



Gaining further qualifications increases future employment prospects

Payback time

Is it the time spent in school or qualifications gained that improve employment prospects?

INCREASING THE MINIMUM school leaving age improves the employment prospects of those compelled to stay on, but most of the effect depends upon increasing qualifications rather than simply spending longer in school. With the school leaving age set to be raised to 17 in 2013, and again to 18 in 2015, it is important for the government and for students themselves to understand how these changes are likely to affect the job prospects of those who would otherwise have left school earlier.

Research by ESRC Post-doctoral Research Fellow Matt Dickson and Professor Sarah Smith, at the ESRC Centre for Market and Public Organisation at the University of Bristol, addresses this question by looking at the previous increase in the minimum school leaving age – from 15 to 16 in 1973. Comparing the first school leavers who were compelled to stay to age 16 with the previous year group who could leave a year younger, sheds light on the effects of an extra year in school. When surveyed later – in

the years from 1993 to 2010 – men affected by the change in the law were significantly more likely to be employed than those in the previous school year who were allowed to leave at age 15. However, as 16 is the first age at which ‘high stakes’ exams are taken in Britain, those who remained in school until 16 not only gained an additional year of schooling, but were also much more likely to take O-level or CSE examinations, and therefore leave school with some nationally recognised academic qualifications as opposed to none.

The effect of qualifications can be separated from the effect of extra time in school by comparing people within the same school year who were born either side of 1 February. This is the cut-off that until recently determined whether a student wanting to leave at the earliest opportunity could finish school at the start of the

Easter holidays or whether they had to remain until the end of May.

Comparing these students, the effect of leaving school with some academic qualifications rather than none at all is an increase in the probability of later employment by around 40 percentage points – a large effect. The effect of having an extra year of schooling *and* having some academic qualifications is to increase the probability of later employment by 55 percentage points – which is again a large impact but not that much larger than the qualifications effect

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alone. This suggests that gaining some academic qualifications was the key driver behind the positive employment effects for men affected by the 1973 raising of the school leaving age.

The policy implications of this are clear: for the full benefits of additional education to be felt it is important that extra schooling also means the attainment of additional qualifications. Raising the minimum school leaving age to 17 may not have as much of an impact on later prospects as raising it to 18, since this latter age aligns with the time when A-levels are usually taken. ■

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