Too many IT graduates? On the contrary, not enough!

A recent article by Professor Bob Birrell that was reported in The Australian Higher Education on 2 September used the rates of employment of new graduates in 2014 to conclude that there was an excess of graduates in STEM (Science, Technology, Engineering and Mathematics), including IT (Information Technology). He also concluded that IT graduates in particular face increased competition from growing numbers of enrolled students who are progressing through the educational pipeline, and from increased levels of skilled immigrants and employer-sponsored immigrants. The Australian Council of Deans of ICT (<http://acdict.edu.au>) considers such conclusions misleading and contends that the prospects for students in IT are much brighter than painted.

Employment figures over the longer term show that IT is not much different from other areas of graduate employment. Professor Birrell uses comparisons of 2013 and 2014 employment rates of new graduates to illustrate the trends, but these figures do not show any real difference between professional graduates in STEM, including IT, from the other business and industrial professions. Employment rates fell in 2013-2014 overall and they fell below average for graduates in all major fields in 2014, not only in STEM. Year on year figures are volatile and are unreliable indicators but, if we compare 2014 to the average rates over the past 10 years, we see that new IT graduates were employed by March in 2014 at 67.3%, which is 9.4 points lower than the 10-year average; and this is little different from the average for all graduates, 68% of whom were employed, which is 8.8 points below their 10 year average. On the other hand, the rate for new accounting graduates showed a larger drop, at 10.7 points below their 10 year average; and, humanities graduates were 10.3 points below. Electronic/computer engineering–an IT related field–had one of the smaller drops below average, of 6.7 points. These figures contradict the conclusion that IT graduates are under more pressure than other professional graduates in business and technical areas.

In the medium term, prospects for IT graduates are brighter than for others. Two other recent reports, one on the effects of Information Technology on employment in all areas (http://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf), and one on the ICT profession (Australia’s Digital Pulse, by Deloitte Access Economics for the Australian Computer Society), show that IT skills will be in increased demand in the next 10 years. The number of graduates needs to increase. The number of domestic IT students in Australia is still actually lower than its long term average. Although numbers enrolled in 2013 showed an increase of 29% since 2009, they were still 30% below those 10 years ago in 2003 (which itself was a reduced year). As current students graduate and new students move through to graduation, job prospects show promise.

Professor Birrell also suggests that IT graduates face competition from skilled immigration. Migration of skilled people in the industry areas labelled
Information Media and Telecommunications, and of Professional Scientific and Technical, has been strong in the past two years. This does not itself put pressure on new IT graduates. Skilled immigrants do not necessarily find a job in the area in which they claim qualifications. Surveys of employers and recent graduates (Koppi and Faghdy, Managing Educational Change in the ICT Discipline, Australian Government Office of learning and Teaching, 2009) show that employers in IT are looking for soft skills, particularly person to person communications, as a very important attribute for recruitment, and they will give priority to employing people who combine technical skills with communication skills. This preference by employers can itself correct in the job market any excess of qualified but under-skilled immigrants, who appear more likely to find jobs outside the IT industry. The skilled immigration assessments for both IT and engineering applicants allow an English competency of IELTS level 6, which is the government specified minimum for individual skilled immigrants. It might be desirable to set this at the higher level of IELTS 6.5, which is the common minimum for international students to enter Australian university courses.

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