AGCAS is the expert membership organisation for higher education student career development and graduate employment professionals. Through our members, we support the best possible career outcomes from higher education for individuals, institutions, society and the economy. AGCAS represents 83% of all UK Higher Education Institutions’ careers services, providing professional development and sharing best practice.

As well as offering impartial careers guidance and support from qualified professionals, AGCAS members work in partnership with academics and teaching and learning departments within their institution to design and deliver employability and career development learning within the curriculum. They also work closely with employers to facilitate interactions between students and industry at university, through careers fairs, placements and internships, in-curriculum projects and other forms of work-based learning.

SUMMARY OF FEEDBACK

- The Covid-19 pandemic has already had a severe effect on graduate employment and opportunities for career development. Graduates must be considered separately to other groups (e.g. young people who are classed as NEET) in policy recommendations.
- It is important to support graduates to avoid under/unemployment in order to help the economy to fully recover, combat the potential long-term ‘scarring’ effect of the pandemic on graduates’ future success and give them the best possible chance of meeting their
potential. From a purely economic perspective, unemployed and underemployed graduates are less likely to earn the threshold to pay back their personal student loan debt, which contributes to total national student load debt (predicted to currently exceed £140 billion).

- Through their understanding of their student/graduate population, local labour markets and their experience supporting graduates through previous recessions, higher education (HE) careers services are best placed to provide support to graduates who require careers information, education, advice and guidance (CEIAG) during current and future economic uncertainty. The main challenge for HE careers services is the resource needed to support graduates, rather than a paucity of expertise.

- As well as providing impartial, expert CEIAG that is tailored to the needs of students and graduates, AGCAS members are involved in a range of institutional, regional and national programmes of support to graduates. We believe further investment to scale-up and bolster current best practice, rather than the creation of new programmes, will be most effective in ensuring that all graduates get the careers support they need.

- If large-scale national or regional projects to support graduate employability are to be implemented, then they must draw upon the expertise and knowledge readily available in HE careers services.

- Past local economic shocks resulted in local councils bringing together local and national partners to coordinate support. A partnership approach between local authorities, employers and university careers services could be the key to national and regional recovery.

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1 https://commonslibrary.parliament.uk/research-briefings/sn01079/#:~:text=Currently%20more%20than%20%C2%A317%20billion.
Graduates who want to start businesses are vitally important for economic recovery and will need access to advice and seed funding to get their ideas off the ground.

Graduates are not a homogenous group and their backgrounds and personal characteristics can influence whether they are more likely to become under/unemployed. Providing more funding and support to the HE careers and employability community would enable further research into why outcomes gaps exist and facilitate collaborative work to develop interventions that level the playing field at-scale.

The government must ensure that sufficient support and guidance is offered to businesses that would benefit from recruiting non-UK domiciled graduates via the Graduate Route.

SECTION 1: CHALLENGES

1.1 What are the main challenges facing young people seeking employment today? How do structural factors impact youth unemployment, and how might these be addressed?

A) Economic downturn and resulting scarring effect on graduates

Due to the Covid-19 pandemic, GVA (economic output) in the UK fell by 9.4% (£164billion) during 2020 – double that of the contraction resulting from the 2008/09 financial crisis.\(^2\) The economic impact of the pandemic is more severe for younger people. Data from the ONS shows that 693,000 fewer people were in payrolled employment in the UK in February 2021 compared to February 2020.\(^3\) Of these, nearly two-thirds (63.1%) were under 25 years and a further quarter were aged 25 to 34. Research from the Institute of Student Employers (ISE) found that recruitment of graduates in 2019/20 was 12% lower than the previous

\[^3\] https://www.ons.gov.uk/releases/uklabourmarketmarch2021
year (2018/19) and that half of graduate recruiters anticipate a further decline next year.⁴

Research by the University of Southampton and AGCAS with the graduating class of 2020 reveals that just under half (44.4%) of surveyed graduates were in full-time employment at the point of the survey, with a further 14.7% in part-time work. The second greatest proportion of graduates surveyed (after full-time employment) were those who were unemployed (16.1%).⁵ Over half of graduates surveyed had experienced being unemployed for longer than two weeks (58.1%) or been employed in a job that did not draw on their graduate qualifications or skills (51.8%).

Approximately three quarters of graduates surveyed either agreed (25.5%) or strongly agreed (48.3%) that they have noticed a fall in the number of available opportunities and over two thirds agree (24.9%) or strongly agree (43.9%) that they have found it a challenge to find graduate jobs they want to apply for. The vast majority of respondents (83.5%) feel that the pandemic has had a detrimental impact on graduates’ employment prospects. As a result of the pandemic, a large proportion of graduates have been made to think differently about their future (79.4%), have become less confident about their future employment prospects (72.6%), faced greater challenges finding employment than they expected (71.9%) and believe the pandemic has significantly damaged their job prospects (70.6%).

AGCAS member services recognise the challenges facing their recent, and upcoming, graduating classes. 82% of AGCAS member services have seen demand for careers and employability support from the 2020 graduate cohort increase in comparison to previous cohorts; with a number seeing

⁴ https://ise.org.uk/page/ISEPublications
⁵ Unpublished research by AGCAS and the University of Southampton, funded by UKRI
increased take-up of services from graduates who left the institution over two years ago. The increased demand for services from graduates is partly in response to the economic circumstances but also due to increased effort from HE careers services to encourage un/under-employed graduates to seek support. With their expert knowledge of local and national labour markets, HE careers services are uniquely placed to support their graduates to navigate the complex and rapidly changing economic landscape. They also understand their student cohorts most likely to be at risk of entering under/unemployment and are well-placed to identify them and deliver tailored support. Based on this expertise, HE careers services have put in place their own interventions and programmes to support graduates. Numerous examples of interventions can be found in the Covid-19 edition of Phoenix, the AGCAS journal, and in case studies collected for Universities UK. More funding to HE careers services would enable them to increase their outreach to recent graduates to highlight the support available, and how to access it.

**B) Work experience opportunities**

Experience of work, in all its forms, helps students understand how the world of work works, and provides experiences that develop knowledge, skills, and attributes. Employers of graduates and young people believe that work experience is a better predictor of candidate skill than a postgraduate qualification. However, the pandemic has seen opportunities for students to gain work experience decrease substantially. The arts, entertainment and recreation industry and the hospitality industry had the greatest proportion of their workforce on furlough leave during the pandemic and have seen the largest percentage point increases in the proportion of their workforce on furlough leave since December 2020.

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6 AGCAS (2021). *The resourcing of HE careers services during a pandemic and beyond.*
8 [https://www.ons.gov.uk/releases/uklabourmarketmarch2021](https://www.ons.gov.uk/releases/uklabourmarketmarch2021)
These sectors, along with the retail sector (which has been differentially impacted depending on the type of retail) are common sectors for students and graduates to be employed in on a part-time basis, both for financial support and to gain experience.

Additionally, placements and internships have been badly affected by the pandemic, with a reduction of 40% in expected internship and placement positions in 2020, compared to anticipated numbers. To combat this, HE careers services have adapted their provision to try to bridge the gaps in work experience on offer to students. Many have offered shorter internship programmes to businesses who may not feel able to commit to hiring a graduate for an extended period of time, drawn on funding to support businesses to employ graduates, or supported businesses to offer digital internships. Others have acted as conduits to connect students and graduates with volunteering opportunities and roles to support the Covid-19 testing and vaccination programmes. A number have also provided or repurposed funding to provide more financial support to students who have been unable to work.

C) Inequality

HESA’s Graduate Outcomes survey data demonstrates that gaps in employment outcomes existed between groups of graduates even before the Covid-19 pandemic.

- A lower proportion of graduates with a known disability go on to full-time employment than those with no known disability.
- Graduates with a known disability were more likely to be in part-time employment or voluntary work than graduates with no known disability.

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10 See Phoenix, the AGCAS journal, and case studies for specific examples
11 Higher Education Graduate Outcomes Statistics: UK, 2017/18 - Graduate activities and characteristics
Of White graduates domiciled in the UK, 62% were in full-time employment. This is 8 percentage points higher than UK domiciled graduates who are Black, Asian or Other ethnicities.

Graduates of Black, Asian or Other ethnicity were more likely to be unemployed than White graduates.

UK domiciled graduates from full-time undergraduate courses were more likely to be in further study if they had attended a privately-funded school than if they had attended a state-funded school or college.

Similarly, those whose parents have HE qualifications were more likely to go on to full-time further study than those whose parents had not received HE qualifications.

A higher proportion of graduates from state-funded school or colleges went in to part-time employment than those from privately-funded schools.

Among graduates domiciled in England, Wales and Northern Ireland, those from low HE participation neighbourhoods were less likely to go in to full-time employment and more likely to go in to part-time employment than those from other participation neighbourhoods.

The vast majority of HE careers services provide careers advice and guidance that is tailored to the particular needs of disadvantaged groups. Over two thirds of HE careers services had developed initiatives for students with a disability or physical/mental condition(s). Over half of HE careers services had developed initiatives for non-traditional students (NTS), including students from schools/areas of low HE participation, Black, Asian or Other ethnicities students and students from other disadvantaged backgrounds. Apart from the student groups listed (figure 1), heads of HE careers services reported that they had also developed

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12 AGCAS (2018). HE careers service resourcing report 2018
initiatives for female students, commuter students, PGR/PGT students and pre-entry students and graduates.

Figure 1. The percentage of careers services that had developed particular initiatives to engage specific students

HE careers and employability services acknowledge that inequalities exist between different student groups and work hard to develop interventions to support all students into the outcomes that they want. Phoenix, the AGCAS journal, showcases specific examples of how AGCAS member services are supporting black students and graduates (February 2021), international students (October 2019), disabled students (February 2019) and social mobility more broadly (February 2018). The main challenge for HE careers services in delivering more interventions to support students and graduates based on their individual needs is the resource needed to do this, rather than a paucity of expertise.

1.2 What are the main challenges facing employers in the labour market today? What barriers do they face in recruiting young workers?
A) Economic downturn
As discussed in 1.1, many employers have been affected by the pandemic. For them, the biggest challenge will be recovery and sustainability when government support schemes (such as furlough) are no longer in place. As a result, recruiting young workers may not be as high on their agenda as avoiding making other employees redundant.

HE careers services are already heavily involved in supporting their university’s position as anchor institutions in their local economy, working collaboratively with local authorities and local agencies to support regional economic recovery. Their knowledge of the local labour market and relationships with key employers and stakeholders make them ideally placed to support local employers retain, recruit and – as will be necessary in the wake of such economic turbulence – retrain employees. Some have sought out funding to enable them to offer internships to regional SMEs, providing them with much needed support for their business recovery, while providing work experience for students. However, HE careers services have had different levels of success in gaining funding, meaning that support on offer to SMEs varies substantially both within and across regions and nations of the UK. Consistent funding across all nations of the UK is needed so that HE careers services can continue to offer support, based on labour market needs and student attributes, which is easy for recovering businesses to engage with, ensuring that no region is left behind.

B) Remote working
ONS’ fast response experimental statistics on the impact of COVID showed that 32% of the workforce worked solely from home during the week of 25 March 2021. Many large organisations have already planned for a future in which large proportions of their workforce will rarely be in one place. Research from the ISE has found that only 45% of
employers surveyed believe that graduates have the required level of skills to work remotely.\textsuperscript{13} This statistic will, in most cases, relate to cohorts of graduates who left their institution before or during the beginning of the pandemic in early 2020. Since then, many HE careers services have rapidly changed their provision to include workshops and programmes designed to help students and graduates develop the skills and resilience to work remotely.

Remote working has also affected how employers and universities interact to recruit young talent. In research from early 2020, AGCAS found that careers fairs were the most effective employer-university interaction for meeting the needs of students, employers and universities and that 79% of careers-related employer engagement activities were delivered face-to-face and only 21% via virtual delivery.\textsuperscript{14} Since then, employers and careers and employability professionals have worked collaboratively to reimagine ways of connecting students with local, national and international employers. New AGCAS research shows that in 2021, only 9% of careers-related employer engagement activities were delivered face-to-face and 91% via virtual delivery.\textsuperscript{15} Practically overnight, presentations and skills sessions moved to webinar formats, with many teams innovating with online speed networking and using new technology to broaden reach.

C) Skills gaps

\textsuperscript{14} AGCAS (2020). \textit{Evaluating the effectiveness of employer engagement}
\textsuperscript{15} AGCAS (Unpublished). \textit{Employer engagement: One year on}
The ISE report that coding and programming skills are the most likely
skills gaps for graduates.\textsuperscript{16} These employers also anticipate increasing
demand for IT programmers with other IT, engineering and technical roles
also expected to be difficult to recruit to. Specific roles that employers are
concerned are going to get more difficult to recruit to include actuaries,
data scientists and quantity surveyors. Similarly, research from the
Institute of Engineering Technology (IET) suggests that we need to
double, at least, the number of UK-based university engineering students
in order to meet the engineering industry’s current skills needs.\textsuperscript{17} There is
clearly a role for education providers and pre-entry careers guidance to
try to encourage young people to consider careers in growth industries.

Many HE careers services have close relationships with their local LEPs
and skills boards, ensuring that they know the challenges facing
employers in their local regions and that employers and sector bodies are
aware of how to recruit graduates - and the benefits of doing so. This
relationship allows them to understand labour market needs and skills
gaps, and informs the support provided to students on how to be
successful in the labour market. HE careers services are leading the way
in helping employers access hidden, or less obvious, talent pools, in
improving the digital and technical skills of students, and in helping
employers understand relevant transferrable skills and on-the-job
training.

However, in some industries, skills gaps may be difficult to fill with local
graduates. UK universities will often have non-UK domiciled graduates
who could be an asset to local economies but the post-study work
guidance required by both students and graduate recruiters is not clearly
understood and is late in being published. This is leading to some
international students being denied opportunities for which they would be

\textsuperscript{16} Institute of Student Employers. (2021). \textit{Student development survey 2021: Managing
student development in a crisis}. London: Institute of Student Employers.

\textsuperscript{17} Skills and Demand in Industry, IET, 2017.
eligible for consideration and thus miss out on being able to make a contribution to the UK economy.

1.3 What future social, economic and technological changes are likely to impact youth unemployment? What impact might these changes have, and how should this be planned for and addressed?

A) Digital world of work

As discussed in 1.2, the prevalence of remote work is growing, with 60% of remote jobs posted by employers on Indeed UK marked as 'temporarily remote' in early 2021. In transitioning to their own 'digital first’ world, HE careers services have quickly recognised that not all students and graduates have the same level of digital capital and confidence. There are preconceptions that GenZ graduates are all digitally competent, but their digital skills, their confidence, and their preference/level of engagement with remote delivery differs substantially. Like social capital, digital capital will depend on factors such as access to technology and parents’ engagement with technology, and there is often an intersection between lower digital capital and other factors that affect entry to and success at university.

As the move to remote working and requirement for digital skills becomes more entrenched in the professional world, many HE careers and employability professionals are concerned about the potential this has to further disadvantage graduates with lower levels of digital capital/confidence when entering the post-Covid economy. This could potentially exacerbate social divides, and impact further upon social mobility.

B) The changing nature of work

Even before the pandemic, the labour market was being influenced by significant changes in technology – including automation, AI and cloud computing – the nature of work and the demand for higher level skills.
In the recovering labour market, graduates will need to be flexible, resilient, digitally capable and committed to lifelong learning. Universities already work with employers to ensure that programmes of study are relevant and align to the skills needs of the economy. Nearly all AGCAS HE careers services support graduates for at least a year after graduation, with over half offering support to graduates for 1-5 years after graduation (59%) and over a third (38%) offering lifetime support to graduates. This means that many will already be supporting graduates who are progressing or rethinking their careers and are therefore well-placed to help graduates respond to the changing labour market. The barrier to such provision is resource, which is discussed in 1.4.

1.4 Is funding for education, training and skills enough to meet the needs of young people and of the labour market? How can we ensure it continues to reach those who need it most?

More funding could be provided to support unemployed and underemployed students and graduates – who have invested huge sums of money into their education – as they begin their career in difficult economic circumstances.

Whilst we appreciate that the Government has offered support to people who might end up in precarious employment or un/underemployed, such as through the Kickstart Scheme, these programmes have had little focus on graduates, and the mechanisms/requirements for accessing these funds can naturally preclude graduate. Although there will be some graduates who do benefit, many will have migrated back to their home towns and not all will have signed up for universal credit, so will not be eligible. We know that there are far fewer graduates who will sign up for universal credit than are actually eligible. There needs to be targeted

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18 https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/solving-future-skills-challenges.aspx
support for graduates in order to help the economy to recover, which draws on the expertise and knowledge that is readily available in HE careers services.

Policy makers and government recognise that careers advice works. The Chancellor’s plan for jobs has indicated funding has been allocated to recruit careers advisers and provide bespoke advice and careers guidance for over a quarter of a million more people. This plan, and wider conversations about careers advice and guidance, often overlooks CEIAG delivery to students and graduates. In this sense, HE careers and employability delivery is not prioritised or recognised sufficiently. There is a clear economic imperative to prioritise careers advice and guidance for graduates as the under/unemployment of graduates does not make the most of their skills and abilities and their personal investment into their education, and reduces the chances that they will earn the required student loan repayment threshold.

We advocate for increased funding to reduce graduate under/unemployment, and that HE careers services are the mechanism through which interventions are delivered to graduates, due to the expertise they possess in supporting graduates who are entering the job market. The barrier to HE careers services providing more support to students and graduates does not lie in lack of expertise but in lack of resource. Recent AGCAS research found that:

- A number of HE careers services had already had to make staff/budget reductions, with 38% of responding services having experienced a recruitment freeze this academic year and 8% expecting to experience a recruitment freeze at some point during the academic year

20 AGCAS (2021). *The resourcing of HE careers services during a pandemic and beyond.*
- Whilst only a small number of services (8%) furloughed staff, those that did furloughed an average of 38% of the staff;
- 91% of services have experienced a significant (73%) or slight (19%) decrease in income generated so far this academic year;
- 58% of services receive external funding, e.g. for staff, projects or initiatives;
- 82% of respondents have seen demand from the 2020 graduate cohort increase in comparison to previous cohorts, with 17% experiencing a significant increase and 65% experiencing a slight increase in demand.

The wider pressure on resources for HE careers services, however, has come from the immense pressure being faced by their institutions in delivering a meaningful educational experience to students during a pandemic. As well as adhering to changing Government guidance on education provision, the strategic priorities for many institutions are aligned to ‘here and now’ issues, such as student recruitment and retention, student health and wellbeing, provision of study spaces, and student and staff safety. Within this context, ‘careers and employability’ can be seen less as an immediate institutional priority, and while the picture differs across the UK, in some AGCAS member services, careers and employability professionals are being redeployed to other areas of the institution. Whilst this will have short-term positive impacts, it raises concerns about the potential negative effect that decreased resource within HE careers services will have on the prospects of graduates entering a job market during a recession.

1.5 What is the role of business and universities in creating a thriving jobs market for young people? How should they be involved in developing skills and training programmes at further and higher education level?
HE careers services are heavily involved in supporting their university and business community to create a thriving local and national economy, working collaboratively with local authorities, agencies and employers to increase graduate employment in local, national and international organisations. They work closely with employers to co-create programme design linked to skills needs and that keep pace with changing labour market requirements, new technologies and emerging industries.

By utilising their understanding of their student/graduate population and local labour markets, HE careers services support local businesses to grow, encourage the creation of new businesses by supporting graduate entrepreneurs, and are in an ideal position to support employers recruit, retain and retrain high-skilled employees.

To support this expertise, HE careers services also draw on a range of effective networks such as:

- Strong relationships with graduate employers, which supports placements, internships, mentoring programmes, jobs and industry advice sessions
- Links with alumni, who can help provide advice and networking connections
- Start-up support packages, to help graduates who want to start new businesses

SECTION 2: CHALLENGES

2.1 What lessons can be learned by current and previous youth labour market policy interventions and educational approaches, both in the UK and in other countries?
The impact of a recession on the attitudes and beliefs of graduates can last for decades, leading to long term underemployment; so support to develop resilience and proactivity, through CEIAG and access to confidence-building opportunities, is critical. AGCAS members learnt important lessons from the previous recession about how to support students and graduates during economic downturn and are best placed to use this expertise to support students and graduates now. But early indications are that the economic fallout from Covid-19 will be worse than 2008, so we believe that quality CEIAG from HE careers experts should be combined with support from the Government to help graduates and the UK’s broader economic recovery.

To support graduates into work, we learned from the last recession that:

- Graduates need high quality careers education, advice and guidance in order to make decisions about how they will progress their early career when the route ahead of them is not clearly visible.
- Graduates can easily feel isolated during their early career, and when not able to gain meaningful employment can feel that their university experience was worthless. Supporting them may mean support in terms of confidence building, access to networks for advice and support, and specialist careers education programmes to help them into the job market.
- Small businesses often require financial incentives to recruit graduates, particularly onto internship schemes that may be the first step to a permanent role.
- Past local economic shocks were dealt with swiftly by councils bringing together local and national partners to coordinate support.

Moreover, the need to overcome social isolation is more important in a Covid-19 world than it has been during any other economic decline. Holistic support that combines CEIAG with opportunities to build mutual
support networks and increase social capital will be more important than in previous recessions.

2.2 What economic sectors present opportunities for sustainable, quality jobs for young people? How can we ensure these opportunities are capitalised on and that skills meet demand, particularly for green jobs?

AGCAS members hope to see the green economy play a vital role in economic recovery and see this as an opportunity to address the current climate change crisis gradually and foster the transition to a green economy.

Some 700,000 new jobs in low-carbon sectors could be created by 2030 – and more than a million by 2050.21 About half will be in clean electricity generation, a fifth will be involved in installing energy efficiency products such as insulation, while 19% will be in providing low carbon services such as finance. A further 14% of the jobs will relate to the manufacture of low-emission vehicles and infrastructure. Many of these jobs will be in high-skill, graduate-level work, with a median salary in the sector of £40,000, far greater than the UK average. It is likely that most jobs and enterprises will become greener, so all economic sectors present opportunities for sustainable, quality jobs for young people. To capitalise on these opportunities, young people need CEIAG that helps them understand their career motivations and supports them to look for and apply for relevant roles – key roles of HE careers services.

Entrepreneurship and the creation of new technologies and jobs will be critical to a green recovery. Graduates – many of whom will have studied

21 https://www.local.gov.uk/about/campaigns/re-thinking-local/re-thinking-local-skills-and-green-economy
degrees relevant to the green growth areas discussed above – who want to start businesses will need access to advice and seed funding to get their ideas off the ground. Additionally, according to the ILO, businesses will need to identify and implement best environmental practices at workplace level. This will require intrapreneurship within organisations in all sectors and of all sizes. The enterprise education and entrepreneurship support offered by higher education careers services will enable graduates to play a key role in the transition to a sustainable future. The February 2020 edition of Phoenix, the AGCAS journal, shows some of the work that AGCAS member services do to help foster enterprise and entrepreneurship in their students and graduates.

2.3 How might future youth labour market interventions best be targeted towards particular groups, sectors or regions? Which ones should be targeted?
AGCAS members believe that there needs to be targeted support for graduates in order to help the economy to recover. This support should be directed to careers services to help them scale up the provision that best meets the needs of their graduates. If large-scale national or regional projects to support graduate employability are to be implemented, then they must draw upon the expertise and knowledge readily available in HE careers services. AGCAS member services are based in all nations of the UK and regions of England, representing a broad range of HE institutions (HEIs), many of whom will also offer limited support to graduates from other institutions. As a result, we believe they form the infrastructure for how careers advice and guidance can be delivered to any recent graduate who has been adversely impacted by the pandemic. AGCAS member services already work collaboratively across regions but government could provide further

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22 International Labour Organisation (ILO) (2020). COVID-19 and the world of work: Jump-starting a green recovery with more and better jobs, healthy and resilient societies
support to enhance and strengthen existing regional collaborations for the benefit of regional economic recovery.

We learned from the previous recession that different sectors and geographic regions will be affected differently by an economic downturn and follow divergent patterns of recovery. However, a critical distinction with the last recession is that whilst larger graduate recruiters dramatically scaled back their recruitment of graduate talent, the void was supported by growth in SME graduate recruitment. The evidence suggests that this will not be the case during this recession.

There is support from within the AGCAS membership for graduate internship programmes designed to help introduce graduates into SME’s with a financial incentive for those who took part. This could be focused on those sectors who will find it harder to recover economically from the pandemic. HE careers services who work closely with local employers are well positioned to ensure that these opportunities are well advertised and promoted and can easily identify those who would benefit most. It can also be a starting point for long-term relationships between universities and local employers who have not engaged with HEIs before.

The introduction of post-study work for international graduates could be a real boost for the UK’s high-skilled economy, particularly in skills gaps areas. However, members are concerned that employers do not understand the guidance around post-study work and that this will prevent international graduates being able to contribute to the economy. As a result, we recommend funding, training or campaigns to help employers capitalise on these opportunities – particularly as the UK tries to increase international trade. Since HE careers services have strong links with local and national employers, they could act as a conduit for these activities.
We also learned from the previous recession in 2008/9 that the creation of new businesses and the stimulation of enterprise will be vitally important for recovery. Graduates who want to start businesses will need access to advice and seed funding to get their ideas off the ground.

Graduates are not a homogenous group and we recognise that different backgrounds and personal characteristics can influence employment outcomes (see 1.1). Whilst HE careers services work hard within their institution and collaboratively across universities and regions – a key route being through AGCAS – there is still much to be done. We believe that providing more funding and support to the experts – HE careers and employability professionals – would enable them to do more research into the why outcomes gaps exist and work collaboratively to develop interventions that level the playing field at-scale.

Finally, industrial sectors in the UK have been differentially affected by the economic circumstances. Sectors that have been particularly hit by national and local lockdowns, including retail, leisure and tourism, are expected to experience a rapid recovery once restrictions ease and consumer demand picks up over a sustained period. However, there are concerns that this could see the restoration of many insecure, low paid jobs. As a result of fears that the pandemic could lead to more students and graduates being exploited, AGCAS convened a cross-sector group to develop a framework to support universities and employers to help students evaluate the value of opportunities and empower them to identify the opportunities that are right for them. The government could bolster this by providing support to at-risk industries.

Some experts predict a K-shaped recovery on a global scale. In this scenario, industries that have generally been less affected by national and local lockdowns, such as IT and professional services, will recover at a

faster pace than those that have been worse affected. This will require high-skilled (graduate) labour to support growth in these economies. The government should consider providing support to HE careers services – 59% of which offer support to graduates for 1-5 years after graduation and 38% offering lifetime support to graduates – to capitalise on these opportunities when they become available.

As skills gaps already exist in some of these growth areas (see 1.2) the government must ensure that sufficient support and guidance is offered to businesses that would benefit from recruiting non-UK domiciled graduates via the Graduate Route.

4th May 2021