

Briefing paper: Youth employment in the Manufacturing sector

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

-  55% of manufacturing employers have recruited a young person aged 16-24 within the last year. This is lower than the UK average of 62%.
-  In the sector, 21% of employers have taken on a young person aged 16-18, compared with 47% of employers who recruited a young person aged 19-24.
-  Word of mouth is a common recruitment method within the manufacturing sector: 34% of employers use it, slightly than the UK average of 29%. Word of mouth recruitment methods are known to disadvantage young people in particular, who are less likely to have the necessary networks and contacts.

Work experience

- Of employers with vacancies, those within the manufacturing sector were the second most likely to report that they had young people apply who did not reach the required standard (22% compared to an average of 15% across England).
- However, only 19% of firms within the manufacturing sector offer work experience, significantly below the UK average of 27%. This is problematic as the second most common reason employers in general give for not recruiting young people (other than a lack of applicants) is their lack of experience.

Apprenticeships

- Pleasingly, 20% of employers in the manufacturing sector have or offer apprenticeships, which is higher than the UK average of 15%.
- This separates into 14% of employers within the manufacturing sector who currently have apprentices, and a further 6% of employers who offer them.
- A further 23% of employers within this sector aim to introduce apprenticeships in the future. If this ambition is realised, manufacturing will be the sector with the highest number of employers who have or offer apprenticeships.

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
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