

Does Further Education offer benefits to participating individuals?

The Scottish Economic Policy Network (**scotecon**)¹ publishes today (24th April 2002) a report² on new research it has commissioned on the Further Education sector in Scotland by John Houston, Anne Gasteen of Glasgow Caledonian University and Carolyn Davidson of the Scottish Further Education Unit.

The report on this groundbreaking research poses the question: Does Further Education in Scotland enhance the prospects of employment, improve career opportunities and raise lifetime earnings?³

The answer provided by the research is a qualified, yes. Possessing an FE qualification is likely to make an individual economically active, can increase the range of employment opportunities and does enhance lifetime earnings. However, participation in FE does not compensate for failure to achieve at school and the benefits are much greater when an FE qualification is combined with a 'traditional' educational background of Standard Grades and Highers. The research demonstrates the appropriateness of Lifelong Learning policies but highlights the need for a long-term political commitment since a lifelong learning culture has yet to be established.

Key Findings

The major findings of this research are that:

- FE qualified individuals are more likely to be active in the labour market than the unqualified.
- FE can increase the range of employment opportunities.
- FE qualifications also enhance lifetime earnings.
- But, the income and employment outcomes for FE are much the same as those for Highers.
- Possession of a FE qualification does not, therefore, compensate for failure to achieve at school. Further education opportunities – and institutions – do not appear able to break down barriers resulting from a poor experience and/or lack of achievement at school.
- For women, FE qualifications are relatively more beneficial, both for earnings and employment, than they are for men.

Policy Implications

The report draws several conclusions for policy and the future direction of research in this area:

- The appropriateness of Lifelong Learning policies is clearly demonstrated.
- A long-term policy commitment is required because the research provides evidence to suggest that a lifelong learning culture has yet to be established in Scotland.
- In the long-term, under-qualification has to be tackled at school; the learning habit must be acquired at school and policy must aim to establish the foundations for a culture of Lifelong Learning at school.
- Greater effort needs to be expended to promote parity of esteem between vocational and academic qualifications.
- Employers' attitudes to non-traditional routes of learning and their own investment in training need to be challenged.
- Further research needs to be undertaken *inter alia* on: the impact of Lifelong Learning initiatives to date; the social returns to both Further Education and Higher Education; and employer attitudes to vocational and academic qualifications. This is necessary so that Education and Lifelong Learning policy can be appropriately targeted.

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Notes for Editors

1. **scotecon** is a network of economists based in Scotland's universities, which aims to stimulate academic research on the Scottish economy, particularly in those areas of interest and concern to the Scottish Parliament. **scotecon** is funded by a Research Development Grant from the Scottish Higher Education Funding Council.

2. The study analysed a combined sample of 15,283 individuals of working age (16 to 59 years) living in Scotland drawn from the Labour Force Survey for 1999 and 2000. Individuals were described according to the 'pattern' of their qualifications, which embrace four explicit levels: O/Standard Grades; Highers; qualifications requiring Further Education; and qualifications requiring Higher Education.

3. Copies of this report entitled 'Investigation of the Private Employment and Earnings Returns to Further Education in Scotland' are available to the press from **scotecon**, University of Stirling, FK9 4LA (E-mail: wilma.ellis@scotecon.net). A full version of the report will be available in PDF format on our website (www.scotecon.net) from Thursday April 25th.