

**Policy Brief**  
February 2011**New evidence in the case for improving the quality  
of secondary school learning outcomes**

A recent paper, based on new household survey data, finds that pre-final year completion rates in South African secondary schools compare well with other countries in a similar economic position, and they show a steady improvement between 2003 and 2009. In spite of this, the final year (Grade 12 or 'Matric') completion rate of 40% remains low by international standards, and it has not changed much since 2003.

Even those learners who do pass Matric may struggle to find formal employment without further education, whilst access to such tertiary education is hampered by a general lack of core skills.

This holds important implications for education policy. Simply increasing enrolment numbers will not guarantee that learners are equipped with the necessary skills to meet labour market demands. A continued focus on quality educational outcomes is required, and policymakers should avoid being seduced by headline-grabbing high enrolment numbers at the expense of quality improvements.

This brief summarises the key findings based on analyses of recent household survey data, and suggests some policy implications as far as improving quality educational outcomes is concerned.

*These findings are taken from a recent working paper by Martin Gustafsson, analysing data trends from recent household survey data and their relation to a range of high-level policy options. The original version of the paper can be found at <http://www.ekon.sun.ac.za/wpapers/2011>*

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**POLICY ISSUES**

There is a wide and active debate about the best way to tackle youth unemployment and over the selection of appropriate policy instruments. Education policy reform is one part of a broad range of available measures in this field. Yet it is a particularly important one, given the co-existence of high youth unemployment with a skills gap in the labour market.

Attempts to fix the structural and expenditure deficits in the wake of Apartheid meant that there hasn't always been a sufficient focus on learning outcomes. This has changed, and the existing policy indeed emphasises the importance of improving the quality of educational outcomes across the board. This high-level strategy is supported by international evidence indicating a positive link between the quality of schooling and a country's economic growth prospects.

In spite of this renewed high-level focus, there is still considerable disagreement around specific policy directions and the basic facts about secondary schooling.

**THE RESEARCH QUESTIONS**

Formulating definite policies is made difficult both by insufficient data, and the resultant inability to predict the effectiveness of one policy over another. The aim of Gustafsson's paper is to analyse trends in the latest household survey data to help policymakers identify priorities when it comes to formulating education policy.

Although the paper has a wider policy remit, we will focus here on the research questions specifically relating to the reasons for - and the impact of - improving the quality of education:

- What is the current level of Matric enrolment and attainment?
- Do learners who pass Matric benefit from improved academic skills?
- Does passing Matric improve future employment prospects?
- Which external factors affect dropout- and completion rates?
- How does South Africa perform in an international context?

## KEY FINDINGS

### 1. Enrolment

Around 30% of youths (people aged 15 to 35) are enrolled in education institutions, whilst 39% of youths are economically active. The remaining 31% (5.7 million youths) are neither working nor studying. Around 60% of youths are over-aged relative to the norm for their grade, although this represents an improvement over recent years. The decrease in the proportion of over-aged learners has mainly been due to reduced grade repetition, although this phenomenon has sent larger numbers of slightly better qualified learners into an already oversupplied labour market.

Recent patterns show that enrolment peaks in Grade 8 (caused by high repetition levels as pupils struggle to adjust to secondary school), and Grade 10 (where high repetition levels occur as pupils face the grade 10-12 curriculum).

### 2. Attainment

Around 40% of youths manage to complete Matric. This number has not really changed since 2003. In contrast, there has been an improvement in the number of learners who complete pre-Matric grades between 2003 and 2009.

Gustafsson completed a simulation based on the 2009 Senior Certificate examinations, which shows that a high number of learners who failed Matric would probably have passed if their non-language subject choices were different. Although policy should obviously be aimed at improving teaching and performance in all subjects, this finding highlights that a concurrent policy measure could be aimed at better pre-Grade 12 assessments to help learners make better subject choices.

Since there are no standardised external exams other than Matric, some 60% of learners (who drop out prior to their final year, or who fail their Matric exams) leave the school system with no formally recognised qualification.

### 3. Measuring standards

The NIDS 2008 dataset included a voluntary, short Mathematics test consisting of 15 multiple-choice questions, each with four options. Performance amongst secondary school learners was poor, with Grade 12 learners getting on average 5 of the 15 questions correct. This is only marginally better than what would be achieved through random guessing

Analysis of the test results indicates that in addition to having a poor grasp of mathematical concepts, learners lacked certain basic test-taking skills.

Learners in more advanced grades fared only slightly better in the test and grade-on-grade improvements appeared below what they should be. This trend is repeated when looking exclusively at those who performed well in the test - i.e. a higher school grade does not significantly improve test performance, even for the brightest of test takers.

## 4. Employment prospects

The relationship between educational attainment and employment status is not straightforward. Learners who have passed Matric do not seem to have a better chance of being employed in the formal sector than those who don't have Matric. Around 1.1 million youths with Matric are unemployed and actively seeking work. Conversely a significant number (also 1.1 million) of youths in formal employment never completed Grade 12 successfully.

Around half of youths who have been actively looking for work have been doing so for more than a year. This helps explain why almost half of unemployed youths have given up looking.

Learners who pass grade 12 do increase their likelihood of *earning* more once they manage to find a job, and completing additional post-school education significantly increases this earning capacity. In terms of curriculum, it seems that English writing skills and computer literacy are particularly important factors affecting earnings potential, much more so than mathematical ability.

## 5. Factors impacting attainment and performance

Dropout rates increase across the various grades, from 1%, 2% and 3% respectively for Grades 5, 6 and 7 to 9%, 12% and 13% for Grades 9, 10 and 11. Two major factors driving learners to drop out are pregnancy and financial constraints.

One major concern is that lack of books is consistently cited as a major problem, over and above unaffordable school fees, poor school infrastructure and low quality teaching. It seems that perceived financial constraints are often a direct result of the inability to buy the required academic books.

Learner absenteeism is another worrying trend. Around 8% of learners are absent from school in any given week, with absentees spending an average 2 days a week away from school.

## 6. South African statistics in a global context

South Africa fares better than seven comparator countries as far as attainment up to Grade 11 is concerned, but the Grade 12 South African completion rate is quite low in comparison.

Increasing the percentage of youths who obtain the Matric from 40% to 50% will put South Africa on par with countries such as Thailand. Still, it should be noted that an overly ambitious target is not necessarily desirable, especially if the cost of an improved completion rate is deterioration in the quality of learning outcomes. In fact, even rich countries do not achieve 100% secondary school completion rates. For instance, recent figures for the United States, United Kingdom and Japan are 77%, 87% and 93% respectively.

When it comes to post-school education, South Africa's enrolment is amongst the lowest in the world. Fewer than 10% of youths benefit from at least 15 years of education (the equivalent to school plus a three-year university programme). Cross-country comparisons suggest that this is at least 30% below what it should be for a middle-income country, which translates in a shortfall of about 300,000 students. This goes a long way towards explaining the much-discussed labour market skills gap.

## DATA ISSUES

With regard to Grade 12 enrolment there is an anomaly, which seems difficult to explain. Household datasets consistently indicate a Grade 12 enrolment level that is around 17% higher than what official enrolment statistics (based on schools surveys) indicate, even after weighting issues in the household data have been dealt with. This translates into a difference of around 100,000 learners. In this paper it was assumed that the official enrolment statistics were more reliable, yet this matter deserves further interrogation as more data become available in future.

Whilst the patterns revealed by the NIDS mathematics test results should inform the policy debates, the limited size of the sample and the limited nature of the test itself should caution against reading too much into the results in isolation from other evidence on the quality of learning in schools.

## POLICY IMPLICATIONS

### ▪ Continued focus on educational outcomes

To a large extent, the findings add weight to the existing prominence given to improving the quality of educational outcomes. Grade-on-grade academic improvements at secondary level are below those found in similar countries, which confirms the need to improve the quality of learning and teaching across all secondary grades.

### ▪ Improved access to learning resources

One way to achieve better outcomes would be to improve access to learning materials, since households cite lack of books as their main challenge. This supports the existing policy shift aimed at addressing this problem.

### ▪ Focus on core skills

Proficiency in reading and writing English, along with computer literacy are shown to be vital determinants of employment and earnings prospects. Policies should ensure that learners are sufficiently equipped in this regard.

### ▪ Increase learning time

Only about half of learner absenteeism is attributable to poor health, with a further 10% caused by a lack of money. This indicates that there is considerable scope for increasing learning time in schools through, for instance, advocacy campaigns aimed at parents that emphasise the importance- and benefits of secondary school education.

### ▪ Enrolment vs. performance

The analysis shows that secondary level enrolment in South Africa is already high by international standards, with marked improvements between 2003 and 2009. But when it comes to the number of learners passing Matric, the country does not perform well.

Many learners reach the Grade 12 insufficiently prepared for their final exam. A key and immediate objective should be to increase the completion rate for those learners who do in fact reach grade 12. This does not imply that increasing Grade 12 enrolment should be ignored. It should remain as a (secondary) long-term goal. But in the medium term, the focus should be on improving the quality of educational outcomes, both in terms of the completion rate, and in terms of the quality of skills and knowledge learners gain in the process.

The net effect would be to equip learners and improve their chances of entering tertiary education. This is desirable at individual level, since further education improves employment prospects and earnings potential. But it will also be beneficial at national level, because an increase in secondary- and tertiary graduates has been shown to improve a country's economic growth potential in the long run.

## FURTHER QUESTIONS

Comments and questions can be directed to the author of the paper at [mgustafsson@sun.ac.za](mailto:mgustafsson@sun.ac.za).