

Trades Union Congress



Sir Andrew Dilnot CBE
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date: 22 September 2015
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Dear Andrew

I am writing to draw your attention to a recent BIS 'Graduate Labour Market Statistics' release, which can be found on gov.uk:

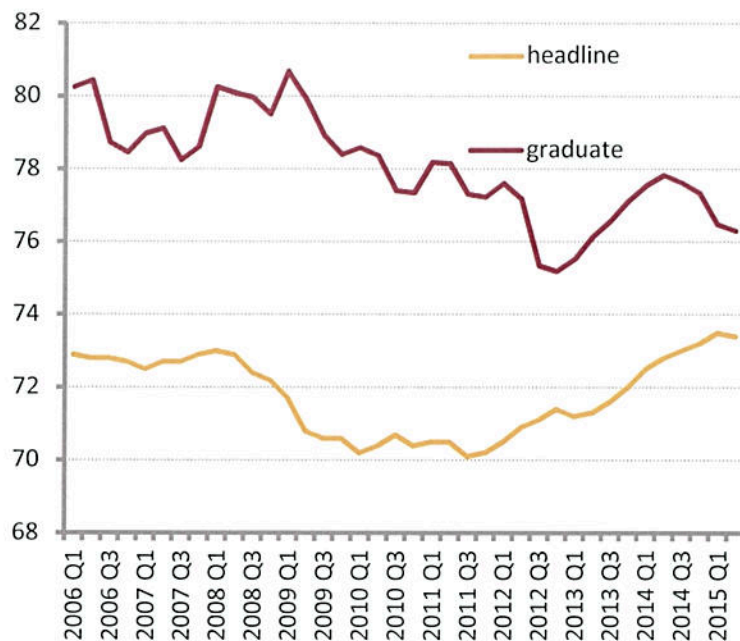
<https://www.gov.uk/government/statistics/graduate-labour-market-statistics-april-to-june-2015>

The generic measures in the release are salaries and employment/unemployment. Our main concern is that the reporting of the statistics on employment/unemployment is selective and misleading.

The most important feature of the dataset is a fairly significant reduction in the graduate employment rate; these figures are down 1.5 percentage points over the year and stand at the lowest rate for two years. This fall comes alongside an expansion in the labour market as a whole. As can be seen from the chart below, while from the start of 2013 there was evidence of graduate employment improving, this now seems to have decisively reversed.

Cont'd/....

Employment rates



But this result barely features in the BIS release. After the first ‘Key Finding’ on salaries, BIS report the unemployment rather than the employment figures:

- The current unemployment rate of 4.4% among young gradates is the lowest Q2 rate since the 2.7% recorded in Q2 2008.

It is true that graduate unemployment rates have fallen significantly over recent years, but, over the most recent year, for all graduates, unemployment is unchanged, and for graduates aged 21-30, the rate has fallen by 0.3 percentage points. In this context, the statistic that BIS has chosen to feature is at best highly partial. These gains are also significantly smaller than the losses on the corresponding employment rates.

The third BIS key finding does relate to employment:

- The employment rate for working age postgraduates of 88.3% is the highest Q2 rate seen since the 89.5% recorded in Q2 2007.

This is an accurate statistic, but again its presentation is very selective.

More generally the terminology used in the release is not clear (in particular the distinction between the ‘employment rate’ and the ‘graduate employment rate’ under each of the headings on the more detailed ‘time series data’ tab of the data spreadsheet). It is not specified whether the figures are seasonally adjusted.

I would appreciate it if you could investigate whether BIS have in this instance adhered to the high standards of data interpretation, presentation and analysis that your office asks government departments to meet. As you know, the Code of Practice for Official Statistics demands that statistics are presented “impartially and objectively” (Principle 2), with

“commentary and analysis that aid interpretation, and provide factual information about the policy or operational context of official statistics. Adopt[ing] formats for the presentation of statistics in graphs, tables and maps that enhance clarity, interpretability and consistency” (Principle 8).

In the TUC’s view, on this occasion BIS have fallen short of these standards.

I am sure I need not tell you of the importance of understanding the graduate jobs markets, not least at present when young people’s decisions about further education involve an increasingly heavy financial burden in the face of an increasingly uncertain and challenging economic environment.

I very much look forward to hearing from you.

Yours sincerely

A handwritten signature in black ink that reads 'Frances' in a cursive, lowercase script. The signature is written on a white background.

FRANCES O’GRADY
General Secretary