

The Situation in Scotland

1. The Scottish Education System

Scottish children start school between the ages of 4 ½ and 5 ½ years. They spend 7 years in primary school (P1 to P7) and up to 6 years in a secondary school (S1 to S6). Education is compulsory to the age of 16. Local Education Authorities run the school system in Scotland and it is different from the rest of the UK as the Scottish education system emphasises breadth of study with pupils taking 12 subjects in S3, 8 in S4, 5 in S5 and 3 in S6.

Those who stay in education at until age 16 will take level 3 and 4 National qualifications or vocational qualifications (SVQ), either in school or in a Further Education college. Although education is not compulsory post-16, many chose to stay on at school. Between 2000 and 2009, the number of S4 pupils staying on at school until S6 remained largely unchanged at about 45 %. Since 2009/10 this number has increased and the most recent figures for 2013/2014 show that 61 % of 16 year olds now stay on at school, with 70% of pupils staying until 17 or 18 years. The majority of school leavers (64%) go on to further or higher education.

2. Social, Personal and Business Competencies

The Curriculum for Excellence, introduced in 2010 gives lower secondary pupils experience of a wide curriculum, so that they have a number of options when they progress to S4. Under the Curriculum for Excellence schools cover 8 curriculum areas and 5 themes for pupils aged 5 to 18 years. They have the freedom to organise and plan these subjects in the most appropriate ways for their pupils:

Curriculum Areas

- Expressive arts
- Health and wellbeing
- Languages
- Mathematics
- Religious and moral education
- Sciences
- Social studies
- Technologies

Themes

- Enterprise
- Citizenship
- Sustainable Development
- International Education
- Creativity

Teachers are encouraged to take an enterprising approach to teaching and learning to encourage pupils to develop skills for learning life and work. Additionally, there are a variety of opportunities for young people to gain social, personal and entrepreneurial skills within school and after school. The Scottish Government is committed to giving every young person an entitlement to learning up to the age of 18 as part of the senior phase of the Curriculum for Excellence. This is offered through the 16+ Learning Choices

offered through local partnerships run by the 32 Scottish local authorities and a variety of partners.

There are a large number of other organisations and programmes across Scotland supporting teachers and young people to develop social, personal and business competencies. These include Young Enterprise Scotland, The Prince's Trust, Royal Bank of Scotland Inspiring Enterprise and the Social Enterprise Academy .

3. Young People and the Labour Market

An Office for National Statistics review identified that young people come into the labour market at varying ages and the transition between school and work takes place over a longer period of time than it might have done for previous generations (Barham, Walling, Clancy, Hicks and Conn, 2009).

There have been significant changes since the mid-1990s in the types of work young people do and the decline in manufacturing industries (down from 19% to 9% of work done by 18-24 year olds) and the growth in service industries (up from 72% to 82%) has seen an increase in part-time jobs, a decline in manual occupations and a growth in higher level occupations. These changes make today's labour market a more difficult place for young people with low skills and qualifications to enter.

According to the most recent figures published by the Scottish Government (November 2014), the percentage of the population aged 16-64 years of age currently in employment is 73.8%, with 5.9% unemployed and 21.4% deemed to be economically inactive. There has been a decrease in the number of people in full-time employment since 2008 and an increase in the number of those in part-time employment. The figures also show that 9.6% of those employed in Scotland, consider themselves to be 'under-employed' as they would like to work for more hours than they currently do. During the period since 2008, the numbers who class themselves as self-employed has risen by 6.6% in Scotland, this compares to 18.2% in the rest of the UK.

Across the age groups, those aged 16-24 have the highest unemployment rate. In October 2014, 19,460 young people aged 16-24 were on the claimant count (claiming welfare benefits) a decrease of 9,200 (32.1%) over the year. The number of 16-24 year olds unemployed in Scotland during June-August 2014 was estimated at 72,000, down 29,000 from a year earlier. The unemployment rate was 16.7% compared to 17.2% for whole of UK. However it is still more than treble the working age unemployment rate. In September 2014 around 3,438 16-24 year olds were known to be seeking work for more than a year. In comparison with the rest of the UK Scotland outperforms the UK on youth employment and youth inactivity rates, with a higher youth employment rate (56.7% vs. 53.8%), and lower youth inactivity rate (30.4% vs. 34.8%).

4. The Lost Generation/NEETS

A Professor from Stirling University in Scotland, David Bell and his American colleague Professor David Blanchflower, in an article presented to the Centre for Economic Policy Research, identified that one of the outcomes of the worldwide recession since 2008 had been the creation of what they described as a possible 'lost generation' of 16 to 18 year olds. This group has suffered most from the recession as not only are there less jobs available, but governments have less to spend and therefore less is available for education and training. Their research showed that 'Spells of unemployment, while young, create permanent scars' (Bell and Blanchflower P18, 2010) and therefore it is vital that government policy should focus on helping them into employment.

Those young people deemed to be NEET (not in employment, education or training) have been a major concern for successive governments and in 2004 a financial incentive was given to encourage young people to stay in post 16 (the age that young people in Scotland can leave school) full-time education. The Education Maintenance Allowance (EMA) is means-tested and is available to all 16 to 19 year olds whose family income is less than £22,400 per year. Currently 35,000 young people in Scotland receive an EMA of £30 per week. The Scottish Government also introduced a strategy to reduce the numbers of NEETs called More Choices, More Chances in 2006.

Levels and proportion of 16-19 year olds Not in Education, Employment or Training (NEET), Scotland, 2004-2012
(Source ONS)

	Male		Female		Total	
	Level	Rate	Level	Rate	Level	Rate
2004	16,000	11.9%	15,000	11.5%	31,000	11.7%
2005	19,000	14.4%	17,000	13.3%	36,000	13.9%
2006	17,000	13.0%	13,000	10.3%	30,000	11.7%
2007	15,000	11.3%	14,000	10.7%	29,000	11.0%
2008	16,000	11.6%	14,000	11.2%	30,000	11.4%
2009	19,000	14.2%	14,000	11.3%	33,000	12.8%
2010	20,000	15.0%	16,000	12.4%	36,000	13.7%
2011	19,000	14.7%	13,000	10.1%	32,000	12.4%
2012	19,000	14.9%	14,000	11.7%	33,000	13.3%
2013	15,000	11.8%	14,000	12.0%	29,000	11.9%

In the local authority area of Clackmannanshire - where the Scottish partners, Train'd Up are based - recent figures show that of the 520 school leavers, 83.1% went on to positive destinations (higher education, further education, employment, voluntary work or training). The figure nationally across Scotland is 90%. However, positive school leaver destinations for 'looked after' children in Clackmannanshire (those in care homes, or receiving foster care) was much lower at around 46%.

Despite its success in encouraging young people to stay on at school - as detailed previously around 70% of them do - some teachers have expressed concern to us that young people are only staying in school because of the EMA, and are reluctant to move into more appropriate destinations such as work or apprenticeships. An apprentice might earn as little as £2.73 per hour for a 30 hour week, therefore some young people are reluctant to leave school, where they earn £30 per week and have their food and travel expenses paid, rather than enter the labour market to earn £81.90 minus their travel and meal costs. Since average travel and food costs could be more than £30 per week, it might be more attractive for some young people to remain at school, post-16.

Table Y6a: Percentage of 16-24 years in full-time education, Scotland and UK

	Jul 2009 - Jun 2010	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014
Scotland	41%	41%	43%	44%	44%
UK	41%	42%	43%	43%	43%

Source: Annual Population Survey, ONS

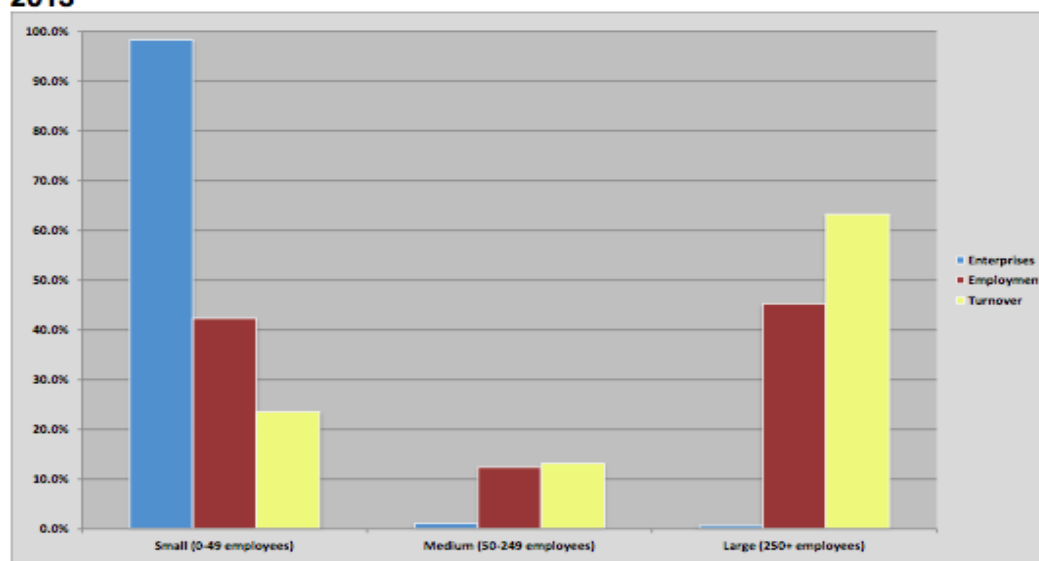
A unique feature of the Scottish education system which can contribute to the number of young people who are classed as NEET is the 'Christmas leaver' situation. Under the 1980 Education Act, compulsory education ends either on 31 May or the day before the Christmas holidays, for those with 16th birthdays between October and February. This means that each year young people are leaving school at a time when their options for further education are very limited as most college programmes start in August. A study by Napier University identified that some early leavers wanted to follow a path to vocational education (where their local college offered an exceptional entry programme), whereas others just wanted to escape from education (Belgutay, 2011).

These early leavers in Clackmannanshire were more likely to have a negative destination according to published school leaver destination statistics (24% in 2013). Follow up studies show that this group was also more likely to move from a positive destination to a negative one. The local authority has taken a number of measures to deal with the situation of early leavers, as well as NEETs generally in the Clackmannanshire area, as detailed in their Youth Engagement Action Plan.

5. Small and Medium Sized Enterprises in Scotland

The report Business in Scotland (2013) showed that there are over 340,000 private sector businesses in Scotland, employing 1.1 million people (out of a total population of just under 5.5 million). According to Scottish Government statistics small and medium-sized enterprises (SMEs) make up 99 per cent of all Scottish businesses and account for almost 55% of all private sector employment. Sole proprietors and partnerships make up around 70% of SMEs.

Chart 1: Share of enterprises, employment and turnover by size of enterprise 2013



(www.businessforscotland.co.uk)

Within Clackmannanshire, there are 1,220 enterprises of which 1,115 are SMEs and they employ 5,900 people out of a total of 11,090 employed in the area. The largest sector of employment in this area is retail, trade and repair.

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Youth Enterprise Scotland
<http://www.yes.org.uk/>

The Prince's Trust Enterprise Programme
http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx

RBS Inspiring Youth Enterprise
<http://www.inspiringenterprise.rbs.com/inspiring-youth>

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