Uncovering the harsh realities for Britain’s young people in today’s job market

BARRIERS facing young working age people today

YOUTH MISSPENT
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Foreword

It’s well documented that young people today are facing challenging times. Not only are they some of the worst affected by Covid-19, but they are starting out in their careers – and lives – after experiencing decades of austerity, which impacted education and public services, and against a backdrop of economic uncertainty, soaring inflation and an impending recession.

According to our research, 16% of 18-24-year-olds are currently not in employment or education. That’s roughly 859,000 young people out of work. Coupled with that, recent research from think tank The Work Foundation\(^1\) finds that young people who are working are more likely to be in insecure work (43% of 16-24-year-olds compared to 17% of 25-65-year-olds), putting them at higher risk of redundancy as the country enters into a recession.

Covid-19 didn’t just make it hard for young people to study and get a job. Our research found that for those that were lucky enough to get a job, 44% thought the pandemic made it really hard to learn how to do that job properly. With the working from home trend seemingly here to stay, we must think hard about how we can give our young people a better chance to learn the skills needed to progress in the workplace.

Almost two fifths (38%) of the young people we spoke to had received free school meals at some stage during their education, highlighting the extent of young people in the UK today who have been impacted by childhood poverty. One in five have been a young carer (19%), one in seven suffers from mental or physical ill health so severe they have been unable to work or study (14%) and one in ten told us that they have been in the care system (10%). Young people are clearly being disadvantaged at the earliest stages of life – and we must consider how we can redress the balance as they enter the workplace.

Sadly, young men have been worst affected across almost every aspect of adversity explored within the study. Yet, when we look to what they are going on to achieve in the workplace, there is already clear disparity between young men and women in the jobs they are opting to do and their current and future earning potential. It’s critical that we address these age-old prejudices and issues in the years ahead if we are ever to achieve gender equality in the UK.

\(^1\) The Work Foundation, Lancaster University, The UK Insecure Work Index: two decades of insecurity, https://www.lancaster.ac.uk/work-foundation/publications/the-uk-insecure-work-index
Young people across the UK are also being overlooked when it comes to education and policy changes, none more so than those from lower income backgrounds. We know that £2bn of apprenticeship levy funding has gone back to the Treasury since the new apprenticeship system was set up – it should be no surprise then that entry-level apprenticeship programmes have decreased since then. This has significantly reduced opportunities for young people to get their feet on the first rung of the career ladder; and Level 2 and 3 qualifications are being defunded relatively indiscriminately. Additionally, recent research by Youth Employment UK found that only 36% of young people in education today have been able to access work experience, hampering their chances to land a good job when they leave education. As a result, those already at an attainment disadvantage are being further pushed down with reduced options at a critical point in their education.

Our report goes some way to unpacking these challenges. But identifying the issues at play only takes us so far. We at City & Guilds are more committed than ever before to work with Government, employers, and industry bodies to tackle these issues. We need to seek the best ways to support young people with education and employment solutions as well as up-to-date labour market information and careers advice.

The UK’s economy has just entered a recession, the cost of living is skyrocketing, and the Government is in a state of flux. According to recent figures announced during the Chancellor’s Autumn Statement, unemployment is expected to rise as high as 4.9% in 2024, up from 3.6% in 2022. According to the ONS, the number of 18-24-year-olds who are not in employment, education or training (NEET) already stands at 12.5% in the UK so we can only imagine that young people are likely to shoulder an even greater share of this burden in the coming months and years.

We cannot afford to overlook a whole generation. With 1.3 million unfilled job vacancies in the UK and just a quarter of the young people telling us they had the right skills to progress the answer is clear. The nation needs to be looking ahead to the future talent and skills requirements to re-build and grow our economy. Supporting and empowering the youth of today is the critical first step towards building a better future for all.

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1 Youth Voice Census 2022 - Youth Employment UK
2 ONS % of 18 - 24 year olds not in work November 2022 - https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/bulletins/youngpeoplenotineducationemploymentortraining/neet/november2022

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Young people in the UK have already faced significant levels of adversity

- **38%** had received free school meals
- **19%** have been a young carer
- **14%** suffer from significant physical or mental ill health
- **9%** of young men have been in the prison system
- **36%** of young people have been able to access work experience
- **43%** of young people who are working are more likely to be in insecure work
- **16%** of 18-24-year-olds are currently not in employment or education.
The Economist’s view

I have a confession to make. When I was young, I was convinced that my destiny was to play for Spurs, and the acclaim I was bound to receive for becoming their all-time top scorer was a done deal – as far as I was concerned. As it happens, my aspirations were cut short by the unfortunate reality that my footballing skills were perhaps more suited to coaching local youth teams, and so whilst Harry Kane is currently closing in on the award I once believed would be mine, here I am working for an international labour market data company.

Whilst it’s natural for young people to have such dreams and aspirations, for most there comes a time when reality knocks at their door, bringing with it the realisation that the jobs they do will very probably not be the huge salary, ever-thrilling, highly acclaimed careers they once aspired to. It’s at this point, however, that they need all the help they can get to understand what is actually out there in the labour market, what salaries they can expect to earn, and which skills they need to acquire to get on and be successful.

The results of the survey presented in this report illustrate this well. For example, 50% of 18-24-year-olds believe they will be earning more than the UK’s median salary (£28,000) within five years, whereas the reality is that 79% of all working adults earn less than £30,000 per year (see page 18). Another example is the mismatch between career aspirations and actual jobs. For instance, 15% of 18-24-year-olds aspire to a career in Arts, entertainment and recreation, whereas the reality is that only 2% of jobs are in this industry; meanwhile only 2% want to work in Manufacturing, yet the sector makes up 8% of all jobs.

On the other hand, one of the most positive things to come out of the survey is the clear desire and willingness of the majority of young people (54%) to learn new skills in order to help them advance their career prospects.

What we see, therefore, is a young cohort who are ready and willing to upskill or retrain to improve their career opportunities, but who lack direction and information on the realities of the labour market, whether it be in terms of job availability, potential salaries, or the sorts of skills they could look to acquire to make them more employable.

As an economist, I am instinctively drawn to the numbers, so here are a few data-driven facts:

- Of the UK’s 18-24 year olds, 50% believe they will be earning above average salaries within the next 5 years.

Andy Durman, Executive Vice President, Lightcast Global Business Unit

recession and potential unemployment coming upon us, the best response we can give young people is better insights into the realities of the labour market than they have been getting. Insight that can give them a realistic picture on which jobs are likely to be available, particularly in their area. Insight that can illuminate realistic salary expectations, and help them understand what they need to do to progress into better paid roles. Insight that can shed light on what skills they currently have, which skills are needed for particular roles, and therefore what upskilling or retraining would be most helpful in terms of advancing their prospects.

It is good that the natural enthusiasm of young people leads them to high aspirations, but we need to get better at giving them an accurate view of the labour market they are entering, so that their enthusiasm can be channelled towards more realistic aspirations. Although there will always be “the next Harry Kane” out there, amongst the many who don’t end up doing their dream job, a dose of data-driven labour market reality can help give them a Plan B, such that they genuinely end up in jobs they find fulfilling, which utilise their skillset, and which are hugely beneficial to their employers and local community.
A tough start in life

Unemployment is high amongst young adults. 13% of the 18-24-year-olds that we spoke to are currently unemployed and a further 3% are economically inactive – that equates to approximately 859,000 young adults out of work and education across the UK.

Of those who are currently studying or unemployed, a staggering 9% told us that they never intend to start working.

According to the latest ONS figures, the national unemployment rate currently sits at just 3.6% nationally. Young people are already significantly overrepresented in unemployment with 12.5% of 18-24-year-olds officially classified at NEET by the ONS. During the economic crisis of the early 2000s, 16-24-year-olds were hardest hit when it came to employment opportunities and with the UK heading back into a period of recession, we’re likely to see that pattern repeat itself.

Our research found that of those young people that are working, a high proportion (41%) are in part-time jobs, with 6% working only eight hours or less a week. They are also typically working in lower income and less stable industries – with accommodation and food services, education, and human health and social care being the top three areas of youth employment.

Highlighting today’s tough economic climate, almost half (46%) of young adults are still receiving financial support from their family. With more than two in five (42%) young people who are working still receiving financial support from their family. Those living in London (50%) and the South East of England (49%) are most likely to receive such support – underlining both the highest costs of living, but also the likelihood of their family to be able to provide such support.

When looking at academic achievements amongst the UK’s young people, there is a worryingly low baseline. 3% of 18-24-year-olds have no formal qualifications. A further 25% have a level 1 or 2 (GCSE or lower) as their highest level of qualification. With young men significantly more likely to have achieved a lower level of education than young women.

For a lot of today’s young people, hardship has already long been a part of their everyday lives.

Receiving free school meals is a stark indicator of child poverty. In order to qualify, children must be living in a household receiving income-related benefits, with an annual income below £7,400. While the UK Government estimates that today 1.9 million children qualify, youth charity Child Poverty Action Group estimates that in 2020-2021, 3.9 million children were living in poverty – that’s 27% of all children, or eight in a classroom of 30.

Shockingly, we found that two out of every five 18-24-year-olds (38%) received free school meals at some point during their education. Those living in the North East of England (42%) are most likely to have received free school meals when looking across regions. Young people from some minority heritage backgrounds (58% Bangladeshi; 55% Caribbean; 46% white and black mixed heritage) are also more likely than average to have received free school meals, as are those with autism or ADHD (49% and 48% respectively).

45% of 18-24-year-olds who are currently unemployed received free school meals at some point during their education.

When looking at other hardships facing young people, we found that one in ten (10%) have been in the care system at some point during their lives. This is the same regardless of their socio-economic background, with more young men (15%) than young women (6%) affected.

9% of 18 - 24 year olds in education / not in work never intend to start working

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2 Young people not in education, employment or training (NEET), UK - Office for National Statistics (ons.gov.uk)
3 ONS % of 18 - 24 year olds not in work November 2022 - https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment
As many as one in five (19%) young people have been, or still are, a carer for a relative – this figure is slightly higher for young men (21%) than it is for young women (17%). Perhaps unsurprisingly, being a carer at a young age is impacting the education and employment trajectory for these young people, with 28% of young carers working less than eight hours a week.

Despite their young age, one in twenty (5%) young people have already been through the prison system. This is more likely to be the case for young men (9%) than young women (2%) and a large proportion of those who have been through the prison system were also in receipt of free school meals (59%).

It is clear that many young people in the UK today have faced a tough start in life. Multiple factors across education, society and home life are invariably setting them back and the divide between the advantaged and disadvantaged is steadily increasing. While UK unemployment on the whole is low, a worryingly high proportion of 18-24-year-olds are out of work and education – and many have no intention of entering the workplace. As the next generation of talent, critical to helping our economy weather the storm of the coming years, are we setting young people up for success?
Case study – Carers Trust

The employer’s perspective: Vicky Morgan, Head of Young and Young Adult Carers at Carers Trust, an organisation associated with the City & Guilds Foundation.

Carers Trust is the leading charity supporting young and young adult carers, helping to transform the lives of unpaid carers. It works through a network of over 125 local carer organisations based in communities across the UK, to help young carers transition from education and training into employment. Working in collaboration with partners across the UK, Carers Trust aims to influence decision-makers using evidenced-based data and is innovative with the support it delivers for unpaid carers in the UK.

“Thanks to Carers Trust and its network of local carer organisations, carer support workers and local peer support groups play an essential role in helping support and connect young carers. We work alongside local carer organisations and employers to deliver training and skills-based workshops to help young carers learn interview and public speaking skills. This helps boost their confidence and develop the skills they will need for the working world.”

“Being a young carer can have a significant impact on a young person’s engagement and experience in education. Young carers on average achieve one grade lower at GCSE per subject than their peers without a caring role. They are also three times more likely not to be in education, training, or employment, and are five times more likely to drop out of college. As a result, young carers are often not even considered for a large proportion of jobs. This is why many young carers struggle to see a future beyond their caring role.”

At some point in our lives, three in five of us will become an unpaid carer who needs to look after a sick or disabled relative. And while that’s a huge proportion of the workforce, it’s not something particularly well understood. Employers, education providers and Government all need to do a lot more to understand the unique challenges faced by young carers so they can better support them and ensure a fairer and more inclusive start as they move into the world of work.

The young carer’s perspective - Rosario Waterlow

“Employers mustn’t overlook the unique skills young carers have to offer. Possessing money management skills, responsibility and compassion, alongside great communication skills, young carers have a unique set of transferable skills that come from their lived experience.”

As a young carer, Rosario was supported whilst she was finishing her degree through Carer Support Wiltshire, one of the Carers Trust network partners who support unpaid young carers. Through the work of both charities, Rosario has been provided with ongoing support including, access to carer cafes to meet other young carers, support from funding and grants, as well as careers advice and help with CV writing. They also gave her a place on their steering group, designed for young adult carers to share their views on how funding should be spent.

Rosario said, “The Carers Trust gave myself and other young carers an opportunity to be heard, enabling us to speak on podcasts, be interviewed and write blog posts. They listened to what we had to say and valued our opinions. Not only did this provide us with the opportunity to seek help, learn new skills and boost our confidence, but it also provided us with the ability to raise awareness and help support others in a similar situation. It was working with the Carers Trust that made me realise I wanted to continue to help other people as part of my career.”

Rosario went on to work for the Carers Trust as a maternity cover. During this time Rosario’s mum was hospitalised for 7 months. She says, “Working for the Carers Trust allowed me to get my foot in the door and hugely boosted my confidence. As an employer, they were incredibly flexible and supportive, ensuring that my wellbeing always came first. This helped me feel less stressed and more rested, meaning I was able to work harder and perform better in my role.”

“I think it’s easy for young people and young carers to feel like the system is against them. I was fortunate to have parents who encouraged me to work hard at school, and was studying at a good university, so I knew I was capable. But of course, my mental health and confidence were impacted. For young carers who haven’t had the support or background I’ve had, I can see how many can feel marginalised from the world of work and unsure of how to kickstart their career.”

Rosario is passionate that employers should not overlook the transferable skills young carers have to offer. To help young carers into the workplace, Rosario believes, “First and foremost, young carers need flexibility. With the world of work having changed as a result of the pandemic, there is no reason why employers can’t provide this to help young carers to support them balance work around their responsibilities. Secondly, during the recruitment process, I’d encourage employers to be open minded when looking at CVs. Young carers’ CVs will likely have gaps at certain points, but it’s important to look beyond this to see what other qualities they have to offer.”
Does the ambition of young people today marry up with reality?

Despite a tough start, our research reveals that young people are, on the whole, optimistic when looking to their ambitions for the future. More than half (57%) of the young people we spoke to expect they will be working in a better or more interesting job within the next five years and two fifths (41%) expect they will be promoted into a management position.

Yet with the UK entering now in a forecasted two-year long recession, the reality is not so positive.

Just 17% of young working people are currently doing the job they want to be doing

More than half of our respondents told us that they view their current position as a stepping-stone and barely one in five (17%) doing the job that they want to be doing. And when looking at their home life, less than one in ten (8%) young people are currently homeowners and only a quarter (26%) are renting their own home. This is not entirely surprising with the UK’s biggest mortgage lender announcing earlier this year that the average age of a first time-buyer had risen to 32\(^{11}\) and insights from the recent Institute of Fiscal Studies Deaton Review of Inequality\(^{11}\) highlighting the increasing difficulty for younger generations to build wealth through work.

As a result, there is a clear tranche of young people feeling disenfranchised and lacking the motivation – or ability – to progress within the workforce. One in ten (10%) young people never want to have a better or more interesting job and 16% of those currently working eight hours or less per week never want to progress at work.

Almost a third (30%) of young people don’t think they will ever be able to achieve their career ambitions.

This is highest amongst those who are currently not working (35%) and those who have faced difficulties in their early lives, notably those who have been in the prison system (59%), been a refugee (54%) or been through the care system (44%).

Those who have experienced a challenging start are significantly less confident in their ability to succeed and achieve their dreams. Already a step behind their peers, it seems that these disadvantaged young people face a growing divide as they progress into adulthood.

\(^{11}\) Halifax, Halifax
\(^{11}\) IFS Deaton Review on Inequality - https://ifs.org.uk/inequality/
Spotlight on salaries

With inflation and the cost of living rising at a rapid rate, it is unsurprising that young people are placing a strong emphasis on salaries. Their expectations are high, but are they realistic – or setting their sights on something today’s job market will simply not enable them to achieve?

The current average full-time salary in the UK is estimated to sit at around £28,000. According to our findings, 12% of young people are already earning an above average salary. But there is a stark gender divide here, with 17% of young men earning over the average and only 8% of young women.

Looking to the future, young people are ambitious about their earning potential. More than half (53%) of young people hope they will be earning over £30,000 within the next five years and 74% within the next ten years. Only 9% of all young people believe they will never earn an above-average salary.

In comparison, findings from a YouGov study conducted before the Covid-19 pandemic found that only 21% of all UK working age adults took home more than £30,000 and a further 24% never expected to earn that much in the future12.

Salary aspirations – the percentage of young people who hope they will be earning over £30,000

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<tr>
<th>Timescale</th>
<th>All young people</th>
<th>Young men</th>
<th>Young women</th>
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<tbody>
<tr>
<td>In the next year</td>
<td>21%</td>
<td>27%</td>
<td>16%</td>
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<tr>
<td>In 5 years’ time</td>
<td>53%</td>
<td>58%</td>
<td>49%</td>
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<tr>
<td>In 10 years’ time</td>
<td>74%</td>
<td>75%</td>
<td>74%</td>
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12 https://yougov.co.uk/topics/economy/articles-reports/2019/07/26/fewer-half-britons-expect-ever-earn-30000-year

The Economist’s view,
Andy Durman, Lightcast:

“We can see that within the next ten years, salary expectations between young men and young women balance out, with three quarters of all young people hoping to earn over £30,000. However, in reality this is unlikely to be the case. As women start to have children, and many either leave the workforce entirely or work part-time, their earnings potential inevitably drops relative to men. According to the IFS, based on gender pay gap reporting, by the time a mother’s first child is 12 years old, she will be earning 33% less than her male counterparts.

“On a more general level, today’s young people are also being stifled with a fall in “real” wages and rising wealth inequality, with more than a decade of stagnant earnings holding them back from the economic success that previous generations have enjoyed.”
Case study – Manpower

Louise Stephens-Saunders
Operations Manager at ManpowerGroup Talent Solutions

At ManpowerGroup Talent Solutions, tackling youth unemployment and the talent shortage are key priorities, we believe that the two issues go hand in hand.

Through investment in programmes which bridge the transition from education to employment, we feel, organisations can play a part in connecting young people with work opportunities whilst also addressing the skills shortage. By the very nature of what we do as a talent solutions business, we connect people to the tools, opportunities and training that enables them to find meaningful employment and each day we place 7,500 young people, between 18-25 years old, in jobs with our clients.

We partner with a range of government bodies and youth taskforce associations including the Skills Funding Agency, CBI, Department for Work and Pensions, Movement to Work, The Princes Trust and Young Enterprise to ensure we are continually evolving and adapting our youth engagement programmes.

Additionally, we have developed our own programmes in support of the youth agenda; Tomorrow’s Talent which focuses on bridging the gap between young people and gainful employment, ensuring a sustainable pool of skilled talent both now and in the future. We have also created a school’s outreach programme which focuses on providing support to students to give them a ‘flavour’ for the world of work. This programme is diverse and includes interview training sessions, Q&A opportunities with hiring managers, group exercises to support soft skills development and one-on-one advice and coaching.

Finally, we work directly with clients such as Jaguar Land Rover to support them to support them to recruit and train early talent to fill their own skills needs.
As the realities of the cost-of-living crisis begin to bite, young people seem to be leaving their values and beliefs at the door in favour of greater security. Working for an environmentally conscious employer was ranked as being important for only one in ten (13%) young people and doing work that has real value, purpose or meaning for only a quarter (28%). The same proportion (26%) prioritised the ability to work from home, suggesting that young people’s expectations have changed in the post-pandemic working world.

Worryingly, only a quarter (23%) of 18-24-year-olds feel that they already have the skills they need to progress in their career. And as they get older and become more realistic about the requirements of the world of work, 24-year-olds are the least likely (20%) of this cohort to feel they have the skills they need to progress. There are two possible explanations for this apparent skills gap. Either young people are simply leaving education without the core skills needed to progress within employment, or they are not receiving adequate information and insight into the labour market to make informed choices at the crucial points within their education. Most likely, it is a combination of the two, highlighting the need for better careers advice and skills mapping for young people early on in their education journey, to ensure they are equipped with the skills needed to progress and flourish in their later lives, and careers.

Workplace training and career development

More positively, when asked specifically about training and development, young people show a clear desire to keep learning. More than half of young people want to both learn new on-the-job skills (54%) and gain new qualifications (55%) to help them progress in their career within the next five years. Those who are currently in work (57%) or studying (56%) are much more likely to want to achieve a new qualification or skill than their unemployed counterparts (46%). This highlights a need for intervention amongst unemployed young people to engage them with opportunities for upskilling and the motivation to get (back) into the workforce.

What are young people’s top priorities in a new job?

While young men and young women have the same priorities when it comes to looking for a new job, we can see that young women feel much more strongly about the importance of those priorities, across the board.

The top priorities motivating young people when it comes to looking for a new job

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For all young people, having a good salary is the top motivating factor. Finding work that excites or interests them is important to young people, but this is closely followed by a desire for job security, an ability to have some flexibility and a good benefits package. Clearly, the current economic environment is impacting their choices and desires when looking for a job.

As the realities of the cost-of-living crisis begin to bite, young people seem to be leaving their values and beliefs at the door in favour of greater security. Working for an environmentally conscious employer was ranked as being important for only one in ten (13%) young people and doing work that has real value, purpose or meaning for only a quarter (28%). The same proportion (26%) prioritised the ability to work from home, suggesting that young people’s expectations have changed in the post-pandemic working world.

Worryingly, only a quarter (23%) of 18-24-year-olds feel that they already have the skills they need to progress in their career. And as they get older and become more realistic about the requirements of the world of work, 24-year-olds are the least likely (20%) of this cohort to feel they have the skills they need to progress. There are two possible explanations for this apparent skills gap. Either young people are simply leaving education without the core skills needed to progress within employment, or they are not receiving adequate information and insight into the labour market to make informed choices at the crucial points within their education. Most likely, it is a combination of the two, highlighting the need for better careers advice and skills mapping for young people early on in their education journey, to ensure they are equipped with the skills needed to progress and flourish in their later lives, and careers.

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What’s driving those from more deprived backgrounds?

Having a job with a good salary is the primary driver for young people from all walks of life. When looking specifically at the cohorts of young people who have faced adversity in their childhood, doing work that is exciting or interesting is of much less importance. For those who have either been through the care system or have been young carers for a family member, flexible working hours are likely to be more of a priority to them than having a job that is secure. And for those young people from less advantaged socio-economic backgrounds, having good benefits and career progression opportunities are much less important than they are for their counterparts from more advantaged socio-economic backgrounds.

When it comes to looking at job aspirations, those who have faced adversity in their childhood and those from less advantaged socio-economic backgrounds are typically more likely to aspire to work in lower income industries. Young people who were in receipt of free school meals ranked the health and social care sector as their top choice for employment (15%) as did those who have been young carers (16%). Meanwhile the accommodation sector was ranked as the most popular choice for those who have been through the prison system (22%); the care system (17%) and those who have been refugees (18%).

People from less advantaged socio-economic groups were significantly more likely to choose the construction sector (8%) than those from higher socio-economic groups (5%). While young people from higher socio-economic groups were more likely to say they wanted to work in the financial services (10%) and professional services (7%) sectors than those from lower socio-economic groups (6% and 4% respectively).

We know that young people’s lives are heavily influenced by those around them and by the experiences of their early, formative years. These insights clearly demonstrate that fact when it comes to their career aspirations and expectations – those experiencing hardship early on are already starting out on a lower trajectory and are, as a result of their experiences, less likely to become higher earners as they enter the jobs market.
Where are the employment opportunities for today’s young people?

Young people’s careers aspiration vs reality

We asked young people which industry they would most like to work in and cross-referenced their responses with real labour market analysis. Lightcast’s analysis calculates the proportion of the jobs market made up by each industry in 2022.

Industry sectors young people aspire to work in versus available jobs

<table>
<thead>
<tr>
<th>Industry</th>
<th>% of young people wanting to work in the industry</th>
<th>% of jobs as a proportion of the labour market in 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts, entertainment and recreation</td>
<td>15%</td>
<td>2%</td>
</tr>
<tr>
<td>Human health and social care</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>Education</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Financial and insurance services</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Administrative and support services</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Construction</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Professional services</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Information and communication</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>3%</td>
<td>14%</td>
</tr>
<tr>
<td>Real estate</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Energy and utilities</td>
<td>2%</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Other services</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>Water supply, sewerage, waste management and remediation services</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>&lt;1%</td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>
We worked closely with economic modellers Lightcast on this research and they provided us with robust labour market analysis to allow us to compare young people’s aspirations with the realities of the labour market. Clearly, there is a disparity between the industries that young people find most appealing and the reality of where the jobs are. The arts, entertainment and recreation sector makes up just 2% of jobs but is the most desired industry for 15% of today’s young adults.

And at the other end of the scale, the wholesale and retail trade industry makes up 14% of jobs, but is the industry of choice for just 3% of young people. The manufacturing industry makes up 8% of jobs and appeals to just 2% of young people, and the transportation and storage industry makes up 5% of all jobs, appealing to just 1% of young people.

This mismatch between where young people want to work and the reality of where the jobs are paints a concerning picture. Without clear information about the jobs market and opportunities for employment, there is a high possibility that young people will undertake education and training to give them access into an industry where there simply aren’t enough jobs for them to take on. At the same time, employers in some of the least popular industries will continue to struggle to fill vacancies. Many of these less popular industries – such as transport and manufacturing – are critical to the running of our country.

Where is the biggest job growth?
Further jobs market insight from Lightcast provides an analysis of the industries likely to see real job growth – and therefore most opportunities for employment – over the next five years (between 2022 and 2027).

### Industries expected to see the growth in job numbers:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Job Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human health and social care</td>
<td>102,900 more jobs</td>
</tr>
<tr>
<td>Professional services</td>
<td>77,600 more jobs</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>63,700 more jobs</td>
</tr>
<tr>
<td>Administrative and support services</td>
<td>57,200 more jobs</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>49,100 more jobs</td>
</tr>
<tr>
<td>Information and communication</td>
<td>42,900 more jobs</td>
</tr>
<tr>
<td>Construction</td>
<td>34,500 more jobs</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>32,000 more jobs</td>
</tr>
<tr>
<td>Real estate</td>
<td>31,200 more jobs</td>
</tr>
<tr>
<td>Education</td>
<td>23,800 more jobs</td>
</tr>
<tr>
<td>Water supply, sewage management and remediation services</td>
<td>11,400 more jobs</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>6,900 more jobs</td>
</tr>
<tr>
<td>Energy and utilities</td>
<td>6,800 more jobs</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>300 more jobs</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>100 more jobs</td>
</tr>
</tbody>
</table>

### Industries expected to see the biggest decline in job numbers:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Job Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation and food services</td>
<td>35,900 fewer jobs</td>
</tr>
<tr>
<td>Arts, entertainment and recreation</td>
<td>23,000 fewer jobs</td>
</tr>
<tr>
<td>Other services</td>
<td>10,600 fewer jobs</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>1,500 fewer jobs</td>
</tr>
</tbody>
</table>

Once again, the data shows that a number of the most popular industries amongst young people will be those to see the slowest job growth, or even a decline in job numbers.

Arts, entertainment and recreation is the top career choice for young people, but is also one of the fastest contracting industries. Whilst transportation and storage, manufacturing and real estate – some of the least popular options for young people – are among the fastest growing industries, therefore most likely to present real career opportunities for the next generation.
Spotlight on health and social care

Health and social care generates the largest number of jobs of any UK industry sector and is set to see the fastest growth over the next five years. Reassuringly, it is also the second most popular choice for young people – and the top choice for young women. With skills and talent shortages crippling the UK healthcare system, this paints a positive picture; young people clearly have an aspiration to fill the hundreds of thousands of vacancies within the industry. It is likely that the pandemic has helped to promote this as a sector where people can do good and has great purpose.

However, we know that for 64% of young people – and nearly three quarters (72%) of young women – having a good salary is the top priority when it comes to looking for a job. With Lightcast analysis suggesting that the average wages in the human health and social care sector sit at just £26,497, the reality is that we are likely to see a large proportion of young people discouraged from entering the sector, put off by the poor remuneration.

It is clear that some of the most popular industries young people want to work in, such as arts, entertainment and recreation and accommodation and food services, are also some of the lowest paid. Some of the industries offering average salaries well above the national average – such as energy and utilities and mining and quarrying – are right down on the list of desired industries for young people. This suggests that the salary aspirations of young people do not match up with the jobs and industries that they wish to work in. As a result, we are likely to see large swathes of young people being put off and forced to reconsider and potentially retrain.

How do the salaries match up with the opportunities?

We know that having a good salary is the top priority for young people when it comes to looking for a job. Lightcast data provides average wages per full-time job within each industry, in the order of preference for young people:

<table>
<thead>
<tr>
<th>Industry (in order of preference for young people)</th>
<th>Average salary (2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts, entertainment and recreation</td>
<td>£22,800</td>
</tr>
<tr>
<td>Human health and social care</td>
<td>£26,500</td>
</tr>
<tr>
<td>Education</td>
<td>£28,900</td>
</tr>
<tr>
<td>Financial and insurance services</td>
<td>£62,000</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>£14,900</td>
</tr>
<tr>
<td>Administrative and support services</td>
<td>£24,200</td>
</tr>
<tr>
<td>Construction</td>
<td>£35,900</td>
</tr>
<tr>
<td>Professional services</td>
<td>£41,200</td>
</tr>
<tr>
<td>Information and communication</td>
<td>£21,800</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>£46,100</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>£32,200</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>£24,000</td>
</tr>
<tr>
<td>Real estate</td>
<td>£32,800</td>
</tr>
<tr>
<td>Energy and utilities</td>
<td>£47,200</td>
</tr>
<tr>
<td>Other services</td>
<td>£23,000</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>£33,500</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>£33,400</td>
</tr>
<tr>
<td>Water supply, sewerage, waste management and remediation services</td>
<td>£33,500</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>£52,000</td>
</tr>
</tbody>
</table>
Spotlight on the gender divide

According to our findings, young men are more likely to have a hard start in life than young women.

More than twice the number of young men as young women have been in the care system (15% vs 6%), and more than three times have been refugees (7% vs 2%) or been through the prison system (9% vs 2%). Young men are also more likely to have been young carers for a family member (21% vs 17%) and to be unable to work due to a mental or physical illness (15% vs 12%). When looking at their education, young men are more than twice as likely as young women to have no qualifications at all (5% vs 2%). They are typically educated to a lower level than young women, with only 12% educated to a degree level and almost a third (30%) having a GCSE as their highest qualification (compared with 15% and 20% of young women respectively). This suggests that young men, who are often demonised by society, actually need more care and support to allow them to overcome these obstacles.

It is interesting to note that despite all of these adversities hampering their ability to progress within the workplace and adult life, young men still quickly outpace young women in a working world that is traditionally stacked in the favour of men.

From the young people we spoke to, we found that even at this very early stage in their working lives, young men (17%) were over twice as likely as young women (8%) to be earning above the average national salary.

Gender stereotypes and industry preferences are rooted within the career aspirations of young people from an incredibly early age. Not only did our research find that young women are more likely to be working in typically lower-paid industries than their male counterparts, they also show a strong desire to begin – or continue – working in those lower paid sectors.

<table>
<thead>
<tr>
<th>Currently work in</th>
<th>Young women</th>
<th>VS</th>
<th>Young men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human health and social care</td>
<td>£26,500</td>
<td>£28,900</td>
<td>£35,900</td>
</tr>
<tr>
<td>Education</td>
<td>£26,500</td>
<td>£28,900</td>
<td>£35,900</td>
</tr>
<tr>
<td>Construction</td>
<td>£33,500</td>
<td>£33,500</td>
<td>£33,500</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>£33,500</td>
<td>£33,500</td>
<td>£33,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aspire to work in</th>
<th>Young women</th>
<th>VS</th>
<th>Young men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human health and social care</td>
<td>£26,500</td>
<td>£22,800</td>
<td>£22,800</td>
</tr>
<tr>
<td>Arts, entertainment and recreation</td>
<td>£28,900</td>
<td>£62,000</td>
<td>£62,000</td>
</tr>
<tr>
<td>Financial and insurance services</td>
<td>£28,900</td>
<td>£62,000</td>
<td>£62,000</td>
</tr>
<tr>
<td>Construction</td>
<td>£35,900</td>
<td>£35,900</td>
<td>£35,900</td>
</tr>
</tbody>
</table>

We can see that when compared with young women, young men who are currently in work are likely to be employed in better paid industries. Looking to future aspirations, aside from the accommodation and food services sector, which was their second most popular choice, young men again strive to work in better paid industries than their female counterparts. Young women are prioritising industries such as human health and social care and education, with lower-paid but typically more caring / purpose driven and more flexible roles. With stereotypes baked in from an early age, it is likely that young women are selecting these industries as they see them as ‘women’s jobs’ that are likely to be more welcoming to female workers, and ultimately more flexible around family life.
What are their dream jobs?

We asked young people what their dream job would be. The answers they gave show an interesting spread of aspiration, inspiration and realism. Looking at the top roles chosen by young people, Lightcast data demonstrates whether young people will be likely to pursue their dreams.

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### Top roles chosen by young people

<table>
<thead>
<tr>
<th>Role</th>
<th>Number of jobs available in the UK according to Lightcast analysis (between October 2021-November 2022)</th>
<th>Median average advertised salary according to Lightcast analysis</th>
<th>Number of young people aspiring to work in each role (based on our research as representative quantities)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical psychologist</td>
<td>25,771</td>
<td>£23.35/hr</td>
<td>106,288</td>
</tr>
<tr>
<td>Primary school teacher</td>
<td>103,541</td>
<td>£16.58/hr</td>
<td>102,620</td>
</tr>
<tr>
<td>Solicitor or lawyer</td>
<td>136,412</td>
<td>£24.09/hr</td>
<td>97,830</td>
</tr>
<tr>
<td>Author, writer or translator</td>
<td>24,259</td>
<td>£16.34/hr</td>
<td>96,622</td>
</tr>
<tr>
<td>Musician</td>
<td>2,319</td>
<td>£19.05/hr</td>
<td>92,997</td>
</tr>
<tr>
<td>Artist</td>
<td>10,479</td>
<td>£15.17/hr</td>
<td>92,997</td>
</tr>
<tr>
<td>Clothing, fashion and accessories designer</td>
<td>11,494</td>
<td>£17.32/hr</td>
<td>83,337</td>
</tr>
<tr>
<td>Actor, entertainer or presenter</td>
<td>10,606</td>
<td>£18.80/hr</td>
<td>77,295</td>
</tr>
<tr>
<td>General medical practitioner (doctor)</td>
<td>86,553</td>
<td>£29.51/hr</td>
<td>77,295</td>
</tr>
<tr>
<td>Property, housing or estate manager</td>
<td>45,493</td>
<td>£16.58/hr</td>
<td>72,468</td>
</tr>
<tr>
<td>Finance and investment analysts and adviser</td>
<td>112,652</td>
<td>£19.29/hr</td>
<td>70,051</td>
</tr>
<tr>
<td>Office manager</td>
<td>69,805</td>
<td>£13.20/hr</td>
<td>62,802</td>
</tr>
<tr>
<td>Secondary school teacher</td>
<td>104,206</td>
<td>£17.94/hr</td>
<td>61,593</td>
</tr>
<tr>
<td>Photographer, AV or broadcasting equipment manager</td>
<td>7,699</td>
<td>£15.29/hr</td>
<td>60,391</td>
</tr>
<tr>
<td>Social worker</td>
<td>63,409</td>
<td>£17.20/hr</td>
<td>60,391</td>
</tr>
<tr>
<td>PA or other secretary</td>
<td>52,347</td>
<td>£13.38/hr</td>
<td>59,182</td>
</tr>
<tr>
<td>Animal care services professional</td>
<td>1,151</td>
<td>£10.37/hr</td>
<td>54,349</td>
</tr>
<tr>
<td>Pharmacist</td>
<td>27,118</td>
<td>£24.09/hr</td>
<td>53,141</td>
</tr>
<tr>
<td>HR administrator</td>
<td>15,529</td>
<td>£11.35/hr</td>
<td>51,933</td>
</tr>
<tr>
<td>Chef</td>
<td>154,398</td>
<td>£12.52/hr</td>
<td>50,725</td>
</tr>
<tr>
<td>Chartered or certified accountant</td>
<td>190,519</td>
<td>£19.29/hr</td>
<td>50,725</td>
</tr>
<tr>
<td>Midwifery nurse</td>
<td>7,673</td>
<td>£18.80/hr</td>
<td>50,725</td>
</tr>
<tr>
<td>Registered nurse practitioner</td>
<td>362,826</td>
<td>£18.06/hr</td>
<td>50,725</td>
</tr>
</tbody>
</table>

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The Economist’s view, Andy Durman - Lightcast:

“"We can see that some of the most desired jobs for young people are the obvious ones, the jobs they will be aware of and will come across in their everyday lives, such as teachers and doctors.

"There appears to be a relatively large group of aspirational young people wanting to be authors, musicians, fashion designers and artists. However, we can see from the data that these jobs tend to be less abundant and their salaries fall below the ambitions of this same cohort. Industry-level analysis shows that the Arts and entertainment sector makes up a mere 2% of the labour market and is one of the fastest contracting – and lowest paid – industries. When looking into the young people aspiring to work in these roles, a significantly higher number were from more affluent social backgrounds.

"Further analysis showed that young people from more disadvantaged backgrounds were more likely to say that they want to work in industries where the average salaries are typically lower. We know that young people tend to aspire to follow in the career footsteps of those around them – whether that’s their family, friends or influences from within the school system they have been through. As a result, it’s not surprising that the young people from more advantaged backgrounds feel able to be more aspirational and have big “dreams”, often with the safety net of their family to support them as they embark on their career. This cements the disparity between young people from different backgrounds, entrenching inequality and reducing the chances for better social mobility for those starting out from a point of disadvantage.”

This leads us to ask a number of questions. Are these young people receiving independent high quality careers advice? Do they know what jobs are really available to them and where the greatest job growth is? Do they know what salaries they can expect to be earning in some of these roles? And do they know what training and experience is needed? How do we ensure that young people are exposed to, or encouraged to choose, some of the biggest growth industries and jobs?
Case study – Sparta Global

Annabelle Price is Head of PR and Marketing at Sparta Global

Sparta Global helps people with a passion for technology to kickstart their career by providing access to entry-level roles and both free and paid-for training across in-demand business and technology skills. They won a City & Guilds Princess Royal Training Award for their commitment to training and development in 2021.

“A big barrier that prevents people wanting to work in technology is that many of them don’t know anyone already working in the space. We hear a lot of people say, you can’t be what you don’t see. So, a big focus for us is to get role models out into schools and into these untapped groups. We also work with a number of charities and community partners that specialise in supporting under-represented groups – such as women in technology or those from lower socio-economic backgrounds who cannot always access careers support. We then provide free workshops and donations, partner on research or to host events together.”

“We’re big believers that collaboration needs to improve. Government needs to provide more support in funding to make sure that the curriculum can keep pace and be flexible. And educators and employers also need to leverage their communities to understand what young people want and need from employment, to enable them to recognise where they can help fill the gaps.”
What do young people believe are the workplace barriers they face?

Despite finding that young people, even within today’s economic climate, are broadly optimistic about their future, our research uncovered a number of factors holding them back from achieving their ambitions.

Two thirds (64%) of young people told us that it is not easy for them to get a good job these days.

Times are tough for all young people, but we uncovered a number of cohorts facing significant adversity. Those who received free school meals are more likely to say it is hard for young people to get a good job (67%) as are those who are still in receipt of financial support from their family (70%). A significantly higher proportion of young women (69%) than young men (59%) also voice that difficulty, suggesting that some groups are facing greater barriers to the workplace than others.

When asked specifically what they believed was holding them back from achieving their career ambitions, the most popular answer amongst young people was that they simply didn’t feel confident or mentally ready.

Almost a quarter (24%) of young people voiced that concern — again, significantly more young women (29%) than young men (18%). The figure rose to almost a third (29%) among those currently not working.

More than one in five (22%) young people state that they do not have the skills or experience required to achieve their career ambitions. And as many as one in six (17%) say that they don’t know how to get into the job they want to do.

At the same time, there is seemingly a lack of opportunities for young people, with one in five (19%) stating that there simply aren’t the jobs available in their local area. This was highest for those living in the North West of England (21%) and lowest for those living in London and the South East (16%), reflecting the rhetoric around the North-South jobs divide. And with one in six (16%) saying there aren’t enough opportunities for work experience or internships, the issue around job availability clearly persists before young people can even get their foot onto the jobs ladder.

Only a quarter (26%) believe the Government is doing enough to support young people into work and a third (33%) believe employers are doing enough to support them.

Again, highlighting the gender disadvantage, young women (57%) are more likely than their male counterparts (37%) to believe that the Government is not doing enough. They are also less likely (30%) than men (40%) to believe that employers are doing enough. These findings suggest that young women are already having a tougher time and facing gender disparity in the workplace despite only just starting out in their working lives.

Those who are currently unemployed are also the least likely to believe that the Government (19%) and employers (23%) are doing enough to support them. While this may be an expected observation, it once again highlights the need for government intervention to support those out of work — and demonstrates to employers the need to broaden their horizons and consider opportunities for upskilling and supporting those currently out of work to join the workforce.
A lack of support and access to work experience

We asked young people about some of the biggest challenges they faced specifically when it came to applying for jobs. The most popular response, for almost a third (30%) of all young people, was that they had been put off applying for a job advertised as entry-level due a lack of relevant work experience. A similar proportion (29%) said that they had struggled to even get interviews for jobs they applied to.

One in five (21%) young people told us that they had found it difficult to understand how to successfully apply for jobs, which rose to one in four in women (24%). As few as one in ten (13%) young people said that they found it easy to find jobs that they wanted to apply for.

When asked about the support they received from businesses when applying for jobs, only 13% of young people said they had accessed such a resource. This was highest for those based in London (16%) and lowest for those in the North West (12%) and North East (13%).

It is clear that a lack of access to work experience and support from employers is holding young people back from successfully applying to jobs, even those advertised as being entry-level.
Case study – GetMyFirstJob

Jenny Bicknell is Director of Education Solutions at GetMyFirstJob

GetMyFirstJob is a social enterprise focused on helping people, no matter their background, to access resources and opportunities that are right for them. Along with its community of apprentice ambassadors, GetMyFirstJob can help change the lives of jobseekers, whilst busting myths about career paths and apprenticeships. GetMyFirstJob’s initiatives have helped place over 27,000 people into opportunities in the past year alone.

“As a result of the pandemic, many young people across the UK missed out on a vast number of opportunities, as work experience and social development were put on hold. But today, lots of employers still expect an 18-year-old fresh out of school or college to be ‘work ready’, with a CV full of experience and transferrable skills.”

“Now, more than ever, young people need support and guidance. Schools also need more funding to help them showcase all the career paths available to young people, to help them understand it’s not a one-size-fits-all journey. It’s not just a choice of university for the traditionally ‘academic learners’ – we need to be sharing all possibilities with all learners.”
The big question: Where do we go from here?

Despite only being in their early years of adulthood, a stage when they should be fresh from education and primed to enter the workplace, a worrying number of young people are already well-aware of the challenges ahead and the limitations of their education.

More than two in five (43%) young people do not believe that their education has equipped them with the skills they need to get the job they want.

A further 25% are not sure whether it has. That means a staggering 68% – or nearly seven in ten – young people either feel ill-equipped or not confident in their skillset when looking for a job.

For those who are currently unemployed, almost half (47%) do not believe their education has equipped them with the skills need to get a job. This rises to more than half (52%) for those who are working less than eight hours a week.

Workplace discrimination

But even for those young people who are currently in employment, there are ongoing challenges and adversities. 44% of working 18-24-year-olds stated that the Covid-19 pandemic made it really hard for them to do their job properly. And more than a third (35%) have already faced workplace discrimination. This is generally highest amongst those from minority backgrounds or disadvantaged groups, rising to 44% for those from Caribbean and other black backgrounds; 43% of those with a disability and 67% of those who have been through the prison system.

Looking ahead to their future, only half (50%) of employed young people said that there were significant opportunities at their current job. The same proportion said they were in a job they hoped would turn into a long-term career. And while nearly three out of five (58%) young people said that their job was a good place to make friends, fewer than a third (32%) said they were working in their dream role.

Young people’s solutions

When asked our respondents about what would help them to unlock better career opportunities and achieve their ambitions, the top responses were all centred around the need for more employer support and opportunities for work experience. Increased support from employers (33%), more internships with a guaranteed salary (32%) and a more welcoming workplace for young people (32%) were listed as the top elements that would help young people progress in their working lives. They also highly ranked a desire for more advice and support when applying for jobs (31%), more apprenticeship opportunities (30%) and better, more accessible careers advice and guidance (29%).

Unsurprisingly in the current economic climate, better financial support was also an important factor for young people. More than a third prioritised a desire for reduced university tuition fees (36%) and more financial support with travel and expenses for work experience, internships and training (34%).

Looking specifically at the application and interview process, young people have a clear wish list for employers. Two in five young people think employers should offer more work experience (40%), give young people better interview feedback (39%), and allow young people to use their life experiences as well as career experiences in job applications (38%).
Supporting those with the toughest start

We know that a large proportion of young people have had a tough start in life – and those experiences are having a huge impact on their transition into adulthood and entry into the workplace.

There is a particularly strong feeling amongst those who have faced challenges, notably those who received free school meals (40%), been through the care system (32%) or suffer from a physical or mental illness (38%) – that young people should be allowed to use their life experiences as well as their career experiences on job applications.

For those who have been young carers for a family member (37%), and those who have been through the prison system (22%), there is a desire for employers to offer more work experience opportunities. Employers should seek to broaden their horizons and ensure they are looking at the full potential of a candidate, not ruling anyone out due to the limitations they face in accessing relevant workplace experience.

"Young carers CVs will most likely have gaps at certain points, but it's important to look beyond this to see what other qualities they have to offer."

Rosario Waterlow
Case study –
The young worker’s perspective

Aymen Belkacemi, a 19-year-old young carer from North London is associated with the Carers Trust

After completing school, Covid-19 hit, and like many other young people Aymen spent most of his time studying at home. Aymen completed a BTEC in Business studies through his local Further Education College. Following his achievement Aymen is now starting his career with an Apprenticeship in Teaching, Learning and Administration as a Data Technician with University College London.

“Having missed out on a lot of practical experience at college as a result of the pandemic, I knew that an apprenticeship was the best route for me to get some more experience. But when I first set out applying for roles, it was quite a daunting and disheartening experience. I found that so much emphasis is placed on university, and the information and opportunities around apprenticeships felt incredibly limited.”

“In the current economic environment, I believe young people need better, more tailored support. Instead of focusing solely on the university route, we need more focus on apprenticeships and vocational routes, as well as more opportunities from the Government for grants and incentives for employers to help them take on more apprentices like myself.”
Conclusion

Unemployment has been stubbornly higher amongst young people for a decade. It was already harder for young people to find good jobs and succeed in their lives than for previous generations before the pandemic hit, but the Covid-19 pandemic has only worsened that divide.

As a result of the fact that we have just entered another recession, it’s predicted by the Office for Budget Responsibility that unemployment will rise from 3.6% to 4.9% overall by 2024. With the ONS telling us that 12.5% of 18-24-year-olds are already NEET, and almost half of young people in insecure work, it’s inevitable that young people will bear the brunt of this new wave of unemployment. That is unless meaningful interventions are put into place now.

This research has made clear that many young people have already had a tough start in life. And those who start out with disadvantage are likely to be kept a step back from the pack throughout their lives – we sadly found that this group is more likely to be disenfranchised about their prospects or have less aspirational career and life plans.

Overall, it’s encouraging that young people are ambitious about their future, their career and salary prospects and we know that with the right help we can support more young people pursue their chosen careers and that in turn benefits organisations and society at large. However, we identified a clear mismatch between their ambitions and aspirations, and reality. This is worrying news for the UK’s critical industries currently crippled by skills shortages, and desperately in need of young talent.

Now more than ever it’s crucial we put individual potential and skills first. It’s good for those pursuing careers, it’s good for employers and its good for our country.

Employers, government and educators need to work together collaboratively to give young people more opportunities to both gain meaningful work experience and get their foot in the door. And we need to give disadvantaged young people the leg-up they need to flourish and succeed.

From greater adoption and optimisation of on-the-job training opportunities via interventions such as apprenticeships, Bootcamps and T-Levels, paid internships and quality careers advice and guidance – to making it easier for young people to get work experience, apply for jobs and progress in their careers – there are a raft of different ways we can equip young people with the opportunities, skills and experience they need to succeed.

As the recession takes hold in 2023, we must safeguard the futures of the UK’s young people this time around. We must empower this generation to enter the workforce and play an important part of the UK’s recovery story.
Our recommendations

We have outlined below our key recommendations for employers, industries, government and educators in order to better support young people, especially the most disadvantaged, to flourish when they enter the labour market, whilst helping to fill industry skills gaps.

1. Further engage with the skills system and existing government skills initiatives to provide better opportunities and progression for young people – and fill critical skills shortages.

Apprenticeships, Skills Bootcamps and newly launched T-Levels are three examples of initiatives already on offer for employers to help them recruit and train young talent, but they are under-used by employers. We need more employers to invest their time and resource in engaging with these programmes and help foster a new generation of skilled workers.

2. Make it easier for young people, especially the most disadvantaged, to access jobs and progress in their careers.

• Recruit for entry level roles based on attitude and aptitude rather than prior experience or qualifications. This is particularly important post-pandemic, when many young people may have missed out on work experience opportunities.
• Make application and recruitment processes simpler for young people to navigate.
• Offer better career progression and training when young people are in work, to help them to progress their careers.

33% believe employers are doing enough to support young people into work

Employers and industries

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Employers and industries

3. Provide more work experience, paid internships or training opportunities and work with education providers to support better careers advice and guidance in schools, to raise awareness of careers on offer.

- Participate in careers and outreach activity to reach more young people and offer paid internships.
- Paid or supported work experience or training will help more talented young people, particularly the most disadvantaged, to access these opportunities (including offering T Level work experience).

4. Share experiences and perspectives with government to help them develop a skills system that genuinely meets the needs of employers and young people.

1. Advertise in places that young people are likely to see, such as on social media.

2. Make application forms simpler and easier to fill out.

3. Give detailed and useful interview feedback.

4. Regularly visit local schools, colleges and universities – reintroduce careers fairs for schools, colleges and training providers, as well as universities.

5. Have more young people on interview panels.

6. Give travel money to young people to get to interviews – particularly those from disadvantaged backgrounds.

7. For employers in affluent areas, consider which jobs could be virtual and advertise these in less affluent areas.

8. Work jointly with local employment and business associations to better advertise roles amongst hard-to-reach groups.
1. Work with educators and employers to optimise existing skills interventions and fully utilise funding pots.

- We need government to work with employers and educators to effect meaningful change now to ensure the skills system better meets employer needs, whilst also supporting the future of the Apprenticeship Levy.
- It is essential that the Levy (which is underspent by £2bn since it was introduced) and other skills and education funds, such as the Adult Education Budget, are allocated in the right places, and that unnecessary red tape is removed. This will ensure that funds can be spent as intended so more young people get the skills interventions they need to get into work.
- In the short term, apprenticeship underspend should be used to incentivise adoption of apprenticeships, for example by reintroducing incentive payments for younger apprentices – which is a tried and tested solution.

2. Improve careers guidance and education from early years through to adulthood.

- Support and strongly encourage schools, from primary level, to embed careers content that’s informed by labour market and job vacancy data and shows the breadth of opportunity across all sectors, salaries and the opportunities available in the local area.
- Introduce a high quality all-age digital careers service that helps people to understand what jobs are available – this should incorporate real time labour market data and have input from employers.

3. Put integrated interventions in place that specifically support disadvantaged young people to access education and careers. This is especially important as we enter another recession.

- Provide more high quality and industry recognised training opportunities to offenders in prison to improve employment prospects and decrease reoffending.
- Provide more wrap-around support for young people leaving the care system to help them transition into work, for instance through improved access to mentors and/or coaches.
- Create more opportunities for people with low or no qualifications to get back into the education system and gain more qualifications.

4. Create an independent, objective Skills and Productivity Commissioner to keep the Government on track and committed to its proposals to deliver in lifelong learning – and provide stability for the sector.

They should additionally have responsibility for:

- Ensuring that success measures are implemented in all new skills policy.
- Developing a Value for Money framework for that also takes into consideration equitable outcomes.
- Creating an evidence base for the skills sector and embedding impact assessment within programme design to avoid repeating previous mistakes.
1. Help young people of all ages to be more aware of the broader education and career opportunities available to them.

- Improve careers advice and guidance by using careers advisors and mentors and working more closely with the technical education sector and employers.
- Careers guidance should be driven by data and based on the actual and future availability and growth of jobs on a local and national level.
- Work more closely with employers to develop curricula that is linked to labour market skills to ensure that young people have the skills that they really need to get great jobs when they leave the education system.

2. Ensure that curricula are deconstructed and modernised to reflect people’s working lives and are inclusive, allowing people with different abilities to achieve their best.

- Deconstruct the curriculum to offer a variety of models of delivery, for example, shorter courses that allow people to access bitesize training that fits around their lives and can be built upon – rather than only offering long courses that take several years to complete.
- Ensure that curricula is built with people from diverse backgrounds and those with disabilities in mind to ensure everyone is able to achieve their best.
Our commitment

Building on 144 years’ heritage helping people to develop skills and progress in meaningful careers, City & Guilds is continuing its commitment to supporting the UK’s young people to succeed through three core workstreams:

Skills awarding and training
1. We are extensively invested in making a success of the new T-Level qualifications – high quality, technical qualifications for talented young people which allow them to go straight into the workplace, go onto apprenticeships or gain UCAS points to go on to university. City & Guilds has won eight T-Level contracts to date.
2. We were involved in multiple apprenticeship trailblazer groups, supporting the creation of the new occupational standards and now offer 60 apprenticeship standards across a range of sectors.
3. We provide qualifications, traineeships, apprenticeships and bootcamps, targeted at young people, across a whole range of sectors in high demand skill areas; including engineering, transport, business, information technology (IT), education, manufacturing, construction. We also work with industry to develop qualifications in emerging skill areas, e.g., electric vehicle charging installation and retrofitting.
4. We have supported the Business in the Community Skills Exchange/Job Coach scheme and a scheme providing credentials for employer mentors. This is aimed at young people who do not have support networks, and designed to connect local employers to local young people.
5. We are creating a network of City & Guilds training providers across the country that will help to drive up quality, increase innovation and better meet skills demand – particularly in industries where there is high and often unmet demand for highly skilled workers.

City & Guilds Foundation
1. Our charitable Foundation works to remove barriers to entry to the workplace for young people, via a programme which includes social investment, bursaries, and investment in prison education.
2. Through our partnership with IBM, our Foundation has been given special access to IBM Skills Build – a learning platform that offers new and curated digital learning content to allow young people to upskill for the digital economy or take the first steps towards a new career.
3. Our Foundation recognises organisations which deliver excellent workplace training via our Princess Royal Training Awards.

Campaigning, policy and research work
1. We engage in campaigning and stakeholder partnership work to ensure the technical education system is able to better meet the needs of industry. This involves research, political lobby and convening stakeholders from across industry, education and central and local government to create meaningful and practical skills solutions.
2. We are advising many of the leaders of the the Local Skills Improvement Plans (LSIPs) to help identify labour market gaps. We also design combinations of qualifications and fast-track skills programmes that respond to local business needs and can be adopted by the provider base.

Methodology

Research referred to within this report was conducted by Opinium Research, on behalf of City & Guilds. Fieldwork was undertaken between 18th October – 2nd November 2022 amongst a nationally representative sample of 5,006 UK-based adults aged between 18-24 years (with an equal spread of young men and women).

About City & Guilds
For over 140 years we have worked with people, organisations and economies to help them identify and develop the skills they need to thrive. We understand the life changing link between skills development, social mobility, prosperity and success so everything we do is focused on developing and delivering high-quality training, qualifications and credentials that lead to jobs and meet the changing needs of industry.

We partner with our customers to deliver work-based learning programmes that build competency to support better prospects for people, organisations and wider society. We create flexible learning pathways that support lifelong employability, because we believe that people deserve the opportunity to (re)train and (re)learn again and again – gaining new skills at every stage of life, regardless of where they start.

Our City & Guilds Foundation activities amplify our purpose by helping to remove barriers to getting into a job, celebrating best practice on the job, and advocating for jobs of the future.

The City & Guilds community of brands includes Gen2, ILM, Intertrain, Trade Skills 4U, Kineo and The Oxford Group.

About Lightcast
Lightcast (formerly Emsi Burning Glass) is the world’s leading authority on job skills, workforce talent, and labour market dynamics. We bring clarity to the labour market, guiding our customers through a complex and changing world, providing the lens to connect the right people with the right roles in the right places. Headquartered in Boston, Massachusetts, and Moscow, Idaho, Lightcast is active in more than 30 countries and has offices in the United Kingdom, Italy, New Zealand, and India.
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