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Graduate positions set to shoot up in 2014

by CRAIG BROWN

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The figures look good, but may mislead, say economists. Picture: Ian Rutherford

GRADUATE recruitment by the UK's top firms is set to rise sharply during 2014, a new report has claimed, taking vacancies for students leaving university this year to their highest level since 2007.

The Graduate Market report, which tracks vacancies and starting salaries at the country's top 100 firms, has predicted employers will step up their intake of new talent by 8.7 per cent this year, the biggest annual rise in recruitment for four years.

The start of the recession saw companies slash graduate vacancies by 6.7 per cent in 2008, and 17.8 per cent the next year. The start of the current decade saw a pulling back on the cuts, with vacancies increasing by 12.6 per cent in 2010 and 2.8 per cent in 2011, before dipping again by 0.8 per cent in 2012, then recovering by 2.5 per cent last year.

With 11 out of 13 major employment areas preparing to take on more employees, according to the report, the biggest increases are anticipated in the public sector, accounting and professional service firms, City investment banks, retailers, as well as engineering and industrial companies.

Taken together, they are expected to recruit almost 1,200 extra graduates this year, while the predicted median starting salary for them remains £29,000 for the fifth year running.

Despite the increase, recruiters confirmed that more than a third, 37 per cent, of this year's entry-level positions would be filled by graduates who have already worked for their organisations – through paid internships, vacation work, or industrial placements – and, therefore, not open to other students from the Class of 2014.

Economist Jonathan Davis doubted there would be sustained improvement prospects. He said: "It's a short-term positive position, because this year we have the European elections, next year we have the General Election, so naturally governments, as they do, engineer things for short-term boosts, but it is by no means an indication the economy is out of the woods."