

# BULLETIN

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## The Transition from School to Work in England

Research on young people since the 1980s has devoted considerable attention to describing and interpreting 'youth transitions', which are recognised to have become more prolonged, complex and less predictable (Bynner *et al.*, 1997; Furlong and Cartmel 1997). Increasingly, young people are remaining longer in education, with only a minority making the direct transition at 16 years from school to work (Canny, 2001). The rise in the numbers who are participating in post-compulsory education has meant that young people are remaining longer in a period of dependence, which is recognised to have permeated all areas of their lives (Jones, 1995)

Using data from the Labour Force Survey over the period 1992 to 2001, this *Bulletin* presents a summary of some of the main developments which have occurred in the youth labour market since the early 1990s.

Changes in the transition from school to work cannot be viewed in isolation from wider labour market developments, some of which have had significant repercussions on the demand for youth labour. The most fundamental long-term shift in the UK labour market has been the growth in the importance of the service sector and the decline in industrial and agricultural employment. The decline in manufacturing entailed the loss of traditional craft apprenticeships which were important routes into the labour market for young people, particularly males (Ashton *et al.*, 1990). The apprenticeship route also meant that young people were largely sheltered from adult competition.

While jobs in traditional industry were primarily full-time, the shift to services employment has entailed an expansion of part-time and other types of non-standard forms of employment (Felstead *et al.*, 1999). Women have been the main beneficiaries of the growth in service sector employment, while the most significant decline in employment have been in male dominated occupations.

While there has been an expansion in lower level personal service and sales occupations, the general trend has been a growth in higher level white collar occupations and declining levels and shares in most manual occupations. Young people, particularly those with poor or no qualifications are excluded from these occupations. On the other hand, they are competing for a smaller number of manual occupations and low level service work, the latter tending to be predominantly flexible and part-time in nature.

It has been unqualified young people who have been most disadvantaged by labour market change. The jobs they traditionally entered no longer exist to the same extent. They now face increased competition for lower level service work from both adult women and students. Indeed, Payne (2000) argues that young people who left school at minimum age in 1995 tended to experience less unemployment than those ten years earlier, but were more likely to be not in employment, training or education. The Social Exclusion Unit (1999) estimated that 9% of the 16-19 year old cohort were not in education, training or employment. The consequence of this is increased marginalisation of a significant minority of young people from the labour market who are pushed into a small number of poor quality jobs which offer very little opportunity for any type of training or long-term security.

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## Economic Activity

Table 1, presenting the principal forms of activity of young people aged 16-19, indicates that the youth labour market has recovered over the period 1992 to 2001. The percentage of young people in employment has increased and the percentage in unemployment has decreased. In 2001 just over 50 per cent were in employment compared to 47 per cent in 1992. The percentage who are unemployed has declined from 11 per cent in 1992 to just under 8 per cent in 2001. The percentage of young people in education has remained in the region of one third, while the percentage in government training has declined significantly over the period. The table shows that employment increased for both young men and women. However, women are still significantly more likely to be inactive compared to their male counterparts. Indeed, research has shown that young women tend to withdraw into domestic duties during periods of unemployment, while males are more likely to register as unemployed (Johnston *et al.* 2000). The table suggests that the buoyant labour market in the late 1990s has dampened down the long-term increase in post-compulsory educational participation.

Table 1: Main economic activity of 16-19 year olds, England, 1992-2001

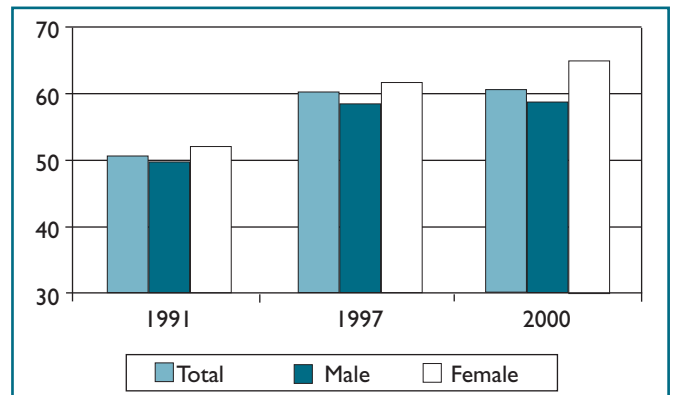
	%		
	1992	1997	2001
<b>Total</b>			
Employed	46.7	48.6	50.4
Government Training	6.7	4.0	2.6
Unemployed	10.6	9.9	7.9
Education	30.8	31.9	33.9
Inactive	5.2	5.6	5.2
<b>Total (000s)</b>	<b>2,393</b>	<b>2,320</b>	<b>2,407</b>
<b>Men</b>			
Employed	44.9	48.0	50.0
Government Training	8.0	4.6	3.5
Unemployed	12.4	11.5	9.3
Education	31.3	32.4	33.2
Inactive	3.5	3.6	3.9
<b>Total (000s)</b>	<b>1,227</b>	<b>1,188</b>	<b>1,234</b>
<b>Women</b>			
Employed	48.6	49.3	50.8
Government Training	5.4	3.4	1.7
Unemployed	8.7	8.2	6.3
Education	30.3	31.3	34.7
Inactive	7.1	7.7	6.6
<b>Total (000s)</b>	<b>1,166</b>	<b>1,132</b>	<b>1,173</b>

Source: Labour Force Survey

## Educational Participation

While the above table presents the main economic activity of young people, it masks a growing number of young people who are both in education and employment. The percentage of young people indicating that they are still in education increased sharply over the 1992-95 period, thereafter remaining at around 59-60 percent (though educational participation has increased more significantly for women since 1999).

Figure 1: Percentage of young people aged 16-19 who are still in education



Indeed, Table 2 shows that while the percentage of young people with no qualifications or level 1 qualifications has declined, young men are more likely to have no qualifications compared to women, which reflects higher post-compulsory educational participation amongst women. There has been concern raised in both policy and academic circles of the failure of boys to remain in education and their lower academic attainment relative to girls (see Epstein *et al.*, 1998). However, it may be the case that male educational participation is more closely linked to economic cycles, i.e. increasing during times of economic recession and decreasing or levelling out during recovery, such as in the late 1990s when the economy was in a growth phase. Indeed, research has suggested that men are more likely to be discouraged workers compared to women (Raffe and Willms 1989).

Table 2: Highest educational qualifications of 16-19 year olds, England, 1992-2001

	%		
	1992	1997	2001
<b>Total</b>			
NVQ 5	0.0	0.0	0.0
NVQ 4	1.1	0.5	0.7
NVQ 3	19.4	15.8	18.5
NVQ 2	48.1	50.0	50.5
NVQ 1	5.2	10.3	8.1
No level	26.3	23.3	22.2
<b>Total (000s)</b>	<b>2,392</b>	<b>2,319</b>	<b>2,407</b>
<b>Men</b>			
NVQ 5	0.0	0.0	0.0
NVQ 4	0.9	0.4	0.7
NVQ 3	21.0	15.6	17.7
NVQ 2	44.9	47.8	48.4
NVQ 1	5.6	11.9	9.5
No level	27.6	24.2	23.6
<b>Total (000s)</b>	<b>1,226</b>	<b>1,187</b>	<b>1,233</b>
<b>Women</b>			
NVQ 5	0.0	0.1	0.0
NVQ 4	1.3	0.5	0.7
NVQ 3	17.8	16.0	19.4
NVQ 2	51.5	52.3	52.6
NVQ 1	4.7	8.7	6.6
No level	24.9	22.4	20.8
<b>Total (000s)</b>	<b>1,165</b>	<b>1,131</b>	<b>1,173</b>

Source: Labour Force Survey

It is worth noting that the percentage of 16-19 year olds attaining level 2 or level 3 qualifications has increased, with the majority having level 2 qualifications.

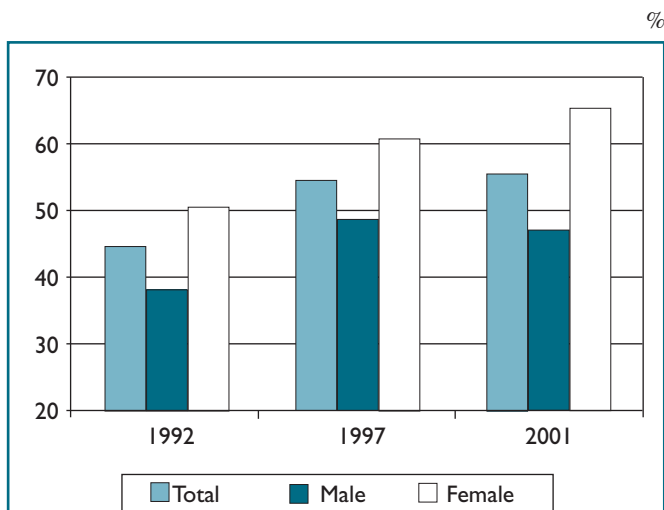
### Sectoral and Occupational Employment

Ashton *et al.* (1990) point out that employed young people have traditionally been concentrated in a small number of industries. However, the decline in manufacturing has resulted in opportunities becoming even more concentrated. In 2001, over 50 per cent of employed 16-19 year-olds were concentrated in two sectors; retail and motor trade and hotels and restaurants

Given the sectoral concentration, young people are not surprisingly concentrated in personal service and sales and customer service occupations. Moreover, the percentage of young men and women employed in these two occupations has increased over the 1990s and into 2001. A significant minority of young people are also employed in elementary occupations. There is some indication that the proportion of young people in such occupations has increased, suggesting that young people may be increasingly pushed into unskilled insecure employment. It is also likely that this group contains a high proportion of unqualified young people pointing to increased marginalisation of a segment of the youth labour market. While young men are more likely to be employed in skilled trades compared to women, the proportion of young men employed in both sales and customer service and personal service jobs has increased. This growth is primarily due to the sectoral concentration of employment as discussed above and suggests that the youth male labour market has become increasingly 'feminised' over the analysed period.

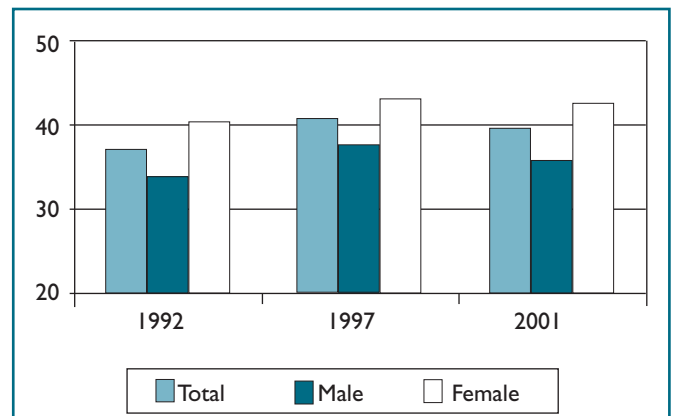
Consequently the extent of part-time employment has increased significantly for both men and women as Figure 2 illustrates. Over the 1992 to 2001 period, part-time rates have increased from 38 per cent to 47 per cent for young men and from 51 per cent to 65 per cent for young women. In 2001, 56 per cent of employed 16-19 year olds were working part-time.

Figure 2: Part-time employment amongst employed 16-19 year olds, 1992-2001, England



The growth in part-time employment has provided employment opportunities for young people in education. Indeed one of the most significant changes in the youth labour market has been the increase in student employment (Figure 3). In 2001, 40 percent of 16-19 year-old students were also employed. The UK has one of the highest proportions of students who are participating in the labour market in Europe. This increase reflects the growth in flexible employment which has provided opportunities for students to obtain employment while continuing their studies. This has been aided by the growth in extended, Sunday and in some cases all night retail trading (Canny Forthcoming).

Figure 3: Percentage of 16-19 year olds in education and employment, England



### Conclusions

It is likely that, given the current participation rates in further and higher education, the importance of student employment will continue to increase. This suggests that the youth labour market is changing from being predominantly full-time as it was in the 1980s, to one with a wider variety of options between full-time and part-time employment. While the growth in flexible employment has provided opportunities for young people to combine work and study, it has also contributed to the marginalisation of a significant minority of early school leavers. Canny (forthcoming) suggests that students are crowding out non-student workers from some segments of the labour market where previously they would have secured employment. It is likely that the jobs that are available to unqualified young people are becoming increasingly short term, poorly paid and dead-end; in the long-term this could perpetuate the cycle of disadvantage and exclusion. It is also apparent that it is no longer appropriate to refer to employed young people as just those in employment. Increasingly we have to make clear distinctions between those who are in employment *and* education and those who are just in employment. It is also essential that we focus on the labour market conditions of young people within these two groups. For instance, students are not a homogenous group but comprise young people who are participating in second level, further and higher education. Therefore, it is likely that their reasons for engaging in employment are varied and require examination. In particular, we need to consider the extent to which student employment may in fact pull some people out of education. This is an issue within the further education sector especially.

The analysis has highlighted the sectoral and occupational concentration of young men's and women's employment, particularly within retail trade and the hotel and restaurant trade. These sectors are particularly noted for their high level of flexible and insecure employment, low wages and their low level of training and development (especially in the hotel and restaurant sector). At public policy level there is increased emphasis on improving economic competitiveness and promoting social justice. DfES (2001) argues that the best way of achieving these two aims is by developing the skills and talents of young people. It is essential, therefore, that young people in low service sector employment have access to continual training and professional development. It is also important for *sectoral* policy to address problems of low value-added service activity so that the underlying business conditions are capable of sustaining improvements in job quality for these young people.

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## Related IER Research

The Institute has had a long-standing research interest in the youth labour market and its relationship with the education and training system. Some relevant publications by IER staff are given below.

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