Early school leavers and VET

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One in four young people in Australia leaves school without completing his or her senior secondary certificate. This has been a fairly stable pattern throughout the 1990s, although at the start of the decade recession kept somewhat more young people at school. This chapter looks at the context in which early school leaving occurs in Australia, the causes, the consequences, and the ways in which its impact is reduced through vocational education and training (VET).

The two major motives identified for quitting school early are demand for work or an income, and lack of interest in schoolwork. There are large variations across the states and territories, ranging from about 11% who leave school early in the Australian Capital Territory to nearly 50% in the Northern Territory (Australian Bureau of Statistics 2002). There are also large differences between boys and girls. About one in five girls does not complete secondary school compared with about one in three boys. As well as the gender gap, and the gap between the states and territories, there are other very significant dimensions of variation, such as by region, socio-economic status, and Aboriginality.

Within three years of leaving school early, between two-thirds and three-quarters of these young people have some contact with VET. The evidence from a variety of sources is that this contact is positive in terms of employment and other social benefits. As is discussed in the next chapter, there also is evidence that including VET in Schools programs contributes to retaining more young people to the end of secondary schooling. Overall, VET plays a large role in ensuring growth of learning among young people.

The context

A quarter of a century ago, around two-thirds of young Australians did not complete school (Australian Bureau of Statistics 2002). The level of early leaving has fallen sharply since that time, especially since the 1982–83 recession. This change is associated with the long-term contraction in the full-time labour market for teenagers. In the late 1970s, there were two full-time jobs held by male teenagers for one full-time job today. For girls, the situation has deteriorated more rapidly, with two-thirds of all full-time employment no longer available (Ministerial Review of Post Compulsory Education and Training Pathways in Victoria 2000). This has meant greater pressure on girls than boys to stay on at school. But both sexes are now much
more economically dependent on completing school. Previous patterns of entry to the workforce without a senior certificate have been eroded as the nature of work has changed. Much of the work now available to teenagers is part-time or casual (Borland, Gregory & Sheehan 2001; Business Council of Australia & Dusseldorp Skills Forum 2002), and the industries in which work is available have shifted towards the credential-rich services sector. Early leaving has not become a thing of the past, but the proportion of young people who continue to base their employment strategy on early entry to the labour force without completing school has more than halved in the last two decades.

Understanding early leaving

Given labour market changes, it may seem surprising that as many as 27% of young Australians should leave school without their senior certificate. The school drop-out rate reaches much higher levels in some regions, including those with high rates of youth unemployment. To understand why early leaving can involve as many as 46% of teenage males in urban communities (Teese 2001), it is important to recognise that retention rates in school are not simply a reaction to labour market conditions. It is true that the recessions of 1982–83 and 1990–91 triggered very sharp jumps in retention, and also that there is a strong long-term relationship between the structure of employment opportunities and the proportion of young people who complete school. But early leaving is a complex phenomenon. Many early leavers are not discouraged by even a weak labour market. Quitting school is largely driven by different motives and experiences.

While employment prospects for teenagers are much more limited than in the late 1970s, survey evidence indicates that the biggest single motive for dropping out of school is demand for work. The fact that work—especially full-time work—is frequently not available to teenagers does not suppress the demand for jobs. Instead this demand is channelled into part-time work combined with full-time study, or into aspirations for entry to higher levels of the labour market which require completed school or tertiary education, or into jobs with a contract of training or, finally, into a sustained pattern of intermittent employment which may or may not involve full-time work in the short-to-medium term. In poorer communities, including those where adult unemployment is high, the demand for work is likely to be stronger rather than weaker, especially if (as in country districts) there is a long cultural acceptance of early entry to the workforce. Dropping out of school in this context can be viewed as an economic strategy (whether ill-fated or not) in which young people seek to relieve economic vulnerability by taking whatever jobs are available. The economic motive for early leaving has important implications for policy development (as will be discussed later).

Another major motive for quitting school without a senior certificate is lack of interest in schoolwork. Again this motive is identified in one research study.
after another (Holden & Dwyer 1992; Beresford 1993; Lamb 1994; Teese et al. 2000). Although the economic imperatives for staying on at school are strong, student dissatisfaction with school may outweigh these. Once the legal obligation to attend school has come to an end, students will continue in the post-compulsory years if they see good economic reasons for doing so, if they are able to relate to the programs, and if they can manage the academic demands of the subjects they take. Moreover, to judge from how early leavers describe their experiences, schools have to be socially supportive settings in which young people feel they belong. Friendship is the most attractive feature of school to teenagers (Teese et al. 1996), and this, along with good rapport with teachers, is a major factor enabling them to cope with the increasingly specialised, theoretical and individualistic and competitive nature of schoolwork in the senior years. Weak social bonds make academic schoolwork more difficult to manage, and the combination of poor social integration and low achievement drives many young people from school. This is especially so for boys, whose access to full-time jobs is much greater than girls’ and who can thus see a way out of a situation in which they neither enjoy social esteem through friendship, nor have high academic self-esteem through good marks.

The two major motives of demand for work and flight from school clearly converge amongst some groups of early leavers. Since work offers a solution to the problem of low achievement, finding a job removes the individual from a situation of tension and possibly low self-regard based on feedback from the school, and provides a second chance and a new environment in which to gain respect. But there is no necessary relationship between the two motives of finding work and fleeing school. Good students—not just low achievers—drop out of school, and many students who struggle with the academic curriculum stay on at school. Policy responses need to take account of the mix of motives behind early leaving since, if the root causes differ, the strategies and even the policy objectives must also differ. An example of this can be seen in the profiles of two urban regions which have high drop-out rates in Victoria. The north-west of Melbourne has high rates of scholastic failure combined with high rates of early leaving. Mornington Peninsula, on the other hand, has comparatively low rates of scholastic failure, but high drop-out. In the first region, there is a different combination of problems or issues from that found in the second region, although the rates of early leaving are about the same (Teese 2002a).

It should be noted that leaving school early is not always a clear-cut, well-defined action. Some young people leave and return to school several times, or exhibit intermittent attendance patterns, before making a complete break from school. Intermittent or no attendance can be an issue even when the young person is below the statutory age for attending school (that is, truancy).
Who are the early leavers?

A particular socio-economic context underpins the two major reasons for dropping out, since it is young people from lower socio-economic backgrounds who are both more economically vulnerable and more academically vulnerable. Less likely to succeed at school, the economic penalties they pay in leaving early are fewer in the short term, since their chances of gaining a place in university are objectively much lower than for young people of high socio-economic origins. How much do they have to gain by completing two, or even one more year of school, if this makes little difference to the kinds of jobs they will eventually get (even if it influences how long they will wait for these jobs)? On the other hand, if their families are suffering financial hardship, the pressure to help by finding work will be greater, whether or not this involves leaving school. Economic insecurity and academic insecurity thus combine to ensure that most early leavers come from working-class families. However, the fact that failure at school or disengagement from schoolwork is also experienced by young people from socially advantaged families, and that they are also motivated by economic needs, means that their families will also contribute to the ranks of early leavers, although to a very much smaller extent (Ball & Lamb 2001; Teese & Polesel 2003).

From an equity perspective, the tendency for young people from unskilled or semi-skilled manual workers’ families to leave school early and take up low-paid, low-skill jobs is a classic illustration of social reproduction. Early leavers are often caught in a process whereby poor marks at school and poor motivation lower expectations and aspirations amongst themselves, family and teachers. As the relationship with school weakens, they compensate by searching outside school for recognition and independence. Nevertheless, they have to be content with jobs which, in the long term, are economically precarious unless they return to education or training to remedy this. While low achievement is the most important mechanism through which low socio-economic status is reproduced—either through early leaving or poorly paid jobs on completion of secondary school—it should be stressed that the economic motive for dropping out is a strong one which may override expectations based on average or even high achievement. As has been highlighted earlier, only part of early leaving can be linked to low achievement.

While lower working-class boys are more likely than other socio-economic groups to leave school early, it is Indigenous Australians who have by far the highest rates of school drop-out. The barriers to their completing school are complex, but include low achievement, a curriculum involving a social model of learning which tends to isolate Indigenous students and distance them from school, lower aspirations, fewer role models of successful students (and teachers), and racism (Hudsmith 1992; Peacock 1993; Gardiner 1996; Teese et al. 2000).
Consequences

The impact of early leaving can be viewed from two perspectives—the individual and the social. In general, the earlier a young person quits school, the greater the likelihood of unemployment. Until recently, the Australian Bureau of Statistics published tables from its monthly labour force survey which compared employment transition by the level at which young people left school. These tables tend to show that the risk of unemployment falls the longer a student stays at school. In 1999 for example, the unemployment rate for young people fell from an estimated 42% in the case of those with compulsory schooling only, to 22% for Year 10 leavers and 26% for Year 11 leavers, to 16% for Year 12 leavers (Australian Bureau of Statistics 1999). Similar patterns have been found in more recent labour force surveys, although less detailed analysis by year level is now published (Australian Bureau of Statistics 2000, 2001). The poor employment consequences of early leaving have been documented in other industrial countries as well as Australia (OECD 2001; European Training Foundation 2000).

These findings confirm that it is not in the economic interest of young people to leave school early, however strong their economic motives. But there is sufficient scope within the teenage labour market—including both full-time and part-time opportunities—to absorb many early leavers. Apprenticeship is the most important positive outcome, as this combines a contract of training with substantially full-time work. In addition, many early leavers find full-time work which is not linked to a contract of training. However, very high proportions of early leavers, especially girls, are employed in part-time or casual jobs (Teese & Polesel 2003; Business Council of Australia & Dusseldorp Skills Forum 2002).

From this point of view, rather than trying to combine work with study, the issue is whether they should have left school at all. Indeed, many early leavers express regret over their decision to quit school (Centre for Post-Compulsory Education and Training 2000).

The consequences of early leaving are not only individual, but social. The National Centre for Social and Economic Modelling (for the Dusseldorp Skills Forum) has estimated the total cost of early leaving per individual to be of the order of $74 000 over a lifetime (1999). This includes both the costs to the individual and to the public purse. More recently, the Business Council of Australia has drawn attention to the impact of early leaving in terms of ‘lower employment rates, increased welfare payments, lower productivity and lower tax revenue’ (Business Council of Australia 2003). However, there are also social consequences which cannot easily be costed, but which are significant. Those early leavers who are in flight from school may have had such a poor experience of education that they never return to study or undertake training. With this history, will they be able to communicate a positive view of learning to their own children? With self-esteem so closely linked to success at school, will they have the confidence to pursue economic and cultural opportunities...
based on lifelong learning? Will they have the same allegiance to civic values as their peers who finished school and went on to tertiary education? Some survey data suggest that attachment to democratic values declines with levels of achievement at school (Teese et al. 1996). If so, there will be early leavers who enter adult life with attitudes which are negative to the institutions which celebrate merit and stress individual enterprise and initiative, with success at school being the first and most enduring model of this. Early leaving, where it involves flight from school and is essentially negative in nature, may thus have wider cultural consequences.

Early leaving and post-school education and training

Without a senior certificate—that is, Year 12—early leavers run a high risk of unemployment in quitting school. The majority, however, seeks to offset this risk by undertaking vocational education and training. Utilising VET as part of an employment strategy does not necessarily occur in the first year after school. Many early leavers appear to reject the idea of further education or training, claiming that they lack the time, or do not see the relevance, or do not feel ready for more study (Polesel, Davies & Teese 2000). Within three years of leaving school, however, these reservations weaken, and between two-thirds and three-quarters of all early leavers have at least some contact with VET (Teese 2002b).

The resumption of study over this period varies by award level, gender, and duration. These dimensions are inter-related. Apprenticeships of the traditional kind—the four-year indenture—provide the most sustained form of involvement of boys in VET, and lead to a skilled tradesman’s qualification (Australian Qualifications Framework [AQF] certificate III). This is the largest source of post-school VET experience amongst male early leavers (Teese 2002b). Amongst girls, the situation is more complex. Their participation in contracts of training is much lower than boys’, and their activity in VET is more concentrated, both in basic courses (certificates I and II) and in middle-level (certificate IV) courses. This also implies differences in the sectors of industry in which young men and young women are working (or seeking to enter); for example, manufacturing and construction continue to attract male apprentices, while financial and human services draw in more female workers.

The spread of training activity across the various Australian Qualifications Framework levels indicates the different roles which vocational education and training plays for early school leavers compared with those who complete Year 12. Table 1 provides statistics for young people who were studying in the public VET system in 2002 according to when they left school and the year level they completed at school.

The first role for VET is that it appears to provide a delayed alternative to Year 12 for students who leave school without completing the qualification. This
is demonstrated by the figures (table 1). Just over a quarter (27.2%) of the young people who went directly into VET without completing Year 12 were studying at AQF certificate III level or higher, whereas over half (55.9%) of those who left school more than a year beforehand without completing Year 12 were studying at the higher Australian Qualifications Framework levels. It should be noted that AQF certificate III programs are generally considered to be at about the same educational level as Year 12.

The second role is that basic VET (that is, AQF levels I and II and non-Australian Qualifications Framework programs) helps those with the least schooling or, at any rate, with the least successful schooling, while also providing specific entry-level training (including traineeships). This is reflected in the situation whereby almost two-thirds of young people who left school without completing Year 12 and who went directly into VET, undertake basic VET programs, at least initially.

For many young people, these two roles of vocational education and training make up for the extra years of schooling which early leavers miss, or provide accredited vocational training where this was not available during their schooling. Of course, not all early school leavers undertake further education or training after leaving school. From a policy perspective, this group is of particular concern.

Table 1: Students up to 19 years of age, by schooling status and Year 12 completion 2002, percentage

<table>
<thead>
<tr>
<th>Qualification category of major VET program in 2002</th>
<th>Still at school</th>
<th>Did not complete Year 12</th>
<th>Completed Year 12</th>
<th>Schooling status or level unknown</th>
<th>All young students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma or higher</td>
<td>21.3</td>
<td>27.2</td>
<td>55.9</td>
<td>69.0</td>
<td>75.8</td>
</tr>
<tr>
<td>Certificate IV</td>
<td>46.4</td>
<td>42.7</td>
<td>26.7</td>
<td>17.5</td>
<td>15.4</td>
</tr>
<tr>
<td>Certificate III</td>
<td>11.6</td>
<td>12.4</td>
<td>5.6</td>
<td>2.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Sub-total: Certificate III &amp; above</td>
<td>58.0</td>
<td>55.1</td>
<td>32.3</td>
<td>20.3</td>
<td>16.8</td>
</tr>
<tr>
<td>Certificate II</td>
<td>20.7</td>
<td>17.7</td>
<td>11.7</td>
<td>10.7</td>
<td>7.3</td>
</tr>
<tr>
<td>Sub-total: Certificate I or II</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total (%)</td>
<td>79.30</td>
<td>83.10</td>
<td>86.10</td>
<td>58.10</td>
<td>46.80</td>
</tr>
</tbody>
</table>

Economic and cultural outcomes of VET for early leavers

How effective is VET for young people who leave school early? The evidence from a variety of sources is very positive. In relation to both 19-year-olds and 22-year-olds, undertaking vocational education and training significantly improves their chances of employment, as the monthly labour force survey conducted by the Australian Bureau of Statistics confirms (Australian Bureau of Statistics 1999). Analysis of graduate destinations by the National Centre for Vocational Education Research (NCVER) also shows that VET has a big impact on employment, especially for labour market entrants and apprentices (NCVER 2002).

Apart from its influence on employment prospects, vocational education and training also has cultural benefits for young people who leave early. To quote from a recent report to the Australian National Training Authority (ANTA):

_They experience an improvement in their capacity for self-direction and in their capacity to relate well to others … [Their] perception of the relevance of lifelong learning and their ability to exploit learning opportunities grows. Their horizons enlarge and new interests are formed. Their self-esteem is raised and their ability to communicate is enhanced._

(Teese 2002b)

Policy objectives and strategies

Both employment outcomes and attitudes to learning suggest that VET works well for early leavers and tends to offset, or at least lessen, the potentially negative effects of interrupted schooling. This is particularly significant in light of the fact that one major group of early leavers are in ‘flight from school’, either unable to relate to schoolwork or achieving poorly. Important as this compensatory or ‘second chance’ role is, however, the question is whether the resources invested in VET are best used by providing programs which can be delivered by schools and which, under different circumstances, could be successfully tackled by students who currently leave. If schools were able to reduce failure and to more fully engage weaker students in learning, the flight from school would decline and the requirement on VET to reverse the effects of this exodus would be lowered. That would enable the post-school sector of VET to focus on the value-added roles of skilled vocational and middle-level training, building on the basis of a successful experience of school (not necessarily completed school).

Is the main policy objective to reduce early leaving, regardless of its causes, or to ensure growth of learning, regardless of the sector in which this occurs? Since not all early leaving can be regarded as negative—especially when it involves transition to accredited vocational education and training—the policy emphasis arguably should be on ensuring growth of learning. Young people’s
demand for work cannot be suppressed, but must be accommodated within more flexible arrangements which ensure that recognised learning continues, both on the job and off the job. On the other hand, early leaving due to low achievement or lack of interest in schoolwork needs to be tackled at its roots. This requires more inclusive and engaging programs and more varied teaching strategies targeted at the cognitive and cultural barriers to successful learning. Here the focus ought to be on boosting achievement and learner self-esteem rather than reducing early leaving as such, since cognitive progress and improved motivation need not necessarily translate into greater retention at school.

To provide young people with broader, more flexible education and training options which ensure that they have the knowledge and skills needed for participation in the workforce, post-secondary education or training or for other activities, the states and the Commonwealth have responded with a range of initiatives. These initiatives also encourage young people to stay at school longer and include vocational learning and structured workplace learning for school students, and part-time and school-based New Apprenticeships. These initiatives are discussed in the next chapter.

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