

Education and Employment: *a review of educational attainment and labour market outcomes*

Patrick Malone

Key Point:

In the last decade, there has been a dramatic increase in the educational attainment of the adult population. The proportion of those aged 25-64 years with Tertiary education increased from 33% in 2006 to 47% in 2018. This is most evident amongst the younger age group, among whom high educational attainment increased by 21 percentage points, from 33% in 2006 to 54% in 2018. While medium levels of educational attainment (e.g. upper secondary education) have remained static during these years, there has been a significant decrease in the percentage of adults (25-64 years) with low levels of educational attainment (e.g. primary or lower secondary education). This was particularly evident amongst individuals in the 55-64 years age group: where the proportion with low levels of educational attainment fell by 27 percentage points from 59% in 2006 to 32% in 2018. Higher levels of educational attainment are linked to higher rates of employment. During the Great Recession (2008-2012), the employment rate of individuals 20-64 years with high educational attainment decreased marginally by five percentage points to 80% in 2012. However, the employment rate for those with low and medium levels of educational attainment was far lower at 43% and 62% respectively in 2012. In 2018, almost 50% of individuals aged 15-64 years who were in employment had high levels of educational attainment, 38% had medium levels of educational attainment and just 11% had low levels of education. Amongst the working population, early school leavers are particularly susceptible to unemployment: with 17% unemployed by comparison to 6% of other persons aged 18-24 years in 2019.

Educational Attainment Trends, 2006-2018

Table 1 shows the highest educational attainment level of adults aged 25-64 years. The proportion of individuals attaining a third level qualification (ISCED¹ level 5-8) has increased significantly across all age groups: increasing from 33% in 2006 to 47% in 2018 (+14 percentage points). The rise in third level educational attainment has been greatest amongst the younger population age groups: with 56% of 25-34 year olds and 54% of 35-44 year olds attaining a third level qualification in 2018, compared to 43% of 45-54 and 31% of the 55-64 year age groups. The 35-44 year age group experienced the greatest increase in third level attainment levels: increasing steadily from 33% in 2006 to

¹ ISCED, the International Standard Classification of Education, classifies tertiary education as levels 5-8; completed secondary education and post-Leaving Certificate courses as levels 3-4; and lower levels, including Junior Certificate as levels 0-2.

54% in 2018 (+21 percentage points). The Irish trend is reflective of wider European trends of increased levels of educational participation and attainment. In 2017, Ireland had the third highest percentage of third level educational attainment among 30-34 year olds at 54%: behind Cyprus (56%) and Lithuania (58%) (Eurostat, 2017).

Amongst the older population age groups, 45-54 and 55-64 years, there has been a rise in second level qualifications (Medium Level 3-4) as the highest form of educational attainment: increasing by 3 and 13 percentage points respectively between the years 2006 and 2018. Conversely for the younger population age groups, 25-34 and 35-44 years, there has been a decrease in second level qualifications, with a decrease of 4 and 3 percentage points respectively between 2006 and 2018.

Across all age groups, low educational qualifications (levels 0-2) have fallen steadily: decreasing from 34% in 2006 to 17% in 2018 (-17 percentage points). The greatest decrease was experienced by the 45-54 and 55-64 years aged groups: falling by 22 and 27 percentage points respectively between 2006 and 2018. Notwithstanding the general decrease overtime, 19.5% of 45-54 and 32.5% of 55-64 year olds had low levels of educational attainment in 2018.

Table One: Highest Education Level Attained by Persons Aged 25-64 years, 2006-2018

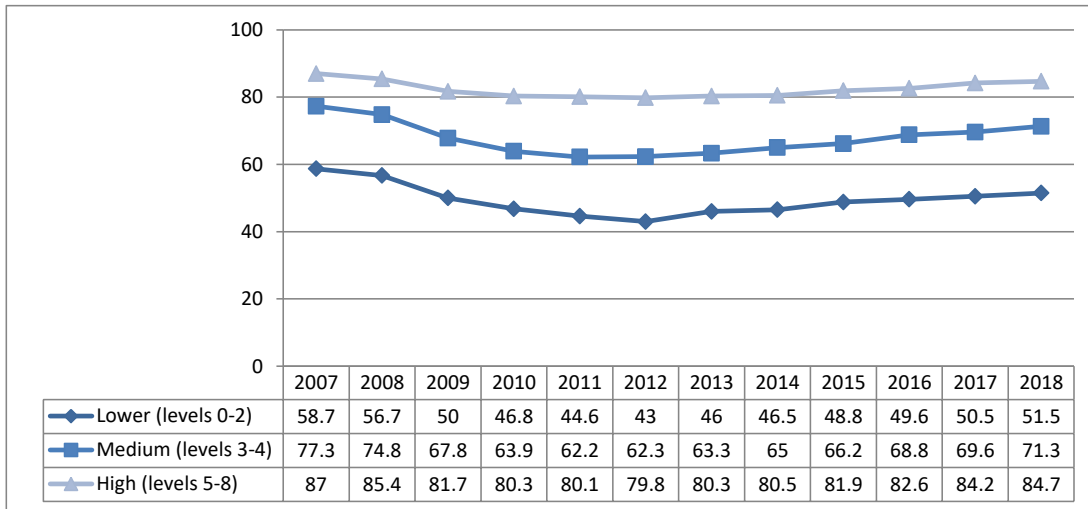
	Low (levels 0-2)				Medium (levels 3-4)				High (levels 5-8)			
	2006	2011	2016	2018	2006	2011	2016	2018	2006	2011	2016	2018
25-34 Years	17.5	14.9	8.1	7.6	40	36.5	37.7	36.3	42.5	48.6	54.3	56.2
35-44 Years	28.4	19.7	12.5	11.2	38.4	35	34.4	35	33.2	45.3	53.2	53.8
45-54 Years	41.5	31.1	22.9	19.5	34.2	36.4	38.1	37.6	24.3	32.5	39	42.9
55-64 Years	59.2	47.3	35.6	32.5	23.6	29	35.3	36.3	17.1	23.7	29.2	31.2
Total (25-64 Years)*	33.7	26.1	18.6	16.8	35.2	34.7	36.3	36.2	33.1	39.2	45.1	46.9

Source: Eurostat (2019a). *Note: Due to rounding percentages presented within these respective years may not add up precisely to 100%.

Educational Attainment and Employment Rates 2007-2018

Figure 1 shows the employment rates by educational attainment level for the 20-64 year olds age group between the years 2007 and 2018. Overall, higher educational attainment levels are linked to higher rates of employment. During the Great Recession (2008-2012), the employment rate for persons with high level qualifications decreased to 80% in 2012: decreasing by 7 percentage points between the years 2007 and 2012. For those with low and medium levels of educational attainment the employment rate was far lower, decreasing by 15 and 16 percentage points respectively during these years. As economic growth resumed, those with third level education qualifications remained more likely to be employed at 85% than those with medium (71%) and low (51.5%) levels of educational attainment in 2018.

Figure 1: Educational Attainment and Employment Rates by Age (20-64 years) 2007 to 2018²

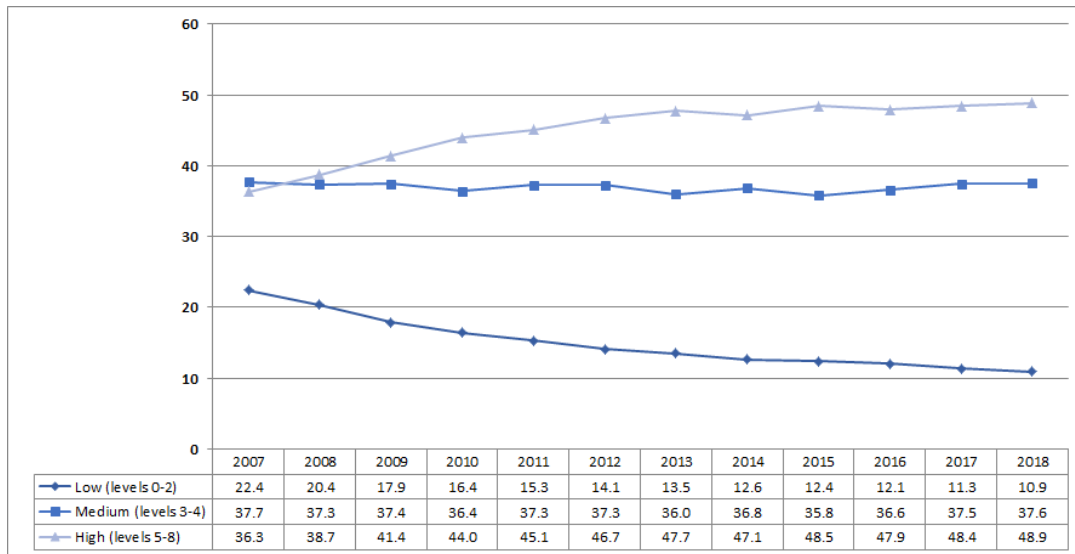


Source: Eurostat (2019b)

Figure 2 shows the level of educational attainment of those employed aged 15-64 years over the last decade. In 2018, almost 50% of individuals aged 15-64 years in employment had high educational attainment, 38% had medium and 11% had low levels of educational attainment. The educational attainment of those in employment has increased significantly overtime, 36% of those in work in 2007 had this level of education, but by 2018, 50% had this level of education (+14 percentage points). The proportion of those employed with medium level qualification has remained almost static at about 36-38% over this period. However, there has been a dramatic fall in the total share of total employment accounted by individuals with low educational attainment – falling steadily from 22% in 2007 to 11% in 2018.

² This indicator is calculated by dividing the number of employed people within the age group 20-64 years having attained a specific level of education by the total population of the same age group and with the same education attainment level. The educational attainment level is coded according to the international standard classification of education (ISCED)

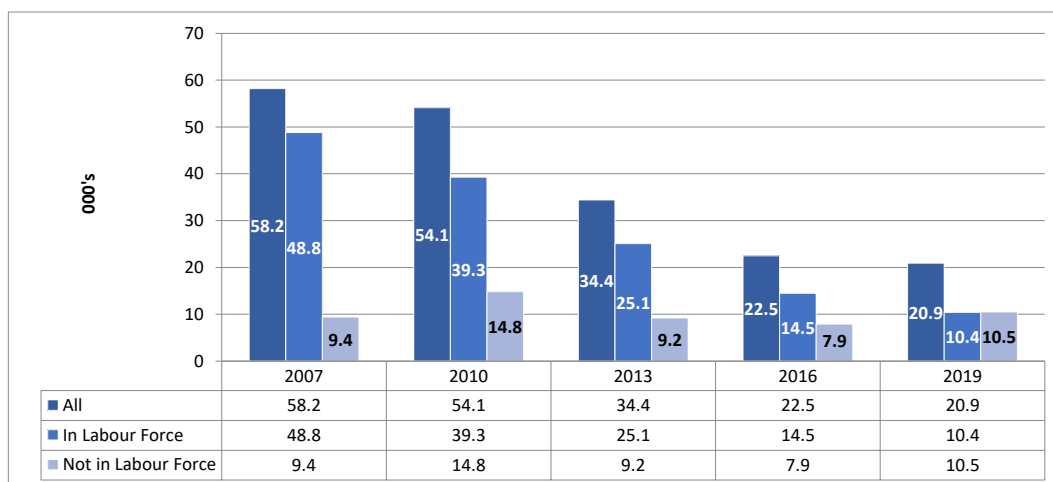
Figure 2: Educational Attainment of those employed aged 15-64 Years, 2007-2018



Source: CSO (2019a)

Figure 3 shows the labour market activity status of Early School Leavers between 2007 and 2019. Early school leavers are defined as persons aged 18-24 years whose highest level of education attained is lower secondary or below and have not received education since (CSO, 2018). Over the last decade, the total number of early school leavers has fallen substantially, decreasing from 58,000 adults in 2007 to 21,000 in 2019 (-37,000). Furthermore, the proportion of early school leavers ‘in the labour force’ has fallen substantially – decreasing from 49,000 in 2007 to 10,000 in 2019. This represented a decrease of 39,000, or 80%, on 2007. However, the share of early school leavers ‘not in the labour force’ changed marginally between 2007 and 2019 – with an increase from 9,000 in 2007 to 15,000 in 2010 before falling again to 10,000 in 2019.

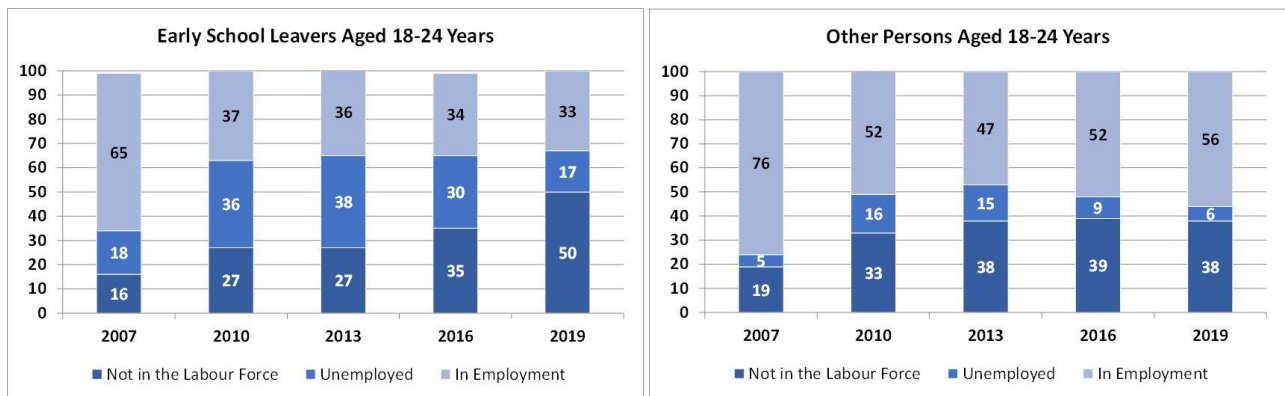
Figure 3: Early School Leavers aged 18-24 years by Labour Market Activity Status, 2007-2019



Source: CSO (2019b)

Figure 4 compares trends in employment and unemployment rates for ‘early school leavers’ and ‘other persons’ aged 18-24 years between the years 2007 and 2019. In 2019, 33% of Early School Leavers were employed and 17% unemployed. The share of early school leavers in employment has fallen significantly: decreasing from 65% in 2007. Furthermore, the share of Early School leavers not in the labour force increased significantly overtime: increasing from 16% in 2007 to 50% in 2019.

Figure 4: Employment Status of Early School Leavers and Others Aged 18-24 Years, 2007-2019



Source: CSO (2019a). Note: Due to rounding percentages presented within these respective years may not add up precisely to 100%.

Conversely, amongst ‘other persons’ aged 18-24 years, 56% were employed and 6% unemployed in 2019. Between the years 2007-2013, employment decreased from 76% to 47% (-29 percentage points) before increasing to 56% in 2019. While unemployment increased during the recession and its aftermath (2007-2013) by 10 percentage points, it has since fallen to 6% in 2019. Furthermore, the proportion of ‘other persons’ not in the labour force has increased over the past decade: increasing from 19% in 2007 to 38% in 2019 (+19 percentage points). This shows that early school leavers are more than twice as likely to be unemployed than other persons aged 18-24 years of age.

References

Central Statistics Office (2019a) *Labour Force Survey Supplementary Tables* [online]

Available at:

<https://www.cso.ie/en/statistics/labourmarket/labourforcesurveytimeseries/>

Central Statistics Office (2019b) *Labour Force Survey*. Dublin: Central Statistics Office.

Central Statistics Office (2018) *Educational Attainment Thematic Report 2018* [Online]

Available at:

<https://cso.ie/en/releasesandpublications/er/eda/educationalattainmentthematicreport2018/>

Eurostat (2019a) *Population by educational attainment level, sex and age* [online]
Available at: <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

Eurostat (2019b) *Employment Rate by educational attainment level* [online] Available at:
https://ec.europa.eu/eurostat/databrowser/view/tepsr_wc120/default/table?lang=en

Eurostat (2017) *Share of population aged 30-34 with tertiary educational attainment, 2017* [Online] Available at: <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/EDN-20190124-1>