

To stay or not to stay: that is the question

Katrina Lloyd and Paula Devine



Many research studies have shown that a person's income is related to their level of education. For example, research has indicated that, in Northern Ireland, an extra year of education on average adds 8% to male earnings and 12% to female earnings (Harmon, Walker and Dukelow, 2000). Furthermore, the benefits are more pronounced here than in Britain (6% and 10% for men and women respectively). In addition, young people in Northern Ireland leaving school at age 16 with fewer than 5 GCSEs are more likely to enter unemployment than those leaving school with 5 GCSEs or more (Armstrong, 1997). While these findings provide clear evidence of the benefits to individuals of staying in education, Harmon et al. (2000) also suggest that '...investment in education is likely to be a sound investment for the NI economy as a whole...' (page 100).

The fact that policy makers accept the benefits of further education is shown by their willingness to offer financial incentives to young people to encourage them to stay in education. One such inducement was the introduction, in 2004, of the Educational Maintenance Allowance (EMA) in Northern Ireland for young people aged 16 years. The aim of the scheme is to improve participation,

retention and achievement in education of young people.

EMA is a fortnightly payment of up to £60, and is paid directly to young people from households with an income of £30,000 or less (2004 figures). There are also incentive elements built into the scheme, whereby students can receive extra money for fulfilling particular course objectives. In 2005/06, the scheme was expanded to include all 16 and 17 year olds in Northern Ireland. According to the Department for Employment and Learning (2006), in the first year of the scheme (2004/05), 10,415 applications from 16 year olds were approved, costing £9m (DEL, 2005). Based on the 2004 mid-year population estimates (NISRA, 2006) this means that approximately 39% of all 16 year olds in Northern Ireland were in receipt of EMA in its first year.

Using data from the 2005 **Young Life and Times** (YLT) survey, this Research Update explores young people's knowledge of EMA, how much it influenced them when deciding on their future education careers, and their attitudes towards the benefits of further full-time education. YLT is an annual attitudes survey of 16 year olds living in Northern Ireland. The fieldwork for the 2005 survey took place in August, when respondents had finished their compulsory education and were making, or had made, decisions about their future.

While most respondents (87%) intended to go back to school or college, this decision was significantly related to their family financial circumstances. The survey assessed family financial circumstances by asking respondents whether they thought their family was well off, average, or not well off. As Table 1 shows, one fifth (20%) of respondents whose family was not well off did not intend to go back to school in October 2005, compared with only 5% of those whose family was well off. There is also a significant relationship with the type

of school attended – 98% of those who attended a grammar school intended to go back to school, compared with 77% of those who went to a secondary school.

Knowledge of EMA

Knowledge of EMA was widespread, and the vast majority of respondents (89%) had heard of it. However, there were significant differences according to a range of demographic characteristics:

- Females (92%) were significantly more likely than males (84%) to have heard of EMA.
- Respondents living in urban areas (91%) were significantly more likely to have heard of EMA than those living in rural areas (84%).
- Respondents who attended a grammar school were significantly more likely than those who attended a secondary school to have heard of EMA (92% and 86% respectively).

There was no significant difference according to the financial circumstances of the respondent's family. Similar proportions (87%) of those who said their



Table 1: Intention to continue formal education in October 2005, by family financial circumstances

	%			
	Not well off	Average	Well off	All
Continue education	80	87	95	87
Not continue education	20	13	5	13

family was not well off and those who said their family was well off had heard of EMA. A slightly higher proportion of those who said their family was financially 'average' had heard of it (91%).

More than nine out of ten (92%) respondents who intended to attend school or college in the next academic year had heard of EMA, compared with a significantly lower proportion (69%) of those who were not continuing their formal education.

Seven out of ten respondents (70%) had heard about EMA at school, with the next most frequently identified source being friends (9%). Other sources, such as Job Centre, Jobs and Benefits Office, parents or government information, were only identified by approximately 5% of students.

Influence of EMA

Despite widespread knowledge of EMA, its influence on decision-making was limited. Respondents were asked how much EMA influenced their decision whether or not to continue their education in September 2005. As Table 2 shows, of those who had

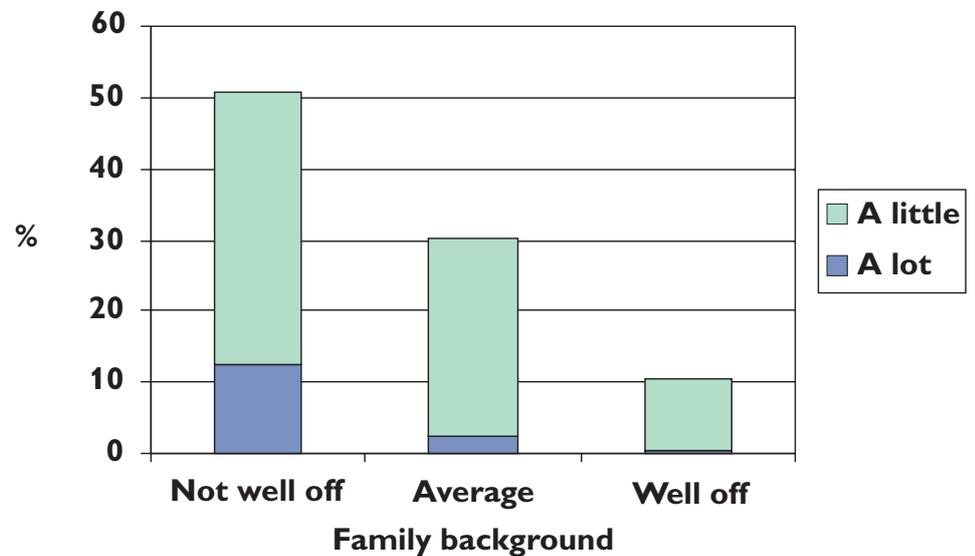
Table 2: Did EMA influence your decision whether to or not to continue your education in September 2005?

	N	%
Influenced a lot	25	4
Influenced a little	182	26
Not at all influenced	479	68
Don't know	14	2
Total	700	100

heard of EMA at that time, around three in ten said that it influenced them a lot (4%) or a little (26%).

Given the means-tested nature of EMA, it is not surprising that there were significant differences according to the financial circumstances of the respondent's family. Figure 1 shows that a distinct gradient in influence is discernible. EMA influenced the decision about staying on at school of one half (51%) of respondents who said

Figure 1: Influence of EMA on decision to stay on at school



that their family was not well off, including 13% who said it had a lot of influence. In contrast, this was applicable to only one in ten of those who said that their family was well off. Three out of ten (31%) of those who said their family was financially average reported that EMA influenced their decision to stay on at school.

In addition, of those respondents who did not know about EMA when they were making their decision about their educational future, 17% reported that their decision would have been different if they had known about EMA.

Value of education

The 2005 Young Life and Times survey also asked respondents about their attitudes towards the value of continuing with full-time education. In general, there was a strong sense among respondents about the benefits of post-compulsory education. The vast majority of young people (88%) agreed with the statement 'staying on in full-time education seriously improves career prospects', including more than half (52%) who strongly agreed (Table 3). Only 3% of respondents disagreed.

However, those respondents who were intending to continue their formal education in October 2005 were significantly more likely to agree or strongly agree that staying on in full-time education seriously improves career prospects than those who were not (92%

and 59% respectively). In addition, there was a similar pattern among those who intended to go to college in a further two years time compared with those who would not continue their education (93% and 71%), and among those who attended a grammar school (95%) compared with those who attended a secondary school (81%). Female respondents (91%) were much more likely than male respondents (84%) to agree that staying on in full-time education seriously improves career prospects. However, family financial circumstances did not make a significant difference to attitudes.

Table 3: ‘Staying on in full time education seriously improves career prospects’

	N	%
Strongly agree	420	52
Agree	295	36
Neither agree nor disagree	70	9
Disagree	18	2
Strongly disagree	4	1
Don't know	6	1
Total	813	100

Related to this, just over one half of young people agreed or strongly agreed that ‘people who stay in full-time education longer will eventually earn substantially more money’, while 14% disagreed (Table 4). Conversely, one third of respondents (33%) were more ambivalent and said that they neither agreed nor disagreed with this statement. Those who intended to stay on at school were significantly more likely to agree than those who were not going to continue their formal education (55% and 34% respectively). Again, there was no significant difference according to family financial circumstances.

Overall, there was limited support for the idea that ‘there is nothing wrong with relying on benefits for income after leaving school’. Only 15% of respondents agreed or strongly agreed with this, while six out of ten (60%) disagreed or strongly disagreed. However, Table 5 shows that there were significant differences according to family financial circumstances, with those whose family was well off being least likely to agree (9%), compared with those who said their family was not well off (17%). Respondents who intended to attend school or college in October 2005 were much less likely to agree (13%) than those who were not intending to continue education (28%). There were also significant differences according to the type of school the respondent attended, with those attending secondary school (19%) being more likely to agree than those attending grammar school (10%). These patterns

may be influenced by family financial circumstances – as we highlighted earlier, the intention to continue education differs significantly according to family financial circumstances.

Conclusions

The majority of respondents have heard of EMA, especially females, those living in urban areas, those continuing their education and those attending grammar schools. Most respondents were intending to stay on in school, and for 30% of respondents, the existence of EMA has influenced their decision. This is especially true for students from families who were not financially well off.

Within this context, staying on in school is seen to be beneficial for career prospects and for earning capacity. Given that there is no level of support for the idea of relying on benefits for income after leaving school, it could be assumed that anything that can help students increase their job and salary potential would

be welcomed, including the existence of EMA. However, Chevalier and Lanot (2000) argue that the relationship between educational achievement and family financial circumstances is a complex one and that any policy of educational allowance implemented at age 16 may have no significant effect on post-compulsory education decision, as its effects are too late. They suggest that ‘Any policy aiming at improving the educational attainment of the young should aim at increasing children’s ability at an earlier age’ (page 22).

As EMA was only introduced in Northern Ireland in 2004, it is difficult to draw any conclusions about its effectiveness as yet. However, statistics on the participation in full-time education/vocational training in schools and Further Education colleges by 16 year olds between 2001 and 2005 do show a larger increase in 2004/05 than in previous years. In general, the increase across years has been between 1 and 2 percentage points – in 2004/05 the increase was 4 percentage points over the previous year. Future monitoring

Table 4: ‘People who stay in full-time education longer will eventually earn substantially more money’, by whether respondent will continue education in October 2005

	%		
	School/college	Not school	All
Agree	55	34	52
Neither agree nor disagree	33	31	33
Disagree	11	32	14
Don't know	2	4	2

Table 5: ‘There is nothing wrong with relying on benefits for income after leaving school’, by family financial circumstances

	%			
	Not well off	Average	Well off	All
Agree	17	16	9	15
Neither agree nor disagree	20	25	16	22
Disagree	62	57	70	60
Don't know	1	3	5	4

of these statistics in conjunction with further research into the impact of EMA on participation rates, particularly among young people from poorer family backgrounds, will help identify any cause and effect relationships. It remains to be seen whether the introduction of EMA will have the desired effect or if, as suggested by Chevalier and Lanot (2000), earlier intervention is required.

References

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Key Points

- The vast majority of respondents (89%) had heard of EMA.
- Respondents who attended a grammar school were significantly more likely than those who attended a secondary school to have heard of EMA (92% and 86% respectively).
- Four times as many young people from poorer families (20%) as those from well off families (5%) did not intend to stay on in school after the compulsory leaving age.
- Many more young people from poorer families (51%) said EMA influenced their decision about staying on in school than those from well off families (10%).
- The vast majority of young people (88%) agreed with the statement 'staying on in full-time education seriously improves career prospects'.
- However, just over one half of young people (52%) agreed or strongly agreed that 'people who stay in full-time education longer will eventually earn substantially more money' and 14% disagreed.

Katrina Lloyd and Paula Devine are Research Directors of ARK, based in the School of Sociology, Social Policy and Social Work, Queen's University Belfast.

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The **Young Life and Times** survey is carried out annually and records the attitudes and experiences of 16 year olds in Northern Ireland.

The **Young Life and Times** survey is a joint project of the two Northern Ireland universities and aims to provide an independent source of information on what the young people think about the social issues of the day. Check the web site for more information on the survey findings (www.ark.ac.uk/ylt) or call the survey directors on 028 9097 3585 with any queries.

In collaboration with Queen's University, Belfast and University of Ulster

Aberfoyle House Magee Campus University of Ulster
Northland Road Londonderry BT48 7JA

Tel: 028 7137 5513 Fax: 028 7137 5510

E-mail: info@ark.ac.uk

School of Sociology Social Policy and Social Work
Queen's University Belfast Belfast BT7 1NN

Tel: 028 9097 3034 Fax: 028 9097 2551

E-mail: info@ark.ac.uk