



Down the track: TAFE
outcomes for young
people two years on

Rebecca Sherman
National Centre for
Vocational Education Research

Need more information on vocational education and training?

Visit NCVER's website <<http://www.ncver.edu.au>>

- ✓ Access the latest research and statistics
- ✓ Download reports in full or in summary
- ✓ Purchase hard copy reports
- ✓ Search VOCED—a free international VET research database
- ✓ Catch the latest news on releases and events
- ✓ Access links to related sites



Down the track

TAFE outcomes for young people two years on

Rebecca Sherman
National Centre for Vocational Education Research

Publisher's note

Additional information relating to this research is available in *Down the Track: TAFE outcomes for young people two years on—Support document*. It can be accessed from NCVER's website <<http://www.ncver.edu.au>>.

Acknowledgements

John Stanwick from the National Centre for Vocational Education Research provided valuable input into this project from conception through to drafts of the report.

© Australian Government, 2006

This work has been produced by the National Centre for Vocational Education Research (NCVER) on behalf of the Australian Government and state and territory governments with funding provided through the Department of Education, Science and Training. Apart from any use permitted under the *Copyright Act 1968*, no part of this publication may be reproduced by any process without written permission. Requests should be made to NCVER.

The views and opinions expressed in this document are those of the author/project team and do not necessarily reflect the views of the Australian Government or state and territory governments.

ISBN 1 921169 53 2 print edition

ISBN 1 921169 59 1 web edition

TD/TNC 86.12

Published by NCVER

ABN 87 007 967 311

Level 11, 33 King William Street, Adelaide SA 5000

PO Box 8288 Station Arcade, Adelaide SA 5000, Australia

ph +61 8 8230 8400, fax +61 8 8212 3436

email ncver@ncver.edu.au

<<http://www.ncver.edu.au>>

Contents

Tables and figures	4
Key messages	6
Executive summary	7
Introduction	10
Background	10
Research questions	11
Method	11
Change in labour force status	13
Change in wages	19
Change in occupation and skill level	21
Further study outcomes	24
Personal benefits of training	28
Summary and conclusions	32
References	35
Appendix A: Survey methodology	36
Support document details	38

Tables and figures

Tables

1	Population of young people, aged 15 to 24, in 2002	12
2	Labour force status of students, aged 15 to 24, who undertook TAFE training in 2001, prior to their training and after their training in 2002 and 2004	14
3	Change in employment status of students, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004	15
4	Change in employment status of graduates, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004, by sex	17
5	Change in employment status of module completers, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004, by sex	17
6	Number of months working from May 2002 to September 2004, of students, aged 15 to 24, who undertook TAFE training in 2001, by labour force status at May 2002	18
7	Average annual income of students employed full-time, aged 15 to 24, who undertook TAFE training in 2001, at 2002 and 2004, and percentage growth	19
8	Change in skill of students, aged 15 to 24, who undertook TAFE training in 2001, from before training to May 2002 and from before training to September 2004, by age	21
9	Change in skill of graduates, aged 15 to 24, who undertook TAFE training in 2001, from before training to September 2004, by qualification	22
10	Type of further education undertaken and proportion who completed an additional qualification by 2004, of students, aged 15 to 24, who undertook TAFE training in 2001	24
11	Type of qualification completed since May 2002 for graduates, aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001	26
12	Proportion who completed an additional qualification at a higher level than that completed in 2001, for graduates aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001	26

13	Use of skills from further study, for students, aged 15 to 24, who undertook TAFE training in 2001, by whether the further study led to a completed qualification	27
14	Benefits from training reported in 2004, for students, aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001	29

Figures

1	Data collection dates	7
2	Occupation of graduates, aged 15 to 24, who undertook TAFE training in 2001, at September 2004 and 6 months prior to training (%)	23
3	Occupation of module completers, aged 15 to 24, who undertook TAFE training in 2001, at September 2004 and 6 months prior to training (%)	23
4	Highest qualification completed, for graduates, aged 15 to 24, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)	25
5	Highest qualification completed, for graduates, aged 15 to 19, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)	25
6	Highest qualification completed, for graduates, aged 20 to 24, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)	25
7	Importance of training in 2004 for students, aged 15 to 24, who undertook TAFE training in 2001 (%)	30
8	Importance of training in 2004 for graduates, aged 15 to 24, who undertook TAFE training in 2001 (%)	30

Key messages

Every year, the vocational education and training (VET) sector, through the Student Outcomes Survey conducted by the National Centre for Vocational Education Research (NCVER), measures student destinations shortly after completion of training. However, little research has been undertaken into the longer-term outcomes of these students.

This study examines outcomes from technical and further education (TAFE) training over time for young people aged 15 to 24. Key outcome measures include employment status, wages, occupation, pathways to further study, and other personal outcomes. The data analysis was based on 15 to 24-year-olds who undertook training in 2001 and who participated in the NCVER's Student Outcomes Survey in May 2002 and in a follow-up survey in September 2004, known as the Down the Track survey. This allows for information to be reported six months prior to training, approximately six months after training in May 2002, and approximately two-and-a-half years after training in September 2004.

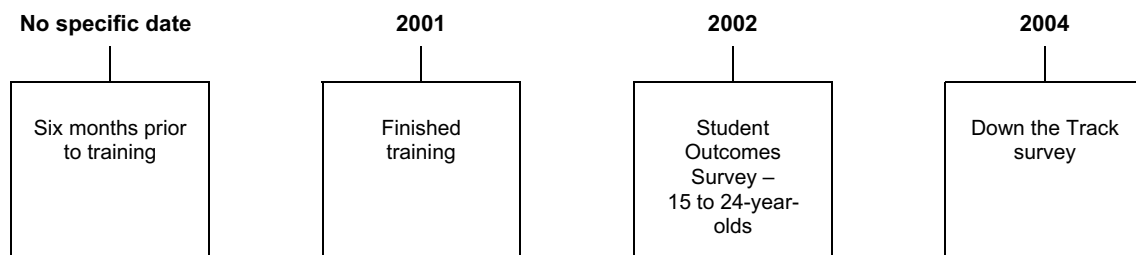
- ✧ By comparison with their pre-training conditions, young people who undertake TAFE training experience substantial improvements in employment levels, wages, skill levels and occupation approximately two-and-a-half years after training.
- ✧ Not all students are employed immediately after their training; however, employment outcomes for these students improve over time. Around two-thirds of those students who were unemployed in 2002 were employed by September 2004. Likewise, over half of those not in the labour force (not working and not actively looking for work) in 2002 were employed by 2004.
- ✧ TAFE training is used by many as a pathway into further study. Some students enrol in further study immediately after training. By September 2004, 43% of graduates (students who had completed a full qualification) had completed an additional qualification and around a third of module completers (students who had completed at least one module) had completed a qualification. Around a fifth of graduates had completed an additional qualification at a higher level.
- ✧ Students reported many personal benefits from their TAFE training; in particular, in improving skills both generally and in relation to specific jobs. Students also reported their earlier TAFE experiences as being important to them, with nearly nine out of ten graduates and two-thirds of module completers rating their training as important to them two-and-a-half years later.

Executive summary

This report examines outcomes over time for young people who had completed a period of study at a technical and further education (TAFE) institute. Examining outcomes six months after training (as does the current destination survey) may be too short a time period to fully measure the effectiveness of training. Consequently, this report examines outcomes from training approximately two-and-a-half years after the completion of training. Key outcome measures considered include employment levels, wages, occupation, pathways to further study and other personal outcomes.

The main source for this report is the Down the Track survey, conducted in September 2004 by the National Centre for Vocational Education Research (NCVER). This survey is a follow-up survey of TAFE students aged 15 to 24 years who undertook training in 2001 and completed the Student Outcomes Survey in May 2002. Data are provided for three time points: six months prior to training; approximately six months after training in May 2002; and approximately two-and-a-half years after training in September 2004. This is shown in figure 1.

Figure 1: Data collection dates



Throughout the report, outcomes are analysed separately for graduates (students who had completed a full qualification) and module completers (students who had completed at least one module without gaining a qualification and have left the VET system). Data are also examined by subgroups: 15 to 19 and 20 to 24-year-olds; males and females; and for graduates, by qualification completed in 2001. As module completers, by definition, did not complete a qualification in 2001, data have not been analysed by qualification completed for this group of students.

Findings

Five questions underpinned the direction of this research. The findings are framed according to these questions.

What changes are seen down the track in terms of employment levels, and what are students doing in 2004 in terms of employment compared with the period immediately after training?

In terms of employment levels, large improvements were experienced down the track, with an increase of around 20 percentage points from the before-training period to September 2004. Increases were larger for 15 to 19-year-olds by comparison with 20 to 24-year-olds. In all likelihood this is due to 15 to 19-year-olds being new labour market entrants, with the majority beginning their

training while at school or within 12 months of leaving school. Over the three time points, full-time employment increased substantially for both age groups.

Around nine in ten graduates and module completers who were employed in 2002 were also employed in 2004, indicating a high level of stability in employment. For those not employed in 2002, positive improvements in employment status have been made. For both graduates and module completers, around two-thirds of those unemployed in 2002 and over half of those not in the labour force (not working and not actively looking for work) in 2002 were employed in September 2004. Of those not employed in May 2002, males were slightly more likely than females to be employed in September 2004.

Graduates were more likely than module completers to be in stable employment, with almost three-quarters being employed for more than 24 months between May 2002 and September 2004 compared with just over half of the module completers. There is a small group of students who were not employed at all during the period from 2002 to 2004.

What changes are seen down the track in terms of wages?

From 2002 to 2004, for those employed full-time, wages improved by 32% for graduates and 21% for module completers. In 2004, average annual wages for graduates employed full-time were \$36 479 and, for module completers employed full-time, \$33 214. For both graduates and module completers, 15 to 19-year-olds had higher increases in wages over the time period. The increase was 45% for 15 to 19-year-old graduates, compared with 33% for 20 to 24-year-old graduates and 37% for 15 to 19-year-old module completers compared with 17% for 20 to 24-year-old module completers. Not surprisingly, wages were higher in 2004 for 20 to 24-year-olds. Males received higher wages than females for both graduates and module completers at both time periods.

What changes are seen down the track in terms of skill level?

By 2004, in addition to improvements in employment status and wages, nearly half of the employed students had moved to a higher skill level (based on occupation) compared with their pre-training level. The pattern of 'upskilling' is more pronounced for 15 to 19-year-olds than for 20 to 24-year-olds, largely due to the younger students being more likely to be employed in lower-skilled jobs prior to training. This may be due to this group being in part-time employment while completing school.

Do students go on to further study and training down the track?

Around three-quarters of graduates and module completers went on to some form of further training, either formal or informal. By September 2004, 43% of graduates had completed an additional qualification, and a third of module completers had completed a qualification.

From 2002 to 2004 there was an upward movement in the highest level of qualification completed for graduates, with a larger proportion reporting diploma and certificate level IV as their highest qualification in 2004 than in 2002. In addition, a large proportion of graduates who completed an additional qualification did so at a higher level than that completed in 2001. This is more evident for those who completed lower-level qualifications, such as certificate II, in 2001.

Students believed that the additional training had improved their skills. Graduates and to a lesser extent module completers reported that they were able to make use of their skills both in their current jobs and in their day-to-day lives. Those who had completed an additional qualification, compared with those who undertook training without gaining a qualification, were more likely to utilise the new skills in their job.

Do students feel they have benefited personally from their training?

Over time, students still see benefit from the training they undertook in 2001. Approximately two-and-a-half years after training, around nine in ten graduates and two-thirds of module completers rated their training as important to them. Nearly half of the graduates rated their training as very important, compared with a quarter of module completers.

A vast range of personal benefits from the 2001 training was reported in 2004. The most common benefits mentioned relate to improving skills, both generally and in relation to a specific job, and getting a job. Graduates also report moving into further study as a benefit from the training. Some students gained personal benefits such as communication skills, confidence, networking opportunities and the satisfaction of achievement.

A small proportion of graduates and module completers felt they hadn't received any benefits from their training. Module completers were more likely than graduates to report no benefits from the training, highlighting the advantage of completing a full qualification. Within graduates, those with lower-level qualifications such as a certificate I were more likely to report no benefits than those with higher-level qualifications, such as a certificate III or higher.

Conclusion

Two-and-a-half years can make a large difference in young people's lives in terms of outcomes from training. The group aged 15 to 24 years is in transition to the workforce. Outcomes relating to employment status, wages, skill level and further study improve down the track for students who undertake TAFE training.

Caution needs to be taken in attributing the changes in outcomes directly to the training completed in 2001. Without data on a control group, there is no way of knowing if the changes were any larger than those which might have occurred had the student not undertaken any training at all. However, the more positive outcomes for graduates compared with module completers is direct evidence of the benefit of training.

Introduction

Background

Do outcomes from vocational education and training (VET) improve over time? This report examines outcomes for young people who have undertaken training at a technical and further education (TAFE) institute to determine whether the outcomes improve down the track. We look at transitions from TAFE to the workforce and further study. Outcomes examined include changes in employment, wages and skill level, pathways to further study and other personal outcomes.

Young people are a group in transition. This group faces many transitions, including from school to work, school to post-secondary training and from post-secondary training to work. The Dusseldorp Skills Forum in its 'How young people are faring' series examine the transition of young people from school to work and from school to post-secondary training. We know from information on transitions from school that a large proportion of students go on to further education, with 68.8% of 15 to 19-year-olds in full-time education (either at school, TAFE or university) (Dusseldorp Skills Forum 2004). We are also interested in information on transitions from further education, and in particular VET, to the workforce.

Information is readily available on short-term outcomes from VET, such as that provided by the annual Student Outcomes Survey conducted by the National Centre for Vocational Education Research (NCVER). The Student Outcomes Survey collects information from students who undertook VET training approximately six months after the completion of the training. The information collected includes key outcome measures, such as employment status, relevance and benefits of the training, satisfaction with the training, further study undertaken and, for those who didn't complete a full qualification, reasons for not continuing with the study.

NCVER's Student Outcomes Survey shows employment levels are high immediately after the training, with 75% of graduates and 67% of module completers employed (NCVER 2004). Given that a large proportion of TAFE students undertake training part-time while working, the high post-training employment levels may reflect the high pre-training employment levels. Indeed 69% of graduates and 66% of module completers were employed prior to training. Dumbrell (2000) suggests that many VET providers place a higher importance on longer-term outcomes and notes that six months after training is too short a time period to fully measure the effectiveness of the training, as it can often take a longer time period for students to get what they want from the training. Marginson (1999) has a similar perspective, stating that, generally, graduate destination surveys are collected 'too early in the year after graduation to provide a clear picture of graduate outcomes'. He suggests that data should be collected 'as later as practicable in the year after graduation, and be supplemented by annual later year census studies of the graduate population' (Marginson 1999, p.185).

Longitudinal information is collected through the Longitudinal Survey of Australian Youth conducted by the Australian Council for Education Research in conjunction with the Department of Education, Science and Training. This survey picked up a cohort of Year 9 students in 1995, 1998 and 2003 and follows the progression of these young Australians as they move from school into post-secondary education and work. Given the nature of the survey, information about VET activity and outcomes are gathered as a secondary component of the larger research program. The

survey can provide limited information; however, it does not intend to provide a complete picture of outcomes from VET.

To gain information on outcomes over time for TAFE students, NCVET conducted a survey known as 'Down the Track' in August–September 2004. The survey was a follow-up of students who participated in the 2002 Student Outcomes Survey and collected information approximately two-and-a-half years after training for 15 to 24-year-olds who undertook training in 2001. The overall aim of the survey was to determine:

- ✧ whether employment outcomes improve 'down the track'
- ✧ what students do in the first few years after training
- ✧ how they use their training to gain the employment they want.

This report draws on the Down the Track data to provide a descriptive analysis of outcomes of 15 to 24-year-olds in the TAFE sector over time.

Research questions

To explore the issue of outcomes over time for 15 to 24-year-olds, the following questions were asked:

- 1 What changes are seen down the track in terms of employment levels and what are students doing in 2004 in terms of employment, compared with the period immediately after training?
- 2 What changes are seen down the track in terms of wages?
- 3 What changes are seen down the track in terms of skill level?
- 4 Do students go on to further study and training down the track?
- 5 Do students feel they have benefited personally from their training?

Method

In September 2004 the Down the Track survey collected information approximately two-and-a-half years after training. The Student Outcomes Survey collected information approximately six months after training in May 2002¹ and also asked about employment six months prior to the training (no specific date). The two surveys combined provide information on a cohort of students and therefore allow for an examination of employment at three time points: six months prior to training; approximately six months after training in May 2002; and approximately two-and-a-half years after training in September 2004. For more information about the surveys see appendix A.

The report looks at graduates and module completers separately. Graduates are those who gained a qualification through their training, and module completers are those who successfully completed at least one module of training without gaining a qualification and have left the VET system. A detailed definition of graduates and module completers can be found in appendix A. Information is further broken down by age, sex, and for graduates, qualification completed in 2001. Given that module completers by definition did not complete a qualification in 2001, data by qualification completed have not been examined for this group.

Data from the Down the Track survey and the 2002 Student Outcomes Survey are used to examine employment-related outcomes from training over time. We look at changes in labour force status,

¹ The terminology 'approximately six months and two-and-a-half years after training' is being used, as the exact timing for students graduating is uncertain. Students in the sample completed their training during 2001 and the proxy of November is used for ease of reporting.

wages and skill levels (based on changes in occupation) from before training to 2002, from before training to 2004, and from 2002 to 2004.

Data from both surveys are also used to compare what students were doing in May 2002 with what they were doing in September 2004. The Down the Track survey is used to examine further study students have undertaken since completing their training in 2001; qualifications completed through this additional study; benefits students have reported from their training; and how important they feel the training has been to them.

The report sets out to answer the questions in five main chapters:

- ✧ change in labour force status
- ✧ change in wages
- ✧ change in occupation and skill level
- ✧ further study and training outcomes
- ✧ personal benefits from training.

To provide a background into the 15 to 24-year-old group, table 1 outlines the population of 15 to 24-year-olds in 2002; the number enrolled in vocational education and training in 2001; the number of respondents from the Down the Track survey sample; and the estimated population of graduates and module completers. Of the 609 600 students enrolled in VET in 2001, approximately 106 000 graduated from a TAFE institute in 2001, and 65 800 completed a module at TAFE and left the system.

Table 1: Population of young people, aged 15 to 24, in 2002

	Population of 15 to 24-year-olds in 2002 ¹	Number enrolled in VET in 2001 ²	Down the Track respondents ³ (n)		Estimated population (Down the Track) ³ (N)	
			Graduates	Module completers	Graduates	Module completers
15 to 19	1 382 712	345 000	1 206	332	47 100	39 000
20 to 24	1 343 129	264 600	1 566	267	59 000	26 800
15 to 24	2 725 841	609 600	2 772	599	106 000	65 800

Notes: 1 ABS 2002 (Table 6).

2 NCVET VET collection, 2001; 2001 figures are provided because the graduates and module completers sampled in the Down the Track survey undertook training in 2001.

3 NCVET Down the Track survey 2004.

Change in labour force status

What changes are seen down the track in outcomes for students in terms of employment levels, wages and skill levels? What do students do immediately after their training in terms of employment? And how does this compare with what they are doing approximately two-and-a-half years after training? This section looks at answering these questions by examining employment outcomes.

Given that approximately three-quarters of 15 to 24-year-old TAFE graduates and almost two-thirds of module completers stated their main reason for training was employment-related, their employment outcomes will be a key indicator of how well TAFE serves its clients.

Overall for 15 to 24-year-olds, there has been an approximate 20-percentage point increase in employment from before training to September 2004. Table 2 shows this by outlining the labour force status for graduates and module completers at the three time points of concern: six months prior to training; approximately six months after training in May 2002; and approximately two-and-a-half years after training in September 2004. It is evident that the largest employment gains have been made for 15 to 19-year-olds. In all likelihood this is due to this group being new entrants into the labour force, as many were school leavers with lower levels of employment prior to training. The majority (91%) of 15 to 19-year-old graduates began TAFE training either while at school or within 12 months of leaving school. This compares with 20 to 24-year-olds, where more than half (55%) started training more than 12 months after leaving school. A corollary to this is that the older age group was more likely to be employed prior to training.

For graduates, after training in May 2002, the gap in employment levels between the age groups evened out, with an 8% difference between the 15 to 19 and the 20 to 24-year-olds (in favour of the latter) in the proportion employed. By September 2004, the 15 to 19-year-old graduates had slightly higher employment levels than the 20 to 24-year-olds.

Of particular interest over these three time periods is that, on the whole, the proportion of those employed full-time has increased, while the proportion of those employed part-time has decreased. This is particularly evident for 15 to 19-year-olds, where 57% of the graduates who were employed prior to training were working full-time, with this increasing to 74% in 2004.

When comparing graduates and module completers, we found that graduates were more likely than module completers to be employed and, in particular, employed full-time at both post-training time periods.

Table 2: Labour force status of students, aged 15 to 24, who undertook TAFE training in 2001, prior to their training and after their training in 2002 and 2004

Age	Labour force status	Graduates			Module completers		
		6 months before training (%)	After training (May 2002) (%)	After training (Sep. 2004) (%)	6 months before training (%)	After training (May 2002) (%)	After training (Sep. 2004) (%)
15 to 24	Employed	66	76	86	60	63	78
	<i>Full-time</i>	28	50	63	26	37	52
	<i>Part-time</i>	37	25	23	33	26	26
	Unemployed	16	13	6	19	20	10
	Not in the labour force	17	10	7	21	16	11
	Total	100	100	100	100	100	100
15 to 19	Employed	57	71	88	51	58	75
	<i>Full-time</i>	14	41	63	12	28	44
	<i>Part-time</i>	42	29	26	38	29	32
	Unemployed	19	16	7	20	22	12
	Not in the labour force	24	12	5	29	19	12
	Total	100	100	100	100	100	100
20 to 24	Employed	72	79	85	71	69	83
	<i>Full-time</i>	36	56	64	43	47	63
	<i>Part-time</i>	34	22	20	27	21	19
	Unemployed	15	11	6	17	17	8
	Not in the labour force	13	9	9	11	14	9
	Total	100	100	100	100	100	100

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

For both graduates and module completers, overall employment levels of males were slightly higher than for females in September 2004 (see table 1 of the supporting document available at the NCVET website <<http://www.ncvet.edu.au>>). Of particular note is the difference between males and females in full-time and part-time employment. Males were substantially more likely than females to be employed full-time at all time points, with females more likely than males to be employed part-time. This is a pattern that has been evident for many years and is discussed by Dumbrell et al. (2000). A main reason for females' part-time employment status could be attributed to life cycle factors, such as females playing a larger role in child-rearing.

When looking at employment outcomes by qualification for graduates, some interesting patterns emerge (see tables 6–8 of supporting document). Approximately six months after training, graduates who completed a certificate III have the highest levels of employment (86%), followed by graduates with a diploma and certificate IV (both 75%). By September 2004, while those who completed a certificate III still had the highest employment levels (90%), employment levels for all qualifications had evened out (between 80 and 90% for all qualifications).

A large proportion of the employment status in 2002 for graduates who completed a certificate III can be attributed to apprentices and trainees. Over half of the graduates who completed a certificate III had enrolled in their training as a result of gaining an apprenticeship or traineeship place. For all other qualification levels, less than a quarter of graduates enrolled in the training due to an apprenticeship or traineeship. Given that apprenticeships and traineeships by definition include a contract of training and a contract of employment, it would be expected that groups with a high proportion of apprentices/trainees (such as those who completed certificate III level qualifications) have high employment levels.

To consider the effect of apprentices/trainees further, we examined the employment outcomes in 2002 and 2004 for graduates with a certificate III, excluding those who enrolled in training associated with an apprenticeship/traineeship (see table 9 of supporting document). When looking

at the graduates who completed a certificate III in 2001, excluding those who enrolled as part of an apprenticeship or traineeship, the proportion of those employed is lower, at 69% in 2002 and 82% in 2004, compared with employment levels when apprentices and trainees are included. Of all graduates who completed a certificate III (including apprentices/trainees), 86% were employed in 2002 and 90% in 2004.

Stanwick (2005) has shown that young people's rates of completing lower-level certificates are relatively low. In this analysis we looked at those who completed a qualification and found those who completed lower-level qualifications received good employment outcomes, possibly due to the completion of the qualification acting as a stepping stone into further training. The largest increase in employment levels from 2002 to 2004 was for those who completed a certificate I or II in 2001. While many factors affect employment outcomes, one is that these graduates had a lower employment base from which to improve and another relates to further study. When looking at employment outcomes in conjunction with further study, it can be seen that nearly half of the 15 to 24-year-olds who completed a certificate I or II in 2001 had completed an additional qualification by September 2004. The larger increase in employment from 2002 to 2004 for those who completed a certificate I or II therefore may be partly attributable to a proportion of this group undertaking additional studies.

To look at what students were doing in 2004 compared with immediately after training, we looked at labour force status in 2004 by labour force status in 2002. Table 3 highlights the change in employment status from May 2002 to September 2004.

Table 3: Change in employment status of students, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004

Age	Labour force status at September 2004	Graduates					
		Module completers					
		Labour force status at May 2002					
		Employed (%)	Unemployed (%)	Not in the labour force (%)	Employed (%)	Unemployed (%)	Not in the labour force (%)
15 to 24	Employed	92	67	56	87	65	56
	<i>Full-time</i>	69	32	32	64	32	24
	<i>Part-time</i>	23	35	24	23	33	32
	Unemployed	3	20	15	7	19	17*
	Not in the labour force	5	13	27	6	16	27
	Total	100	100	100	100	100	100
15 to 19	Employed	93	68	68	83	72	52
	<i>Full-time</i>	67	36	40	55	30	22*
	<i>Part-time</i>	27	33	28	28	42	30
	Unemployed	3	20	14	9	14*	20*
	Not in the labour force	4	11	19	8	13*	28
	Total	100	100	100	100	100	100
20 to 24	Employed	91	66	48	93	56	67
	<i>Full-time</i>	70	29	27	77	36	31*
	<i>Part-time</i>	21	37	21	16	20*	36**
	Unemployed	3	20	16	3*	25	7*
	Not in the labour force	6	14	32	4*	19*	26*
	Total	100	100	100	100	100	100

Notes: * indicates the estimate has a relative standard error greater than 25% and should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

Source: Down the Track survey 2004 NCVER; Student Outcomes Survey 2002 NCVER

While it is not clear whether changes in labour force status were a direct result of the training, we see that around two-thirds of those unemployed in May 2002 and over half of those not in the

labour force (not working and not actively looking for work) in May 2002 were employed in September 2004. Around nine in ten who were employed in May 2002 were also employed in September 2004. This was similar for 15 to 19-year-olds and 20 to 24-year-olds.

Of those not employed in May 2002 (either unemployed or not in the labour force), males were more likely than females to be employed in September 2004 (see table 4 of supporting document). This is the case for both graduates and module completers and across both age groups.

Tables 4 and 5 look at the changes in labour force status from 2002 to 2004 for graduates and module completers by full-time and part-time status. Of the 15 to 24-year-olds employed full-time at May 2002, 83% of graduates and 80% of module completers were also employed full-time in September 2004. Around one in ten of both groups moved to part-time employment. Of those who were employed part-time in May 2002, 44% of graduates and 43% of module completers moved to full-time employment, with 45% of graduates and 40% of module completers remaining in part-time employment.

Differences between male and female graduates were also evident when looking at full-time and part-time employment. Table 4 shows that, for graduates employed full-time in 2002, 90% of males were employed full-time in 2004, compared with 72% of females. Five per cent of males employed full-time in 2004 moved into part-time employment, compared with one in five females. For module completers (table 5), 82% of males were still employed full-time compared with three-quarter of females, with 8% of males moving into part-time employment compared with 16% of females.

Of those employed part-time in 2002, for graduates, males were more likely than females to have moved into full-time employment, whereas females were more likely to have remained in part-time work. This is consistent with the previous findings that females were more likely than males to be employed part-time and lends support to the notion of females playing a larger role in child rearing than males. The picture is somewhat different for module completers where, of those employed part-time in 2002, nearly half the females were employed full-time in 2004, compared with a third of males. Around 40% of both males and females remained in part-time employment.

For graduates, of those unemployed and looking for full-time work in 2002, males were more likely than females to be working full-time in 2004 (44% compared with 30%). A third of females looking for full-time work in 2002 were working part-time in 2004 compared with 15% of males. Of those unemployed and looking for part-time work in 2002, males were more likely than females to be employed part-time in 2004 (64% compared with 42%), although more of these females were in full-time work than males (a third compared with 15% of males). The pattern is similar for module completers.

Differences are evident between the sexes for graduates not in the labour force in 2002. By September 2004, 44% of the females who were not in the labour force in 2002 remained out of the labour force, compared with 14% of males. Two-thirds of the males not in the labour force in 2002 had moved into employment (45% full-time, 22% part-time), compared with less than half of females (15% full-time, 27% part-time). There is little difference between outcomes in 2004 for module completers not in the labour force in 2002, with around 55% of both sexes employed, and around a quarter not in the labour force.

Table 4: Change in employment status of graduates, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004, by sex

		Labour force status – May 2002		Labour force status – September 2004		Total
		Employed full-time	Employed part-time	Unemployed	Not in the labour force	
Male	Employed full-time (%)	90	5	1*	3	100
	Employed part time (%)	50	37	8	5*	100
	Unemployed (looking for full-time) (%)	44	15	37	4*	100
	Unemployed (looking for part-time) (%)	15*	64	13*	8*	100
	Not in labour force (%)	45	22	16	14	100
Female	Employed full-time (%)	72	19	3*	7	100
	Employed part-time (%)	41	49	3	6	100
	Unemployed (looking for full-time) (%)	30	33	22	14	100
	Unemployed (looking for part-time) (%)	33	42	5*	20	100
	Not in labour force (%)	15	27	14	44	100
Total	Employed full-time	83	10	2	4	100
	Employed part-time	44	45	5	6	100
	Unemployed (looking for full-time)	35	27	27	11	100
	Unemployed (looking for part-time)	27	49	8*	16	100
	Not in labour force	32	24	15	27	100

Note: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

Table 5: Change in employment status of module completers, aged 15 to 24, who undertook TAFE training in 2001, between 2002 and 2004, by sex

		Labour force status – May 2002		Labour force status – September 2004		Total
		Employed full-time	Employed part-time	Unemployed	Not in the labour force	
Male	Employed full-time (%)	82	8*	8*	2*	100
	Employed part-time (%)	36	41	9*	15*	100
	Unemployed (looking for full-time) (%)	50	20*	20*	10**	100
	Unemployed (looking for part-time) (%)	2**	71	12**	11**	100
	Not in labour force (%)	35	21*	15*	28*	100
Female	Employed full-time (%)	75	16*	7**	1**	100
	Employed part-time (%)	49	40	2*	9*	100
	Unemployed (looking for full-time) (%)	32	26	23*	19*	100
	Unemployed (looking for part-time) (%)	24**	41*	0	35**	100
	Not in labour force (%)	11*	44	18*	27*	100
Total	Employed full-time	80	10	8	2*	100
	Employed part-time	43	40	5*	12	100
	Unemployed (looking for full-time)	40	24	22	15*	100
	Unemployed (looking for part-time)	9**	62	8**	19*	100
	Not in labour force	24	32	17*	27	100

Notes: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

To round off the discussion on change in labour force status and get a clear picture of the movements in the labour market, we had a look at what the students did *between* May 2002 and September 2004 in regards to employment. Table 6 shows that, overall, graduates were more likely

than module completers to have stability in employment, with just under three-quarters being employed for more than 24 months, compared with just over half of the module completers. Graduates who were employed in 2002 were more likely to be employed for longer periods of time, with 84% being employed for more than 24 months. This compares with 73% of module completers. The analysis highlighted a small group of students who had not undertaken paid work in the period from 2002 to 2004.

Table 6: Number of months working from May 2002 to September 2004, of students, aged 15 to 24, who undertook TAFE training in 2001, by labour force status at May 2002

Number of months working from May 2002 to Sep. 2004	Graduates				Module completers			
	Labour force status May 2002							
	Total (%)	Employed (%)	Un-employed (%)	Not in the labour force (%)	Total (%)	Employed (%)	Un-employed (%)	Not in the labour force (%)
None	4	0*	12	22	8	1**	13*	29
6 months or less	8	2	19	20	5	1**	11*	12*
7–12 months	4	2	10	18	10	5	23	17*
13–24 months	13	11	29	16	21	19	28	22
More than 24 months	71	84	30	24	56	73	25	20
Total	100	100	100	100	100	100	100	100

Note: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

In summary, we have seen positive changes in the labour force status from before training to 2002 and then from 2002 to 2004. We have seen that graduates were more likely than module completers to be employed after their training in both 2002 and 2004. Likewise, there was a high proportion of those who were not employed in 2002 employed in 2004, along with movements from part-time employment to full-time employment. Due to their lower starting positions, the labour market entrant group of 15 to 19-year-olds is the group most likely to have seen large changes in employment status from the before-training period to 2004.

Change in wages

We have seen that there have been substantial improvements in employment outcomes over time. It is also possible to determine whether there has been an improvement in wages over this period. We would assume that wages would increase over the period from 2002 to 2004 as length of time engaged in the workforce increases and as overall wage levels rise. So to what extent have wages increased?

For full-time workers, wages of those who undertook TAFE training increased substantially from 2002 to 2004 (table 7). In 2004, the 20 to 24-year-olds had wages higher than those of the 15 to 19-year-olds, in all likelihood due to their having been in the labour market longer. Due to lower starting salaries, wages have increased to a greater degree for 15 to 19-year-olds than for 20 to 24-year-olds. This is evident for both graduates and module completers. Table 7 shows the wages for students in 2004, compared with 2002, and highlights the percentage growth between these years.

Table 7: Average annual income of students employed full-time, aged 15 to 24, who undertook TAFE training in 2001, at 2002 and 2004, and percentage growth

	2002 (\$)	2004 (\$)	Percentage growth (%)	
Graduates	15 to 24 years	27 577	36 479	32.3
	Male	28 606	39 496	38.1
	Female	25 633	31 820	24.1
	15 to 19 years	21 495	31 082	44.6
	Male	22 375	32 314	44.4
	Female	20 189	29 761	47.4
	20 to 24 years	30 410	40 500	33.2
	Male	31 155	43 600	39.9
	Female	28 824	34 091	18.3
Module completers	15 to 24 years	27 430	33 214	21.1
	Male	28 020	34 498	23.1
	Female	26 316	31 001	17.8
	15 to 19 years	21 991	30 094	36.8
	Male	22 673	30 316	33.7
	Female	20 492	29 740	45.1
	20 to 24 years	31 396	36 632	16.7
	Male	32 282	38 792	20.2
	Female	29 894	32 546	8.9

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

In 2004, for both graduates and module completers, males had higher wages than females. This pattern is consistent with Ryan's (2002) findings that VET qualifications provide better wage outcomes for males than females. Ryan also found that male and female wage outcomes divide further as the time out from training increases, due to life cycle factors such as raising children, a finding supported here for all groups except the 15 to 19-year-old module completers. The difference between male and female wages was larger in 2004 than in 2002. The difference in wages

between males and females could also be explained by the areas of study chosen by the sexes. Females were more likely to undertake training in services, hospitality and transportation; business administration; and health and community services. These areas may lead to jobs in industries such as accommodation, cafes and restaurants (population average weekly earnings \$694.70) (ABS 2004); retail trade (population average weekly earnings \$698.90); and health and community services (population average weekly earnings \$879.50). Males were more likely to chose training in architecture and building, and engineering and surveying which may lead to jobs in industries such as mining (population average weekly earnings \$1527.50) and construction (population average weekly earnings \$1084.30).

As found by Ryan (2002), the current data also show that wages and increases in wages differed by qualification completed (see table 11 of supporting document). For both 15 to 19 and 20 to 24-year-olds working full-time, those who completed a certificate IV or III had higher wages in 2004 than those with other qualifications. The increase in wages from 2002 to 2004 was large for all qualifications, more so for those with lower-level qualifications. It is important to note that a proportion of graduates had completed an additional qualification by September 2004 (as discussed in the next chapter), which may account for some of the wage increases for those who completed lower-level qualifications.

Change in occupation and skill level

While an increase in employment and an increase in wages are positive outcomes, a large proportion of students were already employed prior to training. For these students, training is not about getting into the labour market, but about improving their position in the labour market, such as changing occupations. To complete the picture on employment outcomes, we looked at changes in occupation and skill level. Skill level has been defined according to five categories of skill as outlined in the 1996 revisions to the Australian Standard Classification of Occupations (ASCO). Each 'major' occupational grouping is assigned a skill level based on the 'formal education and/or training and previous experience usually required to gain entry into the occupation' (ABS 1997). For this project, change in skill has been classified by either a movement to a higher skill level, movement to a lower skill level or no change in skill level. For example, an upward movement has occurred if a graduate was employed as a labourer and related worker before training and moved to an intermediate production and transport worker by September 2004.

Movements to higher skill levels can be seen immediately after training, and then again approximately two-and-a-half years after their training in September 2004 (table 8). While many factors such as further study affect these outcomes, by September 2004, nearly half of the graduates and module completers had moved to a higher skill level, compared with their occupation prior to training. The 15 to 19-year-olds were more likely than the 20 to 24-year-olds, and females were more likely than males to have moved to a higher-skilled occupation (see table 12 of supporting document). This was due to the first group in each of the comparisons being more likely to have had low-skilled occupations prior to their training.

Table 8: Change in skill of students, aged 15 to 24, who undertook TAFE training in 2001, from before training to May 2002 and from before training to September 2004, by age

Age	Change in skill	Graduates		Module completers	
		Before training to 2002 (%)	Before training to 2004 (%)	Before training to 2002 (%)	Before training to 2004 (%)
15 to 24 years	Movement to a higher skill level	34	48	23	44
	Movement to a lower skill level	8	13	11	10
	No change in skill level	59	38	66	47
	Total	100	100	100	100
15 to 19 years	Movement to a higher skill level	32	52	28	48
	Movement to a lower skill level	8	11	12	8*
	No change in skill level	60	37	60	44
	Total	100	100	100	100
20 to 24 years	Movement to a higher skill level	34	46	19	39
	Movement to a lower skill level	8	15	11	11
	No change in skill level	58	39	71	50
	Total	100	100	100	100

Note: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

Source: Down the Track survey 2004 NCVER; Student Outcomes Survey 2002 NCVER

When looking at graduates' changes in skill from before training to 2004 by qualification, differences between 15 to 19 and 20 to 24-year-olds emerge. This is shown in table 9. For 20 to 24-year-olds, those who completed either a diploma or higher or a certificate III were more likely than those who completed other qualifications to have moved to a higher skill level (61% and 48% respectively). For 15 to 19-year-olds, those who completed a certificate III were the least likely to move to a higher skill level (40%), while those who completed a certificate II were most likely (64%). Factors other than the qualification completed may be affecting the results, such as completion of further study.

Table 9: Change in skill of graduates, aged 15 to 24, who undertook TAFE training in 2001, from before training to September 2004, by qualification

Age	Change in skill	Diploma or higher (%)	Certificate IV (%)	Certificate III (%)	Certificate II (%)	Certificate I (%)
15 to 24	Movement to a higher skill level	61	40	46	49	44
	Movement to a lower skill level	7	13*	15	16	17*
	No change in skill level	32	48	40	36	39
	Total	100	100	100	100	100
15 to 19	Movement to a higher skill level	59	52	40	64	52
	Movement to a lower skill level	6**	9**	10	10	23*
	No change in skill level	35	38	50	26	25*
	Total	100	100	100	100	100
20 to 24	Movement to a higher skill level	61	30	48	35	21*
	Movement to a lower skill level	7	16*	17	21	1**
	No change in skill level	32	55	35	44	77
	Total	100	100	100	100	100

Notes: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

Given that module completers by definition did not complete a qualification, data by qualification completed are not provided.

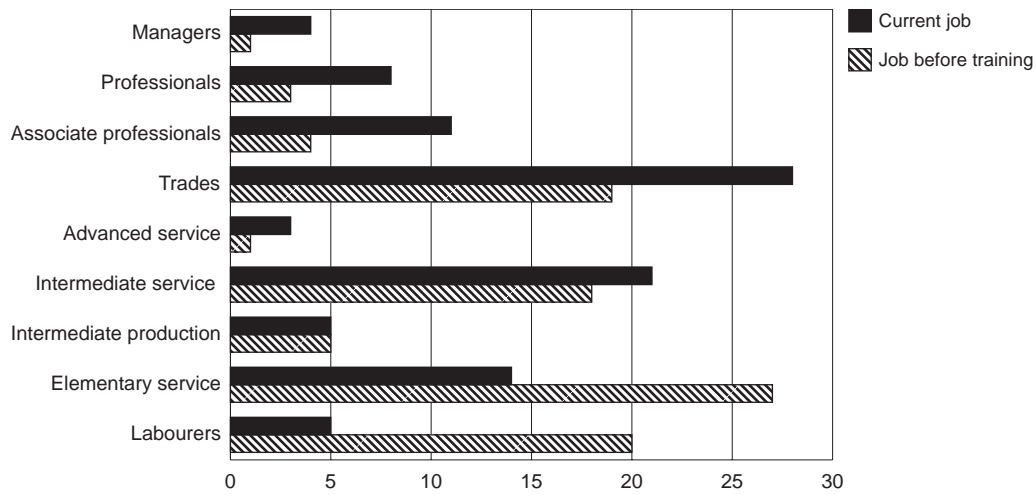
Source: Down the Track survey 2004 NCVER

The upward mobility for TAFE graduates and module completers is further illustrated by figures 2 and 3. Figure 2 summarises the occupational distribution at September 2004 and six months prior to training for employed graduates, and figure 3 for module completers. It is evident that there were large movements from lower-skilled to higher-skilled occupations.

The pattern of 'upskilling' is more distinct for 15 to 19-year-olds, who were more likely to have had lower-skilled jobs prior to training, possibly due to part-time employment while completing school (see table 13 of supporting document). Of 15 to 19-year-old students employed prior to training, 59% of graduates and 63% of module completers were working in labouring or elementary service jobs. This compares with 26% of graduates and 32% of module completers two-and-a-half years after training. For 20 to 24-year-olds, 41% of graduates and 36% of module completers were working in labouring or elementary service jobs prior to training, and 14% of graduates and 19% of module completers after training.

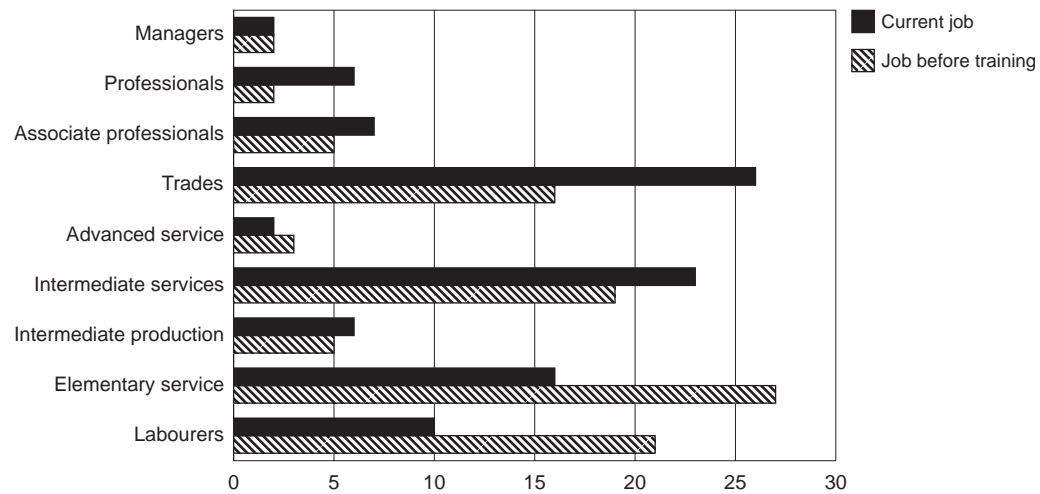
For male graduates and module completers, there has been an upward shift from labourers and elementary clerical sales and service to the trades; females have moved from elementary clerical sales and service to intermediate clerical sales and service (see table 14 of supporting document).

Figure 2: Occupation of graduates, aged 15 to 24, who undertook TAFE training in 2001, at September 2004 and 6 months prior to training (%)



Source: Down the Track survey 2004 NCVER, Students Outcomes Survey 2002 NCVER

Figure 3: Occupation of module completers, aged 15 to 24, who undertook TAFE training in 2001, at September 2004 and 6 months prior to training (%)



Source: Down the Track survey 2004 NCVER, Students Outcomes Survey 2002 NCVER

To complete the picture on employment outcomes, we have seen improvements in the occupations held by graduates in 2004 compared with the situation prior to training. This indicates that, as well as training enabling students to move into the labour market, training can provide employment benefits for those already in the labour market, namely in upskilling.

Further study outcomes

We have seen outcomes for students going into the labour force, but to what extent were students going on to further study and training down the track?

By September 2004, 76% of all graduates and 72% of all module completers had undertaken some further form of education and training that may or may not have led to a completed qualification. This consisted of training/study at university, TAFE, training provided by an employer or training outside work, as shown in table 10. For graduates, the proportion undertaking further training was similar for males and females, although differences were evident for module completers (see table 15 of supporting document). Female module completers were more likely than males to undertake some form of further training (77% of females compared with 68% of males).

Table 10: Type of further education undertaken and proportion who completed an additional qualification by 2004, of students, aged 15 to 24, who undertook TAFE training in 2001

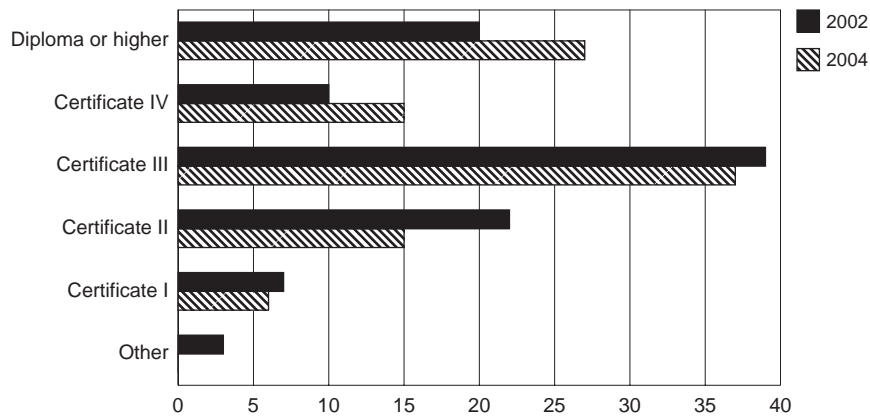
	Graduates			Module completers		
	15 to 24 years (%)	15 to 19 years (%)	20 to 24 years (%)	15 to 24 years (%)	15 to 19 years (%)	20 to 24 years (%)
Further education undertaken	76	76	75	72	72	73
<i>Studied at university</i>	17	15	18	16	21	9
<i>Studied at a TAFE institute or similar</i>	39	41	38	35	35	35
<i>Done one or more training courses provided by your employer</i>	28	28	28	26	20	34
<i>Done one or more training courses outside of work</i>	13	17	11	13	13	14
No further study/training	24	24	25	28	28	27
Further study led to a completed qualification	43	42	43	31	30	34

Source: Down the Track survey 2004 NCVER

Further training led to a completed qualification for 43% of all graduates and 31% of all module completers. The main qualifications completed were certificate III, IV and diploma level. For graduates, 20 to 24-year-olds were more likely than 15 to 19-year-olds to go on to complete higher-level qualifications, such as a certificate IV or higher. The additional qualifications completed were similar for both sexes (see table 18 of supporting document).

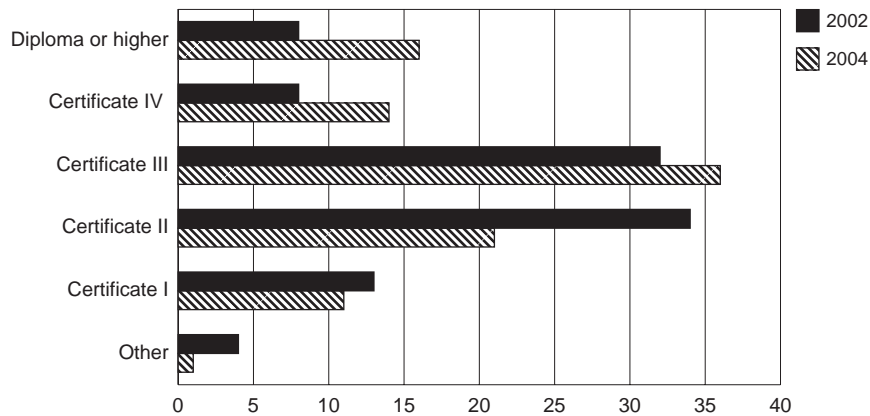
There has been upward movement in the highest qualification completed, as shown by figures 4–6. Figure 4 summarises the highest qualification completed for graduates at May 2002 and again at September 2004. Figures 5 and 6 show the same information by age. Given that module completers did not complete a qualification in 2001, these data are not provided.

Figure 4: Highest qualification completed, for graduates, aged 15 to 24, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)



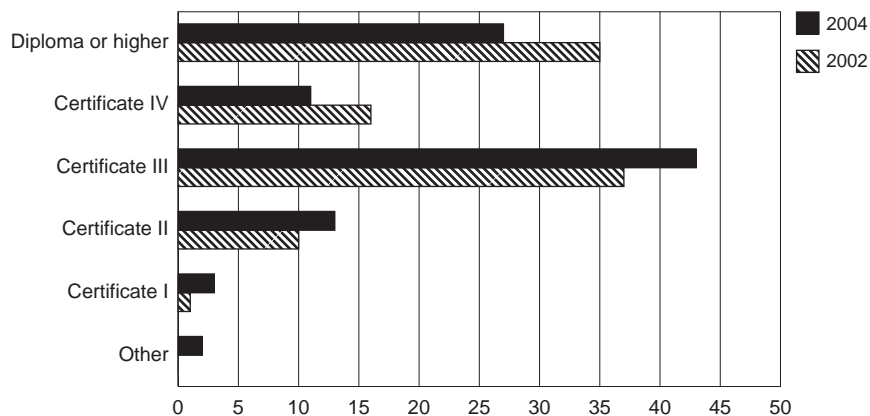
Source: Down the Track survey 2004 NCVER, Students Outcomes Survey 2002 NCVER

Figure 5: Highest qualification completed, for graduates, aged 15 to 19, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)



Source: Down the Track survey 2004 NCVER, Students Outcomes Survey 2002 NCVER

Figure 6: Highest qualification completed, for graduates, aged 20 to 24, who undertook TAFE training in 2001, at May 2002 and September 2004 (%)



Source: Down the Track survey 2004 NCVER, Students Outcomes Survey 2002 NCVER

Table 11 shows graduates' level of additional qualification completed between May 2002 and September 2004 for each qualification level completed in 2001. This information is not provided for module completers as they did not complete a qualification in 2001. Table 11 shows that the additional qualifications completed were likely to be at higher level than that completed in 2001.

Table 11: Type of qualification completed since May 2002 for graduates, aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001

Qualification completed between May 2002 and September 2004	Qualification completed in 2001					
	Total (%)	Diploma or associate diploma (%)	Certificate IV (%)	Certificate III (%)	Certificate II (%)	Certificate I (%)
Diploma or higher ¹	10	20	18	8	7	4*
Certificate IV	7	4	8*	10	7	1*
Certificate III	12	2*	5*	13	24	9*
Certificate II	3	1*	3**	2	5	4*
Certificate I	1	1*	0**	1*	0**	7*
Other ²	9	8	6*	11	7	10*
No further qualification	57	64	60	56	49	66
Total	100	100	100	100	100	100
Completed qualification at higher level	21	11	18	18	37	18

Notes: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

1 The time elapsed between completing the training in 2001 and the time of the survey in 2004 is not sufficient to complete some higher level qualifications. Those who indicated they completed such a qualification may have begun the course prior to completing their 2001 training or received recognition for prior learning.

2 Other includes other certificate or course, statement of attainment and certificate of competency.

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

Table 12 shows the proportion of graduates who completed an additional qualification at a higher level than that completed in 2001. We see that, of all graduates, 21% completed a qualification at a higher level than the training completed in 2001. Very few differences were evident by sex or age; however, differences were seen when comparing qualifications completed in 2001. Those who completed a certificate II were more likely than those who completed other qualifications to have completed an additional qualification at a higher level.

Table 12: Proportion who completed an additional qualification at a higher level than that completed in 2001, for graduates aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001

		Proportion who completed a qualification at a higher level	Qualification completed in 2001					
			Total (%)	Diploma or associate diploma (%)	Certificate IV (%)	Certificate III (%)	Certificate II (%)	Certificate I (%)
Age	15 to 19		22	3	11	11	43	13
	20 to 24		21	13	21	21	28	33
Sex	Male		21	15	18	17	42	13
	Female		22	8	17	19	35	33
Total			21	11	18	18	37	18

Source: Down the Track survey 2004 NCVET; Student Outcomes Survey 2002 NCVET

Did this additional study lead to improved skills? Table 13 shows that students reported that the further study undertaken increased their skill levels. By comparison with those who undertook training but didn't complete a qualification, those who completed an additional qualification were more likely to indicate that the training improved their skills a lot. For graduates who completed the qualification, females were more likely than males to report further training improved skills a lot, whereas males were more likely than females to report that further training improved their skills a little (see table 21 of supporting document). For module completers, no specific pattern emerged.

Table 13: Use of skills from further study, for students, aged 15 to 24, who undertook TAFE training in 2001, by whether the further study led to a completed qualification

		Graduates		Module completers	
		Completed qualification (%)	Didn't complete qualification (%)	Completed qualification (%)	Didn't complete qualification (%)
Further training improved skills	A lot	70	60	67	61
	A little	26	35	30	32
	Not at all	4	5	3*	8
Able to make use of skills in current job		83	76	74	68
Able to make use of skills in day to day life		77	77	78	83

Notes: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

Base = students who undertook further training between May 2002 and September 2004.

Source: Down the Track survey 2004 NCVER

Ability to use these skills in the current job was high, with those who completed an additional qualification slightly more likely to report being able to use their skills in their current job than those who didn't complete the full qualification. Graduates were more likely than module completers to be able to make use of the skills in their current job. For graduates there was little difference between the age groups; however, for module completers, the 20 to 24-year-old group was more likely than the 15 to 19-year-old group to use the skills in their employment (see table 20 of supporting document).

Students reported that these additional skills could also be used in their daily lives, with around three-quarters of both graduates and module completers confirming this. For graduates, 15 to 19-year-olds were more likely to make use of these skills in their daily lives than were 20 to 24-year-olds (see table 20 of supporting document). This trend is evident for both those who completed and didn't complete the additional qualification.

Did this further study lead to improved employment outcomes? For graduates, similar overall employment outcomes were seen, regardless of whether an additional qualification had been completed after graduating in 2001 (see table 22 of supporting document). The difference arises in status of employment, with those with an additional qualification more likely to be employed full-time. Given that module completers, by the Student Outcomes Survey definition, did not complete a qualification in 2001, it is not surprising that, by September 2004, those who had completed a qualification were more likely to be employed than those who hadn't.

To bring it back to our research question, do students go on to further study and training down the track? The answer is yes. Around three-quarters of both graduates and module completers went on to some form of further education and training after their 2001 training, be it formal or informal. Of those who completed additional qualifications, a high proportion did so at a level higher than the original qualifications. This was more evident for those who completed lower-level qualifications to begin with, perhaps indicating that lower-level qualification are pathway qualifications. The additional qualifications undertaken benefited the students by enhancing their skills. Students reported that these skills, particularly for the 15 to 19-year-olds, could be used in their current jobs and in their daily lives.

Personal benefits of training

We have looked at employment and further study, which are the main reasons for undertaking TAFE training. Outcomes of training can, however, be measured by more than just employment or getting into further study. What personal benefits do people report from the training?

Table 14 outlines benefits of the training that students undertook in 2001 as reported in 2004. The most common benefits mentioned by both graduates and module completers were: advanced skills generally; improved skills relevant to job; and got a job. Graduates were also likely to mention getting into further study; improved communication skills; and gaining confidence. Approximately one in ten graduates and one in five module completers felt they didn't receive any benefits from their training.

Benefits reported were similar across age and sex (see table 22 of supporting document), with differences evident by qualification. Table 14 shows that graduates who completed a certificate I were more likely than those who completed other qualifications to report benefits of improved communication skills and networking opportunities. This latter benefit was mentioned by 5% of those with other qualifications, compared with 21% of those with a certificate I. The higher incidence of reporting improved communication skills and networking opportunities as benefits of training from those who completed a certificate I is due to 15 to 19-year-olds reporting these benefits.

Approximately one in five graduates with a certificate I reported no benefits from training, a figure which is higher than for graduates with other qualifications, at around one in ten. The proportion of graduates with a certificate I reporting no benefits from the training is higher due to the responses from the 20 to 24-year-olds, with nearly a third of this group reporting no benefits. Those with a certificate I were also much less likely than those who completed other qualifications to report the benefits of getting a job and advancing skills generally.

Graduates who completed a certificate IV were the least likely across all qualifications to report the benefit of getting a job/new job. A large proportion of graduates who completed a certificate IV were employed prior to their training and therefore may have undertaken training for 'upskilling'. Graduates who completed a certificate IV were less likely than those who completed other qualifications to state their reason for training as 'to get a job'. However, the group had higher incidents of reporting 'to start my own business', 'to get a better job or promotion', 'I wanted extra skills for my job' and 'to get into another course of study'. Nearly half of the graduates with a certificate IV reported advancing skills generally and a third, advancing skills relevant to their job, as a benefit of the training. This group was the most likely across all qualification levels to report getting into further study as a benefit.

In 2004 students were asked how important the training they undertook in 2001 had been to them so far. This is summarised in figure 7. Importance of training is a subjective measure that can be evaluated on a multitude of factors, including but not limited to: student's employment and further study outcomes; achievement of reason for training; and enjoyment of the training.

Graduates rate their training substantially more highly than module completers. Nearly nine out of ten graduates regarded their training as important (very important/somewhat important combined), compared with around two-thirds of module completers. Around half of the graduates rated their training as very important, compared with a quarter of module completers.

Table 14: Benefits from training reported in 2004, for students, aged 15 to 24, who undertook TAFE training in 2001, by qualification completed in 2001

Age	Benefits received	Graduates					Module completers (%)	
		Total (%)	Qualification completed in 2001					
			Diploma or higher (%)	Cert. IV (%)	Cert. III (%)	Cert. II (%)	Cert. I (%)	
15 to 24	Advanced my skills generally	45	46	48	43	50	27	47
	Improved skills relevant to my job	36	33	33	40	31	44	25
	Got a job/new job	21	28	11	22	20	13	10
	Got into further study	12	15	22	14	7	0**	5
	Improved communication skills	12	11	7*	11	11	29	9
	Gained confidence	11	9	11	11	12	7*	9
	Satisfaction of achievement	7	7	3*	11	4	6*	7
	Provided direction	5	3	3*	7	4	2**	4
	Gained networking opportunities	4	5	3*	2	2	21**	3
	Made friends	4	4	3*	3	5	2*	2*
	An increase in earnings	3	3	2*	6	2	1**	3
	A promotion	2	3	1*	2	2	1**	1*
	Set up/expand my own business	2	2*	5*	2	1*	0**	0**
<i>No benefits</i>	10	9	8*	6	13	18	21	
15 to 19	Advanced my skills generally	44	55	55	36	54	22	47
	Improved skills relevant to my job	34	14	29	33	32	53	22
	Got a job/new job	22	49	8*	24	22	12*	8
	Got into further study	10	14	24	12	8	0**	6
	Improved communication skills	14	10	2**	13	10	35	8
	Gained confidence	10	9	13*	9	12	8*	9
	Satisfaction of achievement	5	6*	2**	8	4	4*	7
	Provided direction	6	7*	3**	12	3	2**	5
	Gained networking opportunities	6	5*	1**	1*	2*	26**	2*
	Made friends	4	5*	3**	1*	6	3*	3*
	An increase in earnings	2	2**	0**	3*	2*	0**	3*
	A promotion	1*	0**	0**	1**	3	0**	0**
	Set up/expand my own business	1*	2**	3**	2**	0**	0**	0**
<i>No benefits</i>	11	6*	15*	10	11	14	18	
20 to 24	Advanced my skills generally	45	43	44	47	43	49	48
	Improved skills relevant to my job	38	39	36	44	29	7*	30
	Got a job/new job	19	21	14	21	18	17**	12
	Got into further study	13	15	20	14	6	0**	3*
	Improved communication skills	11	12	11*	10	12	6**	9
	Gained confidence	11	9	9*	12	13	1**	10
	Satisfaction of achievement	9	7	4*	12	5	14**	7
	Provided direction	4	2*	4**	4	5	0**	3*
	Gained networking opportunities	4	5	4**	3	3*	4**	3*
	Made friends	3	4	3**	4	3*	1**	1**
	An increase in earnings	5	3*	4*	7	2*	4**	2*
	A promotion	3	4	2*	2*	2*	4**	3*
	Set up/expand my own business	2	2*	6*	2*	2**	0**	0**
<i>No benefits</i>	8	11	4*	4	17	31	25	

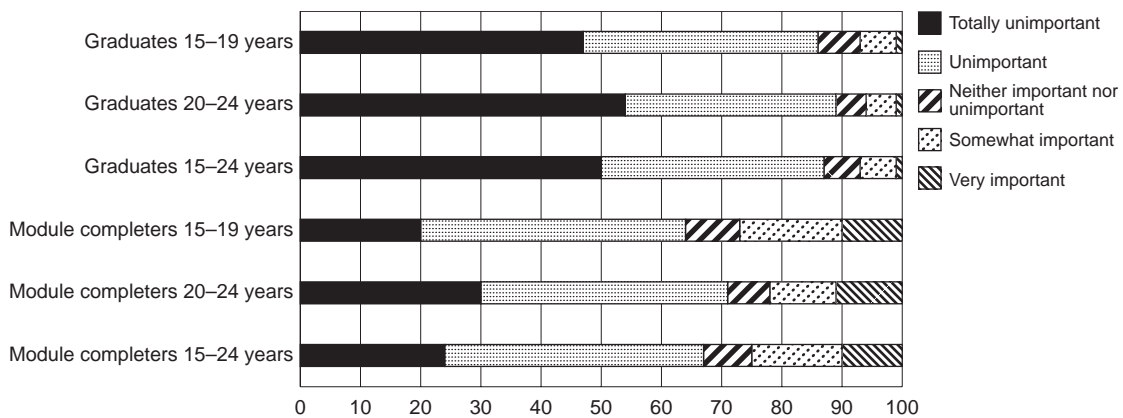
Notes: * indicates the estimate has a relative standard error greater than 25% and therefore should be used with caution.

** indicates the estimate is based upon an unweighted count of less than 5.

Given that module completers by definition did not complete a qualification, data by qualification completed are not provided.

Source: Down the Track survey 2004 NCVER

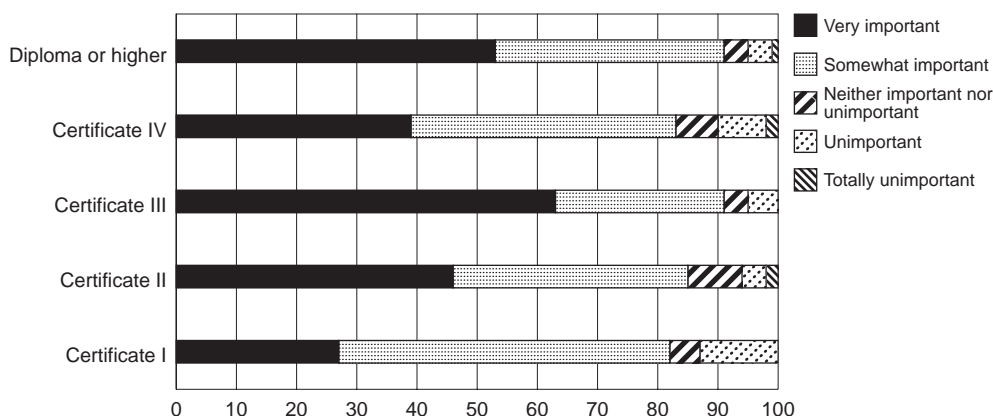
Figure 7: Importance of training in 2004 for students, aged 15 to 24, who undertook TAFE training in 2001 (%)



For 15 to 19-year-old graduates, differences in the level of importance were seen between males and females (see table 23 of supporting document). Female graduates were more likely than males to rate their training as very important, whereas males were more likely than females to rate it as somewhat important. This effect evens out the overall importance levels (very important/somewhat important combined), with little differences seen between males and females in importance overall. For 20 to 24-year-olds, little differences were seen in importance ratings between male and female graduates. For module completers aged 20 to 24, females were more likely than males to rate their training as very important; however, for 15 to 19-year-olds the difference was marginal.

Figure 8 shows that, for 15 to 24-year-old graduates, while the overall importance of the training was high, regardless of qualification completed (greater than 80%), differences are evident in very important and somewhat important ratings across qualification. Very important ratings are lower for those who completed certificate I qualifications. Graduates who completed a certificate III have the highest very important ratings.

Figure 8: Importance of training in 2004 for graduates, aged 15 to 24, who undertook TAFE training in 2001 (%)



Returning to the relevant research question; namely, ‘do students feel they have benefited personally from their training’, the answer is yes: students do benefit personally from their training over time. We have seen that, further out from their training, students still see a whole host of benefits from their training and rate it importantly. Compared with those who complete modules only, those who complete full qualifications were more likely to receive benefits from their training and rate their training as important to them.

The most common benefit mentioned was advancing skills, skills which will assist the students in their everyday lives and in their work environments. Specific skill improvements were also mentioned, including the important generic skill of communication. For some students, the training provided personal benefits such as confidence, satisfaction with achievement, making friends and providing direction.

Summary and conclusions

This report set out to answer five questions relating to outcomes of 15 to 24-year-olds over time:

- 1 What changes are seen down the track in terms of employment levels and what are students doing in 2004 in terms of employment by comparison with the period immediately after training?
- 2 What changes are seen down the track in terms of wages?
- 3 What changes are seen down the track in terms of skill level?
- 4 Do students go onto further study and training down the track?
- 5 Do students feel they have benefited personally from their training?

In examining these questions we looked at outcomes from training over time in relation to labour force status, wages and skill level, further study and personal benefits from training.

From our analysis we conclude that outcomes do improve over time, students do go on to further training down the track, and students do feel they have benefited personally from their training. We acknowledge that improvements in outcomes may be due to a multitude of factors, many of which are not explored in this paper, with the TAFE training being just one reason. A proportion of the improvement in employment may be due to increases in the students' age and work experience.

Caution needs to be taken in attributing the changes in outcomes directly to the training completed in 2001. Without data on a control group (for example, those who did not undertake post-secondary training), there is no way of knowing if the changes in employment status, wages and occupation are any larger than those which might have occurred had the student not undertaken any training. However, the better outcomes for graduates compared with module completers provides some direct evidence of the benefit of VET.

Phan (1999), in a longitudinal study of outcomes of VET programs in South Australia, found that TAFE graduates believed their training helped them to build on work and life skills. The finding in this research that graduates (and, to a lesser extent, module completers), two-and-a-half years down the track, rated their training as being important to them, supports this view and suggests that training, at least to some extent, has been a contributing factor to the improvements in outcomes.

Borland (2005), in discussing labour market programs, suggests that positive effects of training should be more evident over time. This can be seen for TAFE training, where we found steady increases in employment from before training to six months after training, and again to two-and-a-half years after training. This effect is strongest for full-time employment, with part-time employment decreasing over time. When looking at what the students were doing in 2004 compared with 2002, it can be seen that large shifts have been made both within the labour market (for example, from part-time employment to full-time employment), and from not being employed to being employed. Over half of the graduates who were not in the labour force in 2002 had moved to employment in 2004.

While increases in the proportion of students employed are important, many students were already employed prior to training. For these students the training is not necessarily about getting a job, and other measures of success are needed. Such measures are changes in wages and occupation

(incorporating skill level), getting into further study and personal benefits. In relation to wages and occupation we found a substantial increase in average annual income from 2002 to 2004 for graduates and module completers employed full-time. Likewise there were considerable upward movements from before training to 2004. Graduates and module completers were more likely to be employed in higher-skilled occupations in 2004, in contrast to the situation before their training.

In examining whether students go on to further study and training down the track, we find that the majority of both graduates and module completers went on to some kind of further training. Just under half of the graduates and a third of module completers went on to complete a qualification. A proportion of graduates who completed a qualification did so at a higher level, especially those with lower-level qualifications to begin with. Students reported that their further study improved skills, and they reported they were able to make use of these skills, both in their employment and in their daily lives.

Students undertake training for a variety of reasons. As such, outcomes from training should be wider than employment and further study. While there was a small group of students who felt they hadn't received any benefits from their training, the majority reported gains from the training. The most common benefits mentioned were skill and job-related, although other personal benefits, such as gaining confidence, were mentioned. In 2004 the majority of students also rated their training as important.

We examined the outcomes of training by subgroups: student type (graduate or module completer); age; sex; and for graduates, qualification completed in 2001. Differences were evident when looking at all aspects of employment outcomes between graduates and those who only completed part of their qualifications (module completers). Across all measures, graduates have larger gains than module completers. Graduates were more likely than module completers to be employed after their training (immediately and in the longer term), and to be employed full-time. Graduates were more likely than module completers to hold higher-skilled occupations in 2004, and more graduates have completed an additional qualification. Of those who completed an additional qualification, graduates were more likely than module completers to have improved their skills significantly and more likely to use their skills in their current job. Module completers were more likely than graduates to report no benefits from training and were less likely to rate their training as important (especially, very important). These findings provide direct evidence of the benefits of VET on the basis that those completing full qualifications have undertaken more VET than their peers with partial qualifications.

The importance of life cycle factors is evident in the differences we observe between the 15 to 19 and 20 to 24-year-olds. The former tend to be new entrants into the labour market and so the years immediately after completing the training are particularly important. The Down the Track survey is able to describe the transition process for this group.

Employment differences across sex were evident. While overall employment levels for males and females were similar in 2004, large differences in full-time and part-time employment were seen. Males were more likely to be employed full-time than were females across all time points. Females were slightly more likely to have moved to higher-skilled occupations from prior to training to 2004, mainly due to holding lower-level jobs prior to training. Males were more likely to hold higher-skilled occupations than females in 2004, especially in the trades, and males were more likely to have higher wages than females in 2004. There was little difference between males and females in undertaking further training. However, of those who did, females were more likely than males to indicate that their further training had improved their skills a lot. Benefits reported were similar between the sexes, as was the overall importance rating.

We also compared graduate outcomes by qualification level. In 2004, while graduates who completed a certificate III in 2001 had the highest employment levels, the largest gain in employment from 2002 to 2004 was for those who completed a certificate I or II. This may be due to a proportion of those who completed lower-level qualifications obtaining a higher-level

qualification (mainly certificate III) by 2004, which would have provided greater employment opportunities. Wages were highest in 2004 for those who completed a certificate IV or III; however, the change in wages from 2002 to 2004 was higher for those who had completed lower-level qualifications. Graduates who completed a certificate II in 2001 were more likely than those who completed other qualification levels to have completed a qualification at a higher level (certificate III or higher) by 2004. This indicates that lower-level qualifications are being used as pathways into higher-level study.

In conclusion, 15 to 24-year-olds are a group of young people in transition. This report has shown improved outcomes down the track in relation to employment, further study and personal benefits for a group of students who have undertaken TAFE training.

References

- ABS (Australian Bureau of Statistics) 1997, *Australian standard classification of occupations*, 2nd edn, cat.no.1220.0, ABS, Canberra.
- 2002, 'Australian demographic statistics', June quarter 2002, cat.no.3101.0, ABS, Canberra.
- 2004, 'Employee earnings and hours', May 2004, cat.no.6303.0, ABS, Canberra.
- Borland, J 2005, 'Ten things to know about labour market programs', presented to the Centre for Public Policy, University of Melbourne's *Transitions and risk – new directions in social policy* conference, 23–25 February 2005, Melbourne.
- Dumbrell, T 2000, *Review of research: Measuring the outcomes of vocational education and training*, NCVER, Adelaide.
- Dumbrell, T, de Montfort, R, Finnegan, W & Wright, P 2000, *Still not equal*, NCVER, Adelaide.
- Dusseldorp Skills Forum 2004, 'How young people are faring: Key indicators 2004: An update about the learning and work situations of young Australians', Dusseldorp Skills Forum, Sydney.
- Marginson, S 1999, 'Young adults in higher education', in *Australia's young adults: The deepening divide*, Dusseldorp Skills Forum, Sydney.
- Phan, O 1999, 'Longitudinal study of outcomes of vocational education and training programs', paper presented to the third national conference of the Australian Vocational Education and Training Research Association, February, RMIT, Melbourne.
- NCVER (National Centre for Vocational Education Research) 2004, *Australian vocational education and training statistics: Student outcomes 2004 – summary*, NCVER, Adelaide.
- Ryan, C 2002, *Individual returns to vocational education and training qualifications: Their implications for lifelong learning*, NCVER, Adelaide.
- Stanwick, J 2005, *Australian Qualifications Framework lower-level qualifications: Pathways to where for young people?*, NCVER, Adelaide.

Appendix A: Survey methodology

Student Outcomes Survey

The 2002 Student Outcomes Survey provides key information about TAFE students who undertook VET in Australia during 2001. Self-completion questionnaires were sent to a stratified randomly selected sample of graduates and module completers in all states and territories at the end of May 2002. Contact details of students were supplied directly to the fieldwork contractor by the state training authorities in each state and territory. Australia-wide, around 42 000 TAFE graduates and 8000 TAFE module completers responded to the survey, resulting in response rates of 52% and 48%, respectively. Responses have been weighted to population benchmarks.

For further information on the 2002 Student Outcomes Survey the reader is referred to the national report on the NCVET website <<http://www.ncver.edu.au/statistic/publications/953.html>>.

Definition of graduates and module completers

Graduates

A graduate is defined as a student who has completed the requirements for their course during the year prior to the survey being conducted at a publicly funded TAFE institute in Australia. The graduate must have been eligible for any of the following awards:

- | | |
|-----------------------------------|-------------------------|
| ✧ Diploma | ✧ AQF—bachelor's degree |
| ✧ Associate diploma | ✧ AQF—advanced diploma |
| ✧ Advanced certificate—post trade | ✧ AQF—diploma |
| ✧ Advanced certificate—other | ✧ AQF—certificate IV |
| ✧ Certificate—trade | ✧ AQF—certificate III |
| ✧ Certificate—other | ✧ AQF—certificate II |
| | ✧ AQF—certificate I |

Those people who undertook recreational or hobby courses (short courses) were excluded, and the graduate must have had an Australian address as their usual address.

Participants who identified themselves as graduates in the module completer questionnaire have been included in the graduate segment for reporting. This is different from that reported in 2002.

Module completers

Module completers are defined as having successfully completed at least one module during the year prior to the survey being conducted and not be a graduate (as defined above) at a publicly funded TAFE institute in Australia, and have left the vocational education and training sector. Those people who undertook recreational or hobby courses (short courses) were excluded and the module completer must have had an Australian address as their usual address.

Down the Track

The Down the Track survey concentrated on 15 to 24-year-olds who completed TAFE training in 2001 and participated in the 2002 Student Outcomes Survey. The interviews were 8.5 minutes in length and were conducted by computer-aided telephone interviewing. As the sample covered those who undertook their training in 2001, contact details provided for most respondents were those supplied in 2001. As a consequence, 66% of the sample were contactable and, of those contacted, there was an 83% response rate for graduates and 81% response rate for module completers. The main reasons for not being able to contact someone were due to missing or invalid numbers, or respondents not being known at the number provided. Two thousand seven hundred and seventy-three (2773) graduate interviews and 599 module completer interviews were completed. Data have been weighted to reflect the 2001 graduate and module completer population.

Support document details

Additional information relating to this research is available in *Down the track: TAFE outcomes for young people two years on—Support document*. It can be accessed from NCVER's website <<http://www.ncver.edu.au>>. The document contains:

- ✧ Selected data tables
 - ◆ Outcomes from training over time
 - ◆ Further study
 - ◆ Other benefits of training.



The National Centre for Vocational Education Research (NCVER) is an independent body responsible for collecting, managing and analysing, evaluating and communicating research and statistics about vocational education and training.

**National Centre for Vocational
Education Research Ltd**

Level 11, 33 King William Street
Adelaide SA 5000

PO Box 8288 Station Arcade
Adelaide SA 5000

Phone +61 8 8230 8400
Fax +61 8 8212 3436
Email ncver@ncver.edu.au

www.ncver.edu.au