

**YOUNG PEOPLE AND THE LABOUR MARKET:  
EVIDENCE FROM THE EMA PILOTS DATABASE**

**CRSP 538**

**Sue Maguire  
Jo Thompson  
Centre for Education and Industry (CEI)  
University of Warwick**

**Sue Middleton  
Centre for Research in Social Policy (CRSP)  
Loughborough University**

**January 2006**



## CONTENTS

	<b>Page</b>
<b>EXECUTIVE SUMMARY</b>	
<b>1 INTRODUCTION</b>	<b>1</b>
1.1 Methodology	2
1.2 Weighting and attrition	3
<b>2 LABOUR MARKET EXPERIENCES AT 19</b>	<b>4</b>
<b>3 YOUNG PEOPLE NOT IN EDUCATION EMPLOYMENT OR TRAINING (NEET)</b>	<b>21</b>
3.1 Time spent NEET	21
3.2 Young people at 19 who were NEET at 18 after two years in post-16 education	23
<b>4 CONCLUSION</b>	<b>27</b>
<b>REFERENCES</b>	<b>29</b>

## **EXECUTIVE SUMMARY**

The piloting of Education Maintenance Allowances (EMAs) began in 15 local education authority (LEA) areas in 1999. EMA is an allowance paid to young people between the ages of 16 and 19 from lower-income families (or in some areas, in the piloting phase, to their parents) to support their participation, retention and achievement in post-16 education. This report investigates young people's labour market experiences in order to assess the effect of two years of post-16 education on their initial position, and subsequent progression within the labour market. It has been prepared for the Department for Education and Skills (DfES), exploiting data from the large scale surveys of young people that have formed part of the evaluation of the Education Maintenance Allowance (EMA) pilots.

The data show that young people who had spent two years in post-16 education were generally in a better position than those who had entered the labour market immediately after compulsory education (bearing in mind that an analysis of Year 11 attainment of the two groups showed that young people who had remained in education had higher Year 11 achievement rates). In particular, those who spent two years in post-16 education before entering the labour market at 18, were much more likely to be in managerial, professional and associated professional and technical jobs. On the other hand, nearly a third of young people who had left school at 16 were in skilled trade occupations at 19 and had accessed training in sectors such as engineering and construction, where skill shortages are known to exist.

The findings also show variation between the two groups of young people in terms of their overall destinations at 19. As far as participation in government supported training was concerned, there was a clear difference between 16-year old and 18-year old labour market entrants. A significantly larger proportion of 16-year old school leavers had accessed the labour market through this route. In contrast, young people who entered the labour market at 18 were most likely to be in work with training one year later. Re-entry into full-time education at age 19 was higher (at around a fifth) for young people who

entered work/training at age 18 after two years in full-time education. This was particularly apparent among young people who had achieved five or more A\*-C GCSEs at the end of Year 11. The evidence would suggest that a number of young people who had left education at 18 had spent one year in employment before resuming their studies at the age of 19.

Looking at the destinations of young people who entered work or training at age 18, in relation to their employment stability one year later, young people who had entered work with no training had the highest turnover rates. In addition, among young people who had accessed the labour market at 18, the largest proportion of young people who became NEET at 19, came from the jobs without training category.

A higher percentage of EMA eligible young people in control areas had 'long-term' NEET group status between the ages of 16 and 19, compared with their counterparts in the pilot areas. By definition, these young people were not in full-time education, employment or training at the time of any of the four survey interviews. The fact that there was a smaller proportion of long-term NEET young people in the pilot areas could be linked to the availability of EMA, as EMA may have attracted some young people to remain in education rather than enter or spend sustained periods in the NEET group.

The majority of young people who were NEET at age 18, following two years in full-time education, had left the NEET group at the age of 19.

## **1 INTRODUCTION**

The piloting of Education Maintenance Allowances (EMAs) began in 15 local education authority (LEA) areas in 1999. EMA is an allowance paid to young people between the ages of 16 and 19 from lower-income families (or in some areas, in the piloting phase, to their parents) to support their participation, retention and achievement in post-16 education. The decision to roll out EMAs from September 2004 was announced in the 2002 Spending Review.

This report investigates young people's labour market experiences in order to assess the effect of two years of post-16 education on their initial position, and subsequent progression within the labour market. It has been prepared for the Department for Education and Skills (DfES), exploiting data from the large scale surveys of young people that have formed part of the evaluation of the Education Maintenance Allowance (EMA) pilots. This report is part of a suite of outputs generated from EMA evaluation evidence, which are aimed at developing a greater understanding of the underlying effects of EMA. The data presented in this report compare the employment and training trajectories of two groups of EMA eligible young people when they were 19 years old:

- those who had entered the labour market at the end of Year 11 and who remained in employment or training until the age of 19; and
- those who had completed two years in post-16 education and then entered the labour market at 18.

The final section of the report focuses on young people who were not in education, employment or training (NEET), investigating both the length of time for which those who were NEET at the age of 19 had been NEET, and the circumstances at 19 of young people who had been NEET at 18 following two years in compulsory education.

## 1.1 Methodology

The quantitative element of the EMA evaluation focussed on two cohorts of young people who completed compulsory education (Year 11) in the summers of 1999 and 2000 (the first two cohorts of young people who were potentially eligible for EMA). Large random samples of young people (and their parents) from each cohort were interviewed in ten of the original EMA pilot areas and 11 control areas. The first interview took place between October and April of 'Year 12', that is, between approximately three and nine months following the end of compulsory education when the young people were between 16 and 17 years of age. In total, information about more than 20,000 young people is available for analysis when the two cohorts, pilot and control areas, are combined.

The findings in this report are based on analysis of all of the eight datasets produced from four interviews with two cohorts of young people (and their parents at Wave 1), conducted at annual intervals. These datasets are listed in Table 1, which also shows the year in which each wave of interviews began and the approximate age of the young people at the time of each interview. Throughout this paper, these approximate ages are used in preference to the terminology of interview 'waves', since ages are simpler and easier to understand. Table 1 also shows the minimum length of time that had elapsed between the end of compulsory education and each survey wave.

**Table 1 Datasets**

---

<b>Dataset</b>	<b>Survey interviewing began in autumn</b>	<b>Approximate age of young people</b>	<b>Approximate time since completing compulsory education</b>
<b>Cohort 1:</b>			
Wave 1	1999	16 years	3 months
Wave 2	2000	17 years	15 months
Wave 3	2001	18 years	27 months
Wave 4	2002	19 years	39 months
<b>Cohort 2:</b>			
Wave 1	2000	16 years	3 months
Wave 2	2001	17 years	15 months
Wave 3	2002	18 years	27 months
Wave 4	2003	19 years	39 months

---

## **1.2 Weighting and attrition**

Weights were designed to correct for potential sources of bias arising from restrictions on the sampling procedure and from possible differences in initial non-response, so that results could be produced that were representative of all young people in the pilot and control areas.

All longitudinal studies of this nature suffer from the effects of attrition, that is, from young people leaving the sample between interview waves, and it should be noted that attrition from the EMA surveys was lower than in many other similar studies. If young people leaving the study are randomly distributed, attrition is not problematic, but this is rarely the case, so that weights need to be constructed to take account of non-random attrition. Such weights were produced for the EMA survey data.



## 2 LABOUR MARKET EXPERIENCES AT 19

This section explores the labour market experiences, at the age of 19 of young people who entered the labour market at 16, and of those who entered at 18, following two years spent in compulsory education. The aim is to examine whether young people who remained in education for a further two years had obtained an advantage on labour market entry over young people who had entered the labour market two years earlier. This is achieved by analysing young people's position in the labour market according, first, to whether they were in work which provided training and, second, to the occupational level at which they had entered the labour market. Differences in relation to Year 11 attainment rates are also explored between the two groups. However, it should be noted that there is a variation between the two groups in relation to their population size.

The analysis combines data from both cohorts and includes young people who participated in all four waves of interviews between the ages of 16 and 19. The types of entry young people made into the labour market were grouped into three categories: government supported training; work with in-house employer provided training; and work with no training. Government Supported Training included young people who stated they were participating in National Traineeships (which were in existence when Cohort 1 left compulsory education in 1999), Foundation or Advanced Modern Apprenticeships. The Jobs with Training category comprised young people who were in full-time employment and who stated that they had participated in either in-house training or off-the-job training programmes or both. Finally, the Work No-Training group included young people who stated that they were in full-time employment but had not undertaken, nor were in receipt of any form of, training. Occupational entry has been ranked using the Standard Occupational Classification (SOC)<sup>1</sup>, which is based on nine major occupational groupings:

- 1 Managers;
- 2 Professional Occupations;

---

<sup>1</sup> For further details see Office of Population Censuses and Surveys Standard Occupational Classification, 1990.

- 3 Associate professional and technical occupations;
- 4 Administrative, clerical and secretarial occupations;
- 5 Skilled trade occupations;
- 6 Personal service occupations;
- 7 Sales and customer service occupations;
- 8 Process, plant and machine operatives; and
- 9 Elementary or other occupations.

Only a small proportion of young people who had spent two years in full-time education before entering the labour market at 18 were in government supported training at the age of 19. Whilst a slightly larger proportion of young people in pilot areas were in government supported training provision (8.2 per cent) compared to young people in the control areas (7.7 per cent), this difference was not statistically significant (Table 2). However, there was a substantial difference in the levels of participation in government supported training between young people who had left school and entered the labour market at 16, and young people who had spent two years in post-16 education before entering the labour market at 18. In pilot areas, 31.4 per cent of 16-year old labour market entrants were in government supported training at 19, compared to 8.2 per cent of 18-year old labour market entrants. Among 16-year old labour market entrants in control areas, 29.3 per cent were in government supported training compared to 7.7 per cent of 18-year old labour market entrants (Table 2). These findings point to a limited progression for EMA eligible young people between post-16 education and government supported training, while nearly one-third of early labour market entrants (16-year old leavers) remained in government supported training. The reasons for the difference in the level of participation in government supported training between the two groups are not immediately apparent. The difference may be attributed to a larger proportion of 18-year olds entering the labour market with higher Year 11 qualifications (see Table 4) and having completed a Level 3 qualification during their post-16 education, which would alleviate the benefit of entry to government supported training programmes for many older labour market entrants. On the other hand, employers' recruitment practices in relation to government supported training programmes may favour younger

entrants because of wage costs, with 16-year old labour market entrants being more cost effective to train.

There were slightly lower levels of participation in government supported training in control areas among both 16-year old and 18-year old labour market entrants. The reason for this is unknown, but it may be linked to differences in the structure of opportunities available to young people between local labour markets (Table 2).

**Table 2 Young people’s work or training destinations at age 19**

	Column per cent			
	16-year old entrants to labour market at the age of 19		18-year old entrants to labour market (after two years full-time education) at the age of 19	
	Pilot	Control	Pilot	Control
Government Supported Training	31.4	29.3	8.2	7.7
Work: in house training	33.7	44.5	55.6	59.9
Work: no training	34.9	26.3	36.3	32.3
Unweighted N	343	269	643	348

Base: EMA eligible young people from cohorts 1 and 2 who were interviewed in all four surveys, who were in work/training at age 19. Pilot and attrition weights applied.

16-year old entrants = in any work/training 16, 17, 18 and 19.

18-year old entrants = FTE 16 and 17, any work/training at 18 and 19.

The proportions of 18-year old labour market entrants in both pilot and control areas who were in jobs that offered training were greater than those of 16-year old labour market entrants. For example, in pilot areas, 55.6 per cent of 18-year old labour market entrants were in employment with training at the age of 19, compared to 33.7 per cent of 16-year old labour market entrants. There could be two reasons for this: first, young people who entered the labour market after spending two years in post-16 education, tended to enter higher level jobs which would be more likely to offer training (see below and Middleton et al., 2004); and ,second, young people who entered the labour market at 16

may have completed their training period within the three year period spent in employment or training since leaving compulsory education.

Table 3 illustrates the destinations at 19 of *all* EMA eligible young people who were in the labour market at 18 (both 16- and 18-year old labour market entrants), that is, Table 3 includes the proportions of young people who had moved back into education or joined the NEET group at the age of 19. The data highlight that a significantly larger proportion of 18-year old entrants (20.1 per cent) had returned to full-time education at the age of 19, in contrast to their counterparts who had entered the labour market at 16 (one per cent). The difference between the two groups could be accounted for by higher qualification attainment rates among 18-year old labour market entrants, which may have encouraged significant proportions to return to education. In addition, the 18-year old labour market entrant group would also comprise a proportion of young people who were having a 'gap year' before progressing onto higher education (Table 3).

Slightly larger proportions of 16-year old labour market entrants were NEET at 19, than was the case for 18-year old labour market entrants. 8.6 per cent of 16-year old labour market entrants were NEET at 19, compared to 6.3 per cent of 18-year old labour market entrants (Table 3). This difference was not statistically significant. Among 18-year old labour market entrants, the proportion of young people who became NEET at the age of 19, was larger in the control areas (8.5 per cent) than it was in EMA pilot areas (4.3 per cent).

**Table 3 Destinations of 19-year olds**

	<b>Column per cent</b>		
	<b>Pilot</b>	<b>Control</b>	<b>Total</b>
<b>16-year old entrants to the labour market at age of 19</b>			
FTE	1.3	0.7	1.0
GST	24.2	29.0	26.7
Work: in house trn	33.0	39.7	36.4
Work: no trn	32.3	22.6	27.4
NEET	9.2	8.0	8.6
Unweighted N	330	250	580
<b>18-year old entrants to the labour market at age of 19</b>			
FTE	15.7	24.7	20.1
GST	6.4	5.2	5.8
Work: in house trn	43.5	39.3	41.5
Work: no trn	30.1	22.3	26.3
NEET	4.3	8.5	6.3
Unweighted N	755	452	1207

Base: EMA eligible young people from cohorts 1 and 2 who were interviewed in all four surveys. Pilot and attrition weights applied.

16-year old labour market entrants = in any work/training at 16, 17 and 18

18-year old labour market entrants = FTE at 16 and 17, any work/training at 18.

Note: Data exclude young people with missing qualifications.

Table 4 presents a breakdown by Year 11 qualifications of both 16- and 18-year old labour market entrants. Among the EMA eligible population, young people who entered the labour market at 16 had lower Year 11 attainment rates, in comparison to young people who had completed two years in post-16 education before entering the labour market at the age of 18. Table 4 shows that among 18-year old labour market entrants, 58.1 per cent had obtained 5+ A-C GCSEs at the end of Year 11, in contrast to 21.9 per cent of 16-year old labour market entrants. While 38.4 per cent of 16-year old labour market entrants had left compulsory school with no qualifications or Level 1 qualifications, this compares to 13.2 per cent of their counterparts who entered the labour market at 18.

**Table 4 Labour market entrants at 16 and 18 at the age of 19**

	Column per cent					
	16-year old entrants to the labour market			18-year old entrants to the labour market		
	Pilot	Control	Total	Pilot	Control	Total
<b>Year 11 qualification</b>						
No qualifications/Level 1	44.3	32.6	38.4	16.4	9.8	13.2
1 – 4 A* - C GCSEs	34.5	44.8	39.8	31.4	25.9	28.7
5+ A* - C GCSEs	21.2	22.5	21.9	52.2	64.3	58.1
Unweighted N	330	250	580	755	452	1207

Base: EMA eligible young people from cohorts 1 and 2 who were interviewed in all four surveys. Pilot and attrition weights applied.

16-year old labour market entrants = in any work/training at 16, 17 and 18

18-year old labour market entrants = FTE at 16 and 17, any work/training at 18.

Note: Data exclude young people with missing qualifications.

Table 5 presents a profile of Year 11 qualifications obtained by 16- and 18-year old labour market entrants, as well as their destinations at 19. While the overall proportion of young people returning to full-time education at the age of 19 was low among 16-year old labour market entrants, the majority of the group comprised young people who had obtained 5+ A\*-C GCSEs at the end of Year 11. The largest proportion of young people who had obtained no qualifications or Level 1 qualifications and had entered the labour market at the end of Year 11, were found in government supported training or work with training at the age of 19 (41.1 per cent). Around two-thirds of young people who had left compulsory schooling with Level 2 qualifications, were in either work based training or work with training at the age of 19. While 2.3 per cent of young people who had entered the labour market at 16 with 5+ A\*-C GCSEs were NEET at the age of 19, this contrasts with 11.4 per cent of those who had no qualifications or Level 1 qualifications at the end of Year 11 (Table 4).

Nearly one-third of 18-year old labour market entrants who had achieved 5+ A\*-C GCSEs at the end of Year 11 had returned to education at the age of 19 (30.7 per cent). This would suggest that a significant proportion of this group were taking a planned gap year or had taken a period of time out of education before deciding their future. Regardless of their academic achievements at the end of Year 11, a much smaller proportion of 18-year old labour market entrants were found in government supported training at 19, in comparison to their counterparts who had entered the labour market at 16. A consistent finding among both 16- and 18-year old labour market entrants, was that a much smaller proportion of young people who had achieved 5+ A\*-C GCSEs at the end of Year 11 were NEET at the age of 19. The NEET population among this group consisted of 2.3 per cent among 16-year old labour market entrants and 3.4 per cent of 18-year old labour market entrants. Over half of all 18-year labour market entrants (52.2 per cent), who had achieved one to four A\*-C GCSEs at the end of Year 11, were in work with training at the age of 19 (Table 5).

**Table 5 Destinations of 19-year olds: Year 11 qualifications**

	Column per cent								
	No qualifications/ Level 1			Level 2 1-4 A*-C GCSEs			Level 2 5+A*-C GCSEs		
	Pilot	Control	Total	Pilot	Control	Total	Pilot	Control	Total
<b>16-year old entrants to the labour market at age of 19</b>									
FTE	0.6	0.0	0.3	0.1	0.6	0.3	4.8	2.0	3.3
GST	16.1	20.1	17.8	29.9	30.4	30.2	32.0	39.3	35.8
Work: in house trn	39.2	43.5	41.1	30.3	37.2	34.3	24.3	39.2	32.1
Work: no trn	30.5	27.8	29.3	32.1	21.5	26.0	36.5	17.4	26.4
NEET	13.6	8.6	11.4	7.7	10.4	9.3	2.5	2.1	2.3
Unweighted N	131	77	208	120	101	221	79	72	151
<b>18-year old entrants to the labour market at age of 19</b>									
FTE	7.7	1.7	5.5	4.9	5.8	5.3	24.7	35.9	30.7
GST	6.8	6.8	6.8	5.6	3.7	4.8	6.8	5.6	6.1
Work: in house trn	38.7	29.6	35.4	52.3	52.2	52.2	39.8	35.6	37.5
Work: no trn	43.2	28.7	38.0	30.9	26.8	29.1	25.5	19.5	22.3
NEET	3.5	33.2	14.2	6.3	11.6	8.6	3.3	3.5	3.4
Unweighted N	83	37	120	208	107	315	464	308	772

Base: EMA eligible young people from cohorts 1 and 2 who were interviewed in all four surveys. Pilot and attrition weights applied.

16-year old labour market entrants = in any work/training at 16, 17 and 18

18-year old labour market entrants = FTE at 16 and 17, any work/training at 18.

Note: Data exclude young people with missing qualifications.



Table 6 provides an occupational breakdown of EMA eligible young people in the labour market at age 19<sup>2</sup>. It shows that young people who had spent two years in post-16 education were generally in a better position than those who had entered the labour market immediately after compulsory education. In particular, young people who spent two years in post-16 education before entering the labour market at 18, were much more likely to be in managerial, professional and associated professional and technical jobs (15.6 per cent) than 16-year old entrants to the labour market (5.2 per cent), which is a statistically significant difference. This would suggest that the 'added value' of remaining in post-16 education for two years largely outweighed any benefits that might have resulted from spending longer in the labour market, at least in terms of accessing managerial level employment. It should also be borne in mind that early labour market entrants also tended to have lower Year 11 attainment levels in comparison to their counterparts who chose to remain in education, which might also have weakened their ability to access managerial level occupations.

---

<sup>2</sup> Cell sizes are too small to allow a pilot/control breakdown in the remainder of the analysis in this section.

**Table 6 Occupational breakdown of 16-year old and 18-year old labour market entrants at age 19**

	<b>Column per cent</b>	
	<b>16-year old entrants to labour market at age of 19</b>	<b>18-year old entrants to labour market (after two years full time education) at age of 19</b>
Managers/Prof and Assoc Prof and Technical	5.2	15.6
Admin, Clerical and Sec	17.9	19.3
Skilled Trades	31.9	9.5
Personal Service Occupations	12.5	20.7
Sales	11.6	18.0
Process Plant and Machine Operatives	8.9	3.2
Elementary or other Occupations	12.0	13.7
Unweighted N	611	987

Base: EMA eligible young people (pilot and control areas combined, cohorts combined) who were interviewed in all four surveys, who were in work/training at age 19. Pilot and attrition weights applied.

16-year old entrants = in any work/training 16, 17, 18 and 19.

18-year old entrants = FTE 16 and 17, any work/training at 18 and 19.

A far larger proportion of young people who left school at 16 were in skilled trade occupations at the age of 19 than those who had entered the labour market at 18. These occupations would include apprenticeship training in construction, engineering and related trades. Among 16-year old labour market entrants, 31.9 per cent were in skilled trades at the age of 19 compared to 9.5 per cent of 18-year old labour market entrants. As outlined earlier, this finding would indicate that many employers continue to recruit 'younger' school leavers into apprenticeship trades. There are two factors which may explain this trend. First, the rate of Level 2 achievement, in particular in relation to the acquisition of 5+ A\*-C GCSEs at the end of Year 11 was significantly higher among 18-year old labour market entrants. Therefore, many of this group would be expected to have completed Level 3 vocational or academic qualifications within post-16 education and would be looking towards higher job entry points into the labour market. Second, age related pay rates, which are fixed by many trade associations, might be a factor in explaining this trend. Since many employers

have traditionally recruited 16-year old labour market entrants to apprenticeship training, this may also reflect some reluctance to shift from their established recruitment methods.

Young people who entered the labour market at 18 were more likely to be working in personal service and sales occupations than their counterparts who had entered the labour market at 16. At the age of 19, 20.7 per cent of 18-year old labour market entrants were in personal service occupations and 18 per cent were in sales occupations. In contrast, among young people who entered the labour market at 16, 12.5 per cent were in personal service occupations and 11.6 per cent were in sales occupations.

Finally, at the age of 19, larger proportions of young people who had entered the labour market at 16 were in operative work; 8.9 per cent compared with 3.2 per cent of young people who had spent two years in post-16 education (Table 6).

Table 7 shows the destinations at the age of 19, of 16- and 18-year old labour market entrants in relation to both the type of work or training they were in and their occupational status. Among 16-year old labour market entrants who were in government supported training by the age of 19, well over one-half were in skilled trades (57.9 per cent). These findings would suggest that the majority of EMA eligible young people who had left education at the end of compulsory education and were in skilled trades at the age of 19 may have accessed the labour market through government supported training. The largest single group of those who were in work without training were those in elementary or other occupations (18.9 per cent), although relatively large proportions were in sales or administrative jobs.

**Table 7 Occupational breakdown of 16- and 18-year old labour market entrants at 19 by work and training**

	Column per cent							
	GST		Work with training		Work with no training		Total	
	16-year olds at 19	18-year olds at 19	16-year olds at 19	18-year olds at 19	16-year olds at 19	18-year olds at 19	16-year olds at 19	18-year olds at 19
Managers/Prof and Assoc Prof and Technical	2.5	29.2	8.2	16.5	4.6	11.5	5.4	15.8
Admin, Clerical and Sec	14.7	10.8	20.7	21.4	17.3	17.5	17.9	19.2
Skilled Trades	57.9	36.9	23.0	7.3	16.8	7.3	31.7	9.7
Personal Service Occupations	14.7	21.5	12.9	20.6	9.2	20.6	12.3	20.7
Sales	4.1	0.0	13.3	18.8	17.3	20.6	11.7	18.0
Process Plant and Machine Operatives	2.5	1.5	8.6	3.0	15.8	3.8	8.9	3.2
Elementary or other Occupations	3.6	0.0	13.3	12.4	18.9	18.5	12.0	13.6
Unweighted N	194	84	237	587	180	316	611	987

Base: EMA eligible young people (pilot and control areas combined, cohorts combined) who were interviewed in all four surveys, who were in work/training at aged 19. Pilot and attrition weights applied.

16-year old entrants = in any work/training 16, 17, 18 and 19;

18-Year old entrants = FTE 16 and 17, any work/training 18 and 19.

The picture for 18-year old labour market entrants at the age of 19 was somewhat different. Over half of this group (55.7 per cent) were in management, administrative and personal service occupations. More than one-third of 18-year old labour market entrants who were on government supported training programmes had entered a skilled trade (36.9). These findings suggest that a large proportion of EMA eligible young people who entered the labour market at 18, after spending two-years in full-time education, were accessing high level occupational training through Modern Apprenticeships. However, some caution is needed here, since only 8.5 per cent of 18-year old labour market entrants were in government supported training at the age of 19 (n=84), in comparison to 31.7 per cent of their counterparts who had entered the labour market at 16 (n=194).

Table 8 explores changes in the destinations of young people since their entry into the labour market at the age of 18 years. Among this group, the largest turnover had occurred among young people who had entered work without training when they left post-16 education: less than half (45.9 per cent) were still in work without training one year later. Approximately one quarter of this group (23.2 per cent) had returned to full-time education. However, almost one-fifth of this group (19.7 per cent) had entered work with training by the age of 19.

**Table 8 Trajectories between interviews at 18 and 19 for young people who entered the labour market at 18 after spending two years in full-time education**

		Column per cent		
		AGE 18		
		GST	Work with training	Work no training
AGE 19				
FTE		2.7	19.0	23.2
GST		<b>69.9</b>	1.2	1.7
Work with training		11.0	<b>64.1</b>	19.7
Work no training		12.3	10.9	<b>45.9</b>
NEET		4.1	4.8	9.4
Unweighted N		85	716	534

Base: EMA eligible young people (cohorts combined, pilot and control areas combined) who were interviewed in all four surveys, who entered work/training at 18 after spending two years in FTE. Pilot and attrition weights applied.

Young people who had entered work with training at the end of post-16 education were quite stable; almost two-thirds remained in this group approximately one-year later (64.1 per cent). However, again, almost one-fifth had returned to full-time education (19 per cent).

The highest level of stability among post-18 labour market entrants between interview waves occurred among young people who had entered government supported training. While the overall proportion of young people who had entered government supported training at the end of post-16 education was very small, 69.9 per cent of this group had retained their status approximately one year later. This finding may be a reflection of the length of time required to complete a Modern Apprenticeship training programme, which normally spans a two-year period.

Small proportions of each group had become NEET by the age of 19 and, whilst only around four per cent of those who had entered government

supported training or work with training were NEET, almost one in ten who had entered work without training at the age of 18 were NEET one year later (9.4 per cent).

**Table 9 The occupations at age 19 of 16- and 18-year old labour market entrants who entered GST**

	<b>Column per cent</b>	
	<b>Occupational status, at the age of 19, of young people who entered Government supported training at 16</b>	<b>Occupational status, at the age of 19, of 18-year old entrants to labour market (after two years full- time education)</b>
Managers/Prof and Assoc Prof and Technical	7.4	15.6
Admin, Clerical and Sec	14.8	19.3
Skilled Trades	42.3	9.5
Personal Service Occupations	16.3	20.7
Sales	7.4	18.0
Process Plant and Machine Operatives	7.1	3.2
Elementary or other Occupations	4.7	13.7
Unweighted N	338	987

Base: EMA eligible young people (cohorts combined, pilot and control areas combined) who were interviewed in all four surveys, who were in work/training at age 19. Pilot and attrition weights applied.

Young People in GST at 16 = in GST at 16 and in any work/training at 19.

18-year old labour market entrants = FTE at 16 and 17, any work/training at 18 and 19.



Table 9 compares the occupations at 19 of EMA eligible young people who entered government supported training at 16, with those of young people who entered the labour market at 18 after spending two years in post-16 education. The purpose of this analysis is to compare the labour market outcomes of young people depending on whether they had spent their post-16 learning in full-time education or government supported training. The findings mirror those in Table 6, in that EMA eligible young people who had spent two years in post-16 education were proportionally more likely to be found in higher level occupational categories, in comparison to their counterparts who chose to leave school at 16, with the exception of skilled trades. Among young people who entered government supported training at 16, 42.3 per cent were in skilled trades at 19, compared to 9.5 per cent of 18-year old labour market entrants. The issues surrounding differences between the two groups in relation to their Year 11 attainment and employers' willingness to train older school leavers are, once again, relevant in this context.

### **3 YOUNG PEOPLE NOT IN EDUCATION EMPLOYMENT OR TRAINING (NEET)**

Finally, this report examines the experiences of young people who spent time NEET during the three years covered by the evaluation - that is until they were 19 years old. A more detailed report on 16- to 18-year old young people who experienced being NEET has been published separately (Rennison et al., 2005). This section exploits the availability of data from the final wave of interviews with young people when they were 19 years of age.

Experiences of being NEET are examined from two perspectives. First, four groups of young people who were in the NEET group at some point between the ages of 16 and 19 are identified according to the length of time for which they had been NEET, and a comparison made between the size of each of these groups in the pilot and control areas. The aim here is to see whether young people in the pilot and control areas had different experiences that might suggest an EMA effect, (although numbers are too small to allow firm conclusions to be drawn). Secondly, the destinations, at age 19, of young people who were in full-time education at the age of 16 and 17 years, but who were NEET at age 18 are examined to see whether their NEET group status at 18 was a temporary or more long-term phenomenon.

#### **3.1 Time Spent NEET**

Longitudinal analysis allows the length of time that young people spent in the NEET group to be measured. For the purpose of the analysis in this section, young people who were NEET at 19 have been classified into four groups:

- 'long-term', (NEET from age 16 to 19);
- 'medium term', (NEET from age 17 to 19);
- 'short-term' (NEET from age 18 to 19); and
- 'NEET at 19' (those whose first entry to NEET was at age 19).

A higher percentage of EMA eligible young people in control areas had 'long-term' NEET group status between the ages of 16 and 19 (23.2 per cent),

compared with their counterparts in the pilot areas (14.4 per cent) (Table 10). By definition, these young people were not in full-time education, employment or training at the time of any of the four survey interviews. Since the data were collected from a snap shot survey conducted in the Autumn of each year over a four year period, it cannot be assumed that young people remained NEET throughout, rather that they defined themselves as NEET at each survey point.

The fact that there was a smaller proportion of long-term NEET young people in the pilot areas could be linked to the availability of EMA, as EMA may have attracted some young people to remain in education rather than enter or spend sustained periods in the NEET group. The evidence would suggest that EMA was more successful in preventing young people from entering the NEET group than it was in encouraging young people who officially entered the NEET group at the end of compulsory schooling to return to full-time education. Most of the 'draw' into education at 17 and 18 came from young people who had previously been in work with and without training, rather than from the NEET group (Middleton et al., 2004 and 2005). While it can be observed that EMA had a limited effect on drawing back into education young people who entered the NEET group at the end of compulsory education, it should be borne in mind that this data relates to the first two cohorts of young people who were eligible for EMA, when knowledge about the availability of the allowance was at its most limited (Maguire et al., 2001; Maguire et al., 2002).

There were only small differences between the pilot and control areas in the proportions of young people in the medium and short-term NEET groups. However, it should be noted that more than one-quarter of young people in both pilot and control areas who were NEET at 19 had also been NEET at 18, suggesting that routes out of the NEET group are not easily accessible (see further below). Among those who had entered the NEET group at the age of 19, the proportions in the pilot areas were larger than those in the control areas.

**Table 10 NEET population at age 19 by time spent NEET**

	Column per cent	
	Pilot	Control
Long-term NEET	14.4	23.2
Medium-term NEET	14.1	13.0
Short-term NEET	27.0	25.1
NEET at 19	44.4	38.7
Unweighted N	343	173

Base: EMA eligible young people interviewed at age 16, 17, 18 and 19 who had NEET group status at age 19. Combined cohorts. Pilot and attrition weights applied.

### **3.2 Young people at 19 who were NEET at 18 after two years in post-16 education**

Evidence from earlier EMA evaluation reports (Rennison et al., 2005; Middleton et al., 2004) has suggested that, following a reduction in the size of the NEET group in pilot areas compared to controls when young people were 16 and 17, the proportions in the NEET group began to increase when young people were 18 years old. This has been confirmed, to some extent, by evidence presented in the final report of the quantitative evaluation, which showed that the NEET group was larger in the pilot areas than in the control areas by 2.1 percentage points when young people were 18 years old (Middleton et al., 2005).

However, this difference was not statistically significant. Furthermore, Rennison et al. (2005) showed that young people in full-time education at 17 had the smallest chance of becoming NEET at 18 and, *‘although the proportion of young people becoming NEET (at 18) had increased for all destinations, it had increased most of all among young people who had previously been in full-time education’*, (p.94).

**Table 11 Proportions of young people who were NEET at 17, 18 and 19**

	Cell per cent	
	Pilot	Control
<b>Size of NEET group at:</b>		
17 years old	10.2	10.4
18 years old	16.5	16.1
19 years old	15.0	14.9

Base: EMA eligible young people who were interviewed at age 16, 17, 18 and 19. Combined cohorts. Pilot and attrition weights applied.

The availability of data on young people's destinations at 19 allows more light to be shed on the extent to which the increase in the NEET group at 18 among young people who had completed two years of education was, indeed, a temporary phenomenon or whether they were likely to remain NEET for longer periods. Both Rennison et al., 2005 and Middleton et al., 2004, suggested that some of the increase in the NEET population at the age of 18 could have been a function of the time of year when interviews took place - that is, fairly early in the academic year, when young people might have finished education or training but were yet to make their subsequent transitions. Table 12 shows that the majority of young people who were NEET at age 18, following two years in full-time education, had left the NEET group at the age of 19. For 71.8 per cent of these young people (combining both pilot and control areas), being NEET appears to have been a temporary status before they re-entered full-time education (28.6 per cent), or entered the labour market (43.2 per cent). However, more than a quarter (28.2 per cent) of young people who had become NEET at age 18 after two years in full-time education, remained NEET at age 19.

These findings would suggest that any expansion in the proportion of young people remaining in post-16 education should be coupled with an increase in the availability of sufficient levels of advice and guidance in order to minimise the risk of entry to the NEET group at 18. It is clear that for some groups of young people support needs to be available well beyond the end of compulsory

education, 'to ensure that young people make successful transitions and minimise the risk of devaluing the benefits of EMA and post-16 education provision per se, among some groups of young people'. As Rennison et al. point out, 'remaining NEET for prolonged periods of time had a negative effect upon future trajectories' (Rennison, et al., 2005, p.122).

**Table 12 Destinations at age 19 for young people in full-time education at 16 and 17 who became NEET at 18**

	Column per cent		
	Destination at 19 of young people who were NEET at 18 having been in FTE at 16 and 17		
	Pilot	Control	All
Full-time education	17.7	40.1	28.6
GST	1.1	0.6	1.2
Work with training	24.6	27.5	26.1
Work with no training	20.6	11.4	15.9
NEET	36.0	20.4	28.2
Unweighted N	205	128	333

Base: EMA Eligible respondents interviewed at 16, 17, 18 and 19 who had been in full-time education at 16 and 17 and NEET at 18. Combined cohorts. Pilot and attrition weights applied.

Table 12 also compares destinations at age 19 across pilot and control areas and shows that the proportion of young people who remained NEET at 19 was larger in the pilot than in the control areas. Over a third (36 per cent) of young people in the pilot areas were still NEET at 19, compared with 20.4 per cent of their counterparts in the control areas, although it should be stressed that numbers in these groups are small. Re-entry into full-time education at age 19 was more likely for young people in control areas, where 40.1 per cent had moved back into education, compared with only 17.7 per cent of young people in the pilot areas. The reason for this is unclear. A similar proportion of young people in both areas (24.6 per cent in pilot areas and 27.5 per cent in control areas) had moved into work with training at age 19. However, movement into work with no training was more common amongst young people in the pilot

areas, with 20.6 per cent moving into this destination, compared with 11.4 per cent of young people in the control areas.

## 4 CONCLUSION

This report compares the employment and training trajectories of two groups of EMA eligible young people when they were 19 years old. These were young people who had entered the labour market at the end of Year 11 and who remained in employment or training until the age of 19, and young people who had completed two years in post-16 education and then entered the labour market at 18. Bearing in mind that an analysis of Year 11 attainment of the two groups showed that young people who had remained in education had higher Year 11 achievement rates, the data show that young people who had spent two years in post-16 education were generally in a better position than those who had entered the labour market immediately after compulsory education. In particular, those who spent two years in post-16 education before entering the labour market at 18, were much more likely to be in managerial, professional and associated professional and technical jobs. On the other hand, nearly a third of young people who had left school at 16 were in skilled trade occupations at 19 and had accessed training in sectors such as engineering and construction, where skill shortages are known to exist.

The findings also show variation between the two groups of young people in terms of their overall destinations at 19. As far as participation in government supported training was concerned, there was a clear difference between 16-year old and 18-year old labour market entrants. A significantly larger proportion of 16-year old school leavers had accessed the labour market through this route. In contrast, young people who entered the labour market at 18 were most likely to be in work with training one year later. Re-entry into full-time education at age 19 was higher (at around a fifth) for young people who entered work/training at age 18 after two years in full-time education. This was particularly apparent among young people who had achieved five or more A\*-C GCSEs at the end of Year 11. The evidence would suggest that a number of young people who had left education at 18 had spent one year in employment before resuming their studies at the age of 19.



Looking at the destinations of young people who entered work or training at age 18, in relation to their employment stability one year later, young people who had entered work with no training had the highest turnover rates. Less than half of this group (45.9 per cent) had remained in work with no training one year later. Almost a quarter (23.2 per cent) had re-entered education and a fifth (19.7 per cent) had moved into work with training at the age of 19. In addition, among young people who had accessed the labour market at 18, the largest proportion of young people who became NEET at 19, came from the jobs without training category.

As well as considering the position at the age of 19 of young people who had left education and entered the labour market at 16- or 18-years old, this paper has also examined the experiences of young people who spent time NEET. Both Rennison et al., 2005 and Middleton et al., 2004, suggested that some of the increase in the NEET population at the age of 18 could be explained by the time of year when interviews took place, fairly early in the academic year, when young people might have finished education or training but were yet to make their subsequent transitions. The data show that the majority of young people who were NEET at age 18, following two years in full-time education, had left the NEET group at the age of 19. However, greater movement had occurred among young people in control group areas compared to young people in pilot group areas (79.6 per cent compared to 64 per cent). In contrast, the reverse was true amongst the cohort of young people who entered the labour market at 18. In pilot areas, 4.3 per cent of this group had become NEET by the time they had reached the age of 19 compared to 8.5 per cent in control areas.

## REFERENCES

Ashworth, K., Hardman, J., Hartfree, J., Maguire, S., Middleton, S., Smith, D., Dearden, L., Emmerson, C., Frayne, C. and Meghir, C. (2002), Education Maintenance Allowance: The First Two Years. A Quantitative Evaluation. DfES RR352.

Maguire, S., and Rennison, J. (2005), Two Years On: The Destinations of Young People who are Not in Education, Employment or Training at 16. Journal of Youth Studies. Volume 8, Number 2, June 2005.

Maguire, S., and Maguire, M. (2003), Implementation of the EMA Pilots – The Third Year. DfES RR395.

Maguire, S., Maguire, M. and Heaver, C. (2002), Implementation of the EMA Pilots – The Second Year. DfEE RR333.

Maguire, M., Maguire, S and Vincent, J. (2001), Implementation of the EMA Pilots – The First Year. DfES RR255.

Middleton, S; Perren, K; Maguire, S; Rennison J; Battistin, E; Emmerson, C and Fitzsimons, E. (2005) Evaluation of Education Maintenance Allowance Pilots: Young People Aged 16 to 19 Years. Final Report of the Quantitative Evaluation. Department for Education and Skills, Nottingham, DfES RR678.

Middleton, S., Maguire, S., Ashworth, K., Legge, K., Allen, T., Battistin, E., Dearden, L., Emmerson, C., Fitzsimons, E. and Meghir, C. (2004), The Evaluation of the Education Maintenance Allowance Pilots: Three Years Evidence. A Quantitative Evaluation. DfES RR 499.

Rennison, J., Maguire, S., Middleton, S. and Ashworth, A. (2005), Young People Not in Education, Employment or Training: Evidence from the Education Maintenance Allowance Pilots Database, DfES Research Report RR628.