

Trends in young people not in education, employment or training

October - December 2024

The number of young people not in education, employment or training (NEET) is rising again following the Covid-19 pandemic, approaching one million. This increase is being driven by both rising unemployment and economic inactivity — with concerning patterns related to mental health, regional inequality, and gender. This briefing uses Labour Force Survey data to analyse the changing NEET population and explores the key drivers behind these trends for young people aged 16 to 24 years old.

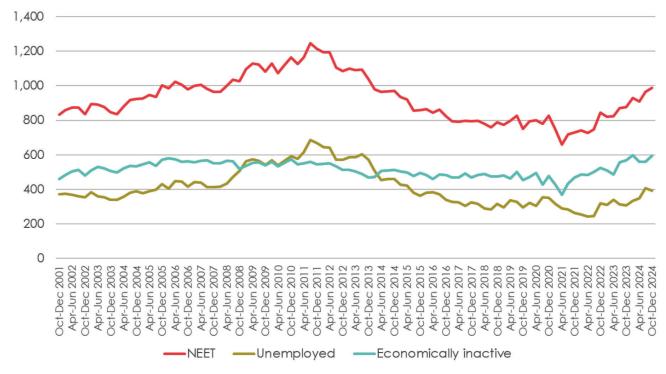
Definitions

- Unemployed: Individuals who are not in employment and have been actively seeking work.
- **Economically Inactive:** Individuals who are not in employment and have not been actively seeking work.

Note: In this report, economic inactivity excludes those who are in education or training.

Figure 1: NEET levels have been rising since 2021

Trends in NEET unemployment and economic inactivity levels, in thousands, ages 16 to 24 years, Quarter 4 (October to December) 2001 to Quarter 4 2024, UK



Source: Labour Force Survey from the Office for National Statistics

The most recent data (October to December, 2024) shows that 987,000 young people aged 16 to 24 years old are not in education, employment or training (NEET).

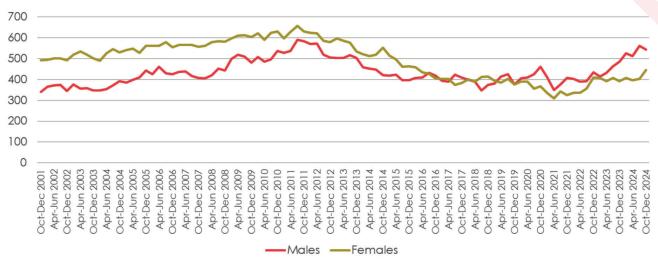
Since 2021, the number of NEET young people has increased by 300,000, representing a 50% rise. This upward trend has been driven by increases in both youth unemployment and economic inactivity - a departure from the pattern seen after the 2008 financial crisis, where rising NEET levels were primarily linked to unemployment alone.



Importantly, this sharp rise in economic inactivity and unemployment among young people over the past three years is not reflected in other age groups. In contrast, individuals aged 45 and over have seen improving labour market outcomes, with declines in both unemployment and inactivity compared to previous years.¹

Figure 2: Male NEET levels have surpassed female levels

Trends in NEET by gender, in thousands, ages 16 to 24 years, October to December 2001 to October to December 2024, UK



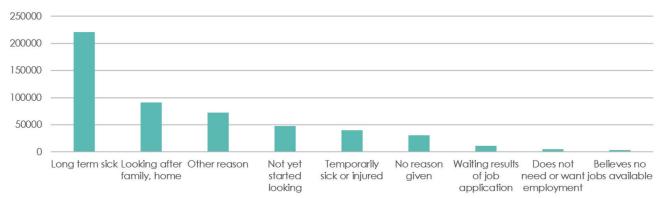
Source: Labour Force Survey from the Office for National Statistics

Since 2021, NEET rates for young men have risen substantially, reversing the long-standing trend in which young women consistently had higher NEET rates. The gender gap is now widening but in the opposite direction.

While both young men and women have experienced increases in unemployment and economic inactivity over the past three years, the drivers differ by gender. For young men, the recent rise in NEET levels has been primarily driven by higher unemployment (an additional 85,000 unemployed and 50,000 economically inactive). In contrast, the increase in NEET levels among young women has been more closely linked to rising economic inactivity (an additional 44,000 unemployed and 77,000 economically inactive).

Figure 3: Long-term sickness is the most common reason for economic inactivity

Reasons for economic inactivity, ages 16 to 24 years, October to December 2024, UK



Source: Labour Force Survey from the Office for National Statistics

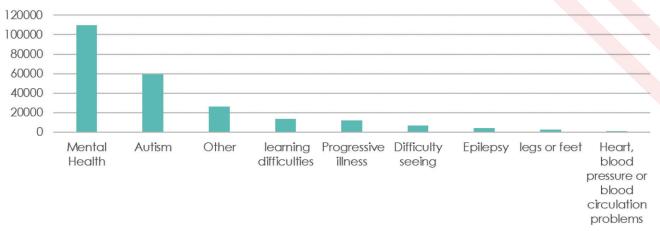
Half of economically inactive young people are currently out of the labour force due to sickness or injury - equating to over a quarter of a million individuals.

Looking over the past three years, long-term sickness has been the primary driver of the rise in youth economic inactivity, accounting for nearly three-quarters (73%) of the total increase.

^{1.} The change from 2021 to 2024 by age group: 34% for 16-24 year olds, 9% for 25-34 year olds, 2% for 35-44 year olds, -6% for 45-54 year olds, -3% for 55-64 year olds.

Figure 4: Mental health problems are the most common cause of economic inactivity from ill health

Main health condition of those who are economically inactive due to sickness or injury, ages 16 to 24 years, October to December 2024, UK



Source: Labour Force Survey from the Office for National Statistics

More than 100,000 young people are not in work and not actively seeking employment due to a mental health condition - a 20% increase compared to three years ago.

There has also been a notable rise in the proportion of NEET young people receiving sickness or disability-related benefits, which has grown from 11% to 20%, representing an increase of approximately 112,000 individuals.

However, this shift has not led to an overall increase in the number of NEET young people receiving any form of state benefits. In fact, the proportion has slightly declined, from 53% in 2021 to 48% in 2024.

Figure 5: The North West and West Midlands have the highest proportion of NEETs Proportion of population who are NEET by region, ages 16 to 24 years, 2024, UK

Region	% NEET
North West	14.9%
West Midlands	14.4%
South West	13.9%
North East	13.4%
East Midlands	13.0%
East	12.9%
Yorkshire and the Humber	12.4%
London	11.6%
South East	11.3%

Source: Labour Force Survey from the Office for National Statistics **Note:** Due to the quality issues with regional data we have taken the quarterly average, as advised by the <u>Get Britain Working White Paper</u>

The North West and West Midlands currently have the highest proportions of NEETs within their regions.

Over the past three years, the North West, London, and the West Midlands have seen the largest increases in NEET levels, rising by 45% and 58% respectively. In contrast, the North East has experienced the smallest increase, with NEET levels rising by just 10% over the same period.

