A seller's market for graduates

from Richard Pearson

Against the trend in other sectors, the demand for new graduates in scientific and technical subjects in Britain is strong.

EARLY last year the *Employment* column forecast that a revival in the job prospects for new qualifying graduates was imminent. In the event the upturn in recruitment has been faster and more widespread than anticipated, with employers from sectors as diverse as oil and chemicals, manufacturing, retailing and financial services all reporting growing numbers of vacancies. While the high fliers and information technology specialists have been in particular demand, graduates in the pure sciences and the applied sciences have also been beneficiaries. In 1984 the number gaining employment in industry and commerce was already 25 per cent higher than during the labour market doldrums of 1980-81 and is set to increase again in 1985. The one no-growth area is for jobs in higher education itself.

The International Labour Office (ILO) has recently highlighted the booming UK graduate labour market, and reports that it is not mirrored in most other countries. In the United States over half of new PhDs cannot find the type of employment for which they were trained. Unemployment among chemists and chemical engineers, for instance, was at its highest level for a decade in 1983. In West Germany, the number of jobless university graduates has quadrupled during the past four years to a total of over 115,000. Teachers, engineers, natural scientists, lawyers and economists were particularly hit. In France there were nearly 60,000 members of managerial and supervisory staff without jobs in early 1984, while in Switzerland, joblessness among young university degree holders has risen from 2 to 5 per cent in recent years — much faster than the general unemployment rate. Japan offered a mixed picture. Job offers for 1984 university graduates increased by 4.7 per cent as compared to 1983 thanks to a new phase of industrial innovation combined with an economic upturn; however,

openings for high school graduates were expected to decline by 12.9 per cent.

A common thread everywhere is that women graduates face more difficulties than men in finding and keeping a professional job, partly because a larger proportion of women take degrees in less "marketable" subjects, but also due to sex discrimination. In addition, the ILO report concludes, more and more professional workers are being forced to step down on the employment ladder and accept jobs for which they are overqualified, setting off a chain reaction which affects the entire labour market.

The final figures for the United Kingdom in 1984 show that of the 30,000 graduating in science subjects from the universities, nearly two-thirds went into employment, 15 per cent went onto further research and about 6 per cent went into some form of vocational training, the latter percentage having continued to fall sharply in recent years. Of particular note are the declining numbers entering teacher training; since 1980 the number has fallen by nearly one-third, and totalled just over 1,100 in 1984, of whom less than half were mathematicians or physicists. This means that the already serious shortages of mathematics and physics teachers is likely to get worse over the next decade. About one in eleven scientists were still seeking work six months after graduation. Of those scientists entering permanent employment, over half went into manufacturing industry, and about 14 per cent, a steadily declining fraction, entered the public sector. Less than four per cent got jobs in the education section while twice as many went into accountancy. In terms of actual jobs, the most common destinations were management services, and research and development and associated support activities. The pure scientists were more likely to go into further research or training, and also had higher

unemployment rates than the applied scientists, while more of the latter went directly into employment (Fig.1). Women were more likely to enter teaching than their male counterparts. The data for the polytechnics to be published shortly are expected to show broadly similar patterns.

On the salaries front the average for those starting jobs in autumn 1984 was about £7,000 per annum, with many companies in the growth sectors of oil and chemicals, electronics and information technology offering nearer £8,000 per annum. Salaries for 1985 are expected to be about £500 higher, with a few of the top payers in central London offering starting salaries in excess of £9,000 per annum as they seek to attract the "best" talent. Post-graduates with relevant degrees or experience relevant to the job being filled can command substantially higher salaries; most, however, receive salaries little higher than first degree graduates.

In the scramble to attract the "best" people, where, in the case of non-technical jobs employers often judge personal criteria before academic criteria, the traditional gentlemanly calm of the "milk round" is becoming outdated. In past years, virtually all the companies visiting colleges did so in the spring term, apart from the accountancy companies who were able to plead special circumstances and start their recruitment in the autumn term. Nowadays more companies start their recruitment campaigns before Christmas to try and catch the best students, and some are offering previously unheard of inducements such as "signing-on fees" if jobs are accepted quickly.

At the same time many students are becoming more confident of their job prospects and are concentrating on their examinations during their final year. They are delaying job search until after they have qualified, sometimes then taking a break of several months. In this way the graduate recruitment round, formerly concentrated into the spring term, is starting earlier, and extending later. If the anticipated growth in demand for graduates is matched by the expected fall in the numbers graduating then graduates who are well qualified, in both personal and academic terms, will be able to dictate not only the type of job they enter but also the time of year they seek work. □

Fig.1 First destinations for UK graduates in 1984.

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