



**Press Release** *Strictly embargoed until 00.01hrs Thursday 27th May 2010.*

## **New survey of 16,000 final year students shows only a third of the 'Class of 2010' expect to find a graduate job after university**

Results of one of the largest independent surveys of final year university students ever conducted in the UK – to be published on **Thursday 27th May** – warns that just 36% of those finishing undergraduate degrees this summer expect to find a graduate job after university and that confidence in the graduate employment market is now at its lowest for fifteen years.

**The UK Graduate Careers Survey 2010**, conducted by the student & graduate market research company, **High Fliers Research Ltd**, is based on face-to-face interviews with **16,114 final year students** completed in March. This sample equates to **a fifth** of the finalists due to graduate this year from the thirty universities included in the 2010 survey.

The research reveals that even though the recession in the UK is officially over, final year students remain very gloomy about their immediate employment prospects and fear that many of this year's entry-level vacancies will be filled by graduates from the 'Class of 2009' who failed to find work twelve months ago.

Final year students on non-vocational degree courses and those who've had little or no work experience during their studies are the least optimistic about life after graduation – only a quarter of finalists studying arts or humanities subjects believe they'll find a graduate job and expect to earn up to £50,000 less than other graduates during their first five years out of university.

The key findings from **The UK Graduate Careers Survey 2010** about the 'Class of 2010' are:

- Just **36%** of final year students believe they will either start a graduate job or be looking for a graduate job after leaving university this summer, **26%** plan to remain at university to study for a postgraduate course, **8%** expect to take temporary or voluntary work, **16%** are preparing to take time off or go travelling, but **14%** of finalists have yet to decide what to do next – the highest proportion since the survey was launched in 1995.
- Only **25%** of students from **arts or humanities** courses expect to land a graduate job at the end of their degrees, compared with 47% of IT students, 54% of those on business or finance courses, and 57% of engineering finalists. As a result, almost half of all arts & humanities graduates either have 'no definite plans' for life after university, expect to take time away or think they'll end up doing temporary jobs.
- Students' **confidence in the graduate job market is at a fifteen-year low**, with 45% of university-leavers describing prospects for new graduates as 'very limited'. Fewer than one in six finalists who have applied for graduate positions say they are 'very confident' of landing a definite job offer before graduation, even less than in 2009.

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- A third of student job hunters fear that **last year's graduates** will take most of the entry-level level vacancies on offer in 2010 and one in six finalists said they **wouldn't have come to university** at all if they'd realised how tough the graduate job market is.
- A third of finalists looking for work said that, in the aftermath of the recession, they would **have to accept any job they were offered**. A fifth admitted that the scarcity of graduate jobs has meant they've had to apply to employers that they **weren't really interested in**.
- The volume of **job applications** made by final year students has **increased noticeably this year**, particularly in the early months of the recruitment season. The most popular destinations for the 'Class of 2010' are careers in the **media, teaching, and marketing**.
- The number of students applying to **investment banks** – the second most-popular destination for new graduates in 2008 – has **increased by a sixth** this year after a slump in applications in 2009. Fewer final year students have applied for **engineering or IT** jobs – two areas which attracted an increased number of graduate applications in 2009.
- The number of finalists keen to join major **national or international employers** after graduation is at an **all-time low** – a fifth fewer than in 2008.
- For a second consecutive year, **graduate salary expectations** have **dropped**. Final year job hunters expect to earn an average of **£22,000** for their first job – **3.1%** less than in 2008. Students with the highest expectations are those studying law (expecting an average of £24,800), computing & IT (£24,300), engineering (£24,300), and business & finance (£23,200). Finalists with the lowest expectations are those studying languages (£20,900) and arts or humanities (£19,700).
- **Five years after graduating**, today's final year students think they'll be earning an average of £39,100, almost double their starting salaries. Law, business or finance and IT students believe their pay will average at least £44,000 but those from arts & humanities courses only anticipate £34,600 by this point. Comparing the total predicted earnings over these five years shows that law graduates expect to earn £45,000 more than arts or humanities graduates during this period.
- Graduates from the 'Class of 2010' expect to owe an average of **£17,900**, up from **£15,700** in 2009 and an average of **£11,600** in 2008, largely because of the introduction of higher tuition fees for undergraduates at English universities in 2006.

Managing director of High Fliers Research, **Martin Birchall** commented:

“Our latest survey shows that final year students due to leave UK universities this summer are just as pessimistic about their employment prospects as those who graduated twelve months ago. The recession may be officially over, but with a record number of students due to complete degrees in the coming weeks and tens of thousands of last year's graduates still looking for work, there is widespread concern on campus that competition for graduate jobs has never been fiercer.

The research highlights that students from arts & humanities courses and those who've had little or no work experience during their time at university are the least confident about the future and expect to earn almost £50,000 less than graduates with business, finance or law degrees during their first five years of employment.”

**Notes to Editors:**

1. **The UK Graduate Careers Survey** has been produced annually since 1995 by **High Fliers Research**, an independent market research company, on behalf of many of the UK's best-known graduate recruiters. The company also conducts regular surveys of graduate employers, recording the latest starting salaries, graduate vacancy levels and recruitment practices.
2. The **thirty universities** included in the survey in 2010 were: Aston, Bath, Belfast The Queen's University, Birmingham, Bristol, Cambridge, Cardiff, Durham, Edinburgh, Exeter, Glasgow, Lancaster, Leeds, Liverpool, London Imperial College, London King's College, London School of Economics, London University College, Loughborough, Manchester, Newcastle, Nottingham, Oxford, Reading, Sheffield. Southampton, St Andrews, Strathclyde, Warwick, York.
3. The **graduate employers** who funded the research programme in 2009-2010 are Accenture, Aldi, BAE Systems, Balfour Beatty, Bank of America Merrill Lynch, Barclays, Barclays Capital, Barclays Wealth, BDO, Bloomberg, BNP Paribas, BP, BT, Cancer Research UK, Centrica, Citi, Civil Service Fast Stream, Credit Suisse, CSC, Danone, Deloitte, Diageo, DHL, E.ON, Ernst & Young, ExxonMobil, Fidelity International, Financial Services Authority, GlaxoSmithKline, Grant Thornton, HSBC, IBM, J.P. Morgan, KPMG, Lidl, Lloyds Banking Group, Lloyd's of London, L'Oréal, Marks & Spencer, Network Rail, NHS, Nomura, npower, Police, PricewaterhouseCoopers, Procter & Gamble, Rolls-Royce, Royal Bank of Scotland Group, Royal Navy, Sainsbury's, Shell, Sky, Standard Life, SunGard, Training & Development Agency for Schools, Teach First, Transport for London and Unilever plus the ACCA, CIMA and the Institute of Chartered Accountants in England & Wales.
4. **Martin Birchall**, Managing Director of High Fliers Research is available for interview.  
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