

RESOURCE PACK

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COMMITTED TO YOUTH EMPLOYMENT
BARRIERS YOUNG PEOPLE FACE AND THE
YOUTH EMPLOYMENT CHALLENGE

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Llywodraeth Cymru
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WHAT BARRIERS TO EMPLOYMENT DO YOUNG PEOPLE FACE?

As of the first quarter of 2023, there are an estimated 46,000 young people aged 16-24 who are NEET (Not in Education, Employment or Training) in Wales.

These young people might not be looking for employment for a variety of reasons, such as ill health or caring responsibilities. Conversely, they may be looking for work but facing other barriers and challenges that make accessing employment difficult.



This growing number of young people who are becoming workless – meaning they are not in full time education, or are unemployed and are not looking for work – is a major concern.

Many employers are feeling the effects of this shift. They are struggling to fill their vacancies and have noticed a growing skills shortage in their industries, as the barriers these young people face are leading them to choose worklessness over other options. Impeded by worry, many young people are finding it difficult to make a choice, meaning that making no decision can feel safer than making a stressful decision or the wrong decision.

However, there are scarring effects not only in the labour market, but on these young people too, caused by worklessness.

The youth unemployment landscape is complicated, but by using the [Youth Voice Census*](#), we have found some growing and concerning trends. This nationwide survey is how we understand what young people are experiencing.

Over 4,000 young people aged 11-30 took part in 2022's annual temperature check, answering questions about life, study and work. Using the data, Youth Employment UK identified four big barriers to employment for young people.

COVID-19'S IMPACT ON YOUTH EMPLOYMENT

Young people's mental health, their workplace experience, and their long term earning potential have all taken a hit in the wake of the Covid-19 pandemic.

One report showed that the unemployment rate rose by 34% for Black young people, 23.7% for Asian young people, and 13% for white young people by the end of 2020. In addition, 23% of young employees were furloughed in 2020, and another 9% lost their jobs entirely*.

BITC's Covid 19 & Youth Employment report* found that those leaving education in 2020 were more likely to face reduced pay and prospects, even after the economy recovers. The longer these young people are out of work, the harder it is for them to engage with the labour market and move forward.

Covid-19 also created another set of problems that have impacted and will continue to impact young people's employment prospects. The pandemic created and exacerbated disabilities, physical and mental health conditions, and stress levels for millions of people and its full and lasting implications are still being felt.



23%

of young employees were furloughed in 2020

9%

of young employees lost their jobs in 2020

MENTAL HEALTH EMERGENCY



Mental health conditions such as depression and anxiety are amongst the biggest and most overwhelming issues facing young people. Our respondents shared that they don't feel confident and comfortable in their ability to take next steps, which holds them back from any decision-making at all.

Therefore, understanding the complexity of mental health and how we can collectively support young people to gain the confidence and skills they need to move forward is vital. There is a role for the government to play here, but also a role for [employers](#), [schools](#), and wider communities.

A [BBC study of 16-24 year olds in Wales](#) found that young people disproportionately work in sectors that had to shut down during the Covid-19 pandemic. [Public Health Wales](#) states that 36% of 16-24 year old workers were employed in the "shutdown sectors" (such as hospitality, catering, leisure, and tourism) in Wales, in comparison to only 11% of workers aged 35-64.

Because so many of them tend to work in sectors with less protection and fewer rights due to the "flexible nature" of the jobs, these young people's employment situations were dramatically affected. This has led to uncertainty about their future and job prospects, and the looming cost of living crisis has only increased and compounded this anxiety.

DIFFERENCE IS A DISADVANTAGE

Those young people who are “different” – that is, a part of certain marginalised groups – experience additional barriers to entering into employment.

Young people who are LGBTQ+, Black, Asian, minority ethnic, care leavers, carers, disabled, or were recipients of free school meals have been shown to enjoy fewer equal opportunities and not to receive the same level of quality careers guidance as their peers.

The support structures that can boost confidence and wellbeing on their journey to work simply are not in place for these young people, or are nowhere near as fit for purpose as they should be.

The largest disparities of all are suffered by transgender respondents (by 25%) and by Black, Black British, Caribbean or African respondents (who were at least 10% more likely than young people of any other race or ethnicity to not be confident in accessing quality work.)



UNPREPARED FOR THE FUTURE

Many young people don't feel ready for work because they do not think they have the right knowledge and skills that employers are looking for.

For example, they might not know how to write their CV or how to be successful in job application processes. These young people aren't receiving training and support in education to learn these vital skills, leaving them at a major disadvantage when they leave school, college, or university and need to apply for work.

Employers who hire in ways that young people aren't confident with (such as assessment centres) are missing out on some brilliant young talent and amazing potential.

If you recruit or want to recruit young people, it is vital to think about updating and adjusting your processes, policies, and asks of young people to support their transition into employment.



QUALITY WORK

Many young people do not think they can find good quality opportunities where they live, with geographical location often being a significant barrier.

The [BBC's look into Covid-19's effect on young people](#) and graduates has shown that there was a 12% fall in graduate recruitment in 2020, with 64.6% of 1,202 surveyed students due to graduate said they felt negative about their job prospects.

Similarly, [Youth Futures Foundation*](#) found that in 2021, young people struggled to find jobs due to low demand, and therefore high competition, leading an increasing number of young people to become NEET despite their best efforts. One in 10 young people in the UK* between July – September 2021 were NEET.

This is one of the reasons why we created the Youth Friendly Employer badge. Seeing employers in Wales displaying that badge will be incredibly important for young people because they will be able to identify employers who care about good youth employment practice and creating good opportunities for all.



60%

decline in
graduation roles
since the pandemic

1 in 10

young people
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were NEET*

**Between July -
September 2021*

GRADUATING INTO THE POST-COVID JOBS MARKET

Today's graduates are emerging into a working landscape that is utterly changed compared to even five years ago.



Resolution Foundation (2020) reported that graduate employment rates after leaving education are around 13%* lower than they would have been had the pandemic never happened.

The organisation also said that those leaving education in 2020 are likely to face lower rates of pay and reduced prospects in the long term, even once the economy has recovered.

The rise in remote working, while beneficial to many people, also presents a unique set of issues that disproportionately impact young people. 72%* of under-25s do not have the space to work from home, which can significantly harm their chances or even exclude those young people from many jobs altogether.

Employers are also telling us that the transferable and technical skills they look for simply aren't there to the same extent that they were prior to the pandemic. This is because many young people lost much-needed time in education.

Recent graduates entering the labour market, in particular, missed out on work placements, experience and careers guidance.

ISSUES EMPLOYERS FACE

Without addressing these issues, the number of young people becoming workless is going to continue growing even more over the next couple of years.

These issues existed prior to the pandemic, of course, but Covid-19 has exacerbated them enormously. [The Prince's Trust](#) has found that Covid-19 and the cost of living have had a massive impact on the young people of today, and states that 2.8 million* young people are feeling doubtful about their future job prospects.



Employers have also said that they are struggling to recruit, attract, and retain young people, and that the young people they see are often not work ready. But without getting good quality careers education in school and opportunities in the real working world, how can we expect the young people of today to meet pre-pandemic expectations of work readiness?

This is where our work at Youth Employment UK comes in. We aim to help employers to understand where young people are and how to rethink their recruitment practices to allow us all to take steps forward.

Young people are talented and can bring many assets to the organisations that employ them, but the data clearly shows that businesses need to adjust their thinking around recruitment and support.

Investing in young people, our future workforce, will pay back to a business many times over as those young people progress and thrive in the working environment.

The [Young Person's Guarantee](#) was established to ensure this can happen and aims to ensure that 90% of 16-24-year-olds in Wales are in education, employment, or training (EET) by 2050.

RESOURCES USED IN ARTICLE

- [2021 Impact Report*](#)
Youth Futures Foundation
- [Young people not in education, employment or training \(NEET\): April 2022 to March 2023](#)
Welsh Government
- [Covid-19 & Youth Employment Report*](#)
Business in the Community (BITC)
- [2022 Youth Voice Census*](#)
Youth Employment UK
- [The Good Youth Employment Charter](#)
Youth Employment UK
- [Covid: Young people 'worried about jobs' after pandemic*](#)
BBC
- [Covid: Support calls for graduates in 'midst of pandemic'](#)
BBC Wales
- [2021 Impact Report*](#)
Youth Future Foundation
- [Addressing young people's employment challenges important for good health after pandemic](#)
Public Health Wales
- [The Young Person's Guarantee](#)
Business Wales

CONTACT

Contact us to speak with an adviser about how your business can support young people into work.

Call Business Wales on **03000 6 03000** or visit

[Recruitment Support | Business Wales Skills Gateway \(gov.wales\)](#)
for further information, free advice and support.

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