

Early School Leaving and VET in Comparative Perspective Incidence and Policies

Mario Steiner & Lorenz Lassnigg

Institute for Advanced Studies - Vienna

Paper presented at the European Conference on Educational Research, Vienna, Austria, 28 - 30 September 2009

Introduction

Within the Lisbon Strategy it is a major objective of the European Union to reduce early school leaving (ESL). Therefore the first topic of the paper is to analyze how the percentage of ESL developed in recent years across Europe. In order to understand the differences observed the question has to be tackled, what the causes and consequences of ESL are. In this context on the one hand side the employment chances of early school leavers and their risk of being out of labour force and on the other hand side the role of VET will be discussed.

This statistical part of the paper is followed by a more qualitative one, where the different policies across Europe to combat early school leaving are presented. In this context two different policy approaches - a universalistic and an employment centered - will be distinguished and described.

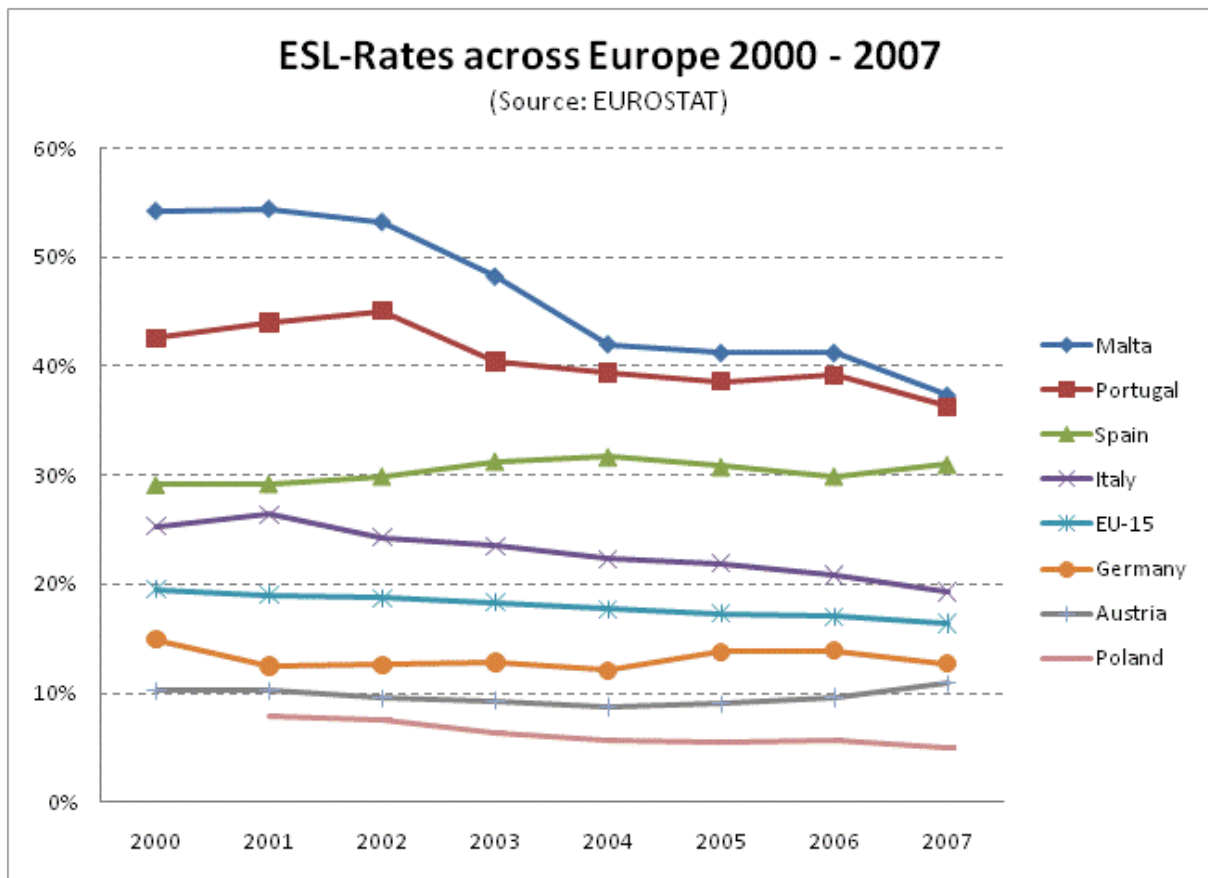
To answer the question whether the policy approach to combat early school leaving in Austria is consistent with what has been learned about causes and consequences of early school leaving is the aim of the last chapter.

Early School Leaving in Europe

According to the definition of EUROSTAT the ESL-rate indicates the “percentage of the population aged 18-24 with at most lower secondary education and not in further education or training”. Since the end of the 1990ies, when the Lisbon process has been started, it is a major objective of the European Union to reduce the ESL-rate to at most 10% of the defined population until 2010.

As it can be seen in the following chart the ESL-rate constantly declines in the period 2000-2007 for EU-15 from 19,5% to 16,4%. What can be seen also, are the huge differences in the ESL-rates across Europe. They vary from 37,3% in Malta to only 5% in Poland.

Table 1: ESL-Rates across Europe 2000-2007



Causes and Consequences of ESL

These huge differences across Europe in the percentage of ESL need to be analyzed more in depth in order to find some explanations for the empirical situation observed.

A first explanation for different percentages of early school leavers across Europe can be found in relation to the labour market. Whereas in former publications dealing with this topic (OECD 2005, Kritikos/Ching 2005) employment rates of early school leavers are analyzed, the relative chances of employment are calculated and displayed in the following chart. This approach allows to control for structural differences and shows the relative chance of early school leavers to be employed in relation to graduates of upper secondary education. So the relative employment-chance for early school leavers on the Slovakian labour market is 21,3% whereas it is 101,4% in Portugal. This means that in Portugal the employment-chance for early school leavers is slightly better than the one for graduates. If the chance of employment for Early School Leavers is compared to the percentage of ESL in the different countries the correlation ($R=0,524$) is obvious: The lower job-chances of ESL are, the lower is the percentage of ESL.

Chart 2: Correlation of ESL-Rate with Job-Chances of ESL 2007

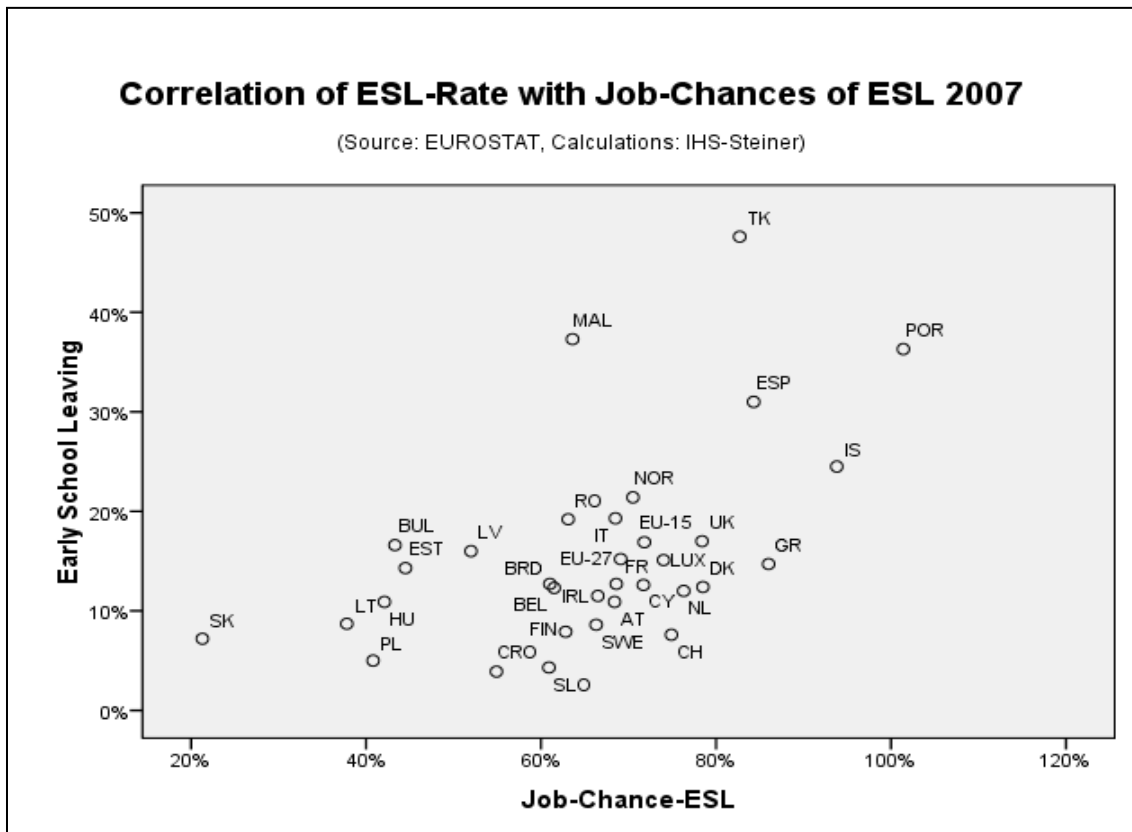
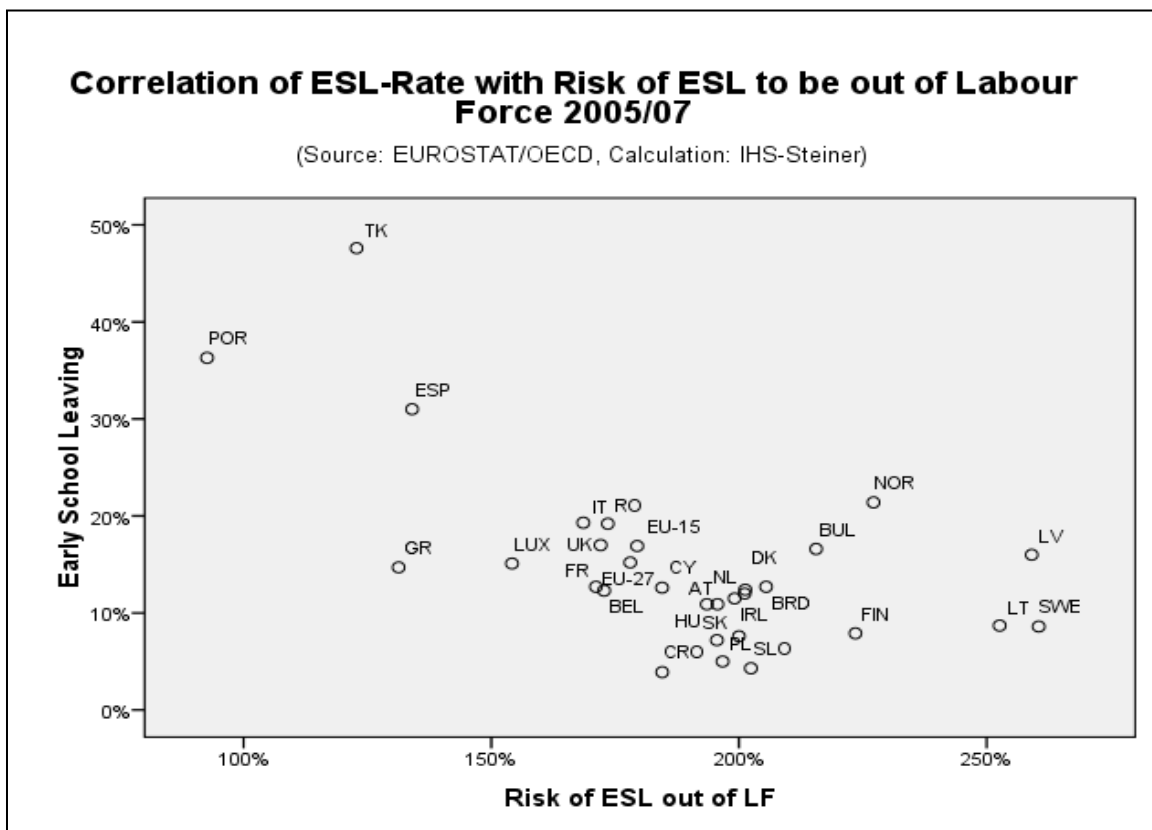


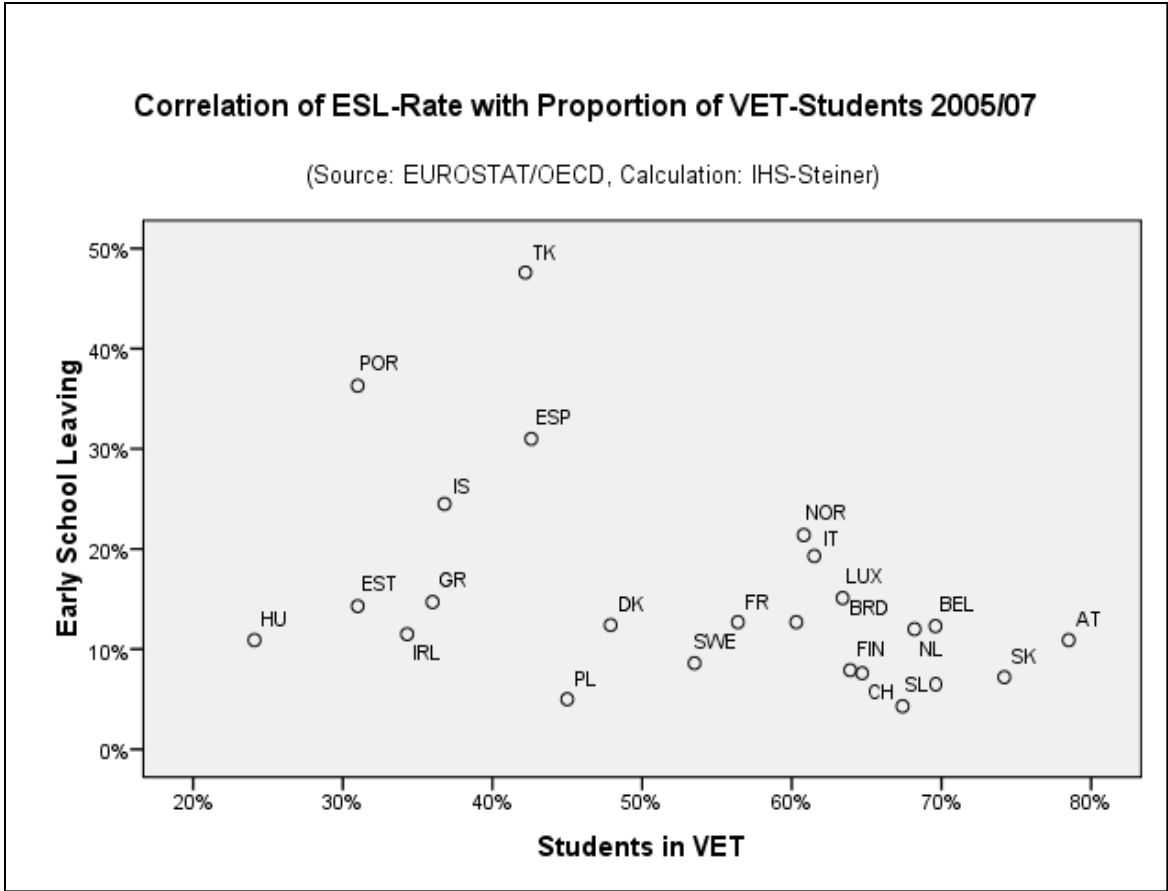
Chart 3: Correlation of ESL-Rate with Risk of ESL to be 'Out of Labour Force'



In chart 3 the topic is visualized from the nearly opposite perspective. The question here is, if the early school leaving rates correspond to the relative risk of early school leavers to be 'Out of Labour Force'. Again the relative risk represents the risk of early school leavers compared to the graduates of upper secondary level education. The relative risk spreads from 92,6% in Portugal to 260,5% in Sweden and the correlation with the percentage of early school leavers is even higher ($R=0,627$). The higher the risk of ESL to be 'Out of Labour Force' the lower is the percentage of ESL.

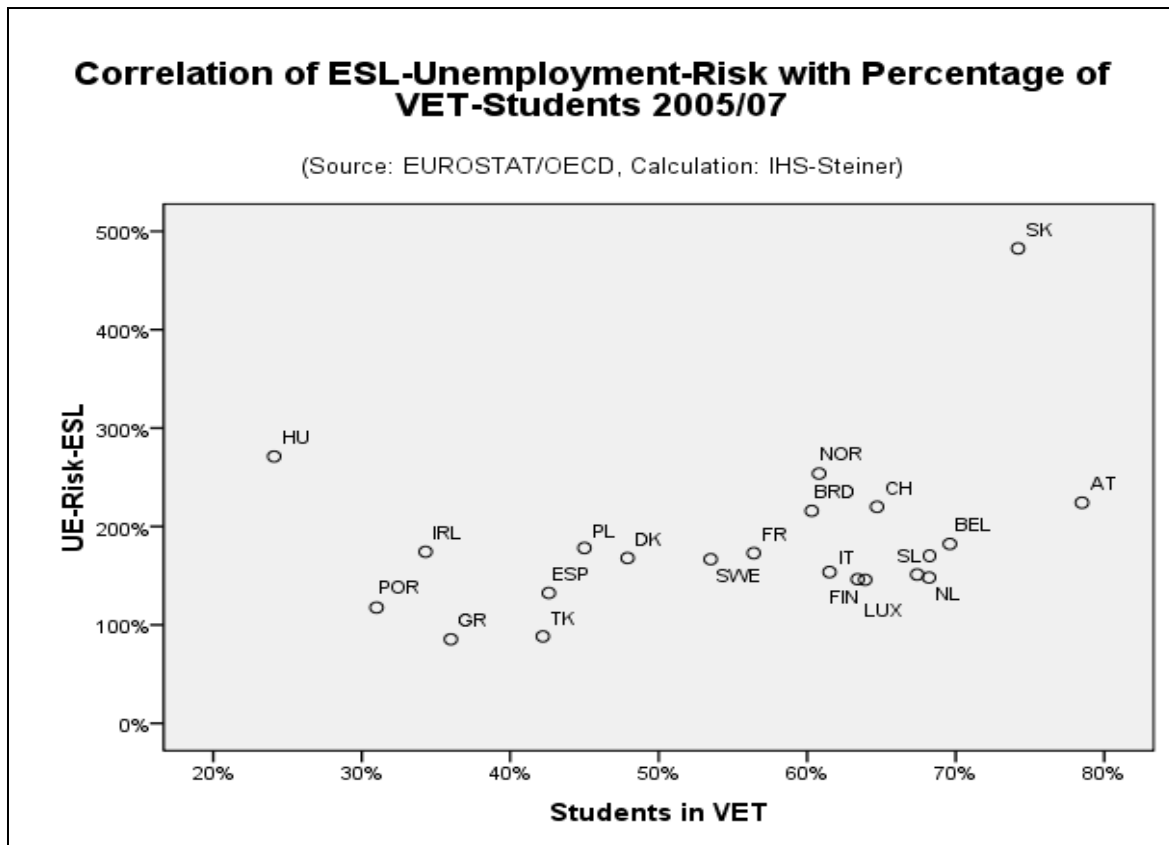
So far risks and chances of early school leavers in relation to the labour market have been discussed. Now, when it comes to the question whether there is evidence for interdependence of early school leaving and VET, the perspective will be changed. In chart 4 (on the x-axis) the percentage of students in VET from all students in upper secondary education is presented. The differences across Europe are huge and range from 24,1% in Hungary to 78,5% in Austria (OECD 2007). If the percentage of Students in VET is compared to the percentage of early school leavers the conclusion can be drawn, that in tendency the higher the percentage of students in VET is the lower the percentage of ESL is ($R= -0,404$).

Chart 4: Correlation of ESL-Rate with the Proportion of Students in VET



In the context of early school leaving the percentage of students in VET not only influences educational indicators (like the percentage of early school leavers as such) but also employment or labour market indicators. In chart 5 the relative unemployment risk of early school leavers compared to graduates of upper secondary education is displayed. The relative risk ranges from 85,4% in Greece to 482,6% in Slovakia. If this unemployment risk is compared to the number of students in VET in the different countries a tendency can be observed, that the higher the percentage of students in VET is the more difficulties face ESL concerning labour market integration ($R= 0,352$).

Chart 5: Correlation of ESL-Unemployment-Risk with percentage of VET-Students



If we look at all these empirical results at once the following conclusions can be drawn:

Low employment chances for early school leavers and a high risk of being ‘Out of Labour Force’ lead to a rather low percentage of early school leaving. But the other way round the lower the percentage of ESL is, the higher is their risk of exclusion: They face lower chance of employment and higher risk of being ,Out of Labour Force’.

In this context VET plays a double role: The stronger the role of VET in the educational system is, the lower is the percentage of ESL, but at the same time the higher is the risk of exclusion of those still leaving school early.

Policies to combat Early School Leaving

Following the statistical part of the paper the question now is which policies have been implemented across Europe to combat early school leaving.

In a study on policy measures concerning disadvantaged youth (Walther/Pohl 2005) among others a universalistic and an employment centered approach to combat early school leaving were distinguished. These policy approaches differ heavily concerning the anticipated reasons for early school leaving. As the anticipated reasons form the theory, also the starting point of policy and the policy measures differ in the universalistic from the employment-centered approach.

The anticipated reason for ESL in the universalistic policy approach is a lack of orientation and a lack of personal development. Therefore the starting point of policy is to activate the lost potential. This more likely leads to policy measures like activation via positive incentives, orientation/counseling/guidance, integration into the education-system as well as broadening access to and strengthening permeability of the education system.

The anticipated reasons for ESL in the employment-centered policy approach are deficits in socialization, which are ascribed to the individual who are held responsible for this situation. In consequence the starting point of policy is to compensate for individual deficits. Policy measures concentrate on compensatory instead of preventative measures. The most common form of intervention is to integrate early school leavers into pre-vocational measures, active labour market training, apprenticeship-training or make attempts for direct integration into the labour market.

Conclusions on the Case of Austria

The aim of the final chapter is to integrate the several topics discussed so far and draw conclusions on the appropriateness of the policy approach in the case of Austria.

The percentage of ESL in Austria is comparably low (10,9%). At the same time the early school leavers face increased risk of exclusion. The relative unemployment risk of early school leavers compared to graduates from upper secondary education is the fifth highest in Europe (224%).

The policy approach to combat early school leaving in Austria can be classified as employment centered. Active labour market policy and policy against ESL concentrate mainly on integration into the apprenticeship system (VET). At the same time the VET-system in Austria can be referred to as the most elaborated since it covers 78,5% of all students on upper secondary level, the highest percentage in Europe.

The central hypothesis at this point is, that this policy approach in Austria is not appropriate to the problem situation and contains severe risks. At the one hand the apprenticeship system is strongly dependent on economical development. So the number of apprenticeship-places varies. In times of economical decline competition on the apprenticeship market rises and early school leavers are even more likely to loose the competition.

On the other hand side the concentration on integration in the apprenticeship system conserves structures like the segmentation of labour market between early school leavers and graduates from upper secondary educations. This policy approach not only conserves structures but according to the correlations analyzed even reinforces the exclusion of those still leaving school early and not being successfully integrated into the apprenticeship system with the help of this employment centered policy.

The reform option for the policy approach in Austria is more to concentrate on prevention instead of compensation. Therefore a reform of the selective educational system is necessary in order to prevent early school leaving as a consequence of disappointment and undermined self esteem. This at the same time would help to minimize the production of individual deficits, which according to the employment centered approach need compensation. Counseling & guidance to develop individual potentials Instead of selection seems as appropriate response to early school leaving in the case of Austria.

References

- Commission of the European Union (2006a). *Progress toward the Lisbon Objectives in Education and Training. Report based on Indicators and Benchmarks*. Brussels: Author. Internet: <http://ec.europa.eu/education/policies/2010/doc/progressreport06.pdf> [Stand 2008-07-18].
- Commission of the European Union (2006b). *Efficiency and Equity in European Education and Training Systems*. Brüssel: Author. Internet: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2006:0481:FIN:EN:PDF> [Stand 2008-07-18].
- Kritikos, E. & Ching, Ch. (2005). *Study on Access to Education and Training, Basic Skills and Early School Leavers. Lot 3: Early School Leavers. Final Report*. London: GHK.
- Organisation for Economic Co-operation and Development (2005). *From Education to Work. A difficult Transition for young Adults with low Levels of Education*. Paris: Author.
- Organisation for Economic Co-operation and Development (2007). *Education at a Glance. OECD Indicators*. Paris: Author.
- Steiner, M. & Wagner, E. (2007). *Dropoutstrategie. Grundlagen zur Prävention und Reintegration von Dropouts in Ausbildung und Beschäftigung*. Wien: Institut für Höhere Studien.
- Steiner, M. & Steiner, P. (2006). *Bildungsabbruch und Beschäftigungseintritt. Ausmaß und soziale Merkmale jugendlicher Problemgruppen*. Wien: Institut für Höhere Studien.
- Walther, A. & Pohl, A. (2005). *Thematic Study on Policy Measures concerning Disadvantaged Youth*. Tübingen: Institut für regionale Innovation und Sozialforschung.
- Wössmann, L. & Schütz, G. (2006). *Efficiency and Equity in European Education and Training Systems*. o.O. Internet: <http://ec.europa.eu/education/policies/2010/doc/eenee.pdf> [Stand 2008-07-18].