



Association of Teachers and Lecturers

Response to the Department for Employment and Learning Education consultation on “The future of the Educational Maintenance Allowance Scheme”

EMA, NEETS and ‘schemes’ Are we wasting youngsters time?

Introduction: Representing over 160,000 members, the Association of Teachers and Lecturers (hereafter ATL) is the UK's third largest teaching union – and it keeps growing. What is so unique about ATL is the breadth of membership, which encompasses education professionals from early years right through to further education. Members include teachers, lecturers, teacher trainers, classroom assistants and non teaching professionals involved in education.

ATL has no affiliation to any political party, but is affiliated to both the Trades Union Congress (TUC) and the Irish Congress of Trade Unions (ICTU). ATL would make the following points to the Evaluation of the Union Learning Fund.

EMA, the background: The Government consultation on the future of the Educational Maintenance Allowance¹ takes place in a disturbing vocational education policy vacuum. Northern Ireland has a very poor post-16 drop-out rate. Along with Wales, we have the highest percentage of NEETS numbering over 40,000 young people. And the suite of policy responses including “Pathways to Success”, the Educational Maintenance Allowance and lower level ‘Apprenticeships’ do little to address the core problem.

EMA was modelled on the Australian student support model study, AUSTUDY, the evaluation of which² (1989-93) showed that participation rates of young people from less financially privileged backgrounds increased by between three and a half and four percentage points. EMA was introduced in pilot form in September 1999, being rolled out, nationally, from September 2004. The evaluation of the piloting of EMA was one of the largest studies ever commissioned by the Department of Education and Skills (England). In broad summary, the introduction of the EMA had a much bigger impact on post-16 education participation rates amongst 18 year old young men, which was largely achieved through reducing entry into the ‘work with training’ route.

The 1988 Social Security legislation, which withdrew mainstream entitlement to Income Support amongst 16 to 17 year olds, while at the same time reclassifying this group of young people as NEET. As such, the introduction of the EMA has undoubtedly reduced the inequities and unpredictability which surrounded the system of student support for young people in post-16 education that previously existed.

¹ DENI EMA Consultation, see at <http://www.deni.gov.uk/index/pupils-and-parents/pupils/education-maintenance-allowances/education-maintenance-allowances-public-consultation.htm>

² Income Support and Staying in School: What we can learn from Australia's AUSTUDY experiment. Dearden L. Heath A, Fiscal Studies 17, 4 ppl-30 1996

But does it work? Evidence from the extensive pilot study³ on the efficacy of the EMA was mixed. The following is a fair summation:

“On one hand the evaluation results indicated that EMA has been successful in increasing participation and retention rates in post-16 education, in particular amongst young men....On the other hand it can be argued that increases in post-16 participation and retention rates were achieved by drawing young people from the work/training route rather than making significant inroads into reducing the NEET population. This may not be a problem, if EMA has stopped a significant flow of young people entering dead-end jobs and had supported their routes into post-16 learning.”

EMA, then, was an attempt to tackle the very high Northern Irish and British rates of educational drop-out - amongst the highest in Europe. Tackling this through a mild form of 'bribery' to stay on at school will not, in the long run, work. The Department of Education's recent, admittedly shallow, learner survey report (as set out in the July 2012 Department for Employment and Learning consultation report) makes this clear, with very few attributing EMA as a significant reason for staying on in education.

What's the cause? It's the economy, stupid! The current Department of Education consultation on EMA gives no hint of the core cause. High drop-out rate is related to the peculiar nature of the Northern Ireland (and UK) labour market. With a consensus on flexible, lightly regulated labour, we are not remotely productive in the Nordic or West European sense, and have an unhealthy reliance on low skill services, the financial sector, on “invisibles” and on the needs the City of London. The consequence is a predominance of low paid “McJobs” and far too few skilled, well remunerated careers in well planned and regulated trades and industries. Yet we also encourage close to 50% of our young people take on significant debt to graduate from higher education in the face an economy where less than 18% of Northern Irish jobs requiring graduate skills⁴.

High drop-out rates can only be tackled by providing quality educational routes to careers and vocations with tangible rewards. Nothing incentivises young people to continue in education like the prospect of fruitful, productive careers, with prospects, in fairly remunerated employment. Yet, as the Wolf Review⁵ confirmed, large numbers of young people are stuck in training “schemes” and programmes that have zero impact on future earnings. The suite of schemes offered in Northern Ireland are predominantly ‘dead-ends’, simply ‘warehousing’ students within education and training but offering few lasting benefits.

³ Paying young people to stay on at school – does it work? Evidence from the evaluation of the piloting of the Education Maintenance Allowance: Sue Maguire and Jo Thompson, Centre for Education and Industry (CEI) University of Warwick. SKOPE Research Paper 69, December 2006

⁴ Skills at Work 1986-2006: A Felstead, D Gallie & F Green, 2007 <http://www.skope.ox.ac.uk/publications/skills-work-1986-2006>

⁵ The Wolf Report: Review of Vocational Education, see <https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DFE-00031-2011>

High education drop-out rates are a feature in countries where large swathes of the economy are run on a low skill, low wage equilibrium.

What is described nowhere in the EMA consultation, and nowhere tackled in the DEL “Pathways to Success” policy (or in the Assembly debate on 11 June)⁶, are the labour market conditions that form the backdrop to the policy. Put crudely, much of the Northern Ireland economy operates on a low skill equilibrium. We have too many low-wage jobs in the service and care sectors particularly where employer demand for skills are limited. A lightly regulated facilitates ‘flexible’ labour markets, with very limited use of “licence to practice” that could underpin qualification and valuation.

The absence of a real, vocational education route, with real ‘currency’ in the labour market is also a factor. Our Apprenticeship system, with a few honourable exceptions, most are unworthy of the title “*apprenticeship*”. In this, Northern Ireland differs not at all from England. Respected economists Larry Elliot and Dan Atkinson commented on the absence of a vocational economy in a scathing assessment of the apprenticeship programmes⁷ (another UK youth warehousing scheme): “*the reality was that many were simply 12 week training courses provided by private sector firms with no guaranteed jobs at the end. Historically, apprenticeships had always been a form of cheap labour, but for the young worker there had been the promise of a ‘trade’ at the end of it. Learning how to stack a shelf at Tesco or how to collect the shopping trolleys from the far flung corners of the car park at ASDA does not really live up to the sepia tinted image.*”

Conclusion: EMA is important for our most deprived families, and we should support it’s retention. If some young people get some benefit from EMAs, well and good. Let’s not pretend, however, that EMAs (and our array of low value, post 16, training schemes) will be anything other than palliatives to high drop-out rates and a much wider problem - that of a dearth of well paid, stable labour market opportunities with prospects.

The Consultation Options: We have noted that the NUS-USI, the student movement for Northern Ireland, is strongly opposed to the scale of cuts outlined in the consultation paper. NUS-USI correctly point out that every option in the consultation calls for the scrapping of the £10 and £20 bands and also significant cuts to either the £30 payment itself, or the number of people eligible to receive it.

NUS-USI comment “*We believe that cuts of the magnitude proposed will have an extremely detrimental impact upon on young people, on efforts to widen participation in education and training*”

⁶ Pathways to Success, see at <http://www.delni.gov.uk/pathways-to-success-consultation-document.pdf> Also see Northern Ireland Assembly debate 11 June 2012 at <http://www.niassembly.gov.uk/Documents/Official-Reports/Plenary/2012/20120611.pdf> p250-258

⁷ “Going South Why Britain will have a Third World Economy by 2014”: Larry Elliott & Dan Atkinson, Palgrave MacMillan, 2012 ISBN 978-0-230-39254-0

We also note the comments of Barnardo's in its report 'Staying the Course'⁸ which states that lower levels of money and a lack of access to the new English bursary fund which has replaced EMA – and which is awarded partly on a discretionary basis - are both key factors which are forcing many young people to consider dropping out of education and training altogether due to financial hardship. Barnardo's research report recommends that:

- All young people who have previously been on free school meals should receive a bursary adequate to meet typical support needs in line with the Pupil Premium. The likely cost of our recommendations in total is not likely to exceed £250m which is £300m less than the EMA.
- The UK Government should remind local authorities of their duty to support accessible, affordable transport for people 'of sixth form age' by ensuring that all young people resident in their borough receive a subsidy towards the costs of travel to college.

What is more galling is that the consultation has failed to link the professed aims of the EMA with the wider causes in the labour market.

ATL Recommendation: In the absence of a proper consultation on the causes and effects of educational “drop-out”, including the wider economic and labour market “pull” factors, ATL is of the view that there should no change at all in Educational Maintenance Allowance.

If it is argued that EMA needs to be cut as an austerity measure due to budgetary pressures, we would simply say to Government “Collect Tax”.⁹

⁸ See <http://www.barnardos.org.uk/stayingthecourse.pdf>

⁹ The 'tax gap' per-annum is currently calculated £123 billion – see Tax Research UK at www.taxresearch.org.uk – a transformative sum, even if only 50% of it were collected.