

2018 DATA REGARDING LAW SCHOOL GRADUATE NUMBERS AND OUTCOMES

In recent years, there has been concern expressed by a number of those in the legal profession about the growth in the number of law students and the job outcomes for law graduates. The Council of Australian Law Deans shares the desire of students and those in the profession to ensure high quality outcomes for law graduates. However, much of the commentary has been uninformed by accurate data, an understanding of broader trends for all graduates in a difficult economy, and the variety of careers for which a law degree prepares graduates.

This short paper outlines the best and most recent data on law graduate outcomes and compares this to outcomes for graduates from other disciplines, including in areas where growth in numbers is being encouraged. This data demonstrates that law graduate numbers remain modest, put a relatively small burden on government, and produce good graduate outcomes compared to many comparable degrees. The case for singling out law for additional regulation or cuts is therefore not made out.

How many law graduates are actually entering the market?

Contrary to news reports which suggest that the number of law graduates has reached close to 15,000, a recent survey conducted by the Council of Australian Law Deans of the 39 law schools across Australia revealed that the total number of Australian law graduates (LLB and JD) starting employment, or entering the job market, in 2018 was **8,499**.

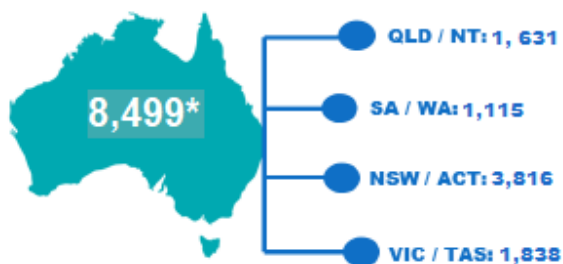


Figure 1: Total number of law graduates in Australia in 2018 with further breakdown based on state / territory pairings

*The total number of Australian law graduates is slightly higher than the sum of the state-based breakdown figures as two law schools with campuses in multiple states reported their number of graduates as an aggregate figure.

It is likely that the much higher estimate of 15,000 results from double counting. For example, this may occur where graduate numbers from Graduate Diploma of Legal Practice programs, such as that run by the College of Law, are added to law school LLB and JD graduate figures, despite these programs being completed by the same students.

Commonwealth supported places in law

Undergraduate Law students in public universities receive the lowest subsidy from the Government (\$2,120 in 2018) and pay the highest student contribution for Commonwealth supported places (CSPs).

Further, in 2015, the number of CSPs in law formed only **4.75%** of the total number of CSPs across all disciplines (28,188.01 EFTSL in law with CSPs compared to 594,054.54 EFTSL in all disciplines with CSPs).

Job prospects for law graduates

There is very little data about job prospects for law graduates, particularly data on the number of entry level jobs in law. However, according to Graduate Careers

Australia, around 75% of those who graduated from law school 4 months earlier and were available for employment were in fact employed full time when its 2017 Australian Graduate Survey was conducted.

This outcome is just higher than the national average for graduate employment which is a little under 72%.

Indeed, law graduates kept up with and even outperformed some graduates in a number of STEM disciplines as illustrated in Figure 2. Accordingly, reports in the media about the “bleak” job prospects for law graduates are overstated. All law graduates may not be employed in the legal profession but as the data suggests, a law degree places law graduates in good stead to secure employment across a variety of fields.

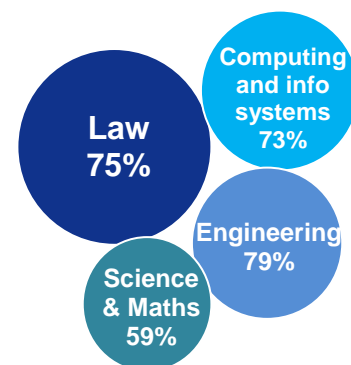


Figure 2: Rate of employment 4 months after graduation

Income earning capacity for law graduates

According to Grattan Institute analysis of the 2016 Australian census, law graduates have a high earning capacity over their lifetime. Figure 3 below shows the range of expected lifetime earning of graduates by discipline in 2016. The most lucrative disciplines for both genders, after income tax and the expenses of education, are medicine and law.

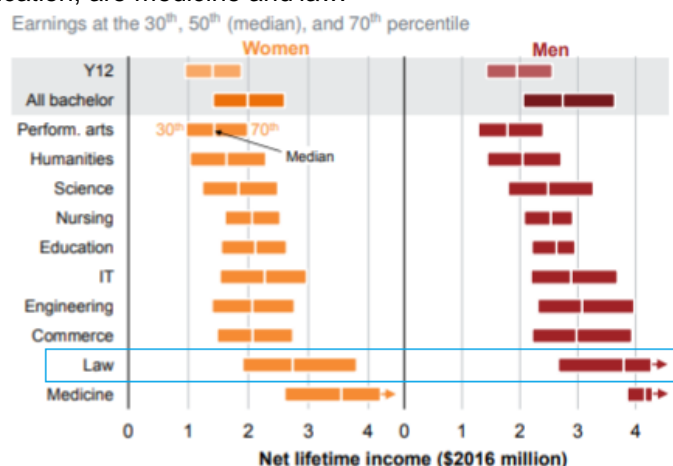


Figure 3: Range of expected lifetime earnings of graduates in 2016 (\$ millions)

(Source: Grattan Institute Report No. 2018-11, page 82)

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Law graduates and repayment of HECS-HELP debt

Consistent with the finding that law graduates have relatively high earning capacity over their lifetime, the Grattan Institute Report entitled “Doubtful debt: the rising cost of student loans” (April 2014) uncovered that law graduates are among the most likely – along with medicine and dentistry graduates – to repay their HECS-HELP debt.

As Figure 4 illustrates, law graduates overwhelmingly fully repay their HECS-HELP debt and only a very tiny percentage do not make repayments compared to other disciplines. This trend in HECS repayment suggests law graduates are more successful notwithstanding the change in the mix of law graduate employment destinations.

The success of law graduates post-graduation is fortified in Figure 5 which shows that, between 2006 and 2016, male and female early career graduates with bachelor degrees in law have had a rate of professional and managerial employment above 80%. In contrast, early career graduates with bachelor degrees in humanities, science, performing arts and commerce all have had professional or managerial employment rates below two-thirds.

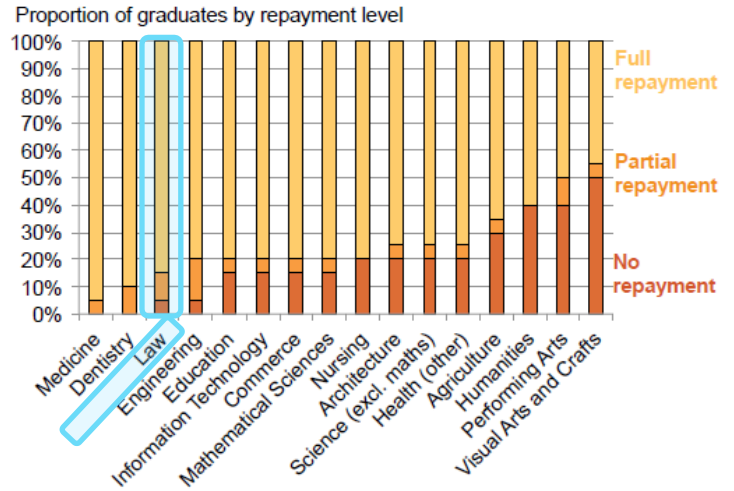
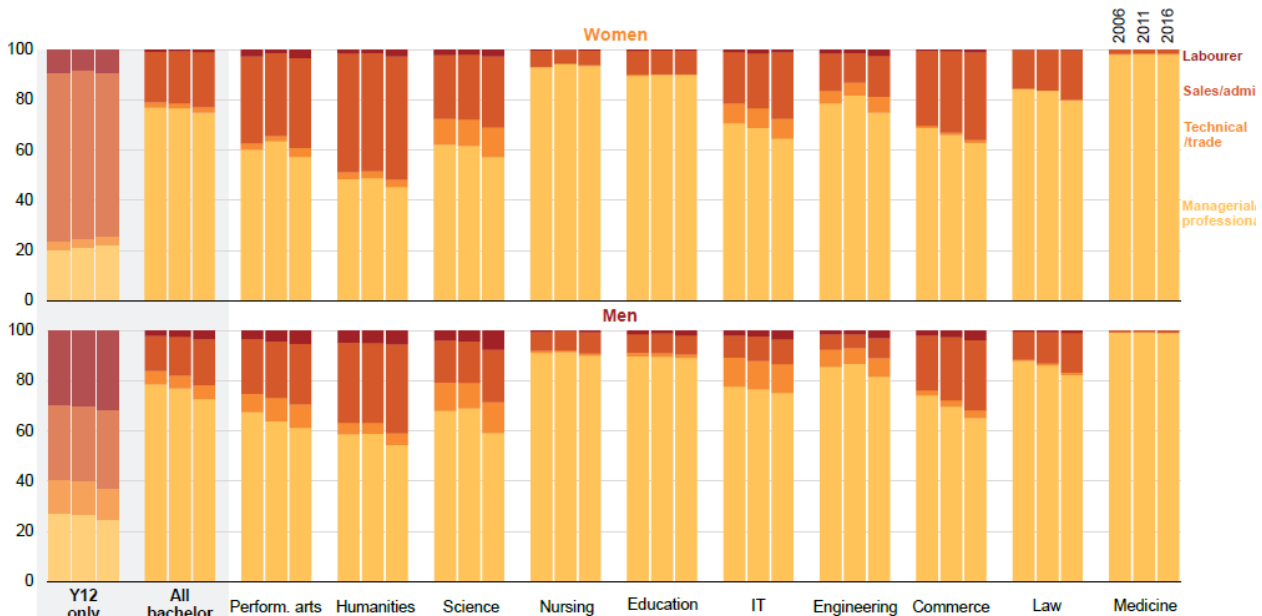


Figure 4: Proportion of bachelor degree graduates by their expected repayment level, 2011 census data (Source: Grattan Institute Report No. 2014-7, page 13)



Notes: Because the number of people at different ages varies substantially especially across disciplines, the occupational share is calculated by age and the average participation across the ages of 25 and 34 is shown. See also Figure 10.3

Source:

Figure 5: Occupational share of early-career graduates by discipline and school leavers between 2006 and 2016 (Source: Grattan Institute Report No. 2018-11, page 86)