CHAPTER 2: BACKGROUND AND OBJECTIVES

2.1 RATIONALE FOR THE PROJECT

In recent decades, European countries have experienced significant growth in the educational qualifications of labour market entrants. At the same time, occupational structures and employment practices have undergone considerable change across Europe. Such changes highlight the necessity of understanding the relationship between the education/training system and labour market changes in different national contexts. In particular, the persistence of youth unemployment in many European countries means that attention should be given to the period of early labour market integration. It is also important that the transition from education to the labour market should be examined in comparative perspective. The diversity of institutional arrangements across EU member states means that we cannot assume that policy interventions will operate in the same way in different contexts. Instead, we need to identify the important dimensions of national education, training and labour market systems in order to formulate effective policy in this regard.

A number of researchers have examined institutional variation in education, training and labour market systems, proposing that the nature of the relationship between these elements is societally specific (see, for example, Maurice et al., 1986). While such work has improved our understanding of the transition process, empirical research has proved rather limited and narrowly focused. Cross-national studies have tended to focus only on two or three countries, running the risk of generalising to very different institutional contexts on the basis of a limited number of ‘core’ European countries (usually Germany, France and/or Britain). Measures of education and labour market outcomes have often obscured very real differences between systems and many crucial dimensions of the transition process have been ignored. The CATEWE project set out to address this deficit by developing a more adequate and comprehensive conceptual framework for examining the relationship between education, training and labour market systems, and applying this framework to a comparative empirical study of recent developments in several European countries (see Hannan et al., 1999).
2.2 BACKGROUND TO THE PROJECT

The project developed out of the experiences of project partners in participating in the European Network on Transitions in Youth. This Network was established in 1992, drawing together researchers who had considerable experience in conducting and analysing national transition surveys as well as researchers who had used Labour Force Survey data to analyse the relationship between educational and labour market outcomes. Participation in the Network increased awareness of national differences in transition processes as well as of the kind of information available to study transitions and stimulated a number of small (usually two-country) comparative studies. It quickly became clear that it was necessary to expand the range of countries considered in order to capture the most important dimensions of institutional variation.

Discussions around this topic led to the preparation of a paper for the OECD, which was then preparing a Thematic Review of the Transition from Initial Education to Working Life, outlining a preliminary framework for analysing institutional differences in school to work transitions (Hannan, Raffe, Smyth, 1997), and to the formulation of a research project funded under the Leonardo project. This project drew on national transition surveys to focus on the experience of 'lower level leavers' (those leaving school without upper secondary certification) in four countries: France, Ireland, the Netherlands and Scotland (see Hannan, Smyth et al., 1998). The experience of attempting to develop an integrated cross-national database highlighted the potential, as well as the difficulties, involved in such an exercise. It also became clear that an adequate analysis of institutional diversity would need to take account of a broader range of national systems. As a result, the CATEWE project aimed to draw on two complementary sources of data: the Eurostat Labour Force Survey and national school leavers' surveys.

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1 Proceedings of the European Network on Transitions in Youth annual workshops have been published in CEDEFOP (1994), ESRI, Combat Poverty Agency (1998), Raffe et al. (1999), and Hammer (2000).
2.3 PROJECT OBJECTIVES

The original objectives of the project were:

1. To develop a more adequate and comprehensive conceptual framework, drawing on existing research and new analyses, of:
   - the nature of national systems of initial education and vocational training in European societies, with particular reference to their degree of differentiation and standardisation as well as to the relationship between general and vocational education in each system;
   - the factors and processes affecting variation in the full range of education/training outcomes by different groups of young people in each system;
   - the processes of transition from initial education/training to work, the main outcomes of such transitions and pathways, and the main factors affecting success and failure in such transitions in each system;
   - the impact of national institutional differences on education/training outcomes and transition processes among young people.

2. Using this conceptual framework, to construct an integrated cross-national data set using national school leavers' surveys for France, Ireland, the Netherlands and Scotland (UK), countries with widely varying education/training systems and labour market structures. Strenuous efforts were to be made to incorporate other countries who had conducted, or were planning to conduct, school leavers' surveys.

3. To analyse education to work transitions across all European countries using the Labour Force Surveys, placing the four country analysis of school leaver transitions (2) in the context of the wider European context.

4. Using these comprehensive datasets,
   - To test and refine the conceptual framework (1) and associated hypotheses; and to develop a more adequate and comprehensive framework to study school to work transitions across all European countries;
• To explore national similarities and differences in ET systems and their outcomes, at an aggregate level and for different groups of young people; and the way in which national differences in these respects are influenced by institutional factors;

• To identify the main factors influencing success or failure in ET outcomes and labour market integration in each system; and attempt to explain similarities and differences in these patterns across the different national systems.

5. To develop proposals to harmonise existing school leavers' surveys in the participating countries; and encourage the extension of comparative transition surveys to other European countries currently planning surveys of school leavers.

It was intended that analyses should be framed in terms of five key research questions:

• What is the nature and extent of similarities and differences in education/training systems within the EU countries studied, and in the associated type and level of education and training achieved by educational system leavers entering the labour market?

• What is the relationship between differences in education/training outcomes and the social background characteristics of system leavers (in terms of gender, social class and ethnic origin)? And do such differences vary systematically across national systems?

• How do transition processes vary systematically across countries (in terms of their length, complexity etc.)? And to what extent are these differences related to differences in education, training and labour market structures?

• What is the nature and extent of the relationship between level and type of educational achievements among system leavers and (the success of) their transition processes and outcomes? How do these relationships vary by type of system?

• What is the relationship between social background characteristics and labour market outcomes? To what extent is this relationship mediated by education, and does this vary by type of system?
The following section outlines how these objectives were met, and research questions addressed, during the course of the project. However, the objectives themselves became subject to review and development over the course of the project. Firstly, it became clear that, at least in terms of national transition survey data, information was available only on a limited range of European countries. As a result, an attempt was made to broaden the scope of countries included. Information from a Swedish cohort study was incorporated into the school leavers' database(s) and links were forged with two countries (Belgium (Flanders) and Portugal) who were initiating transition surveys. Furthermore, analyses of the Labour Force Survey data indicated the distinctive character of institutional and market systems in Southern Europe. For this reason, analyses of microdata for Italy and Spain were conducted in order to further explore the source of such variation. Secondly, the construction of an integrated database using school leavers' survey data revealed the rich potential of this data source. As a result, four separate integrated datasets were constructed, allowing us to examine cross-national differences at one point in time, over the 1980s and 1990s, and five years after leaving school. Further details on the development of the project are presented in the remainder of the report.