

THE INCOMES OF THE YOUNG EUROPEAN TERTIARY GRADUATES

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Objectives

First: comparison of young graduates' incomes among member states

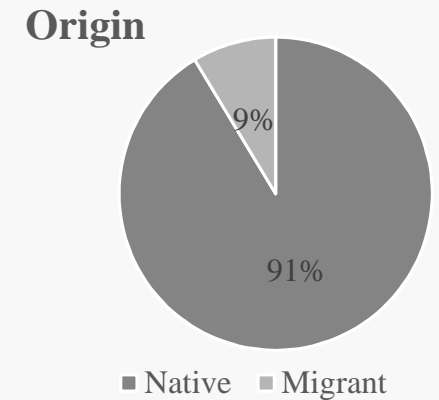
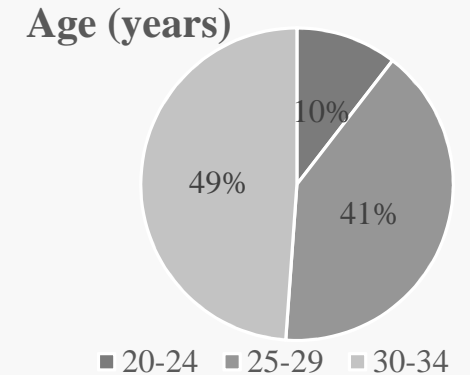
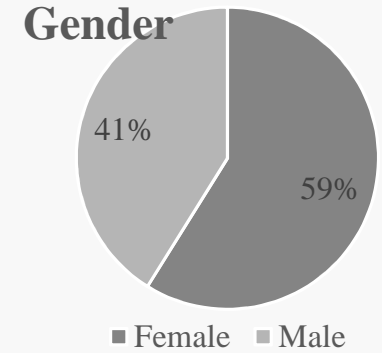
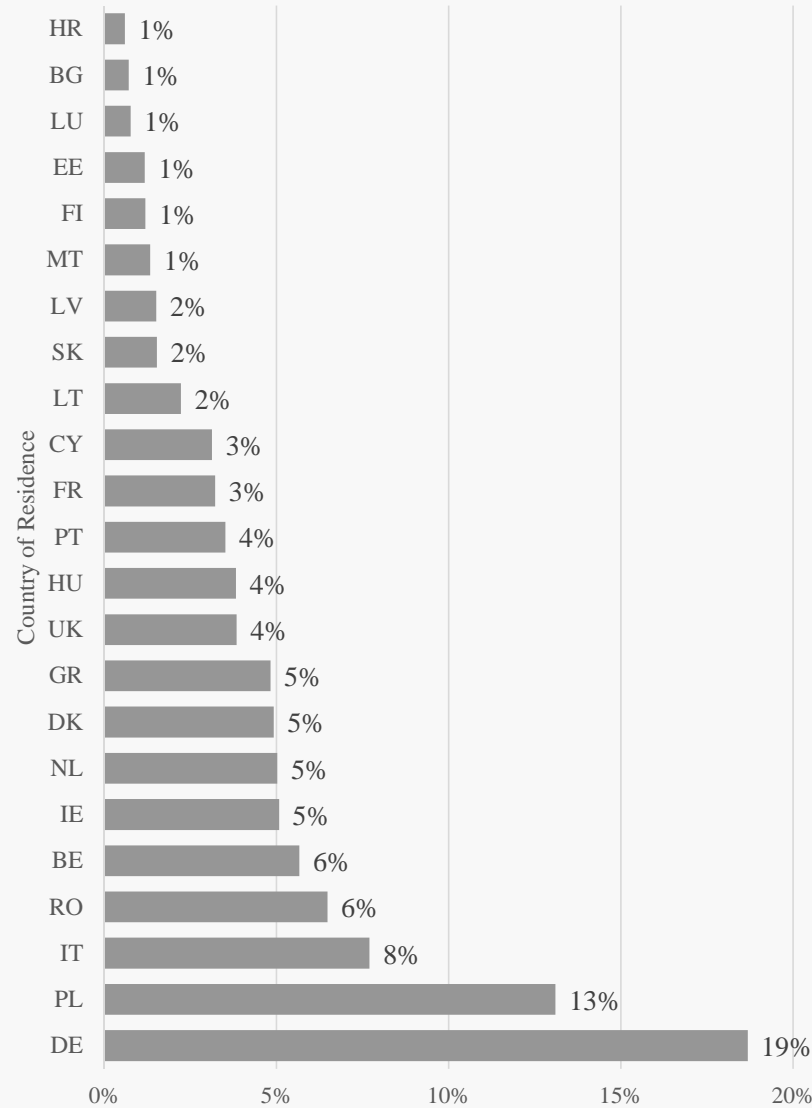
Second: identify the conditions that favour the growth of incomes of young graduates of higher education, namely the country of residence, the academic degree, the field of study and work (part-time / full time).

Third: evaluate the incomes of respondents and to relate them with the graduation level, field of study, Gender, professional area and activity area.

The sample

SOCIO-ECONOMIC CHARACTERIZATION

This study used Microdata from "European Labour Force Survey (EU- LFS) 2013" provided by Eurostat. It was based on the responses of 79 643 tertiary graduates, 59% female and 41% male, aged between 20 and 34 years, from 23 of 28 EU member states.

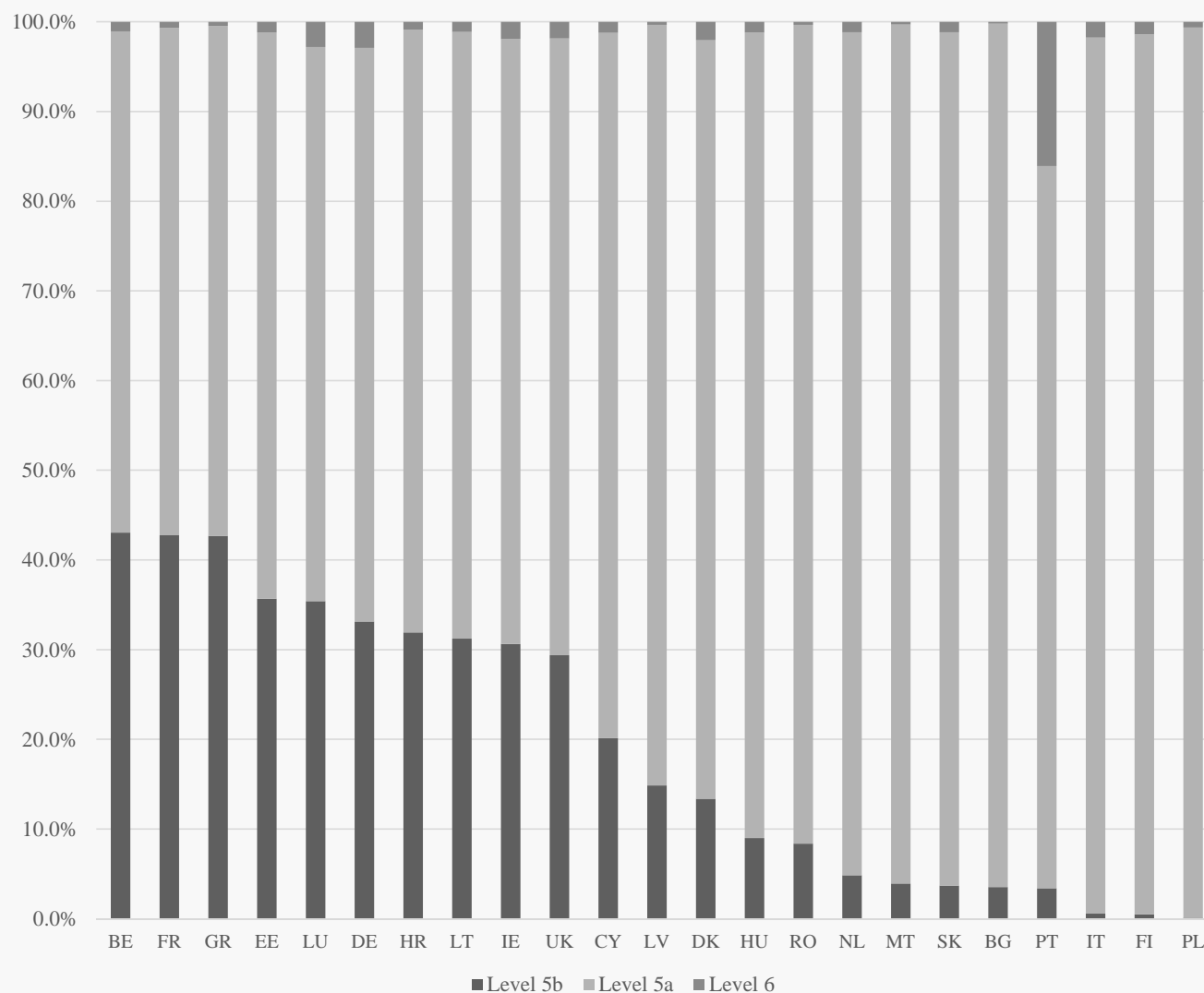


The Sample

FORMAL EDUCATION

Portugal shows the highest rate for level 6 (PhD, 15.5%), while Bulgaria (0.1%), Romania (0.2%) and Latvia (0.3%) have the lowest rates.

Slovenia has the highest rate of level 5b (Master, 42%), followed by Greece (41%). Poland and Italy show 0.2% and 0.7%, respectively.



INSTITUTO
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DA MAIA ISMAI

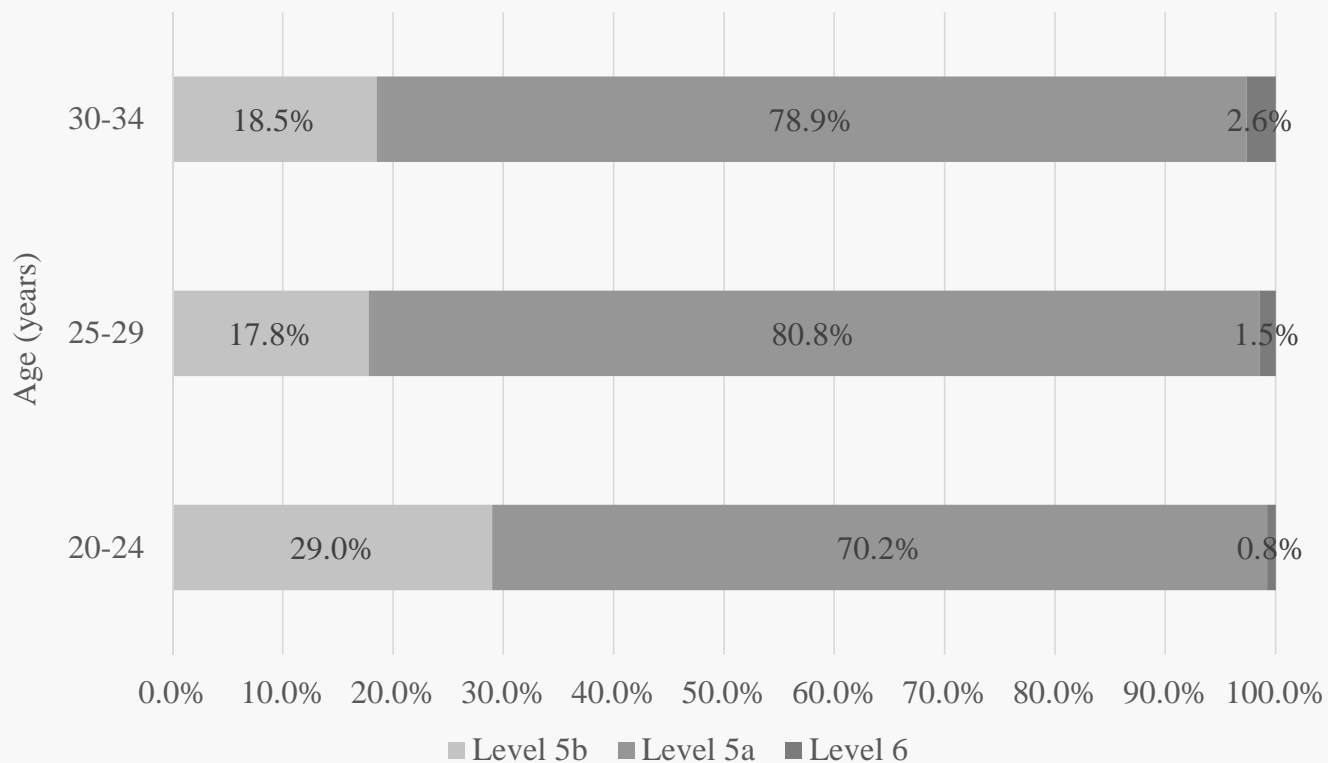


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The Sample

FORMAL EDUCATION

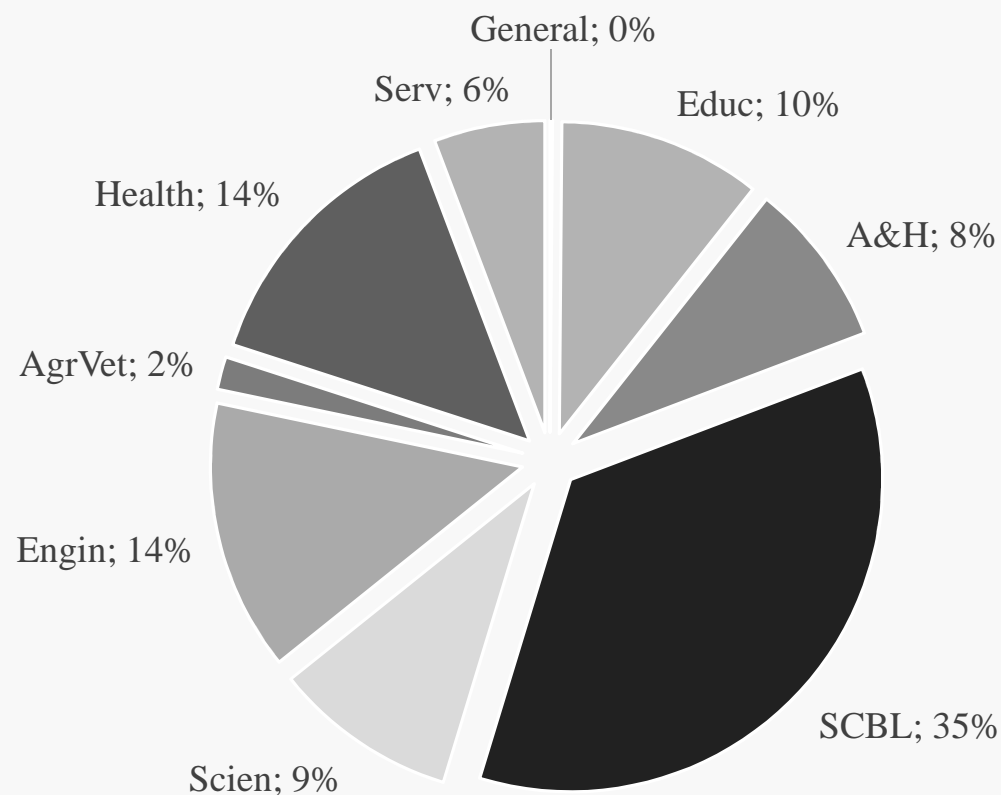
The outcomes show an increase on Level 5a rate and on Level 6 rate with age, suggesting that formal education is growing in Europe.



The Sample

FORMAL EDUCATION

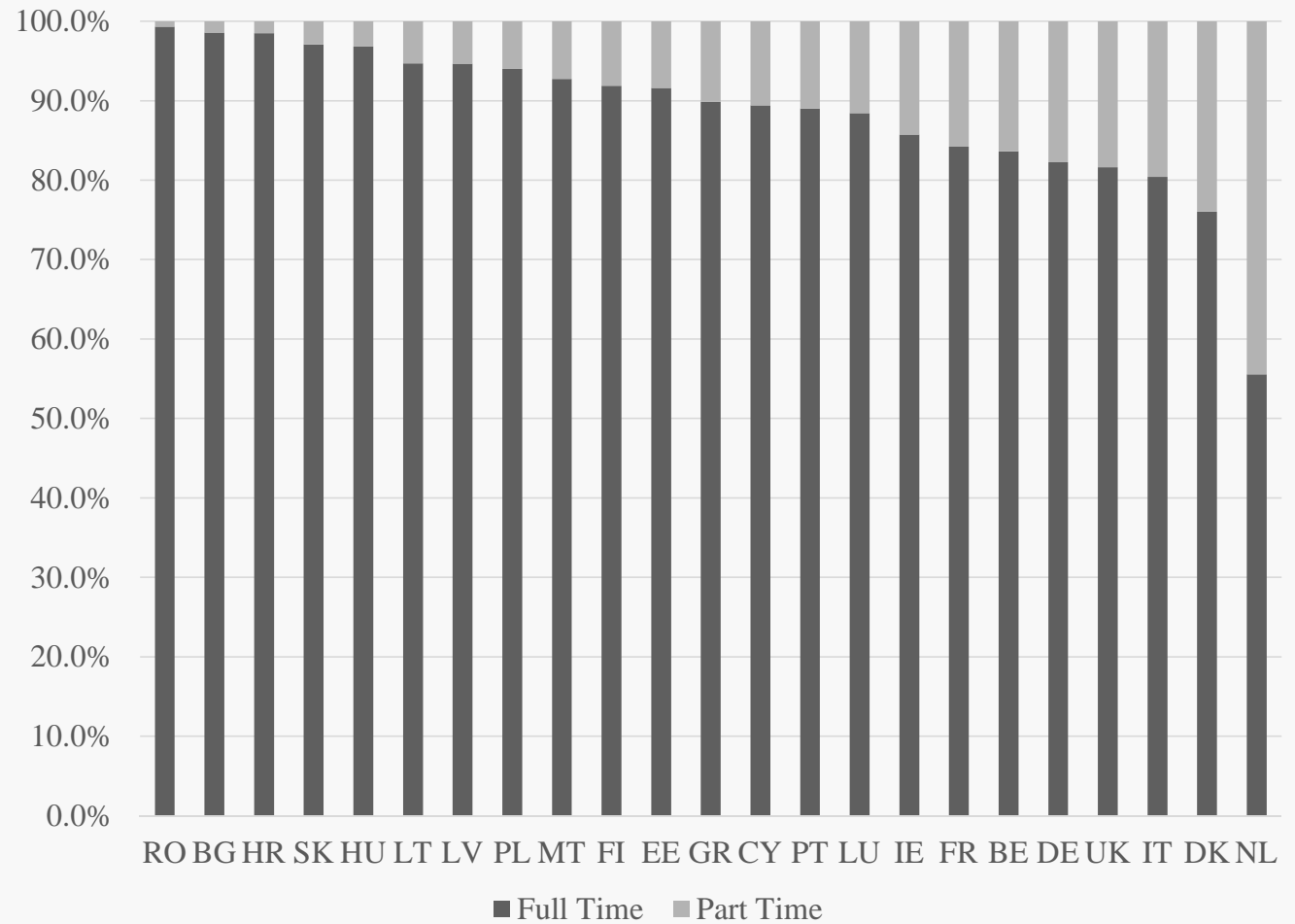
From the global point of view the most incidental field of study is that of "Social Sciences, Business and Justice", with 35% of the survey, followed by "Engineering" with 14% and "Health and Well Being" with 14%.



The Sample

WORK REGIMEN

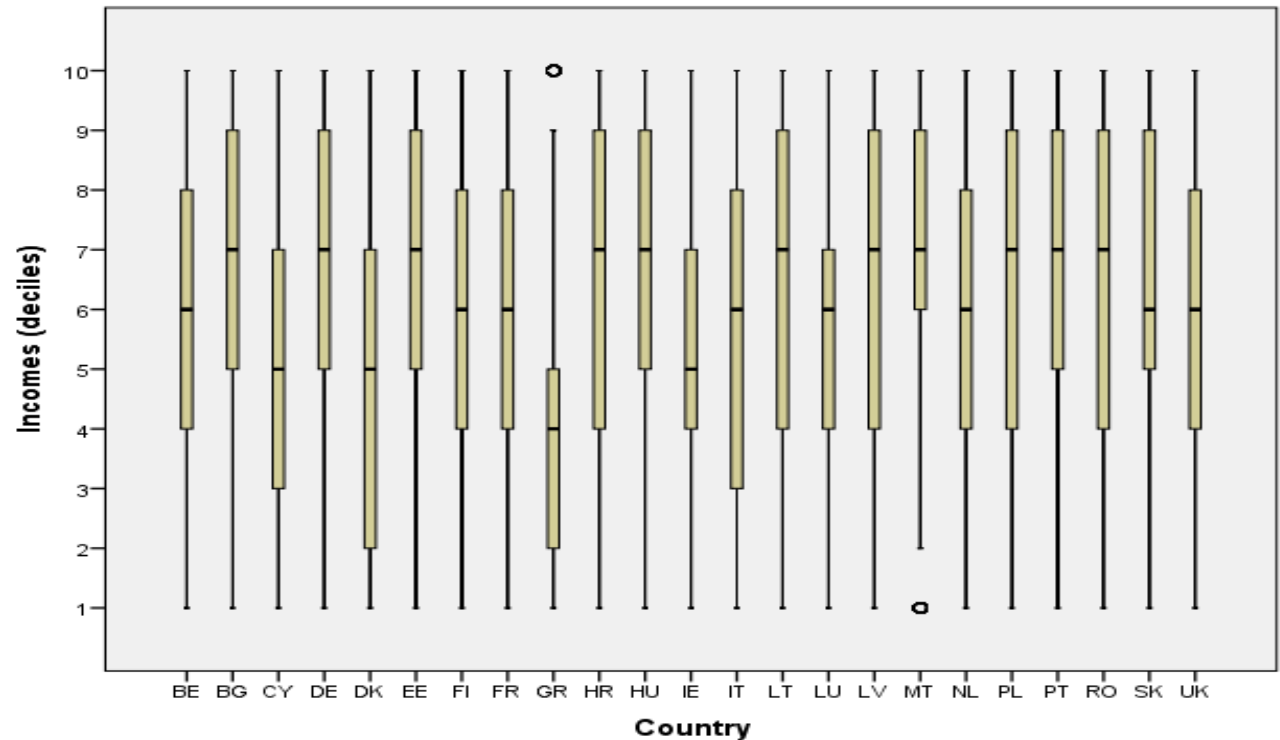
Netherland presents the highest part time rate (44%), followed by Denmark (24%). All other countries have rates below 20%



Sample

INCOMES

Five countries did not provide incomes.



In Malta, incomes start at the D2, which shows the advantage of tertiary education.

Greece presents the lowest median (D4), followed by Cyprus, Denmark and Ireland (D5).

The highest median (D7) is found in Germany, Bulgaria, Estonia, Croatia, Hungary, Lithuania, Latvia, Malta, Poland, Portugal and Romania.

Greece has the lowest value for the Q3 (D5), followed by Cyprus, Denmark, Ireland and Luxembourg (D7), and by Belgium, Finland, France, Italy, Netherlands and United Kingdom (D8). The remaining countries have D9.

Sample

INCOMES

In Malta, incomes start at the D2, which shows the advantage of tertiary education.

Greece is the Member State that least values upper-level graduates, with the lowest median (D4). It is followed by Cyprus, Denmark and Ireland (D5).

D4 corresponds in most countries to the salary level of the Q1 of the sample: Belgium, Finland, France, Croatia, Ireland, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Romania and the United Kingdom. Malta is the country with the highest Q1 (D6).

The highest median (D7) is in Germany, Bulgaria, Estonia, Croatia, Hungary, Lithuania, Latvia, Malta, Poland, Portugal and Romania.

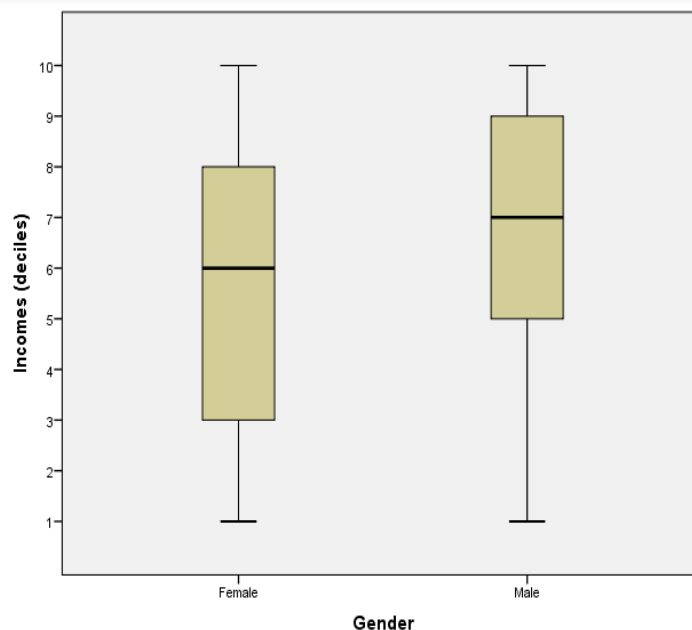
. Greece has the lowest value for the Q3, with D5, followed by Cyprus, Denmark, Ireland and Luxembourg, all with D7, and by Belgium, Finland, France, Italy, the Netherlands and the United Kingdom, with D8. The remaining countries have D9.

Greece, Ireland, Malta and Luxembourg have the smallest interquartile range.

Incomes

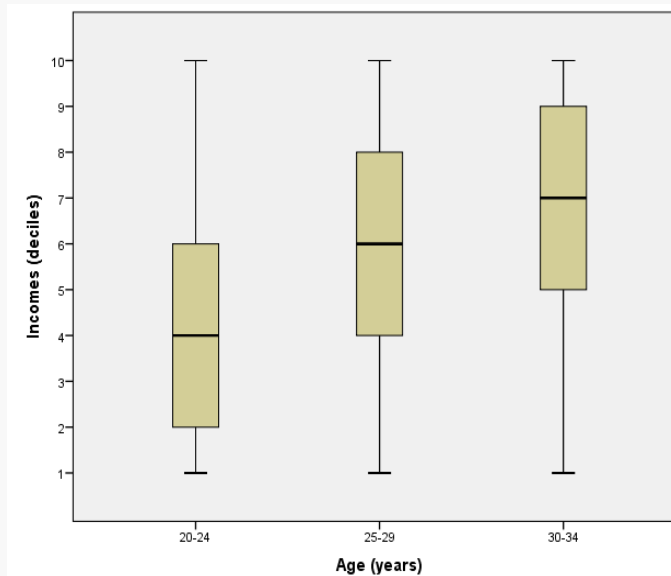
The chart suggest differences in gender, with benefits for men: all three quartiles are lower for women.

Rising incomes with age is shown in the second chart: all three quartiles, Q1, median and Q3, grow with it.



Incomes Distribution by Gender

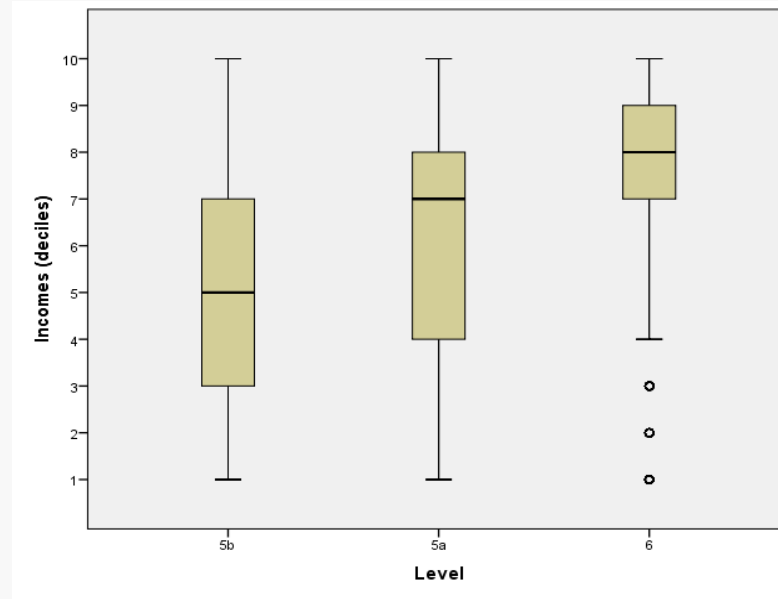
Incomes Distribution by Age



Incomes

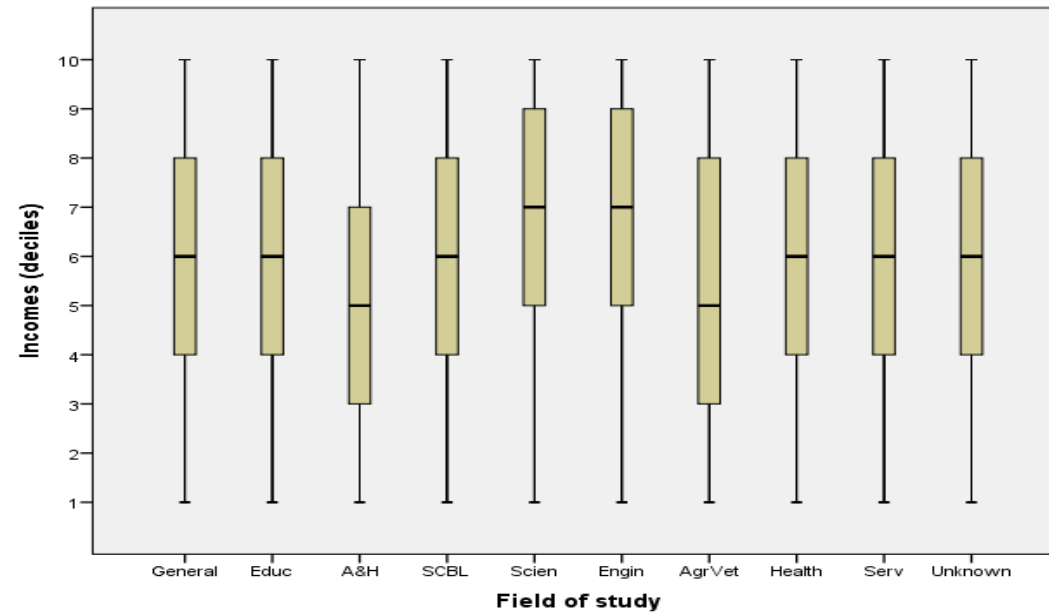
According to the chart incomes increase with the rise of formal education.

Regarding the fields of study, the results show the lowest values for Q1, median and Q3 in the humanities, while the exact sciences and engineering are valued in relation to the other fields.



Incomes Distribution by Level of Formal Education

Incomes Distribution by Field of Study

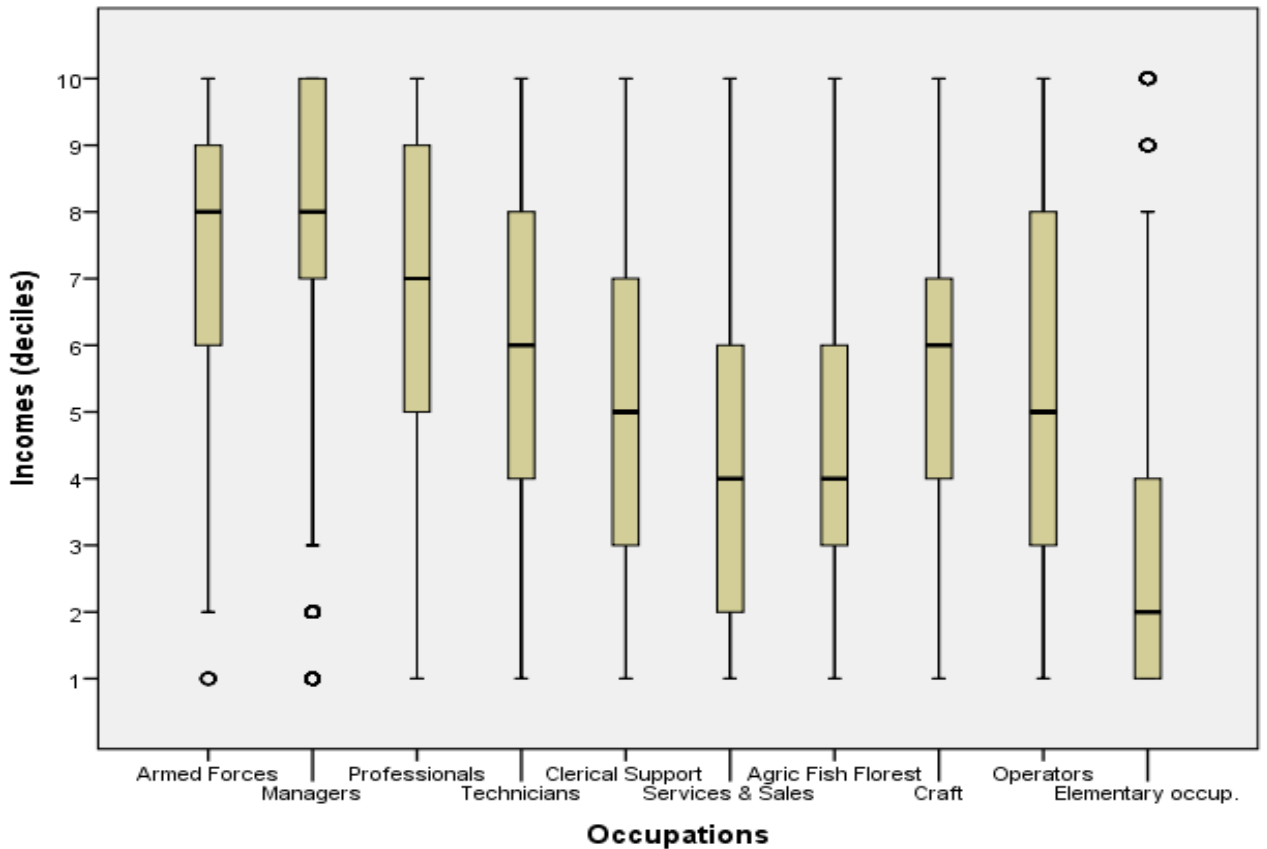


Incomes

The activity with the best levels of incomes is business, followed by the armed forces and the highly qualified professionals.

The workers with elementary functions possess the lower incomes, followed by those of the services and sales.

Incomes Distribution by Occupations



Outcomes

Objective:

Effect of country of residence, academic level and gender on the transition to higher classes of incomes.

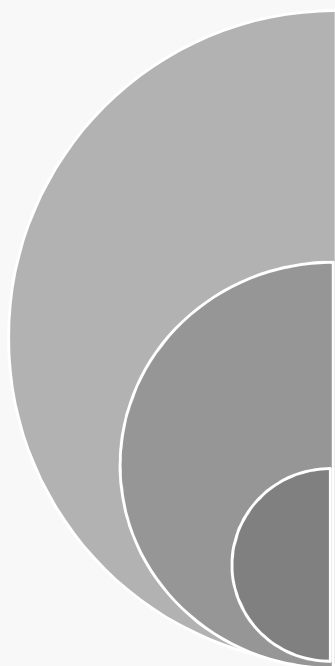
Reference Category

- Class 1 (D1 a D3)
- Country “United Kingdom”
- Academic level “PhD”
- Gender “male”
- Work regimen: “part time”



Model 1

Incomes = f (country of residence, academic level, gender, work regimen)



Class 4	<ul style="list-style-type: none">•Country: BE(+), DE(+), NL(+), EE(0), MT(0), PT(0)•Level: 5b (-), 5a (-)•Gender: female (-)•Regimen: full time (+)
Class 3	<ul style="list-style-type: none">• Country NL(+), DE(+), LV(0), MT(0), others(-)• Level: 5b (-), 5a (-)• Gender: female (-)• Regimen: full time (+)
Class 2	<ul style="list-style-type: none">• Country: NL(+), BE(+); others(-)• Level: 5b (-), 5a (-)• Gender: female (0)• Regimen: full time (+)

Outcomes

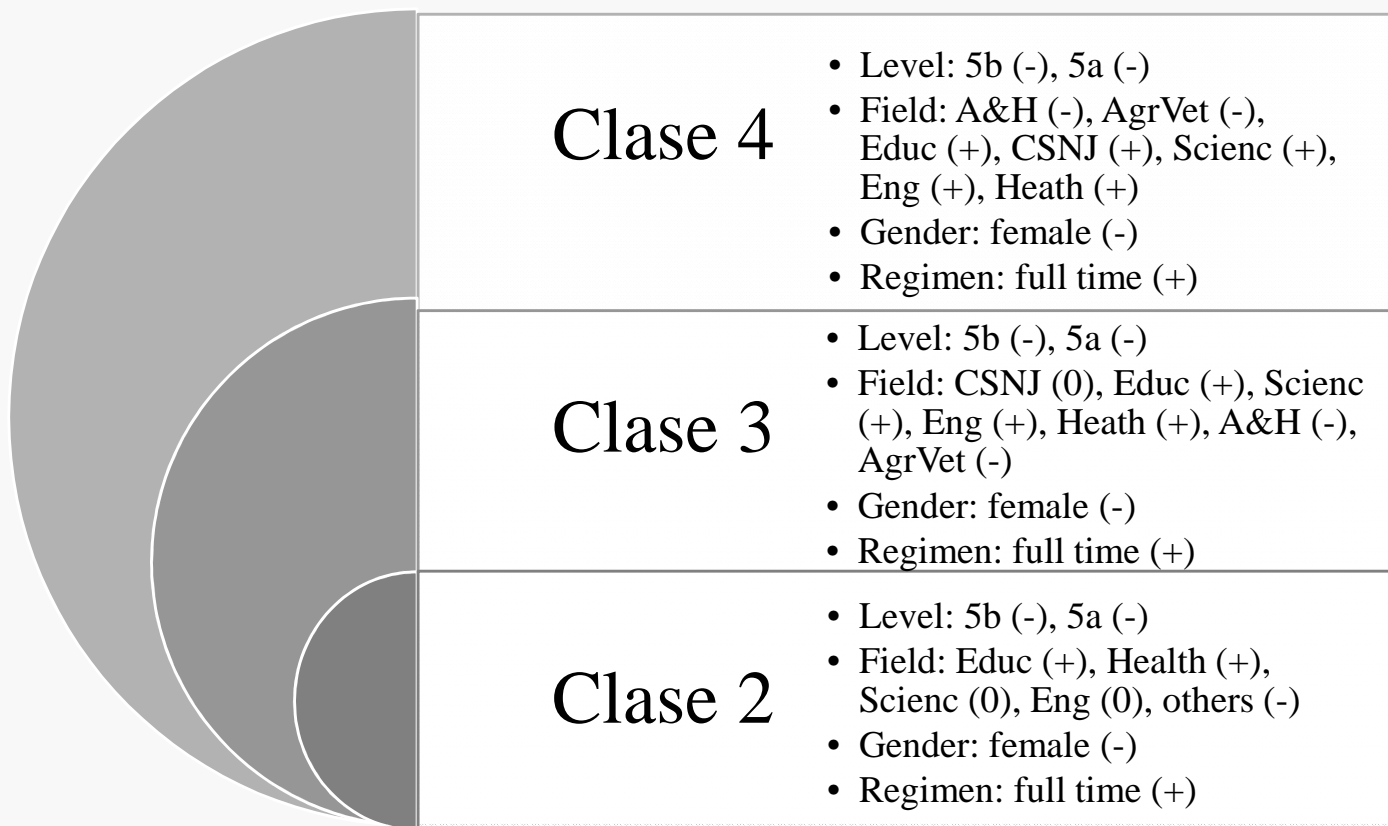
Objetivo: efecto del Level, campo de estudios, Gender e Regimen en la transición a clases de incomes más elevadas.

Clases / categorías de referencia:

- clase incomes 1 (D1 a D3)
- Level “Doctorado”
- campo de estudios “servicios”
- Gender “masculino”
- Regimen “tiempo parcial”

Model 2

Incomes = f (academic level, field of study, gender, work regimen)



Concluding Remarks

First: The countries who value more the degree are, in a descending order: Germany, Netherlands, and Belgium. These member states, and specially the first two, substantially increases the likelihood of the young graduates reach, till 34 years old, incomes above decile 8, within the society in which they live. At a lower level, and very close to UK, it can be found Estonia, Malta and Portugal. In other member states, a PhD will not be as valued.

Second: A higher academic degree promotes the growth of income, which is why individuals with high ambitions should bet on higher levels of higher education.

Third: The variable Gender is not statistically significant in the transition from the first to the second category of income, it turns to significant in the transition to the third, and most significant yet in the transition to the fourth, which means that the asymmetries are accentuated as the valuation of individuals increases.

Fourth: The most valued fields of study, that promote the transition to higher yields class are in the first place “engineering”, at second place “health and life care”, and at third place “exact sciences”. Following these appear “social sciences, business and justice”, and then “education”. “Agriculture and veterinary”, and the “arts and humanities”, stay at the last places.