

Briefing paper: Youth employment in the Transport, Storage and Communications (TS&C), and Wholesale and Retail (W&R) sectors.

Youth unemployment is at an all-time high and falling slowly. Although the recession and subsequent lack of demand across the economy are the biggest factors, the fact is that **youth unemployment has been rising since 2005**. This suggests that the recession is only part of the cause.

There have been structural changes in the labour market that have made it increasingly difficult for young people to get into work, and move into good jobs which offer career progression:

- **Word of mouth recruitment methods are on the rise** – this disadvantages young people in particular, who haven't the necessary contacts or social capital
- **Employers value experience above all else** – yet only a quarter of them offer work experience
- **The sales and elementary occupations** that young people usually start out in **are declining** – and high skilled roles which young people find hard to access are on the rise.

These structural barriers exist to varying degrees across every sector. In general, however, **most employers who recruit young people find them well prepared for work**. 59% of employers who take on a 16 year old straight from school find them work ready, and this increases with level of education: 66% for 17-18 year old school leavers, 74% for 17-18 college leavers and 84% for graduates.

Recruitment of young people

Transport, Storage and Communications

- Recruitment of young people in this sector is below the national average. **58% of employers within this sector recruited a young person** aged 16-24 within the last year, compared to the UK average of 62%.

This falls to 18% of employers who have recruited a young person aged 16-18, below the UK average of 24%.



- **36% of TS&C employers use word of mouth recruitment**, higher than the UK average of 31%. This is known to disadvantage young people trying to enter the job market.

Wholesale & Retail



- **67% of Wholesale & Retail employers have employed a young person in the past year**. This puts W&R in the top 3 sectors, after Hospitality and Agriculture.
- Use of word of mouth recruitment is lower in the Wholesale & Retail sector; with 26% of employers using the method.

Work experience

Transport, Storage and Communications

-  25% of employers offer work experience, which is below the UK average of 27%
-  However, 42% of employers have taken on a young person following their work experience placement. This may show that offering work experience proves to be a particularly effective method of recruitment for employers within the logistics sector.

Wholesale & Retail


-  24% of employers in this sector offer work experience. The sector in which work experience is most common is education, in which 63% of employers offer it.
-  A third (34%) of W&R employers recruit young people following work experience.

Apprenticeships

Transport, Storage and Communications

-  In terms of apprenticeships, the TS&C sector is very much within the UK average. 16% of employers have or offer apprenticeships, compared to 15% across the UK.
-  A third of employers within this sector plan to offer apprenticeships in the future which, if achieved, will significantly improve opportunities for young people.

Wholesale & Retail

-  W&R employers are less likely to have or offer apprenticeships than most UK employers – the figure stands at 12%. This puts the sector in the bottom 6 of the 14 sectors reviewed. In the top 5 sectors, at least 20% of employers offer apprenticeships
-  24% of W&R employers plan to offer apprenticeships in the future, lower than the average of 32%

Both apprenticeships and work experience placements are vital for young people and employers alike. Apprenticeships offer young people a gateway into a great career, and bring well documented returns in loyalty and productivity to employers. Work experience opens young people's eyes to jobs they have never thought of and helps instil the attitudes and behaviours expected at work, as well as feeding the talent pipeline for employers.

Continuing to invest in young people would ensure that these sectors play a key role in tackling the youth employment challenge whilst building an invaluable talent pipeline for the future.

Sources

Scaling the youth employment challenge
<http://www.ukces.org.uk/publications/scaling-the-youth-employment-challenge>
Employer Perspectives Survey (2012)
<http://www.ukces.org.uk/ourwork/employer-perspective-survey>
UKCES Employer Skills Survey (2013)
<http://www.ukces.org.uk/ESS13>

Contact us



www.ukces.org.uk



reema.malhotra@ukces.org.uk



@ukces