

Trends in the Youth Labour Market

Background and context

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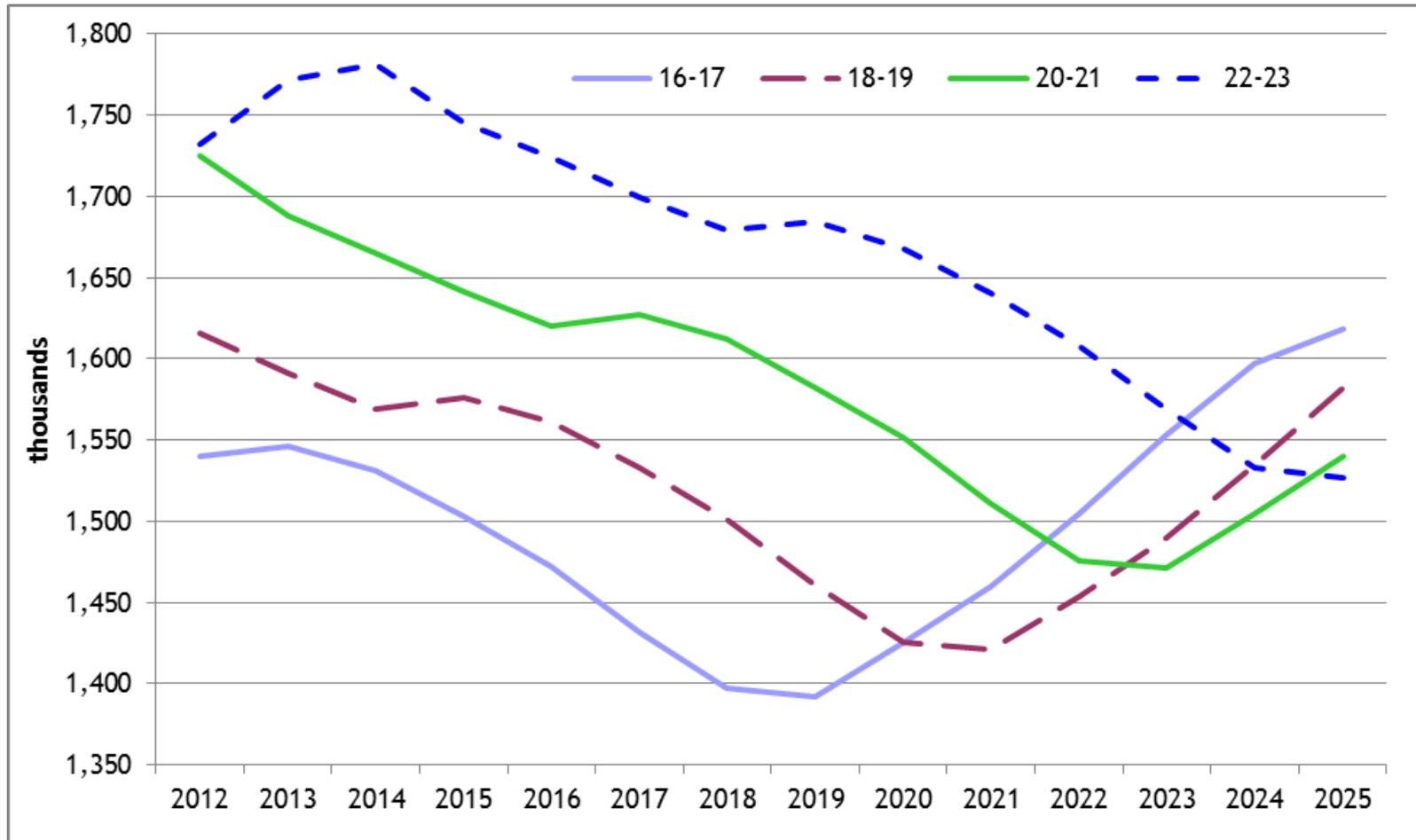
Topics

- Demographic trends
- Qualifications
- Destinations of school leavers:
 - flows into apprenticeships
 - flows into higher education
 - NEETS
- Young people in employment

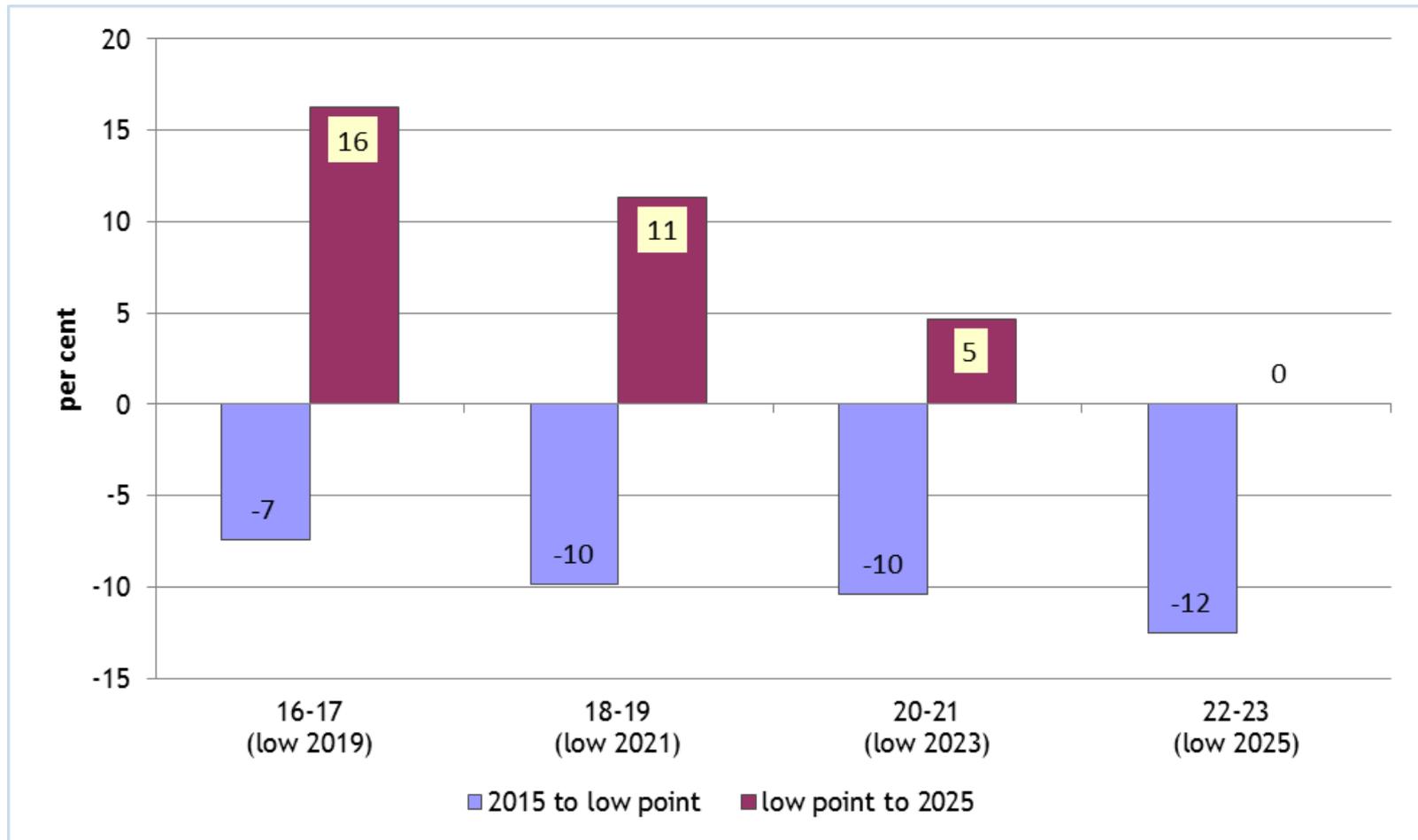
Demographic trends

- Birth rate trends around turn of the century will cause a '*demographic dip*'
- Before 2001, the birth rate for women in their 20s was falling faster than the rate for women in their 30s was rising
- From 2001, this pattern reversed
- This '*dip*' will start working through the school-leaver population from 2018

Context: falling numbers of young people (UK)



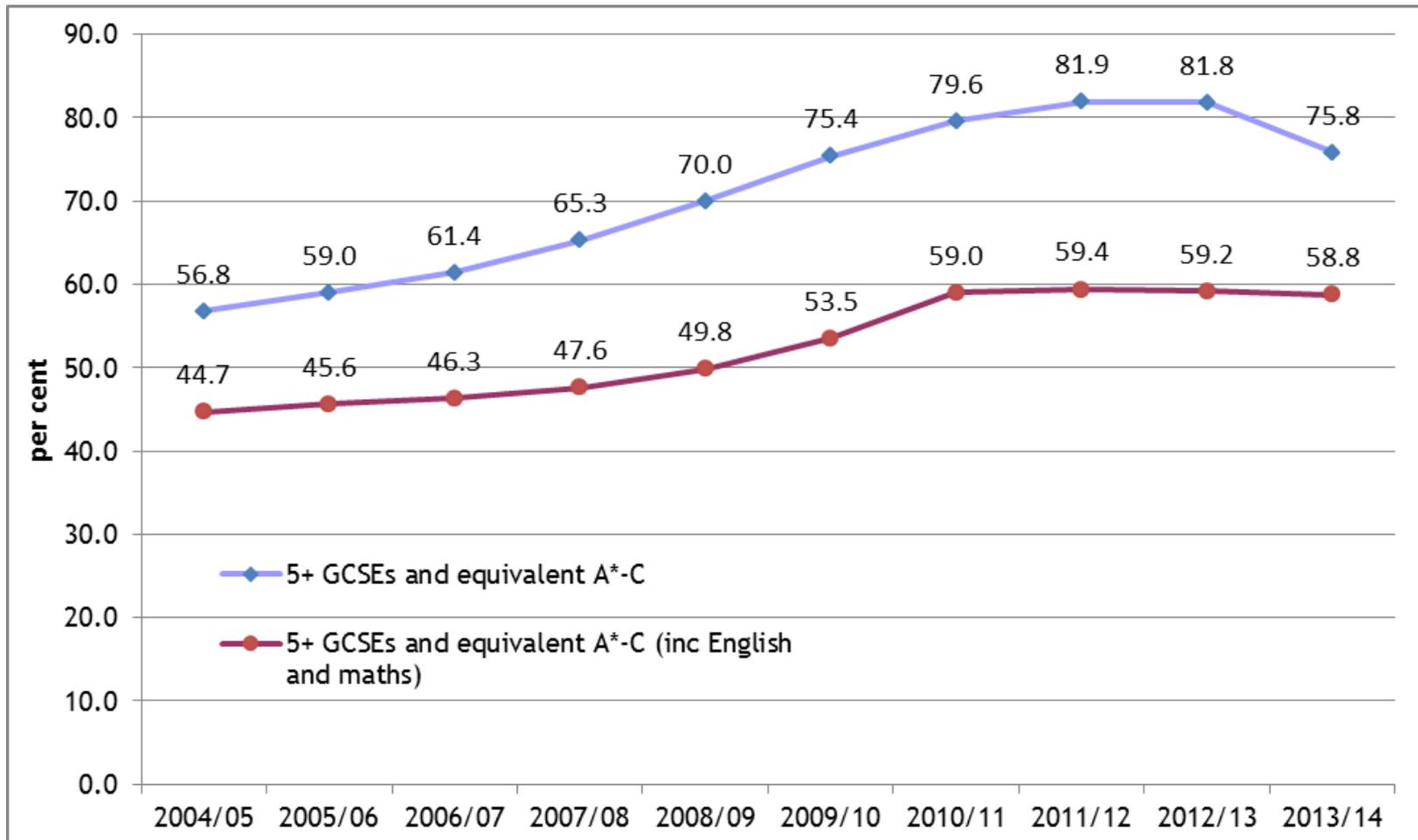
Context: change between now and bottom of the 'dip' (UK)



Qualifications at 16/Key Stage 4

- Increasing proportions of pupils achieving 5+ GCSEs at grades A*-C up to 2011/12
- Evidence of ‘plateauing’ of performance in 2012/13
- Unfortunately, reforms to the way the statistics are produced means 2013/14 data are not comparable with earlier years

GCSE results (England)



Qualifications at 19: A-levels and vocational qualifications

- Average A-level performance has been relatively stable for the past four years
- But proportions achieving 3 A*-A grades has fallen since 2010/11
- After a sharp fall in 2011/12, vocational scores have risen steadily
- Drop in 2011/12 could be due to shifts to different subjects, or towards qualifications with different grading structures

A-level/vocational results (England)

Average point scores

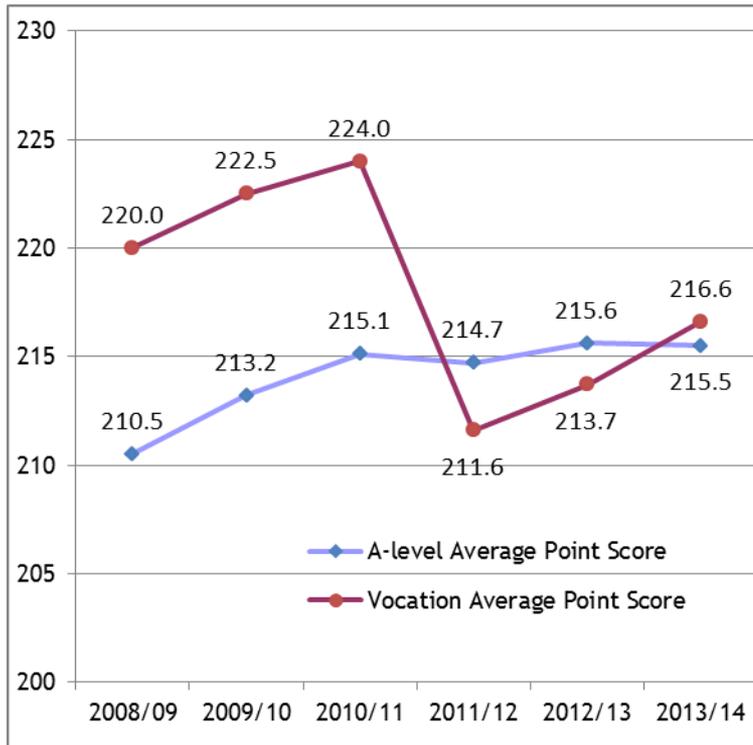
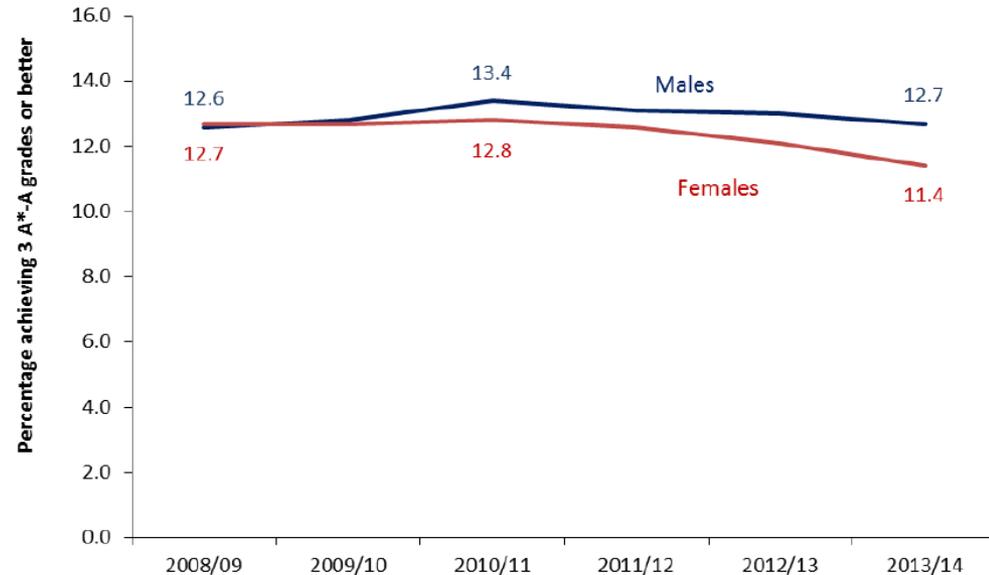


Figure 3: Percentage of students achieving 3 A*-A grades or better at A level or applied single/double award A level (Table 1b).

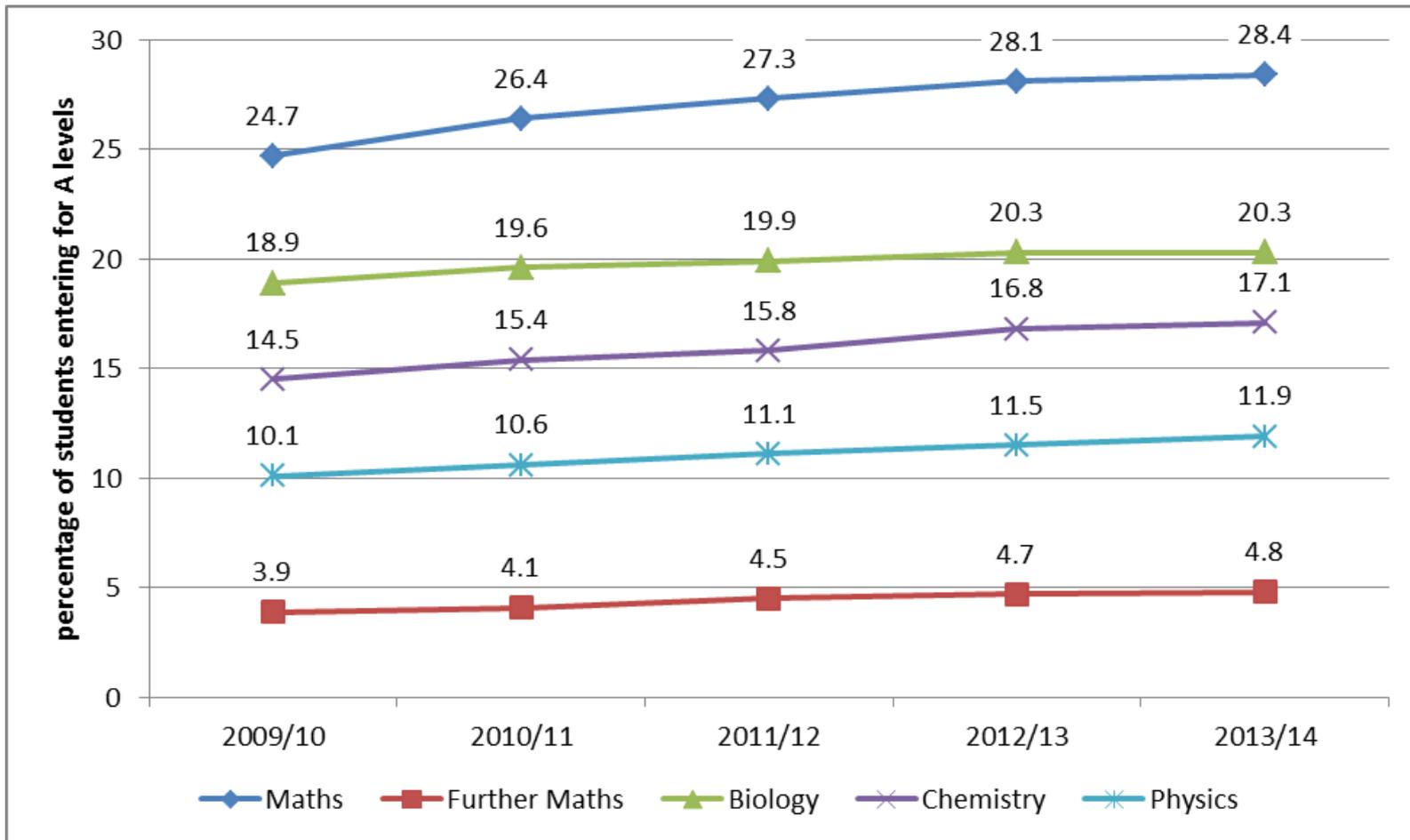
Drop in females achieving 3 A*-A grades



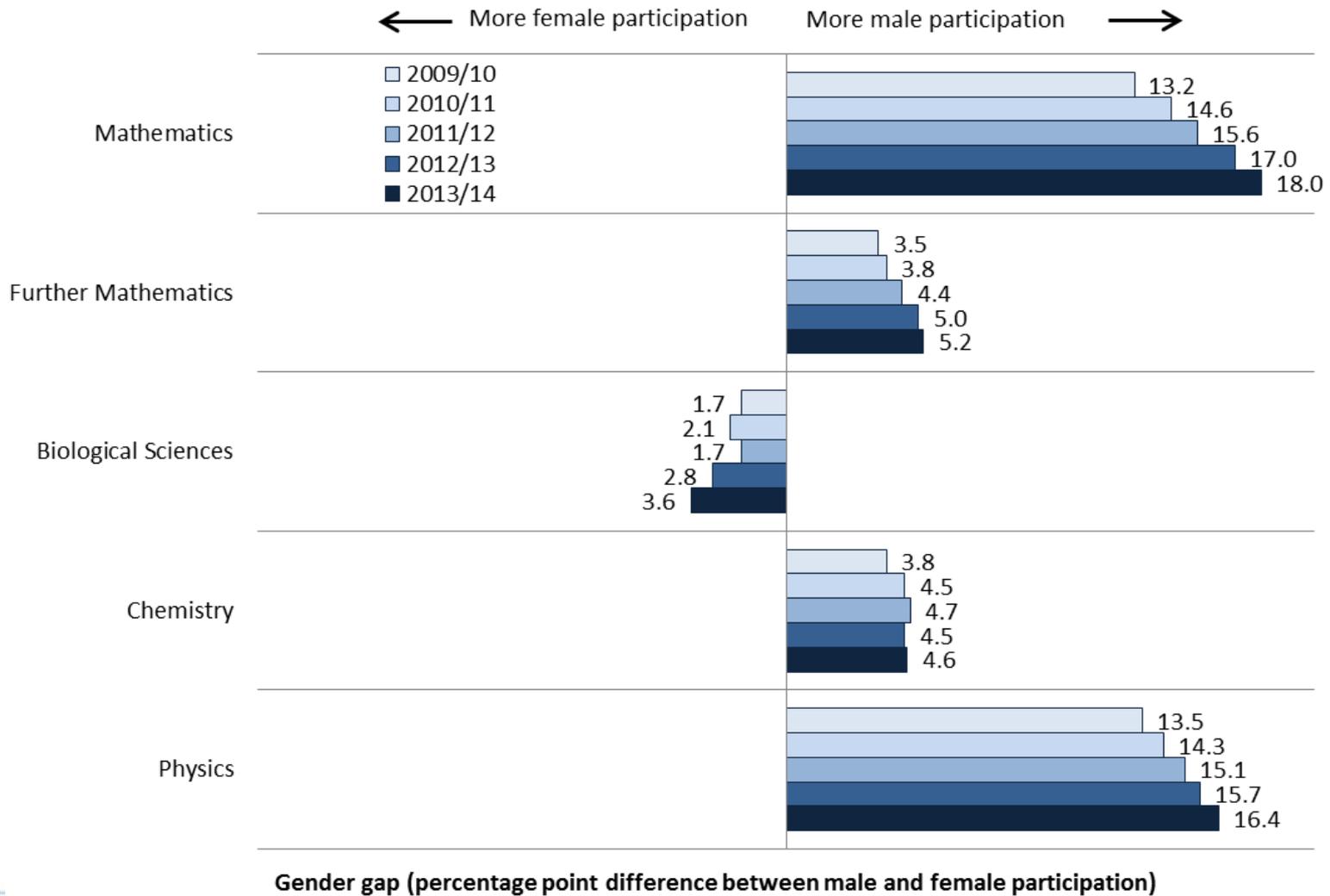
STEM subjects

- Proportion of students taking maths and science A-levels has been increasing
- Maths has now overtaken English as the most popular A-level subject
- But gender gap in maths and science A-level participation has been increasing:
 - 38% of men took maths compared with 20% of women
 - 21% of men took physics compared with 5% of women
 - 22% of women took biology compared with 18% of men

STEM subjects take-up increasing (England)



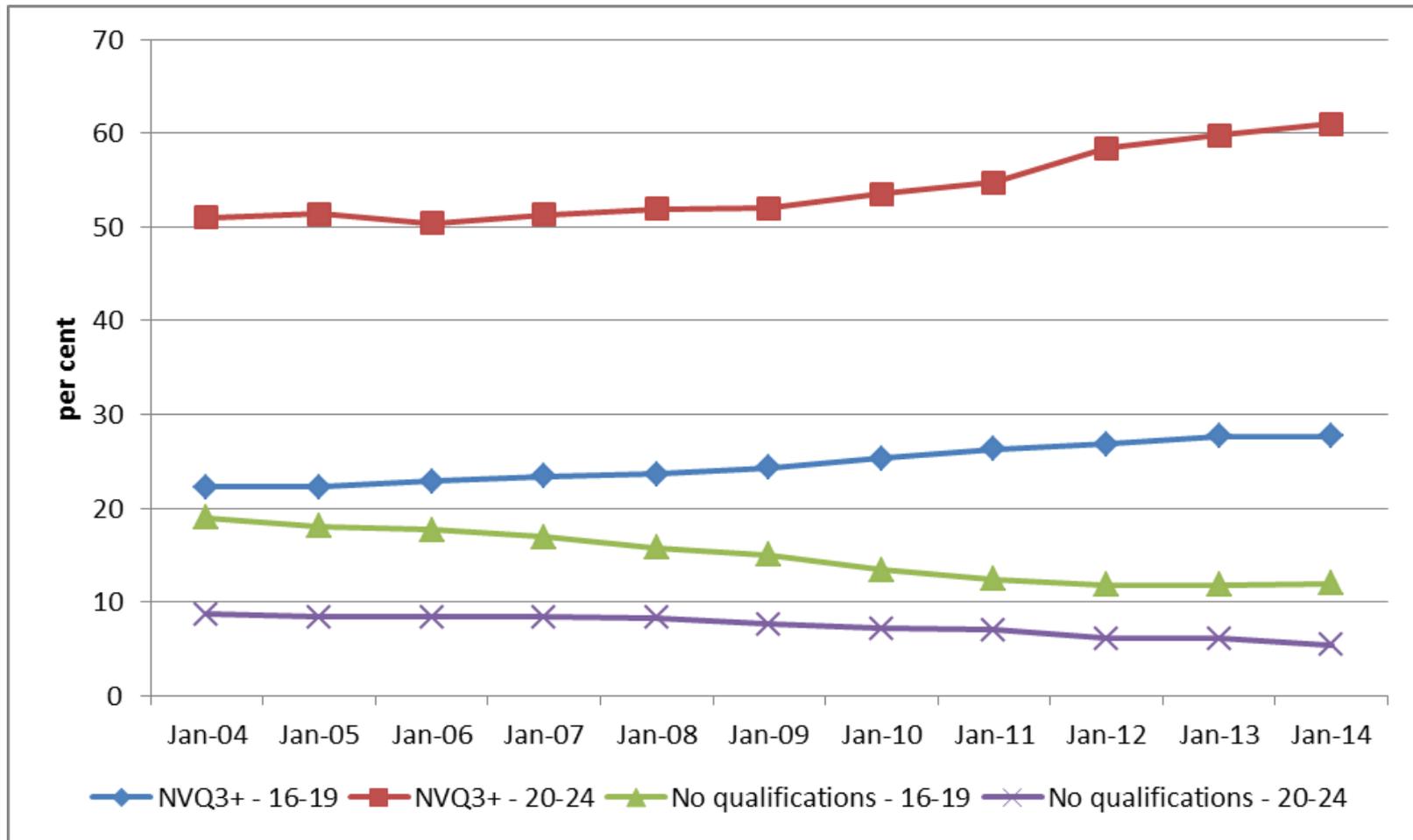
STEM subjects gender gap Increasing (England)



Qualification levels of young people

- Qualification levels among all young people have been increasing over the last decade
- The proportion of 16-19 year olds with NVQ3 (2 A-level passes) or higher has risen from 22% to 28%
- The proportion of 20-24 year olds with NVQ3+ has risen from 51% to 61%
- The proportions with no qualifications have fallen steadily - only 12% of 16-19s and 5% of 20-24s have no qualifications

Qualification levels of young people (UK)



The changing qualifications landscape

	NQF pre-2004	NQF	QCF		
Level 8	Level 5	Doctorate/NVQ5	University		
Level 7		Masters/Postgrad Cert/NVQ5	University		
Level 6	Level 4	Degree/NVQ4	University		
Level 5		HND/Higher diploma/NVQ4	University Degree BA, BSc	Foundation Degree FdA, FdSC	HND
Level 4		Cert of HE/NVQ4		HNC	
Level 3	Level 3	AS and A level NVQ3	A-Level A2 AS	L3 Extended Diploma (National Diploma)	L3 Diploma (National Certificate)
Level 2	Level 2	GCSE (A*-C)/ NVQ2	GCSE Grades A-C	L2 Diploma (1 st Diploma)	
Level 1	Level 1	GCSE (D-G)/NVQ1	GCSE Grades D-G	L1 Diploma (Foundation)	
Entry Level 3			Key Stage 3	E3 Diploma (Foundation)	
			School/6 th Form	FE College	

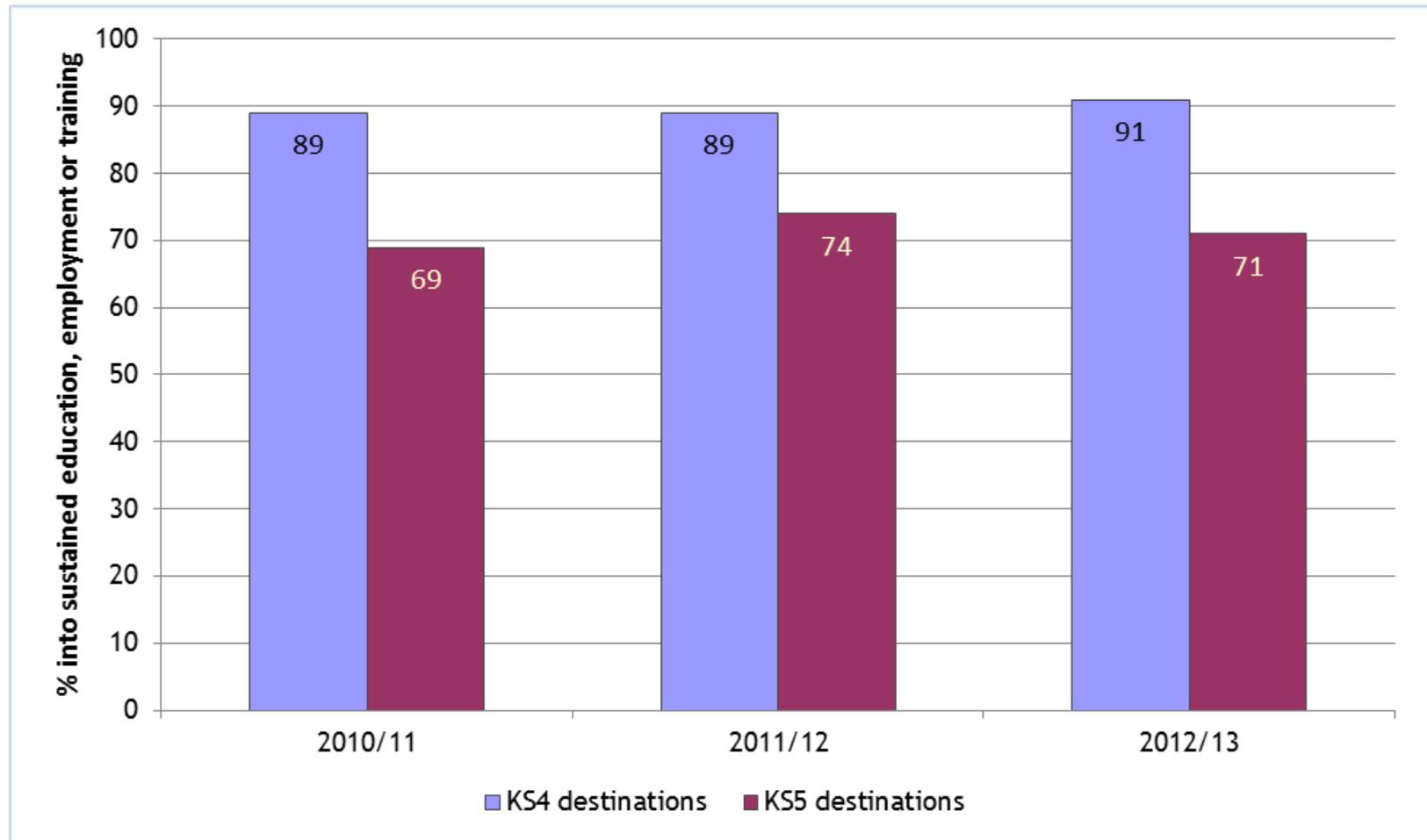
Destinations of 16 year olds

- Nine out of ten 16 year olds who left state funded schools in 2012/13 stayed on in education or training:
 - there has been a small increase since 2011/12, which may reflect the introduction of raising the participation age
 - school sixth form is most common destination, followed by FE college, and Sixth form college
- Five per cent went into an apprenticeship - this has been stable over the last three years
- The proportion not sustaining a destination for the first two terms and spending time Not In Education, Employment or Training (NEET) has fallen slightly

Destinations of 18 year olds

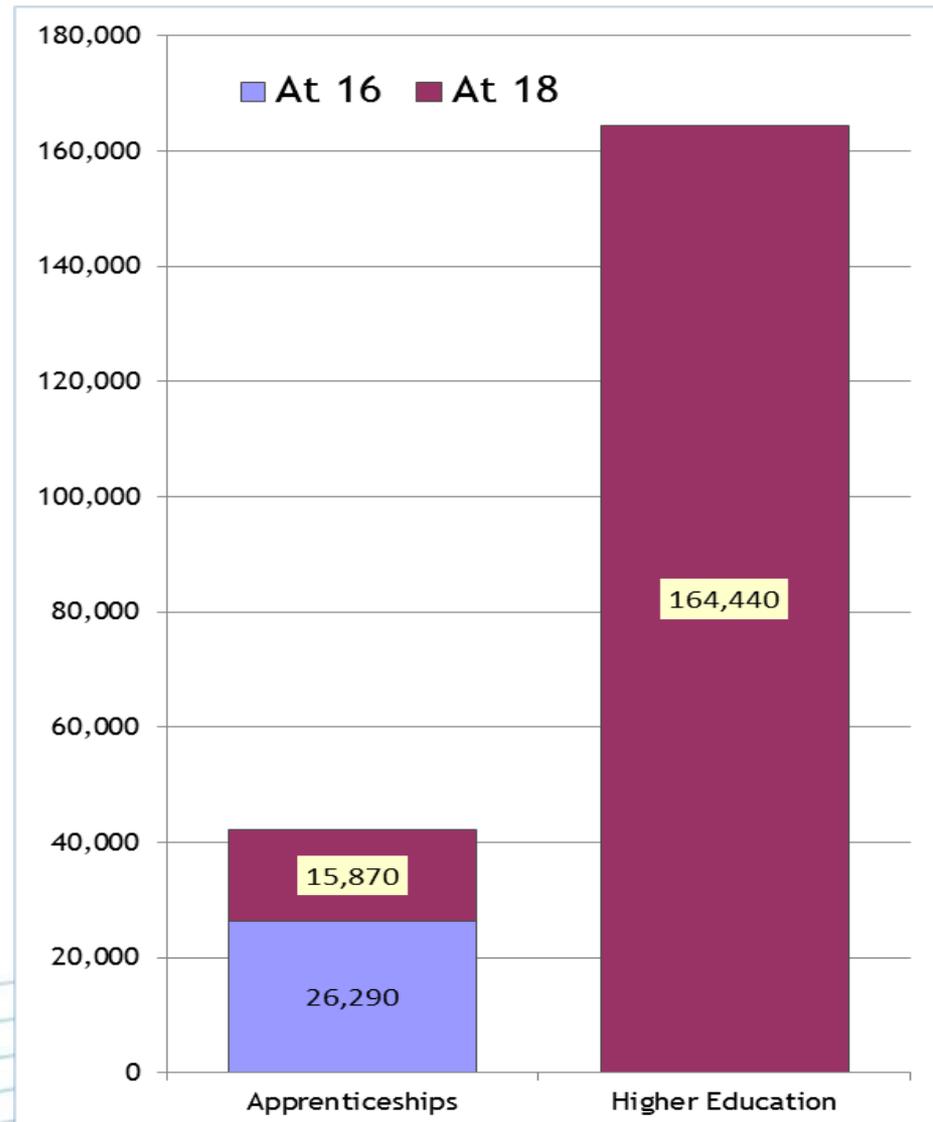
- Seven out of ten 18 year olds who left state funded schools/colleges in 2012/13 stayed on in education or training:
 - just under half went into HE, same as two years earlier
 - proportions entering Top Third and Russell Group universities has increased
- Five per cent went into an apprenticeship - this has increased steadily over the last three years
- Eight per cent went into employment, with or without training
- Twelve per cent did not sustain a destination or were NEET, while data were missing for 17%

Destinations of 16 and 18 year old leavers (England)



Destinations from school/college: apprenticeships vs HE

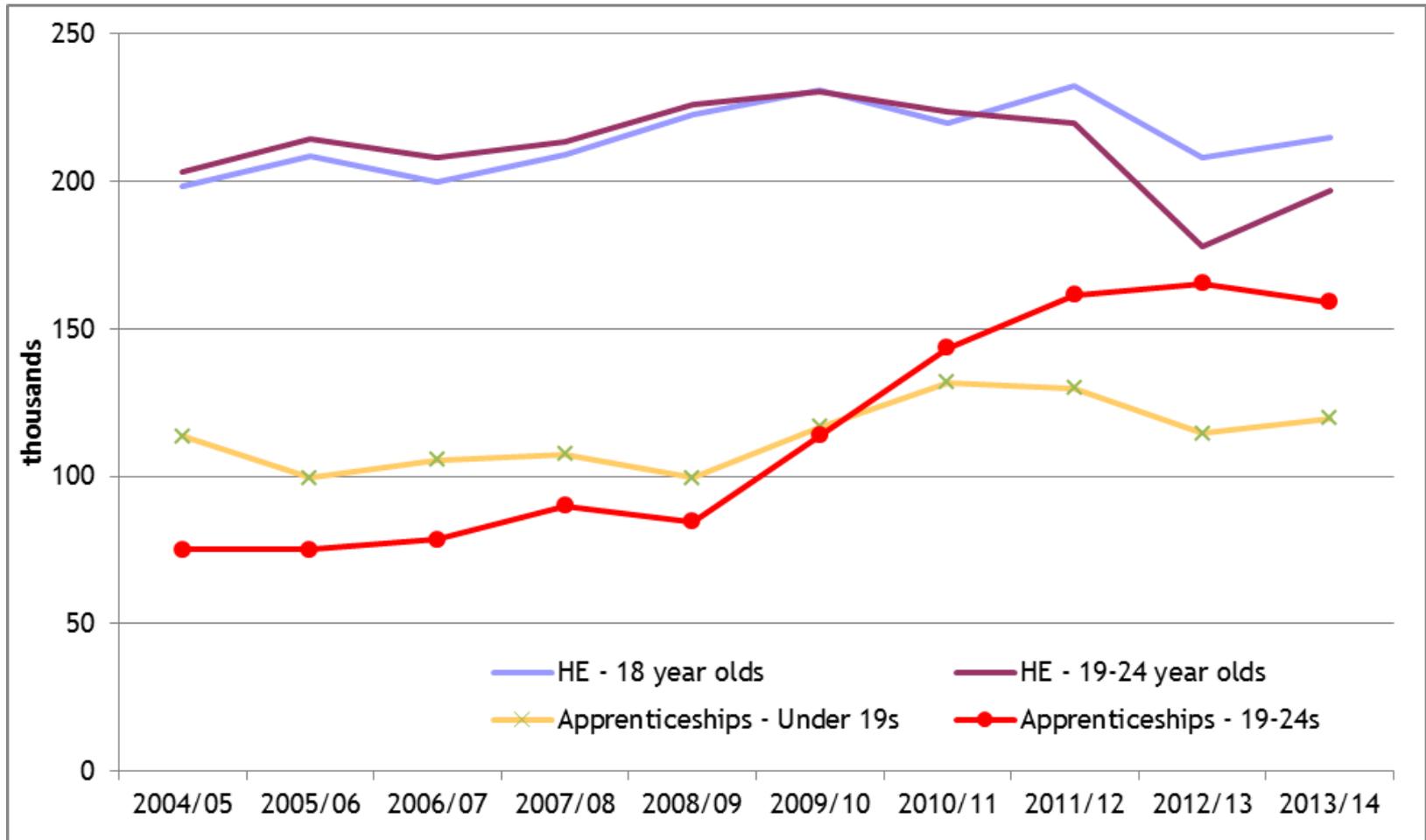
- In 2012/13, around 42 thousand young people entered apprenticeships:
 - entrants at 16 outnumbered entrants at 18
- There were four times as many entrants to HE, at 164 thousand



Destinations: 2

- Destinations are more fluid as time moves on from the end of Year 11/Sixth form
- Young people may enter apprenticeships or HE after gaining more/different qualifications, or after periods of employment or NEET
- Among those under 19, entrants to HE have outnumbered apprenticeship starts by around 100,000
- Among 19-24 year olds, apprenticeship starts have increased recently, and nearly equalled HE entrants in 2012/13

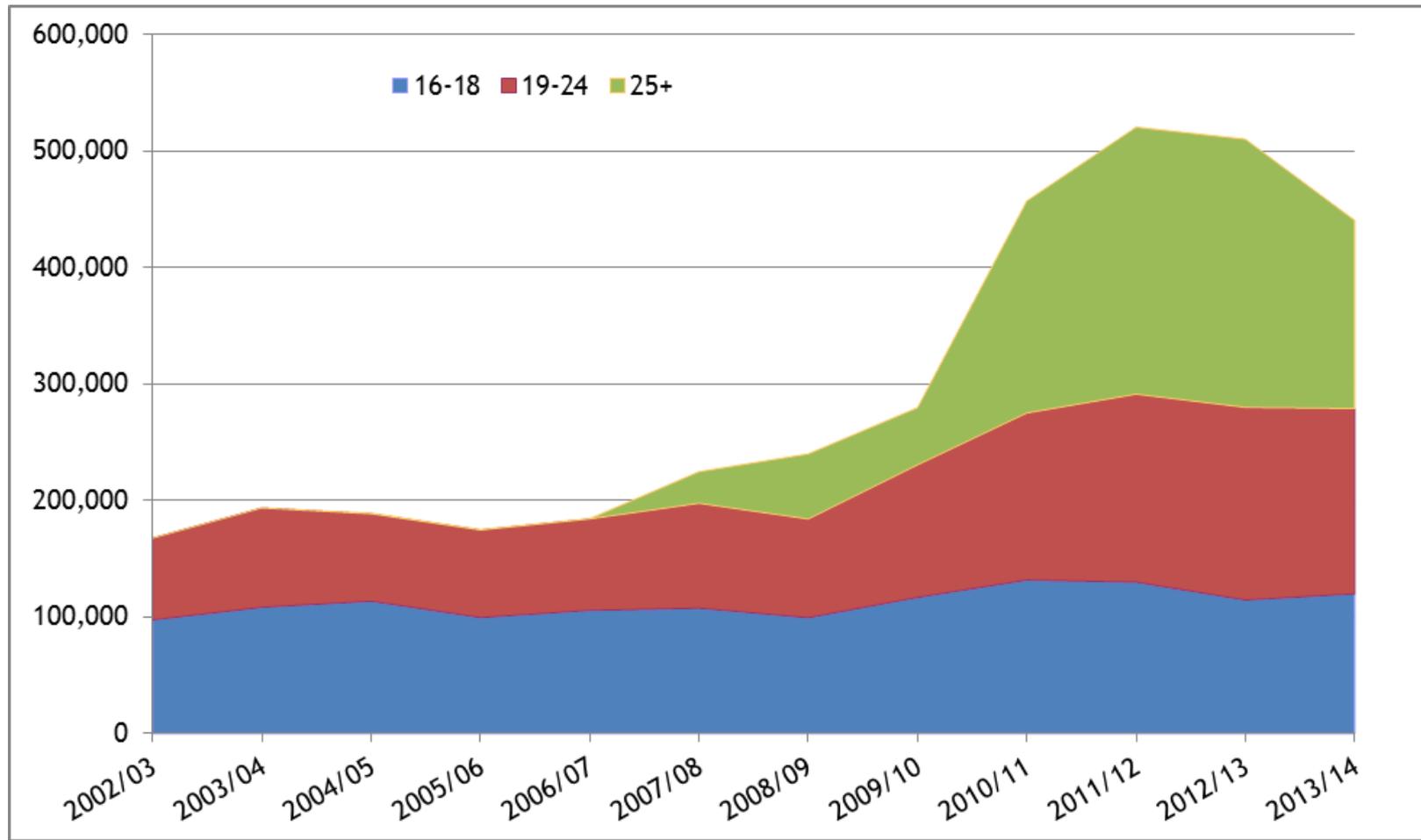
Apprenticeship starts (England) vs HE entrants (UK)



Apprenticeships trends

- There has been an increase in the number of apprenticeships:
 - numbers aged 16-24 have risen steadily
 - number of adult apprentices has risen dramatically, but also tailed off somewhat in the last year, mainly among Level 3 apprenticeships
- Total numbers have increased by 80% since 2008/09:
 - numbers in health, public services and care have trebled, from 35,000 to 109,000
 - numbers in business, administration and law have doubled, from 64,000 to 126,000

Number of apprentice starts by year and age (England)



Spotlight on gender and ethnicity

2011/12

Female Apprentices

- 50/50 gender split
- Women make up more than 90% of starts in childcare, hairdressing and teaching support...
- ...but fewer than 5% of starts in construction, engineering, electro-technical and vehicle maintenance

BME Apprentices

- 10% BME, up from 7% in 2007/08
- Over-representations of minority ethnic starts in health/care, childcare, IT, and exercise and fitness
- Under-representations in engineering, electro-technical, construction and hairdressing

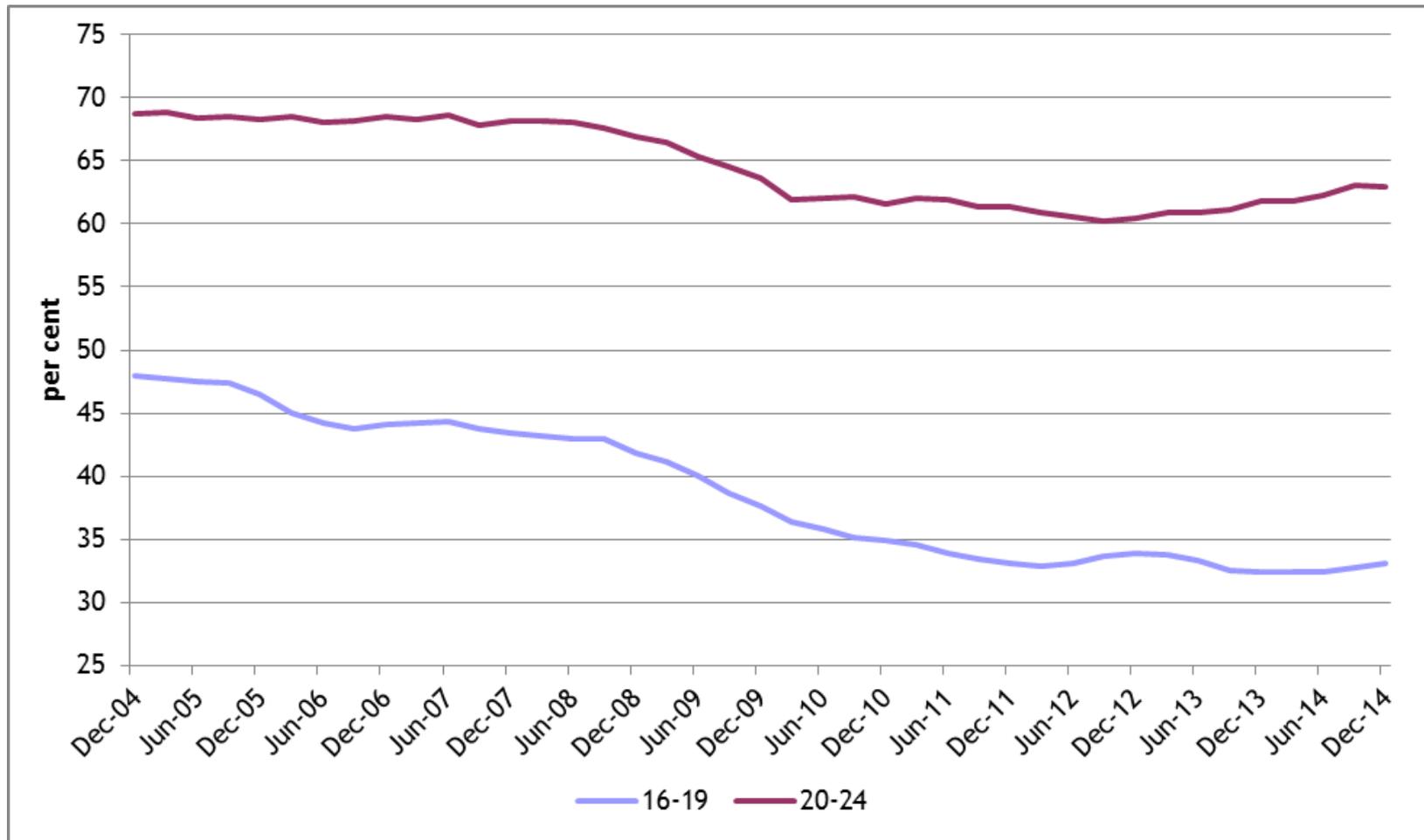
HE entrants

- Introduction of £9k fees had an impact, boosting entrants in 2011/12, and depressing numbers in 2012/13
- However, numbers bounced back a bit in 2013/14, although are still below average over last five years
- Full-time entrants are only 5% below 2011/12 level, whereas part-time entrants are 30% below 2011/12 level

Young people in the labour market

- The employment rate for young people has been falling over the last decade
- Rate for 16-19s has fallen from just under 50%, to 33%
- Rate for 20-24s is higher, and has fallen less, from 69% to 63%, and has risen in last few years
- These changes reflect increase in staying-on rates

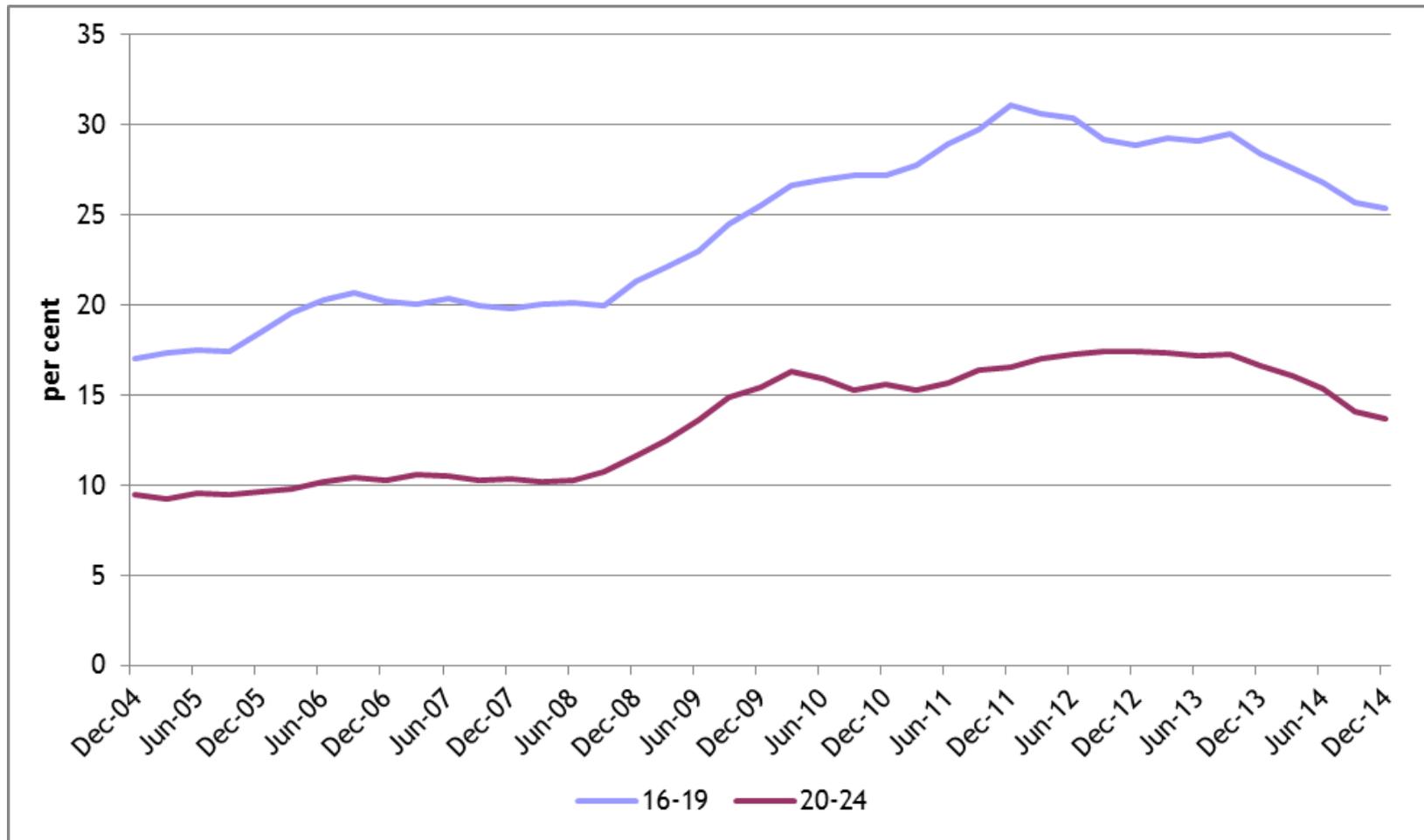
Employment rates by age (UK)



Youth unemployment

- Youth unemployment rose rapidly in the recession, from around 20% for 16-19 year olds, and 10% for 20-24 year olds
- The rate for 16-19s peaked at 31% in 2011, and has fallen back to 25%
- The rate for 20-24s hovered around 17% for 2012-13 but is now around 14%

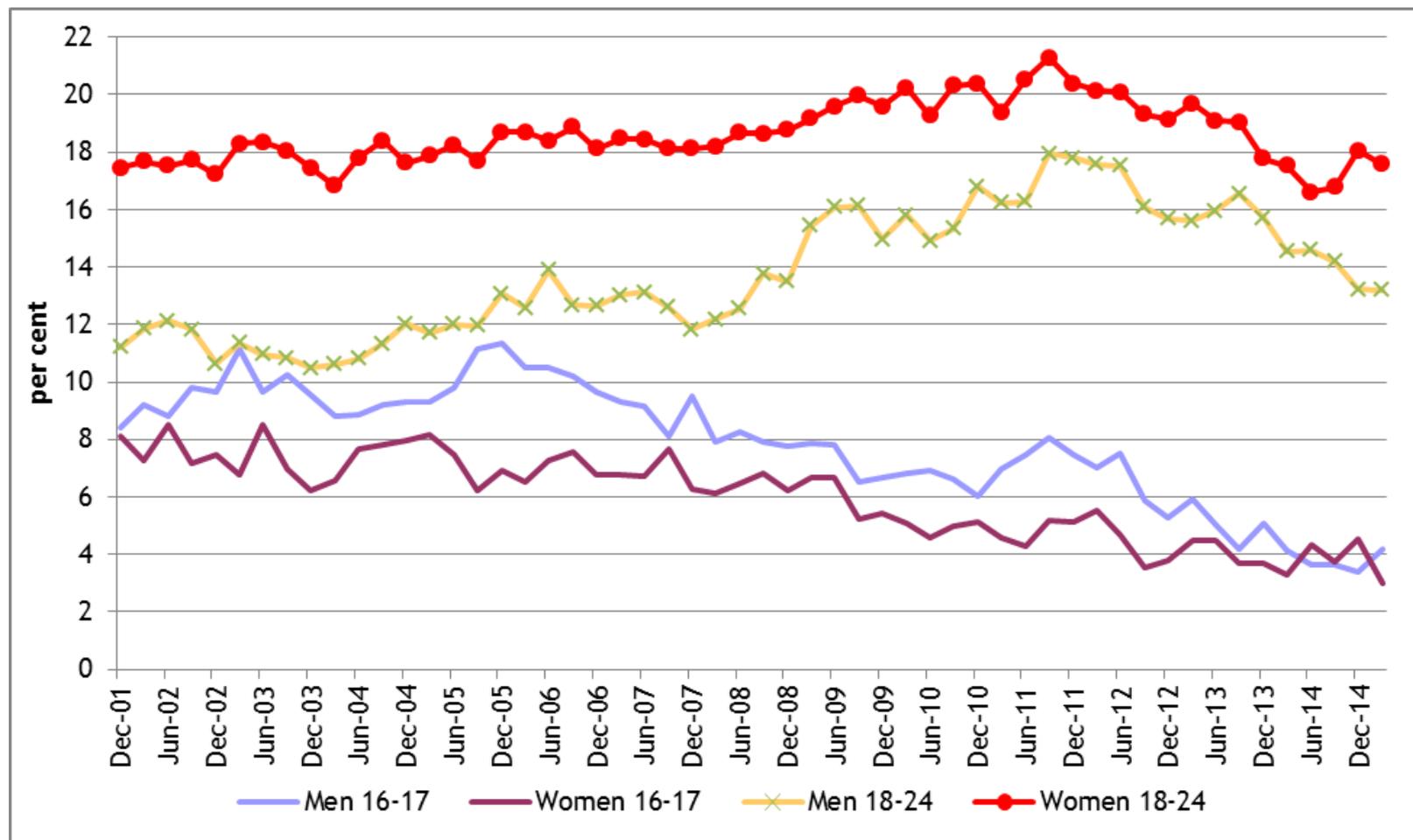
Unemployment rates by age (UK)



Young people NOT in Education, Employment or Training (NEETs)

- The number of 16-17s who are NEET has been falling steadily over the last decade
- The rate had been higher among young men than among young women, but this gender gap has vanished
- By contrast, among 18-24s more women than men are NEET
- The rate for men increased with the onset of the recession, but in the last few years rates for both men and women have fallen

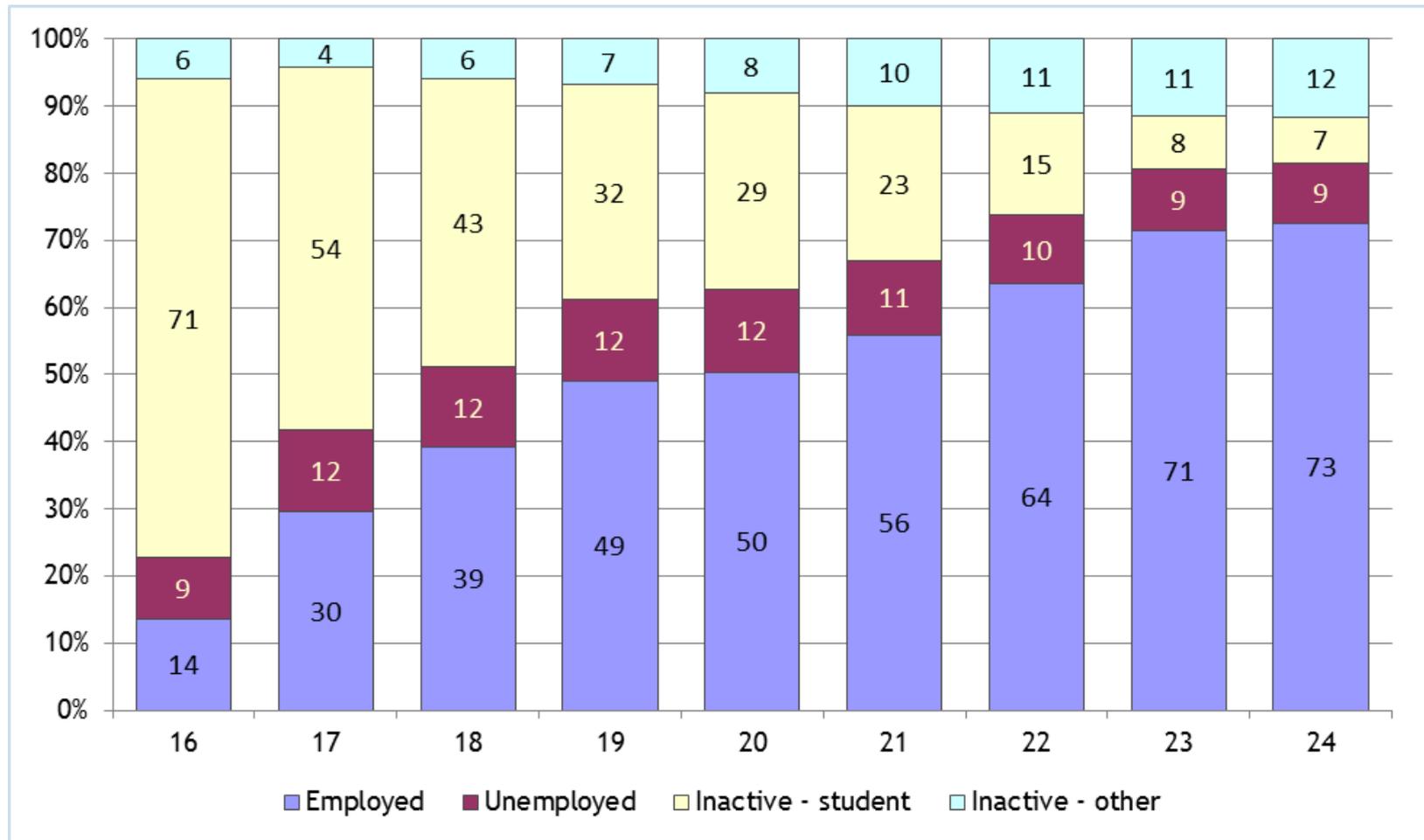
Proportion of NEETs, by age and gender (UK)



Labour market status

- There are strong patterns by age in terms of labour market status, reflecting the transition from education/training to the world of work
- Only 14% of 16 year olds, and 30% of 17 year olds, are in employment, compared with more than 70% of 23 and 24 year olds
- 71% of 16 year olds are inactive students, as are 54% of 17 year olds, compared with fewer than 10% of 23 and 24 year olds
- The proportion who are unemployed is broadly stable, while the proportion who are inactive increases slowly with age

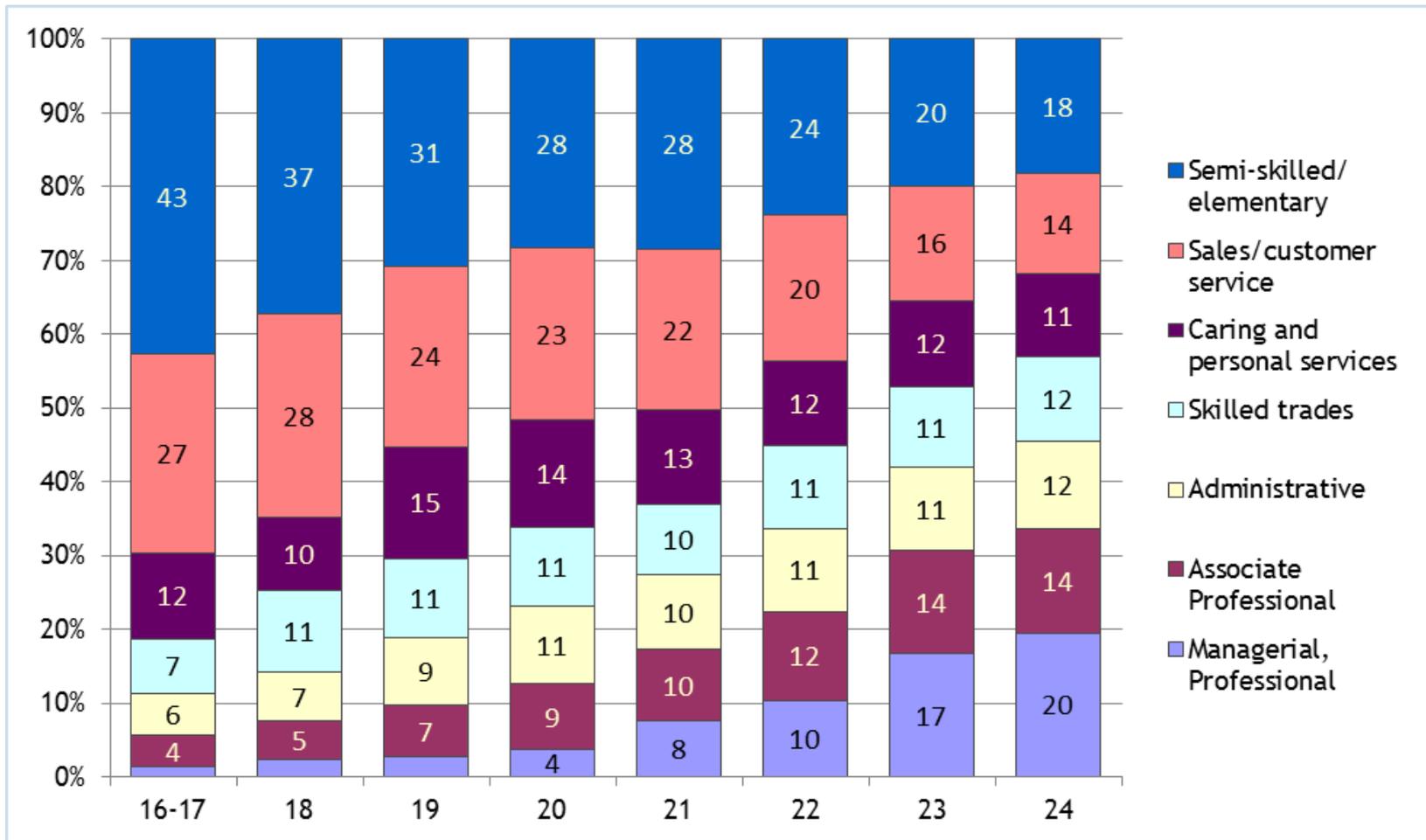
Economic activity status by age (UK)



Occupation

- Occupational patterns are closely associated with age
- As age increases the proportion in high level occupations increases, and the proportion in elementary and customer service occupations decreases
- 70% of 16 year olds in employment are in sales/customer service, or semi-skilled/ elementary jobs, compared with 30% of 24 year olds
- The proportion in managerial, professional or associate professional jobs increases from 5% of 16 year olds to 34% of 24 year olds
- The proportion in skilled trades jobs, and caring and personal service jobs, varies little with age

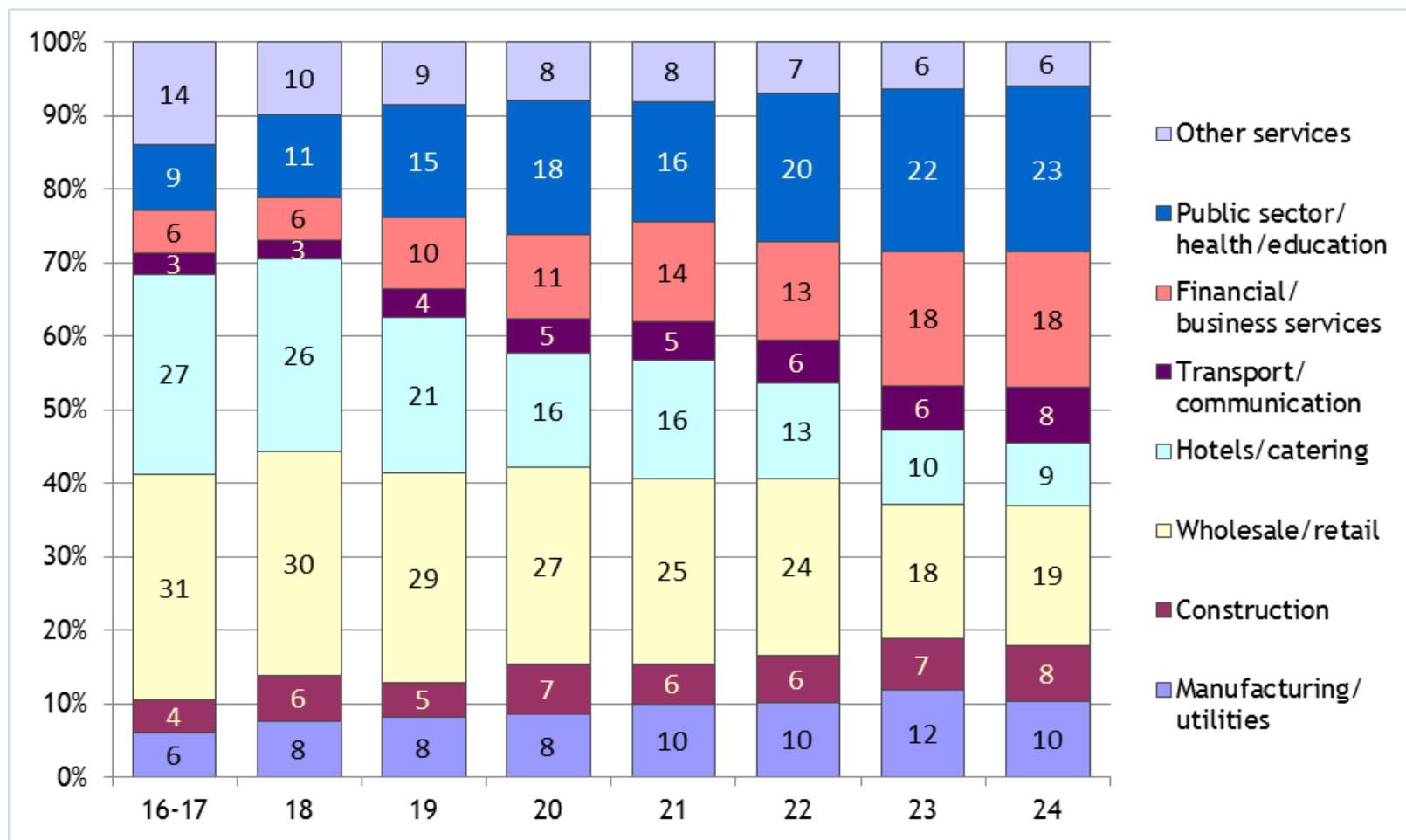
Occupation by age (UK)



Industrial sector

- Nearly 60% of 16 year olds are in the wholesale/retail, and hotels/catering sectors
- This proportion falls steadily with age, to around 30% of 24 year olds
- As age increases, the proportion of young workers in the public sector, and financial and business services increases, from 15% of 16 year olds to 40% of 24 year olds
- The proportion in manufacturing, utilities and construction also increases with age, from 10% of 16 year olds to nearly 20% of 24 year olds

Industrial sector by age (UK)



Thank you

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