

BRIEFING PAPER

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Youth Unemployment Statistics

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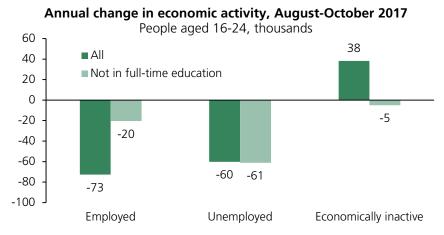
1. Youth Unemployment Statistics

523,000 young people aged 16-24 were unemployed in August-October 2017, a slight decrease from the previous guarter and 60,000 fewer than the year before.1

The unemployment rate (the proportion of the economically active population who are unemployed) for 16-24 year olds was 12.0%, down from 13.0% a year ago.

Excluding young people in full-time education, there were 337,000 people aged 16-24 unemployed, 11,000 fewer than the previous guarter and down 61,000 from the year before.

The unemployment rate for 16-24 year olds not in full-time education was 10.2%, compared to 11.7% a year ago.



The fall in unemployment over the past year was accompanied by a fall in the number of 16-24 year olds who are in work. However, there was a rise in the number of young people who are economically inactive (not in work and not looking for work). Over the same period, the total population aged 16-24 decreased by 95,000.

Figures are based on a survey so some of the reported changes may arise from survey error rather than actual movements in the levels.

Unemployment by age

The unemployment rate for people aged 18-24 was 10.6% in August-October 2017, down from 11.4% a year ago. 416,000 18-24 year olds were unemployed, while 1.76 million were economically inactive. 3.50 million were in work.

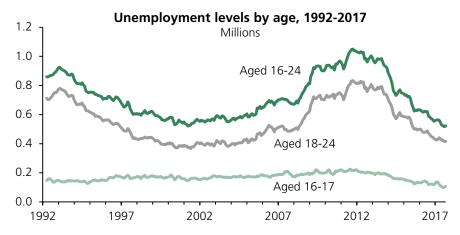
107,000 16-17 year olds were unemployed, while 964,000 were economically inactive and 340,000 were in work.2

The unemployment rate for 16-17 year olds was estimated at around 24%. The rate is higher than it was in the 1990s and early 2000s, despite there being a lower number of 16-17 year olds unemployed. This is explained by more 16-17 year olds staying in full-time education

All data are from ONS Labour Market Statistics bulletins and are seasonally adjusted.

The estimates for 16-17 year olds are more volatile than those for 18-24 year olds, since they are based on a smaller number of survey responses.

so that fewer are economically active (the unemployment rate is calculated as a proportion of the economically active population).



Long term youth unemployment

83,000 people aged 16-24 had been unemployed for over 12 months at August-October 2017, about the same as the previous quarter but 12,000 fewer than a year ago. 16% of unemployed 16-24 year olds had been unemployed for over 12 months.

Men and women

305,000 men aged 16-24 were unemployed in August-October 2017, down 45,000 from a year ago. The unemployment rate for men in this age group was 13.6%, compared to 15.1% a year ago.

218,000 women aged 16-24 were unemployed, down 15,000 from a year ago. The unemployment rate for women aged 16-24 was 10.3%, compared to 10.7% a year ago.

People claiming unemployment benefits

164,900 people aged 18-24 were claiming Jobseeker's Allowance or were claiming Universal Credit and required to seek work in November 2017, down 8,800 from a year ago.

However, these numbers are impacted by the ongoing rollout of Universal Credit (and are thus classed as "experimental statistics"). Under Universal Credit, a broader span of claimants are required to look for work than under Jobseeker's Allowance. This has the effect of increasing the number of unemployed claimants compared to the previous system.

The effect of Universal Credit is most visible in areas operating Universal Credit "Full Service" (where rollout is more advanced). Most jobcentre areas have not yet moved to "Full Service" but will do so over the next year. For more details see section 2 of the Library's briefing paper, *People claiming unemployment benefits by constituency*.

The Office for National Statistics (ONS) believes that due to the impact of Universal Credit, the claimant count data "may now be providing a misleading representation of the UK labour market".³

ONS, *Publication arrangements for the Claimant Count*, 23 February 2017

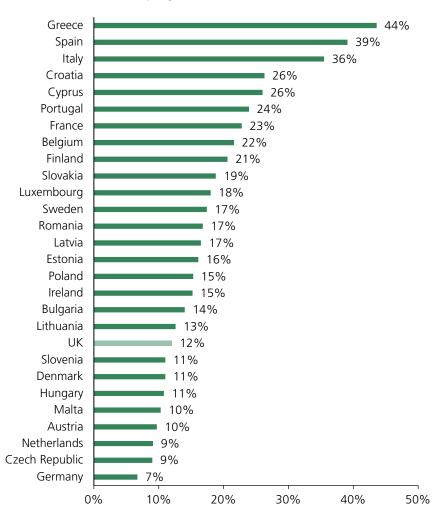
2. Youth Unemployment across Europe

The chart below shows the youth unemployment rate across European Union countries. Figures are published by Eurostat (the European statistical authority) and therefore may differ from what is published elsewhere in this note.

Greece had the highest rate of youth unemployment in April-June 2017 at 43.6%. Germany had the lowest youth unemployment rate at 6.7%.

The UK youth unemployment rate was 12.0%, compared to 17.0% for the European Union as a whole.

Youth unemployment rates in the EU, Q2 2017



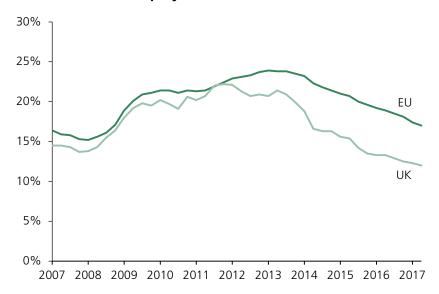
Notes: Seasonally adjusted. Rate refers to the percentage of economically active young people aged 15-24 who are unemployed.

Source: Eurostat

Recent trend in youth unemployment in the EU

Since 2013, the youth unemployment rate has been decreasing in the UK and for the EU as a whole, although the rate has fallen faster in the UK. Between Q2 2013 and Q2 2017 the youth unemployment rate fell by 9.4% points in the UK, compared to a fall of 6.8% points across the EU as a whole.

Youth unemployment rate, UK and EU, 2007-2017



Notes: Seasonally adjusted. Rate refers to the percentage of economically active young people, aged 15-24, who are unemployed.

Source: Eurostat

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