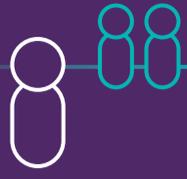


## The facts & the fixes:

# Youth prospects

**In brief:** Young people face an increasingly hostile world. From wages, to housing, to pensions, young people today face greater obstacles than their parents.



## What can we do to improve opportunities for young people?

Young people in the UK today will find it harder to achieve financial security than the previous generation. But it doesn't have to be this way – tackling intergenerational inequality is a political choice. Here are six policy fixes to get us started.

**1 — We need a dedicated Youth Minister and Youth Strategy.** This government needs a youth strategy, focusing on the impact of government policy on young people, and finding solutions to the unique issues faced by under 25s. A Youth Minister would ensure that issues affecting young people are considered holistically across government. This is particularly important in uncertain economic times post-Brexit.

**2 — The government needs to prioritise affordable, quality housing.** With young people paying almost half their income towards rising rents and increasingly priced out of home ownership, something has to change. The government needs to look at options like rent controls, which have been successfully applied elsewhere, crackdown on empty investment properties, take action on rogue landlords and remove the borrowing cap that prevents councils from building much needed social housing.

**3 — A well funded education system from cradle to grave.** Young people need fair access to high quality education, including apprenticeships, further education colleges and universities. With the ever increasing pace of technological change, workers need education opportunities throughout their working lives to be able to adapt their skills to the changing world of work.

**4 — Good quality apprenticeships and good quality jobs.** Our skills and apprenticeships system is plagued by problems including low quality provision and disinterested employers. The government needs to raise standards and coordinate a skills strategy with an industrial strategy to create better jobs. Apprentices need to be protected from unscrupulous employers using the apprenticeship system to avoid paying decent salaries.

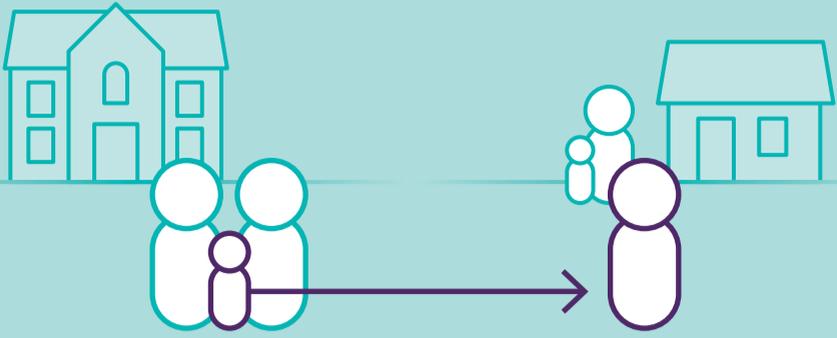
**5 — Young people should be encouraged to join trade unions.** Trade unions and collective bargaining agreements are crucial to workers' wellbeing. Young people are missing out on key protections at work. Unions also offer young people opportunities for training and volunteering, and open up career paths in the trade union movement. The government should repeal the Trade Union Act, and create union friendly legislation.

**6 — The government needs to take action to ensure young people have sufficient pensions.** Workplace pensions were a positive step forward for pension provision. These need to be extended to cover the informal work that many young people are in. Auto-enrolment rules need to be ambitious, with the contribution rates increased to ensure young people don't miss out on the pensions enjoyed by previous generations.

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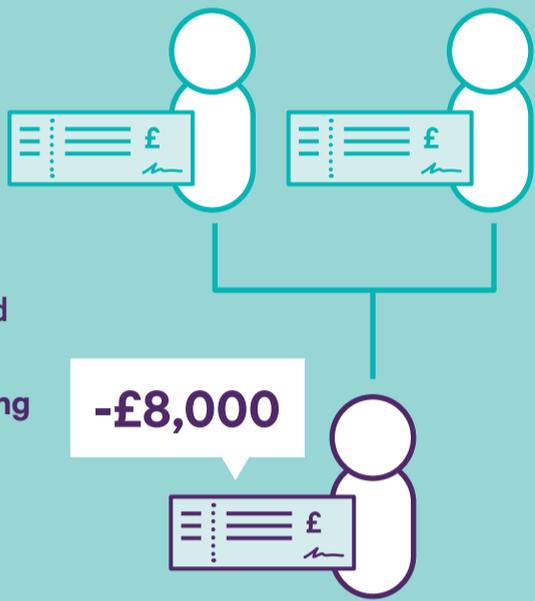
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Only one in three of those born between 1980 and 2000 believe they have better lives than their parents.<sup>1</sup>



Millennials could be the first generation to record lower lifetime earnings than their parents, earning an average of £8,000 less by the age of 30.<sup>2</sup>

Millennials are those born between 1981 and 2000.



Graduates from richer families earn far more than those from poorer families, with an £8,000 gap for men and a £5,300 gap for women.<sup>3</sup>

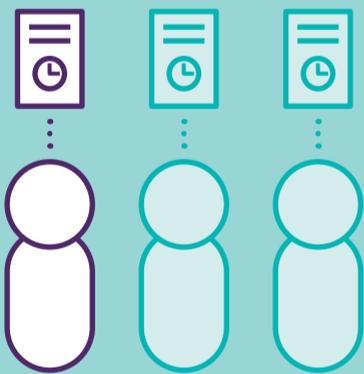


Median hourly earnings for 22–29 year olds have fallen by 12.7% since 2009, compared with 9.3% for all employees.<sup>4</sup>

In real terms – adjusted for inflation and excluding overtime.



Young people are most likely to be on zero hours contracts, with over one in three of those on these contracts aged 16–24.<sup>5</sup>



The apprentice minimum wage rate is only £3.30/hr. The Living Wage is £8.45/hr.<sup>6</sup>



Three out of five young workers have not taken part in or been offered training in the past 3 months.<sup>7</sup>



The number of homeowners aged 16–34 has almost halved since 1998.<sup>9</sup>

The average age of a first time buyer is 32.<sup>10</sup>



British students graduating from English universities in 2015 owe an average of £44,000, more than graduates in the US, Australia and Canada.<sup>8</sup> Since 1998, the tuition fee cap has risen from £1,000 to £9,250 a year.



Less than one in ten low and middle earning 21–30 year olds are in a trade union.<sup>11</sup>

However, young trade union members on average get paid 43% more.<sup>12</sup>

