

INSIGHTS

News about employability, careers
and the labour market in the UK

Welcome to the February edition of Insights.
A reminder if you have any feedback or comments, you can contact us at
Insights@edt.org.

National Careers Week 2024

National Careers Week takes place this year from the 4th – 9th March. It is a celebration of careers guidance and an opportunity for organisations to showcase their careers service and careers programmes.

To follow what's happening during the week on social media, look for #NCW2024.



The automotive sector

According to the Institute of the Motor Industry (IMI), the automotive industry employs around three quarters of a million people in the UK with an additional 100,000+ in automotive-related occupations working in other sectors. Around three quarters of the employment in the sector is on the retail side with the remainder in manufacturing [1].

As with the UK vacancy count overall, the number of vacancies in the industry has recently peaked and is returning to pre-pandemic levels but still has (as at November 2023) over 20,000 vacancies. For more details of what is in demand, see the [November 2023 briefing](#).

As with all sectors, the industry's labour market supply and demand is through managing the mix of attraction, retention and maintaining skills as technologies and consumer preferences change, set against the uncertainties of global economics. One thing that is fairly certain is the increase in demand for hybrid and electric vehicles (EVs) and the advanced driver autonomous systems (ADAS) technology for autonomous vehicles.

[1] [Driving Forces: unveiling the landscape of the UK automotive labour market, IMI 2023](#)

The [Tech Safe](#) qualification provides vehicle technicians with the skills to maintain EV and by January 2024, 22% of technicians had the qualification. The demand for Tech Safe is set to continue and the IMI points out that there is a risk that by the end of the decade demand for Tech Safe qualified technicians will have outstripped supply. Read the [EV Tech Forecast for January 2024](#) to find out more.



Careers guidance in specialist settings

In February, [a report by Ofsted](#) was published which looked into careers guidance provision in special schools, pupil referral units (PRUs) and independent specialist colleges (ISCs).

Ofsted acknowledges that their review is based on a small sample size (the research included visits to five special schools, three PRUs and four ISCs) and that the majority of young people with special educational needs and/or disabilities (SEND) and/or high needs are educated and trained in mainstream schools and further education colleges.

However, there were some common themes that emerged:

- Leaders regularly made sure that the voice of the child or young person was central to careers guidance.
- All the providers visited had a highly personalised approach.
- Most leaders had plans in place to equip learners with the knowledge they need to make informed choices about their next steps. However, in a small number of the providers, the careers programme did not provide sufficient opportunities for learners with higher levels of independence or academic ability to gain experiences that matched their aspirations.
- Leaders prioritised high-quality work experience and were establishing relationships with employers. However, this was often met with mixed results.
- Not all learners received impartial careers guidance from a qualified careers adviser.
- Providers that commissioned external qualified advisers said it was helpful for parents and learners to speak to someone 'beyond the school' who was impartial and knew about the range of options available.

As one careers leader said:

“That’s what the careers adviser does – breaks down why, offers alternatives. Trying to also give them a range of different things to experience. They [learners/families] don’t know what exists.”

- All leaders placed a high priority on engaging parents and families with careers guidance and transition planning (although sometimes it was hard to engage effectively with some parents and carers.)

Competition and UK labour markets

The [Competition and Markets Authority's](#) (CMA) normal area of concern is the competition or lack of it in the markets for products and services, such as recent reports on housebuilding, infant formula and funeral services.

However in [this report](#), the CMA considers the scenario of a well functioning labour market where:

“workers are able to access the right jobs for them and firms find the workers they need in the easiest, most efficient way and the amount each worker can produce rises, more suitable workers contribute more in a given hour, which in turn boosts revenues and wages” ,

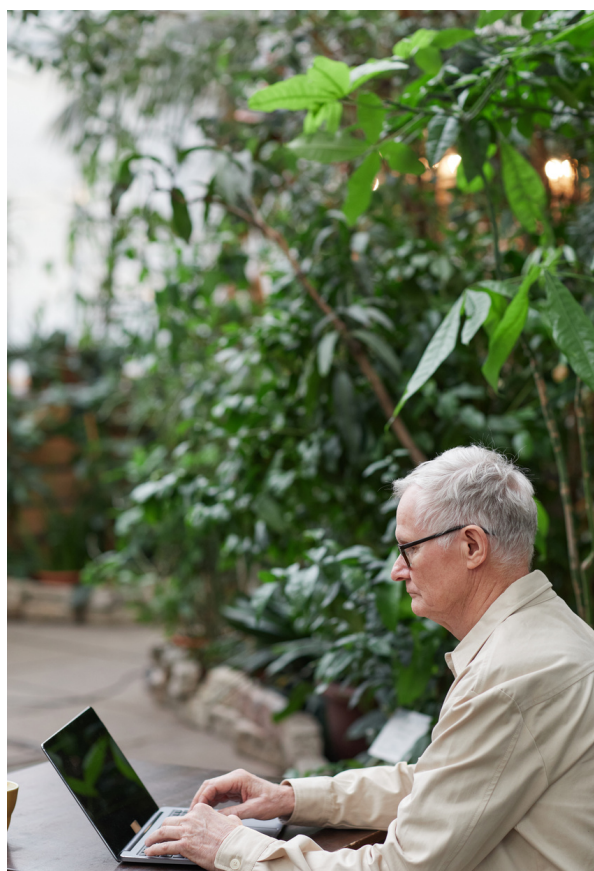
and consider how well, in competition terms, the UK labour market is operating.

The CMA's particular concerns are about employer power through the concentration of a market (the number of employers operating in it) which can influence wages downwards and which at worst could demonstrate a collusion to fix wages. Something that is illegal and enforceable by the CMA.

Some of their observations:

- A high labour market concentration (this means a smaller number of firms in a particular market) negatively affects wages.
- Where there is labour market power, workers receive less than their full contribution to revenue. This is true for most workers in the UK to some extent.

- Collective-bargaining can provide a counter-balance in high concentrated industries and occupations.
- Searching for new jobs takes time and is costly for workers. The more difficult it is to find out about new opportunities, the more market power employers have. When searching for jobs is costly or time-consuming, workers are less likely to leave. Knowing this, employers can pay them less.
- The better a labour market functions, the better the productivity and higher the wages.



The report also comments on the gig-economy (defined as a labour market contracted through digital platforms) which accounts for a small but growing and generally low paid group of workers (8% receiving less than the minimum wage) and hybrid working (in around a fifth of all job postings) which tends to be in low concentration labour markets. It is too early to say what effect, if any, this will have on wages and employee power.

The Shared Prosperity Fund

The UK Parliament Work and Pensions Select Committee held a one-off session in November last year to consider the issues around the People and Skills element of the Shared Prosperity Fund (SPF). This included evidence from two training providers, a local authority and the Learning and Work Institute.

The transcript and video recording of the in-person session can be accessed [here](#).

Correspondence between the committee's chair to the Department for Levelling Up, Housing and Communities (DLHC) and DLHC's reply are available [here](#).

Economic inactivity and long-term illness

The policy focus on tackling economic inactivity is evident in the latest Government funding for a new taskforce – the [Occupational Health Taskforce](#) – which will look at ways to improve occupational health for SMEs, to prevent people leaving work into long-term illness.

This follows the [Back to Work Plan](#) launched in November 2023 to help up to 1,100,000 people with long-term health conditions, disabilities or long-term unemployment to look for and stay in work.

The latest labour market figures show that economic inactivity in the UK has increased by 623,000 since before the pandemic [2]. Around 30% of the inactivity is for the reason of long-term illness. An increase of 6% since 2019 [2].

[2]

www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/economicinactivity/datalist



News

Top 10 desirable jobs and companies for teenagers revealed in new survey

The 2024 BBC Bitesize Survey of more than 4,000 13–16-year-olds has placed doctor as the most desirable job above engineer and teacher and the NHS as the most desirable employer, beating Apple and Google.

View the full survey results [here](#).

Disclosure & Barring Service providing support to job seekers

To coincide with the launch of the Home Office Stop! Think Fraud campaign, the Disclosure & Barring Service is providing support to job seekers for a safer employment search.

Find out more about this news [here](#).

A new route to becoming a teacher

From Autumn 2024, there will be another route to becoming a teacher when the new apprenticeship in teaching launches.

Learn more about the new pathway to the classroom [here](#).

New campaign to encourage people into early years education launched

A new media campaign, called “Do Something Big”, has been launched by the Department for Education (DfE) to encourage people into early years education.

This is alongside a trial of a £1,000 sign-on bonus for childcare workers in 20 local authorities across the UK.

Read more on this [here](#).



To find out more about the employability and careers services at EDT, please contact us at careersinfo@edt.org