed part-time	19%	22%	24%	20%	18%
Unemployed	7%	4%	5%	3%	3%
Not in labour force	38%	24%	20%	17%	15%

Source: Statistics New Zealand, *Population Censuses*.

Figure 7.3 Employment status in 2013 of women aged 25 to 64 years by highest qualification



¹ In this chapter, numbers may not add to 100% due to rounding and the percentages are calculated using stated responses. Percentages are only available to zero decimal places in order to meet Statistics New Zealand's confidentiality requirements. 'Other' tertiary qualifications are level 1 to 4 certificates and level 5 to 7 diplomas/certificates. 'Bachelors'-level refers to degrees and graduate dips/certs.

EMPLOYMENT STATUS OF MEN BY HIGHEST QUALIFICATION

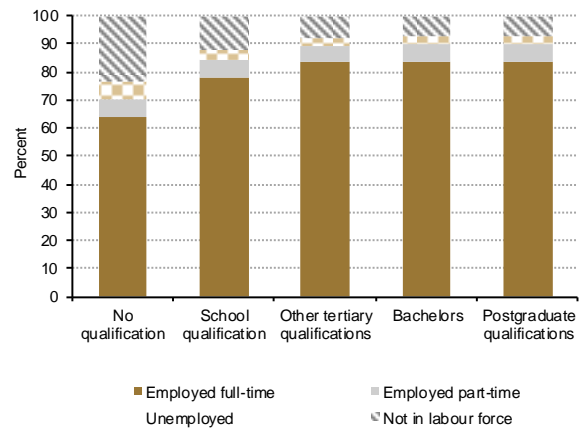
As was the case for women, men with higher-level qualifications are more likely to be in full-time employment. In 2013, 84 percent of men aged 25 to 64 years with a bachelors-level qualification were in full-time employment, compared to 78 percent of men with a school qualification and 64 percent of men without a qualification.

Employment status in 2013 of men aged 25 to 64 years by highest qualification

Qualification level:	None	School	Other tertiary	Bachelors	Postgraduate
Employed full-time	64%	78%	84%	84%	84%
Employed part-time	7%	6%	5%	6%	6%
Unemployed	6%	4%	3%	3%	3%
Not in labour force	24%	12%	8%	7%	7%

Source: Statistics New Zealand, Population Censuses.

Figure 7.4 Employment status in 2013 of men aged 25 to 64 years by highest qualification



INCOME DISTRIBUTION OF WOMEN BY HIGHEST QUALIFICATION

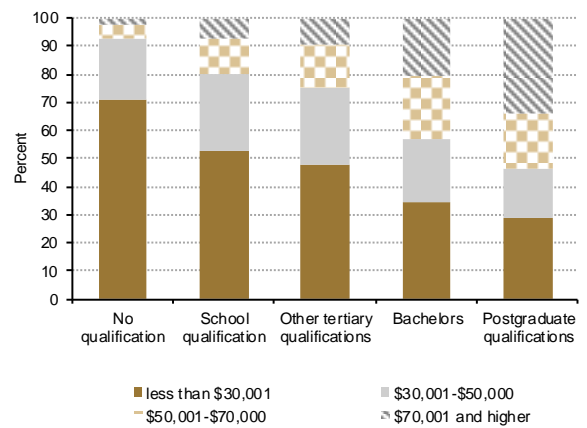
There was a positive association for women between the attainment of higher qualifications and higher incomes. Around 43 percent of women aged 25 to 64 years with a bachelors-level qualification had an income of over \$50,000, compared to 20 percent of women with a school qualification and 7 percent of women without a qualification.

Income distribution in 2013 of women aged 25 to 64 years by highest qualification

Qualification level:	None	School	Other tertiary	Bachelors	Postgraduate
Less than \$30,001	71%	53%	48%	34%	29%
\$30,001-\$50,000	21%	27%	27%	23%	18%
\$50,001-\$70,000	5%	13%	16%	22%	20%
\$70,001 and higher	2%	7%	9%	21%	34%

Source: Statistics New Zealand, Population Censuses.

Figure 7.5 Income distribution in 2013 of women aged 25 to 64 years by highest qualification



INCOME DISTRIBUTION OF MEN BY HIGHEST QUALIFICATION

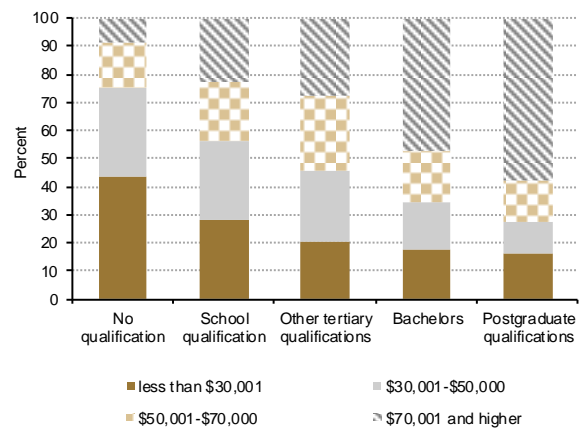
Men also displayed a positive association between higher qualifications and higher income. Of men aged 25 to 64 years with a bachelors-level qualification, 65 percent had an income of over \$50,000, compared to 44 percent of men with a school qualification and 25 percent of men without a qualification.

Income distribution in 2013 of men aged 25 to 64 years by highest qualification

Qualification level:	None	School	Other tertiary	Bachelors	Postgraduate
Less than \$30,001	44%	28%	20%	18%	16%
\$30,001-\$50,000	31%	28%	26%	17%	11%
\$50,001-\$70,000	16%	21%	26%	18%	15%
\$70,001 and higher	9%	23%	28%	47%	58%

Source: Statistics New Zealand, Population Censuses.

Figure 7.6 Income distribution in 2013 of men aged 25 to 64 years by highest qualification



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