EXECUTIVE SUMMARY

Non-completion of school in Australia is the concern of this report. Non-completion refers to the numbers of young people who do not complete Year 12. It includes the young people who do not continue at secondary school beyond Year 10 and Year 11 as well as those who leave during Year 12 without obtaining a Year 12 certificate. This is a broader category than the one associated with the term 'early school leavers' which is often restricted to young people who leave by the end of Year 10.

There have been substantial changes in rates of non-completion over the past 20 years. Non-completion rates fell from about 60 per cent in the early 1980s to 41 per cent in the late 1980s and 24 per cent in the early 1990s. The rates have increased by about 6 percentage points during the 1990s.

Why is non-completion important?

Non-completers may now comprise a minority of young people, yet as a group they persist and remain important. Non-completion is likely to be an option which a sizeable minority of young people will continue to take for the foreseeable future. This report uses data from national longitudinal surveys to help understand why this group is important, the policy issues raised by non-completion and what action needs to be taken to address the issues raised.

Data and method

The analyses were based on data from the Australian Longitudinal Survey (ALS) and the Australian Youth Survey (AYS). Together the two data sets provide extensive information on groups of non-completers from across the 1980s and 1990s. To compare these groups, the ALS and AYS data were used to construct samples of students based on school year-level cohorts. Three samples were built. The first comprised 1635 students in the equivalent of Year 10 in 1980 or 1981. The second contained 1676 students in a matching sample for 1988 and 1989, and the third an equivalent sample of 1935 students for 1992 and 1993.

Three sets of analyses were undertaken. The first set examined the changing profiles of non-completers based on gender, socioeconomic status (SES), ethnicity, rural or urban place of residence, and type of school attended. The second set examined changes in the reasons for non-completion, based on responses to questions seeking information on reasons for not completing school. The third set examined changes in the education and labour market outcomes for non-completers. The analyses explored school-to-work transitions, covering the main post-school activities of non-completers including participation in paid work, entry to further education and training, experiences of unemployment, and periods not-in-the-labour-force. Outcomes in the early 1980s are compared with those in the late 1980s and the mid-1990s.

The ALS and AYS data enable the outcomes of non-completers to be studied over several post-school years. More recent data from the 1995 (Y95) sample of the Longitudinal Surveys of Australian Youth (LSAY) will not be available to examine outcomes over a similar post-school span until 2003.
During the 1980s and 1990s there was a decline in teenage full-time employment, accompanying structural changes in Australian industry and business. Between the mid-1980s and late 1996, for example, the proportion of 15-19 year olds in full-time work fell from 32 per cent to 17 per cent. Over the same time there was a marked increase in part-time employment. In 1966 part-time work accounted for less than 7 per cent of teenage employment. By 1981 it had risen to one quarter, and in the mid-1990s had reached over half. Non-completers were particularly affected because it was in areas to which they traditionally gained entry that full-time opportunities declined.

The decade of the 1980s was a period of decline in non-completion rates. Recession accelerated the trend, for sharp falls were recorded following the 1982-83 recession. For example, in the year to 1984 the rates fell by more than 8 percentage points. Other factors contributed to the falls including increased Commonwealth Government financial assistance (study allowances) for young people in families of low income and the abolition of unemployment benefits for 16-17 year olds. Important also were changes in school programs. Major changes were made in most states to the provision of the senior secondary school curriculum to accommodate a broader range of students. In Victoria, for example, the academic Higher School Certificate was replaced by a broad-based program made up of a more comprehensive set of study options (the Victorian Certificate of Education).

The combined effects of labour market changes, economic recession and changes in welfare and curriculum policy worked to lower non-completion rates during the 1980s and early 1990s. This led to various changes in the profiles of non-completers, the reasons given for non-completion, and education and work outcomes.

Main findings

Changes in the profiles of non-completers

During the period from the early 1980s to the mid-1990s, the largest falls in non-completion were made by those who had most often failed to complete school: young people from low socioeconomic status (SES) backgrounds and those in government schools. For example, the gap between low SES and high SES females in rates of non-completion fell from 45 percentage points in the early 1980s to 26 points in the late 1980s and 14 points in the mid-1990s. The gaps between independent and government schools also narrowed during this time: for males the gap decreased from 46 points in the early 1980s to 35 points in the late 1980s and 24 points in the mid-1990s.

Despite the improvements, the main indicators of non-completion in the mid-1990s were still strongly related to social background, gender and type of school. Non-completers remained over-represented by young people from lower SES backgrounds, rural areas, government schools, and English-speaking families, and were more often low achievers, and males.

In some instances the representation of these groups actually increased. For example, compared to the early 1980s, non-completers in the mid-1990s were more likely to come from rural areas. Among males, those from rural areas made up 34 per cent of non-completers in the early 1980s compared to 41 per cent in the mid-1990s. Among females, the share increased from 35 to 44 per cent.

Non-completers were also more likely to come from low SES families. The percentage of male non-completers who were from low SES backgrounds increased from 35 to 44 per cent between the early 1980s and the mid-1990s. There was also an increase in the proportions from government schools: from 83 to 88 per cent for males and from 85 to 92 per cent for females. Gender differences also increased. In the early 1980s, males made up 56 per cent of non-completers and this increased to 64 per cent by the mid-1990s.

Reasons for non-completion
The main reasons given by young people for not completing Year 12 focus on getting a job or an apprenticeship or earning some money. In the early 1980s, 67 per cent of males reported this as their main reason for not completing school. The rate had dropped only slightly by the mid-1990s to 65 per cent.

Negative experiences of school also figured among the reasons given for leaving school before completing Year 12. In the early 1980s, 16 per cent of males reported that their main reason for not completing Year 12 was because they did not like school or they were not good enough at school work. The equivalent rate for the mid-1990s had increased to 21 per cent. For females, the numbers reporting school-related issues as their main reason for not completing increased from 24 per cent in the early 1980s to 27 per cent in the mid-1990s.

For these groups, the risks associated with entering a labour market containing high levels of teenage unemployment and comparatively few full-time work opportunities for those without qualifications were not enough to outweigh the school, family and regional factors which contribute to non-completion.

Education, training and work

The downturn in teenage employment during the 1980s and early 1990s affected the outcomes of non-completers. The numbers of male non-completers unemployed for most of their first post-school year doubled between the early 1980s and the mid-1990s - from 14 to 30 per cent. This occurred despite the much smaller numbers of non-completers in the mid-1990s. The situation for females was similar, with 23 per cent unemployed in the early 1980s compared to 37 per cent in the mid-1990s. A further 10 per cent of females in the mid-1990s were not in the labour force meaning that the main activity for almost half (47 per cent) of female non-completers did not involve employment or education and training. This represented a major increase from the early 1980s when 29 per cent were neither employed nor in education and training programs.

The decline in full-time employment for teenagers meant that during the 1980s and 1990s there was growing dependence of non-completers on available vocational education and training opportunities. Young people, particularly non-completers, needed to build on their schooling through vocational training in order to gain access to the labour market. The numbers of male non-completers undertaking further study (excluding apprenticeships and traineeships) in their first post-school year increased from 5 per cent to 16 per cent between the early 1980s and mid-1990s. The rate increased for females from 17 per cent to 21 per cent.

Participation in vocational education and training continued to favour males rather than females. This was largely because of apprenticeships where female participation was low and improved slowly. In the early 1980s, 37 per cent of males obtained an apprenticeship in their first post-school year compared to 4 per cent of females. In the mid-1990s the rates were 21 per cent and 6 per cent respectively. Traineeships, in which females participate to a greater extent, go some way to compensating for the gap in apprenticeships, though in the mid-1990s the numbers in traineeships were still small.

Policy implications

The results of this report have shown that those who do not complete school have increasingly found it hard to gain secure jobs and have faced a greater risk of exclusion in a society that requires active learning well beyond the school years. Particularly important, therefore, are policies which reduce the rates of non-completion and improve opportunities for further learning.

There is no inevitability about the number of non-completers, and the chances for successful intervention are higher while young people are still in school. Offering programs that are more relevant and inclusive for all young people, not just for those going on to university, is important. There has been much effort along this path in recent years with the expansion in vocational, work-based and industry-related programs in the senior secondary years. This expansion has highlighted issues related to the development,
organisation, accreditation and recognition of senior school programs that are designed to attract young people who have traditionally failed to complete school and for whom meaningful and successful programs are needed. In particular, there is a need for such programs to be treated as having the same value as traditional academic courses. Further work is needed to monitor the outcomes for participants in different senior school programs.

As well as making programs more relevant and inclusive, there needs to be a focus on building self-esteem and improving learning outcomes. To achieve this, high quality initial schooling is critical. Non-completers are those who often do not do well in school. Raising the levels of achievement of those at risk is essential to improving the quality of school experiences and outcomes. This requires more intensive early intervention.

Important for those who do not complete school are policies which target some of the barriers to re-entry to formal education and training. For re-entry to become an effective option greater attention needs to be paid to ways of improving non-completer access to and guidance through programs specifically designed to meet their needs. In other words, re-entry needs to be structured in a way that makes it accessible both by being clearly 'signposted' and by being organised in a way that takes into account the post-school experiences of the participants and the fact that their education has been interrupted during that time. This will make it vitally important that the sorts of education and training that non-completers are being encouraged to enter are flexible, relevant and rewarding. There is a need to ensure that young people are not just participating in education and training to occupy their time but are engaged in programs and courses which promote the acquisition of skills that will help lead to secure jobs and better futures.