

# Recovering the lost workforce

Exploring the needs and priorities of those at the edge of the labour market

Jake Shepherd  
Gideon Salutin

**SMF**

**Social Market  
Foundation**

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Kindly supported by



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## ABOUT THE AUTHORS

### **Jake Shepherd**

Jake joined the SMF research team in March 2020, having previously held roles in the public and non-profit sectors. He was last employed at the Office for National Statistics and before that he worked at public service reform think tank, New Local.

Jake's research portfolio covers a wide range of policy issues, from in-work poverty to gambling, the four-day week to drug reform. Jake has appeared in various print and broadcast media including The New Statesman, The Independent, The Times, Times Radio, and BBC Radio 4.

### **Gideon Salutin**

Gideon joined the research team in August 2022 having previously worked as a policy researcher and writer. His research portfolio focuses on environmental policy, poverty, and inequality.

Prior to joining the SMF, Gideon worked for the International Development Research Centre reviewing development in the Global South, and before that researched policy for the Max Bell School of Public Policy and le Centre International pour la Prévention de la Criminalité. He holds an MSc in International Social and Public Policy from the London School of Economics and BA Hons in Economic Development and History from McGill University.

## ABOUT THIS REPORT

This research draws on three different surveys – targeting three different populations – comparing these groups on what they each want and need from work and the barriers to entering it. The surveys were delivered by the independent research agency Focal Data, with fieldwork taking place from 7 to 10 June 2024. They include:

- A nationally representative survey of 1,011 working-age (16-to-64 years-old) adults.
- A booster survey consisting of 774 economically inactive people aged 16 and above.
- A second booster survey of 250 16-to-24-year-olds not in employment, education, or training (NEET).

To focus specifically on those out of work but wanting a job, we combined these three surveys to create a sub dataset comprised only of the 'lost workforce'. It is the primary focus of our analysis.

## EXECUTIVE SUMMARY

This report explores the barriers that people face getting into work, how those barriers might be addressed, and the potential that could be unlocked by doing so. It provides new primary research, sharing SMF survey data on the challenges, needs, and wants of those seeking employment.

The new government has set its sights on increasing economic output in the UK in order to raise living standards. But getting “back to work”<sup>1</sup> will require using all the tools at our disposal, including integrating new workers into the workforce. Our analysis focuses on one group in particular — the ‘lost workforce’, which we define as those who are not employed but have the ability and desire to do so – to understand how we can increase the size of the working population while improving livelihoods.

### **More than six million people make up the ‘lost workforce’, costing the UK £454 billion per year in lost output**

- Over six million people are not employed but wish to work, equating to 14% of the working-age population. We refer to this group as the ‘lost workforce’.
  - This includes unemployed people, who are defined as actively seeking work in the past four weeks and are available to start in two.<sup>2</sup>
  - It also includes some of the economically inactive, who may desire work but struggle to participate, for example due to caregiving responsibilities or a lack of flexible job opportunities.<sup>3</sup>
  - This group represents those who wish to work but face obstacles or have become discouraged by a lack of opportunities, reflecting labour market complexities and changing personal situations.
- Reflecting people’s socioeconomic circumstances, certain groups are more likely to be part of the lost workforce than others.
  - Education is a strong indicator. 75% do not have a degree, compared to 54% of the general working-age population.
  - 25% of the lost workforce says they would like to start working but would need their health to improve first.
  - The lost workforce is more likely to be comprised of older workers, 45-to-54-year-olds (25%) being the most common age group.
  - Those on low income are likely to be affected, with 55% of the lost workforce coming from households that make less than £25,000 a year.
- We estimate that if this entire population were to find employment, UK GDP would increase by £454 billion, an increase of 16.9%.
  - While it is impossible to fully integrate each of these individuals, this indicates the significant opportunity available to policymakers in getting members of this group into work.
  - The government’s plan to raise the employment rate to 80%, getting two million people into work, would increase economic output by £151 billion.

## **But there are several obstacles which can hinder the lost workforce's ability to find their way into the labour market**

- Just 35% feel well-equipped to enter the workforce, compared to 62% in the general working-age population. The most common reasons provided were a lack of relevant experience (39%) and skills (33%).
  - They are more likely to feel uncertain (30% versus 15%) frustrated (23% versus 18%) and lost (22% versus 8%), and less likely to feel confident (10% versus 36%), optimistic (13% versus 28%), or supported (6% versus 27%).
  - The lost workforce recognises the expectation for communication, customer service and digital skills in today's jobs market, but just 33% felt at least somewhat confident they can acquire those skills.
- Logistical issues such as job location and health support also restrain those who would otherwise be more able to find employment.
  - 24% blamed poor transport links, and location (63%) was listed behind only salary (74%) in job attractiveness.
  - Mental health is holding back the lost workforce. 19% fear their mental health would not be protected at work, compared to 10% of the wider working-age population
- Personal barriers, such as a lack of confidence to take up new roles, impedes career progression across the lost workforce – particularly for women.
  - The lost workforce is more likely than the working-age population to struggle with application skills, including writing CVs (30% versus 23%) and performing well in interviews (36% versus 32%).
  - Women in the lost workforce are more likely than men to struggle with interviews (40% versus 30%), while just 18% feel confident in job applications compared to 24% of men.

## **The lost workforce wants more support to help them navigate recruitment processes and ongoing employment**

- Reflecting the challenges those in lost workforce say they face in securing work, interviews (32%), CV support (32%), and skills training (26%) emerged as the most sought-after forms of support.
  - Women, young people, and ethnic minorities are more likely to seek support, such as guidance and work experience opportunities.
- To help people develop in their careers, work placements (48%), work experience (45%), and employability support (42%) were identified as most desirable opportunities for improvement.

## **Our youngest and oldest potential have specific wants and needs**

- Young people aged 16-24 who are in the lost workforce feel similar to the wider population and lost workforce in their career aspirations and preferences, however they are distinct in certain areas.

- 42% feel they are well-equipped to enter the job market, compared to 62% of the general working-age population.
- Young people were more likely than the general population to have been put off a job due to concerns over their lack of experience (38% versus 30%), lack of guidance (21% versus 17%) and anxiety about applying (22% versus 17%).
- 26% of young people in the lost workforce felt that their background has hindered their career, compared to 14% among the general population and 20% among the lost workforce.
- Older individuals aged 45–64 in the lost workforce are more likely than the overall lost workforce to cite health needs (24% versus 20%).
  - When asked where they need support, older people are more likely to cite opportunities to retrain (53% versus 37%), work placements (49% versus 44%), more flexible working arrangements (48% versus 43%), and employability support such as CV writing (41% versus 38%).

### There are clear steps that employers and government can take to break down barriers to employment faced by the lost workforce

- Millions in the UK are eager to work but lack the opportunities to do so. Key support to help the ‘lost workforce’ with skills training, work placements, and employability support could help bring these groups into employment.
- Government policy has a role to play in this, but there is also room for employers and the education system to meet the needs of prospective employees while increasing economic output.

#### Recommendations for helping job seekers get into work

In light of the challenges and priorities identified in this report, we make four recommendations to better support the lost workforce in finding employment.

1. **Expand access to work placements and work experience** to benefit more young people, with a particular focus on school students and disadvantaged groups.
2. **Improve careers guidance for those in and out of education**, including support with job applications. Digitisation provides a useful opportunity to improve advice.
3. **Support older people to enter or return to the workforce.** We recommend a three-pronged strategy that consists of access to skills advice, funding, and private sector support.
4. **Introduce a national job and training guarantee programme.** A more ambitious approach, this would ensure that every person seeking employment can be provided with education, training, or a paying job.



## CHAPTER ONE – INTRODUCTION

A strong labour market is crucial for economic growth, social stability, and individual wellbeing. However, there are barriers that impede some people from developing in their jobs and prevent many from securing employment.

From March to May 2024, the unemployment rate in the UK reached 4.4%, representing nearly two million working-age individuals – the highest level since September 2021 during the coronavirus pandemic.<sup>4</sup> Additionally, economic inactivity has risen to 22.1%, affecting over 9 million people.<sup>5</sup> While not all of these people can work, many, with the right support, have the potential to progress in the labour market.<sup>i</sup>

However, standard definitions used by the ONS often fail to align these groups. To be classified as unemployed, an individual must have actively searched for a job in the last four weeks and be able to start within the next two. In contrast, inactive people are not actively seeking or immediately available to work.<sup>6</sup> Employment policies geared exclusively towards the unemployed exclude those economically inactive individuals who may desire work but face obstacles, such as caregiving responsibilities or a lack of flexible job opportunities, or who have become discouraged due to a perceived lack of opportunities.

These people could help meet the government’s pledge to increase employment from 74.5% to 80%, which will require an increase of over two million workers. Individuals classified as either unemployed or inactive who have the desire and capacity to work can help increase employment, while also boosting economic growth and improving future life prospects.

We define these people as the ‘lost workforce’, including any working-age person who is unemployed or inactive and has the capacity and desire to work. This effectively combines ONS definitions of unemployment and inactivity, excluding individuals who do not desire employment.

This report explores the challenges facing the lost workforce, how those barriers might be addressed, and the potential that could be unlocked by doing so. With the government’s ambitions in mind, it offers a fresh perspective on these individuals, and recommends policies to better assist those who, with the right support, have the potential to progress in the labour market.<sup>ii</sup> We focus on labour market policies the government’s election manifesto promised to prioritise, including career services, skills training, and apprenticeships.<sup>7</sup> This is not to discount other areas that could

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<sup>i</sup> We acknowledge there are technical issues with official labour market data, particularly the Labour Force Survey, which affect worker estimates compared to other sources. The Office for National Statistics has faced challenges with this data, leading to the loss of its ‘National Statistics’ status due to concerns over robustness. Despite these uncertainties, we rely on this source for estimates throughout the report as it remains the primary source of official labour market data.

<sup>ii</sup> For a detailed explanation of our conceptual approach to defining the lost workforce, please refer to the appendices.

help increase the British workforce, in particular health and care interventions, but these areas are beyond the scope of this report.

It provides new primary research, sharing SMF survey data on the challenges, needs, and wants of those seeking employment. We draw on three different surveys – targeting three different populations – comparing these groups on what they each want and need from work and the barriers to entering it. The surveys were delivered by the independent research agency Focal Data, with fieldwork taking place from 7<sup>th</sup> to 10<sup>th</sup> June 2024. Ultimately, we make recommendations to better support the lost workforce in finding employment.

The structure of this report is as follows:

- **Chapter Two** examines the literature on labour market barriers, including skills, qualifications, experience, demographics, and personal challenges.
- **Chapter Three** aims to provide an understanding of the lost workforce, who they are, and their key characteristics.
- **Chapter Four** reports on the challenges of prospective workers in trying to find a job, including their outlook for the future and barriers to applying for roles.
- **Chapter Five** reveals the priorities of the lost workforce, their desires, and the help they need to develop in the labour market.
- **Chapter Six** discusses potential policy avenues to better support those out of employment into work.

## CHAPTER TWO – IDENTIFYING THE BARRIERS TO CAREER PROGRESSION

There are several obstacles which can hinder people’s ability to find their way in the labour market. Common barriers include those closely linked to employability, such as insufficient education, skills, or work experience.

Obstacles may also reflect a person’s own social characteristics, physical conditions, or commitments not directly associated with work, such as one’s age, having a disability, or caring responsibilities. More subtly, personal difficulties (referred to as ‘internal barriers’ by the Department for Work and Pensions), such as low confidence, can also affect participation in the jobs market.

The Department for Work and Pensions’ (DWP) In-Work Progression Commission, established to examine how to better support people to progress at work, has identified these three categories as barriers to progression (Diagram 1).<sup>8</sup> Although the Commission focused specifically on low-paid jobs, these categories can also apply to people not in work, and it provides a useful framework for making sense of the multi-dimensional nature of employment. We address each of these categories in turn below.

**Diagram 1: Barriers to progression at work**



Source: Department for Work and Pensions

### Skills, qualifications, and training are key to improving employment opportunities

Skills are crucial to successfully landing a job or progressing in a career. Demonstrating a strong skill set can significantly enhance a person’s employability and help them to compete in the labour market; low skills, on the other hand, are bound up with a range of employment-related problems and can restrict opportunities to find work.<sup>9</sup>

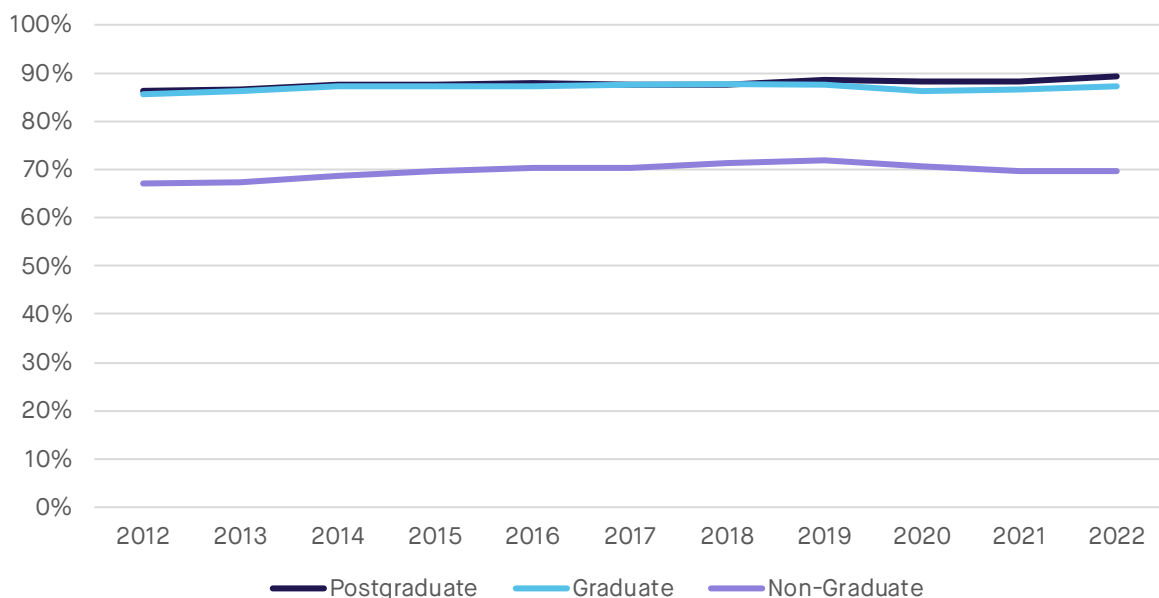
### Skills and qualifications provide a significant employment advantage

As highlighted by the European Commission, basic skills – literacy, numeracy, and IT – are now considered essential for both young people to access the modern labour market and for adults to retain roles in high-quality, secure jobs. It says that the lack of basic skills in countries goes “hand in hand” with opportunity costs, emphasising their relationship with “serious” employment problems and lost economic growth, even among those in work.<sup>10</sup>

In the words of Centre for Cities, “skills are an important predictor of both employment outcomes and economic inactivity.” It highlights ONS data which shows unemployment rates are two percentage points higher among those with no qualifications compared to those that have a degree.<sup>11</sup> It also points to data which shows half of people with no qualifications are economically inactive, compared to 11% of those with Level 4 qualifications and above.<sup>12</sup>

Official government data shows that, in 2022, the employment rate for working-age graduates was 87.3%, compared to 69.6% for non-graduates, and this gap has been steady over the last decade as Figure 1 shows. There is a significant employment advantage for graduates, and the steady gap over the last decade highlights a persistent disparity in job opportunities between graduates and non-graduates.<sup>13</sup>

**Figure 1: Annual employment rates time series, working-age population (16 to 64 years old)**



Source: Labour Force Survey

According to research conducted by the Resolution Foundation and Centre for Economic Performance, the UK has an unequal distribution of human capital. There is a relatively large proportion of adults with higher-level qualifications but, at the same time, there is also a high proportion of adults with “very low” qualification levels.<sup>14</sup> According to analysis of OECD data by the *Financial Times*, young adults (18-to-24-year-olds) in the UK are less likely to be in education than their peers in other advanced economies.<sup>15</sup> There are also fewer workers with practical skills directly

applicable to particular jobs, which means it has a workforce unprepared for certain industries.<sup>16</sup>

### **Soft skills, adapting to changing requirements, and training are also important**

As well as these core skills, new ways of working or changes in jobs – either by necessity or opportunity – require a wider skill set. ‘Transversal’ skills, also known as ‘soft’ or ‘transferable’ skills, do not tend to be related to a specific job, but can be used in a wide range of situations and work settings, including critical thinking, communication, interpersonal skills, customer relations, and media literacy.<sup>17</sup> The National Foundation for Educational Research says transferable ‘essential employment skills’ will be in greatest demand in 2035.<sup>18</sup> Despite this, employers often report a lack of transversal skills in the labour market.<sup>19</sup>

Another barrier in the labour market is the constant evolution of jobs. Technological advancements and structural changes create new productivity expectations, meaning employability and required skills are always changing, making it hard for workers to keep up and secure employment.<sup>20</sup> A particular concern is with IT, and that the rapid rise of AI, cybersecurity, cloud, and automation is expanding required skill sets.<sup>21</sup> A Forbes survey shows that 93% of British businesses see an IT skills gap in the labour market, with 42% blaming technological progress.<sup>22</sup>

With all this in mind – rapid changes in the skills demanded by employers, the need for transversal skills, and potential skills mismatch – the Institute for the Future of Work says it is important to review educational and on-the-job training provision to help equip future workers.<sup>23</sup> However, it points out that only around 1 in 5 adults participate in some form of adult education and training.<sup>24</sup> Among those not in work, LSE says only 13% take part in training in any given year. It says that 54% return to work within two years without training; for those who have had training, 70% find work in that period.<sup>25</sup>

### **Prospective workers need to demonstrate working experience**

Having the right skills and qualifications alone is not always enough to succeed in the labour market, as employers also seek job seekers with relevant work experience. For those entering the job market, especially young people, work experience can offer benefits such as increased self-confidence, improved employability, and better academic outcomes. However, SMF research has found that only a minority of school students receive meaningful work experience, with opportunities often limited to more advantaged children who can leverage their parents' connections.<sup>26</sup>

According to Youth Employment UK, over half of young people believe their biggest barrier to employment will be a lack of work experience, and only 36% of students in education have access to such opportunities.<sup>27</sup> The shape and quality of careers information, advice, and guidance is also inconsistent, with support for vocational paths being weaker than for academic routes. Previous SMF research found that many adults in England are unaware of careers services and face significant barriers to accessing them.<sup>28</sup>

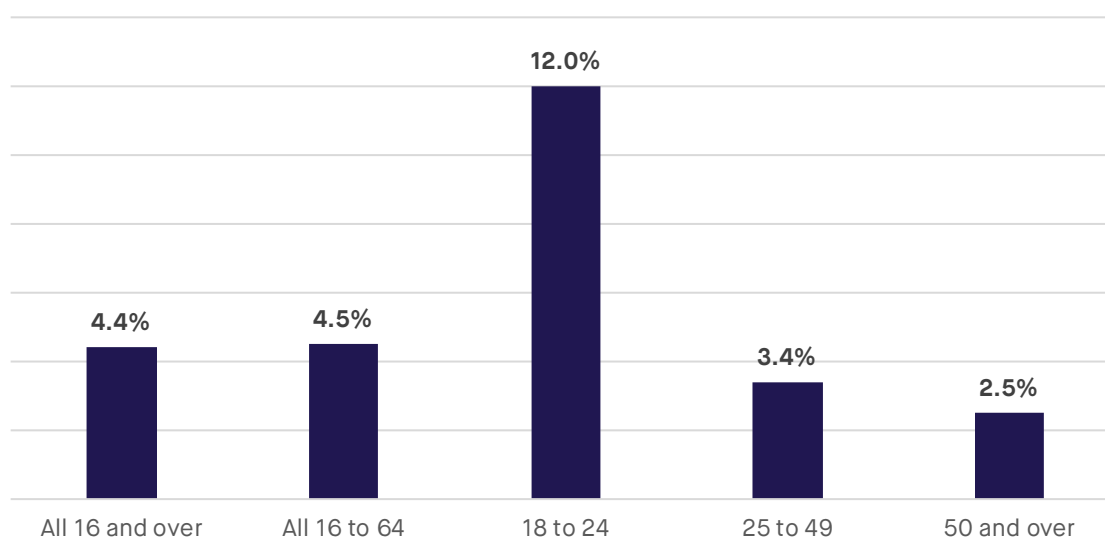
As noted by the Social Mobility Commission (SMC), career progression is linked to gaining experience, building skills, and moving into better-paid jobs.<sup>29</sup> While recognising the importance of full-time education for securing employment,<sup>30</sup> the SMC explored how employers can support their workforce in overcoming barriers to career advancement. It offers a ‘checklist’ for employers to help workers progress, which includes individualised learning plans, mentoring, flexibility, shadowing and work experience, professional skills development, and continuous education and upskilling to keep pace with the rapidly changing job market.<sup>31</sup>

### Individual characteristics, physical condition, and logistical challenges also affect a person’s ability to find work

As we have discussed, individual characteristics such as skills, education level, and work experience are key factors that shape a person’s ability to engage effectively in the labour market. Bearing these employability traits in mind, there are a range of other interrelated factors to consider.

Employment outcomes are also related to demographic characteristics and social disadvantage. For instance, due to a lack of experience, young people are much more likely to be unemployed than older workers. Recent ONS figures show the unemployment rate was 28.3% for 16 and 17-year-olds<sup>iii</sup> and 12.0% for 18-to-24-year-olds in March to May 2024, the highest among all age groups.<sup>32</sup> Regarding ethnicity, official government data shows that 3% of white people were unemployed in 2022, compared with 6% of people from all other ethnic groups combined.<sup>33</sup>

**Figure 2: Unemployment by age, March to May 2024**



Source: Office for National Statistics

<sup>iii</sup> Despite the requirement for education or training until age 18, these figures may account for those transitioning between education and employment, or those not in compliance with the law.

A person’s socioeconomic status and personal background can significantly influence their wellbeing, future employment opportunities, and economic prospects. Differences between people from different backgrounds, such as those from working-class versus affluent families, can be observed from birth.<sup>34</sup>

The SMC highlights literature demonstrating that social mobility is restricted for those from working-class backgrounds.<sup>35</sup> According to the ONS, young people who have lived in a workless household are less likely to be in employment and more likely to be economically inactive compared to their peers from more advantaged socioeconomic backgrounds, a trend which is consistent for individuals aged 25 to 34 and 35 to 49.<sup>36</sup>

**Figure 3: Employment and economic inactivity rates of young people from different households**



Source: Labour Force Survey. Note: Data for the ‘workless’ group for the unemployment rate have been removed by the ONS because of small sample sizes

A person’s physical condition, including health issues, disability, and sickness, can significantly impact their ability to work and may render them economically inactive. Unemployed people (10.2%) are five times more likely to have poor health than people in work (1.9%). This is not a simple, one-way relationship; individuals with poor health might struggle to maintain employment, but a lack of employment can also lead to poor health due to complex factors such as economic stress and limited access to healthcare.<sup>37</sup>

The ONS estimates that the number of people economically inactive because of long-term sickness, including depression or anxiety, is now over 2.5 million.<sup>38</sup> The unemployment rate (the proportion of adults either in work or looking for and available to start work who are unemployed) for disabled adults across England and Wales was 9.2% at the time of Census 2021, higher than the rate for non-disabled adults, which was 5.3%.<sup>39</sup>

Responsibilities such as caregiving for children, elderly parents, or family members with disabilities can significantly affect availability and flexibility in work. Carers must often balance these responsibilities with paid work, but not all have the necessary support to remain in the workforce.<sup>40</sup> According to the ONS data, from March to May 2024, the unemployment rate for men (4.8%) is—and has consistently been—higher than for women (4.0%).<sup>41</sup> However, this discrepancy does not reflect the caregiving responsibilities of women.

As noted by the OBR, inactivity due to looking after family/home can be divided into two broad groups: those looking after children (usually a parent but sometimes a grandparent or other relative) and those who are inactive due to other responsibilities (such as caring for a partner or parent). Women shoulder a disproportionate share of these caregiving responsibilities, a form of 'unpaid work.'<sup>42</sup> Carers UK states that 59% of unpaid carers are women,<sup>43</sup> while TUC analysis finds they are seven times more likely than men to be out of work due to caring commitments.<sup>44</sup> Carers UK report that there are 5 million unpaid carers in the UK, with 2.5 million of them in employment.<sup>45</sup>

It is important to note that economic inactivity can encompass a diverse range of reasons why someone is neither employed nor actively seeking employment. Besides those with health issues, disabilities, or caring commitments, it also includes students, retirees, individuals with temporary health problems, discouraged workers who believe no jobs are available for them, and those who choose not to work due to lifestyle preferences and are therefore not considered part of the labour force.

### **Internal barriers, such as a lack of confidence, can impede progression in the labour market**

Personal challenges, or 'internal barriers' in the parlance of the DWP, affecting confidence and self-esteem are found to prevent jobseekers from accessing employment. These psychological obstacles often prevent jobseekers from pursuing employment opportunities, attending interviews, or effectively showcasing their skills and experience. This issue is particularly pronounced among the youngest and oldest workers.

For instance, older workers may face challenges related to age discrimination, technological advancements, or prolonged periods of unemployment, all of which can erode their confidence. They were found to be particularly vulnerable to crises of confidence in the job market by a 2022 House of Commons Business, Energy and Industrial Strategy Committee report on post-pandemic economic growth.<sup>46</sup>

In it, they noted that confidence can severely restrict workers from joining or rejoining the workforce.<sup>47</sup> Older workers in particular, the witnesses reported, can find the experience "quite daunting." Further, the job application process appears to be becoming more complex, with the time required to hire by industry increasing, potentially intimidating and dissuading prospective applicants.<sup>48</sup>

While younger workers are more savvy with application technology, this does not make them invulnerable to intimidation, as many lack the experience or skills



required to make applications or progress through the labour market. A lack of experience and the daunting nature of entering the job market can lead to feelings of inadequacy and self-doubt, internal barriers which appear to have been accelerated by the pandemic.

A person's outlook can significantly influence their life outcomes. SMF research from 2021, supported by Tesco, identified a significant "outlook inequality" between young people and older generations, worsening since the global financial crisis and further deepened by COVID-19.<sup>49</sup> In 2022, City and Guilds found that nearly a third of young people felt they could never achieve their career goals, and 29% struggled with interviews. Nearly a quarter of those under 24 felt unconfident or mentally unprepared to apply for their desired roles.<sup>50</sup> The Health Foundation's 2021 findings suggest this creates a feedback loop where inactivity and poor mental health reinforce each other, hindering young people's employment prospects.<sup>51</sup>

For graduates, psychological confidence is influenced by their skills, experience, and training. A 2017 study in *Studies in Higher Education* found that careers advice and career ownership significantly boost self-perceived employability, beyond just skills and experience.<sup>52</sup> This was confirmed by another study identifying six key factors affecting employability: human capital, social capital, individual attributes, behaviours, perceived employability, and labour market conditions.

## CHAPTER THREE – UNDERSTANDING THE ‘LOST WORKFORCE’

The primary focus of this report is on those who out of work and seeking employment. While millions of people that are unable to work, for a wide range of different reasons, there are many people that have both the ability and desire to secure a job. This suggests there is a ‘hidden’ population within the labour market that are unable to find work, despite being willing.

We refer to this group as the ‘lost workforce’: individuals who are not currently participating in the labour market but can be supported to find work and advance their careers. As discussed in Chapter One, the lost workforce includes those typically defined as ‘unemployed’ and ‘economically inactive’, as well as people in transitional phases or with specific personal barriers that prevent them from fitting neatly into either of these categories. Despite their varying backgrounds and circumstances, these individuals wish to work and can do so under the right conditions. They are on the cusp of the labour market, ready to participate if given appropriate help and opportunities (see Chapter Five).

In this chapter, we set out to provide an understanding of the lost workforce, who they are and, in light of the barriers to participation identified above, their key characteristics. To do this, we draw on three different surveys – targeting three different populations – comparing these groups on what they each want and need from work and the barriers to entering it. The surveys were delivered by the independent research agency Focal Data, with fieldwork taking place from 7<sup>th</sup> to 10<sup>th</sup> June 2024. They include:

- A nationally representative survey of 1,011 working-age (16 to 64 years old) adults.
- A booster survey consisting of 774 economically inactive people aged 16 and above.
- A second booster survey of 250 16-to-24-year-olds not in employment, education, or training (NEET).

To focus specifically on those out of work but seeking a job, we combined these three surveys to create a sub dataset comprised only of the lost workforce (n=1,060).<sup>iv</sup> While we compare results from all surveys, this combined dataset is the primary focus of our analysis. For more details on this approach, please refer to the appendices.

### **Over six million people make up the lost workforce**

Analysis of our nationally representative survey indicates that 4.4% of the UK working-age population are ‘unemployed but searching for work’. This figure is separate from the official unemployment rate (4.4% for all those aged 16 and above, and 4.5% for 16- to 64-year-olds, according to the ONS). Additionally, the same

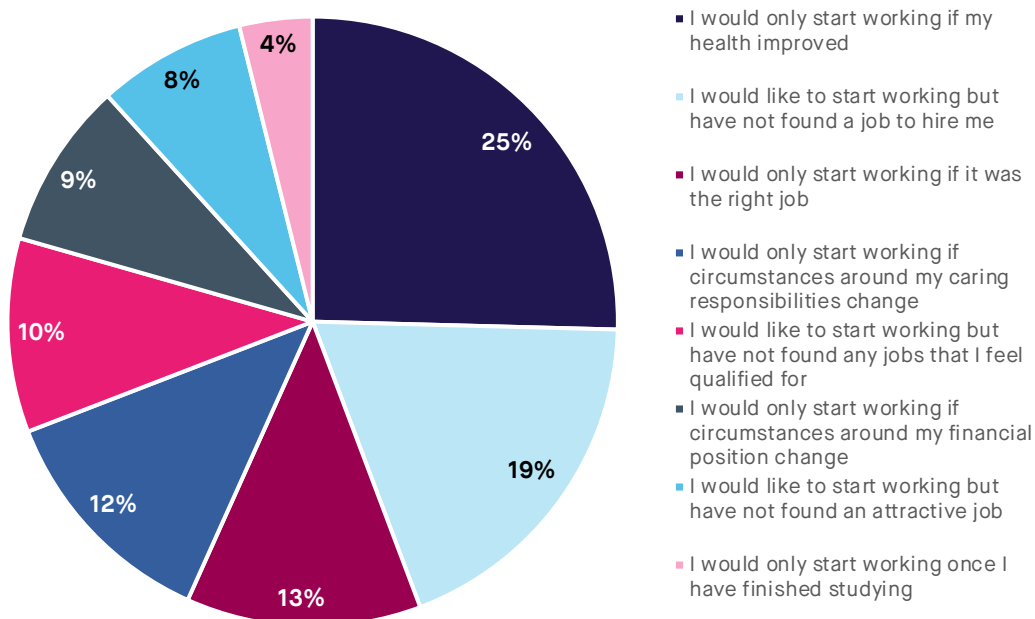
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<sup>iv</sup> For a more detailed explanation of the lost workforce and the conceptual distinctions and complexities between unemployed and economically inactive groups, please see the appendices.

survey found 9.7% of people could be considered inactive but would seek a job if their circumstances changed. These include people who are unable to work due to long-term health needs, caring responsibilities, as well as those who have retired early.<sup>53</sup>

In total, this suggests there are around six million working-age people who can be considered part of the ‘lost workforce’ – individuals who have the ability and desire to participate in the labour market, yet employment eludes them.<sup>54v</sup> The most often-cited reason was health, at 25%. However, almost half of respondents (49%) mentioned the inability to find a suitable job, including not having found a job that was: available (19%), appropriate (12%), that fit their qualifications (10%), or was attractive (8%). The remainder cited caring responsibilities (12%), their financial position (9%), and studying commitments (4%).

**Figure 4: Reason for being part of the lost workforce**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

If policymakers wish to increase the workforce, focusing on health (25%) and care (12%) could reengage over a third of the lost workforce. These individuals represent a valuable opportunity to fill vacancies and grow the economy, but addressing their needs require funding for medical interventions and caring responsibilities. Given the complexity of these issues, this report focuses on labour market policies. This is not to discount the importance of improving health and care provision or its potential

<sup>v</sup> From March to May 2024, ONS labour market data shows there are 42,408,000 working-age adults (16 to 64 years-old) in the UK.

impact on the lost workforce, and it is hoped this report will lead to further research on these areas.

### **Low-income individuals, those without a degree, older people, and women are more likely to be part of the lost workforce**

As highlighted in the preceding chapter, some groups are more likely to be part of the lost workforce than others. Within this population – explored through a weighted combination of Focal Data’s nationally representative, economically inactive, and NEET surveys – we find that those on low income, those with lower educational qualifications, older workers, and women are most likely to be out of employment but wishing to work.

#### **Those from low-income households are likely to be affected**

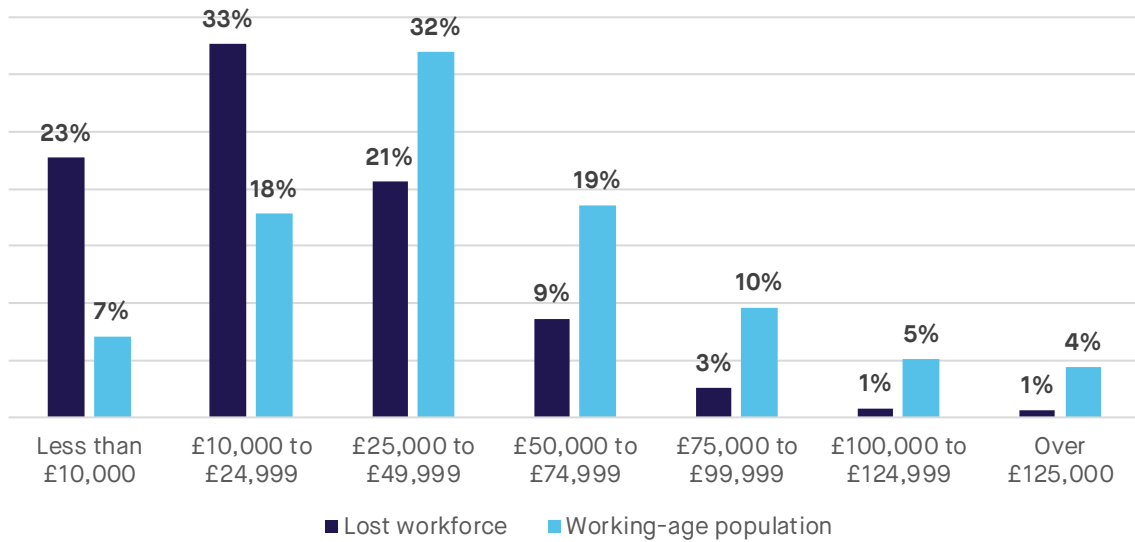
Unsurprisingly, the majority of the lost workforce – individuals out of work who would like a job – are on low incomes. 55% live in households making less than £25,000 per year,<sup>vi</sup> compared to 25% of low-income households in the wider population. Coming from a low-earning household is the second most defining characteristic of the lost workforce (Figure 5), with 23% earning less than £10,000 per year, compared to 7% nationally.

This can be explained by the simple fact that people who do not have jobs are unable to earn money. However, it is important to recognise that people from lower socioeconomic backgrounds face greater challenges in finding work due to limited opportunities and inequalities. Additionally, it is not just those from low-income households who struggle to secure a job, as 33% of the lost workforce are in households earning £25,000 or more. This emphasises that difficulties in the labour market are not confined to certain income brackets or backgrounds.

---

<sup>vi</sup> For comparison, median household disposable income in the UK is £32,5000, based on most recent ONS data for the financial year ending 2022.

**Figure 4: Distribution of gross household income of the lost workforce**



Note: Percentages exclude those who preferred not to say, so columns do not total 100%.

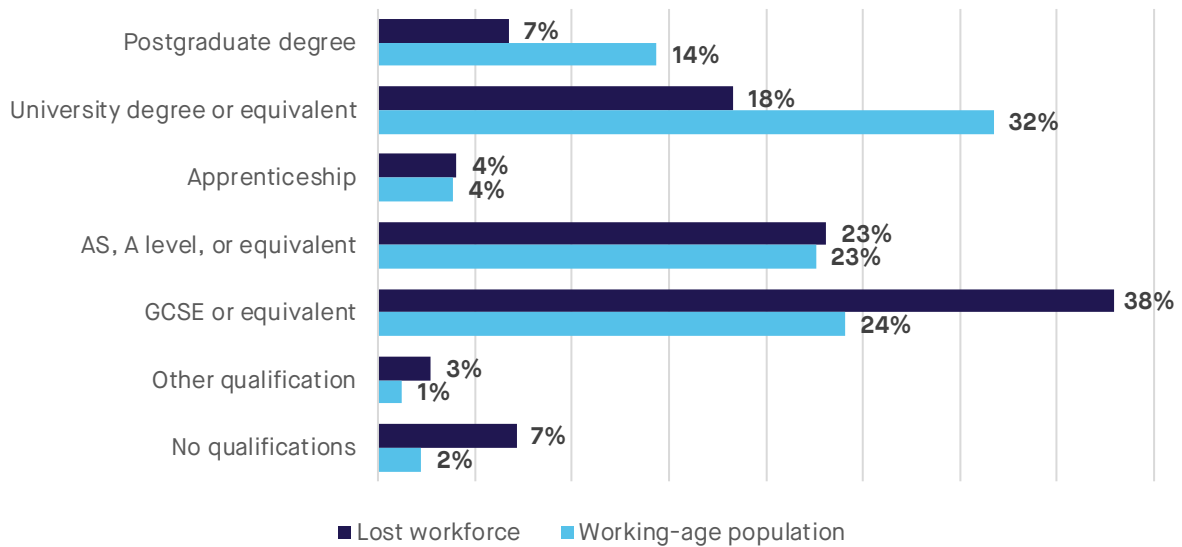
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

**Having a degree is a strong predictor of employment**

The employment rate for graduates is higher than non-graduates.<sup>55</sup> Our survey supports this, showing that 75% of the lost workforce do not have a degree, compared to 54% among the general working-age population. In contrast 25% hold either a university or postgraduate degree, nearly half the 46% in the working-age population.

Interestingly, those with a postgraduate degree (7%) comprise the same proportion of the lost workforce as those with no qualifications (7%), suggesting that advanced qualifications do not necessarily guarantee job security and that there is significant untapped potential among those who desire work. In the broader working-age population, 14% hold a postgraduate degree, while just 2% lack any qualifications. Those with GCSE or equivalent qualifications (38%) are the group most likely to be part of the lost workforce, more so than any other group (see Figure 11 below).

**Figure 5: Educational qualifications among the lost workforce**



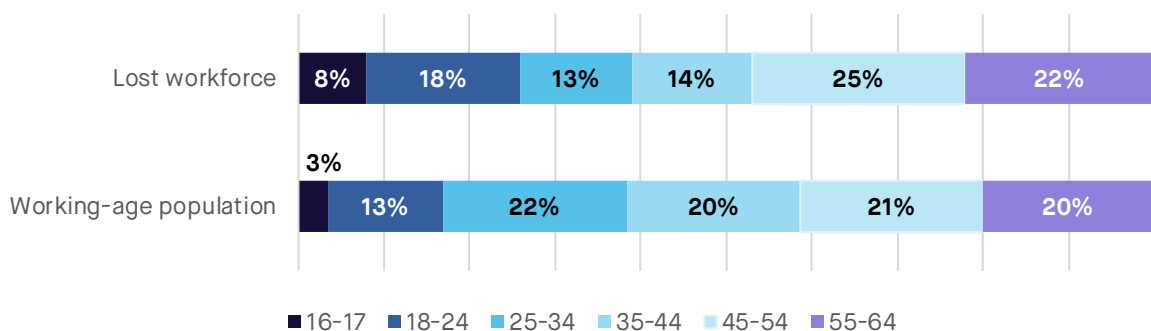
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

**45-to-54-year-olds are the most common age group, though young people are also affected**

The lost workforce is more likely to be composed of older people. One of the most striking findings from our survey data is that almost half (47%) are aged 45 and above: 45-to-54 year-olds (25%) are the most common age group, followed by 55- to 64-year olds (22%). Those aged 18 to 24 (18%) form the third-largest age group represented, despite being the second-least common in the wider population, after 16-to-17-year-olds.

These results may be attributed to several factors, such as older workers having a higher rate of work-limiting conditions<sup>56</sup> or experiencing ageism in the workplace<sup>57</sup>. Research by the Centre for Ageing Better has highlighted age as the least scrutinised and most widely accepted form of discrimination in the UK, with “too many older applicants frozen out of the job market”.<sup>58</sup>

**Figure 6: Age distribution of the lost workforce**



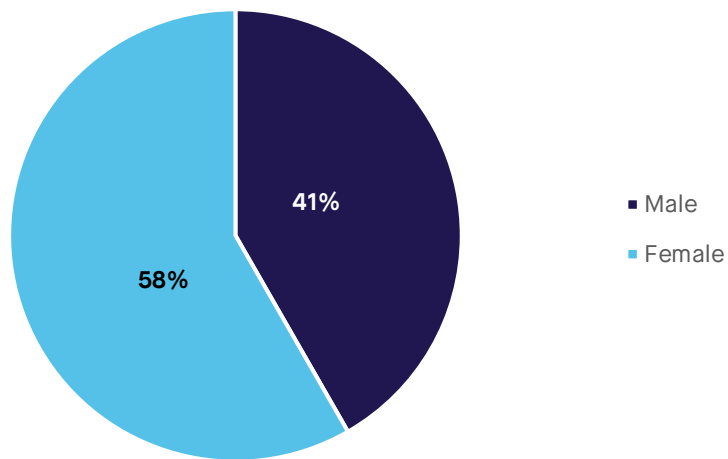
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

### Women are overrepresented in the lost workforce

Historically, women have faced more challenges in the labour market. Our data confirms this, revealing that women are overrepresented in the lost workforce. This trend likely reflects prevailing gender norms, where women are often expected to take on caregiving roles, limiting their ability to pursue careers.

Indeed, our survey data shows that women are more likely to be parents or guardians (53% versus 36%) and are more than five times likely to be responsible for looking after family, children, or the home, than men (27% versus 5%). These findings underscore the gender inequality in work-life balance among women, highlighting the economic impact of unpaid care work.

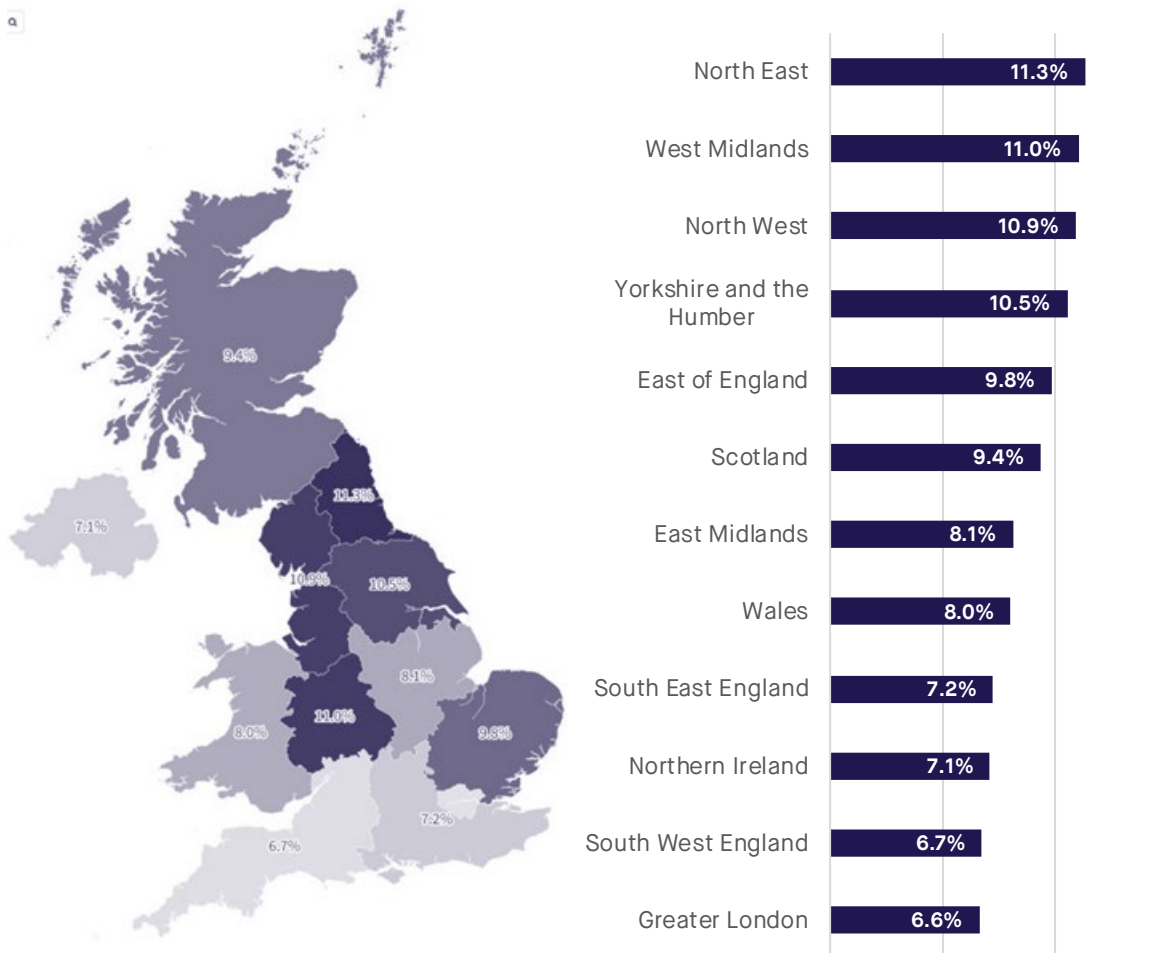
**Figure 7: Gender of the lost workforce**



*Source: SMF analysis of Focal Data survey data, lost workforce subsample*

### There are some differences in regional and ethnic representation

There are some regional disparities within the lost workforce, with the North and the Midlands, and Scotland more likely to suffer from their absence than London and the South. Certain regions are more likely than others to contain lost workers, including the North East where 11.3% of the population meets these criteria, followed by the West Midlands (11.0%) and the North West (10.9%). Greater London had the lowest level of lost workers at 6.6%, followed by the South West of England at 6.7%.

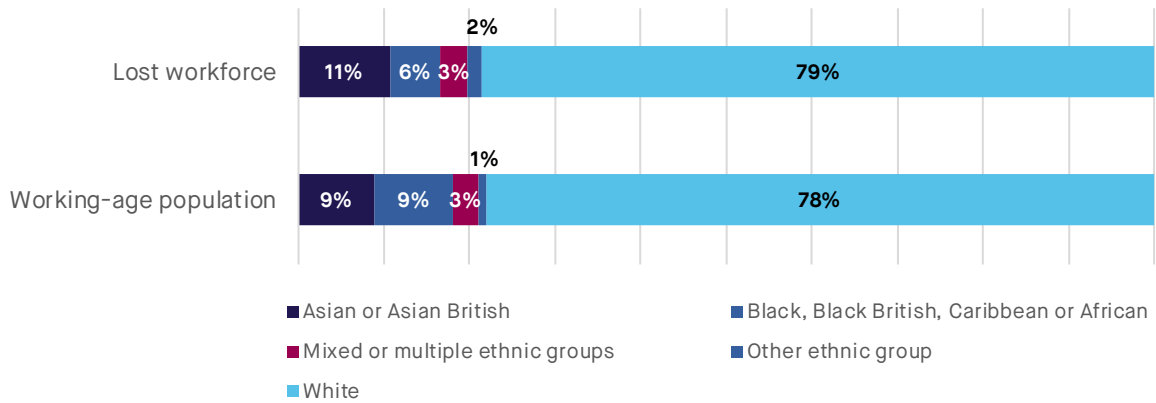
**Figure 9: Lost workforce as a percentage of regional populations**

Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

Despite ethnic minorities generally being twice as likely to be unemployed,<sup>59</sup> no significant ethnic differences are observed within the lost workforce. Our data shows that 21% of the lost workforce comes from an ethnic minority background, slightly lower than the general working-age population (22%). Asian or Asian British individuals (11%) are the second most represented group, following White individuals (79%). Overall, the ethnic composition of the lost workforce closely mirrors that of the broader population.



**Figure 108: Ethnicities of the lost workforce**

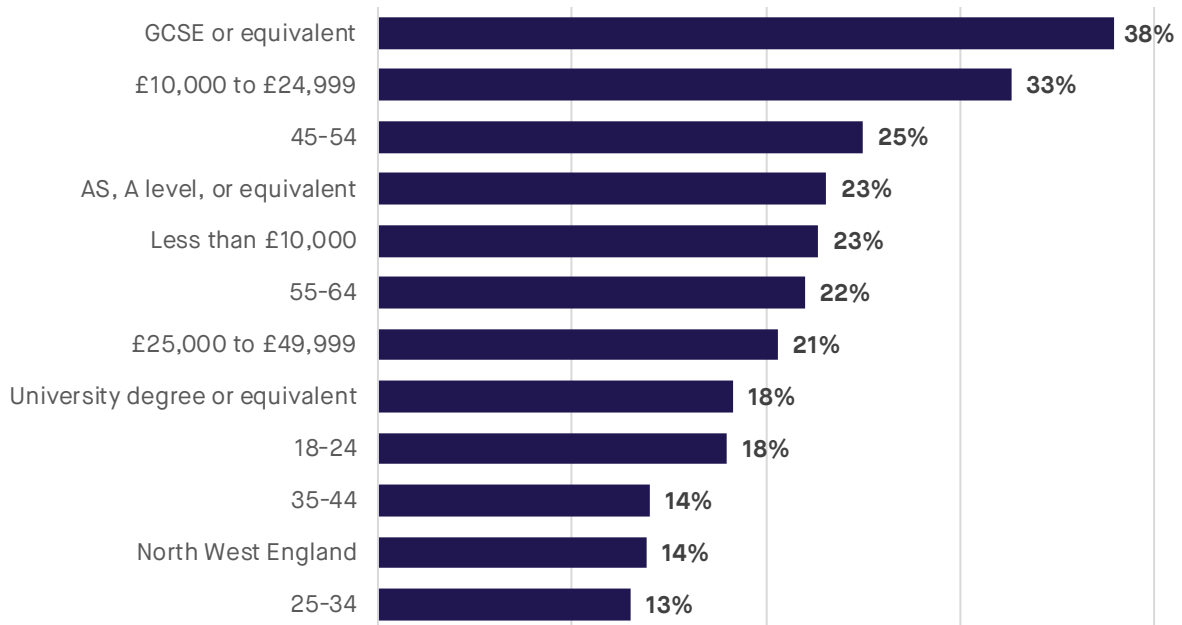


Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

**Ranking indicates which characteristics are most affected**

Figure 11 below displays the most prominent characteristics found within the lost workforce. The above analyses suggest that low income, older age, and lower education are most prevalent among those unable to secure employment. Specifically, it suggests those with GCSE or equivalent qualifications (38%) are most likely to be affected, followed by individuals with a household income of less than 10,000 (33%), and those aged 45 to 54 (25%).<sup>vii</sup>

**Figure 11: Top characteristics of groups within the lost workforce**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

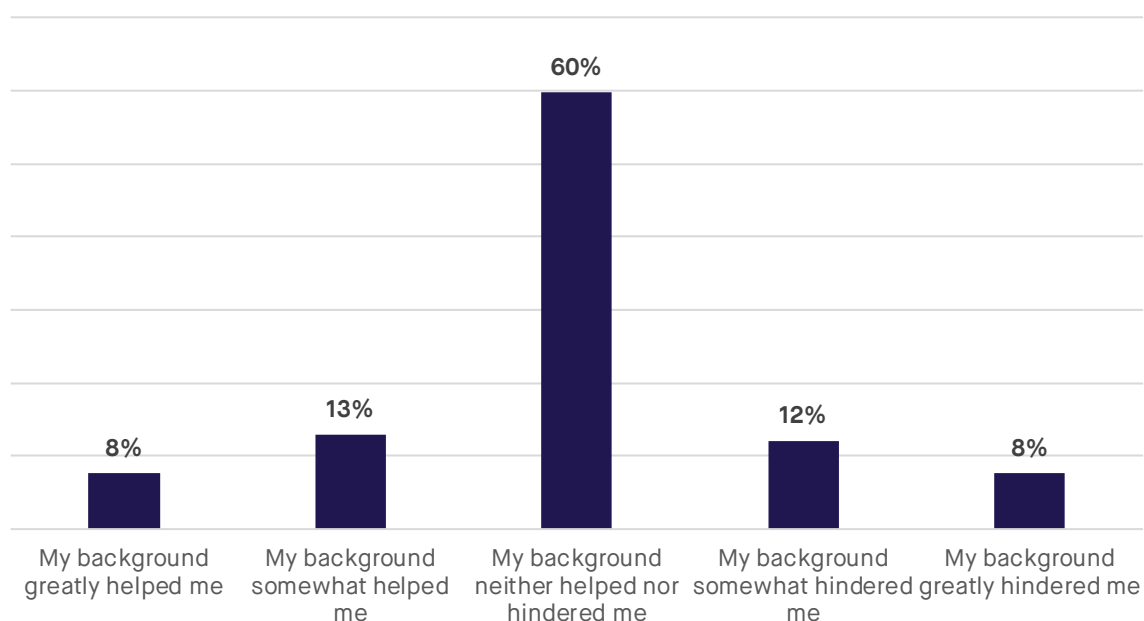
<sup>vii</sup> Despite being the top-ranking categories, white (79%), females (58%), and males (41%) respondents have been excluded from this analysis as their prevalence in the general population could overstate any variances or trends relative to other groups in the survey.

## Women, ethnic minorities, and individuals from certain regions are more likely to feel their background has hindered them in their career

An individual's background can restrict social mobility, with demographic characteristics effectively serving as obstacles to progressing in the labour market. Within our survey, a fifth (20%) of the lost workforce said they felt their background has hindered them in their career, which is the same proportion as those who said their background has helped them (20%).

This is not insignificant, however, as it suggests some individuals face certain challenges in progressing in work, have limited opportunities, and that barriers and inequalities exist in the workforce. Overall, the lost workforce tends to believe their background has neither helped nor hindered them (60%).

**Figure 12: Perceived impact of background on career progression with the lost workforce**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Surprisingly, there are few variations beneath this headline level. Women are only slightly more likely than men to say their background has held them back (21% versus 18%). Ethnic minorities also feel hindered (26% versus 18%), though they are also more likely to report that their background has helped them in their career (27% versus 19%) than the White population. Some regional differences exist, with individuals from South East England (27%), Scotland (25%), and Yorkshire (24%) most likely to feel hindered, while those from Wales (17%), South West England (13%), and the East of England (8%) are least likely.

**Box 1: How much could the UK economy gain from a more inclusive labour market?**

The UK economy could benefit significantly from a more inclusive labour market. Based on our survey, approximately six million workers make up the lost workforce, including 1.86 million who are unemployed but seeking work, and over four million who are economically inactive but would like to work if circumstances changed. The latter includes those who are retired, sick or disabled, were recently made redundant, or are kept busy with caring responsibilities. Combined, these groups represent 14% of the country's working-age population.

We don't know exactly how productive the lost workforce would be if they found appropriate work, but we can make a ballpark estimate, by assuming degree holders would be as productive on average as employed degree holders, and those without degrees would be as productive as those in employment without degrees. Based on our estimate of the lost workforce, **the UK is missing out on output worth £455 billion per year**. This includes £141 billion from those who are unemployed but seeking work, and £313 billion from those who are currently inactive but would seek work if circumstances changed. Approximately one third comes from the lost workforce with degrees and two thirds from those without.

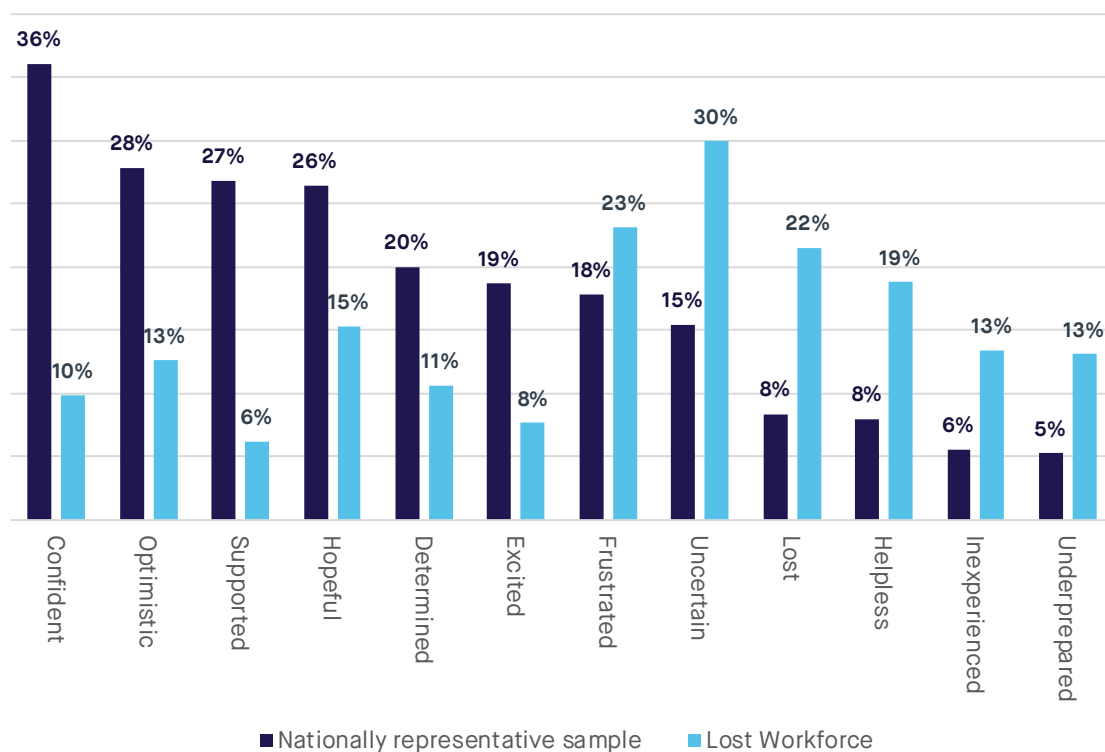
Fully integrating this population is impossible. Many inactive individuals are incapable of working regardless of their desires, for instance, those who are unwell, while others may have salary or flexibility standards that the job market cannot meet. However, it does represent the size of the prize, and how even making a dent in these numbers can go a long way to improving growth. For instance, the government's plan to increase employment to 80% by getting two million people into work would boost output by over £151 billion.

## CHAPTER FOUR – WHY DOES THE LOST WORKFORCE STRUGGLE TO FIND JOBS?

Understanding the demographics of the lost workforce helps reveal how entrenched inequalities affect job prospects and impacts national economic output. However, it does not address a crucial question: Why is the ‘lost workforce’ lost? In an economy with demand for workers across various sectors, why are so many individuals who want a job unable to secure one?

Understanding their perspective on the job market can help answer these questions. Feelings towards one’s career are very different among the lost workforce than the general population. Those in the nationally representative sample were more likely to list positive emotions about their careers, reporting feeling confident, optimistic, supported, hopeful, determined, and excited. The lost workforce meanwhile was more likely to describe feeling uncertain, frustrated, lost, helpless, inexperienced, and underprepared.

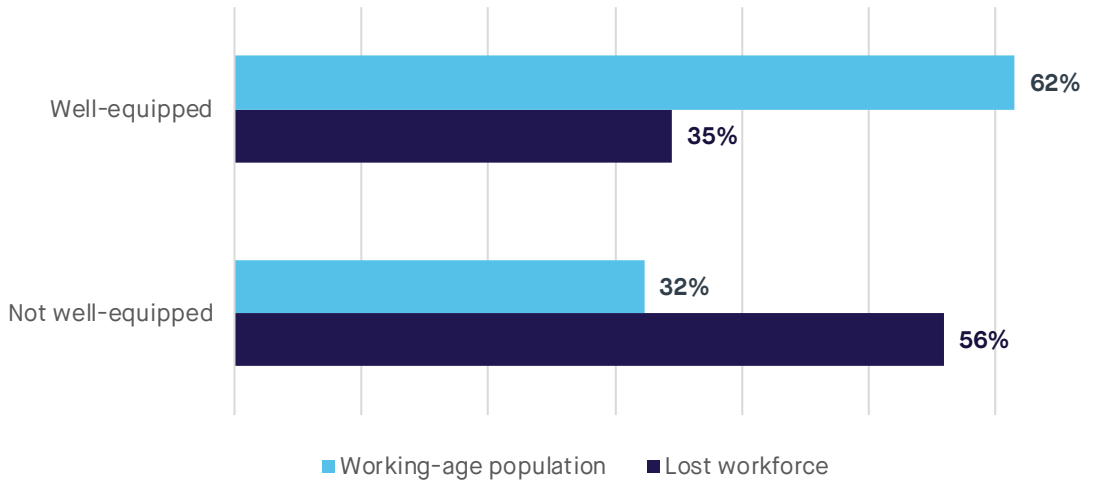
**Figure 13: Which of the following words best describes the way you feel about where you are currently in your job/career?**



Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

The lost workforce echoes these negative emotions when asked about their ability to compete in the job market. More than half (56%) of the lost workforce said they were not well-equipped for the job market, compared to 32% among the general population. 51% of those in the lost workforce with degree-level qualifications felt they were ill-equipped despite their education.

**Figure 14: How well-equipped do you feel to compete in the job market?**



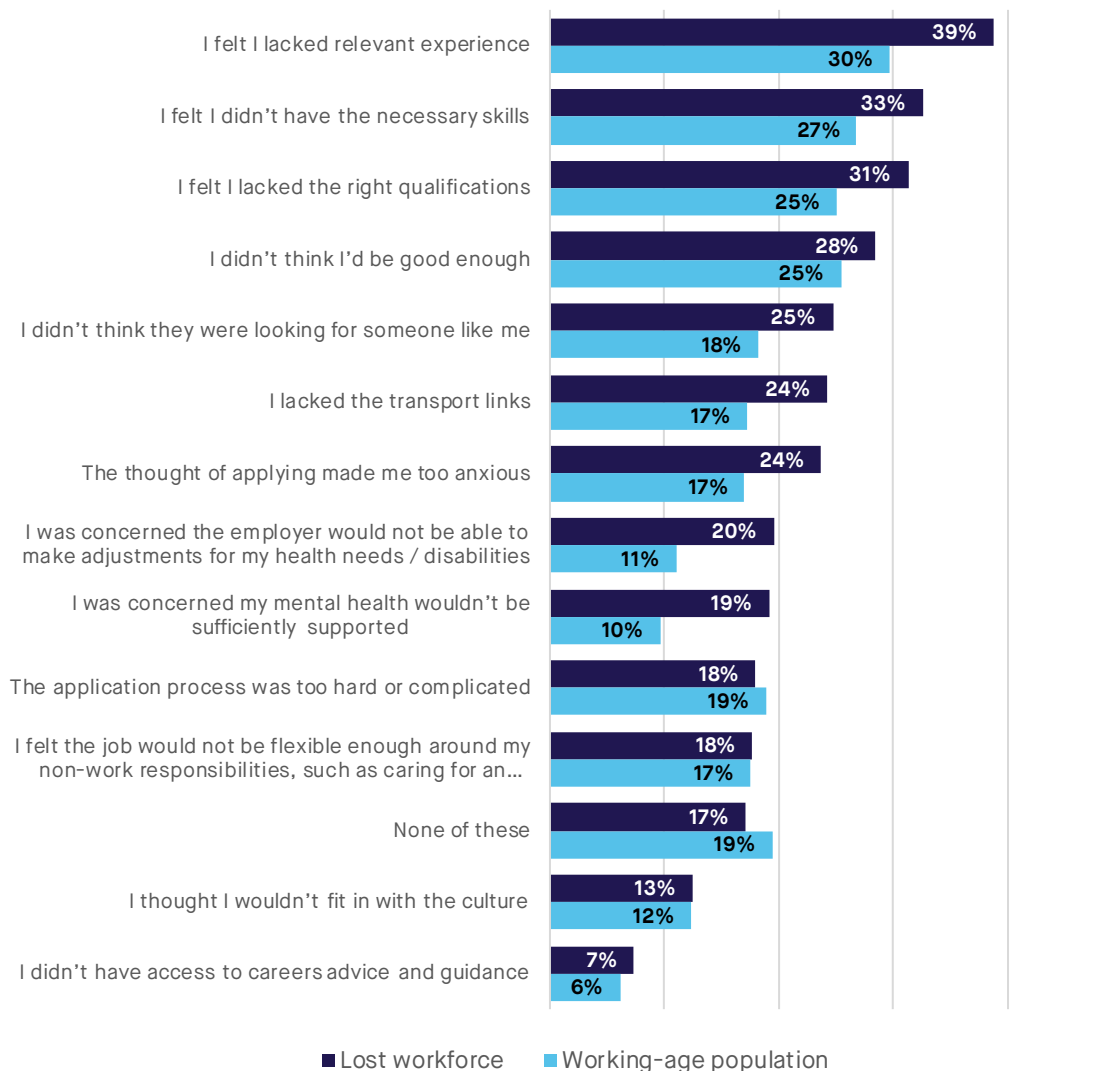
*Note: Graph does not include unknowns – those that answered “don’t know”*

*Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample*

The cause for this lack of confidence varies within the lost workforce. The most likely explanation is that the individual feels they lack experience, skills, and qualifications. However, as we show in Figure 15 on the next page, matters of confidence and personal issues played a role, as well as logistical barriers such as poor transport links.

**Skills, logistical problems, and communication represent key hurdles in getting the lost workforce into work**

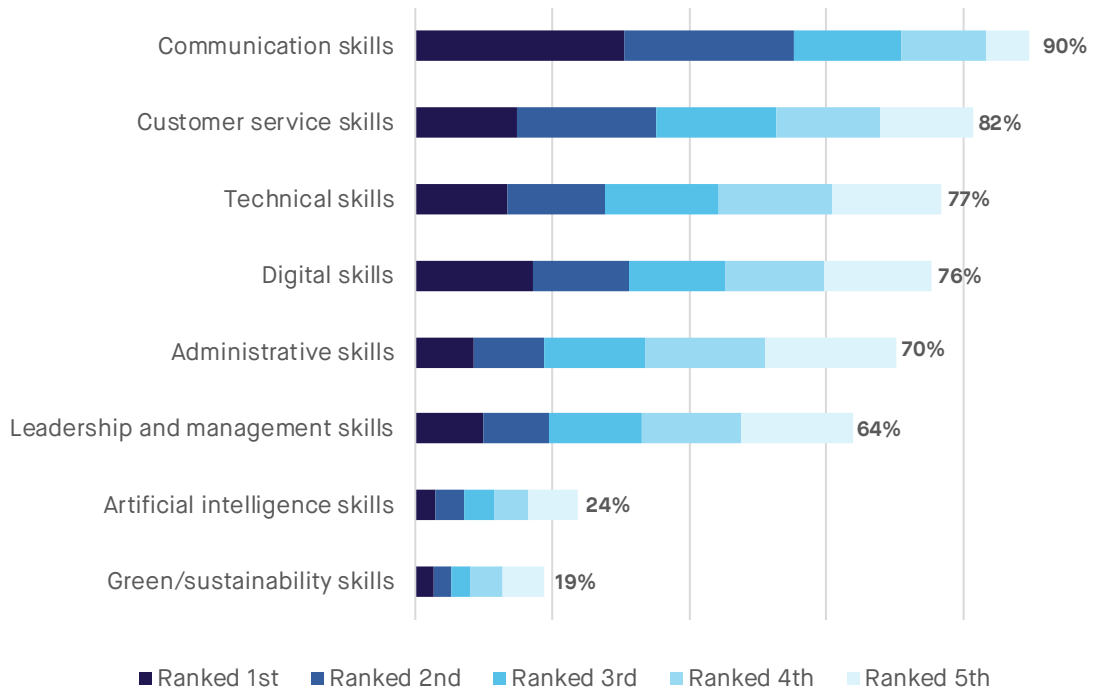
Overall, the lost workforce was much more likely to cite barriers in their background like experience, skills, and qualifications. Lacking experience was the leading reason why job applicants were put off, however this was far higher among the lost workforce (48%) than the general population (30%). This may be linked to similar results which showed the lost workforce felt they lacked the necessary skills and qualifications to compete in the job market (Figure 15).

**Figure 15: Which of the following has put you off from applying for a job?**

Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

When asked what skills in particular they feel will be requested by employers, the most common answers were communication, customer service, technical, and digital skills. But when asked whether they were confident in acquiring those skills, the lost workforce was ambivalent. 33% felt at least somewhat confident about improving their skillset, compared to 57% within the general population.

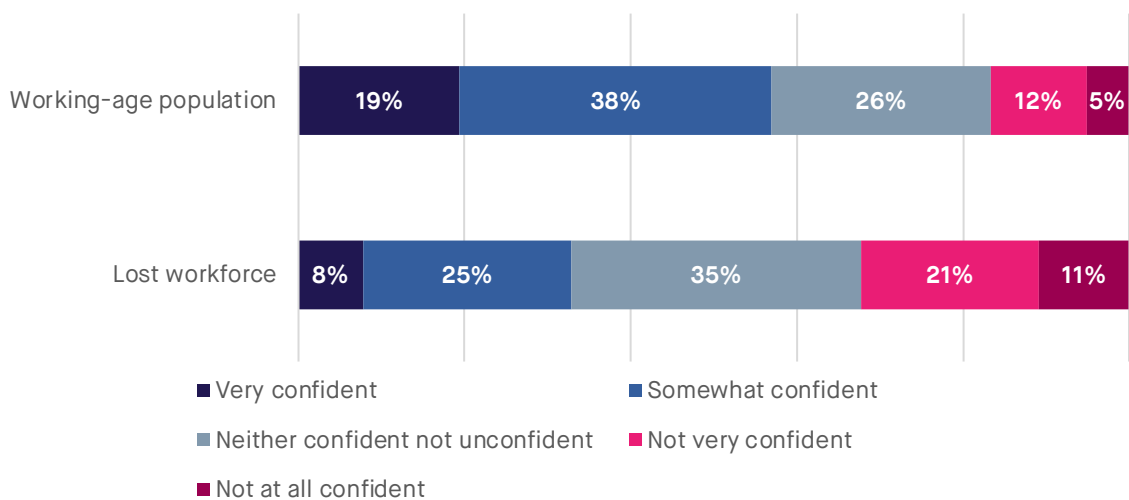
**Figure 16: What skills do the lost workforce expect employers will want to see in their applicants?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Among the lost workforce, 32% said they were not confident about the opportunities available to them to acquire new skills, compared with 17% of the working-age population. This lack of confidence may be a significant internal barrier for some individuals and it could create a vicious cycle, where they are less likely to seek out training and development opportunities, further limiting their employability and career progression.

**Figure 17: How confident are you about the opportunities open to you to acquire those skills?**



Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

This may affect personal feelings and confidence. 28% of the lost workforce felt they “wouldn’t be good enough” to apply for certain jobs, while 25% said they didn’t think employers were looking for someone like them and 13% worried they wouldn’t fit in with the culture. A feedback loop may be sparked when someone fails to secure work over a long period of time, affecting their confidence and disincentivising future applications.

### **Logistical issues such as transport and health also restrain the lost workforce**

Logistical barriers also play a role, with 24% of the lost workforce blaming poor transport links for putting them off job applications. Transport links expand the economic radius within which workers can apply for jobs and gain skills, and when these are unavailable workers’ opportunities are limited. Transport also emerged when the lost workforce was asked what factors were most important in attracting them to jobs, with 18% listing location as their most important factor, second only to salary at 19%. Overall, 63% of the lost workforce listed location in their top five categories, which again ranks just behind pay (74%).

Physical and mental health also played a role, with 20% fearing their health needs or disabilities would not be respected, compared to 11% among the general population, and 19% of the lost workforce fearing their mental health would not be supported, compared to 10% among the general population. Although other responsibilities, such as caring, constrain 18% of the lost workforce, this remains similar to the general population (17%).

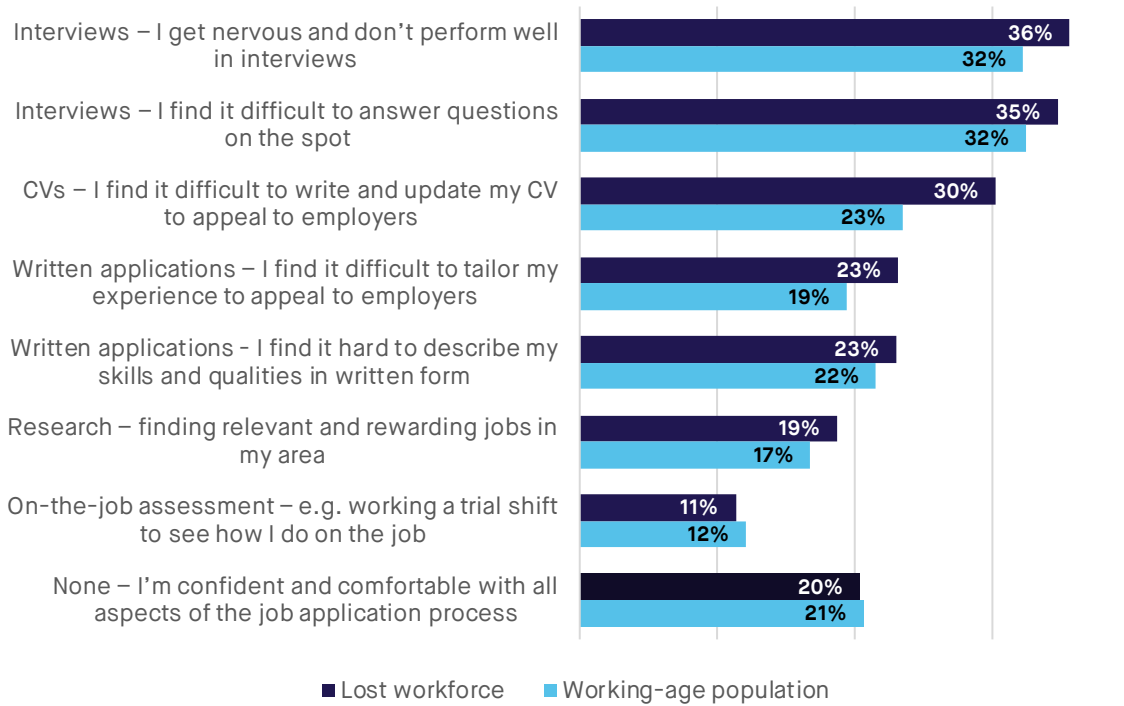
### **The job application process can feel daunting to many in the lost workforce, but women struggle in particular**

Feeling ill-equipped to write applications appears to be a particularly strong barrier for many job seekers. 24% of the lost workforce had not applied to a job because the thought of applying made them too anxious, compared to 17% among the general population. 18% said the application was too hard, and the same number said the process was not flexible enough, while 8% said it was because they lacked access to careers guidance.

The following chapter will explain in more detail the lost workforce’s need for support in writing CVs, cover letters, and in job interviews. However, when asked what part of the job application process they found the most difficult, interview performance was most cited at 36%. CVs (30%) and difficulties with written applications, including describing skills and qualities (23%) and tailoring experience to employers (23%), followed.

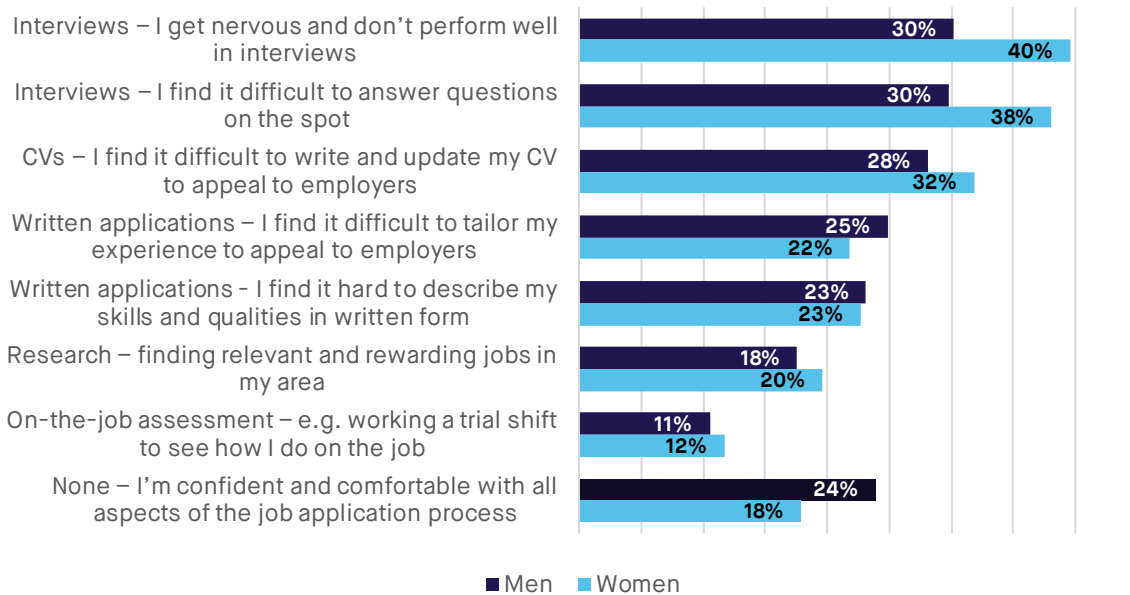


**Figure 18: Which parts of the job application process do you find most difficult?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

However, women were more likely to struggle with job applications. 40% of women in the lost workforce said they get nervous in interviews and don't perform well, and 38% said they find it difficult to answer questions on the spot, compared to 30% of men. Overall, 24% of men in the lost workforce feel confident and comfortable with job applications, compared to 18% of women. For both men and women, confidence tends to rise with household income.

**Figure 19: Which parts of the job application process do men and women find most difficult?**

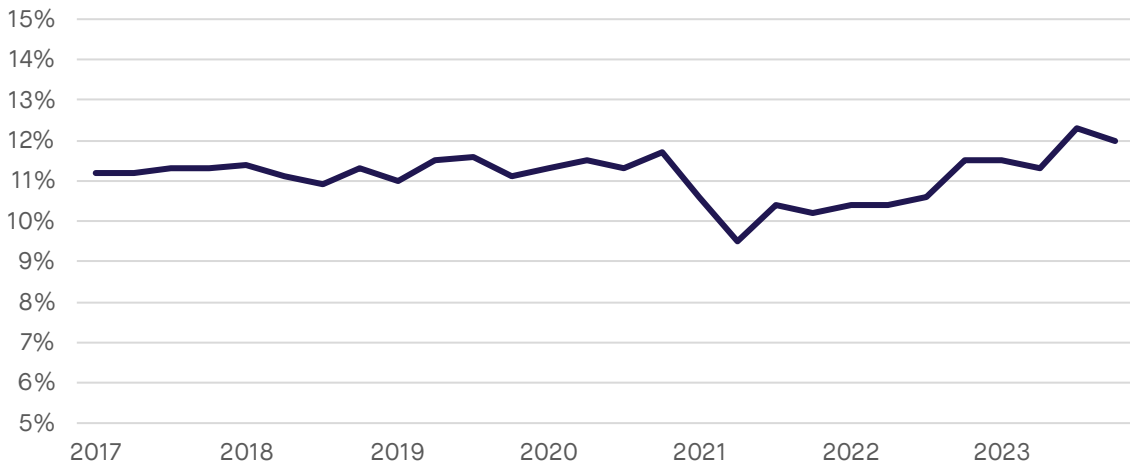
Source: SMF analysis of Focal Data survey data, lost workforce subsample

### Young people report similar desires to the general population and lost workforce, but face separate challenges

Those aged 16 to 24 face different circumstances than the general population. While the lost workforce in general finds competing in the job market difficult, this age bracket within the lost workforce has less experience, is less likely to have further or higher education degrees, and are unaccustomed to the requirements of working life.

Young people aged 16 to 24 who are not in employment, education or training (NEET) are defined as the NEET workforce. The ONS estimates that 12% of 16-to-24-year-olds fit this description, totalling 785,000 individuals, including 13% of young men and 11% of young women.<sup>60</sup> While this proportion fell during the pandemic, it has since been rising, and it is unclear whether it will surpass its pre-COVID norm.

**Figure 20: NEET as a percentage of all young people (seasonally adjusted)**



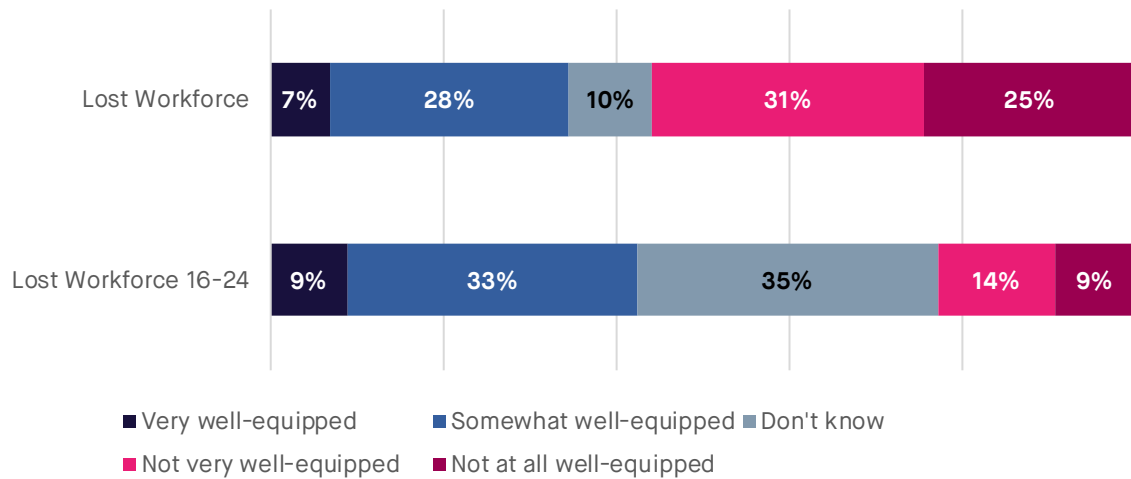
Source: ONS Labour Market Survey

To a significant extent, the NEET category overlaps with our lost workforce, and the desires of the lost workforce aged 16-24 can help us understand NEET requirements and the wider economy.

Our survey showed the younger people in the workforce generally feel more confident than others.<sup>viii</sup> More feel well-equipped (42% among younger respondents and 35% in the wider lost workforce), and much less feel poorly equipped (25% versus 56%). Most of the discrepancy, however, is due to younger respondents not knowing yet how prepared they are for the job market. However, both groups still lag behind the general population.

<sup>viii</sup> In combination with our survey of the working population, a booster sample of the NEET workforce collected responses from 250 eligible individuals. In this section, we have integrated these individuals and weighted them in our study of the lost workforce.

**Figure 21: How well equipped do younger people in the lost workforce feel to compete in the job market?**

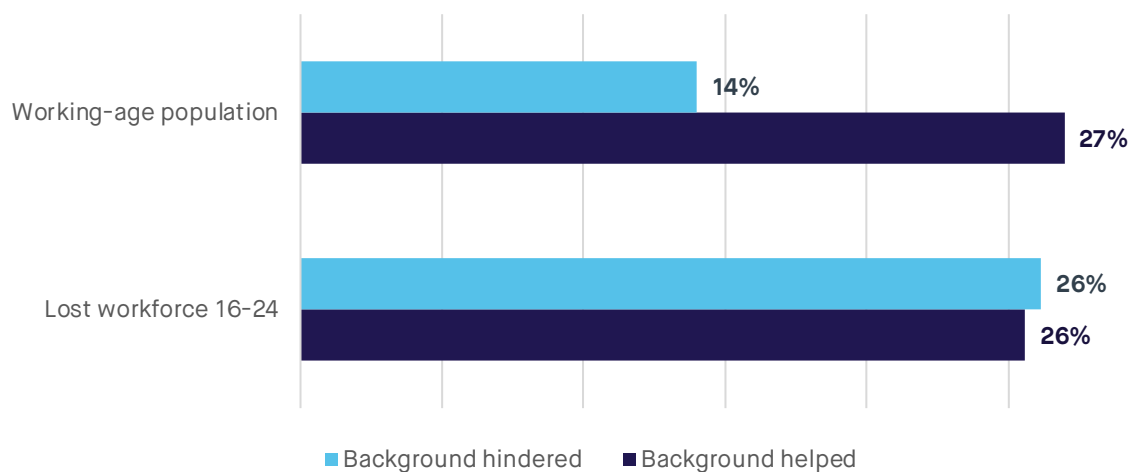


Source: SMF analysis of Focal Data survey data, lost workforce subsample

This aligns with survey responses on job applications, with more young respondents reporting that they had avoided an application because they lacked qualifications, skills or experience. While youth responses lag behind the lost workforce, they are still more likely than the general population to worry about their experience and skillset.

Youths in the lost workforce were also more likely to ascribe their position to their backgrounds, including income, education, and ethnicity than the general population. While about the same amount as the working-age population felt their background had helped their career, 26% of young people felt it had been hindered, compared to 14% in the general population and 20% in the lost workforce. This was most common among 16-to-17-year-olds, of whom 30% felt their background had hindered their position.

**Figure 22: Did your background help or hinder you?**

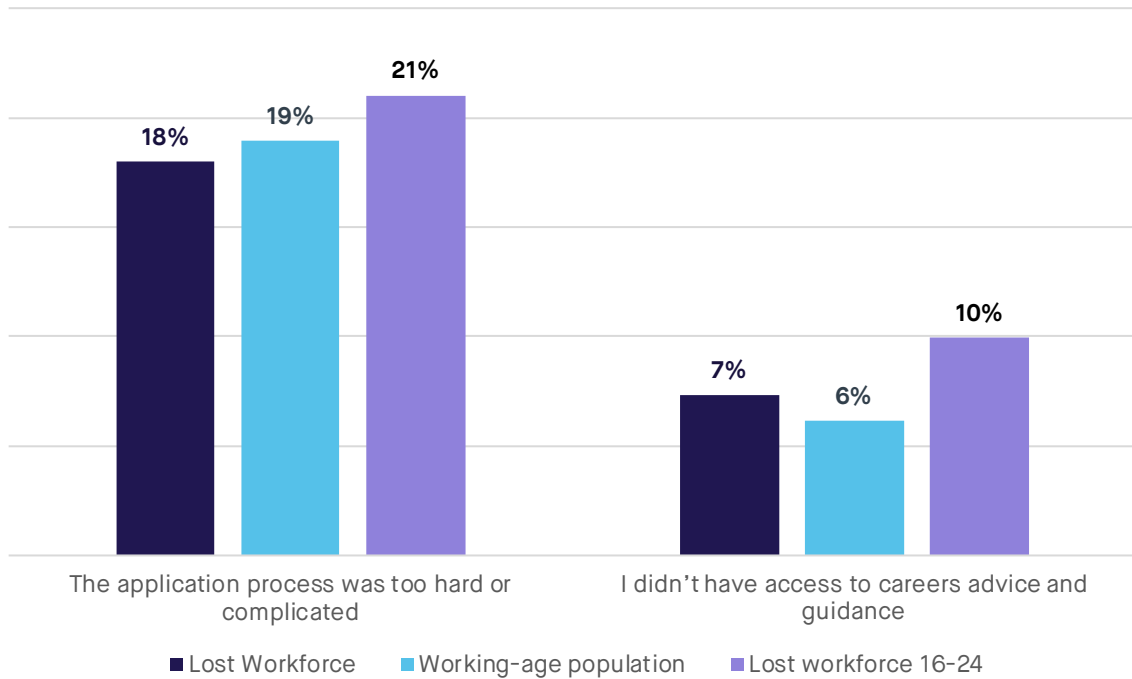


Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

Young people’s focus on their background can be attributed to several potential factors. For instance, younger individuals, with less personal experience, are more affected by their background compared to older workers. Additionally, as discussions around ethnicity, gender, and regional inequality have become more prevalent, younger people may be more conscious of how their background impacts them and shapes their opportunities.<sup>61</sup>

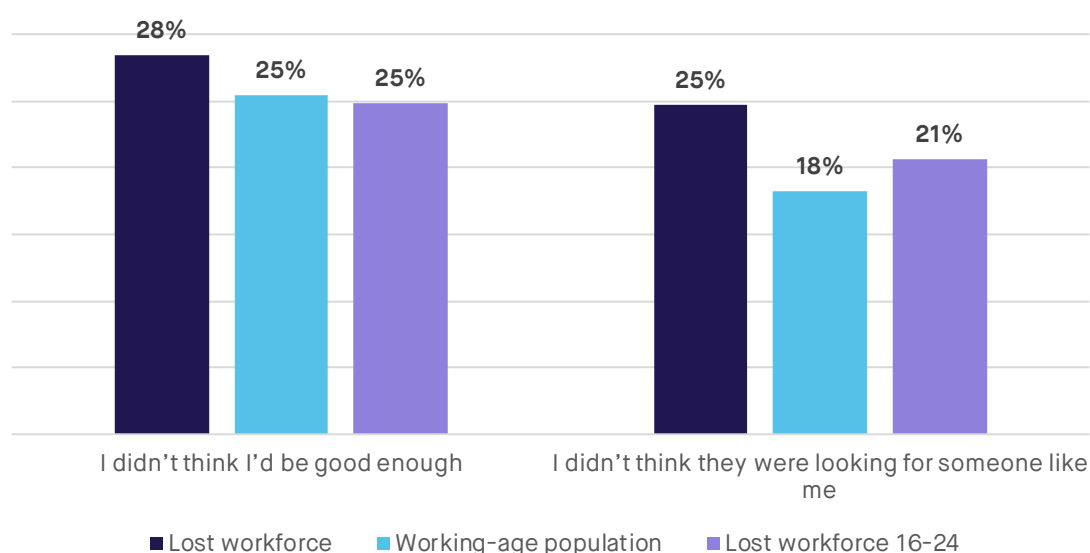
Young respondents are also more concerned with help and advice than other demographics. 21% said they had not applied for a job because it was too hard or complicated – higher than the general population (19%) and the lost workforce (18%). 10% had not applied to a job because they needed careers advice and guidance, compared to 6% among the working-age population and 7% among the rest of the lost workforce.

**Figure 23: Respondents whose access to career guidance prevented their job application**



Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

However, youth in the lost workforce do not seem to suffer from the same lack of confidence that affects the lost workforce. 25% had avoided a job posting because they did not think they would be good enough, the same as in the general population and below the lost workforce (28%). 21% had avoided a job posting because they did not think the employer was looking for someone like them, a similar number to the general population (18%) and lower than the lost workforce (25%).

**Figure 24: Respondents whose confidence prevented them from applying**

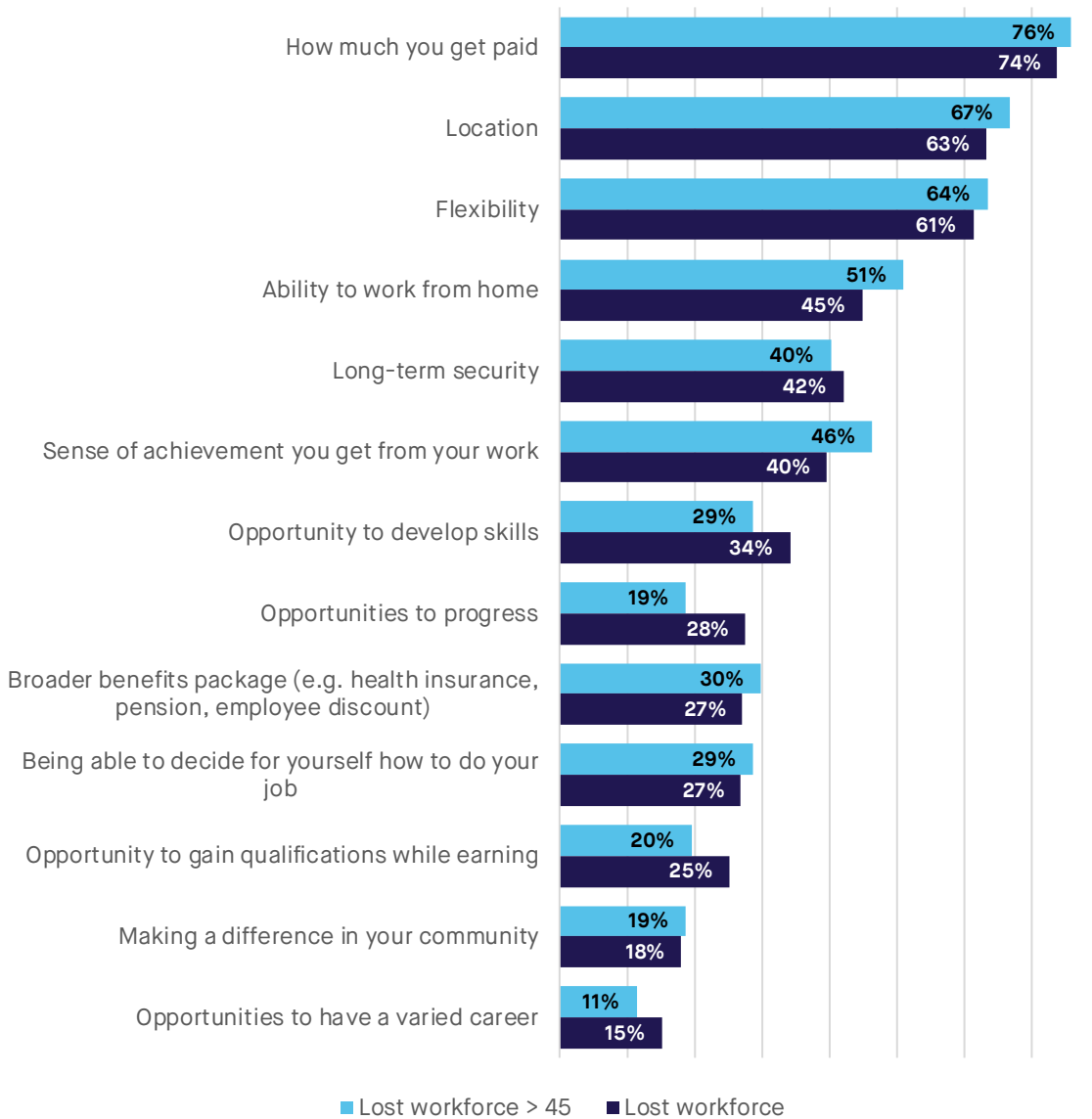
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

### Workers aged over 45 are more likely to make up the lost workforce, but less likely to desire support

People aged 45-64 make up more than a third of the lost workforce, and while they share many similarities with other ages in the group, there are some aspects that make them unique.

When prioritising jobs, older people tend to care less than the wider lost workforce about opportunities to progress (19% versus 28%) or ones that provide qualifications (20% versus 25%). Instead, they prefer opportunities that inspire a sense of achievement (46% versus 40%) and the ability to work from home (51% versus 45%), and are more concerned with the broader benefits package than the wider population (30% versus 27%). Predictably, they are less worried about building skills for the future, with the opportunity to develop skills, to progress, to gain qualifications, and have a varied career all notably lower than found when surveying the wider lost workforce sample.

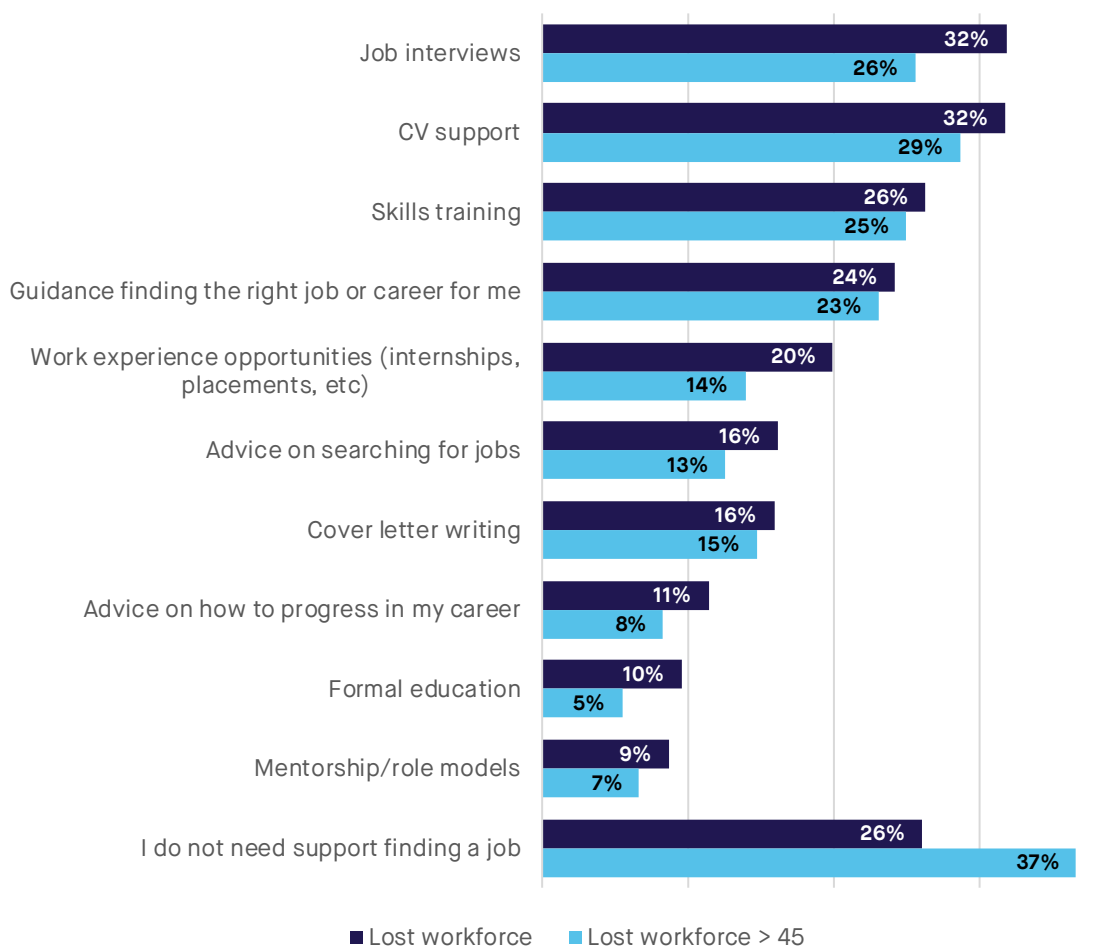
**Figure 25: How does the lost workforce prioritise job applications by age group? Respondents that ranked category in top five reasons to prioritise jobs**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Despite their presence in the lost workforce, over-45s are less likely to feel they need support than the wider distribution. In total, 37% feel they do not need support finding a job, compared to 26% among the wider lost workforce and 23% among the general population.

**Figure 26: Where does the lost workforce feel they need the most support by age group?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Their hesitation may be reflected in their belief that workplaces simply “aren’t looking for someone like me” (27%), implying that rejections are unrelated to a lack of skills, which they are more likely to believe than the wider lost workforce and general population. The rate rises to 32% among those aged over 55. This implies more work will need to be done to integrate this demographic into the workplace.

**Figure 27: Respondents who have avoided a job application because they “didn’t think they were looking for someone like me.”**



Source: SMF analysis of Focal Data survey data, lost workforce subsample



## CHAPTER FIVE – WHAT TYPES OF SUPPORT DO PROSPECTIVE WORKERS WANT?

We have already identified the challenges the lost workforce is most likely to encounter when trying to secure work. Our analysis indicates they feel frustrated and uncertain about their place in the job market and are put off applying for roles due to a perceived lack of experience, skills, or qualifications. In particular, we find that interview skills and writing CVs are aspects of the job-application process that the lost workforce have most difficulty with.

In this chapter, we build upon these findings to discuss the priorities of the lost workforce – their desires, and the help they need to progress in the labour market. As we highlight, there are specific forms of support to help this population compete in the economy, with some groups requiring more than others.

### **Wages, location, and flexibility are the factors considered to be most important when choosing a job**

We asked the lost workforce to identify the most important aspects they consider when choosing a job, revealing what they value most in employment and what motivates them to find work. Unsurprisingly, wages emerged as the top priority, with 74% of respondents selecting it as the most crucial factor.

This was followed by job location (63%) and flexibility (61%), aligning with earlier findings in the report that suggest logistical challenges may be hindering the lost workforce from securing employment. Development factors such as the opportunity to gain skills (34%), to progress (28%), and to gain qualifications (25%) were deemed less important. This possibly reflects the view that these aspects are not ends in themselves, but means to achieve other goals, such as earning a higher salary, once a job has been secured.

**Figure 28: Rank the importance of the following factors in choosing a job, among the lost workforce**

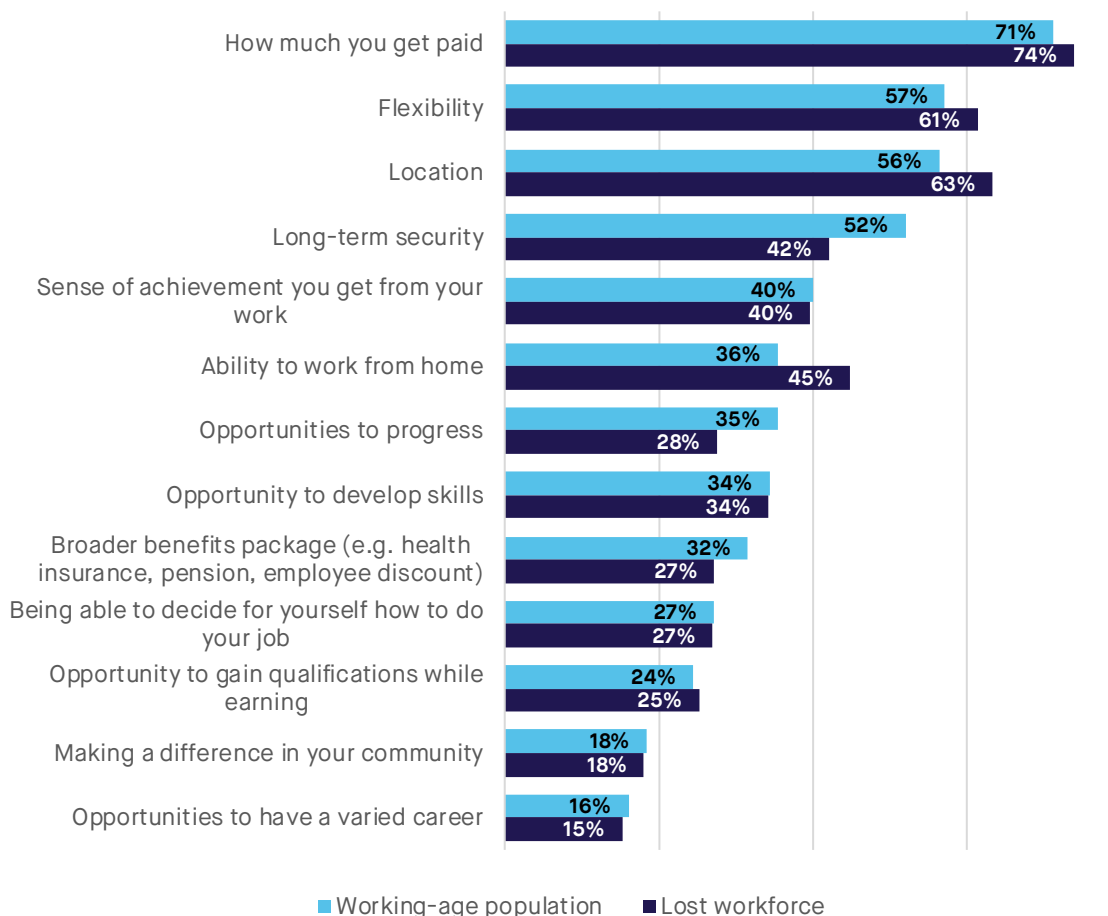


Source: SMF analysis of Focal Data survey data, lost workforce subsample

In both groups, salary, flexibility, and location are key priorities (Figure 29 below). However, there certain aspects of work are more important to the lost workforce compared to the wider working-age population. The most significant gaps include job location (63% versus 56%), and the ability to work from home (45% versus 36%). Conversely, some aspects are less important to job seekers in the lost workforce, such as long-term job security (42% versus 52%), opportunities to progress (28% versus 35%) and benefits packages (27% versus 32%).

Working from home stands out as a key differentiator, suggesting that remote work options could address the needs of those who may be geographically distant from employers, have health issues, or feel marginalised in traditional office settings. Companies offering remote work could gain a competitive edge in attracting and retaining talent. Recent research by Lancaster University supports this view, indicating that remote and hybrid work arrangements can enhance job retention by allowing employees to better manage their work around health conditions.<sup>62</sup>

**Figure 29: How important are the following factors to you in choosing a job?**



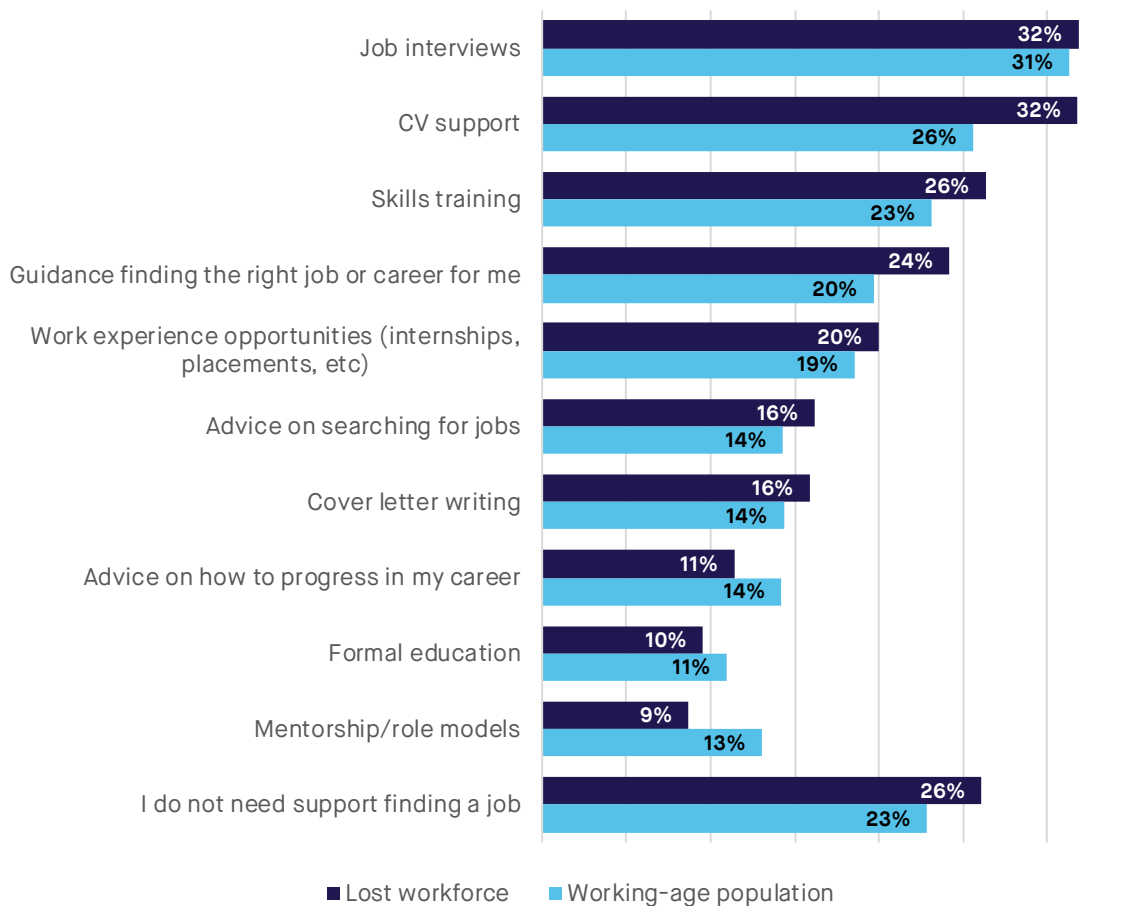
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

### Support with job interviews, CV support, and skills training is most sought after among the lost workforce

Reflecting previous findings, the lost workforce indicates a desire for support to help them overcome challenges related to job applications, prioritising avenues that facilitate their entry into the labour market. Overall, 74% of the lost workforce expressed a need for some form of support, which is lower than the 77% observed in the general working-age population.

The most important issues respondents highlighted a need for guidance on was job interviews (32%), CV support (32%), and skills training (26%), selecting these support options more frequently than their counterparts in the wider workforce.

Advice on career progression (11%), formal education (10%), and mentorship (9%), were not only ranked lowest but were also less likely to be wanted by the lost workforce compared to the general workforce. 26% of the lost workforce reported not needing any support, compared to 23% of other working-age individuals, implying a degree of hesitation in reaching out for help.

**Figure 30: Where do you feel you need the most supporting in finding or progressing in a job?**

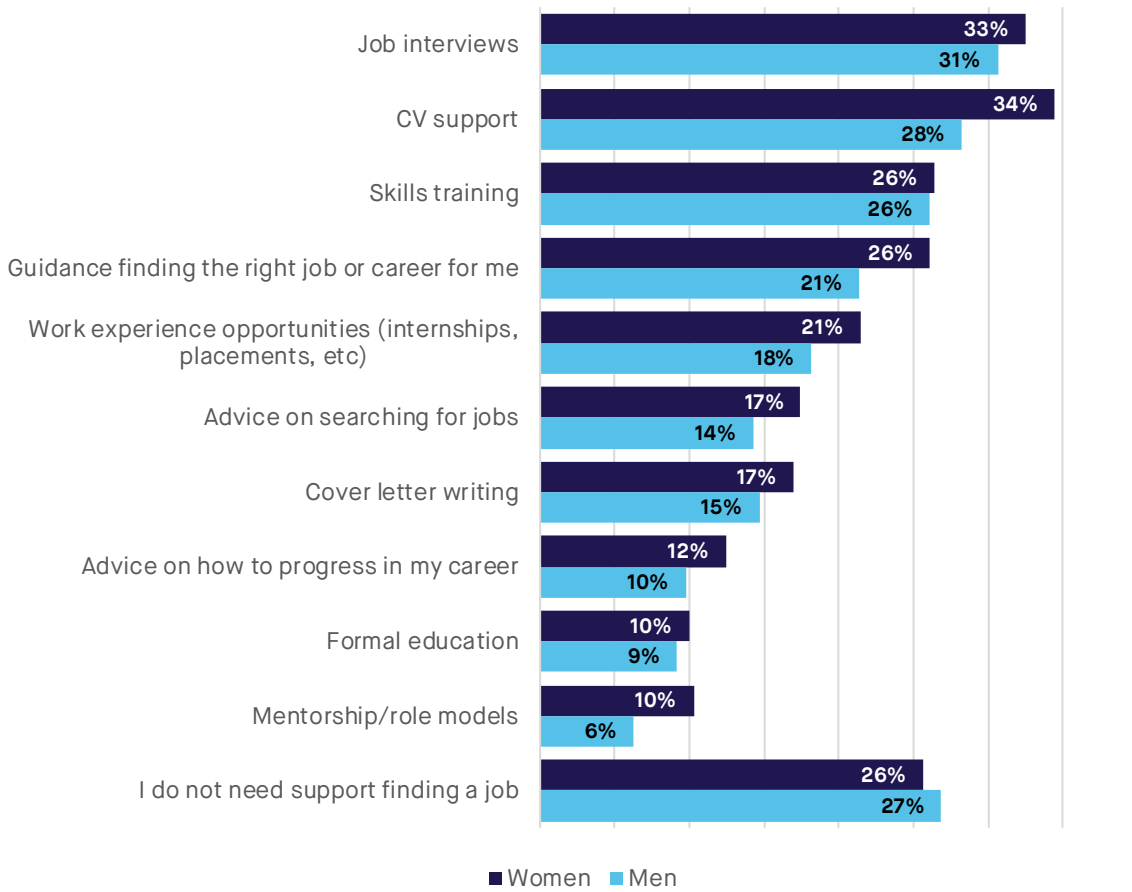
Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

### Women and ethnic minorities seek different kinds of support, and express a greater need

Earlier findings indicate that women are significantly more likely to struggle with job interviews. Reflecting this, women are also more likely than men to express a need for all listed kinds of support.

This difference may not reflect a fundamental opposition to support or a genuine lack of need for it among men. Instead, it may be influenced by gender stereotypes and help-seeking behaviours. Masculine attitudes – such as being strong, self-reliant, and in control – often lead men to avoid seeking help.<sup>63</sup> In contrast, women are more likely to seek out support and treatment.

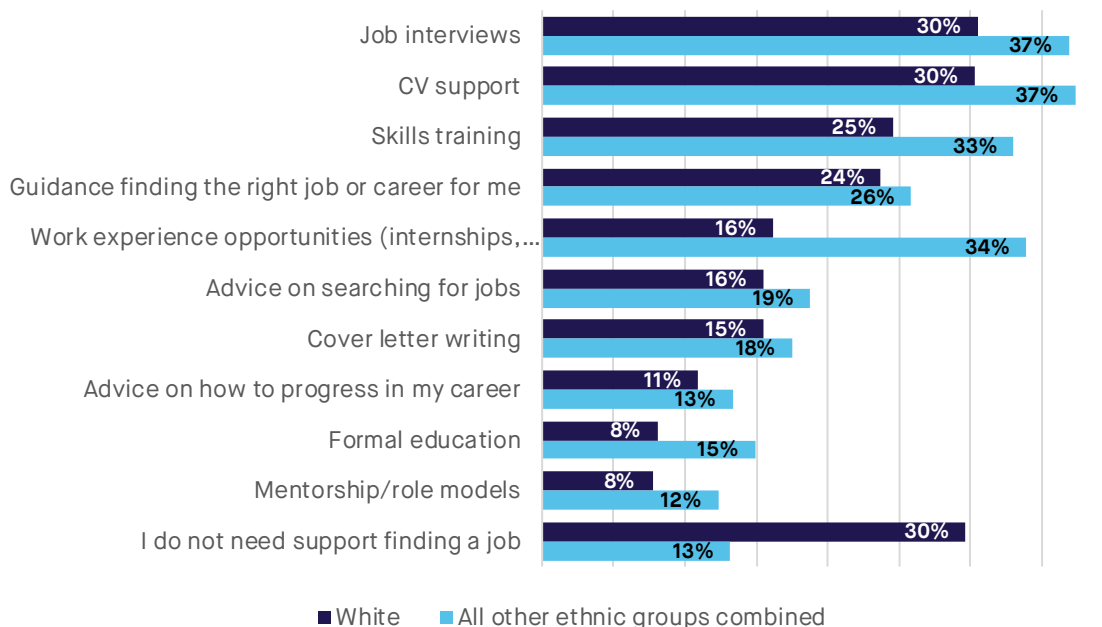
**Figure 31: Where do you feel you need the most supporting in finding or progressing in a job?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Ethnic minorities within the lost workforce are generally more likely than White individuals to seek support. They notably seek more work experience opportunities (34% versus 16%) and skills training support (33% versus 25%). This higher demand may reflect discrimination or job disadvantages and a lack of access to genuine opportunities.<sup>64</sup> The greater need for work experience and skills training suggests systemic barriers and highlights the need for targeted programmes. White individuals are less likely to seek support in every category, and significantly more likely to say they do not need any support (30% versus 13%).

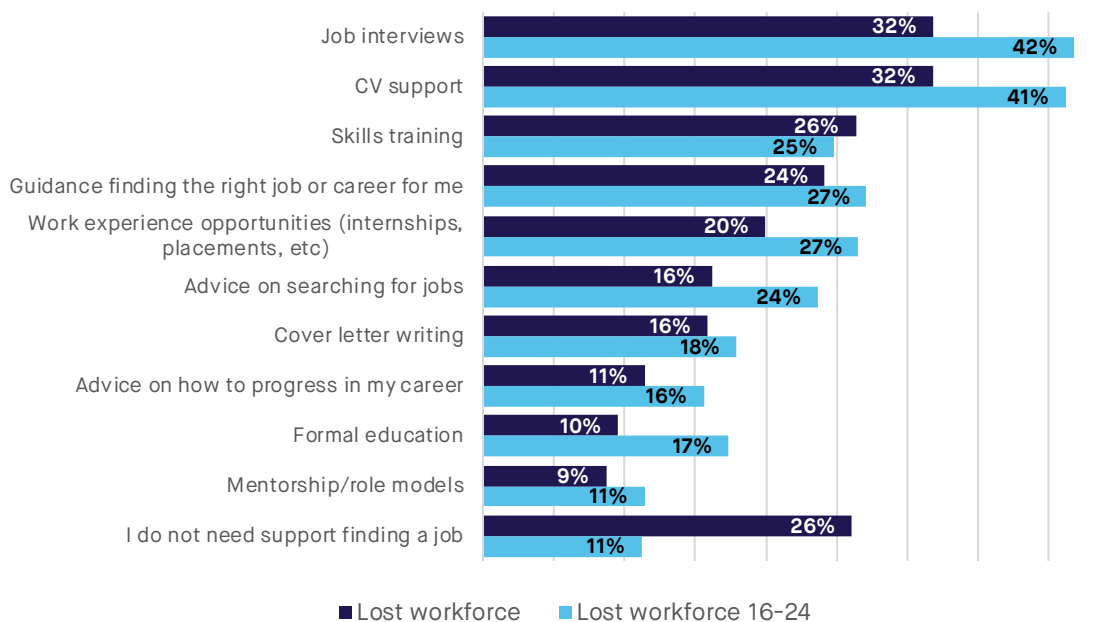
**Figure 32: Where do you feel you need the most supporting in finding or progressing in a job?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample

Across most areas, young people in the lost workforce say they need more support in finding or progressing in a job than the lost workforce. In particular, they report needing more interview support (42% versus 32%). CV support (41% versus 32%) and access to work experience opportunities (27% versus 20%). Much more of the lost workforce (26%) say that they do not need support finding a job than younger members (11%), indicating greater openness to training and help among those under twenty-four.

**Figure 33: Where do you feel you need the most supporting in finding or progressing in a job?**



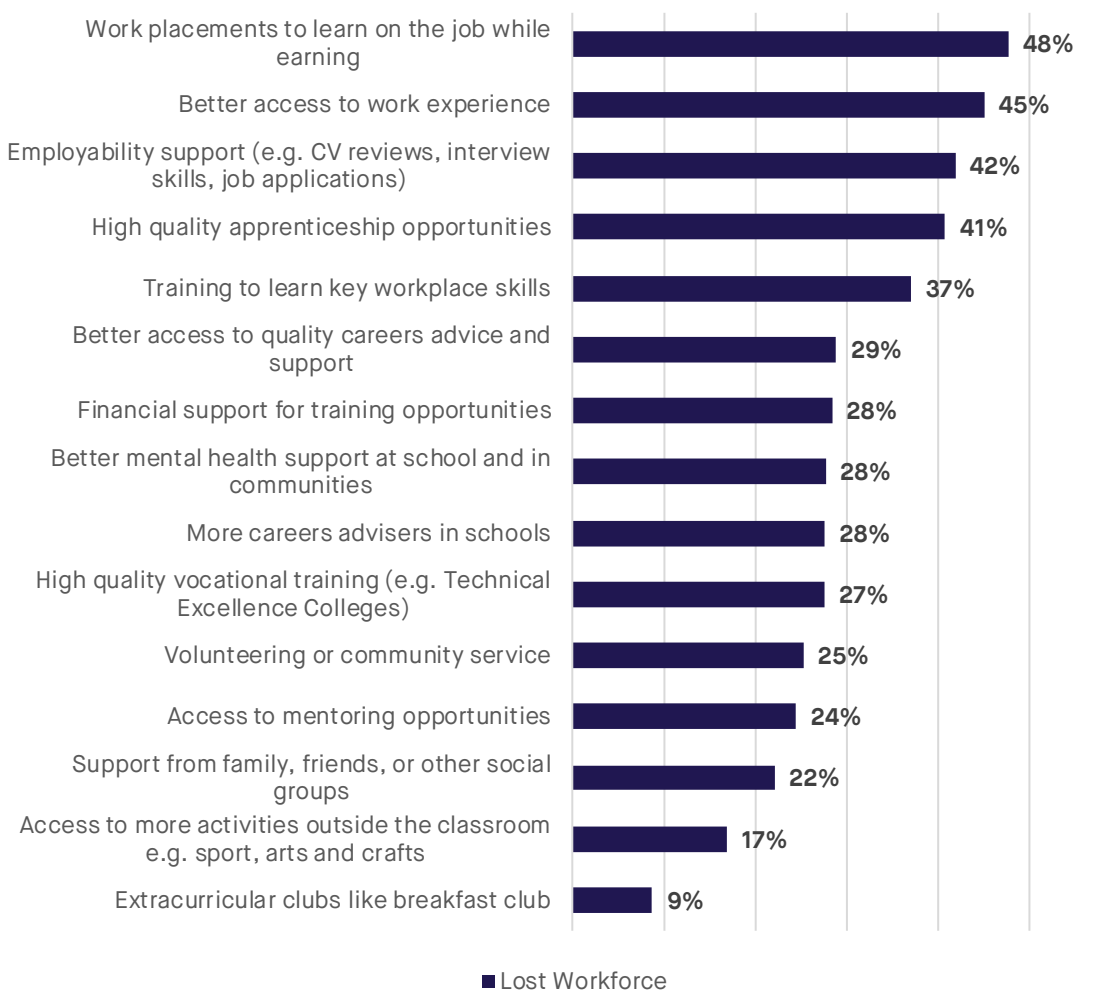
Source: SMF analysis of Focal Data survey data, lost workforce subsample

## The lost workforce believes work placements, access to work experience, and employability support would help them develop throughout their life

The lost workforce believes that more opportunities to gain experience and develop new skills would be helpful. Nearly half (48%) express a desire for work placements to learn on the job, making it the highest-ranked category, followed closely by better access to work experience at 45%. Apprenticeships are also in high demand, with 41% indicating they would help people advance in their careers.

Employability support is another key area, with 42% considering it useful, and 29% seeking quality careers advice. Skills training is also highly valued: 37% want training for essential workplace skills, 28% desire financial support for training opportunities, and 27% are looking for high-quality vocational training. School outreach is considered important as well, with 28% seeing mental health support in schools and communities, along with careers advice in schools (28%).

**Figure 34: What does the lost workforce feel would help people develop in their careers throughout their life?**

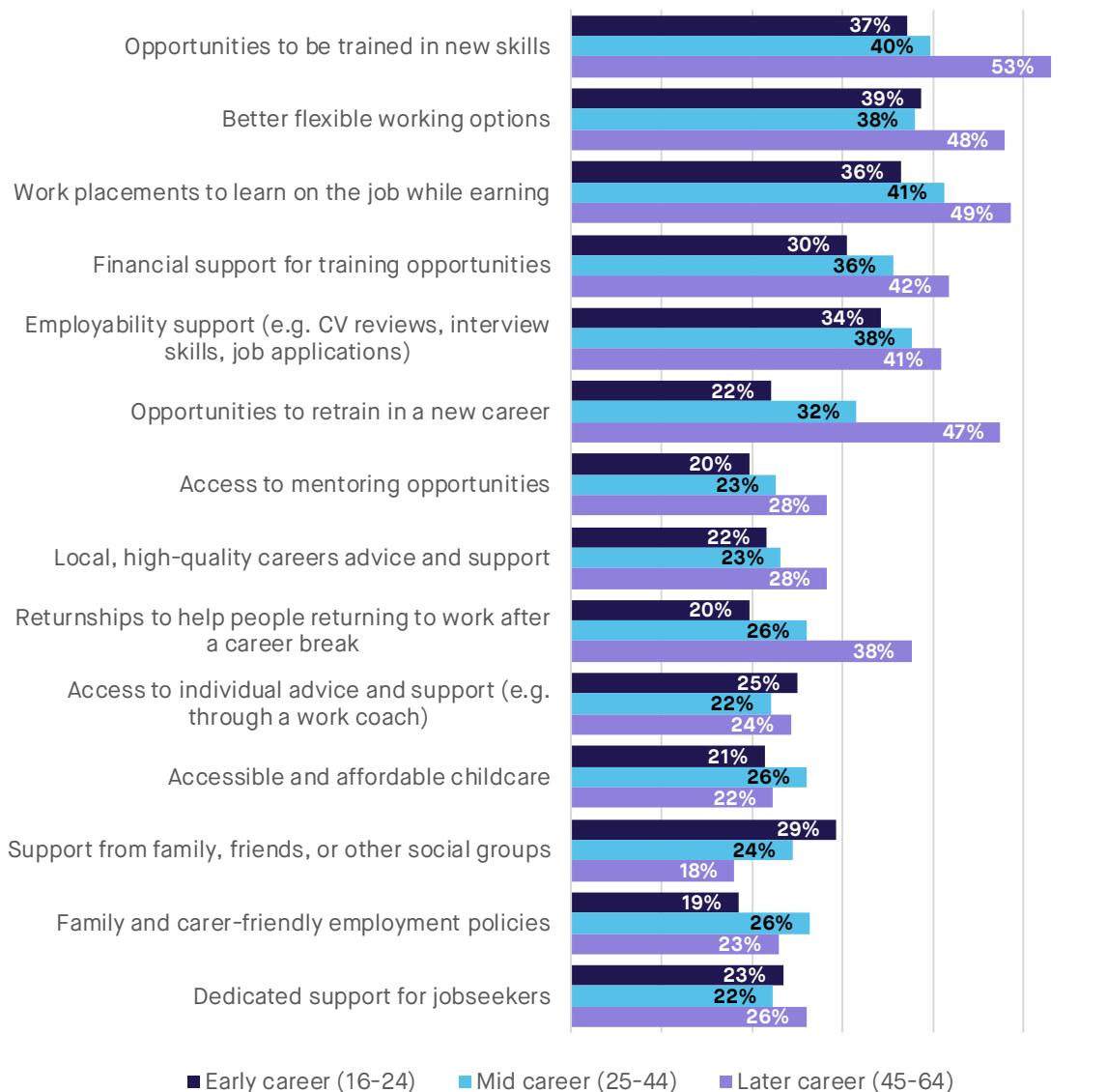


Source: SMF analysis of Focal Data survey data, lost workforce subsample

Consistent with the rest of our findings, the lost workforce identified work placements, skills training, and employability and application support as the areas that would benefit people the most. However, bottom-ranked forms of support such as activities outside the classroom (17% versus 18%) and extracurricular clubs (9% versus 11%) are slightly preferred by the working-age population.

Preferences for support vary by age. According to our survey, the group most likely to be out of employment and wanting a job is those aged 45 to 64. This age group stands out in several ways, expressing a greater need for support in most categories. Specifically, they highlight the need for skills training (53%), work placements (49%), flexibility (48%) and the opportunity to retrain (47%). This indicates that, when focusing on engaging older workers in the workforce, these areas should be prioritised.

**Figure 35: What would help people develop in their careers throughout their life?**



Source: SMF analysis of Focal Data survey data, lost workforce subsample



## CHAPTER SIX – WORKING TOWARDS A MORE INCLUSIVE LABOUR MARKET

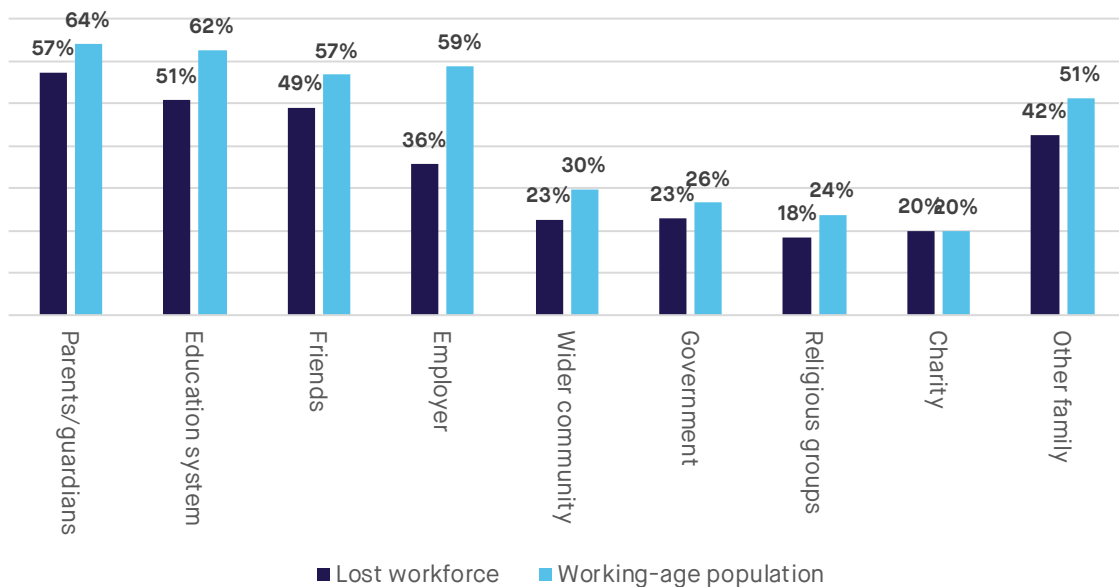
In the previous chapter, we identified work placements, work experience, and employability support (such as CV writing and interview guidance) as the most sought-after forms of assistance by the lost workforce, alongside apprenticeships and skills training. Given that this group is both willing and able, yet still unable to find work, it suggests that they need more help than is currently available. As we have discussed, different groups have varying wants and needs.

### The lost workforce require support into employment

We asked respondents which groups or entities have helped them achieve their goals. Aside from charities (20% versus 20%), the lost workforce is generally less likely to report receiving support from any of the listed sources in our survey. Notably, employers (36% versus 59%) and the education system (51% versus 62%) show the most significant gaps. Although the government ranks low overall, the lost workforce is slightly less likely to report government support than others (23% versus 26%).

These findings merit attention. Figure 36 indicates that the education system may not be adequately supporting all individuals, possibly due to insufficient tailored assistance, limited outreach, or systemic biases. The perceived lack of support from employers could be attributed to the lost workforce being out of employment and having little interaction with employers. It may also suggest a need for stronger employer-driven workplace support programmes.

**Figure 36: Have these people and organisations helped you achieve your goals in life?**



Source: SMF analysis of Focal Data survey data, nationally representative sample and lost workforce subsample

It is important to acknowledge that a wide range of policies can have an effect on economic inactivity, via their impact on issues such as poor health, disability, and

caring commitments that restrict access to the labour market. As highlighted in Chapter Two, economic inactivity encompasses a diverse range of reasons why someone is out of work, many of which require substantial systemic changes.<sup>65</sup>

While these issues are clearly very significant, they are extensive topics that fall beyond the immediate scope of this report. To keep the research manageable we have focused on direct skills and labour market policies, rather than having to take on massive topics like health or care reform. It is also worth noting that remote working has emerged as a significant practical solution for overcoming barriers related to geography, health, and disability.<sup>66</sup> Although we have not included detailed recommendations on remote working, it remains a valuable consideration for enhancing labour market inclusivity and should be explored further. This is especially relevant given the new government's commitment to making flexible working a priority as part of its employment rights reforms.

In this chapter, we explore potential policy avenues to better support the lost workforce in finding employment. Our aim is to provide the right support to those out of work, addressing the challenges they face in entering the labour market and aligning their opportunities with those of the wider workforce. Based on the needs and priorities of individuals at the margins, we offer five suggestions for making the jobs market more accessible and inclusive for potential workers.

### **The Growth and Skills Levy can help people develop the skills they need to stay in employment, but the lost workforce requires tailored support**

The availability of apprenticeships for low skilled and young people has fallen, and part of the obstruction comes from a funding system which encourages companies to prioritise people already working for the company and in higher-level training.<sup>67</sup>

In response, the government has promised a new Growth and Skills levy which will give greater flexibility to firms by allowing them to spend half their levy on non-apprenticeship training. By giving more power over training to private firms, and by giving those firms more flexibility to spend their contributions as they wish, apprenticeships can be informed by each company's real-world experience. This could allow apprentices to learn valuable on-the-job experience that will help progress in the workplace. Further, the Department for Education has made clear that Skills England, under the guidance of private sector businesses, unions, and training providers, will set strategic objectives.<sup>68</sup> If planned appropriately, this could help integrate the lost workforce into the future economy while aligning with other national objectives.

While the Levy is a positive step towards enhancing in-work skill development, it does present a challenge. Its structure, which allows firms to use their funds for non-apprenticeship training, may result in reduced funding availability for individuals who are currently unemployed. Experience with the apprenticeship levy shows that when firms are given more flexibility over funding they tend to prioritise higher-level training courses for existing employees who tend to be older.<sup>69</sup>

Between 2015 and 2023, intermediate apprenticeships (the least advanced, equivalent to level two) fell from 291,300 to 76,300, while higher apprenticeships (equivalent to level four and above) more than quadrupled from 27,200 to 112,900. At the same time, apprenticeships for those under 19 dropped from 131,400 to 77,700 (41%), while those for workers aged 25 and older decreased from 224,100 to 160,600 (28%).<sup>70</sup> This shift shows private companies prioritising their older and existing staff over new hires. While this may benefit businesses and the employed, it leaves the lost workforce without the required skills and training they need.

Further, the offer of training once employed may not be a strong enough incentive for many applicants. When asked what makes them attracted to job offers, the lost workforce ranked the ability to progress or to develop skills lower than other factors like pay, location, and flexibility. While the Growth and Skills Levy will likely increase the skills of our existing workforce – a move that we welcome – it is important to recognise the lost workforce will require tailored support to get into employment. New programmes must be initiated to increase the size and quality of our labour.

### **Expand access to work placements and work experience to benefit more young people, with a particular focus on school students and disadvantaged groups**

Work placements were seen as a lower priority compared to other support options, ranking fifth among what the lost workforce needs to find or advance in the job market. However, when asked about skill development throughout life, work placements were ranked second (45%), just behind skills training. For preparing and developing in the job market beyond classroom education, work placements were ranked highest (46%). This suggests that employers value job seekers with past experience and view work experience as vital for long-term development. Meanwhile, the government has committed to delivering new careers advisers in schools and expanding access to high-quality work experience,<sup>71</sup> making it a top priority for policymakers.

The best time for work placements is during secondary and tertiary education, which sets up the young workforce for better future opportunities. However, such opportunities are poorly distributed. SMF research has highlighted students in independent schools are nearly twice as likely to have had three or more work experience opportunities compared to those in state schools. These trends raise concerns about future social mobility and increase the risk of students leaving school without any education, employment or training to lined up.<sup>72</sup>

We proposed several measures to ensure high-quality work experience for all students. Local brokerage organisations, like Careers Hubs, which work with 90% of schools and colleges, should be given responsibility to coordinate work experience by engaging employers in each area. The government should support this by standardising bureaucratic requirements and creating a single platform to list work experience opportunities nationwide, particularly for digital placements. We estimate that implementing these measures would cost around £75 million annually. For

context, this is about 5% of the £1.7 billion that the government expects to raise by ending the VAT exemption on private school fees.<sup>73</sup>

Where local work placements are unavailable or where students have been unable to access them, paid positions in the socially impactful industries can help improve young people's skills while enhancing community cohesion. A recent UK pilot, UK

Year of Service, placed young people in 9-12 month positions in charities and social enterprises, covering the cost of salaries. This greatly benefited participants, reducing NEET rates from over 50% to under 20%.<sup>74</sup> The AmeriCorps programme in the United States, Service Civique in France, Servizio Civile Universale in Italy, and FSJ in Germany all function similarly. A national policy which offers to get young people into work could greatly decrease youth presence in the lost workforce, and a forthcoming SMF report will study the policy in more detail. To ensure equitable access, universal work experience should be rolled out gradually, starting with the most disadvantaged areas. In areas which are not disadvantaged, support should be prioritised for disadvantaged students.<sup>75</sup>

### **Improve careers guidance for those in and out of education, including support with job applications**

Too often, we think of careers guidance as taking place exclusively in schools, and this runs the risk of letting key demographics fall through the cracks, including those who do not complete school or who are older. Demos has estimated that 9.7 million people who want careers and employment advice have missed out on it.<sup>76</sup> The new government's plan to merge Jobcentres and the National Careers Service can help, providing an opportunity to develop a new strategy with clear responsibility and lines of authority.

While this will clarify to the public who is responsible, it will not ensure that all are eligible for the new organisation's support. Access to Jobcentre Plus is dependent on individuals receiving benefits. Responsibility should be explained clearly to the public through advertisements and access to employment advice should not be limited to those on benefits, instead becoming available for any individual.

Work should also be done to destigmatise careers guidance. A 2022 SMF report found that careers guidance was associated with students, and adults who used the service felt ashamed or embarrassed.<sup>77</sup> A participant in a focus group held for that report explained, "I've always perceived career advice as kind of for the 18-21-year-olds, the college sixth form crowd and for us adult learners, kind of expected to "should have figured it all out by now, once you're over 21." An outreach campaign could help change these perceptions by explaining the purpose and benefits of careers guidance. Additionally, opening up access to Jobcentre Plus in the new merged organisation could further reduce stigma.

Similarly, a participant in Demos' recent research on the subject remarked about Jobcentre Plus: "I think part of the reason I haven't been [to a Jobcentre] is because you feel like everyone's watching you. It's like everyone knows I've not got a job. They're going to think I'm lazy for not being able to get one myself."<sup>78</sup> By serving a

broader range of individuals and removing the requirement to be on benefits, the new organisation can start building a reputation as a more trusted institution.

Digitisation presents a valuable opportunity to enhance careers guidance. It offers a more cost-effective option for the government and provides individuals with the flexibility to access advice on their own schedule and from home. Additionally, emerging AI technology can assist with designing and refining CVs and cover letters, which is particularly beneficial for those unfamiliar with the specific formats required for job applications.

AI language tools can identify patterns in job applications and help applicants, especially women, overcome initial barriers that might discourage them from applying. As the former work and pensions shadow secretary noted in an SMF speech, “AI is now routinely used for rapidly assessing CV applications for many jobs; let’s now make it focused on getting people the skills they need for future jobs as well.”<sup>79</sup> That said, in-person support will be crucial for those less comfortable with digital skills, particularly older workers. While digitisation offers significant benefits to many job seekers, it is essential not to leave others without access to help. In-person support should be available to all out-of-work individuals seeking employment.

Lastly, older workers should receive the same priority as younger workers in careers advice. Even basic aspects of the job application process have evolved significantly over the past twenty years, and many older workers may be unfamiliar with current expectations. The merged National Careers Service agency can offer essential support, including job interview advice, guidance on finding suitable jobs, skills training, CV assistance, and cover letter preparation – areas that older workers in the lost workforce tend to prioritise. Providing support for navigating the job application process could help many apply their skills in new industries.

## **Support older people to enter or return to the workforce**

Approximately a third of the lost workforce consists of individuals over 55, who need targeted support to enter or re-enter the job market. These individuals may desire a change in their career at this time but lack key skills that would allow them to do so. Although employment rates for this age group rose steadily for twenty years before the pandemic, they have since stalled.<sup>80</sup> Health issues and long-term sickness are significant factors, but our survey also found that some feel they lack the skills or experience needed for today’s job market. This issue extends beyond the UK; even countries with strong re-employment policies, like Denmark, face challenges integrating unemployed older individuals. Employing older workers will be crucial as our population ages and they make up a larger share of the workforce.

We recommend a three-pronged strategy to confront the problem of older people in the lost workforce. Firstly, we recommend older workers receive equal access to skills advice as outlined above and are encouraged to use these through targeted outreach and destigmatisation campaigns and introducing new routes to bring older people into the careers advice system. This can help those in the lost workforce and others who simply want a change in their career paths.

Secondly, the Lifelong Learning Entitlements (LLE) will provide loans to those over 18 for level 4 to 6 courses, including one-year courses as well as, potentially, undergraduate degrees. This would provide an opportunity to promote technical education while allowing learners more flexible options that enhance the skills they wish to improve in a timeline that works around their schedule – two elements

requested in the 2019 Augar report which reviewed post-18 education and funding.<sup>81</sup> However, older members of the lost workforce, who are more likely to have lower social grades and education, may be sceptical of the offer. Public First's 2023 polling found just 9% of those 55-64 would be interested in lifelong learning if it were provided through a loan, the lowest level of interest across age groups, while interest also decreased among lower social grades (grades D and E) and lower education (those with GCSE degrees or equivalent).<sup>82</sup>

To reach these sceptical groups, courses provided via LLE will need to directly relate to on-the-job work, and outreach programs will be needed to convince older members of the lost workforce of their potential. Further, course providers will need to develop more flexible options than are currently on offer, including more modular formats. In addition, an employment program similar to the UK Year of Service could be offered to older people who wish to continue working and benefit their community. In the US, the AmeriCorps Seniors programme attracts 140,000 every year. 84% of these people report stable or improving health during the programme, and 88% of those who reported feeling isolated said they felt less so following their work.<sup>83</sup>

Lastly, the private sector can significantly improve the outlook for older workers. Currently, employers often favour younger candidates, viewing them as more adaptable and a better long-term investment. However, this overlooks the strengths of older workers, such as their loyalty, mentoring ability, and higher life satisfaction, which can boost productivity.<sup>84</sup> To address this, the private sector should better incentivise applications from older individuals. This can be achieved through positive action, such as advertising job in multiple locations to attract a wider range of applicants, as per Advisory, Conciliation and Arbitration Service (Acas) guidelines, or including statements that encourage applications from older candidates.<sup>85</sup> Similar approaches are already used to attract underrepresented ethnic, sexual, or gender groups, and applying such strategies to age could increase applications from older workers.<sup>86</sup>

### **Introduce a national job and training guarantee programme**

A more ambitious approach to addressing the issues faced by the lost workforce—all coming down to better support to increase one's chances of finding work—may lie with a job and training guarantee program.

As part of its 'plan to get Britain working' and deliver economic stability, the new government has pledged to increase the employment rate to 80%, the highest in the G7.<sup>87</sup> Such a programme may be the key to achieving this ambitious target, as it would ensure that every person seeking employment can be provided with education or training, or better yet, a paying job. The basic premise of a guarantee scheme is to

minimise unemployment, and it therefore stands out as a suitable platform for the government's ambitions to increase employment and boost economic growth.

The UK government has a precedent for these types of job support programmes. One example is the New Deal for Young People and the New Deal 25 Plus, introduced in 1998. This scheme provided intensive, personalised support to individuals who had been unemployed for six months (18 months for those aged 25+). If they did not find work within four months, they were offered full-time education, training, work placements, or government-subsidised employment. Early evaluations suggest the programme was effective, with young men being 20% more likely to gain employment as a result.<sup>88</sup>

Another is the Future Jobs Fund, introduced in 2009 as part of the Young Person's Guarantee. This initiative aimed to provide all young jobseekers with a job, training, or work experience, focusing on those aged 18 to 24 receiving Jobseeker's Allowance. It supported the creation of subsidised jobs for young people facing labour market disadvantages. Between October 2009 and March 2011, the Fund created just over 105,000 jobs. Evidence from DWP indicated that the scheme was cost-effective in boosting employment for the targeted group and successfully engaged employers.<sup>89</sup>

A more recent initiative is the Kickstart Scheme, introduced during the coronavirus pandemic, which provided funding to create part-time jobs for six months for 16-to-24-year-olds on Universal Credit who were at risk of long-term unemployment.<sup>90</sup> In 2023, DWP published an evaluation report, which found that 70% of young people were satisfied with their Kickstart job seven months after starting. 65% of participants remained in employment, education, or training one month after their funded placement ended, rising to 75% after ten months.<sup>91</sup> However, the Resolution Foundation highlighted that the scheme had less positive outcomes for disadvantaged individuals and those with health conditions, suggesting that the eligibility criteria should have been widened to better support these groups.<sup>92</sup>

These programs may be considered 'lite' forms of job guarantee schemes. They aim to provide employment opportunities and support to specific groups but lack the defining features of fully-fledged job guarantee programs. For instance, to transition into a comprehensive job *guarantee*, the programs would need to be universally accessible, ensuring that anyone willing and able to work can obtain a job. Additionally, there would be less reliance on private employers to create jobs, with the government playing a more proactive role in directly providing or facilitating employment opportunities, which could involve the creation of public sector jobs or the support of community-based projects.

Although the form and implementation of job and training guarantees can vary, evidence suggests that such programs can effectively minimise the effects of unemployment. The SMF has already made the case for a job guarantee program,<sup>93</sup> citing recent research that highlights successful initiatives. These studies demonstrate that job guarantees can create jobs and significantly improve participants' economic and social wellbeing.<sup>94</sup>

An obvious concern with a programme of this scale is the cost, which is likely to run into billions of pounds and might not be favoured by government decision-makers. However, experts believe that the net costs of such a scheme could be minimal. Unemployed individuals would otherwise be receiving government benefits, and their involvement in such a programme would mean they instead contribute taxes, offsetting any additional expenditure.<sup>95</sup>

Given the positive outcomes from a recent pilot project —such as increased economic security and improved well-being —these additional costs could be viewed as money well spent.<sup>96</sup> There is growing international enthusiasm for job guarantee policies, with schemes already in place in France,<sup>97</sup> Italy,<sup>98</sup> and Greece,<sup>99</sup> and the European Commission<sup>100</sup> recently announced plans to fund new initiatives.

### Recommendations for helping job seekers get into work

In light of the challenges and priorities identified in this report, we make four recommendations to better support the lost workforce in finding employment.

1. **Expand access to work placements and work experience** to benefit more young people, with a particular focus on school students and disadvantaged groups.
2. **Improve careers guidance for those in and out of education**, including support with job applications. Digitisation provides a useful opportunity to improve advice.
3. **Support older people to enter or return to the workforce.** We recommend a three-pronged strategy that consists of access to skills advice, ringfenced Skills England funding, and private sector support.
4. **Introduce a national job and training guarantee programme.** A more ambitious approach, this would ensure that every person seeking employment can be provided with education, training, or a paying job.



## APPENDICES

These appendices provide supplementary information that is too detailed for the main body of the report. They cover the definition of the lost workforce, describe our surveys and the process for merging and weighting the lost workforce subsample, and explain our method for estimating this population's potential economic contributions.

### Appendix A: Defining the lost workforce

By the lost workforce, we mean people who are not currently in work but who would like to be, given the right opportunity and circumstances. Our concept of the lost workforce overlaps with both the unemployed and economically inactive groups, alongside the lost workforce. Our definition of the lost workforce includes all individuals aged 16 to 64 who answered the survey question “Which of the following best describes your occupational status?” by self-identifying as ‘unemployed (not currently in a job but seeking employment)’.

In addition, the lost workforce includes *some* people who are economically inactive: self-identified as retired, long-term sick or disabled, temporarily sick or disabled, looking after family, the home, or children, caring for a disabled or elderly person, a student, or those made redundant. In order to be identified as members of the lost workforce, participants classified as economically inactive were excluded if they stated they were not interested in working. The lost workforce instead selected answers which showed they would start working if circumstances changed, for instance, they would start working they found a job that would hire them, if their health improved, or if their caring responsibilities decreased. For a breakdown of these responses, see Figure 4.

### Appendix B: Merging and adjusting survey samples

In this report we are primarily focused on individuals that are part of the lost workforce – those who identified in our surveys as ‘unemployed but seeking work’. For analysis purposes and making it easier to compare these respondents, we merged the lost workforce subsamples from each of our three surveys – nationally representative, economic inactive, and NEET. The lost workforce included those who were unemployed but seeking to work. Additionally it included those who were economically inactive, would start working if circumstances allowed them to, but could not due to their being retired, long term sick or disabled, temporarily sick or disabled, looking after family/home/children, caring for a disabled or elderly person, or who had been made redundant. Due to the merging of representative and non-representative samples, the data was weighted by Focal Data to account for age disparities. This adjustment aimed to provide a more accurate estimate for a representative sample of the lost workforce.

A few considerations are important when reviewing this data. The weights range from 0.527 to 1.616. In terms of process, the weighting scheme was developed by analysing the discrepancies from the nationally representative and economic

inactivity boost samples, which lacked age quotas. This approach is the best estimate for a representative sample of the online economically inactive population.

The weighting profile used for different age groups is as follows:

- 16-17: 8%
- 18-24: 18%
- 25-34: 13%
- 35-44: 14%
- 45-54: 25%
- 55-64: 22%

This adjustment was made to address the skew towards younger respondents, the NEET sample in particular, which resulted in an over-representation of those under 25 and an under-representation of those over 25. The weighting has partially corrected this imbalance, though it does not perfectly align with a fully "known" population. The re-run tables for the lost workforce exclude responses from those aged 65 and over (present in the 16+ economic inactive survey sample), refining the overall unweighted sample size to n=1,060.

## Appendix C: Estimating the lost workforce's potential economic contributions

As output per worker varies by educational attainment, and as the lost workforce contains a disproportionate number of non-graduates, we had to weight UK GDP per worker by educational attainment. In 2013, the Department of Business and Trade has explained how this difference could be estimated:

*“A theoretical framework derived from a standard Cobb-Douglas production function indicates that GDP per unit of labour input should be related to the share of labour of a particular type (graduates or workers at different qualification levels) weighted by the average human capital of the type of worker (captured by the relative wages of different types of labour input).” – Department for Business and Trade<sup>101</sup>*

As such, we used ONS data showing 2023 GDP as £2.687 trillion.<sup>102</sup> We used the Labour Force Survey (LFS) which showed the median graduate made £40,000 per year compared to 29,500 among non-graduates.<sup>103</sup> The LFS also shows that in 2022 there were 14,640,000 graduate employees, 14,280,000 non-graduate employees, and 4,050,000 who were unknown.<sup>104</sup> We distributed the unknown population across both other categories assuming the same distribution. We then multiplied GDP by the ratio of employees in each educational category, weighting by average salary.

For instance, to find the average output per graduate, we multiplied £2.687 trillion by 40,000 over 29,500 to see the total human capital of the graduate workforce, then divided the result by the 14,640,000 graduate employees.

Following this we used our own survey data which showed that 14% of the UK's working age population were in the lost workforce. We used LFS data which showed that between February and April 2024 there were 42,408,000 people in working age in the UK, meaning the lost workforce population was 6,007,903.<sup>105</sup>

Our survey also showed that 25.07% of the lost workforce had degree-level qualifications or above while 74.93% did not. This allowed us to estimate the number of people in the lost workforce in each category. Each were multiplied by their expected output in employment, which was summed to find the total output lost.

	<b>Graduates</b>	<b>Non-graduates</b>
Median wage per worker	£40,000	£29,500
# Employed workers by educational attainment (excluding unknowns)	14,640,000	14,280,000
# Employed people by educational attainment integrating unknowns	16,690,207	16,279,793
Average contributions to output	£92,657.62	£70,057.72
# Unemployed but seeking work	474,797	1,391,155
Output lost:	£43,254,174,911	£97,763,127,794
# Inactive but would like to work if circumstances changed	1039180	3106441
Output lost:	£96,287,970,729	£217,630,164,181
Total output lost	£96,287,970,729	£217,630,164,181
<b>Total output lost</b>	<b>£454,935,437,615</b>	
<b>Output lost as % of GDP</b>	<b>16.9%</b>	

## ENDNOTES

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- <sup>1</sup> ‘Back to Work Plan Will Help Drive Economic Growth in Every Region’, Department for Work and Pensions, 11 July 2024, <https://www.gov.uk/government/news/back-to-work-plan-will-help-drive-economic-growth-in-every-region>.
- <sup>2</sup> ‘Employment in the UK: July 2024’, Office for National Statistics, 13 August 2024, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/july2024>.
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