

Contents

Executive Summary	i
1 Introduction	1
2 Jobs for Young People: Analysis of Careers Service Vacancies	5
2.1 Types of jobs available to young people	7
2.2 Hourly pay	21
2.3 Weekly pay	32
2.4 Hours of work	35
3 Jobs for Young People: Analysis of Jobcentre vacancies	37
3.1 Number and type of jobs with age-related rates	39
3.2 Rates of pay	44
3.3 Hours of work	48
4 Impact of the minimum wage: Experience of Careers Services	50
3.1 Impact of the minimum wage on the number of vacancies	52
3.2 Employers' awareness of minimum wage restrictions and exemptions	54
3.3 Employers' use of restrictions and exemptions	55
3.4 Impact on particular groups and occupations	57
5 Conclusions	60
Appendix 1: Methodology - Careers Service Vacancy Survey	62
Appendix 2: Careers Service Vacancy Survey: Sample Sizes and Availability of Pay Data	67
Appendix 3: Distribution of Hourly Pay	71
Appendix 4: Questionnaire	77

Executive Summary

This research is based on three data sources.

- A survey and analysis of 3,132 job vacancies held at Careers Services across the UK.
- A survey and analysis of 393 job vacancies available at selected Jobcentres to all ages and which offered different pay rates dependent on age.
- A questionnaire survey of 61 Careers Officers on their views of the minimum wage.

Similar surveys were undertaken in April 1999 and in June/July 2000 and where appropriate comparisons with these two surveys are made.

Jobs for Young People: Analysis of Careers Service Vacancies

Types of jobs

- Half (50.9%) of all vacancies were concentrated in three occupations (office work, skilled trade and hotel and catering).
- 94.8% of all vacancies were full-time jobs and the part-time vacancies were concentrated in hotel and catering and shop work.

Age restrictions

- There is little evidence that employers have adopted the practice of limiting jobs to 16 and 17 year olds to avoid paying the minimum wage. Only 22.8% of vacancies were restricted to those aged under 18 compared with 34.4% in the 2000 survey.
- Sectors such as hairdressing were more likely to limit jobs to 16 and 17 year olds. Four in ten hairdressing jobs were restricted to 16 and 17 year olds.
- The gap between the proportion of all the jobs available to 17 year olds and those available to 18 year olds was smaller in the 2002 survey than in the 2000 survey (15.4% compared with 21.9%).

Training status

- 32.8% of vacancies were exempt from the minimum wage because of their training status (apprenticeships, modern apprenticeships and skillseekers) compared with 44% in the 2000 survey.
- A half or more of the vacancies in motor trade, engineering, hairdressing and information technology were exempt from the minimum wage because of their training status compared with around one in ten in cleaning, factory and production and sewing.

Level of training

- Over half of the vacancies offered National Vocational Qualification (NVQ) training with this split between 42.1% offering training to NVQ level two and 12.4% to NVQ level three.
- Since the 2000 survey the provision of formal training such as NVQs and BTECs has fallen from 68.3% to 59.4% whilst in-house training increased from 9.4% to 23.3%.

Hourly pay

- Average hourly pay ranged from £2.76 for 16 year olds to £3.88 for 22 year olds.
- Low pay rates were associated with exempt status (apprenticeships, modern apprenticeships and skillseekers) even at ages where all jobs are exempt. In the 16 year old age group modern apprenticeships earned on average £2.27 an hour whereas non-apprentice/trainee jobs earned on average £3.31 an hour.
- Even when jobs offer the same training level, exempt jobs (apprenticeships, modern apprenticeships and skillseekers) pay on average lower than non-exempt jobs. In the 16 year old age group non-apprentice/trainee jobs offering training to NVQ level two paid on average £3.12 an hour whereas modern apprenticeships offering the same level of training paid on average £2.11 an hour.

Weekly pay

- Occupations with low weekly averages for 16 and 17 year olds were motor trade, care work, leisure and shop work. In these occupations the weekly full-time averages were less than £100 for 16 and 17 year olds.
- The proportion of jobs falling below the Lower Earnings Limit (LEL) increased since the last survey for every age group. For example, in 2000 19.7% of jobs for 16 year olds fell below the LEL and this has increased to almost three in ten by 2002.

Hours of work

- With the exception of jobs for 22 year olds, average hours have either fallen or stayed the same since the 2000 survey.
- Longer hours of work were associated with lower rates of pay. For example in the 16 year old age group average hourly pay for jobs with a working week of 40 hours or more was 41p less than the hourly rate for jobs with a working week of less than 40 hours.

Jobs for Young People: Analysis of Jobcentre Vacancies

- Only 4.3% of all vacancies gave age-related rates in the 2002 survey compared with 5.7% in 2000.
- Age-related jobs were more likely to be found in part-time jobs. 7.4% of part-time jobs had age-related pay rates compared with 2.8% of full-time jobs.
- 15% of shop jobs gave age-related rates compared with only 1.3% of office jobs.
- Two thirds of the age-related rates were concentrated in shop work and hotel and catering. In the 2000 survey these two occupations accounted for 72.6% of all age-related vacancies.
- Age-related rates were more likely to be given for ages 18 and upwards.
- Around three in ten jobs gave age-related rates for 16 and 17 year olds, this is similar to 2000 and higher than 1999 when one fifth of the jobs gave different rates for 16 and 17 year olds.
- The lowest average hourly pay rate for 16 and 17 year olds was found in hairdressing.
- Overall, the 16 and 17 year old average hourly rate exceeded the youth minimum wage rates of £3.50.
- For 16 year olds only 0.9% of jobs paid less than £2.50 an hour compared with 5.9% in 2000 and 20.8% in 1999.
- Less than a third of jobs for 16 year olds which gave age-related rates were quoting rates below £3.50, the 18-21 year old minimum wage.
- More than six in ten jobs for 16 and 17 year olds paid above the current youth minimum wage rate of £3.50.

Impact of the Minimum wage: Experience of Careers Officers

- There is no conclusive evidence that the minimum wage and its subsequent uprating had either a positive or negative effect on the number of jobs available. Careers Officers reported that changes in the number of vacancies were more likely to be a result of the state of the economy.
- In the experience of Careers Officers employers pay the adult minimum wage to younger age groups. The significant increase in the minimum wage to £4.10 did not lead employers to take advantage of the lower rates for younger ages.
- In the experience of Careers Officers employers are more aware of the different minimum wage rates for different ages than of the minimum wage exemptions in relation to training.
- Some Careers Officers reported that they had problems in interpreting the apprenticeship exemptions.
- Although some Careers Officers reported an increase in the number of employers restricting vacancies to 16 and 17 year olds to avoid paying the minimum wage, this practice was not widespread.
- There was little evidence of employers dismissing young people once they reach age 18 or 22 to avoid paying the minimum wage.
- In the experience of Careers Officers the occupations most likely to be affected by the minimum wage were hairdressing, hotel and catering and care work.
- Almost a quarter of Careers Officers thought that small businesses were particularly affected by the minimum wage.
- Careers Officers reported their concerns about the low-paid nature of many of the training opportunities available to young people. In their experience these opportunities were not attractive to young people.

1 Introduction

This report continues Greater Manchester Low Pay Unit's series of reports on the youth labour market which have been carried out to fulfil research commissions from the Low Pay Commission. The focus of the research is a survey of vacancies held at Careers Services across the UK and this provides detailed and unique data on the youth labour market which is unavailable elsewhere. Through providing an in-depth picture of the youth labour market the report aims to inform debate about the impact of the minimum wage on young people. Two similar surveys were undertaken in April 1999 and June/July 2000 and the inclusion of this data in the report allow comparisons to be made and the impact of minimum wage upratings to be explored.

In terms of education and employment young people currently have four options open to them: full-time education, government-supported training, employment or unemployment. Of the 2.926 million young people aged 16-19 in the UK in winter 2001/2002¹:

- 30.9% (905,000) were in full-time education only.
- 23.1% (675,000) were in full-time education and in employment.
- 32.7% (958,000) were in employment only.
- 13.3% (388,000) were neither in full-time education nor in employment.

To understand the various factors that influence the decisions young people make about education and employment it is essential to have as complete a picture of the youth labour market as possible. This research provides this picture by drawing on data from three sources: a survey of Careers Service vacancies across the UK, a survey of age-related pay rates in selected Jobcentres and a questionnaire completed by Careers Officers.

Careers Service Vacancy Survey

Careers Services (also known as Connexions Partnerships) provide information and guidance on further and higher education courses, training opportunities and also act as a job placement service for both employers and young people. These services are government funded and provided free to young people although some Careers Services also provide services to adults. Careers Services are located within schools, colleges and higher education institutions as well as in

¹ Labour Market Trends May 2002.

local towns. They are the main source of information for young people who are looking for work and training.

A full explanation of the methodology involved in this survey is provided in Appendix 1. In brief, all Careers Services across the UK were contacted in January 2002 and were asked to record basic data for all employment vacancies over a two-week period in January or February 2002. The address of every Careers Service was collected from the Careers Services National Association website. Out of the 514 Careers Services contacted, 63 participated in the project, a response rate of 12.3%. A full list of the Careers Services who participated in the project is contained in Appendix Table 1.1. The table below shows the number of participating Careers Services by region. Comparisons with the Careers Services which participated in the 2000 (undertaken in June/July 2000) and 1999 (undertaken in April 1999) surveys are also shown. The final column shows the response rate for each region.

Table 1.1: Participating careers services by region and response rates

	2002	2000	1999	2002 response rate
North East	3	0	0	10.0%
Yorkshire and Humber	8	5	5	29.6%
North West	5	7	6	6.6%
East Midlands	5	0	1	10.4%
West Midlands	5	5	4	10.9%
Eastern	5	0	0	12.8%
London	2	0	0	7.1%
South East	11	0	0	16.9%
South West	3	0	0	11.5%
Scotland	10	5	6	11.5%
Wales	6	0	0	14.6%
All	63	22	22	12.3%

In comparison with the surveys undertaken in 1999 and 2000 there has been a significant improvement in terms of representation and coverage of the Careers Services. In both previous surveys participating Careers Services were confined to four regions whereas all regions are represented in 2002. The response rates do vary by region from only 6.6% in the North West to 29.6% in Yorkshire and Humber. In nine out of eleven regions the response rate was in excess of 10%.

The 63 participating Careers Services provided information on 3,132 employment vacancies. This compares with 3,170 in 2000 and 1,947 in 1999. This should not be taken to imply that there are now less Careers Service vacancies than in 2000 as the sample of Careers Services is not the same. The number of vacancies is more likely to be affected by the size of the Careers Services that have participated in the research. For example in the 2000 survey one Careers Service

provided information on over 600 vacancies. As a result of the different samples in the three surveys any changes since the 1999 and 2000 survey should be interpreted with some caution.

Using this unique data set this report examines in detail the employment and training opportunities that are available to 16 to 22 year olds. In particular the report provides information on the following factors for each age group from 16 to 22:

- Types of jobs available.
- Type and level of training on offer.
- Level and distribution of income from employment and training on an hourly and weekly basis.
- Hours of work and interaction with pay and training status.

Jobcentre Vacancy Survey

The Jobcentre data are drawn from a total of 17 Jobcentre surveys in the North West, seven of which were undertaken in October 2001 in Lancashire and Sefton and ten in April 2002 in Greater Manchester. For ease of reference these combined data are referred to throughout the report as the 2002 survey. A similar survey was undertaken in the same 17 Jobcentres in October 1999 and April 2000 (referred to as the 2000 survey) and a survey of 18 Jobcentres (including the ten Greater Manchester Jobcentres in this survey) in April 1999.

Job vacancies available to all ages through selected Jobcentres are analysed to examine the extent to which employers make use of minimum wage exemptions to offer different pay rates to different ages. This analysis also allows us to examine the extent to which employers are paying adult rates below the age of 22.

Careers Officers Questionnaire

The 514 Careers Services who were asked to participate in the research were asked to supply information on their vacancy data and to complete a short structured questionnaire (see Appendix 4) which sought the views and experiences of Careers Officers about the impact of the minimum wage and its recent (October 2001) uprating.

Some Careers Officers returned data for the vacancy survey but did not complete the questionnaire whilst others completed the questionnaire but did not supply vacancy data. A total of 61 questionnaires were returned, a response rate of 11.9%.

Whilst this information may not be representative of the experiences of all Careers Officers it is useful in giving an indication of the extent of the impact of the minimum wage. This section also raises and highlights issues which have arisen as a result of the minimum wage. For example Careers Services were asked to supply information only on vacancies with employed status. However,

as the results in section four show Careers Officers took the opportunity to raise other issues such as the value of training opportunities with non-employed status.

A similar questionnaire was used in the 2000 survey when 24 questionnaires were completed by Careers Officers and where relevant the results of that survey are referred to.

Using these three data sources the research fulfils the following aims:

- Describing in detail the current youth labour market.
- Assessing the impact of the youth and adult minimum wage and subsequent upratings on the youth labour market
- Outlining the practices employers have adopted in response to the minimum wage.
- Examining the extent to which employers make use of age-related rates.
- Examining the extent to which employers are paying adult rates below the age of 22.

The following section of this report presents the findings from the survey of Careers Service vacancies and provides a detailed picture of the training and employment opportunities open to young people. The third section provides information on Jobcentre vacancies and the fourth section reports on the views and experiences of Careers Officers. Finally the report concludes with the key themes that have emerged from each section.

A full description of the methods used to collect, analyse and categorise the data is described in detail in Appendix 1.

2 Jobs for Young People: Analysis of Careers Service Vacancies

Using the survey of Careers Service vacancies this section of the report outlines the employment and training opportunities available to young people across the UK.

Key Findings

The survey provides information on 3,132 vacancies from 63 Careers Services.

Types of jobs

- Half (50.9%) of all vacancies were concentrated in three occupations (office work, skilled trade and hotel and catering).
- 94.8% of all vacancies were full-time jobs and the part-time vacancies were concentrated in hotel and catering and shop work. Almost half (48.1%) of the part-time vacancies were concentrated in these two occupations.

Age restrictions

- There is little evidence that employers have adopted the practice of limiting jobs to 16 and 17 year olds to avoid paying the minimum wage. Only 22.8% of vacancies were restricted to those aged under 18 compared with 34.4% in 2000.
- Sectors such as hairdressing are more likely to limit jobs to 16 and 17 year olds. Four in ten hairdressing jobs were restricted to 16 and 17 year olds.
- The gap between the proportion of all the jobs available to 17 year olds and those available to 18 year olds was smaller in the 2002 survey than in the 2000 survey (15.4% compared with 21.9%).
- Almost all (98.1%) of the hairdressing jobs in the 2002 survey were available to 17 year olds, however, only 59.5% of hairdressing jobs were available to 18 year olds. This is a difference of 38.6 percentage points.

Training status

- 32.8% of vacancies were exempt from the minimum wage because of their training status (apprenticeship, modern apprenticeship and skillseekers) compared with 44% in the 2000 survey.
- A half or more of the vacancies in motor trade, engineering, hairdressing and information technology were exempt from the minimum wage because of their training status compared with around one in ten in cleaning, factory and production and sewing.

Level of training

- Over half of the vacancies offered National Vocational Qualification (NVQ) training with this split between 42.1% offering training to NVQ level two and 12.4% to NVQ level three.
- Since the last survey the provision of formal training such as NVQs and BTECs has fallen from 68.3% to 59.4% whilst in-house training increased from 9.4% to 23.3%.

Hourly pay

- Average hourly pay (mean) ranged from £2.76 for 16 year olds to £3.88 for 22 year olds.
- Average hourly pay rate for all 16 year olds was 78.9% of the youth minimum wage (£3.50) and the 17 year old average was 81.7% of the youth minimum wage rate.
- Around half of jobs which were neither apprenticeships nor trainees for 16 and 17 year olds were paying in excess of £3.50 an hour.
- Since the 1999 survey increases in average hourly pay rates have generally not kept pace with the increase in the youth minimum wage with the exception of the average for the 16 year old age group.
- Low pay rates are associated with exempt status even at ages where all jobs are exempt. In the 16 year old age group modern apprenticeships earned on average £2.27 an hour whereas non-apprentice/trainee jobs earned on average £3.31 an hour.
- Even when jobs offer the same training level, exempt jobs pay on average lower than non-exempt jobs. In the 16 year old age group non-apprentice/trainee jobs offering training to NVQ level two paid on average £3.12 an hour whereas modern apprenticeships offering the same level of training paid on average £2.11 an hour.

Weekly pay

- With the exception of the 19 year old age group hairdressing jobs offered on average earnings of less than £100 a week.
- Occupations with low weekly averages for 16 and 17 year olds were motor trade, care work, leisure and shop work. In these occupations the weekly full-time averages were less than £100 for 16 and 17 year olds.
- The proportion of jobs falling below the Lower Earnings Limit (LEL) increased since the last survey for every age group. For example, in 2000 19.7% of jobs for 16 year olds fell below the LEL and this has increased to almost three in ten by 2002.

Hours of work

- With the exception of jobs for 22 year olds, average hours have either fallen or stayed the same since the 2000 survey
- Longer hours of work were associated with lower rates of pay. For example in the 16 year old age group average hourly pay for jobs with a working week of 40 hours or more was 41p less than the hourly rate for jobs with a working week of less than 40 hours.

2.1 Types of jobs available to young people

The survey provided detailed information on a total of 3,132 vacancies from 63 Careers Services across the UK. This compares with 3,170 from 22 Careers Services in 2000 and 1,947 from 22 Careers Services in 1999. The composition of these vacancies in terms of occupation, age and training status is explored in this section. A regional analysis of the vacancies is provided in Appendix 2.

Occupation

Table 2.1 shows the number of full and part-time jobs in each occupation and the proportion these represent of all jobs on offer. Figures for the two previous surveys are also shown. Where there have been changes in the way that jobs have been allocated to occupational categories these are noted at the foot of the table. Appendix 1 contains a fuller explanation of the jobs contained within each occupational category.

Table 2.1: Vacancies by occupation

	2002				2000	1999
	Full-time	Part-time	All	% of all	% of all	% of all
Office work	764	16	780	24.9	23.6	29.6
Skilled trade	457	2	459	14.7	10.8	10.6
Hotel & catering	312	42	354	11.3	8.0	7.6
Hairdressing	262	2	264	8.4	7.4	8.4
Shop work	197	36	233	7.4	4.9	6.5
Factory & production*	184	3	187	6.0	9.1	5.7
Care work	150	15	165	5.3	3.5	3.2
Engineering	146	0	146	4.7	6.0	4.8
Motor trade	117	0	117	3.7	5.0	2.1
Sales	80	18	98	3.1	1.5	1.4
Leisure	70	5	75	2.4	**	**
Cleaning	39	12	51	1.6	0.6	0.6
Miscellaneous	42	7	49	1.6	15.8	17.1
Managerial	41	2	43	1.4	0.8	0.6
Professional	45	0	45	1.4	1.7	0.8
Information Technology	37	1	38	1.2	**	**
Sewing	26	0	26	0.8	1.2	0.9
Driving	1	1	2	0.1	-	0.2
All	2,970	162	3,132	100.0	100.0	100.0

* The 1999 and 2000 figures are for production and warehouse jobs combined.

** Leisure and Information Technology were not occupational categories in the 2000 and 1999 surveys therefore there is no comparative data.

Despite the changes in the number of vacancies across the three different surveys the breakdown by occupations is broadly similar. More than half (50.9%) of all vacancies were concentrated in three occupations (office work, skilled trade and hotel and catering). These three occupations accounted for 42.4% and 47.8% of the vacancies in 2000 and 1999.

94.8% of all vacancies were full-time jobs which is similar to the proportions recorded in the 2000 (96.8%) and the 1999 (95%) surveys. Part-time vacancies were concentrated in hotel and catering and shop work with almost half (48.1%) of the part-time vacancies concentrated in these two occupations. In the 2000 survey 43.7% of all the vacancies were also concentrated in shop work and hotel and catering and in the 1999 survey almost two thirds (64.6%) of vacancies were concentrated in these two occupations. In the 2002 survey four occupations (engineering, motor trade, professional and sewing) had no part-time vacancies.

Lower and upper age limits

Although the vacancy data from Careers Services provides detailed information on the youth labour market not all of the vacancies are available to all age groups. It is important to examine the age limits imposed on vacancies as this provides evidence of whether employers are restricting jobs to younger age groups, in particular those under 18, in order to avoid paying the minimum wage.

Only 42 jobs (1.3%) did not specify a lower age limit. The vast majority of jobs therefore indicate an age below which the job would not be available. Although most jobs were available to 16 year olds, 6.4% of vacancies gave the lowest age for starting at 17 and 7.1% gave 18 as the lowest age. There has been a slight increase in the proportion of vacancies specifying 18 as the lowest age.

There were considerable differences between occupations.

- All of the driving jobs were limited to those aged 18 and over.
- More than four in ten managerial jobs were limited to those aged 18 and over and a further four in ten were limited to those aged 17 and over.
- More than a third of professional jobs were limited to those aged 18 and over and a further 15.6% set 17 as the lowest age.
- In three occupations (hairdressing, motor trade and skilled trade) more than nine in ten jobs were open to 16 and 17 year olds.

Of more interest is whether employers have increased their use of upper age limits in response to both the introduction of the minimum wage in April 1999 and the increase in the adult rate to £4.10 in October 2001. The survey found that:

- Less than three quarters of jobs gave an upper age limit, a significant fall from the 2000 and 1999 surveys when 83.5% and 78.8% specified upper age limits respectively.
- Only 22.8% of vacancies were restricted to those aged under 18 compared with 34.4% in 2000 and 26.9% in 1999.
- The proportion of jobs that set age 18 as the limit (24.7%) was higher than the proportion for 16 and 17 year olds combined.

This indicates that employers have not adopted the practice of limiting jobs to 16 and 17 year olds to avoid paying the minimum wage.

However, there were variations between occupations.

- 40.5% of hairdressing jobs and around a third (33.2%) of factory and production jobs were restricted to 16 and 17 year olds.
- In comparison only 7% of managerial and 4.4% of professional jobs were restricted to the younger ages of 16 and 17.

So whilst there appears to be no overall pattern emerging of employers using upper age limits to avoid paying the minimum wage, this practice may be adopted in certain sectors such as hairdressing and factory and production.

Overall, the survey shows that jobs were most likely to be restricted to those aged under 19. Almost half (47.5%) of all vacancies were restricted to those aged under 19. This reflects the fact that the vacancies are advertised at Careers Services and would therefore be expected to be specifically aimed at younger ages. The proportions restricted to those under 19 varied by occupation.

- 72.6% of motor trade jobs and more than six in ten hairdressing jobs were restricted to those under the age of 19.
- Only 11.6% of managerial and 20% of professional jobs were restricted to those under the age of 19.

Using the information on upper and lower age limits it is possible to show in Table 2.2 the proportion of jobs in each occupation which were available in each age group.

Table 2.2: Proportion of jobs in each occupation by age group

	All	16	17	18	19	20	21	22
Office work	780	87.3	94.2	78.1	50.5	42.1	38.5	33.6
Skilled trade	459	93.0	96.1	72.3	41.8	35.3	31.4	24.6
Hotel & catering	354	83.9	88.4	94.4	78.8	71.5	67.2	61.6
Hairdressing	264	98.5	98.1	59.5	36.4	30.3	27.3	25.8
Shop work	233	90.6	96.1	71.2	48.5	40.8	38.2	36.1
Factory & production	187	86.1	89.8	66.8	48.1	42.8	38.5	32.6
Care work	165	75.2	86.1	77.0	59.4	52.7	50.3	48.5
Engineering	146	84.9	93.8	89.0	53.4	49.3	43.2	33.6
Motor trade	117	98.3	99.1	80.3	27.4	19.7	18.8	18.8
Sales	98	75.5	86.7	81.6	67.3	59.2	55.1	51.0
Leisure	75	84.0	90.7	77.3	61.3	54.7	54.7	44.0
Cleaning	51	88.2	96.1	68.6	47.1	45.1	43.1	41.2
Miscellaneous	49	83.7	95.9	53.1	46.9	42.9	40.8	36.7
Professional	45	48.9	64.4	95.6	80.0	71.1	71.1	66.7
Managerial	43	16.3	55.8	93.0	88.4	76.7	72.1	41.9
Information Technology	38	73.7	81.6	92.1	65.8	57.9	47.4	36.8
Sewing	26	92.3	92.3	76.9	38.5	34.6	34.6	30.8
Driving	2	0	0	100	100	100	100	100
All	3132	86.3	92.3	77.0	52.4	45.4	41.9	36.7
2000	3170	90.0	87.3	65.4	37.8	32.6	30.2	23.6
1999	1947	88.9	91.3	73.1	40.7	35.0	32.4	28.6

86.3% of the vacancies were available to 16 year olds, 92.3% to 17 year olds and 77% to 18 year olds. After this the figure drops substantially, 52.4% of the vacancies were open to 19 year olds, 45.4% to 20 year olds, 41.9% to 21 year olds and 36.7% to 22 year olds. Table 2.2 shows very different patterns of availability between occupations:

- Almost all of the hairdressing jobs were available to 16 year olds (98.5%) and 17 year olds (98.1%) but only 25.8% were available to 22 year olds.
- In hotel and catering there were more jobs available to 18 year olds than 16 and 17 year olds. This reflects the requirement of bar staff to be aged 18 and over. However, there were still more than six in ten available to 22 year olds.
- In professional vacancies less than half of the vacancies were open to 16 year olds whereas 95.6% were available to 18 year olds and two thirds were available to 22 year olds.

As the youth minimum wage becomes available to non-apprentices at age 18 it is interesting to note the change in the proportion of jobs available between ages 17 and 18. This is shown in Table 2.3 for each occupation.

Table 2.3: Percentage point difference in jobs available between 17 and 18

	2002	2000	1999
Miscellaneous	-42.8	-27.6	-22.0
Hairdressing	-38.6	-31.3	-29.4
Cleaning	-27.5	-42.1	-33.4
Shop work	-24.9	-17.3	-15.7
Skilled trade	-23.8	-29.2	-16.0
Factory & production	-23.0	*	*
Motor trade	-18.8	-35.8	-20.0
Office work	-16.1	-21.3	-20.8
Sewing	-15.4	-5.1	+66.7
Leisure	-13.4	*	*
Care work	-9.1	-	+4.7
Sales	-5.1	+14.9	-11.1
Engineering	-4.8	-15.8	-15.0
Hotel & catering	+6.0	-7.9	-
Professional	+31.2	+18.5	+46.7
Managerial	+32.5	+33.3	+66.7
IT	+10.5	*	*
Driving	+100.0	+33.7	-100.0
All	-15.3	-21.9	-18.2

* no comparative figures

As the table shows there was a fall of 15.4% in the proportion of jobs available between the ages of 17 and 18. This is smaller than previous surveys and reinforces a point made earlier that **there was no deliberate practice adopted by employers to avoid paying the minimum wage by restricting jobs to younger age groups**. Moreover, it is worth noting that there was a bigger drop in the proportion of jobs available between the ages of 18 and 19. More than three quarters of all jobs were available to 18 year olds compared with 52.4% available to 19 year olds, a fall of 24.6%. Therefore it appears that whilst employers may restrict jobs to younger age groups, this is not related to the minimum wage and is most likely to occur between the ages of 18 and 19.

However, there were significant differences between occupations which may indicate that the practice of restricting vacancies to 16 and 17 year olds is more likely to be adopted in certain sectors.

- There was a fall in the proportion of hairdressing jobs available between ages 17 and 18 of 38.6%. This is a significant increase compared with previous surveys.
- There was a fall in the proportion of cleaning jobs available between ages 17 and 18 of 27.5%.
- Other occupations which recorded a fall of more than a fifth were shop work, skilled trade and factory and production.

In this survey five sectors - hairdressing, cleaning, shop work, skilled trade and factory and production - are those most likely to limit jobs to under 18 year olds.

Some jobs are exempt from the minimum wage at 18 and do not have to pay the minimum wage in the first year of training under the age of 26 because of their training status (apprentices, modern apprenticeships and skillseekers - discussed in more detail in the next section). Therefore, one further indication of whether employers are using upper age limits to avoid paying the adult rate is to compare the extent to which employers used upper age limits in exempt and non-exempt jobs as shown in the table below.

Table 2.4: Proportion of jobs giving upper age limits by training status

	2002		2000		1999	
	Exempt	Non-exempt	Exempt	Non-exempt	Exempt	Non-exempt
16	0.6	0.4	10.1	6.5	6.6	3.3
17	18.0	24.5	25.5	26.9	16.2	24.8
18	33.1	20.5	30.4	25.6	34.9	31.7
19	7.5	6.9	6.2	4.5	11.4	4.0
20	2.1	4.1	2.1	2.8	2.9	2.5
21	4.9	5.3	6.7	6.4	4.4	3.7
All	78.8	68.8	90.0	78.6	89.7	75.5

It might be expected that there would be fewer age restrictions in the exempt categories and more in the non-exempt categories, where employers would have a financial incentive to restrict jobs to younger people. The survey found that:

- Overall exempt jobs were more likely to set an upper age limit than non-exempt jobs, 78.8% compared with 68.8%. This is consistent with the findings in both previous surveys.
- 18.6% of exempt jobs and 24.9% of non-exempt jobs were restricted to those under the age of 18. Although non-exempt jobs are more likely to restrict jobs to those aged under 18, the difference is not as great as would be expected.
- In both exempt and non-exempt categories there was a smaller proportion of jobs restricted to 16 and 17 year olds compared with 2000.
- 66.2% of exempt jobs and 61.7% of non-exempt jobs were restricted to those under the age of 22.

This research finds little evidence to indicate that employers who advertise non-exempt jobs restrict those jobs to 16 and 17 year olds.

Training Status

Exemptions from the minimum wage are not only related to age but also to training status. Each vacancy in the survey was divided into a category and the box below lists the categories, their relationship to the minimum wage and the level of training required. These categories have remained broadly similar to previous surveys and a summary is provided in Box 1.

In brief each vacancy was categorised into a training status. Vacancies which were apprenticeships, foundation or advanced modern apprenticeships or skillseekers were simple to classify as they contained the words apprenticeship or modern apprenticeship or skillseeker in their title. Vacancies which have been categorised as trainees contained the word trainee in the title but gave no indication that they were attached to a formal training programme. All other vacancies which had no reference to training in their title or description were categorised as non-apprentice/trainee.

The Careers Officers were also asked to record the level of training attached to each vacancy. This information was then split into six categories.

There were three categories of formal training - NVQ two, NVQ three and other (BTEC, HND, City and Guilds). Skillseeker vacancies are required to offer training to Scottish Vocational Qualification level two and three. To make comparisons possible vacancies which had SVQ two training were categorised as NVQ two whilst those that had SVQ three were categorised as NVQ three.

There were two categories of non-formal training - in-house and on-the-job. The latter two categories are categories adopted by the Careers Services. In-house training indicates that some form of training programme has been set up and followed by the employer whereas on-the-job training is more ad hoc. The final category was 'no training'. This was used when a vacancy explicitly stated that there was no training attached to the vacancy.

Each vacancy was recorded in only one of these categories. For example, if a vacancy noted that it was in-house training leading to NVQ level two, it would be classified as NVQ level two.

Box 1: Training Status Categories			
Status	Description	Minimum wage	Training
Apprenticeships (App)	Traditional apprentices.	Excluded from the minimum wage at age 18 and in the first year of apprenticeship up to the age of 26.	NVQ2.
Modern Apprenticeships (MA)	Includes both Foundation (National Traineeships in 2000 survey) and Advance Modern Apprenticeships.	Excluded from the minimum wage at age 18 and in the first year of apprenticeship up the age of 26.	NVQ2 and NVQ3.
Skillseekers (SS)	The equivalent of Modern Apprenticeships in Scotland.	Excluded from the minimum wage at age 18 and in the first year of apprenticeship up the age of 26.	NVQ2 and NVQ 3.
Trainees	No formal training status but employers identified them as 'trainees'.	No exemption from the minimum wage.	No specific requirement.
Non-apprentice /trainees	Jobs which gave no indication they were apprenticeships or trainees.	No exemption from the minimum wage.	No specific requirement.

Three of the categorisations (apprentices, modern apprenticeships and skillseekers) are referred to throughout the report as exempt vacancies whilst trainee and non-apprentice/trainee jobs are referred to as non-exempt vacancies.

The table below shows how the vacancies were categorised by occupation. An exempt column is added to show the total proportion of jobs which were either apprenticeships, modern apprenticeships or skillseekers. The table has been ranked by the proportion of vacancies which were exempt from the minimum wage.

Table 2.5: Proportion of jobs by training status and occupation.

	App.	MA	SS	Exempt	Trainee	Non-apprentice /trainee
Motor trade	5.1	58.1	1.7	64.9	21.4	13.7
Engineering	10.3	52.1	0.7	63.1	25.3	11.6
Hairdressing	10.2	36.0	3.8	50.0	12.1	37.9
Information Technology	2.6	47.4	0.0	50.0	26.3	23.7
Skilled trade	9.8	35.9	0.2	45.9	33.1	20.9
Leisure	4.0	36.0	2.7	42.7	26.7	30.6
Office work	0.5	29.2	0.5	30.2	12.8	56.9
Care work	1.2	24.8	1.2	27.2	39.4	33.3
Shop work	0.0	22.3	0.9	23.2	22.7	54.1
Hotel & catering	1.1	20.6	0.3	22.0	18.6	59.3
Professional	0.0	17.8	0.0	17.8	53.3	28.9
Managerial	2.3	14.0	0.0	16.3	76.7	7.0
Cleaning	0.0	9.8	2.0	11.8	15.7	72.5
Factory & production	0.0	10.7	1.1	11.8	72.2	16.0
Sewing	7.7	3.8	0.0	11.5	61.5	26.9
Miscellaneous	2.0	8.2	0.0	10.2	14.3	75.5
Sales	0.0	3.1	0.0	3.1	26.5	70.4
Driving	0.0	0.0	0.0	0.0	50.0	50.0
All 2002	3.5	28.4	0.9	32.9	24.7	42.5
<i>No. of jobs</i>	<i>111</i>	<i>890</i>	<i>28</i>	<i>1029</i>	<i>773</i>	<i>1330</i>
2000	6.3	36.4*	1.3	44.0	21.5	34.4
1999	9.1	14.3		23.4	23.7	52.9

* Includes National Traineeships

The 2000 survey noted that there was an increasing move towards modern apprenticeships and away from traditional apprentices. This year, whilst the decline in traditional apprentices has continued, there has also been a fall in the proportion of modern apprenticeships, although modern apprenticeships are still twice the proportion they were in the 1999 survey. As a result of the fall in the proportion of modern apprenticeships there was a fall in the proportion of exempt jobs from 44% in 2000 to 32.9% in 2002 and a corresponding increase in non-apprentice/trainee jobs from 34.4% to 42.5% and trainee jobs from 21.5% to 24.7%.

There were significant differences between occupations:

- More than six in ten vacancies in motor trade and engineering occupations were exempt from the minimum wage and more than half of the jobs in these occupations were modern apprenticeships.
- Half of the vacancies in hairdressing and information technology were exempt from the minimum wage and they also had a high level of modern apprenticeships
- Only 3.1% of sales vacancies were exempt from the minimum wage and only around one in ten vacancies in cleaning, factory and production and sewing were exempt.
- In sales and cleaning more than seven in ten jobs were categorised as non-apprentice/trainee job opportunities.

Level of training

In this section we analyse whether the minimum wage has led to a change in the amount of training available to young workers. The survey required all vacancies to identify a level of training. As noted in Box 1, exempt jobs are generally required to provide training to a certain level such as NVQ level 2, NVQ level 3, city and guilds and BTEC. This type of training is categorised as formal training. The other two levels of training (on-the job and in-house) are referred to as non-formal training. The table below shows the level of training offered by all vacancies and how this compares with the two previous surveys.

Table 2.6: Level of training offered

	2002	2000	1999
NVQ2	42.1	27.5	19.1
NVQ3	12.4	30.4	25.9
Other*	4.2	10.4	10.1
Formal	58.7	68.3	55.1
In-house	23.3	9.4	5.8
On-the job	12.6	18.3	26.3
Non-formal	35.9	27.7	32.1
None	5.3	4.1	13.2

* Other includes formal training such as city and guilds, btec, hnd, etc.

Over half of the vacancies in the survey offered NVQ training with this split between 42.1% offering training to NVQ level two and 12.4% offering training to NVQ level three. This is a significant change from the last survey when NVQ training to level three was more likely to be offered than training to NVQ level two. There has also been a decline in the proportion of jobs offering other types of formal training from 10.4% to 4.2%. **Overall the proportion of jobs offering formal training has fallen from 68.3% in 2000 to 58.7%, although this is higher than the 55.1% recorded in the 1999 survey.**

Between 2000 and 2002 there was an increase in informal training from 27.7% to 35.9%. But there has also been a change in the type of informal training provided, for example, in-house training increased from 9.4% to 23.3%. In-house training appeared to be more likely to represent some specific identified training provided by the employer whilst on the job training appeared to be more likely to be simply picking things up as the job progressed.

The fall in the formal training on offer may reflect the fact that there are fewer exempt jobs in this survey. To explore this further the following two tables show the proportion of vacancies which provided particular training by the status of the vacancy. Table 2.7a focuses on the training provided by exempt (apprentices, modern apprenticeships and skillseekers) and non-exempt (trainees, non-apprentice/trainees) jobs showing both the numbers and proportions offering different levels of training. Table 2.7b explores the exempt and non-exempt categories in more detail and provides comparison with the 2000 survey.

Table 2.7a: Level of training by exempt and non-exempt status

	Exempt		Non-exempt	
	No.	%	No.	%
NVQ2	642	62.4	678	32.2
NVQ3	321	31.2	67	3.2
Other	38	3.7	95	4.5
Formal	1001	97.3	840	39.9
In-house	21	2.0	709	33.7
On the job	6	0.6	389	18.5
Non-formal	27	2.6	1098	52.2
None	1	0.1	165	7.8

Almost all of the jobs exempt from the minimum wage offered a form of formal training. In comparison almost four in ten of jobs which were not exempt from the minimum wage offered formal training and more than half of the non-exempt jobs offered either in-house or on the job training. The following table shows in more detail the level of training offered by job status.

Table 2.7b: Level of training by job status

	Apprentices		Modern Apprentice		Skillseekers		Trainees		Non-apprentice/trainee	
	2002	2000	2002	2000	2002	2000	2002	2000	2002	2000
NVQ2	56.8	30.0	62.1	3.6	92.9	76.2	49.2	31.9	22.4	18.2
NVQ3	12.6	34.5	34.4	86.0	3.6	14.3	6.1	11.6	1.5	8.9
Other	9.0	19.5	3.0	9.0	3.6	7.1	8.9	18.3	2.0	8.7
Formal	78.4	84.0	99.5	98.6	100.0	97.6	64.2	61.8	25.9	35.8
In-house	16.2	4.0	0.3	0.7	0.0	0.0	26.1	9.1	38.1	20.4
On the job	4.5	10.0	0.1	0.7	0.0	2.4	9.6	21.2	23.7	37.2
Non-formal	20.7	14.0	0.4	1.4	0.0	2.4	35.7	30.3	61.8	57.6
None	0.9	2.0	0.0	0.0	0.0	0.0	0.1	7.9	12.3	6.5

The level of training offered by each vacancy depends on the training status of the vacancy:

- For modern apprenticeships the level of formal training has slightly increased although the proportion of modern apprenticeships offering training to NVQ level three has fallen.
- For trainees formal training has increased since the last survey whilst trainee jobs which didn't specify any training have fallen.
- Although formal training for non-apprentice/trainee jobs fell, a fifth of non-apprentice/trainee jobs were still receiving training to NVQ level two and the proportion receiving non-formal training has risen.

Whilst overall there is less formal training on offer the increase in non-formal training is a consequence of the increase in in-house training as on the job training has fallen amongst most groups. This has particularly been the case for trainee and non-apprentice/trainee jobs. Almost four in ten non-apprentice/trainee jobs received in-house training compared with only a fifth in 2000 and more than a quarter of trainee jobs received in-house training compared with less than a tenth in 2000.

Although it is difficult to make a judgement about the benefit of in-house training in comparison with on-the-job training, in our experience in-house training at least indicates that some form of training programme has been set up and followed by the employer whereas on-the-job training is more ad hoc. Within non-formal training the shift has been towards more in-house training rather than on-the-job training.

The type and level of training also varied from occupation to occupation as the following table shows. The formal column shows the proportions offering either NVQ2, NVQ3 or another formal qualification such as BTEC. The non-formal column shows the proportions offering either in-house or on-the-job training.

Table 2.8: Level of training by occupation

	No. of jobs	NVQ2	NVQ3	Other	Formal	In-house	On the job	Non-formal	None
Hairdressing	264	72.7	14.0	5.3	92.0	5.3	2.3	7.6	0.4
Motor trade	117	34.2	45.3	3.4	82.9	8.5	7.7	16.2	0.9
Engineering	146	34.9	32.9	12.3	80.1	17.1	2.1	19.2	0.7
Care work	165	58.2	12.1	4.8	75.1	12.1	10.3	22.4	2.4
Leisure	75	46.7	25.3	1.3	73.3	16.0	10.7	26.7	0.0
IT	38	42.1	23.7	2.6	68.4	26.3	2.6	28.9	2.6
Professional	45	26.7	13.3	26.7	66.7	31.1	2.2	33.3	0.0
Skilled trade	459	41.0	15.9	8.7	65.6	19.2	12.2	31.4	3.1
Hotel & catering	354	54.2	7.9	1.1	63.2	18.9	10.7	29.6	7.1
Office work	780	39.1	9.9	2.2	51.2	28.5	14.4	42.9	6.0
Shop work	233	42.1	2.6	1.7	46.4	30.9	14.6	45.5	8.2
Managerial	43	18.6	7.0	18.6	44.2	53.5	2.3	55.8	0.0
Sewing	26	34.6	0.0	3.8	38.4	38.5	19.2	57.7	3.8
Factory & production	187	22.5	2.1	0.5	25.0	28.9	32.6	61.5	13.4
Cleaning	51	21.6	2.0	0.0	23.6	29.4	27.4	56.8	19.6
Sales	98	17.3	3.1	0.0	20.4	45.9	21.4	67.3	12.2
Miscellaneous	49	14.3	2.0	0.0	16.3	57.1	16.3	73.4	10.2

The table has been ranked by the proportions most likely to offer some type of formal training. More than nine in ten hairdressing jobs and more than eight in ten motor trade and engineering offered formal training. This suggests that a large proportion of the non-apprentice/trainee jobs in these occupations are offering formal training. In comparison only around a fifth of cleaning and sales jobs offered formal training and almost a fifth of cleaning jobs offered no training at all.

Looking at the level of training in more detail the survey found that:

- In hairdressing, hotel and catering and care work a half or more of the occupations offered NVQ level two training.

- Training to NVQ level three training was most likely to be offered in motor trade and engineering vacancies.
- In-house training was most likely to be found in managerial vacancies. Over half of the vacancies in this occupation offered this form of training which indicates a company training programme.
- On-the-job training was most likely to be found in factory and production followed by cleaning and sales.
- In three occupations (factory and production, cleaning and sales) more than one in ten vacancies offered no training.

It is also important to consider to what extent the training varies in different age groups. The table below shows the proportion of jobs in each age group which offered particular kinds of training.

Table 2.9: Level of training by age group

	2002			2000			1999		
	Formal	Non-formal	None	Formal	Non-formal	None	Formal	Non-formal	None
16	61.4	33.4	5.2	69.9	26.0	4.1	56.2	30.9	13.1
17	60.3	34.4	5.3	68.4	27.4	4.2	54.9	31.6	13.7
18	61.5	33.6	5.0	68.1	28.9	3.1	55.1	31.9	13.3
19	57.0	37.7	5.4	64.2	33.0	2.8	51.3	37.2	11.7
20	56.7	38.1	5.2	63.0	34.4	2.6	48.0	40.6	11.6
21	57.2	37.6	5.3	63.4	34.2	2.4	46.8	42.0	11.3
22	57.9	36.5	5.6	63.4	34.1	2.5	44.0	43.7	12.4

Although the proportion of jobs offering formal training have fallen since the 2000 survey for all age groups, the proportion is still considerably higher than those found in the 1999 survey. Moreover, these figures reflect the fact that there is a smaller proportion of vacancies offering apprenticeships and modern apprenticeships in the 2002 survey.

It is interesting to look at the comparisons across the age groups. In general, those aged 16, 17 and 18 were more likely to receive formal training compared with older age groups whilst non-formal training (in house and on the job) was more likely to be offered to older age groups.

The level of training provided does not vary much across different ages. Moreover the gap in the levels of training provided between the youngest and oldest ages has narrowed in 2002. For example, in 2000 63.4% of jobs for 22 year olds offered formal training compared with 69.9% of jobs for 16 year olds, a gap of 6.5%. In the 2002 survey the gap was only 3.5%.

2.2 Hourly pay

It is arguable that of most interest to young people when considering their employment and training opportunities is the rate of pay on offer. The hourly rate of pay is influenced by a number of factors including age, occupation, training status and level of training.

It is worth noting that for vacancies which are modern apprenticeships, apprenticeships and skillseekers that the rates of pay on offer are the starting rates of pay. These vacancies are only exempt from the minimum wage in the first year of training as young people progress through the training they will become covered by the minimum wage legislation. However, for jobs which have no formal training status it is less clear that the hourly rate of pay will increase with time.

Average hourly pay

The table below shows average hourly pay (mean) for each age and occupation. The rates were calculated on those jobs which provided an hourly rate and for a fuller description of how a rate was allocated to each age group see Appendix 1. For details of the number of jobs with unknown hourly pay rates see Appendix 2 and Appendix Table 2.2. The table has been ranked by age 16 pay rates, starting with the lowest.

Table 2.10: Average hourly pay rates by age and occupation

	16	17	18	19	20	21	22
Hairdressing	£1.77	£1.79	£2.55	£2.46	£2.49	£2.42	£2.57
Motor trade	£2.20	£2.26	£2.72	£2.79	*	*	*
Leisure	£2.32	£2.69	£3.57	£3.69	£3.76	£3.76	£4.08
Care work	£2.44	£2.49	£3.48	£3.64	£3.72	£3.71	£3.91
Shop work	£2.60	£2.69	£3.36	£3.45	£3.54	£3.54	£3.72
Skilled trade	£2.77	£2.83	£3.33	£3.56	£3.62	£3.60	£3.77
Factory and production	£2.81	£2.91	£3.62	£3.83	£3.87	£3.86	£4.12
Miscellaneous	£2.81	£3.02	£4.16	*	*	*	*
Information Technology	£2.91	£2.98	£3.43	*	*	*	*
Managerial	*	*	£5.44	£5.55	£5.74	£5.78	*
Office work	£2.99	£3.05	£3.58	£3.77	£3.79	£3.78	£3.86
Cleaning	£3.09	£3.17	£3.75	*	*	*	*
Hotel & catering	£3.12	£3.19	£3.60	£3.65	£3.68	£3.68	£3.87
Engineering	£3.12	£3.21	£3.51	£3.80	£3.82	£3.84	£4.07
Sales	£3.40	£3.46	£4.18	£4.27	£4.34	£4.33	£4.48
Professional	*	£4.19	£4.51	£4.54	£4.63	£4.63	*
All	£2.76	£2.86	£3.50	£3.69	£3.74	£3.74	£3.88

* Sample size of less than 25.

Hairdressing jobs for young people have always been low-paid and this occupation also topped the table in the two previous surveys. All other occupations had an average hourly pay rate for 16 year olds in excess of £2 with four occupations (cleaning, hotel and catering, engineering and sales) having averages in excess of £3 an hour. Average hourly pay rates for 17 year olds showed a similar pattern to that of 16 year olds with hairdressing again being the lowest paid. In fact for every single age hairdressing has the lowest average hourly rate.

The average hourly rate for all 16 year olds was 78.9% of the £3.50 minimum wage for 18-21 year olds and the 17 year old average was 81.7% of £3.50. This indicates that some employers could afford to pay a minimum wage to 16 and 17 year olds which was a proportion of the youth or adult rate.

Six occupations (hairdressing, motor trade, care work, shop work, skilled trade, and information technology) all had averages for 18 year olds below the £3.50 minimum. This is possible because of the exemption of 18 year old apprentices from the minimum wage. The exemption of first year apprentices under 26 also accounts for the fact that hairdressing had averages under £3.50 for 19 to 22 year olds. Almost three in ten vacancies for 22 year olds were exempt from the minimum wage and this explains the low average hourly pay rate for 22 year olds.

It is interesting to examine how pay rates have changed since the survey began in 1999 and this is shown in the table below. Only occupations which had a sufficient sample size for a valid analysis are shown.

Table 2.11: Percentage change in average hourly pay rates since 1999

	16	17	18	19	20	21	22
Hairdressing	+15.7	+11.9	+2.4	-12.8	-11.4	-12.3	-17.1
Motor trade	+15.2	+8.7	+0.7	+3.0	*	*	*
Care work	+39.4	+39.1	+21.7	+18.6	+20.8	+20.5	+13.7
Shop work	0.0	+1.1	+0.6	-2.0	-0.3	-0.6	-3.9
Skilled trade	+22.0	+15.0	+12.9	-1.7	-2.4	-3.2	-17.3
Miscellaneous	+26.0	+28.0	+30.8	*	*	*	*
Office work	+17.3	+13.8	+7.8	+10.2	+10.8	+10.2	+2.4
Cleaning	+20.7	+22.9	+5.3	*	*	*	*
Hotel & catering	+8.0	+8.5	+5.0	+4.3	+4.2	+3.7	+4.9
Engineering	+23.3	+16.7	+14.7	+21.8	+19.4	+20.0	+40.8
Sales	+9.3	+9.8	+7.5	+7.6	+9.0	+8.8	-1.8
Professional	*	+26.6	+19.0	+18.8	+21.8	+30.4	*
All	+16.9	+14.4	+10.4	+7.6	+8.1	+7.8	+2.9

* Sample size of less than 25.

The sample sizes of some occupations were very small, particularly at older age groups, therefore whilst the changes in pay rates are interesting, they should be interpreted cautiously. A second note of caution is that average hourly pay rates are affected by the training status. For example the 2002 survey has a higher proportion of jobs which are exempt from the minimum wage compared with the 1999 survey and this will impact on the recorded increases.

The first survey was undertaken in April 1999 when the minimum wage was set at £3.00 for 18-21 year olds. Since then there have been two upratings to the youth minimum wage, to £3.20 in June 2000 and to £3.50 in October 2001. Therefore the youth minimum wage has increased by 16.7% since the first survey and over the same time period inflation has increased by 6.2%.

Overall the increase has been greater than inflation for each age group except 22 year olds. However, it has not kept pace with the increase in the youth minimum wage rate with the exception of the average for 16 year old age group. For 18 year olds the increase has only been 10.4% compared with the increase of 16.7% in the youth minimum wage rate.

In occupations which we do know have large sample sizes the results are interesting:

- Office jobs were the most numerous in the survey and for all age groups there was an increase in the average hourly rate since 1999. However, only for the 16 year old age group did the increase exceed the minimum wage increase.
- Skilled trade jobs showed increases in average hourly pay for the younger ages but decreases in average hourly pay at older age groups. Hairdressing vacancies showed a similar pattern to skilled trade vacancies with increases for younger age groups and falls at older age groups.
- Whilst hotel and catering vacancies showed increases across all ages the increases did not match the minimum wage increase and exceeded inflation only for the 16 and 17 year old age group.
- For shop jobs there was very little change in average hourly rates for younger age groups and falls at higher age groups.

The upratings to the minimum wage have not led to a significant increase in average pay rates.

As pay rates are affected by the training status of the vacancy, table 2.12 shows average hourly rates by the training status of the job and again records the change since 1999. The pay rates for apprentices, modern apprenticeships and skillseekers are likely to be only starting rates of pay.

Table 2.12: Average hourly pay rates by age and status

	16	17	18	19	20	21	22
Apprentices							
2002	£2.62	£2.72	£3.13	£3.21	£3.27	£3.19	*
2000	£2.14	£2.31	£2.71	£2.90	£3.22	£3.32	*
1999	£2.19	£2.29	£3.17	£3.43	£3.46	£3.47	*
% change 99-02	+19.6	+18.8	-1.3	-6.4	-5.5	-8.1	-
Modern Apprenticeships							
2002	£2.27	£2.30	£2.47	£2.57	£2.57	£2.55	£2.42
2000	£2.11	£2.24	£2.71	£3.03	£2.85	£2.83	£2.69
1999	£2.16	£2.32	£2.53	£2.85	£2.81	£2.93	£2.65
% change 99-02	+5.1	-0.9	-2.4	-9.8	-8.5	-13.0	-8.7
Trainees							
2002	£2.53	£2.69	£3.86	£4.00	£4.04	£4.08	£4.37
2000	£2.45	£2.69	£3.76	£3.84	£3.90	£3.94	£4.25
1999	£2.06	£2.24	£3.21	£3.47	£3.50	£3.45	£3.88
% change 99-02	+22.8	+20.1	+20.2	+15.3	+15.4	+18.3	+12.6
Non-apprentice/trainee							
2002	£3.31	£3.41	£4.10	£4.20	£4.26	£4.29	£4.51
2000	£2.87	£3.06	£3.88	£3.96	£4.00	£4.09	£4.28
1999	£2.56	£2.65	£3.35	£3.53	£3.55	£3.56	£3.90
% change-02	+29.3	+28.7	+22.4	+19.0	+20.0	+20.5	+15.6

* sample size of less than 25

The lowest average rates for 16 year olds were for skillseekers followed by modern apprenticeships, trainees, apprentices and non-apprentice/trainee jobs. This is the same pattern for 17 year old averages. There is a slight change in the pattern at age 18 and above with trainees paying higher rates on average than apprentices.

This table shows the strong impact of those jobs which are exempt from the minimum wage in keeping hourly pay low.

- Average hourly pay for modern apprenticeships ranged from only £2.27 for 16 year olds to £2.42 for 22 year olds. So not only were minimum wage exempt vacancies paying low hourly rates for 16 and 17 year olds, but were also paying low hourly rates for older ages.
- The hourly pay rates of apprenticeship vacancies were higher than the hourly pay rates of modern apprenticeships. Moreover, the hourly pay rates for 16 and 17 year old apprenticeships significantly increased since the 1999 survey was undertaken.

Jobs which were not exempt from the minimum wage displayed a broader range of pay rates.

- Jobs recorded as trainees paid a relatively low average hourly rate at 16 and 17 and then average hourly rates jumped significantly at older age groups. From age 18 employers with trainee jobs paid well above the minimum wage youth rate of £3.50. At age 22 these jobs paid above the adult minimum wage of £4.10 an hour.
- Non-apprentice/trainee jobs recorded the highest averages for all age groups. From the age of 18 the average not only exceeded the youth rate of £3.50 but at least met the adult minimum wage rate of £4.10. This shows that some employers advertising non-apprentice/trainee vacancies were meeting and exceeding minimum wage requirements.

The gap in pay between exempt and non-exempt jobs is reinforced when the changes in pay rates since 1999 are calculated.

- Trainee and non-apprentice/trainee jobs recorded increases in average hourly pay for every age group. The increase was particularly large for averages in the 16 and 17 year old age group.
- Apprenticeships recorded increases in average hourly pay for 16 and 17 year olds.
- Modern apprenticeships and apprenticeships recorded falls in average hourly rates at older age groups.

This research indicates that the starting rates of pay for modern apprenticeships are falling further behind non-exempt jobs in terms of hourly pay.

- In 1999 modern apprenticeships for 16 year olds paid on average 84.4% of non-apprentice/trainee jobs for 16 year olds. In 2002 modern apprenticeship vacancies for 16 year olds paid only 68.6% of the hourly rate of non-apprentice/trainee vacancies.
- In 1999 modern apprenticeships for 22 year olds paid on average 68.3% of the hourly rate of trainee jobs for 22 year olds and by the 2002 survey this had fallen to 55.4%.

In an attempt to determine whether it is the training status or the level of training which is the most influential in the setting of pay rates, pay was also analysed by the level of training. If the level of training is most significant then it would be expected that hourly pay rates would be similar for jobs offering similar levels of training regardless of whether they were exempt jobs or not. If training status is most significant then it would be expected that at similar levels of training there would be different pay rates for jobs of different status.

Table 2.13 is useful in giving insight into possible links between training, status and average pay. Only pay rates which are based on a valid sample size are reported.

Table 2.13: Average hourly pay rates by age, training level and status

	16	17	18	19	20	21	22
NVQ2							
All jobs	£2.40	£2.46	£3.10	£3.25	£3.28	£3.25	£3.40
Apprentices	£2.46	£2.53	£2.82	*	*	*	*
Modern Apprentices	£2.11	£2.15	£2.32	£2.43	£2.39	£2.37	£2.29
Trainees	£2.35	£2.39	£3.68	£3.74	£3.78	£3.80	£4.19
Non-apprentice/trainee	£3.12	£3.23	£3.97	£4.06	£4.07	£4.09	£4.32
NVQ3							
All jobs	£2.48	£2.50	£2.89	£3.01	£3.06	£3.07	£2.92
Modern Apprentices	£2.52	£2.54	£2.71	£2.86	£2.90	£2.90	£2.69
Trainees	£2.11	£2.18	£3.62	*	*	*	*
Other formal training							
All jobs	£2.82	£2.98	£3.66	£3.92	£3.97	£4.03	£4.26
Modern Apprentices	£2.68	£2.68	£2.70	*	*	*	*
Trainees	£2.91	£3.17	£4.01	£4.14	£4.23	£4.30	£4.59
In-house							
All jobs	£3.33	£3.48	£4.20	£4.31	£4.38	£4.43	£4.62
Trainees	£2.91	£3.25	£4.26	*	*	*	*
Non-apprentice/trainee	£3.50	£3.60	£4.20	£4.29	£4.38	£4.42	£4.62
On the job							
All jobs	£3.07	£3.19	£4.05	£4.19	£4.23	£4.21	£4.43
Trainees	£2.62	£2.79	£3.82	*	*	*	*
Non-apprentice/trainee	£3.20	£3.31	£4.09	£4.22	£4.25	£4.24	£4.46
No training							
All jobs	£3.37	£3.48	£4.09	£4.21	£4.33	£4.37	£4.61
Non-apprentice/trainee	£3.37	£3.45	£4.07	£4.22	£4.34	£4.38	£4.63

* Sample size of less than 25.

There does not appear to be any significant differences in average pay rates for all jobs offering NVQ level two training and all those offering NVQ level three training. At ages 16 and 17 there is a higher average hourly rate for jobs offering NVQ level three training whereas at ages 18 through to 22 the rate is higher for those offering NVQ level two training. This pattern is repeated for each status. However, the average rates for all jobs offering either NVQ level two or NVQ level three training are consistently lower than for jobs offering other kinds of training or no training.

At most training levels the average hourly pay rates for non-apprentice/trainee jobs for 16 and 17 year olds are generally higher than for any other jobs. So although the jobs are offering the same level of training those jobs identified as apprentices, modern apprenticeships and trainees are paying less than those identified as non-apprentice/trainee jobs. At ages 18 and 19 the differences are

even more apparent. For jobs offering training to NVQ level three the average hourly pay for trainees at 18 is £3.62 compared with only £2.71 for modern apprenticeships.

In other words employers appear to be offering higher rates of pay to jobs with the same level of training but different training status.

When comparing pay rates for different forms of training, those jobs offering in-house training offered the best rates of pay at all age groups followed by jobs with on-the-job training, This was found in both previous surveys.

Overall, there are two main points which can be identified from this analysis:

- Jobs with exempt status pay less than non-exempt jobs even with the same level of training.
- Jobs that offer formal training pay lower rates than jobs with informal or no training.

Distribution of hourly pay

Averages do not tell the whole story as they can become distorted by a particularly high or low rate. It is therefore important to examine the distribution of jobs into different hourly pay bands. The data were analysed in 25p pay bands starting from £1.50 up to a final band of jobs paying £4.50 or more. The tables generated from this analysis are provided for each age group in Appendix 3. Where relevant data from previous surveys are included for comparison purposes.

The detailed analysis of the distribution of pay rates reveals a similar pattern for 16 and 17 year olds:

- For both age groups, although there is an increase in the proportion of jobs paying below the lowest threshold there is also an increase in the proportions paying above the highest threshold of £4.50 an hour.
- For both 16 and 17 year olds jobs were concentrated in two pay bands, £2-£2.25 and £3.50-£3.75.

Pay rates below £1.50 were particularly prevalent in certain sectors:

- In the 16 year age group, 24.1% of hairdressing jobs, 23.3% of care jobs and 19.5% of shop jobs paid less than £1.50 an hour whilst for 17 year olds it was 24.6% of care jobs, 22.5% of hairdressing jobs and 18.4% of shop jobs.
- There were no jobs for 16 year olds in managerial or professional occupations paying below this threshold.
- Hairdressing jobs make up more than a fifth of all jobs for 16 year olds paying less than £1.50 an hour.

An analysis of jobs in the higher pay bands shows the prevalence of different sectors. In the 16 age group, 20.2% of hotel and catering jobs, 16.7% of managerial jobs, 15.9% of engineering jobs and 15% of professional jobs paid

between £3.50 and £3.75 an hour and for 17 year olds it was 15% of engineering jobs, 12.8% of hotel and catering jobs and 20% of professional jobs.

The low-paid sectors from this analysis were hairdressing and care work and the better-paid sectors were engineering, managerial and professional.

Although there was a clustering of jobs for 18-21 year olds in the £3.50-£3.75 category, some jobs in these age groups paid below this level, For example, 3.1% of 18 year old jobs, 2.6% of 19 and 20 year old jobs, 2.8% of 21 year old jobs and 3.2% of 22 year old jobs paid only between £2.25 and £2.50. All of these jobs were exempt jobs and this shows the effect of minimum wage exemptions on wage rates even for 22 year olds.

However, for the older age groups this analysis shows that there have been some notable improvements in pay rates. All older age groups recorded an increase in the proportion of jobs paying above £4.50 an hour. For example, in 1999, 4.1% of jobs for 18 year olds paid more than £4.50 and this has now increased to 14.6%.

Table 2.14 shows the cumulative figures from the tables in the appendix in order to give a clear picture of the proportions of jobs in each age groups which fell below various thresholds. Where relevant, comparative data are included.

This confirms the improvements in pay rates particularly for younger age groups. With the exception of the lowest threshold of £1.50, at every other threshold there were less jobs paying below the thresholds compared with 1999 and 2000.

- Just over a quarter of jobs for 16 and 17 year olds were paying less than £2.00 an hour, this has fallen from 42.7% for 16 year olds and 35.6% for 17 year olds in 2000.
- Almost six in ten jobs for 16 year olds and 54.4% for 17 year olds paid less than £3.00 an hour compared with 74.9% and 67.2% in 2000.

As has been reported elsewhere in this report these proportions may change from year to year purely as a result of the change in proportion of exempt and non-exempt jobs. Therefore this analysis is repeated for each training status - apprentices, modern apprenticeships, non-apprentice/trainee and trainees. Skillseekers were excluded because of their small sample size. The detailed tables are provided in Appendix 3 (Appendix Table 3.8 to Appendix Table 3.11). The key findings are:

- Although it is quite legal for all jobs for 16 and 17 year olds to be paid at lower rates of pay there were clear distinctions by status. Only around 2% of non-apprentice/trainee jobs for 16 and 17 year olds paid less than £1.50 an hour whilst more than 16% of modern apprenticeships paid below this level.

- Around 6% of non-apprentice/trainee jobs for 16 and 17 year olds paid less than £1.75 an hour compared with around 30% of modern apprenticeships.
- In the upper age groups low pay is almost entirely accounted for by modern apprenticeships with more than one in ten modern apprenticeships for 22 year olds paying less than £1.50 an hour and two thirds paid less than £2.50 an hour.
- Apprentices show a quite different pattern from modern apprenticeships particularly at older age groups. More than a third of apprentices for 19 and 20 year olds are clustered in the £3.50 - £3.75 pay band and almost three in ten for 22 year olds in the £4.00 - £4.25 pay band.

Although 16 and 17 year olds are exempt from the minimum wage around half of non-apprentice/trainee jobs for these two age groups were paying in excess of £3.50 and this shows some employers pay above the minimum wage.

Table 2.14: Proportion of jobs below hourly pay thresholds

	16			17			18			19			20			21			22		
	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99
<1.50	10.2	7.2	9.8	9.6	6.3	7.4	4.1	3.3	2.0	3.2	1.3	0.9	3.2	0.9	1.1	3.4	1.0	0.7	3.9	1.5	1.1
<1.75	18.9	27.2	25.7	17.8	22.0	20.4	7.2	11.3	4.7	5.9	6.7	2.2	5.6	5.1	2.4	5.9	5.3	2.1	6.5	7.1	3.3
<2.00	27.0	42.7	37.9	25.3	35.6	32.4	10.4	18.9	6.3	9.1	13.6	2.6	8.8	10.9	2.8	9.3	11.3	2.3	10.2	13.6	3.7
<2.25	41.1	56.0	53.4	38.3	47.4	47.2	18.0	24.5	8.2	14.6	17.4	3.5	13.7	13.3	3.7	14.6	14.0	3.3	15.7	16.0	4.4
<2.50	47.6	63.3	60.3	44.5	54.1	54.1	21.1	26.5	10.1	17.2	19.2	4.4	16.4	14.6	4.1	17.4	15.2	3.8	18.9	16.6	4.8
<2.75	53.3	70.7	71.1	50.0	62.4	64.7	22.4	29.4	11.5	18.2	22.5	5.5	17.5	17.5	4.7	18.6	17.8	4.3	20.2	19.6	4.8
<3.00	57.8	74.9	76.2	54.4	67.2	70.5	23.6	31.3	12.6	19.3	23.9	7.2	18.8	18.8	6.0	19.9	18.3	5.5	21.8	20.2	6.2
<3.25	66.7	85.6	84.4	63.3	79.8	79.7	26.0	62.3	68.0	20.7	52.0	51.7	20.2	45.4	48.7	21.3	40.4	47.9	22.9	21.7	6.9
<3.50	70.2	88.8	88.3	70.0	84.7	84.4	26.7	69.7	74.3	21.4	58.2	58.2	20.8	52.2	55.4	22.0	46.2	54.9	23.6	23.1	8.0
<3.75	81.2	92.5	-	77.7	89.8	-	66.2	77.5	-	56.8	68.7	-	54.2	64.3	-	52.9	60.1	-	27.1	47.2	-
<4.00	85.1	94.2	95.4	82.6	92.4	93.8	71.9	82.2	87.9	63.3	74.7	79.2	60.8	71.2	78.1	59.4	66.9	77.2	29.5	55.8	71.0
<4.25	90.5	96.7	97.7	88.6	95.1	97.0	81.4	87.4	93.2	75.2	80.5	88.0	73.4	78.7	87.4	72.2	75.6	86.8	72.0	68.6	82.2
<4.50	92.8	98.2	99.0	91.2	97.2	98.3	85.4	92.5	95.9	80.0	87.0	92.7	78.4	86.8	92.4	77.5	84.3	92.3	77.7	79.6	89.8

Impact of minimum wage on hourly pay

To explore the impact of the minimum wage in greater detail the following table shows the proportions paying less than the youth rate, exactly the youth and adult minimum wage and proportions paying above the youth and adult minimum rate for both 2002 and 2000.

Table 2.15: Minimum wage thresholds

	2002					2000				
	<£3.50	£3.50	£4.10	£3.50+	£4.10+	<£3.20	£3.20	£3.60	£3.20+	£3.60+
16	70.2	5.8	1.4	24.0	10.5	83.0	2.2	1.0	14.8	8.3
17	67.0	6.2	1.5	26.8	12.6	76.6	2.5	1.7	20.9	11.4
18	26.7	34.0	2.5	39.3	21.2	34.7	27.1	2.9	38.2	24.1
19	21.4	29.2	3.3	49.4	28.2	27.3	24.2	4.9	48.5	32.8
20	20.8	27.2	3.7	52.0	30.5	21.8	23.2	6.3	55.0	37.6
21	22.0	25.1	3.7	52.8	32.0	20.7	19.3	7.7	59.9	41.8
22	23.6	1.3	35.8	75.1	32.7	21.1	0.3	20.2	78.6	56.4

Improvements in pay rates since the last survey have occurred for the younger age groups:

- In 2000, 14.8% of jobs in the 16 age group paid more than the youth minimum wage rate and this had increased to 24% by the 2002 survey.
- In the 18 age group, in 2002 around a third of jobs paid exactly the youth minimum wage rate and almost four in ten jobs paid above the youth minimum wage rate. In 2000, more than a quarter of jobs paid exactly the youth minimum wage and almost four in ten jobs paid above the youth minimum wage.

At the older age groups, the proportion of jobs paying above the youth and adult minimum wage have fallen:

- In 2000, 56.4% of jobs in the 22 age group paid above £3.60 an hour (adult minimum wage rate at the time of the survey) and by 2002 only 32.7% of jobs were paying above £4.10 an hour (adult minimum wage rate).
- In 2000, 55% of jobs in the 20 age group paid above £3.20 an hour (youth minimum wage rate at the time of the survey) and by 2002 this has fallen to 52%.
- In 2000, 20.2% of the jobs in the 22 age group paid exactly the adult rate (£3.60) and by 2002 this had increased to 35.8% paying exactly the adult rate (£4.10).

2.3 Weekly pay

Even jobs which have a reasonable hourly rate of pay may not bring in much income if the hours to be worked are low. The amount which a job pays per week is of as much importance to a young person looking for a job as the hourly rate. The table below shows average weekly full-time pay rates for each occupation and each age group. Only full-time rates are calculated because the vast majority of jobs were full-time. The calculations are based on jobs which provided a weekly rate. For details of unknown weekly rates see Appendix 2. As with hourly pay the table has been ranked by average weekly pay rates for 16 year olds, starting with the lowest.

Table 2.16: Average weekly full-time rates by age and occupation

	16	17	18	19	20	21	22
Hairdressing	£65.74	£66.62	£94.56	£104.54	£94.46	£91.11	£96.57
Motor trade	£83.06	£85.38	£102.40	£105.19	*	*	*
Care work	£83.52	£84.67	£120.03	£126.70	£128.84	£127.77	£136.27
Leisure	£86.90	£93.04	£122.60	£125.50	£126.70	£126.70	£135.68
Shop work	£91.09	£94.91	£119.60	£128.35	£125.01	£124.20	£128.79
Miscellaneous	£99.62	£108.34	*	*	*	*	*
Hotel & catering	£100.79	£103.67	£123.21	£123.70	£125.00	£123.03	£125.89
Information Technology	£101.36	£105.02	£123.52	*	*	*	*
Cleaning	£101.72	£103.10	*	*	*	*	*
Factory & production	£104.10	£108.17	£135.21	£145.11	£146.79	£145.37	£153.14
Skilled trade	£104.19	£106.14	£124.68	£134.05	£135.78	£35.08	£141.46
Office	£107.52	£109.97	£129.91	£137.30	£137.44	£136.80	£139.02
Sales	£114.76	£117.05	£153.91	£160.69	£165.92	£163.40	£171.19
Managerial	*	*	£201.16	£204.94	£210.78	£212.18	£214.36
Engineering	£115.65	£119.67	£130.54	£141.59	£142.01	£143.34	£151.88
Professional	*	£157.06	£169.80	£171.36	*	*	*
All	£98.49	£102.24	£126.35	£134.97	£135.27	£134.66	£138.04

* Sample size of less than 25.

As might be expected hairdressing jobs produced the lowest weekly rates of pay for each age group. With the exception of the 19 year old age group hairdressing jobs offered on average earnings of less than £100 a week. Other occupations with low averages for 16 and 17 year olds were motor trade, care work, leisure and shop work. In these occupations the weekly full-time averages were less than £100 for 16 and 17 year olds. In all other occupations, average weekly pay rates for 16 and 17 year olds were very similar.

For all occupations average weekly pay significantly increased between the ages of 17 and 18. For example, full-time jobs in factory and production paid on average £104.10 to 16 year olds, £108.17 to 17 year olds and this jumped to

£135.21 for 18 year olds. This might reflect the fact that the exemption of 16 and 17 year olds from the minimum wage may be being used to keep wages significantly lower in this occupation. For example, in factory and production 16 year olds earned on average 77% of the 18 year old average. This compares unfavourably with engineering occupations where 16 year olds earned on average 88.6% of the 18 year old average.

From the age of 18 in managerial occupations average weekly pay exceeded £200 a week. No other occupation recorded a weekly average rate in excess of £200.

As with the hourly pay rates, the impact of job status is explored by examining the average weekly pay rates by age and training status.

Table 2.17: Average weekly full-time by rates by age and status

	16	17	18	19	20	21	22
Apprentices	£99.33	£102.85	£117.33	£121.55	£123.56	*	*
Modern Apps	£82.32	£83.58	£89.53	£96.76	£92.73	£92.06	£87.19
Trainees	£94.11	£99.87	£144.92	£150.73	£151.76	£153.14	£163.72
Non-apprentice /trainee	£118.54	£122.53	£153.61	£159.54	£162.48	£163.68	£172.07

* Sample size of less than 25.

The gap between the highest (non-apprentice/trainee) weekly rate and lowest (modern apprenticeships) is £36.22 for 16 year olds, £38.95 for 17 year olds. The gap jumped to £64.08 when age 18 is reached. This is because at ages 18 and upwards trainee and non-apprentice/trainee jobs recorded significantly higher rates of weekly pay than exempt jobs. The association between low pay and modern apprenticeships was reinforced. The average weekly rate for modern apprenticeships for 22 year olds was only £87.19. Although apprentice status kept weekly income low there did at least appear to be progress with age.

There have been some changes over the last few years to the workings of the National Insurance system. From April 2000 the government raised the point at which workers actually start to pay National Insurance Contributions and aligned it with the employers National Insurance threshold and the income tax threshold. Only people who pay National Insurance can claim contributory benefits such as statutory sick pay, jobseekers' allowance and the state pension.

As the raising of the point at which workers start to pay National Insurance could have meant many workers losing their right to contributory benefits, the government kept the Lower Earnings Limit, and stated that anyone who earned above the Lower Earnings Limit could still claim contributory benefits, even if they did not earn enough to pay National Insurance contributions. To look at the relevance of the Lower Earnings Limit, the following table shows the proportion of

jobs in each age group and occupation where weekly pay fell below the Lower Earnings Limit (LEL) at the time of the survey (£72).

Table 2.18: Proportion of jobs below LEL (£72) by occupation

	16	17	18	19	20	21	22
Hairdressing	73.5	72.2	40.8	39.6	40.0	41.7	42.6
Leisure	52.4	45.6	24.1	21.7	17.1	17.1	18.2
Shop work	44.5	42.0	26.5	25.7	24.2	23.6	23.8
Care work	41.1	40.1	16.5	12.2	10.3	10.8	11.3
Miscellaneous	36.6	31.9	*	*	*	*	*
IT	32.1	32.3	20.0	*	*	*	*
Office	22.2	20.8	12.8	12.2	13.4	14.3	16.8
Cleaning	20.0	18.4	*	*	*	*	*
Sales	18.9	17.6	6.3	7.8	8.6	7.4	8.0
Factory & prodn	18.6	17.3	8.0	5.6	5.0	5.6	6.6
Hotel & catering	17.8	18.5	8.7	9.0	8.7	8.8	8.7
Skilled trade	17.6	16.3	9.9	2.6	2.5	2.8	3.5
Motor trade	14.8	14.7	10.6	9.4	*	*	*
Engineering	14.5	13.9	7.7	3.8	4.2	4.8	2.0
Professional	*	0.0	0.0	0.0	*	*	*
Managerial	*	*	0.0	0.0	0.0	0.0	*
All	28.2	26.6	13.8	11.8	11.7	12.0	13.1

* Sample size of less than 25.

In spite of the improvements in pay rates recorded elsewhere in the survey the proportion of jobs falling below the Lower Earnings Limit (LEL) increased since the last survey for every age group. This is in spite of the fact that the Lower Earnings Limit has increased from £67 (2000 survey) to £72 (2002 survey). For example, in 2000 19.7% of jobs for 16 year olds fell below the LEL and this has increased to almost three in ten. Jobs paying below the LEL do not allow work to build up entitlement to contributory benefits such as statutory sick pay.

There were particularly high rates of hairdressing jobs paying below the LEL and this has already been identified as a particularly low-paying sector. Even at older age groups there was a significant number of jobs where weekly pay fell below the LEL and again this was particularly prevalent in hairdressing. In four occupations (sewing, professional, driving and managerial) there were no jobs in older age groups paying below the LEL.

Further analysis by training status found that:

- Non-apprentice/trainee jobs were the least likely to pay below the LEL. At age 16, 14.5% of non-apprentice/trainee jobs compared with 43.5% of modern apprenticeships paid below the LEL.
- Across all age groups, around four in ten modern apprenticeships were paying below the LEL.

2.4 Hours of work

The hours of work of a job affect weekly income. This section records average weekly hours for all jobs where that information was available and also explores the interaction between hours of work and hourly pay. Table 2.19 shows average number of full-time hours worked by age and occupation.

Table 2.19: Average full-time hours by age and occupation

	16	17	18	19	20	21	22
Motor trade	38.94	38.94	38.75	*	*	*	*
Skilled trade	38.74	38.73	38.64	38.69	38.59	38.52	38.74
Care work	38.73	38.82	38.48	38.60	38.52	38.63	38.81
Factory & production	38.65	38.68	38.46	38.40	38.29	38.23	37.92
Hairdressing	38.63	38.66	38.88	39.13	39.11	38.93	38.84
Miscellaneous	38.57	38.36	*	*	*	*	*
Leisure	38.47	38.36	38.21	38.69	38.85	38.85	38.83
Hotel & catering	38.33	38.41	38.15	37.80	37.94	37.61	37.32
Cleaning	38.27	38.43	*	*	*	*	*
Engineering	38.09	38.22	38.13	38.45	38.40	38.36	38.29
Shop work	38.00	38.05	38.04	38.06	37.85	38.20	38.06
Sales	37.86	37.82	38.21	38.26	38.81	38.56	38.54
Professional	*	*	37.52	*	*	*	*
Office	36.94	36.98	37.15	37.27	37.17	37.16	37.28
All	38.05	38.07	38.03	38.06	38.03	37.98	37.99
2000	38.52	38.44	38.29	38.07	38.05	37.98	37.97
1999	38.25	38.13	38.06	37.29	37.87	37.89	37.98

* Sample size of less than 25.

Although there has not been a dramatic change in average hours since 1999 it is worth noting that with the exception of jobs for 22 year olds, average hours have either fallen or stayed the same since the 2000 survey.

Average hours for younger ages tended to exceed hours for older age groups. Average hours for 17 year olds was highest at 38.07 compared with the lowest of 37.98 for 21 year olds.

Average hours also varied by status as the following table shows.

Table 2.20: Average full-time hours by age and status

	16	17	18	19	20	21	22
Apprentices	38.78	38.73	38.84	38.61	38.76	*	*
Modern Apps.	37.84	37.88	37.80	37.97	37.88	37.85	37.96
Trainees	38.58	38.54	38.46	38.31	38.18	38.10	38.05
Non-apprentice/trainee	37.68	37.74	37.79	37.90	37.94	37.90	37.91

* Sample size of less than 25.

At ages 16 to 18 the longest average hours were for skillseekers followed by apprentices, trainees and modern apprenticeships and the shortest hours were for non-apprentice/trainee jobs. This pattern was repeated at older age groups.

However, averages can conceal some very long hours of work.

- For 16 and 17 year olds there were four occupations (hotel and catering, hairdressing, office and skilled trade) where the longest hours jobs were for 48 hours or more.
- In all other age groups there were two or three occupations where the longest hours jobs were for 48 hours or more.

It has been noted in previous surveys that some employers were expecting young people just starting out in the labour market to work excessively long hours and often for very low rates of pay. Therefore analysis of average hourly rates of pay for jobs which were under 40 hours and for those which were 40 hours or more is undertaken and reported in Table 2.21.

Table 2.21: Average hourly pay rates by hours worked

	<40 hours		>40 hours		Diff.	01 diff	99 diff
	No.	£	No.	£			
16	1102	£2.93	616	£2.52	41p	56p	47p
17	1198	£3.02	660	£2.61	41p	62p	49p
18	953	£3.65	475	£3.48	17p	73p	39p
19	628	£3.84	327	£3.60	24p	86p	41p
20	534	£3.88	268	£3.67	21p	84p	41p
21	484	£3.88	235	£3.67	21p	87p	35p
22	400	£4.04	201	£3.91	13p	£1.18	38p

As the table shows, there is a difference between average hourly pay rates for jobs under 40 hours and for jobs of 40 hours or more, with the difference being greatest for 16 and 17 year olds. The differences may be accounted for by the fact that the jobs most likely to have working hours in excess of 40 hours a week were modern apprenticeships and apprenticeships. As previous analysis has shown these types of jobs offer on average lower hourly rates of pay because of their exemption from the minimum wage. The differences are significantly reduced from the 2000 survey and slightly reduced from the 1999 survey.

3 Jobs for Young People: Analysis of Jobcentre vacancies

To assess the impact of the minimum wage on young people's pay structures we explore whether employers advertise jobs at different rates depending on age. Employers could do this in two ways. They could either simply specify different rates of pay for different ages or they could specify an age at which the adult rate would become payable. This section of the report examines employers use of age-related rates in jobs which are open to all ages and describes the types of jobs and various rates of pay available where employers have made such distinctions.

This section of the report is based on an analysis of vacancies advertised in Jobcentres across the North West. Specifically, the data are drawn from a total of 17 Jobcentre surveys, seven of which were undertaken in October 2001 in Lancashire and Sefton and ten in April 2002 in Greater Manchester. For ease of reference these combined data will be referred to as the 2002 survey. It is notable that these are jobs that are on offer to all ages. In general these jobs do not provide formal training opportunities and therefore they are not exempt from the minimum wage. It is expected that these vacancies will offer higher rates of pay than the vacancies found at Careers Services.

To fulfil previous research commissions from the Low Pay Commission a similar survey was undertaken in the same 17 Jobcentres in October 1999 and April 2000 (referred to as the 2000 survey) and a survey of 18 Jobcentres (including the ten Greater Manchester Jobcentres in this survey) in April 1999. Where relevant comparisons are made with these surveys.

Key Findings

- Only 4.3% of all vacancies gave age-related rates in the 2002 survey compared with 5.7% in 2000.
- Age-related jobs were more likely to be found in part-time jobs. 7.4% of part-time jobs had age-related pay rates compared with 2.8% of full-time jobs.
- 15% of shop jobs gave age-related rates compared with only 1.3% of office jobs.
- Two thirds of the age-related rates were concentrated in shop work and hotel and catering. In the 2000 survey these two occupations accounted for 72.6% of all age-related vacancies.

- Age-related rates were more likely to be given for ages 18 and upwards.
- Around three in ten jobs gave age-related rates for 16 and 17 year olds, this is similar to 2000 and higher than 1999 when one fifth of the jobs gave different rates for 16 and 17 year olds.
- Overall, the 16 and 17 year old average hourly rate exceeded the youth minimum wage rates of £3.50 in 2002.
- For 16 year olds only 0.9% of jobs paid less than £2.50 an hour compared with 5.9% in 2000 and 20.8% in 1999.
- Less than a third of jobs for 16 year olds which gave age-related rates were quoting rates below £3.50, the 18-21 year old minimum wage.
- More than six in ten jobs for 16 and 17 year olds paid above the current youth minimum wage rate of £3.50.

3.1 Number and type of jobs with age-related rates

Previous surveys reported that, contrary to expectations, there were very few vacancies specifically showing different rates for different ages. This is again found in this survey. Table 3.1 shows the number and proportion of jobs in each Jobcentre that gave age-related rates with comparative figures for 2000 and 1999.

Table 3.1: Proportion of vacancies with age-related pay rates by Jobcentre

	2002		2000		1999	
	No.	%	No	%	No	%
Ashton	15	3.5	8	4.7	10	5.8
Bolton	24	3.4	24	4.3	31	7.0
Bootle	5	3.9	3	4.0	-	-
Burnley	6	1.7	15	6.4	-	-
Bury	22	5.7	26	8.7	41	10.4
Chorley	23	6.1	25	9.1	-	-
Crosby	5	3.3	4	2.4	-	-
Manchester	31	2.5	34	5.3	9	1.8
Oldham	8	1.8	3	0.9	3	1.4
Preston	42	5.0	64	12.4	-	-
Rochdale	17	3.6	11	3.9	10	3.8
Salford	18	3.7	13	4.3	7	2.5
Skelmersdale	11	4.1	3	1.8	-	-
Southport	62	11.1	43	9.6	-	-
Stockport	32	4.1	9	1.8	28	5.7
Trafford	33	5.0	28	8.4	23	6.8
Wigan	39	4.7	16	3.5	30	7.6
All	393	4.3	329	5.7	192	5.5

In the seventeen Jobcentres surveyed in 2002 there were 393 vacancies that gave age-related rates representing only 4.3% of all vacancies. The extent of the use of age-related rates varied across Jobcentres from only 1.7% in Burnley to 11.1% in Southport. Although the employer determines the pay rate for their vacancy, employers without a firm idea of the 'going rate' will seek advice and guidance from the Jobcentre. Jobcentres may use different practices when dealing with these situations. Eleven of the Jobcentres recorded a lower proportion of age-related vacancies in comparison with the 2000 survey. With the exception of Southport, the proportion of age-related vacancies in Jobcentres is small.

These findings indicate that:

- Many employers are not taking advantage of the lower youth minimum wage and paying different rates to different ages.

- In 2002 the practice of paying different rates depending on age is less likely to occur compared with 1999. This survey found that only 4.3% of vacancies recorded age-related rates compared with 5.7% in 2000 and 5.5% in 1999.

Of those vacancies that gave age-related rates, 169 were full-time and 224 were part-time, representing 2.8% of all full-time vacancies and 7.4% of all part-time vacancies. **It is clear that part-time jobs were more likely to differentiate pay rates by age than full-time jobs.** This may also be a result of the fact that age-related pay rates are concentrated in occupations which employ a large number of part-time workers.

Table 3.2 shows the breakdown of age-related pay vacancies by broad occupational categories showing full and part-time numbers, total numbers and the proportion of the vacancies in each occupation represented by age-related vacancies. Comparative data for 2000 are included and the table has been ranked by proportions of each occupation which had age-related vacancies.

The table shows only those jobs that had age-related rates and has been ranked by the proportions of each occupation which had age-related vacancies. There were no age-related vacancies in five occupations (engineering, leisure, nursing, professional and security).

Table 3.2: Vacancies with age-related pay rates by occupation

	Full-time	Part-time	All	%	2000 (%)
Shop	33	111	144	15.0	22.3
Hotel & catering	56	64	120	8.4	10.3
Factory & production	17	4	21	5.0	-
Hairdressing	6	2	8	3.7	1.8
Care work	15	14	29	3.4	5.1
Driving	0	1	1	2.6	0.3
Cleaning	10	12	22	2.5	2.4
Sales	4	12	16	2.1	1.0
Skilled trade	9	1	10	1.9	0.0
Motor trade	2	0	2	1.4	1.8
Office work	13	3	16	1.3	2.7
Sewing	1	0	1	1.1	5.0
Miscellaneous	2	0	2	1.0	3.1
Managerial	1	0	1	0.4	0.0

* 1999 data not available for this table

Shop work stands out as the occupation with the highest proportion of vacancies which gave age-related rates, although it is worth noting that the proportion has fallen significantly since the 2000 survey. The occupation with the second highest proportion is hotel and catering. In this occupation less than a tenth of the

vacancies gave age-related rates and again this has fallen since the 2000 survey.

All other occupations had 5% or fewer jobs giving age-related pay rates. In six of these occupations the proportion of vacancies giving age-related rates has increased since the 2000 survey.

Table 3.3 shows the proportion of all age-related vacancies attributable to each occupation with comparative figures shown for the 2000 and 1999 survey.

Table 3.3: Distribution of age-related vacancies by occupation (%)

	2002	2000	1999*
Shop work	36.6	38.9	27.7
Hotel & catering	30.5	33.7	39.1
Care work	7.4	8.5	6.2
Cleaning	5.6	4.3	2.6
Factory & production	5.3	-	-
Office work	4.1	5.5	2.9
Sales	4.1	1.2	1.8
Skilled trade	2.5	-	1.5
Hairdressing	2.0	0.6	1.8
Miscellaneous	0.5	2.1	4.4
Motor trade	0.5	0.6	0.7
Driving	0.3	0.3	1.1
Managerial	0.3	0.0	-
Sewing	0.3	1.8	3.3
Professional	0.0	0.0	1.5
Security	0.0	0.0	0.7
Engineering	0.0	0.0	-
All age-related vacancies	393	329	192

* this is based on the 18 jobcentres surveyed in April 1999

The vacancies that had age-related rates were concentrated in two occupations - shop work and hotel and catering. Two thirds (67.1%) of the age-related vacancies were in these two occupations. The proportion of age-related pay in these two occupations has fallen slightly since the last survey when these two occupations accounted for 72.6% of all age-related vacancies.

The proportion of age-related jobs which were shop jobs has risen significantly since 1999 when shop jobs made up just over a quarter of all age-related pay jobs whilst the proportion of age-related jobs in catering has remained around a third.

In analysing vacancies with age-related rates it is necessary to analyse by individual age separately, since some jobs may be for a limited age range and not all vacancies give pay rates for all ages. Table 3.4 shows the number and proportion of vacancies in each occupation that had pay rates for each age from 16 to 22.

This shows that age-related rates were more likely to be given for ages 18 and upward than they were for 16 and 17 year olds. The proportion of jobs which gave rates for 16 and 17 year olds was around the same in the 2000 survey but considerably higher than the April 1999 survey. Although this suggests a greater tendency on the part of employers to specifically include different rates for 16 and 17 year olds the fact that there has been little change between 2000 and 2002 shows that the initial trend has not continued.

Table 3.4: Number and proportion of jobs giving an age-related rate

		16		17		18		19		20		21		22	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Care work	29	7	24.1	7	24.1	26	89.7	26	89.7	26	89.7	29	100.0	29	100.0
Hotel & catering	120	29	24.2	30	25.0	117	97.5	117	97.5	118	98.3	120	100.0	120	100.0
Cleaning	22	1	4.5	1	4.5	20	90.9	21	95.5	21	100.0	22	100.0	22	100.0
Driving	1	0	0.0	0	0.0	1	100.0	1	100.0	1	100.0	1	100.0	1	100.0
Factory & production	21	5	23.8	6	28.6	19	90.5	19	90.5	20	95.2	21	100.0	21	100.0
Hairdressing	8	1	12.5	1	12.5	8	100.0	8	100.0	8	100.0	8	100.0	8	100.0
Managerial	1	1	100.0	1	100.0	1	100.0	1	100.0	1	100.0	1	100.0	1	100.0
Miscellaneous	2	0	0.0	0	0.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0
Motor trade	2	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0	2	100.0
Office work	16	5	31.3	5	31.3	16	100.0	15	93.8	15	93.8	15	93.8	15	93.8
Sales	16	5	31.3	5	31.3	15	93.8	15	93.8	15	93.8	16	100.0	16	100.0
Sewing	1	0	0.0	0	0.0	1	100.0	1	100.0	1	100.0	1	100.0	1	100.0
Shop	144	60	41.7	63	43.8	133	92.4	134	93.1	136	94.4	144	100.0	144	100.0
Skilled trade	10	1	10.0	2	20.0	10	100.0	10	100.0	10	100.0	10	100.0	10	100.0
All	393	117	29.8	123	31.3	371	94.4	372	94.7	376	95.7	392	99.7	392	99.7
2000	329	101	30.7	103	31.3	289	87.8	295	89.7	305	92.7	326	99.1	326	99.1
1999	274	53	19.3	58	21.2	246	89.8	245	89.4	248	90.5	268	97.8	267	97.4

3.2 Rates of pay

Hourly pay

The data were analysed to explore average hourly pay rates for those jobs which gave an age-related pay rate and this is shown in the table below. It is only possible to provide information for the overall age groups and for two occupations because of the small sample sizes.

Table 3.5: Average hourly pay rates by age and occupation

	16	17	18	19	20	21	22
Shop work	£3.44	£3.51	£4.01	£4.03	£4.05	£4.07	£4.23
Hotel & catering	£3.86	£3.86	£3.74	£3.75	£3.75	£3.77	£4.14
All	£3.58	£3.62	£3.83	£3.85	£3.86	£3.89	£4.19

Overall the 16 and 17 year old average hourly rate exceeded the youth minimum wage rate of £3.50. There were only four occupations (hairdressing, skilled trade, shop work and care work) which paid on average for 16 and 17 year olds less than £3.50.

These findings indicate that many employers are paying close to or even above the minimum wage rate for 18-21 year olds to 16 and 17 year olds.

The average hourly rate of pay for 18 through to 21 year olds exceeded £3.80 and the average for 22 year olds exceed £4.10.

It is interesting to examine how pay rates have changed since the first survey in 1999 and this is shown in the table below.

Table 3.6: Change in average hourly pay rates since 1999

	16	17	18	19	20	21	22
Shop work	+15.8	+17.0	+20.1	+17.5	+18.1	+15.3	+12.8
Hotel & catering	+22.9	+22.5	+17.6	+17.2	+17.2	+16.4	+14.4
All	+21.8	+20.7	+19.7	+18.8	+18.8	+17.9	+14.5

The first survey was undertaken in April 1999 when the minimum wage was set at £3.00 for 18-21 year olds and £3.60 for 22 year olds and above. Since then there have been two upratings to the youth minimum wage, to £3.20 in June 2000 and to £3.50 in October 2001 as well as two upratings in the adult minimum wage to £3.70 in October 2000 and to £4.10 in October 2001. Therefore the youth minimum wage has increased by 16.7% and the adult minimum wage by 13.9% since the first survey.

Overall, with the exception of 22 year olds, the increase in average hourly pay rates have exceeded the increases in the youth and adult minimum wage rate.

This shows that in spite of the exemption of 16 and 17 year olds from the minimum wage pay rates for these age groups are not falling further behind.

Distribution of hourly pay

As with the Careers Service vacancy data the distribution of jobs into different hourly pay bands were explored and the results are shown in Table 3.7. Data from the 2000 and 1999 survey are also provided.

The figures for jobs paying below certain low pay threshold have improved since the last survey.

- For 16 year olds, a fifth of jobs paid less than £2.50 an hour in 1999 and this fell to 5.9% in 2000 and by 2002 only 0.9% of jobs paid below this threshold.
- Only 4.1% of jobs for 17 year olds were paying less than £3 an hour compared with 21.4% in 2000 and 32.6% in 1999.
- For 18 year olds, eight in ten jobs paid less than £3 an hour in 1999, this fell to 45.3% in 2000 and in 2002 only 0.3% of jobs paid below this threshold. Jobs for 19 year olds displayed a pattern.
- For 20 and 21 year olds more than four in ten jobs paid more than £4 an hour in 2002 compared with only two in ten in 2000.

Table 3.7: Proportion of jobs below hourly pay thresholds

	16			17			18			19			20			21			22			
	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99	02	00	99	
<1.50	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<1.75	0.0	0.0	3.8	0.0	0.0	3.4	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<2.00	0.0	1.0	5.7	0.0	1.0	5.1	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<2.25	0.9	4.0	7.6	0.8	3.9	8.5	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<2.50	0.9	5.9	20.8	0.8	4.9	10.2	0.0	0.3	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<2.75	4.3	12.9	24.6	4.1	11.7	20.5	0.0	0.3	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<3.00	6.9	21.8	32.1	4.1	21.4	32.6	0.0	0.3	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<3.25	20.6	63.4	73.7	17.9	55.3	72.3	0.0	36.7	68.7	0.0	33.6	64.9	0.0	31.5	64.5	0.0	27.6	64.5	0.0	0.0	0.0	0.4
<3.50	32.6	8.5	90.7	26.0	81.6	89.5	0.3	45.3	82.1	0.3	41.7	76.7	0.3	39.3	75.4	0.3	33.7	75.4	0.0	0.0	0.0	0.4
<3.75	58.2	95.0	-	54.5	95.1	-	49.9	64.4	-	47.6	62.0	-	47.6	60.7	-	43.7	60.7	-	0.0	58.0	-	-
<4.00	77.0	99.0	100	76.5	99.0	98.1	61.7	83.0	96.4	59.1	82.7	96.3	58.0	80.7	95.9	52.3	79.1	95.9	0.0	78.5	95.2	95.2
<4.25	98.4	99.0	100	97.6	99.0	98.1	87.6	94.5	98.0	86.6	94.6	97.9	85.4	93.1	97.9	84.4	92.3	97.9	79.6	93.1	96.7	96.7
<4.50	98.4	99.0	100	98.4	99.0	98.1	94.9	99.0	99.2	94.6	99.0	99.1	93.9	98.0	99.1	92.9	96.9	99.1	91.1	98.0	98.2	98.2
>4.50	1.6	1.0	100	1.6	1.0	1.7	5.1	1.0	0.8	5.4	1.0	0.8	6.1	2.0	0.8	7.1	3.1	0.8	8.9	2.0	1.9	1.9

Table 3.8 explores in more detail the impact of the minimum wage by exploring the proportion of jobs paying exactly the youth and adult minimum wage at the time of the survey and the proportions paying above the youth and adult minimum wage. Where available comparative figures are provided.

Table 3.8: Minimum wage thresholds

	2002				2000				1999			
	£3.50	£4.10	3.50+	4.10+	£3.00	£3.60	£3.00+	£3.60+	£3.00	£3.60	£3.00+	£3.60+
16	5.1	1.7	62.4	5.1	10.9	4.0	67.3	9.9	20.8	-	47.3	3.8
17	7.3	2.4	66.7	5.7	8.7	3.9	69.9	12.6	19.0	-	48.2	5.1
18	40.7	9.4	59.0	21.3	26.6	12.1	73.0	40.1	55.3	3.3	43.1	11.3
19	40.1	11.0	59.7	22.8	25.1	12.5	98.2	43.4	55.1	4.5	44.8	15.4
20	40.2	10.9	59.6	24.7	24.3	13.8	75.7	44.6	54.8	4.8	45.1	16.5
21	38.0	14.8	61.7	27.3	22.1	17.8	77.9	46.6	48.5	10.4	51.4	17.5
22	0.0	66.1	100	33.9	0.0	48.8	100	51.2	-	78.3	100	99.6

Less than a third of jobs for 16 year olds and just over a quarter of jobs for 17 year olds which gave age-related rates were quoting rates below £3.50, the 18-21 year old minimum wage.

More than six in ten jobs for 16 and 17 year olds paid above current youth minimum wage rate of £3.50. This shows that many employers are willing to pay at least the minimum wage rate to those exempt from the minimum wage.

Significant improvements were recorded between the 1999 and 2000 survey and between these two survey dates there had been no upratings to the minimum wage. The increase in the youth and adult minimum wage between the 2000 and 2002 survey has led to fewer jobs paying above those thresholds. For example in 2000 almost three quarters of the jobs for 18 year olds paid above the youth minimum wage and a quarter paid exactly the youth minimum wage. In 2002, only six in ten jobs for 18 year olds paid above the youth minimum wage and four in ten paid exactly the youth minimum wage. In 2002 only a fifth of jobs for 18 year olds paid above the adult minimum wage whereas four in ten paid above the adult minimum wage in 2000.

From this evidence, it appears that the significant increases in the youth and adult minimum wage since the last survey means employers are less likely to pay above the minimum wage rates.

Weekly pay

The amount which a job pays per week is of as much importance to a person looking for work as the hourly rate. Average weekly income for all, full and part-time jobs is shown in the table below for each age group.

Table 3.9: Average weekly pay for all, full and part-time jobs

	All	Full-time	Part-time
16	£77.35	£135.35	£55.04
17	£77.53	£135.89	£55.54
18	£88.22	£139.22	£62.60
19	£88.46	£139.67	£63.11
20	£88.59	£140.37	£63.08
21	£89.20	£141.88	£63.23
22	£96.80	£156.78	£67.37

As would be expected average weekly income progresses with age, although average weekly income for 16 and 17 year olds is similar. The 1999 survey recorded average weekly income for full-time jobs and there have been significant improvements upon those figures, particularly for younger ages. Average weekly income for 16 year olds has increased by 58.2% since 1992 whereas the increase in average weekly income for 21 year olds was only 7.8%.

The overall figures mask some differences between occupations.

- Full-time hairdressing jobs only paid £80 a week on average to 16 and 17 year olds. The next lowest occupation was shop work which paid £121.66 a week on average to 16 and 17 year olds.
- Managerial jobs paid the highest average weekly income across all age groups.

3.3 Hours of work

There was some variation in the hours of work required for each age group and these are recorded in Table 3.10.

Table 3.10: Average hours of work of all, full-time and part-time jobs

	All	Full-time	Part-time
16	21.50	37.70	15.36
17	21.49	37.75	15.36
18	23.21	37.56	16.00
19	23.19	37.59	16.06
20	23.15	37.61	16.03
21	23.07	37.46	15.98
22	23.07	37.46	15.98

Full-time hours of work ranged from 37.46 for 21 and 22 year olds to 37.75 for 17 year olds. Hours of work in full-time jobs were slightly longer for 16 and 17 year olds than any other age group. However, these age groups has shorter part-time hours of work than any other age group.

These figures conceals differences between occupations.

- For 16 and 17 year olds, four occupations (care, hairdressing, managerial and motor trade) required on average a full-time working week of 40 hours whereas shop work only required a working week of 35 hours for these age group.
- For 18-22 year olds only two occupations (motor trade and managerial) had an average working week in excess of 40 hours.

4 Impact of the minimum wage: Experience of Careers Services

Section two of the report focussed on examining in detail the youth labour market by analysing vacancy data from Careers Services across the UK. The research also sought the views and experiences of Careers Officers in relation to the operation and implementation of the minimum wage.

Careers Officers across the UK were asked to complete a short questionnaire as well as supply information on their vacancies. Some Careers Officers returned data for the vacancy survey but did not complete the questionnaire whilst others completed the questionnaire but did not supply vacancy data. A total of 61 questionnaires were returned. The questionnaire (see Appendix 4) asked for their views on a number of issues such as the impact of the minimum wage on the number of jobs available, employers awareness of the minimum wage, the change in employers practices following the minimum wage and the impact of the minimum wage on particular groups or occupations. These four issues are explored in detail in this section.

Whilst this information may not be representative of the experiences of all Careers Officers it is useful in giving an indication of the extent of the impact of the minimum wage. This section also raises and highlights issues which have arisen as a result of the minimum wage. The survey of vacancy data has focussed only on vacancies with employed status. However, when Careers Officers expressed their views through the questionnaire they have often referred to training opportunities. Training opportunities with non-employed status were not included in the vacancy survey, however, it is interesting to include the Careers Officers comments and views on these issues as they relate to the minimum wage.

A similar questionnaire was used in the 2000 survey when 24 questionnaires were completed by Careers Officers and where relevant the results of that survey are referred to.

Key Findings

- There is no conclusive evidence that the minimum wage and its subsequent uprating had either a positive or negative effect on the number of jobs available. Careers Officers reported that changes in the number of vacancies were more likely to be a result of the state of the economy.
- In the experience of Careers Officers employers pay the adult minimum wage to younger age groups. The significant increase in the minimum wage to £4.10 did not lead employers to take advantage of the lower rates for younger ages.

- In the experience of Careers Officers employers are more aware of the different minimum wage rates for different ages than of the minimum wage exemptions in relation to training.
- Some Careers Officers reported that they had problems in interpreting the apprenticeship exemptions.
- Although some Careers Officers reported an increase in the number of employers restricting vacancies to 16 and 17 year olds to avoid paying the minimum wage, this practice was not widespread. Analysis of the Careers Service vacancy data also indicated that jobs were not restricted to 16 and 17 year olds.
- In the experience of Careers Officers there was little evidence of employers dismissing young people once they reach age 18 or 22 to avoid paying the minimum wage.
- In the experience of Careers Officers the occupations most likely to be affected by the minimum wage were hairdressing, hotel and catering and care work.
- Almost a quarter of Careers Officers thought that small businesses were particularly affected by the minimum wage.
- Careers Officers reported their concerns about the low-paid nature of many of the training opportunities available to young people. In their experience these opportunities were not attractive to young people.

4.1 Impact of the minimum wage on the number of vacancies

Careers Officers were asked about the changes, if any, in the number of employed vacancies since April 1999 and since October 2001. April 1999 marks the introduction of the minimum wage whilst October 2001 marks the latest increase in the minimum wage. Table 4.1 records the responses.

Table 4.1: Proportion of Careers Officers reporting change in number of employed vacancies

	April 1999	October 2001
Unchanged	63.9	65.6
Decreased	18.0	14.8
Increased	16.4	6.6
Don't know	1.6	13.1

Most Careers Officers said the number of vacancies had generally remained unchanged since both April 1999 (63.9%) and October 2001 (65.6%). Around the same number of Careers Officers said the vacancies had either increased (10) or decreased (11) since April 1999. A similar question was asked in the 2000 survey and at that point only two offices reported an increase in the number of employed vacancies since April 1999.

Where there had been an increase or decrease, Careers Officers were asked to give their views on the reasons for the change. Of those who said there had been an increase in the number of employed vacancies since April 1999 it is notable that most did not relate this to the minimum wage. For example, four Careers Officers stated that the increase in the number of employed vacancies was due to the economic situation such as a boom in the local labour market and a further two said the increase was related to improved marketing of the services offered by the Careers Officers. However, the three Careers Officers who reported an increase related this to the fact that there is now more of a demand for employed vacancies rather than training vacancies as the following comments show.

"young people do not want to take placements which are trainee (unemployed) status"

"employees seem to be less keen to become involved in skillseekers (youth training)"

"employers are taking on young people with employed status rather than trainee status"

Of the ten officers who reported a decrease in the number of vacancies since April 1999 only seven provided a reason and four related it to worsening economic conditions whilst one related it to a change in the way of working within the organisation. The two other reasons provided again raised the issue of employment versus training.

"availability of short-term but more highly paid work through employment agencies"

"employers prefer to use subsidised training schemes for 16 and 17 year olds. Most opportunities are now work placements leading to employment."

In October 2001, the minimum wage increased by 10.8% for 22 year olds and above and by 9.4% for 18-21 year olds. Prior to this the minimum wage had increased only by a small amount since its introduction. It is therefore important to explore how employers dealt with this significant jump in the minimum wage. Careers Officers were asked not only whether the number of employed vacancies had changed since October 2001 but also whether any employers had raised or lowered the age at which the adult rate was payable.

As Table 4.1 shows only four officers reported an increase in the number of vacancies since October 2001 and all of the increases were related to a buoyant economy. Of the nine officers who had recorded a decrease in the number of vacancies since October 2001, only one related this to the impact of the minimum wage with the comment *"decreased for 18-21 year olds because employers want 16-17 year olds instead"*. The remaining officers gave a variety of reasons why there had been a decrease including worsening economic conditions.

There is no conclusive evidence that the minimum wage and its subsequent uprating have had either a positive or negative effect on the number of jobs available. Any changes in the number of jobs were more likely to be a result of factors such as the state of the economy.

When asked about the age at which the adult rate is paid most Careers Officers (63.9%) said there had been no change. What is of most interest is that whilst only a small number (eight) said that employers had actually lowered the age at which they would pay the adult rate, none said that they had increased the age. It was a possibility that the significant increase in the minimum wage in October 2001 would have made it less likely for employers to pay the adult minimum wage to anyone under 22. This does not appear to be the case.

The following comments shed light on why employers may have lowered the age at which the adult rate is paid.

"difficulties in recruiting young people in this areas as we have a very high proportion staying on in education at 16 (82%)"

"a few employers who would take anyone from 16 upwards have said it is easier to pay everyone the same"

This shows that some employers are paying the adult minimum wage to younger age groups. This research finds little evidence to indicate that the increase in the adult minimum wage to £4.10 has led employers to take advantage of the lower minimum wage rates for younger ages.

4.2 Employers' awareness of minimum wage restrictions and exemptions

The 2000 survey noted that whilst employers were generally aware of the different minimum wage rates for different age groups, they were unaware of the exemptions in relation to training status. Given that, at the time of the 2002 survey, the minimum wage had been in operation for almost three years, it was expected that there would be improvements in awareness amongst employers. The same questions were repeated in this survey. Careers Officers were asked if, in their view, employers were now generally aware of a number of specific minimum wage exemptions or rates. Table 4.2 shows the responses.

Table 4.2: Employers' awareness of minimum wage (% of Careers Officers)

	Yes	No	Don't know
Exemption of 16 and 17 year olds	62.3	37.7	0
Lower rate for 18 - 21 year olds	65.6	26.2	8.2
Exemption of 18 year old apprentices	21.3	63.9	14.8
Exemption of first year apprentices under 26	9.8	65.6	24.6
Training development rate	4.9	60.7	34.4

This shows that in the experience of Careers Officers employers are more likely to know about the different minimum wage rates dependent on age but are less likely to be aware of the minimum wage exemptions in relation to training. Almost four out of ten Careers Officers thought that employers were not aware of the exemption of 16 and 17 year olds from the minimum wage. Three Careers Officers commented:

"lots of people and their parents think the 18-21 rate applies to 16 and 17 year olds and some employers think the same".

"many are not aware that there is not a minimum wage for 16 and 17"

"some employers now pay minimum wage to this group although some may be out of ignorance that 16/17 year olds are exempt"

When the same question was asked in the 2000 survey, 70.8% of Careers Officers reported that employers were aware of this aspect of the legislation. However, in comparison with the 2000 survey there has been a significant increase in the proportion of Careers Officers who reported that employers were aware of the lower rate for 18-21 year olds from 50% to 65.6%. The lack of awareness of the exemptions in relation to apprentices was also recorded in the 2000 survey and this is reinforced by some of the comments Careers Officers made in the questionnaires.

"in general the vacancies notified by training providers know the rules on the minimum wage. Employers know about the general adult rate but are not always aware of the different rates for 18-22 year olds and for apprentices"

It is not a great surprise that employers were not likely to be aware of the training development rate as our research in Jobcentres has also shown that there is very little use made of this rate.

Most Careers Officers (47) reported that they had no problems with interpreting and applying the minimum wage. However, ten Careers Officers reported that they themselves had experienced problems with interpreting the minimum wage. It is notable that of the ten who did report problems, all identified the apprenticeship exemptions as the problem as the following comments show.

"problems interpreting the rules and regulations for apprenticeships and explaining the differences between 18-21 and 22+ bands"

"some difficulties over identifying exempt 18+ young people"

"can be confusion over apprenticeship exemptions"

"some uncertainty as to how much 18 year olds on training schemes such as modern apprenticeships should be paid"

4.3 Employers' use of restrictions and exemptions

Three questions sought to explore whether there were any significant changes in employers' recruitment practices following the implementation of the minimum wage. Careers Officers were asked whether following the introduction of the minimum wage there had been: an increase in the number of employers restricting vacancies to 16 and 17 year olds; an increase in the number of employers restricting vacancies to those under age 22; increases in the use of apprenticeships/modern apprenticeships. Table 4.3 records the responses.

Table 4.3: Use of restrictions and exemptions

	Increase	Decrease	No change	Don't know
Restriction to 16/17 year olds	29.5	14.8	49.2	6.6
Restriction to under 22s	4.9	11.5	49.2	34.4
Use of apps/modern apprenticeships	39.3	21.3	32.8	6.6

Almost half (49.2%) of the Careers Officers reported that there had been no change in the number of vacancies available only to 16 and 17 year olds. Almost three in ten (29.5%) reported that they thought there had been an increase in the number of employers restricting vacancies to 16 and 17 year olds. It is notable that the proportion of Careers Officers reporting an increased use of this practice has fallen from 45.8% in 2000 to 29.5% in 2002. The following comments highlight how this happens:

"employers placing vacancies may state age range as 16-19 and wages as £70 per week. When told that wages would have to be higher if they were to employ 18 or 19 year olds. They then choose to restrict the ages to 16-17 rather than raise the wages"

"if employers become aware that they can pay less at 16 or 17, they will ask for a 16 or 17 year old where they may previously have asked for 16-18 year olds."

"many employers used to say 16-18 and now say 16-17 which I think is a result of the minimum wage and trying to avoid it"

"some employers on being reminded about the minimum wage at age 18, decide to restrict vacancies to 16 and 17 year olds"

"where we explain the minimum wage to employers, they may reduce the age bracket, e.g. 16-17 rather 16-19 or 16-20"

Even where an employer does not restrict the vacancy to 16 and 17 year olds they do have the option of paying different rates to 16 and 17 year olds as the following comment highlights.

"employers who advertise for 16-18/19/20/21 year olds will often state a lower wage/salary for under 18s, with the pay falling into line with the National Minimum Wage rate at 18+."

Although it is clearly the experience of some Careers Officers that employers are prepared to restrict vacancies to 16 and 17 year olds, the analysis in section two of this report found that most vacancies are still aimed at 16 to 18 year olds.

This indicates that restricting vacancies to only 16 and 17 year olds is not a widespread practice adopted by employers. However, the fact that Careers Officers do continue to report cases of this practice is worth noting. The exemption of 16 and 17 year olds gives employers the opportunity to continue to adopt this practice. Only three Careers Officers reported that there had been a restriction in the number of vacancies to under 22 year olds. However many Careers Officers could not respond to this question because their main client group is young people aged 16-18.

It is interesting to note that 24 Careers Officers (39.3%) reported that there had been an increased use of apprenticeships and modern apprenticeships since the introduction of the minimum wage. However, a number of Careers Officers reported that this was a consequence of the increased marketing of the modern apprenticeship programme and that they actively encouraged employers to take on modern apprenticeships as the following comment shows.

"increase in modern apprenticeships are more likely to be due to better marketing of the programme than links with the national minimum wage"

Careers Officers were also asked whether there had been any instances of which they knew where young people had been dismissed at age 18 or age 22 because they would become eligible for either the youth or adult minimum wage. Nine in ten Careers Officers replied no to this question with only six (9.8%) Careers Officers reporting that they were aware of cases where young people had been dismissed at age 18 or 22. This is a reduction from the 2000 survey when eight (33.3%) Careers Officers reported that they were aware of this practice. Moreover, of the six Careers Officers who said they were aware of this practice, all reported that they were only isolated cases as the following comment highlights:

"very rare but a few instances, again don't want to pay £3.50 as can be a very big jump from their 16-17 rate"

4.4 Impact on particular groups and occupations

In the 2000 survey Careers Officers reported that hairdressing and small businesses were particularly affected by the minimum wage. In this survey, Careers Officers were again asked whether the minimum wage particularly affected any group or occupations. Many Careers Officers made no response to this question and of those who did the following responses were made:

- Nine Careers Officers said the minimum wage had impacted on specific occupations.
- Six Careers Officers said the minimum wage had impacted on specific industries.

- 15 Careers Officers said the minimum wage had impacted on small businesses.
- Only two Careers Officers said the minimum wage had impacted on women.
- No Careers Officers reported any impact on the disabled or on ethnic minorities.

The occupations and industries specified by Careers Officers as being affected by the minimum wage were hairdressing, catering and care work as the following comments highlight:

"we have noticed an increase in vacancies for traditionally poorly paid occupations - hairdressing, catering, suggesting that businesses are targeting younger entrants"

"hairdressing - generally speaking they are not happy at paying the higher wage once the trainee is out of their first 12 months of training"

"wage bill for hotel and catering has risen dramatically"

Almost a quarter of Careers Officers identified small businesses as the most likely to have problems with the minimum wage as the following comments show:

"small businesses have generally lower pay rates and they have smaller 'comfort' margins"

"small businesses - they tend to be less able to afford to pay the minimum wage"

"small businesses find it difficult to support employees minimum wage pay - especially if they cannot afford to pay this amount"

The questionnaire also gave Careers Officers the opportunity to report on any other issues which they felt were significant in relation to the minimum wage and young people. Whilst the main focus of the research has been an analysis of vacancies with employed status, some Careers Officers chose to raise the issue of training opportunities which have a non-employed status. The analysis in section two of the report did not contain an analysis of these vacancies, however, it is worth outlining all of the issues that were raised by Careers Officers. As the following comments show there is real concern that the low paid nature of many training opportunities are not attractive to young people and young people would rather take up employment opportunities even if they did not offer training.

"we sometimes get young people who are 18 and on AMA (advanced modern apprenticeships) indignant that they are not being paid"

minimum wage. We have to explain the regulations to them and they are usually disgruntled at the unfairness of it"

"I believe the minimum wage should be applied to young people aged 16 and 17 and extended to training places. Many of our young people on our unemployment register can not afford to take up jobs with training because of the low pay e.g. £55 per week. The training rate of £40 per week is £1 per hour. How can we justify that this is not slave labour to many young people and families who already have this conception of training?"

"we do feel that the low wages paid to skillseekers and modern apprenticeships has made it difficult to fill vacancies, the wages for these types of training need to be looked at"

"National Minimum Wage not being applied to these young people on apprenticeships at 18+ could discourage young people from applying, e.g. £70/week for someone of 21 is not very attractive"

The experience of Careers Officers is that the wage level is of great importance to young people when choosing between options. One Careers Officer commented *"consultation with young people reveals that money is a significant factor in the decision making process and lack of money is often one of the reasons that young people give for leaving college or training before completing."* This issue has been identified in previous surveys and the success of the modern apprenticeship programme in particular may be dependent on the wage rates that are attached to them.

It is notable that two Careers Officers reported cases where employers paid at least the minimum wage to all ages.

"the minimum wage being a national rather than a regional/local rate has not really impacted on this part of London where wages tend to be above the minimum wage even for 16 and 17 year olds"

"when the minimum wage increased we contacted employers who had vacancies advertised where the pay was less than the new minimum and all raised it without difficulty" (this was a London office)

Both of the cases were reported by London Careers Officers and it would be interesting to explore in future research whether this experience is confined to London because of the higher wages in general in this region.

5 Conclusions

This report highlights the rates of pay and training associated with the jobs on offer to young people across the UK. The report presents a complex picture of the youth labour market. Whilst employers do not appear to be limiting jobs to 16 and 17 year olds to avoid paying either the youth or adult minimum wage employers are making use of the exemptions from the minimum wage related to modern apprenticeships and apprenticeships to offer extremely low level starting rates of pay.

To avoid paying the minimum wage rates employers could restrict jobs only to 16 and 17 year olds. In general, there is little evidence that this practice has been widely adopted. However, exemptions from the minimum wage are not only related to age but also to training status. This report found that it is the training status of jobs which has a significant impact on their wage level.

Although on average the hourly rate payable to 16 and 17 year olds was around 80% of the £3.50 youth minimum wage rates, average hourly pay rates for jobs exempt from the minimum wage, such as modern apprenticeships and apprentices were, significantly lower. Modern apprenticeships for 16 year olds paid on average £2.27 an hour whereas jobs recorded as non-apprentice/trainee jobs paid on average £3.31 an hour to 16 year olds. Not only were minimum wage exempt vacancies paying low hourly rates for 16 and 17 year olds, they were also paying low hourly rates for older ages.

The report also reveals that there is a growing gap in terms of the hourly rates of pay between exempt and non-exempt jobs. In 1999 modern apprenticeships for 16 year olds paid on average 84.4% of the hourly rate for non-apprentice/trainee jobs for 16 year olds whereas by 2002 modern apprenticeships for 16 year olds paid only 68.6% of the hourly rate of non-apprentice/trainee vacancies. As a result, low-paid exempt jobs are falling further behind non-exempt jobs.

It is not the level of training associated with modern apprenticeships that either justifies or explains their low rates of pay. The report shows that even when jobs are offering the same level of training those jobs identified as apprentices and modern apprenticeships pay less than those jobs identified as non-apprentice/trainee jobs. In other words employers appear to be offering higher rates of pay to jobs with the same level of training but different training status. Therefore some employers are using the exemptions available in relation to modern apprenticeships to offer very low rates of pay. This may lead to these opportunities been less valued by young people.

The analysis of jobs available through Jobcentres shows that many employers are paying at least the minimum wage rates either for 18 to 21 year olds or even for 22 year olds to 16 and 17 year olds.

Therefore, it appears that the current operation of the minimum wage exemptions in relation to modern apprenticeships and apprentices is creating a situation where some employers, particularly in notoriously low-paying sectors such as hairdressing, are offering extremely low rates of pay. Moreover, there are other jobs available to young people which offer not only the same level of training as modern apprenticeships but also higher rates of pay.

Appendix 1: Methodology - Careers Service Vacancy Survey

This research draws on data from three sources: a survey of Careers Service vacancies, a questionnaire completed by Careers Services (see Appendix 4) and a survey of age-related pay rates in selected Jobcentres. The focus of the research is on the findings from a survey of Careers Service vacancies. The method of collecting and processing this data is described below.

All Careers Services across the UK were contacted in January 2002 and were asked to record basic data for all employment vacancies (including self-employed and training vacancies) over a two-week period in January or February 2002. Once a two week period was selected Careers Services were asked to record data on all vacancies unfilled on the first Monday, plus all new vacancies during the subsequent two weeks. Specifically the following data were asked for:

- Job title
- Pay rate
- Hours of work
- Age requirement/restriction
- Training provided.

Careers Services were also asked to note if the vacancy was temporary, casual or permanent and if the vacancy was self-employed or employed.

A total of 63 Careers Services participated in the survey. Appendix Table 1.1 lists the Careers Services and groups them by region. There are two points to note about the table.

- Careers Services are identified by a geographical area, rather than by their proper title as this is more useful to the reader.
- In some areas one response from an area Careers Service represented the response from a number of offices whereas in other areas small offices would make their own individual response. This is related to the way in which the Careers Service is organised within each area.

The number of vacancies for each region by full and part-time and the proportion the region represents of all vacancies in the survey are shown in Appendix Table 1.2.

Appendix Table 1.1: List of participating Careers Services

North East	West Midlands	South West
County Durham	Black Country	Devon
Northumberland	Hereford	Torbay
Tyneside	Kidderminster	Wiltshire
	Shropshire, Telford & Wrekin	
Yorkshire & Humber	Stafford	Scotland
Bradford		Argyll & Bute
Calderdale	Eastern	Ayrshire
Castleford	Cambridgeshire	Central
Humberside	Folkestone	Edinburgh
Leeds	Norfolk	Fife
Sheffield	Norwich	Glasgow
York	Suffolk	Grampian
Yorkshire		Highlands
	London	Lanarkshire
North West	North London	Renfrewshire
Chester and Warrington	Southbank	
East Lancashire.		Wales
Manchester, Salford, Tameside and Trafford	South East	Cardiff
West Lancashire	Ashford	Carmarthen
Merseyside	Berkshire	Ceredigion
	Canterbury	Gwent
East Midlands	Eastbourne	Neath
Derbyshire	Hampshire	Pembroke
Lincolnshire and Rutland	Harrow	
Northamptonshire	Kent	
Nottingham	Mid Sussex	
Nottinghamshire	Oxford	
	Slough	
	Sussex	

Appendix Table 1.2: Vacancies by region

	Full-time	Part-time	All	% of all
Yorkshire & the Humber	604	38	642	20.5
North West	574	15	589	18.8
East Midlands	429	15	444	14.2
South East	322	15	337	10.8
Eastern	268	19	287	9.2
North East	232	17	249	8.0
West Midlands	221	18	239	7.6
Scotland	170	11	181	5.8
South West	77	7	84	2.7
London	43	6	49	1.6
Wales	30	1	31	1.0
All	2970	162	3132	100.0

Not all Careers Services provided information on all the variables of interest or in the exact way that was requested. It is therefore necessary to note the assumptions that are made when the data is collected and processed.

Occupational categories

This year, to fit more with the government categorisations and enable comparisons with national data, there were two changes to the way that job titles were categorised into occupations:

1. **Leisure** has been introduced as a separate category. This includes jobs such as sport instructors which would have previously been categorised as miscellaneous.
2. Production category has been renamed **factory and production**. This includes jobs previously defined as production such as assembly operatives and jobs previously defined as warehouse such as packers. Warehouse no longer exists as a separate category.

Whilst most of the occupational categories are self-explanatory, the following list gives an idea of the types of jobs included in each category.

- Care work jobs include not only care assistants but also a range of other care jobs such as home helps, play school workers and nannies.
- Cleaning jobs include cleaners, laundry workers and car valets.
- Sewing jobs include machinists and textile workers.
- Driving jobs cover a range of drivers including HGV drivers, taxi drivers, school bus drivers and delivery drivers.
- Engineering jobs include mechanical engineers, electronic engineers and service engineers.
- Factory and production jobs include assembly operatives and packers.
- Hairdressing jobs cover a range of jobs based in hairdressing salon including hairdressers, beauty therapists and nail technicians.

- Hotel and catering jobs cover a wide range of jobs including chefs, bar staff, waitresses, hotel porters and hotel receptionists.
- Leisure jobs include aerobics instructors and sports attendants.
- Managerial jobs cover all management jobs from factory managers to shop managers.
- Nursing jobs include both RGN and SEN nurses.
- Office work jobs cover call centre workers, typists, secretaries and clerical assistants.
- Professional jobs include teachers, lecturers, social workers and community workers.
- Sales jobs include sales representatives, canvassers, telesales and jobs such as distribution of catalogues.
- Security jobs include security guards, night porters and door staff.
- Shop work jobs include sales assistants, garage attendants and cashiers.
- Skilled trade jobs cover a range of traditional skill areas such as builders, joiners, electricians.

Hourly and weekly pay

An hourly and weekly rate of pay was recorded for each age group from 16 to 22 inclusive. In some cases there was a flat rate for all ages, whilst in others different rates were provided for different ages. In cases where the weekly rate was £70-£80, it was assumed that 16 and 17 year olds would start on £70 and 18 year olds and above would start on £80.

Many vacancies clearly state the hourly rate of pay and where an hourly or weekly pay rate is not given it is worked out wherever possible using weekly or annual rates and the number of hours to be worked. In order to work out hourly and weekly rates where the hours of work were not available hours were assumed to be 35. This assumption was also made in the 2001 survey.

In some cases, it was not possible, even with the assumption of a 35 hour week, to estimate hourly or weekly pay and in this case the hourly or weekly rate is marked as “unclear”.

Hours of work

Where hours were not stated but a start and finish time are given, a weekly hours figure is calculated using these times and assuming an hour’s break each day/night, unless it is a part-time job for only the morning, afternoon or evening or which covered a small number of hours over lunch time itself.

Many workers will not receive any break at all (security guards, nannies and care workers often do not receive a break), whilst others will receive less than an hour. This assumption will mean that the number of hours worked per week is likely to be under-estimated, and thus some of the hourly rates of pay may be over-estimated.

Each job is categorised as either full (30 hours or over) or part-time (under 30 hours). Where it is not clear whether the job is full-time or part-time it is counted as full-time. Similarly, where a job is advertised as either full-time or part-time it is counted as full-time.

Training categories

Each vacancy was recorded in one of five training categories - apprenticeship, modern apprenticeship, skillseeker (Scottish equivalent of modern apprenticeship), trainee, non-apprentice/trainee. In most cases the recording of each vacancy was simple as the training status was contained in the title or description of the job.

- Modern apprenticeships are now known as either foundation modern apprenticeships (replacement for National Traineeships) or advanced modern apprenticeships. For the purposes of the survey all were categorised as modern apprenticeships.
- There were one or two cases of youth training vacancies and these were categorised as modern apprenticeships.
- Trainee category was used for those vacancies which contained trainee within title but which were not associated with a recognised training status such as modern apprenticeships or apprenticeships.
- Non-apprentice/trainee category was used for those vacancies which contained no reference to training within the title.

Each vacancy was also recorded in one of six training level categories. There were three categories of formal training - NVQ two, NVQ three and other (BTEC, HND, City and Guilds). There were two categories of non-formal training - in-house and on-the-job. The latter two categories are categories adopted by the Careers Services. In-house training indicates that some form of training programme has been set up and followed by the employer whereas on-the-job training is more ad hoc. The final category was 'no training'. This was used when a vacancy explicitly stated that there was no training attached to the vacancy.

- Skillseeker vacancies are required to offer training to Scottish Vocational Qualification level two and three. To make comparisons possible vacancies which had SVQ two training were categorised as NVQ two whilst those that had SVQ three were categorised as NVQ three.
- Each vacancy was recorded in only one of these categories. For example, if a vacancy noted that it was in-house training leading to NVQ level two, it would be classified as NVQ level two.
- If a foundation or advanced modern apprenticeships did not specify the level of NVQ training it was assumed that foundation modern apprenticeships provided training to NVQ level two and advanced modern apprenticeships provided training to NVQ level three.

Appendix 2: Careers Service Vacancy Survey: Sample Sizes and Availability of Pay Data

The following table uses the information on age restrictions to show the number of jobs available in each occupation to each age group and provides a useful idea of sample sizes for each occupation and each age group.

Appendix Table 2.1: Number of jobs available by age and occupation

	All	16	17	18	19	20	21	22
Office work	780	681	735	609	394	328	300	262
Skilled trade	459	427	441	332	192	162	144	113
Hotel & catering	354	297	313	334	279	253	238	218
Hairdressing	264	260	259	157	96	80	72	68
Shop work	233	211	224	166	113	95	89	84
Factory & production	187	161	168	125	90	80	72	61
Care work	165	124	142	127	98	87	83	80
Engineering	146	124	137	130	78	72	63	49
Motor trade	117	115	116	94	32	23	22	22
Sales	98	74	85	80	66	58	54	50
Leisure	75	63	68	58	46	41	41	33
Cleaning	51	45	49	35	24	23	22	21
Miscellaneous	49	41	47	26	23	21	20	18
Professional	45	22	29	43	36	32	32	30
Managerial	43	7	24	40	38	33	31	18
Information Technology	38	28	31	35	25	22	18	14
Sewing	26	24	24	20	10	9	9	8
Driving	2	0	0	2	2	2	2	2
All	3132	2704	2892	2413	1642	1421	1312	1151
2000	3170	2852	2768	2072	1197	1034	956	748
1999	1947	1730	1777	1423	793	682	631	556

Appendix Table 2.2 uses the information in Appendix Table 2.1 to show for each occupation the proportion of the total number of jobs in that occupation which is available for each age group.

Appendix Table 2.2: Proportion of jobs in each occupation by age group

	All	16	17	18	19	20	21	22
Office work	780	87.3	94.2	78.1	50.5	42.1	38.5	33.6
Skilled trade	459	93.0	96.1	72.3	41.8	35.3	31.4	24.6
Hotel & catering	354	83.9	88.4	94.4	78.8	71.5	67.2	61.6
Hairdressing	264	98.5	98.1	59.5	36.4	30.3	27.3	25.8
Shop work	233	90.6	96.1	71.2	48.5	40.8	38.2	36.1
Factory & production	187	86.1	89.8	66.8	48.1	42.8	38.5	32.6
Care work	165	75.2	86.1	77.0	59.4	52.7	50.3	48.5
Engineering	146	84.9	93.8	89.0	53.4	49.3	43.2	33.6
Motor trade	117	98.3	99.1	80.3	27.4	19.7	18.8	18.8
Sales	98	75.5	86.7	81.6	67.3	59.2	55.1	51.0
Leisure	75	84.0	90.7	77.3	61.3	54.7	54.7	44.0
Cleaning	51	88.2	96.1	68.6	47.1	45.1	43.1	41.2
Miscellaneous	49	83.7	95.9	53.1	46.9	42.9	40.8	36.7
Professional	45	48.9	64.4	95.6	80.0	71.1	71.1	66.7
Managerial	43	16.3	55.8	93.0	88.4	76.7	72.1	41.9
Information Technology	38	73.7	81.6	92.1	65.8	57.9	47.4	36.8
Sewing	26	92.3	92.3	76.9	38.5	34.6	34.6	30.8
Driving	2	0	0	100.0	100.0	100.0	100.0	100.0
All	3132	86.3	92.3	77.0	52.4	45.4	41.9	36.7
2000	3170	90.0	87.3	65.4	37.8	32.6	30.2	23.6
1999	1947	88.9	91.3	73.1	40.7	35.0	32.4	28.6

Appendix Table 2.3 shows the proportion of vacancies which did not supply information on hourly and weekly pay rates.

Appendix Table 2.3: Proportion of vacancies which did not give hourly or weekly pay rates

	Neg	Comm	P/work	Hrly unclear	Wkly unclear	All hrly unknown	All wkly unknown
Professional	2.2	2.2	0.0	11.1	15.6	15.5	20.0
Information Technology	2.6	0.0	0.0	10.5	10.5	13.1	13.1
Engineering	1.4	0.0	0.0	6.8	11.0	8.2	12.4
Motor trade	0.0	0.0	0.0	7.7	8.5	7.7	8.5
Managerial	0.0	0.0	0.0	7.0	7.0	7.0	7.0
Care work	0.6	0.0	0.0	5.5	19.4	6.1	20.0
Sales	0.0	0.0	0.0	6.1	19.4	6.1	19.4
Skilled trade	1.1	0.0	0.0	5.0	8.7	6.1	9.8
Factory & production	1.6	0.0	0.0	4.3	20.9	5.9	22.5
Leisure	1.3	0.0	0.0	4.0	6.7	5.3	8.0
Hotel & catering	2.3	0.0	0.0	2.8	37.3	5.1	39.6
Hairdressing	0.4	0.0	0.0	4.5	4.5	4.9	4.9
Shop work	0.4	0.0	0.0	4.3	13.3	4.7	13.7
Office work	0.8	0.0	0.0	3.3	6.7	4.1	7.5
Cleaning	0.0	0.0	2.0	2.0	21.6	4.0	23.6
Sewing	0.0	0.0	0.0	3.8	7.7	3.8	7.7
Driving	0.0	0.0	0.0	0.0	50.0	0.0	50.0
Miscellaneous	0.0	0.0	0.0	0.0	6.1	0.0	6.1
All (%)	0.1	0.03	0.03	4.5	13.4	5.5	14.4
All (number)	30	1	1	140	419	172	451
2000	3.7	0.1	0.0	3.8	4.4	8.2	12.6
1999	8.2	1.2	0.0	7.7	3.5	17.1	12.9

The information in Appendix Table 2.2 allows us to calculate the number of jobs in each occupation and age group which provided information on hourly pay rates. This is shown in Appendix Table 2.3 and is a useful indicator of the sample sizes for the analysis undertaken in section two of the report.

Appendix Table 2.4: Number of jobs giving hourly pay rates in different age groups

	16	17	18	19	20	21	22
Care work	116	134	117	90	79	74	71
Hotel & catering	282	298	315	264	236	223	205
Cleaning	43	47	33	23	22	21	20
Driving	0	0	2	2	2	2	2
Engineering	113	127	119	69	65	57	43
Factory & production	150	157	116	84	74	66	55
Hairdressing	245	244	141	84	68	60	56
Information technology	26	29	30	20	18	15	11
Leisure	59	63	53	42	37	37	29
Managerial	6	22	37	35	30	29	19
Miscellaneous	42	47	26	23	20	19	17
Motor trade	106	107	87	26	18	18	18
Office work	652	706	579	375	309	282	245
Professional	20	27	36	29	25	25	23
Sales	70	81	73	60	53	49	45
Sewing	24	24	19	9	8	8	7
Shop work	200	212	157	104	85	79	74
Skilled trade	399	414	310	176	146	129	99
All	2553	2739	2250	1515	1295	1193	1039
2000	2640	2495	1717	941	694	584	337
1999	1432	1436	1080	537	462	417	276

Appendix 3: Distribution of Hourly Pay

The following set of tables provides a detailed analysis of hourly pay. For each age group the proportion of jobs in each pay band are provided for all jobs and for exempt jobs (apprenticeships, modern apprenticeships and skillseekers). Where available results from the 2000 and 1999 survey are also included.

Appendix Table 3.1: Proportion of jobs in different pay bands (Age group 16)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	10.2	16.0	7.2	7.9
£1.50 - £1.75	8.7	12.1	20.0	31.5
£1.75 - £2.00	8.1	10.4	15.5	20.7
£2.00 - £2.25	14.1	22.4	13.3	13.5
£2.25 - £2.50	6.4	8.4	7.3	6.8
£2.50 - £2.75	5.7	5.2	7.4	4.6
£2.75 - £3.00	4.5	3.7	4.2	2.8
£3.00 - £3.25	8.9	6.6	10.6	4.8
£3.25 - £3.50	3.5	1.8	3.2	3.1
£3.50 - £3.75	11.0	5.0	3.7	1.5
£3.75 - £4.00	3.9	2.7	1.7	0.4
£4.00 - £4.25	5.4	1.4	2.5	1.2
£4.25 - £4.50	2.3	1.2	1.4	0.4
£4.50 +	7.2	3.0	1.9	0.7

Appendix Table 3.2: Proportion of jobs in different pay bands (Age group 17)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	9.6	15.6	6.3	7.0
£1.50 - £1.75	8.1	12.2	15.7	26.9
£1.75 - £2.00	7.5	10.5	13.6	19.5
£2.00 - £2.25	13.0	21.4	11.8	13.5
£2.25 - £2.50	6.2	8.5	6.7	6.7
£2.50 - £2.75	5.5	5.1	8.3	5.1
£2.75 - £3.00	4.4	3.6	4.8	3.1
£3.00 - £3.25	8.9	6.6	12.7	6.2
£3.25 - £3.50	3.7	1.9	4.9	6.2
£3.50 - £3.75	10.8	5.6	5.1	2.4
£3.75 - £4.00	4.9	2.7	2.5	0.7
£4.00 - £4.25	6.0	1.6	2.7	0.8
£4.25 - £4.50	2.6	1.2	2.1	0.6
£4.50 +	8.8	3.4	3.0	1.2

Appendix Table 3.3: Proportion of jobs in different pay bands (Age group 18)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	4.1	12.0	3.3	7.0
£1.50 - £1.75	3.1	8.9	8.0	17.9
£1.75 - £2.00	3.2	9.4	7.6	16.9
£2.00 - £2.25	7.5	21.8	5.6	12.1
£2.25 - £2.50	3.1	9.0	2.0	4.3
£2.50 - £2.75	1.3	3.9	2.9	6.1
£2.75 - £3.00	1.2	3.6	1.9	4.2
£3.00 - £3.25	2.4	6.8	31.0	10.4
£3.25 - £3.50	0.7	2.1	7.5	6.2
£3.50 - £3.75	39.5	11.1	7.7	2.7
£3.75 - £4.00	5.7	3.0	4.7	2.2
£4.00 - £4.25	9.5	2.6	5.2	1.9
£4.25 - £4.50	4.0	1.5	4.1	1.7
£4.50 +	14.6	4.4	8.5	6.5

Appendix Table 3.4: Proportion of jobs in different pay bands (Age group 19)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	3.2	10.8	1.3	2.5
£1.50 - £1.75	2.6	8.8	5.4	12.9
£1.75 - £2.00	3.2	10.8	6.9	16.5
£2.00 - £2.25	5.5	18.4	3.8	8.6
£2.25 - £2.50	2.6	8.8	1.8	4.3
£2.50 - £2.75	1.0	3.3	3.3	7.6
£2.75 - £3.00	1.1	3.8	1.4	3.3
£3.00 - £3.25	1.4	4.6	28.1	16.3
£3.25 - £3.50	0.7	2.2	6.3	5.8
£3.50 - £3.75	35.4	13.1	10.4	3.1
£3.75 - £4.00	6.5	2.7	6.0	3.1
£4.00 - £4.25	11.9	3.5	5.8	2.5
£4.25 - £4.50	4.8	2.0	6.5	2.5
£4.50 +	19.9	7.1	13.1	10.9

Appendix Table 3.5: Proportion of jobs in different pay bands (Age group 20)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	3.2	11.2	0.9	1.6
£1.50 - £1.75	2.4	8.3	4.2	11.9
£1.75 - £2.00	3.2	10.9	5.8	16.4
£2.00 - £2.25	4.9	17.1	2.4	6.1
£2.25 - £2.50	2.6	9.1	1.3	3.7
£2.50 - £2.75	1.2	4.0	2.9	7.8
£2.75 - £3.00	1.3	4.5	1.3	3.7
£3.00 - £3.25	1.3	4.5	26.7	16.4
£3.25 - £3.50	0.6	2.1	6.8	7.8
£3.50 - £3.75	33.4	12.5	12.1	4.9
£3.75 - £4.00	6.6	2.9	6.9	3.7
£4.00 - £4.25	12.6	4.0	7.5	4.5
£4.25 - £4.50	5.0	2.1	8.1	3.7
£4.50 +	21.6	6.7	13.3	7.8

Appendix Table 3.6: Proportion of jobs in different pay bands (Age group 21)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	3.4	11.5	1.0	2.0
£1.50 - £1.75	2.4	8.1	4.3	12.4
£1.75 - £2.00	3.4	11.5	6.0	17.3
£2.00 - £2.25	5.3	17.6	2.7	6.9
£2.25 - £2.50	2.8	9.2	1.2	3.5
£2.50 - £2.75	1.3	4.2	2.6	6.9
£2.75 - £3.00	1.3	4.5	0.5	1.5
£3.00 - £3.25	1.3	4.5	22.1	13.4
£3.25 - £3.50	0.8	2.5	5.8	7.9
£3.50 - £3.75	30.8	10.9	13.9	5.9
£3.75 - £4.00	6.5	3.1	6.8	5.0
£4.00 - £4.25	12.7	3.6	8.7	5.0
£4.25 - £4.50	5.3	2.2	8.7	4.0
£4.50 +	22.5	6.5	15.6	8.4

Appendix Table 3.7: Proportion of jobs in different pay bands (Age group 22)

	2002		2000	
	All	Exempt	All	Exempt
Less than £1.50	3.9	13.3	1.5	2.6
£1.50 - £1.75	2.6	8.8	5.6	16.4
£1.75 - £2.00	3.7	12.3	6.5	19.0
£2.00 - £2.25	5.5	18.5	2.4	6.0
£2.25 - £2.50	3.2	10.7	0.6	1.7
£2.50 - £2.75	1.3	4.5	3.0	8.6
£2.75 - £3.00	1.5	5.2	0.6	1.7
£3.00 - £3.25	1.2	3.9	1.5	3.4
£3.25 - £3.50	0.7	2.3	1.5	4.3
£3.50 - £3.75	3.6	2.9	24.0	12.9
£3.75 - £4.00	2.4	2.6	8.6	5.2
£4.00 - £4.25	42.4	8.8	12.8	5.2
£4.25 - £4.50	5.7	2.6	11.0	3.4
£4.50 +	22.3	3.6	20.5	9.5

The same analysis is also carried out for each training status category. The next four tables display the results. There is no table for the skillseekers category due to the small sample sizes.

Appendix Table 3.8: Proportion of jobs in different pay bands (apprenticeships)

	16	17	18	19	20	21	22
Less than £1.50	6.0	5.8	2.7	5.0	6.1	7.7	9.5
£1.50 - £1.75	9.0	7.7	5.6	0.0	0.0	0.0	0.0
£1.75 - £2.00	14.0	13.5	8.3	10.0	9.1	11.5	9.5
£2.00 - £2.25	15.0	13.5	8.3	7.5	0.0	7.7	4.8
£2.25 - £2.50	7.0	6.7	4.2	5.0	0.0	0.0	0.0
£2.50 - £2.75	11.0	10.6	8.3	5.0	6.1	7.7	9.5
£2.75 - £3.00	4.0	4.8	5.6	5.0	6.1	3.8	4.8
£3.00 - £3.25	4.0	3.8	0.0	0.0	0.0	0.0	0.0
£3.25 - £3.50	1.0	1.9	1.4	0.0	0.0	0.0	0.0
£3.50 - £3.75	16.0	18.3	31.9	35.0	36.4	26.9	9.5
£3.75 - £4.00	4.0	3.8	5.6	2.5	3.0	3.8	4.8
£4.00 - £4.25	2.0	1.9	6.9	12.5	15.2	15.4	28.6
£4.25 - £4.50	5.0	4.8	6.9	7.5	9.1	11.5	14.3
£4.50 +	2.0	2.9	4.2	5.0	3.0	3.8	4.8

Appendix Table 3.9: Proportion of jobs in different pay bands (modern apprenticeships)

	16	17	18	19	20	21	22
Less than £1.50	16.6	16.3	12.7	11.4	11.7	11.8	13.6
£1.50 - £1.75	12.4	12.7	8.9	9.7	9.1	8.8	9.4
£1.75 - £2.00	9.9	10.0	9.4	10.9	11.1	11.5	12.5
£2.00 - £2.25	23.7	22.7	23.2	19.4	18.1	18.5	19.5
£2.25 - £2.50	8.7	8.8	9.5	9.2	9.9	10.0	11.5
£2.50 - £2.75	4.5	4.4	3.5	3.2	3.8	3.9	3.1
£2.75 - £3.00	3.6	3.5	3.5	3.6	4.4	4.5	3.9
£3.00 - £3.25	7.0	7.2	7.6	5.1	5.0	4.8	3.1
£3.25 - £3.50	1.9	2.0	2.2	2.4	2.3	2.4	1.8
£3.50 - £3.75	3.7	4.1	9.1	10.9	10.2	9.7	1.8
£3.75 - £4.00	2.6	2.6	2.7	2.7	2.9	3.0	1.8
£4.00 - £4.25	1.4	1.6	2.2	2.7	2.9	2.7	5.4
£4.25 - £4.50	0.8	0.7	1.0	1.5	1.5	1.5	1.3
£4.50 +	3.2	3.6	4.5	7.3	7.0	6.7	2.6

Appendix Table 3.10: Proportion of jobs in different pay bands (trainees)

	16	17	18	19	20	21	22
Less than £1.50	15.4	14.3	0.0	0.0	0.0	0.0	0.0
£1.50 - £1.75	10.6	9.5	0.0	0.0	0.0	0.0	0.0
£1.75 - £2.00	9.2	8.6	0.0	0.0	0.0	0.0	0.0
£2.00 - £2.25	11.9	11.0	0.0	0.0	0.0	0.0	0.0
£2.25 - £2.50	5.6	5.1	0.0	0.0	0.0	0.0	0.0
£2.50 - £2.75	7.4	7.3	0.0	0.0	0.0	0.0	0.0
£2.75 - £3.00	4.7	4.1	0.0	0.0	0.0	0.0	0.0
£3.00 - £3.25	10.3	10.2	0.0	0.0	0.0	0.0	0.0
£3.25 - £3.50	3.5	4.0	0.0	0.0	0.0	0.0	0.0
£3.50 - £3.75	9.8	9.5	72.0	64.2	62.3	60.6	6.6
£3.75 - £4.00	3.1	2.9	4.4	4.0	3.9	3.6	2.8
£4.00 - £4.25	3.1	3.7	6.4	4.5	8.8	9.2	66.0
£4.25 - £4.50	1.8	2.3	3.3	1.6	3.5	3.6	3.8
£4.50 +	3.7	7.3	13.9	10.4	21.5	22.7	20.8

Appendix Table 3.11: Proportion of jobs in different pay bands (non-apprentice/trainee)

	16	17	18	19	20	21	22
Less than £1.50	2.0	1.8	0.0	0.0	0.0	0.0	0.0
£1.50 - £1.75	4.6	3.9	0.0	0.0	0.0	0.0	0.0
£1.75 - £2.00	5.3	4.4	0.0	0.0	0.0	0.0	0.0
£2.00 - £2.25	8.2	7.2	0.0	0.0	0.0	0.0	0.0
£2.25 - £2.50	5.1	4.9	0.0	0.0	0.0	0.0	0.0
£2.50 - £2.75	5.1	4.8	0.0	0.0	0.0	0.0	0.0
£2.75 - £3.00	5.1	5.2	0.0	0.0	0.0	0.0	0.0
£3.00 - £3.25	10.2	10.0	0.0	0.0	0.0	0.0	0.0
£3.25 - £3.50	5.0	4.9	0.0	0.0	0.0	0.0	0.0
£3.50 - £3.75	17.0	15.9	44.9	36.5	32.9	30.2	2.7
£3.75 - £4.00	5.4	7.9	8.7	9.9	9.9	9.9	2.1
£4.00 - £4.25	10.2	11.1	16.8	18.5	19.3	19.8	52.8
£4.25 - £4.50	3.6	4.0	6.3	7.3	7.4	7.8	8.3
£4.50 +	13.0	14.1	23.3	27.7	30.5	32.3	34.1

Appendix 4: Questionnaire

Greater Manchester **Low Pay Unit** **Young people and the minimum wage**

This questionnaire aims to find out the experiences of Careers Services regarding the impact of the national minimum wage on the youth labour market. Please:

- Fill in as much of the questionnaire as possible.
- If you feel the questionnaire does not fully cover all of the issues, please add any views or comments of your own.
- All information you supply is confidential and comments will not be attributed to any individual or service.

Name of Careers Service:.....

Address (if you would like a copy of the final report).....

.....

Changes since April 1999

Since the introduction of the minimum wage in April 1999 have the number of **employed** vacancies available through your service generally:

Increased [] Decreased [] Remained unchanged []

If they have increased or decreased, what is the **reason for the change?**

Changes since April 2001

Since the increase in the minimum wage in October 2001 to £4.10 for those aged 22 and over and £3.50 for those aged 18 to 21 have the number of **employed** vacancies available through your service generally:

Increased Decreased Remained unchanged

If they have increased or decreased, what is the **reason for the change**?

Since the increase in the minimum wage in October 2001 have there been any employers who have raised or lowered the age at which they pay adult rates?

Yes, raised the age Yes, lowered the age No change

If yes, what is the **reason for the change**?

Awareness of minimum wage restrictions and exemptions

Are employers now generally **aware** of the following:

	Yes	No
Exemption of 16 and 17 year olds from the minimum wage		
Lower rate for 18 to 21 year olds		
Exemption of 18 year old apprentices		
Exemption of first year apprentices under 26		
Development rate for workers aged 22+ on accredited training in the first six months of employment		

Employers use of minimum wage restrictions and exemptions

Over the **last year** has there been an increase or decrease in the following:

	Increased	Decreased	No change
The number of vacancies restricted specifically to 16 and 17 year olds			
The number of vacancies restricted specifically to young people aged under 22			
The use of apprenticeships/modern apprenticeships			

If there has been an increase or decrease in any of the above, **please provide more details and examples**, for example, what reasons have employers given

Have there been any instances that you know of where young people have been dismissed at age 18 or age 22, because they would become eligible for the minimum wage or the adult rate?

Yes [] No []

If yes, please give more detail

Application of the minimum wage

Have Career Services staff had any particular difficulties with the interpretation or application of the minimum wage regulations?

Yes [] No []

If yes, please provide more details and examples

Impact on particular groups and occupations

Has the minimum wage particularly **affected any of the following groups or occupations**:

	Yes	No
Occupations		
Industries		
Small businesses		
Young women		
People with disabilities		
Ethnic minorities		

If you answered **yes** to any of the above, **please provide more details and examples**

Please use this space for any **further comments** about the impact of the national minimum wage

Please return completed questionnaire by **8th March 2002** to:

Greater Manchester Low Pay Unit
23 New Mount Street
Manchester M4 4DE
gmlpu@freenet.co.uk
www.gmlpu.org.uk

Thank you for helping with this research.

SURVEY OF PAY RATES

Careers Service:

Job title:

Pay rate:

Hours:

Temporary/casual/permanent

Employed/self-employed

Age requirement/restriction:

Training provided:

Job title:

Pay rate:

Hours:

Temporary/casual/permanent

Employed/self-employed

Age requirement/restriction:

Training provided:

Job title:

Pay rate:

Hours:

Temporary/casual/permanent

Employed/self-employed

Age requirement/restriction:

Training provided:

Job title:

Pay rate:

Hours:

Temporary/casual/permanent

Employed/self-employed

Age requirement/restriction:

Training provided:

Please return to GMLPU, 23 New Mount Street, Manchester M4 4DE