EngineeringUK's response to the call for evidence on the Young People and Work Report

30 January 2026

Overview

About EngineeringUK

EngineeringUK is a not-for-profit organisation that works in partnership with the engineering and technology community, including over 400 organisations, to increase the pipeline of engineers and technologists. EngineeringUK's mission is to enable more young people from all backgrounds to be informed, inspired and progress into engineering and technology, through research and evidence, leadership, activities for schools[1] and advocacy.

About this response

In response to the call for evidence about 'What is stopping more young people from participating in employment, education or training?', we provide insight about the following points. In the main text, we also offer recommendations on each issue.

1. Qualifications, the curriculum and assessments must be inclusive by design for young people; differential participation rates in some qualifications and pathways, and wider evidence, suggest that this is not yet the case.
2. Higher quality careers provision leads to stronger career readiness, which may reduce the chance that young people become NEET. However, evidence indicates that careers advice is not always delivered effectively. There is still a lack of awareness of some of the technical and vocational pathways that may be well suited to young people who do not flourish in academic options.
3. The government has acknowledged the importance of work experience but there is more to do to ensure that high quality work experience is delivered.

[1] In pursuit of our mission, EngineeringUK runs programmes to give young people the chance to explore STEM careers and to meet and learn about people working in engineering and technology. We do not charge schools or young people for our programmes. We use our equity, diversity and inclusion criteria to identify 'priority schools' and target (and sometimes ringfence) our programmes to reach young people underrepresented in the industry. These priority schools have higher proportions of students who are female, disabled, from UK minority ethnic groups or eligible for free school meals.

4. Engaging young people in learning that really interests them, through enrichment and outreach, can help young people stay in school or college. Enrichment and outreach also instil skills and knowledge beyond those provided by the curriculum.
5. Transitions into work can be challenging and some pathways are narrowing at entry level. In particular, Level 2 apprenticeships in England are in decline; we are concerned that recent policies like foundation apprenticeships will not be enough to address this.

Perspectives from the engineering and technology sector on the NEET crisis are important because Skills England analyses clearly show the huge demand for STEM professionals across Industrial Strategy growth sectors. Increasing the size and diversity of the STEM workforce is essential to building economic growth and delivering the government's missions. Furthermore, the engineering and technology sectors can offer employment opportunities for school leavers and graduates, at a variety of levels. Engineering and technology careers can be accessed through a variety of pathways, potentially supporting social mobility[2] – even if there is still more to do to ensure that the sectors are inclusive for all[3] [4].

We realise that, in line with the government's commission, the inquiry is likely to focus closely on health conditions and disabilities. This is understandable given the recent increase in the number of 16- to 24-year-olds who are economically inactive due to long-term illness[5]. However, a lack of preparation for employment and low demand from employers for young workers, especially those first entering the workforce, are also significant issues, with 39% of the 946,000 young people who were NEET in July to September 2025 being unemployed[6]. The unemployment rate for 16- to 24-year olds of 15.9% towards the end of 2025 was the highest level since 2015[7].

[2] Sutton Trust (2022), Bridging the gap: socio-economic diversity in the engineering sector: access, pay and progression
[3] EngineeringUK (2025), Diversity in engineering and tech infographic dashboard
[4] Department for Science, Innovation and Technology (2025), Diversity in UK Tech
[5] House of Commons Library (2026) Research Briefing: Youth unemployment statistics, Number 05871 – section 4.1, page 14.
[6] House of Commons Library (2026) Research Briefing: Youth unemployment statistics, Number 05871. The youth unemployment rate is the proportion of the economically active population aged 16 to 24 who are unemployed. We note that this excludes those who are economically inactive for example due to ill health.
[7] House of Commons Library (2026) Research Briefing: Youth unemployment statistics, Number 05871.

Full response

What is stopping more young people from participating in employment, education or training?

1. **Qualifications, the curriculum and assessments must be inclusive by design for young people; differential participation rates in some qualifications and pathways, and wider evidence, suggest that this is not yet the case.**

Currently, there appear to be systemic inequities in access to some educational pathways. If young people cannot access appropriate education and training that suit them, they may be more likely to become NEET.

It is well known that qualifications can have a significant impact on young people's trajectories. The Youth Future Foundation has reported that 48.4% of 18- to 24-year-olds with no qualifications are NEET, compared with 18.5% of those who have achieved GCSEs at A* to C or equivalent [8]. English and Maths qualifications are particularly significant. The TUC has also found that 30.9% of 24-year-olds do not have Level 2 English and Maths qualification, with a higher rate among those eligible for free school meals – for whom 54.5% do not have Level 2 English and Maths at the age of 24[9]. This puts them into a group at greater risk of becoming NEET[10].

The factors affecting young people's engagement with education can be complex, but we highlight here some areas where evidence shows that young people – particularly those in groups at risk of becoming NEET – can experience disengagement or a feeling of lack of inclusion.

Overall, schools and colleges are constrained by funding. Real-term per-pupil or per-student spending on secondary school, further education and higher education were all lower in 2025-26 compared with 2010-11, despite some recovery in secondary school and further education spending[11]. This has a significant impact on schools' ability to deliver engaging lessons. Taking the impacts on STEM teaching as an example:

- Funding constraints limit spending on recruitment and retention of skilled teachers and support staff including technicians who support science and technology teaching[12].

[8] Youth Futures Foundation (2025), https://youthfuturesfoundation.org/news/young-people-not-earning-or-learning-remains-stubbornly-high-in-the-first-half-of-2025/
[9] An ambitious plan for young people | TUC
[10] https://youthfuturesfoundation.org/news/young-people-not-earning-or-learning-remains-stubbornly-high-in-the-first-half-of-2025/
[11] Institute for Fiscal Studies (2026), Annual report on education spending in England: 2025–26
[12] Unison (2024), Urgent action needed to avert school technician recruitment crisis- UNISON National

EngineeringUK's 2025 survey findings from 647 STEM teachers in England found that just under a third of respondents indicated there was a vacancy in their school's department. Nearly 40% of those said that teacher vacancies have resulted in students receiving fewer hands-on practical lessons, and 81% said that teacher vacancies resulted in students being taught by non-specialist teachers[13].

- Lack of resources also reduce teachers' ability to provide practical and enrichment activities, which evidence suggests are in decline (with marked reductions in young people's access to more interactive forms of practical science between 2016 and 2023[14]) and which encourage students to engage in learning.

Representation in the curriculum matters to prevent young people from feeling marginalised. There is evidence that role models, or an absence of them, influences young people's interest in subjects and careers[15]. Educational and careers interventions should include relatable role models for students from different demographic groups – but this is not always the case in the current curriculum[16], as the Curriculum and Assessment Review[17] and government response[18] have acknowledged, and aim to address.

Assessment methods, too, can be exclusive for some of the young people most likely to become NEET, such as those with SEND. EngineeringUK has concerns regarding the linear, terminal assessment nature of GCSEs and A levels. These assessment methods rely too much on knowledge retention and recall, and do not enable the development of a broad range of skills that will be beneficial for engineering and technology (and more general) employment. Moreover, tests that rely on significant memorisation are unfair for particular groups of students such as those with special educational needs and disabilities (SEND)[19].

There are also inequities in subject-specific participation. One example of this is the study of science subjects at GCSE and beyond. This is important because it demonstrates how differential access to specialist subjects can prevent young people – particularly those from less affluent backgrounds and from deprived areas – from accessing pathways which lead to rewarding, highly paid careers.

[13] EngineeringUK (2025), School report: The challenge of STEM teacher recruitment and retention
[14] Verian for the Royal Society and EngineeringUK (2024), Science Education Tracker 2023
[15] Stemettes (2024), Equitable curriculum reform: more and diverse women and non-binary representation in the UK GCSE and A-level science, technology, engineering and maths curriculum
[16] Stemettes (2024), Equitable curriculum reform: more and diverse women and non-binary representation in the UK GCSE and A-level science, technology, engineering and maths curriculum
[17] Department for Education (2025), Curriculum and Assessment Review Final Report- GOV.UK
[18] Department for Education (2025), Government response to the Curriculum and Assessment Review
[19] EngineeringUK (2024) our-response-for-the-independent-curriculum-and-assessment-review-2024.pdf

Research by Archer et al[20] shows there are clear issues with the participation of particular groups of learners in triple science compared with double science. The study finds that differential participation is caused by a range of factors, including teacher conceptions of ability of certain groups leading to streaming into higher and lower sets, the (lack of) cultural and science capital amongst learners – often impacting students from lower socio-economic groups – and the school provision of triple science. The study found that students most affected by this differential provision were located in schools serving less affluent communities. The filtering of students from lower socio-economic and from certain minority ethnic groups leads to a closing down of options to study sciences in post-16 education. A study of over 6,000 learners by Francis et al[21] found that those following a triple science route were significantly more likely to progress to further study of science subjects in post-16 education.

Analysis by the Institute of Physics also highlights that schools in areas of high socio-economic deprivation are less likely to have specialist physics teachers and are more likely to use non-specialist teachers (and in many cases not even science teachers) to teach physics[22]. The lack of specialist teachers is likely to also result in those schools not offering triple science at GCSE. Institute of Physics analysis suggests almost 40% of the schools that had no students taking triple science, were in areas of high socio-economic deprivation. Many school sixth forms and sixth form colleges will only accept learners on to individual science A levels if they have undertaken triple science GCSE. With fewer specialist teachers in areas of high deprivation, this is a significant barrier.

As a consequence of these various factors, just 5% of the cohort sitting A levels in maths, physics and design and technology at A level in 2023 were eligible for free school meals, while 7% of the computer science cohort were eligible for free school meals (FSM) against roughly 24% in the student population[23].

Technical and vocational education pathways are important in accessing engineering and technology careers, with entrants to existing qualifications like BTECs more likely to be from disadvantaged backgrounds compared to peers with A levels[24]. The government has proposed that V Levels and new pathways at Level 2 will replace existing qualifications and complement T Levels and A levels at Level 3. This is intended to improve the quality of the qualifications, support young people to progress into employment or further study, and to make the qualifications landscape more understandable and

[20] Archer, Moote, Francis, DeWitt and Yeomans (2015), Stratifying science: a Bourdieusian analysis of student views and experiences of school selective practices in relation to Triple Science at KS4 in England
[21] Francis, Henderson, Godec, Watson, Archer and Moote (2023), An exploration of the impact of science stratification in the English school curriculum: the relationship between 'Double' and 'Triple Science pathwyas and pupils' further study of science
[22] Institute of Physics (2022), IoP responds to 'bleak' news on teacher recruitment numbers
[23] EngineeringUK (2024), Response to the Curriculum and Assessment Review call for evidence
[24] Nuffield Foundation (2022), Students with BTECs are successful across a range of university outcomes

navigable for young people, employers and other stakeholders. While there are potential long-term advantages of this approach, there are risks to the government's proposed approach of defunding larger vocational qualifications and any transition must be carefully managed[25].

We discuss apprenticeships as a pathway in a separate section.

What would make the biggest difference to support more young people to participate?

We ask that government:

- ensures that the curriculum, and assessments (including and particularly across the STEM subject areas) are engaging for all students, including those particularly at risk of becoming NEET, such as those with low educational attainment, poor attendance at school, SEND, and/or from low-income families[26]. We welcome the government's response to the Curriculum and Assessment Review, which we believe has potential to start to address these issues – for example, that a revised national curriculum should allow space and time for pupils to master content and for teachers to deliver lessons which engage pupils' interest. We also welcome the acknowledgement that representation in the curriculum matters, and we look forward to implementation.
- supports the delivery of high-quality teaching. In science, specifically, practical science must be an essential part of the curriculum, and students should experience a practical activity in at least half of their lessons, as recommended in the Gatsby Good practical science report[27]. We are concerned that the current dual-track approach to science GCSEs (double science vs triple science) is unfair. We recommend that there should only be a single approach to science at GCSE for all schools. The nature of that approach (size, content etc.) should be developed in consultation with the science and engineering community.
- addresses teacher shortages and invest in subject-specific CPD. EngineeringUK asks that the government continues to offer initial teacher training bursaries for STEM subjects. Retention is also important. Evidence suggests that implementing flexible working practices and providing support to teachers to reduce their workloads could help more teachers to stay in the profession[28]. We also ask that the government ensures that STEM teachers have the subject-specific training and CPD needed to deliver quality learning for young people.
- ensures that schools have the resources needed to provide students with the opportunity to participate regularly in hands-on practical lessons. This should include funding to support the equipment to carry out practicals, and the technician staffing levels to support their delivery.

[25] EngineeringUK (2026), Response to the government's consultation on post-16 pathways at Level 3 and below – available from the policy consultations section of our website
[26] DfE (2025), Identify and support young people at risk of being NEET: Local authority good practice guidance
[27] Gatsby (2017), Good practical science
[28] EngineeringUK (2025), School report: The challenge of STEM teacher recruitment and retention

- undertakes careful transition planning, in developing new vocational pathways like V Levels. This should avoid disrupting pathways for young people in technical and vocational education, some of whom might be at risk of becoming NEET. Transition planning should include detailed sector-based consultation with employers, awarding organisations and post-16 providers – including providers of higher education – to ensure that progression pathways are strengthened and not damaged, and to minimise the risk of unintended consequences from this significant change.

2. Higher quality careers provision leads to stronger career readiness, which may reduce the chance that young people become NEET. However, evidence indicates that careers advice is not always delivered effectively. There is still a lack of awareness of some of the technical and vocational pathways that may be well suited to young people who do not flourish in academic options.

The Careers and Enterprise Company has found that good careers guidance improves students' career readiness – including their labour market awareness, understanding of post-16 options and the skills required to transition into work[29]. Students with higher career readiness are more likely to engage more with career options, overcome negative stereotypes (for example, with interest in engineering doubling for female students with the highest career readiness), and make more considered choices aligned with the needs of the wider economy[30].

The Gatsby benchmarks are a well-established careers guidance framework for learners which lists 8 types of beneficial careers activities, including one-to-one personal guidance, meaningful encounters with employers, workplace experiences, and encounters with further or higher education. While a causal link has not been established, students in institutions providing all 8 types of activities (meeting all 8 benchmarks) were 3.7 percentage points less likely to be NEET compared with peers without Gatsby-style provision[31].

However, careers guidance is not always available at the right stage to ensure that young people choose education and career pathways which will work for them. EngineeringUK's 2024 survey of careers leaders and staff working on careers provision in England found that, although careers provision has improved in recent years, just 26% of respondents said that their secondary school or college offered personal guidance interviews with a careers professional before Key Stage 4 – i.e. before GCSE or equivalent qualifications are chosen[32]. This is echoed in other research. Youth

[29] The Careers & Enterprise Company, Careers education and career readiness
[30] The Careers & Enterprise Company, Right students right jobs
[31] The Careers & Enterprise Company, Looking deeper at destinations: higher quality careers provision leads to positive student destinations
[32] EngineeringUK (2024), advancing-stem-careers-provision-in-england-engineeringuk-september-2024.pdf

Employment UK's Youth Voice Census (a survey of more than 8,000 young people aged 11 to 30) found that 32% of students had received face-to-face careers advice in the year of the survey, while 30% had had careers lessons, and 23% had received an employer visit[33]. The Careers and Enterprise Company has found that just less than half of schools and colleges achieve either 7 or 8 of the 8 Gatsby benchmarks outlined above.[34]

Careers advice does not always communicate benefits of the technical and vocational routes, which may mean that young people are missing opportunities to pursue pathways that suit them. Ofsted's 2023 review of careers guidance in schools and FE providers found that, despite some examples of good practice, careers advice was not always balanced between academic and technical options.[35] In a similar vein, EngineeringUK found in 2025 that only 4% of teachers responding to our survey would recommend a technical or vocational pathway into engineering (outside the degree or apprenticeship routes) – such as a BTEC or T Level. Nearly half of teacher respondents to the same survey indicated they were not confident in their ability to advise young people about these routes[36].

Outside school, parents can be an important influence. The Science Education Tracker found that parents are the most consulted source of careers information by young people[37]. Nearly two-thirds (64%) reported getting careers advice from their parents – with all other sources being lower than 45%.[38] However, EngineeringUK's survey of over 1,000 parents or guardians of children aged 18 or under found that parents said they lacked knowledge of vocational education routes. Over two-fifths (43%) of parents in England said they either hadn't heard of T Levels or were unsure if they had. A further 29% said they had heard of them but didn't know much about them. More than one-third of parents said they didn't know much about BTECs, or hadn't heard of them at all. Just under one-third said they didn't know much about other vocational qualifications, or hadn't heard of them[39].

To ensure that young people can pursue pathways that suit them and their desired career destinations, it is essential to treat high-quality information advice and guidance as a core entitlement rather than an optional enhancement.

What would make the biggest difference to support more young people to participate?

We ask that government:

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[33] Youth Employment UK (2025), Youth Voice Census: 2025 Report

[34] The Careers & Enterprise Company, Insight Briefing – Gatsby Benchmark results for 2024/25

[35] Ofsted (2023), Independent review of careers guidance in schools and further education and skills providers

[36] EngineeringUK (2025), School report: What teachers know and think about routes into engineering and technology

[37] The Science Education Tracker, commissioned by the Royal Society and EngineeringUK in 2023, tracks evidence on key indicators for science engagement, education, and career aspirations among young people in England. For the 2023 Tracker, we surveyed a representative sample of more than 7,000 students in school years 7 to 13.

[38] Verian for the Royal Society and EngineeringUK (2024), Science Education Tracker 2023

[39] EngineeringUK (2025), Parents' awareness and perceptions of engineering and technology careers

- reaffirms the £85m budget promised for careers provision and work experience rollout and outlines mechanisms for fulfilling Labour's pre-election pledge to train 1,000 new careers leaders. Funding could be focused to prioritise support for schools with a high proportion of students at risk of becoming NEET.
- ensures that STEM teacher training and CPD include a comprehensive package of information and training on careers in modern engineering and technology. This should include promoting existing resources – for example, from the Careers and Enterprise Company – aimed at helping teachers to support parents and carers to have constructive careers and education conversations with their children[40].
- fully embed careers into the STEM curriculum and ensure it highlights the diverse range of roles and people in science, engineering and technology careers.

3. The government has acknowledged the importance of work experience but there is more to do to ensure that high quality work experience is delivered.

Work experience helps young people to start to engage with employment and provides some of the understanding and feedback they need to decide which pathway may suit them. We support the government's commitment to deliver two weeks of work experience for every student in Key Stages 3 and 4.

However, there may be some way to go before this becomes a reality. EngineeringUK and the Royal Society's 2023 Science Education Tracker found that 57% of students in years 10 to 13 had completed work experience[41]. Roughly in line with this, Youth Employment UK's 2025 Youth Voice Census[42] found that 47% of college and sixth-form students had undertaken work experience placements in the last year.

Young people with special educational needs and disabilities (SEND) and those from less advantaged socio-economic backgrounds can face additional challenges. The Key Group found that pupils with SEND and those eligible for FSM were less likely to do work experience than their counterparts. In the Key Group's dataset, 50% of year 10 pupils eligible for FSM did at least one session of work experience in 2024/25, compared to 61% of year 10 pupils not eligible for FSM. [43]

Work experience in STEM can be particularly challenging to secure. In EngineeringUK's 2024 survey of careers leaders and staff, only 61% of respondents said that any students of work experience age

[40] Careers and Enterprise Company (2025), Parent and carer engagement toolkit
[41] Verian for the Royal Society and EngineeringUK (2024), Science Education Tracker 2023
[42] Youth Employment UK (2025), Youth Voice Census: 2025 Report
[43] The Key Group (2025), How many pupils are getting work experience? The Key Group does not claim that their data is definitive, but in the absence of a more complete dataset it gives us an indication of the challenges for many young people in securing work experience.

at their school took part in STEM work experience each year[44]. The Science Education Tracker found that 26% of students in years 10 to 13 reported that they had wanted to secure STEM–related work experience but had been unable to do so[45]. Disadvantage can be reinforced for those who do not have existing connections in well-paid career paths. Taking science as an example: 24% of young people lack any family science connections, and the proportion of those lacking connections is higher (31%) among young people living in the most deprived area quintile and among those who have been to university[46].

Employers of course have an important part to play in providing high quality work experience. Tools like the Careers and Enterprise Company's Employer Standards[47] or the Tomorrow's Engineers Code[48] can help employers to embed school engagement activities and work experience within their workforce and recruitment strategies, focusing on diversity and inclusion to reach under-represented groups.

There can be challenges in engaging employers to provide more work experience. For example, some engineering employers are unable to offer short work experience placements at scale due to insurance constraints, health and safety requirements and the need for specialist equipment. Alternatives to traditional work experience, such as virtual work experience, can be more workable under such circumstances. It is important to build an independent research base about whether these truly expand the number of opportunities for young people (not just a cheaper option for employers) and about whether and how they can supply high-quality work experience.

There are business benefits to providing work experience – for example, in supporting a skilled future workforce and in reducing recruitment costs. The government could support this by promoting the benefits of work experience to employers, where evidence supports this[49].

We ask that programmes to support young people to secure work experience are adequately supported and resourced with equitable access built in. For example, we look forward to the findings from further piloting of the Careers and Enterprise Company's equalex framework and its implementation.

What would make the biggest difference to support more young people to participate?

We ask that the government:

[44] EngineeringUK (2024), Advancing STEM careers provision in England
[45] Verian for the Royal Society and EngineeringUK (2024), Science Education Tracker 2023
[46] Verian for the Royal Society and EngineeringUK (2024), Science Education Tracker 2023
[47] Careers & Enterprise Company (no date), Employer Standards: Shaping your future workforce
[48] EngineeringUK (no date), Tomorrow's Engineers Code
[49] Careers and Enterprise Company (2026), Employer Standards 2024/25: The business case for engaging in careers education

- commits to a clear plan for how to schools will be enabled to deliver 2 weeks of modern work experience for every pupil, and for how schools can better link up with employers in the growth sectors. This should include a plan for how to include those who are less likely to be able to access work experience, such as young people with SEND or those from less affluent backgrounds.
- reaffirms the £85m budget promised for careers provision and work experience rollout, and we suggest that funding could be focused to prioritise support for schools with a high proportion of students at risk of becoming NEET. (As also outlined above.)

4. Engaging young people in learning that really interests them, through enrichment and outreach, can help young people stay in school or college. Enrichment and outreach also instil skills and knowledge beyond those provided by the curriculum.

Involvement with enrichment activities, such as engineering challenges, can raise aspirations, build networks, and reinforce a sense of belonging in the profession. A 2025 report on the role of enrichment in tackling absence from school suggested that – despite an absence of empirical research testing whether there is a direct correlation – there can be a link between enrichment and attendance, with some young people looking forward to days at school with enrichment activities like clubs or programmes more than those without.[50] Enrichment activities can also help to develop skills essential for most employment, further study and in life more broadly, such as social and emotional skills[51]. The same report said that "there has been a decline in young people's access to enrichment opportunities in school over the past decade in the context of a decade of reduced school funding and increasing inequality, with children living in poverty particularly adversely affected by a lack of free and affordable enrichment activities".

What would make the biggest difference to support more young people to participate?

We ask that government:

- explicitly includes STEM in the five named areas of enrichment as part of its efforts to establish a new enrichment framework in the context of the Curriculum Review.
- ensures that schools have the funding and are encouraged to provide an enrichment offer across the framework, with the inclusion of STEM, to ensure the education system is not only better linked up with the government's ambitions as outlined in the Industrial Strategy and the wider skills system, but also most likely enables more young people at risk of becoming

[50] Centre for Young Lives, Leeds Beckett University and YMCA George Williams College (2025), Beyond the classroom: the role of enrichment in tackling the school absence crisis: A report for the National Citizen Service Trust and the Duke of Edinburgh's Award

[51] Centre for Young Lives, Leeds Beckett University and YMCA George Williams College (2025), Beyond the classroom: the role of enrichment in tackling the school absence crisis: A report for the National Citizen Service Trust and the Duke of Edinburgh's Award

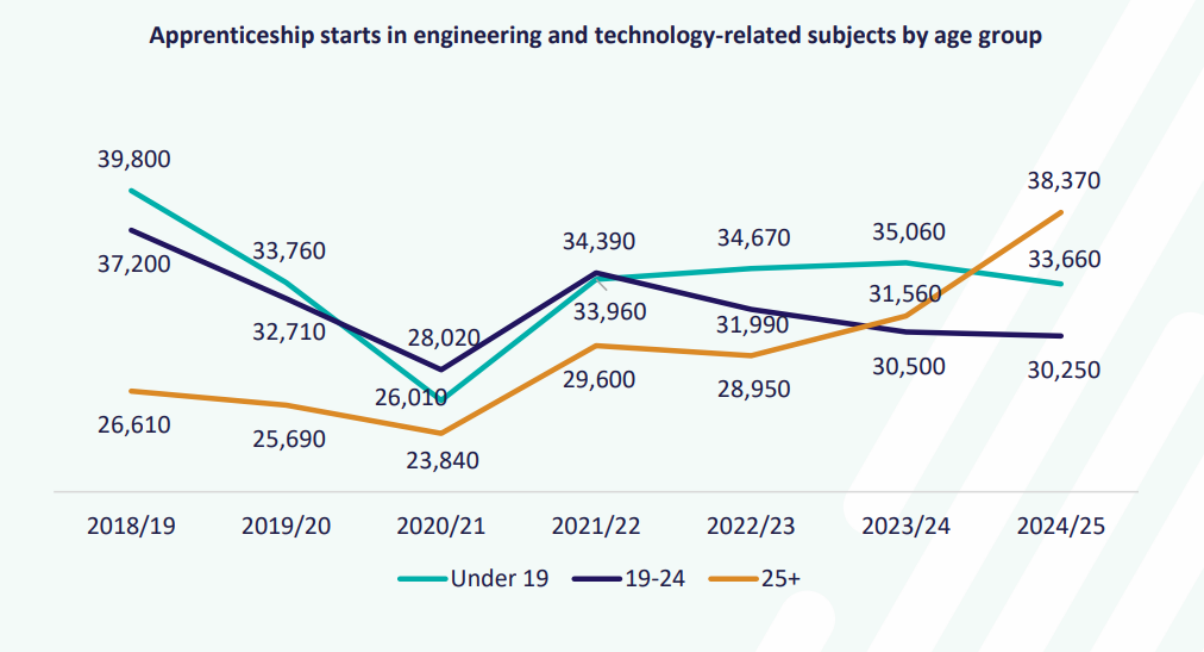
NEET to access STEM activities and thereby help open up career pathways with good prospects.

5. Transitions into work can be challenging and some pathways are narrowing at entry level. In particular, Level 2 apprenticeships in England are in decline; we are concerned that recent policies like foundation apprenticeships will not be enough to address this.

Apprenticeships at Level 2 can provide a route into employment for young school leavers. But the number of starts at this level has declined in recent years, with employers often using apprenticeships to provide higher-level training for existing employees, rather than as an entry route for young people[52].

The trend of declining starts in Level 2 apprenticeships and increasing starts at Levels 4, 5, 6 and 7 continued in 2024/25 both in engineering and technology and other apprenticeship subjects.

Looking across all levels, participation in apprenticeships by young people under 19 also continued to decline. They made up 21% of all apprenticeship starts and 33% of engineering and technology-related starts[53]. The figure below shows how apprenticeship starts by those aged 25+ have overtaken starts by younger age groups[54].



[52] EngineeringUK (2024), fit-for-future-apprenticeships-inquiry-report-engineeringuk-jan-24.pdf
[53] EngineeringUK (2025), apprenticeships-pathways-into-engineering-24-25-engineeringuk-nov25.pdf
[54] From EngineeringUK (2025), apprenticeships-pathways-into-engineering-24-25-engineeringuk-nov25.pdf

Source: EngineeringUK's published analysis of DfE data

In some sectors there are significant challenges for apprenticeships at Level 2:

- Technological change can mean that there are fewer apprenticeships at technician level in specific sectors. For example, there has been a particularly steep decline in manufacturing apprenticeship starts at Level 2. Between 2018/19 and 2024/25, Level 2 apprenticeship starts in Manufacturing Technologies fell by 85%, falling from 11,670 to 1,800 over the period[55]. This is likely to partially reflect automation and other changes to manufacturing technologies.
- However, technological change is not the only factor. Our 2025 report on foundation apprenticeships outlined possible reasons behind the overall trend of decline in engineering and technology-related apprenticeships at Level 2, including manufacturing. Other factors explaining the decline include a lack of suitable apprenticeship standards which work for employers, and poor viability of lower-level apprenticeships for training providers, particularly in the context of a constrained further education workforce[56].

Additionally, the supply of apprenticeships and jobs more broadly may be limited by employers' attitudes and priorities relating to policy changes. There is a very high level of applications compared with the number of vacancies in some sectors of engineering and technology, making entry competitive in many cases[57]. Young people furthest from the labour market are therefore likely to face significant challenges in accessing such routes.

Apprenticeships have become less attractive to employers in some major respects. One of the most notable changes is the increase in the minimum wage for apprentices compared to other minimum wage requirements[58]. In 2010, the minimum wage for apprentices was 42% of the non-apprentice 21+ wage requirement, and in 2019 it was still only 48% of the non-apprentice 21+ wage requirement[59]. The minimum wage for apprentices from April 2026 will be 63% of the required wage for those aged 21+[60]. While EngineeringUK would strongly advocate for young people receiving a fair

[55] EngineeringUK (2025), Pathways to success: shaping foundation apprenticeships in engineering and technology presents this data up to 2023/24; DfE data up to 2024/25 analysed by EngineeringUK for this briefing.
[56] EngineeringUK (2025), Pathways to success: shaping foundation apprenticeships in engineering and technology
[57] For example, Baltic Apprenticeships (2024), Unleashing potential: unlocking opportunities for young apprentices found that, for every software apprenticeship start, there were 80 applications.
[58] The minimum wage for apprentices applies to apprentices under 19 and to those who are aged 19 or over and in the first year of their apprenticeship.
[59] EngineeringUK calculations based on figures in Table 1A (page 7) of Dube (2019), Impacts of minimum wages: review of the international evidence, independent report published on gov.uk by DBT, HMT and BEIS
[60] EngineeringUK calculation based on gov.uk information on National Minimum Wage and National Living Wage rates

wage, to support social mobility and independence, it would be concerning if higher minimum wages were damaging the number of positions available.

There is some evidence that apprenticeships in England are less beneficial to employers than in other countries, when the costs and benefits are weighed up. A recent study for the Gatsby Foundation found that wage costs were a significant contributor to selected level 3 apprentices creating significantly higher net costs for the case study employer in England compared to equivalent apprentices in Germany (where net costs were lower) and Austria (where employers saw a net benefit) [61].
The decline in Level 2 apprenticeship starts has been particularly rapid among smaller employers[62]. Our research on engineering and technology apprenticeships has found that, while the number of level 2 apprenticeship starts with a large employer fell by nearly one-third (31%), equivalent starts with an SME fell by almost two-thirds (63% for medium employers, 64% for small employers).

More recently, employers have expressed concerns about increases to employer National Insurance contributions and changes to employment rights and cited these as factors behind low recruitment levels[63].
The government rolled out foundation apprenticeships in England in August 2025 with the intention of increasing opportunities for young people. There are 7 foundation apprenticeship standards currently, and the government has announced its intention to introduce more in sectors such as hospitality and retail[64]. We support the government's intention to support young people into level 2 apprenticeships, but we are concerned that we have not seen signs of high take-up by employers. For example, there are very few foundation apprenticeships advertised on the government's Find an Apprenticeship service. Take-up may well remain low unless the government does more to ensure that such apprenticeships are worthwhile for employers and young people, and financially viable for providers[65].

The transition of apprenticeships policy from DfE to DWP deserves particular attention. The roles of the Skills Minister and of Skills England across departments are potential unifying forces. However, there is a risk that DWP focuses more on short-term employment and that the broader education system is less well linked-in to the apprenticeship system.

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[61] Emily Erickson, Philipp Grollmann, Günter Hefler, Terence Hogarth, Christopher Lennartz and Jörg Markowitsch for the Gatsby Foundation (2025), apprenticeship-costs-matched-plant-study.pdf
[62] pathways-to-success-engineeringuk-23sep-2025.pdf
[63] FSB (2025), Policy Report | Small Business Index, Quarter 2, 2025
[64] Department for Work and Pensions announcement (2025), 50,000 more young people to benefit from apprenticeships as Government unveils new skills reforms to get Britain working
[65] EngineeringUK (2025), Pathways to success: shaping foundation apprenticeships in engineering and technology

What would make the biggest difference to support more young people to participate?

We ask that government:

- builds a stronger evidence base about the impact of increasing apprenticeship wages on training opportunities for young people – including employers' willingness to offer apprenticeships to that age group.
- explores how English and maths assessment routes could be re-shaped for under-19s so young people are sufficiently supported to access apprenticeships.
- provides clarity on which groups foundation apprenticeships are for, what problem they address and how they fit into the wider skills system.
- enables SMEs to play an active role in apprenticeships by reforming the apprenticeship standard system to make sure it works for small and large employers and ensuring the funding system supports the delivery of resource-intensive courses.
- continues to join up apprenticeships policy and implementation across DWP and DfE, through the Skills Minister and Skills England where appropriate, to ensure that apprenticeships are linked to the broader education system and to support young people into roles that will benefit them and society in the long term (including delivery of the Industrial Strategy) – not simply push them into 'any job'.

Contact details

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