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Training and labour market success of apprenticeship graduates and dropouts: Monitoring of apprenticeship graduates 2011-2020

he results of monitoring of all 383,336 apprenticeship graduates and dropouts from 2011-2020 in Austria, conducted on behalf of the WKÖ, reveal some remarkable factors influencing training and labour market success. There is a particularly strong correlation between the frequency of apprenticeship dropouts and, for example, the people's age at the start of the apprenticeship and their previous qualifications. Labour market success 3 years after apprenticeship completion is again directly related to training success. Apprenticeship graduates are significantly less likely to be unemployed than people who have dropped out of apprenticeships.

This monitoring of the training and labour market success of all apprenticeship graduates and dropouts from 2011-2020 in Austria represents a unique combination of anonymised individual statistical data on apprentices, apprenticeship-leave exams, from Public Employment Service (AMS) and the social insurance sector. It differs from the qualification-related professional career monitoring (BibEr) of Statistics Austria¹ primarily in that the focus is on apprenticeship training and the (correspondingly detailed) information used from statistics on apprentices and apprenticeship-leave exams. But the underlying principle is the same: linking administrative data on education and the labour market to statistically evaluate the educational and professional careers of graduates and dropouts from the formal education system. The present analysis covers all apprenticeship graduates and dropouts receiving training in Austria in the years 2011-2020.

In the context of the study² on which this *research brief* is based, the results on training and labour market success were extensively evaluated according to a wide range of criteria (e.g. according to gender, age, nationality, region, apprenticeship occupation, type of apprenticeship contract, sector of the training company, size of the training company, etc.). In total, 383,336 apprentices in Austria came to an end in their apprenticeship in the period 2011-2020 without signing another apprenticeship contract (by the end of the following year). Of these, **16.6%** did not complete their apprenticeship period nor did they take an apprenticeship-leave exam (ALE) by the end of following year, therefore they are considered **apprenticeship dropouts**.

The share of apprenticeship dropouts increases strongly with their age at the time they take up apprenticeship training (cf. Diagram 2). For apprenticeship graduates and dropouts between 2011 and 2020 it can be stated that no more than 7% of those who were 15 years old when taking up their apprenticeship training dropped out later. This percentage nearly doubled among 16-year-olds (12%) and tripled among 17-year-old apprenticeship beginners (21%). Thereafter, this share continues to rise steadily at a weaker rate. Among 24-year-old apprenticeship beginners, the share of dropouts (among apprenticeship graduates and dropouts from 2011 to 2020) is as high as 34%.

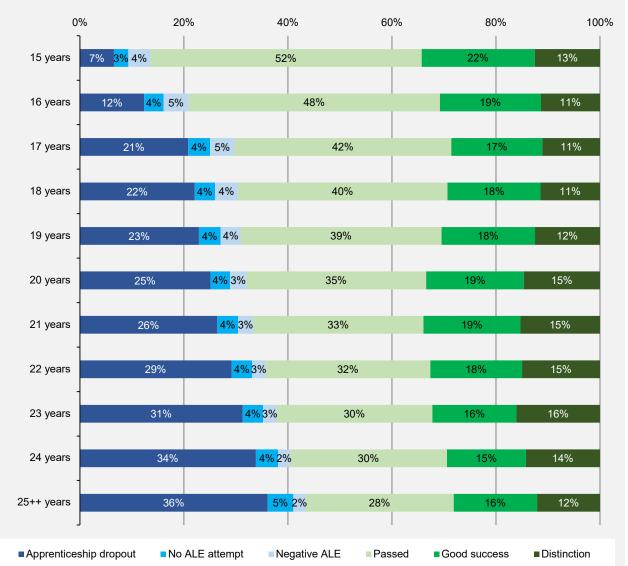
The type of previous qualifications obtained (immediately prior to the start of the apprenticeship) also has a very strong influence on the proportion of apprenticeship dropouts (cf. Diagram 2)

¹ Cf. Statistics Austria

² Dornmayr, Helmut / Lengauer, Birgit / Riepl, Marlis (2023): Ausbildungs- und Arbeitsmarkterfolg von LehrabgängerInnen: LehrabsolventInnenmonitoring 2011-2020, ibw-Forschungsbericht Nr. 214 (ibw Research Report No. 214), Vienna.

DIAGRAM 1





Source: ibw apprenticeship graduate monitoring 2011-2020 (data basis: WKO + labour market database operated by AMS (AMDB) + ibw calculations)

N.B.: excluding training pursuant to Section 8b (2) of the Vocational Training Act (BAG) (partial qualification).

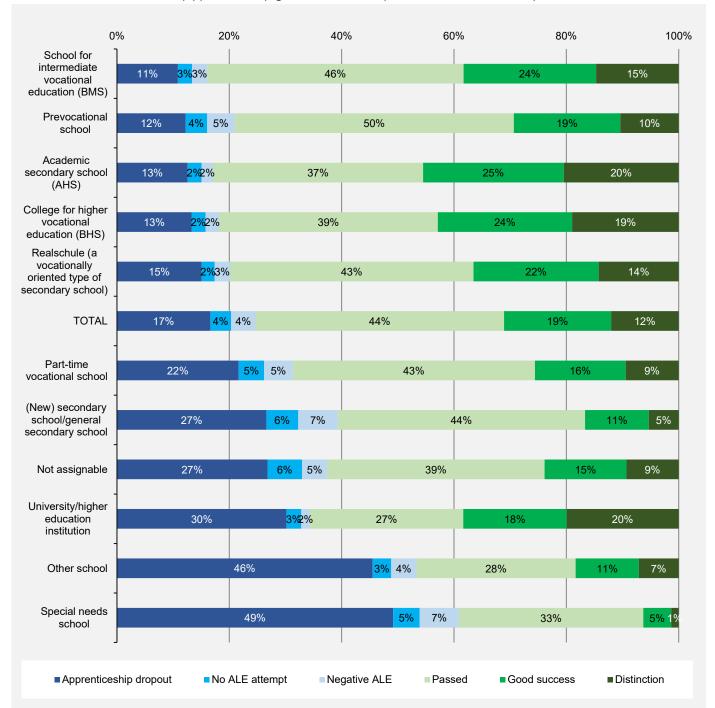
About the methodology:

Vienna-based ibw Austria - Research & Development in VET has already used this procedure and methodology, which is referred to as 'apprenticeship graduate monitoring', for the first time in two earlier projects¹ and has continuously developed it further. The term 'apprenticeship graduate monitoring' is imprecise in that it analyses not only apprenticeship graduates but also apprenticeship dropouts.

The population and data basis of the present monitoring of training success and employment careers of (former) apprentices is formed by all apprenticeship graduates and dropouts of the years 2011-2020 in Austria, i.e. all persons who ended their apprenticeship relationship in the years 2011-2020 and (according to WKO statistics) did not conclude another apprenticeship contract by the end of the following year - however, excluding training pursuant to Section 8b (2) of the Vocational Training Act (BAG) (partial qualification), since this group of persons are not considered apprenticeship graduates in the proper sense and these training programmes additionally are not completed with genuine apprenticeship-leave examinations. However, some sections of the overall study also deal specifically with oraduates of partial qualifications.

Training success by previous qualification

(apprenticeship graduates and dropouts 2011-2020, Austria)

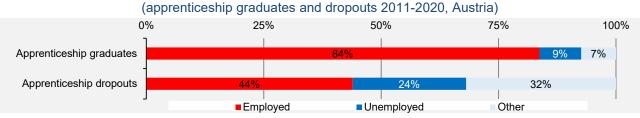


Source: ibw apprenticeship graduate monitoring 2011-2020 (data basis: WKO + labour market database operated by AMS (AMDB) + ibw calculations). N.B.: excluding training pursuant to Section 8b (2) of the Vocational Training Act (BAG) (partial qualification). Without previous education 'credits' or 'primary school', since n<200.

The comparison of the labour market success of apprenticeship graduates and apprenticeship dropouts 3 years after completing/leaving an apprenticeship (cf. Diagram 3) shows considerable differences, which not least illustrates the importance of completed apprenticeship training for lasting labour market integration. 84% of apprenticeship graduates (i.e. all persons with a completed apprenticeship period and/or passed ALE) were in employment and 9% were unemployed, 7% come under some other category. Among apprenticeship dropouts, however, only 44% were in employment 3 years after leaving the apprenticeship, and 24% were unemployed.

DIAGRAM 3

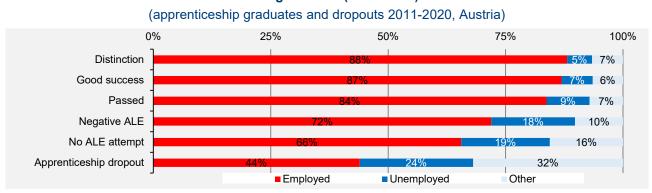




Source: ibw apprenticeship graduate monitoring 2011-2020 (data basis: WKO + labour market database operated by AMS (AMDB) + ibw calculations). N.B.: excluding training pursuant to Section 8b (2) of the Vocational Training Act (BAG) (partial qualification)

DIAGRAM 4

Labour market status 3 years after graduation/dropout from an apprenticeship as a function of training success (ALE result)



Source: ibw apprenticeship graduate monitoring 2011-2020 (data basis: WKO + labour market database operated by AMS (AMDB) + ibw calculations). N.B.: excluding training pursuant to Section 8b (2) of the Vocational Training Act (BAG) (partial qualification).

An analysis of the labour market status 3 years after completing/leaving an apprenticeship as a function of detailed training success (cf. Diagram 4) impressively illustrates the correlation between training and labour market success among all apprenticeship graduates and dropouts in Austria in the years 2011-2020: The greater the training success of apprenticeship graduates and dropouts, the higher the share of self-employed or employed people and the lower the share of unemployed people 3 years after completing/leaving an apprenticeship. In concrete terms, three years after graduating/dropping out from apprenticeship training, 88% of all graduates who passed the apprenticeship-leave exam with distinction were in employment, but no more than 44% of those who dropped out from training (prematurely). At the same time, no more than 5% of the graduates who passed the apprenticeshipleave exam with distinction were unemployed three years after graduation, compared to 24% of those who dropped out from training prematurely.

The differences between four groups are particularly pronounced:

- by far the lowest level of labour market integration is shown by those who dropped out from apprenticeships.
- Those who completed their apprenticeship period but did not sit for the apprenticeship-leave examination (ALE) are slightly better integrated.
- The integration into the labour market is even slightly better if the person took the ALE, even if he or she did not pass it.
- 4. A successfully passed ALE, however, leads to a (further) marked improvement in labour market integration. To a much lesser extent, it is also relevant for the degree of successful labour market integration whether the ALE was (only simply) passed or passed with good success or even with distinction.

Source:

Dornmayr, Helmut / Lengauer, Birgit / Riepl, Marlis (2023): Ausbildungs- und Arbeitsmarkterfolg von LehrabgängerInnen: LehrabsolventInnenmonitoring 2011-2020, ibw-Forschungsbericht Nr. 214 (ibw Research Report No. 214), Vienna.

The study can be downloaded from <u>www.ibw.at</u> free of charge.

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