

Destinations of Early Leavers

by Cathy Howieson, Centre for Educational Sociology, University of Edinburgh

Introduction

In Britain there is a tradition of early transition to employment and a wage, especially among lower-attaining males. This has persisted despite increased participation in full-time education post-16 and dramatic changes in the youth labour market. There is a concern among policy-makers that early leavers from school may be at greater risk of economic and social exclusion. This Briefing examines the transitions of early leavers and their outcomes by the age of 18/19; trends in early leaving since the late 1970s; and the changing role and status of government training schemes. The study was commissioned by the Scottish Executive Education Department (SEED).

Key findings

- ❑ The extent of early leaving has declined over the 1980s and 1990s but the factors that are most likely to lead to early leaving have remained constant: low attainment at Standard Grade; being male; and coming from a less advantaged family background.
- ❑ Low attainment not only increases the chances of early leaving, it also influences early leavers' post-school prospects. Low attainers (about a third of the early leaver group) were the ones most likely to experience unemployment and to have unstable post-school careers. They also had a poorer chance of adding to their qualifications and those in employment had poorer prospects of training.
- ❑ Although young women were less likely to be early leavers, those who did leave school early had poorer outcomes than their male counterparts despite their higher average attainment.
- ❑ Early leavers' first post-school destination was of critical importance; an early period of unemployment contributed to poor outcomes in the longer term.
- ❑ The proportion of early leavers entering full-time further education has increased; participation has risen fastest among males, the least qualified and those from disadvantaged backgrounds.
- ❑ Skillseekers has transformed government training. Most participants have employed status and early leavers in Skillseekers jobs were very similar to those in non-Skillseekers jobs in their attainment and social class. Those in Skillseekers training only resembled the unemployed early leavers.
- ❑ The changes to Skillseekers may have excluded some lower attaining young people, especially females. There was an increase in the proportion of early leavers neither in the labour market nor in education, coinciding with the widespread implementation of Skillseekers.
- ❑ Skillseekers has not helped overcome traditional patterns of employment along gender lines.
- ❑ Just over half of the early leavers increased their qualifications by the age of 19. Early leavers in Skillseekers jobs were more likely to get training leading to a qualification than early leavers in jobs outwith Skillseekers.

Background

Direct entry to the labour market at age 16 is a largely British phenomenon not found elsewhere in Europe. It has persisted despite the expansion of full-time education in the mid-1990s and transformation in the youth labour market and disappearance of many of the jobs traditionally available to early entrants to the labour market (Elias and McKnight, 1998). Although the numbers entering the labour market directly from school is smaller than in the past, it seems that early entry to the labour market is likely to persist. Estimates suggest that it will involve at least one in five of young people in Britain for the foreseeable future (Evans *et al.*, 1997). It is also argued that early entry to work-based training should not be seen as a second best option but one that offers a valuable alternative route to those who do not wish to continue in full-time education and one that is more effective in matching the supply and demand for skills (Senker *et al.*, 1999; Richardson *et al.*, 1995; Steedman *et al.*, 1998).

A key issue is whether early leavers end up in 'dead-end' jobs with little or no training and which offer them few opportunities for progression. Apart from the cost to individuals, a lack of training and skill development is perceived as having a negative effect on the British economy. Successive official documents have emphasised the link between high skill levels and the country's economic competitiveness. Nevertheless, the inability or unwillingness of many British employers to invest in skills through work-based training is well-documented and the government approach to training – a 'voluntarist' one whereby employers are encouraged rather than required to provide training – is criticised as ineffective (Finegold and Soskice, 1988; Keep and Mayhew, 1997).

Most of the long-duration part-time education and training for 16-18 year olds has, in fact, been provided through the various government training programmes. The introduction of the Youth Training Scheme (YTS) in 1983 marked the re-focusing of government schemes to provide 16-18 year olds with high quality, structured training instead of aiming simply to relieve unemployment. Nevertheless, throughout their history, the status of government training programmes has suffered because of their origin in the schemes set up in the late 1970s to respond to the increasing levels of youth unemployment. This history, and the continued guarantee of a place to unemployed young people in subsequent programmes, have made it difficult for programmes to attract higher attaining young people. In addition, although government training programmes have been the main source of education and training for the 16-18 age group, a continuing issue has been the low levels of qualifications achieved by participants. The number of vocational qualifications achieved within Skillseekers has increased over the second half of the 1990s but underachievement at NVQ level 3 has been identified as a particular problem (National Audit Office, 2000).

Subsequent schemes, such as the Youth Training (YT) programme, Skillseekers and the Modern Apprenticeship element (added to Skillseekers in 1995) have attempted to become more employment-based and have aimed to attract the better qualified. Over the 1990s an increasing proportion of young people in programmes have had 'employed' rather than trainee status (ie they have a contract of employment and receive a wage, not an allowance).

This research was commissioned by the Scottish Executive initially as two separate studies, one to examine the experiences of early entrants to the labour market and the other to consider early entrants to government training programmes but it was subsequently decided to include both groups combined in a single study of all early leavers. The full report of the study was submitted to the Executive in 2000 (Howieson *et al*, 2000); we are issuing this Briefing now in order to give wider publicity to the issues raised by the research.

Definition of an early leaver

Early leavers are defined as those who left school at the earliest opportunity and were either employed or unemployed, or participating in Skillseekers or further education at the time of the survey in the Spring of 1999. This group comprises those who left school in 1998 from S4 (the last year of compulsory education), and those who left after the first term of S5 (the winter leavers).

The Scottish School Leavers' Survey

The findings reported here are based on secondary analysis of data from the Scottish School Leavers' Survey (SSLS). The SSLS is a regular postal survey, funded by the Scottish Executive since 1976.

Surveys were conducted by post and most covered a ten percent sample of school leavers from all secondary schools in Scotland, except special schools. In 1997, the focus of the survey changed, and a ten percent cohort of young people who were in the last year of compulsory education, the S4 stage, in 1996 were surveyed rather than a sample of school-leavers.

This study draws on the three sets of data:

- The 1998 Cohort: young people who were in S4 in 1997-8. In this case, a 20% sample was surveyed in spring 1999. Early leavers from this cohort entered the labour market from June 1998 or January 1999, by which time Skillseekers was well-established.
- The Trends dataset of school leavers' surveys from 1978 to 1994 held at CES. These data enable us to consider continuities and changes over time in early leaving.
- The 1996 Cohort: young people who were in S4 in 1995-6. A 10% sample was surveyed in spring 1997 and again in spring 1999 when the young people were approximately 19 years old. We can therefore consider the longer term effect of early leaving.

Predicting early leaving

Twenty-eight percent of young people in the 1998 cohort (ie who completed S4 in 1998) were early leavers. Males were more likely to be early leavers than females, and the chances of early leaving decreased with the number of Standard Grades (1-3) attained. Among pupils with higher Standard Grade attainment, there was less of a gender difference in early leaving. It is important to note that while attainment was a key predictor of early leaving, not all early leavers were low attainers. Using the

definition of low attainment of 'no Standard Grades at 1-3'¹, around a third of the early leavers can be classified as low attainers.

A number of other factors each had an additional influence on the likelihood of early leaving. Family background had an independent effect: young people whose fathers had some post-compulsory education, and/or were in non-manual occupations, were less likely to leave school early. Young people's own attitudes made a difference: those with negative attitudes to school, including those who were serious truants in S4, were more likely than their peers to be early leavers. Over and above individuals' own characteristics and circumstances, attending a school in an area of high unemployment discouraged young people from leaving school at the earliest opportunity, as did attending a school with a high percentage of pupils with fathers in non-manual occupations.

The reasons given by S4 leavers for leaving school suggest a combination of 'push' and 'pull' factors: the push of wanting to get away from school and the pull of perceived alternatives such as wanting to go to college, or being offered a job, with or without a Skillseekers placement. Many young people who became S5 winter leavers had made a positive decision to start a fifth year to improve their qualifications. It was not inevitable that they should leave at the end of the first term, but the SSLS does not have information about their reasons for leaving.

Analysis of the trends in early leaving from school illustrates the sharp decline in the extent of early leaving in the 1980s and 1990s, but the factors predicting early leaving remained constant: males and low attainers were more likely to leave school early, and family background also had an effect.

Destinations of early leavers

Table 1 summarises the destinations of early leavers. Employment was the most common destination for S4 leavers. By the spring of 1999 (around nine months after leaving school) 46% were in a job: almost as many were employed as part of the Skillseekers programme as were in a 'normal' job. The very small proportion who were in Skillseekers training and not employed illustrates the extent to which Skillseekers has changed the nature of government training.

Analysis of the characteristics of the young people in Skillseekers confirms that Skillseekers has improved the profile and status of government training programmes. Early leavers in Skillseekers jobs had very similar social class characteristics to those in non-Skillseekers jobs. In contrast, there were sharp differences between those in Skillseekers depending on whether or not they had employed or trainee status. The composition of the Skillseekers training-only group resembled that of the unemployed group.

Another notable feature of early leavers' activity is that over a quarter of early leavers were at college in spring of 1999. A substantial minority were unemployed at both time points.

¹ This definition of low attainment broadly equates to the level of qualification suggested by the OECD as the minimum necessary for work and life to minimise the risk of social exclusion.

Although Table 1 shows similar proportions of early leavers in each of the activities in October and Spring, the picture is less stable when one compares individuals' activity in October with that in Spring 1999. It is evident that a number of early leavers experienced instability and change after leaving school. Many were in a different activity from their first reported destination in October 1998. For example, a quarter of those in jobs in October (both non-Skillseekers and Skillseekers) were in a different activity by spring. Early leavers also had a high risk of unemployment. Over half of those who were unemployed in October were also unemployed in the following Spring. Moreover, as well as those unemployed at each of the time points, almost a quarter had experienced a period of unemployment of one month or more at some stage since leaving school.

Table 1: Main activity of S4 leavers in October 1998 and Spring 1999 (%)

	October 1998 %	Spring 1999 %
Job with no Skillseekers	24	26
Job with Skillseekers	19	20
Skillseekers training, no job	2	4
Unemployed	13	19
At college	32	28
Looking after child/family/home	2	2
Doing something else	7	2
N (=100%)	(1230)	(1257)

As well as being a key predictor of early leaving, attainment at Standard Grade also influenced the particular post-school destination of early leavers. The proportion of early leavers who were at college was greater among those with the highest Standard Grade attainment. Young people with the lowest qualifications were the group most likely to be unemployed. Among those in employment, there were no factors that clearly predicted the likelihood that someone would be in a non-Skillseekers job rather than being in a job that was part of Skillseekers. This is another indication of the changes in the status of government training programmes.

There were small social class differences in early leavers' likely destinations in Spring 1999, mainly in the chances of being employed or unemployed. For example, they were less likely to be in a job if one parent was unemployed. Other factors that predicted early leavers' destinations were living with a lone parent; having been a serious truant; having been a winter leaver; and local-area unemployment.

Young people in jobs with Skillseekers were more likely to have found their job through the careers service than through a friend or family member while the reverse was true for those in non-Skillseekers jobs. This suggests that access to jobs through Skillseekers is more open and equitable than to non-Skillseekers jobs and may help to compensate for the negative effect of parental unemployment on early leavers' chances of employment.

Trends in the destinations of early leavers

Figure 1 shows trends in the destinations of early school leavers since the late 1970s. One marked trend is the dramatic decline in the proportion of S4 leavers entering 'ordinary' full-time jobs: in the late 1970s, a majority of those who left school at 16 did so but by the late 1990s this was true only of a minority of early leavers.

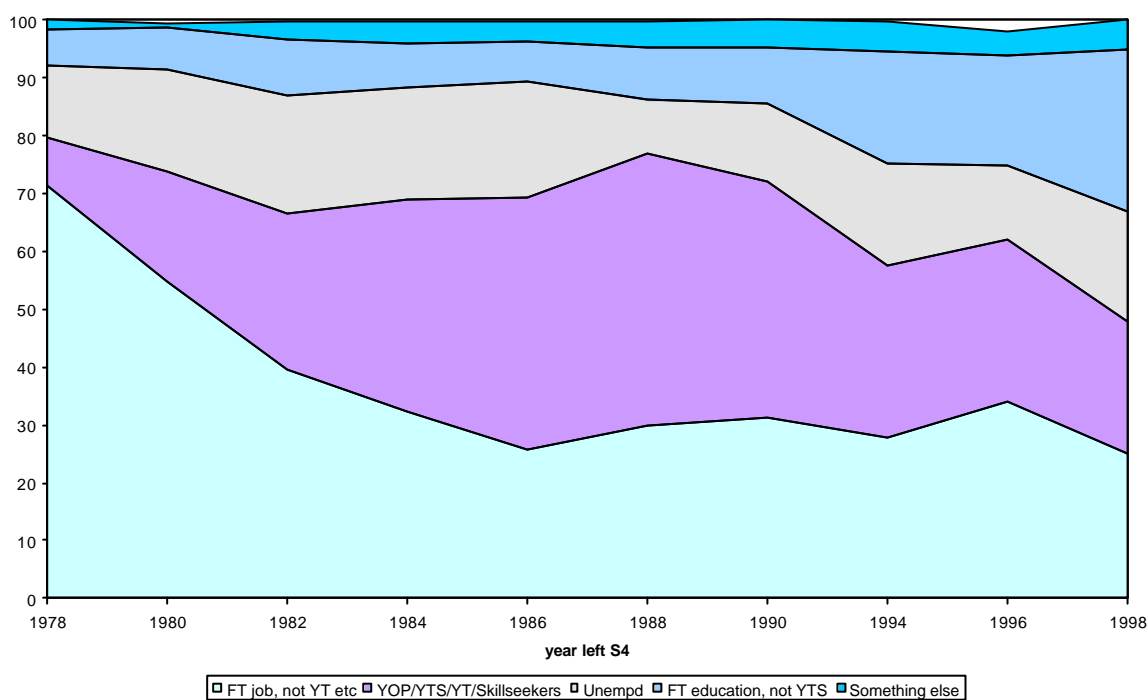


Figure 1: S4 leavers' destinations 1978-98

Figure 1 shows the sharp rise in the proportion of S4 leavers in government training programmes during the late 1970s and for much of the 1980s, mirroring the dramatic decline in 'ordinary' employment. Between 1988 and 1998, the numbers in government training schemes declined substantially as the numbers of early leavers decreased. It is notable that the previous attainment and social class differences in participation among S4 leavers had largely disappeared by the end of the 1990s reflecting the efforts to move Skillseekers 'upmarket'.

Another trend is the increase in the proportion of S4 leavers entering full-time further education. Participation rose sharply during the 1990s to nearly three in ten of S4 leavers in 1998. Participation rose faster among males, the less qualified and those from less advantaged backgrounds. Consequently, by the late 1990s, differences in participation in FE according to gender, attainment and social class had narrowed.

The level of school-leaver unemployment has fluctuated over the period but it has continued to be disproportionately concentrated among the less qualified and among those from less favoured social

backgrounds. Unemployment rates have been highest among the least qualified S4 leavers and lowest among the best qualified, while leavers with fathers in non-manual occupations have been the least likely to be unemployed. There is little evidence to suggest a weakening of these relationships over time.

The position of early leavers in employment

As we have seen, employment was the main destination of early leavers. What types of jobs did they enter and to what extent might they be considered to be 'good' jobs?

The industries and occupations entered by early leavers

Two points are evident in respect of the industries and occupations entered by early leavers, firstly, they are concentrated in a small number of industries and occupations and secondly, employment is differentiated along gender lines. In Spring 1999, for example, early leavers were concentrated in wholesale/retail/repair; construction; the two service industries of education/health/social and other community services; and manufacturing. With the exception of wholesale/retail/repair, employment in the other main industries had a strong gender bias. In manufacturing, the gender bias was more pronounced where young people were employed as part of Skillseekers than where they were in non-Skillseekers jobs. It is clear that Skillseekers has not helped overcome traditional patterns of employment along gender lines.

The earnings of early leavers

Early leavers who were in jobs as part of Skillseekers earned substantially less on average than those in non-Skillseekers jobs in Spring 1999 (£60 vs £90) Overall, females earned an average of £8 less than males, but the gender difference in earnings was greater among those in Skillseekers jobs than in non-Skillseekers employment. This wage differential can be partly explained by the fact that females were concentrated in the service industries where wages were lower.

The training received by early leavers

A key concern is whether early leavers who are in employment receive high quality training and have the opportunity to add to their qualifications, if this is not the case, the longer-term outcomes of early entry to the labour market are likely to be negative. This concern is reflected in the Executive's Lifelong Learning Strategy which aims 'to increase the proportion of people in employment undertaking training' and 'to raise the attainment level of 18-29 year olds' (Scottish Executive, 2003). Most early leavers in employment reported that they received some sort of training, and more than half received some off-the-job training. For two-thirds of young workers who received training, this training led to a qualification, a feature that might be seen as a mark of quality training. Young women were worse off in respect of training than were young men: women were slightly less likely to get any training, were more likely to receive only on-the-job training and had a poorer chance of receiving training leading to a qualification.

Skillseekers has the explicit aim of providing training leading to a qualification. Comparing the two groups of young workers, it does appear that those in Skillseekers jobs were more likely to receive off-the-job training than those in non-Skillseekers jobs and, in particular, were much more likely to get training that led to a qualification. In addition, there was less of a gender gap in training within Skillseekers jobs.

Attainment at Standard Grade continued to impact on early leavers' prospects, the likelihood of young workers getting off-the-job training and of receiving training leading to a qualification increased in line with Standard Grade attainment.

Early leavers' attitudes to their jobs

The majority of young workers expressed positive attitudes about their current job, but those who were in Skillseekers jobs appeared to be more committed to their current job than those in non-Skillseekers jobs. They gave no indication that Skillseekers was seen as a second-best option and viewed what they were doing as worthwhile and good for their future prospects. Overall, gender made some difference to attitudes. Although most were positive, females were somewhat less so than males. It may be that their attitudes are influenced by the lower level of training they received.

The position of early leavers at the age of 18/19

So far we have reported early leavers' outcomes in the year after leaving school but what was their situation at the age of 18/19? To what extent did early leavers' activity at the age of 16/17 have an impact on their outcomes at 18/19? To examine this, we analysed the 1996 cohort, focusing on those who left S4 in 1996. It should be noted that due to the small sample size, and errors in the sample, these findings should be treated with caution.

Young people's main activities changed many times over the two and a half years between October 1996 and spring 1999. It appears that young men experienced less change than did young women who had a complex pattern of movement in and out of different activities over this time. The most stable group appears to be those who had been in non-Skillseekers jobs at the age of 16/17.

As might be expected, by the age of 18/19, fewer early leavers were in Skillseekers than had been the case at the age of 16/17 while the number in non-Skillseekers jobs had doubled. This increase was greater among males than females. By Spring 1999, the proportion of males in employment was higher than females; in contrast there had been a sharper decrease in the numbers of young men in full-time education than young women. There had been a steep rise in unemployment and in the 'other' category – that is neither in the labour market nor in education.

Initial destination in October 1996 appears to be a key factor in determining the number of activity changes by young people. Those who started out in non-Skillseekers jobs were more likely to have had no changes but those who were unemployed at 16/17 had the greatest number of changes. Around two thirds of those who had been in a Skillseekers job in October 1996 were in a different activity in spring 1999; the main movement was into non-Skillseekers employment.

By the age of 18/19, just under half of early leavers had not added to their qualifications. This is obviously of concern in respect of the Executive's Lifelong Learning Strategy for Scotland. Of those who achieved additional qualifications, most gained National Certificate modules. Early leavers who had left school with higher numbers of Standard Grade awards were more likely to have added to their qualifications. Participation in Skillseekers also appears to have had a positive impact on qualifications. Young people who had been in Skillseekers jobs in October 1996 were more likely than other S4 leavers to have improved their qualifications by May 1999. However, it should be remembered that some of those whose first destination was college were still studying in Spring 1999.

Implications for policy and practice

Is early leaving from school a real problem?

- The key problem is not early leaving in itself but early leaving combined with low attainment. Policies need to take account of this. Pupils, parents, schools need to recognise the crucial importance of qualifications even if the pupils concerned have a firm intention of leaving school at the earliest possible opportunity. Careers Scotland staff have a role to play in getting this message across.
- The school curriculum needs to enable all pupils to achieve as much as they can at the compulsory stage. The intention of the Scottish Executive to enable greater curricular choice, including vocational options, and greater flexibility at the compulsory stage of schooling may be a way forward. But it will be essential to evaluate the impact of any such changes and whether taking a non-standard curriculum does benefit likely low attainers in the longer term.

How can all early leavers improve their qualifications?

- One response is to encourage more young people to continue in education through initiatives such as Educational Maintenance Allowances. The wider range of provision possible in S5 as a result of the Higher Still reforms may also encourage some pupils to stay on at school.
- But it is important to recognise that, for some, a decision to leave school and enter the labour market is a positive and legitimate choice. For these young people, the question is how can this be achieved?
- Early leavers need good information about the best employment opportunities. We have seen that early leavers in jobs within Skillseekers had better prospects in respect of training and gaining qualifications than their peers in non-Skillseekers employment. This information needs to be highlighted by Scottish Enterprise, and specifically Careers Scotland, to pupils, parents and schools so that leavers can make informed decisions.
- Ensuring training for young people in employment outwith the Skillseekers programme is a longstanding problem and one that is not amenable to easy solutions. The Executive has reaffirmed its aim of encouraging employers to train their workforce but even with the new network of Sector Skills Councils it is difficult to see how employers can be persuaded to do so when exhortation has failed previously.

- Should we now move beyond voluntary approaches to a system that requires employers to ensure the training of young workers?
- Do we need to adopt alternative strategies that by-pass employers and directly support young workers to access training and qualifications independently? Should some of the community-based learning approaches outlined in the Lifelong Learning Strategy be developed to include appropriate opportunities for young people who are in employment but not receiving good training?
- Is the full-time FE route a productive one for low attainers? It is not possible to assess this from the current FE Performance Indicators since the PIs on retention and attainment do not include students' prior attainment. Collection of this data would be useful. The increased level of participation by low attaining early leavers from school also suggests a need to support colleges in developing appropriate provision and opportunities for progression for low-attaining entrants.

How can vulnerable early leavers be supported in their transitions from school?

- Early leavers with low attainment (and from less advantaged families) are the group most likely to experience unemployment and to have unstable post-school careers. These factors provide a means of identifying those who may be 'at risk' of unsuccessful transitions and for targeting interventions. Such interventions need to start before they leave school. Continued support from Careers Scotland is also necessary to support them through often protracted and fragmented post school transitions.
- The Inclusiveness projects introduced following the Beattie Report are critical to this group. It is vital that the Scottish Executive maintains its support to enable the Beattie recommendations to be fully developed. A key issue is how to extend the good practice developed in the Inclusiveness projects to the mainstream activity of all staff and to do so without diluting the impact of the work. Such 'mainstreaming' is important for those young people who do not fall within the Beattie client group but who too need ongoing support.

Does government training provide opportunities for all early leavers?

- The transformation of government training into an employment-based programme may have excluded some lower-attaining young people, especially females. The young people covered in this research were in the labour market before the introduction of the Get Ready for Work programme aimed at those not ready for Skillseekers. To what extent has GR4W compensated for the changing profile of Skillseekers? It is important to evaluate the outcomes of GR4W for participants, including participants' progression from it.

How can the outcomes of female early leavers be improved?

- Female early leavers had poorer outcomes than young men despite having higher average attainment. Official concern and policies have focused on the perceived underachievement of young men and, as a consequence, young women are in danger of being overlooked. Policies for early leavers need to take account of the different circumstances and challenges faced by young men and young women who leave school early.

- A specific issue is the gendered pattern of participation in Skillseekers. How far can this be addressed, especially in the context of an employment-based programme in which employers' involvement is voluntary? It will certainly require the active support of Sector Skills Councils but should we consider financial incentives to employers and the development of special projects to support access to non-traditional areas of Skillseekers employment by both young women and also young men?

References

- Elias, P. and McKnight, A. (1998) **The Changing Nature of the Youth Labour Market in Great Britain**, Warwick: Institute of Employment Research, University of Warwick.
- Evans, K., Hodkinson, P., Keep, E., Maguire, M., Raffe, D., Rainbird, H., Senker, P. and Unwin, L. (1997) **Working to Learn: a work-based route to learning for young people**, London: Institute Personnel and Development.
- Finegold, D. and Soskice, D. (1988) The failure of training in Britain: analysis and prescription, *Oxford Review of Economic Policy*, 4 (3), pp. 21-53.
- Howieson, C., Fairgrieve, J., Croxford, L. and Tinklin, T. (2000) **Destinations of Early Leavers**, Report to Scottish Executive, Edinburgh: CES, University of Edinburgh.
- Keep, E. and Mayhew, K. (1997) "Vocational education and training and economic performance" in T. Buston, P. Chapman and P. Temple (eds) **Britain's Economic Performance**, London: Routledge.
- Lynn, P. (1995) **The 1995 Leavers**, Edinburgh: Scottish Office Education and Industry Department.
- National Audit Office (2000) **Scottish Enterprise: Skillseekers Training for Young People**, Edinburgh: The Stationery Office.
- Richardson, W., Spours, K., Woolhouse, J. and Young, M. (1995) "Learning for the Future. A Study of Options for Modernising the English System of Post-Compulsory Education and Training", London: Institute of Education, University of London and Warwick: Centre for Education and Industry, University of Warwick.
- Scottish Executive (2003) **Life Through Learning: Learning Through Life**, The Lifelong Learning Strategy for Scotland, Glasgow: Scottish Executive.
- Senker, P., Rainbird, H., Evans, K., Hodkinson, P., Keep, E., Maguire, M., Raffe, D. and Unwin, L. (1999) Working to learn: a holistic approach to young people's education and training, in P. Ainley and H. Rainbird (eds) **Apprenticeship: towards a new paradigm of learning**, London: Kogan Page.
- Steedman, H., Gospel, H. and Ryan, P. (1998) **Apprenticeship. A Strategy for Growth**, London: Centre for Economic Performance, London School of Economics.

Funding from the Scottish Executive Education Department is gratefully acknowledged. However the views expressed in this CES Special Briefing are those of the authors and do not necessarily reflect those of the Scottish Executive or any other organisation(s) by whom the author is employed.

This publication may be photocopied for use within your own institution.

A limited number of additional copies of this CES Special Briefing may be obtained by writing to Carolyn Newton, Centre for Educational Sociology, University of Edinburgh, St John's Land, Holyrood Road, Edinburgh EH8 8AQ. It is also available for download from the CES website (www.ed.ac.uk/ces).

A full report of the research can be obtained from Carolyn Newton, Centre for Educational Sociology, University of Edinburgh, St John's Land, Holyrood Road, Edinburgh EH8 8AQ. Telephone: 0131 651 6243. Email: c.newton@ed.ac.uk