

Entry-level jobs plunge by a third since launch of ChatGPT

Retail, IT and accounting and finance are among the worst hit sectors since the AI tool began operating in November 2022

by Tom Saunders

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The number of new entry-level jobs has fallen by nearly a third since the launch of the artificial intelligence tool ChatGPT in November 2022.

Vacancies for graduate roles, apprenticeships, internships and junior positions with no degree requirement have fallen by 31.9%, research by jobs search site Adzuna found. Such entry-level posts now account for just a quarter of the overall jobs market, down from 28.9% in 2022.

A growing number of companies have spoken publicly about their plans to use AI to trim their workforces. In May 2023, BT said that it would replace 10,000 jobs with artificial intelligence by the end of the decade. The affected roles would include call handling and network diagnostics.

Allison Kirkby, chief executive of BT, recently said that advances in AI could lead to even more significant job cuts at the telecoms company.

Dario Amodei, chief executive of Anthropic, the \$61 billion AI start-up behind the chatbot Claude, warned last month that AI could eliminate half of entry-level white-collar jobs within five years, pushing up unemployment by between 10% and 20%.

James Neave, head of data science at Adzuna, said that apart from the general economic headwinds facing businesses, AI was a major factor in the shrinking entry-level job market.

"If you can reduce your hiring at the entry level, that's just going to increase your efficiency and improve cost savings," he added.

The increasing burdens being placed on businesses by rises in national insurance contributions and the national minimum wage, along with the looming Employment Rights Bill, have also dissuaded companies from hiring at junior levels.

The number of entry-level positions fell by a further 4.2% in May, even as the wider jobs market continued to strengthen. The number of jobs overall rose by 0.49% year-on-year in May to 858,465, its third consecutive month of increases.

The average advertised salary also rose by 9.4% year-on-year to £42,403, continuing the strongest run of annual pay growth since mid-2022.

The largest fall in entry-level jobs is in the retail sector, with a 78.2% decrease in advertised roles between November 2022 and May 2025, followed by the logistics and warehouses and admin sectors.

“The NIC contributions were just a pure financial burden,” Neave said, adding that the Employment Rights Bill was “upping the ante for employers even more than it has been”.

“If you’re an employer, it all adds to this list of reasons why you shouldn’t hire people,” he said.

The number of vacancies has more than halved in several other sectors since November 2022. IT vacancies have fallen by 54.8%, and the number of entry-level accounting and finance jobs has dropped by 50.8%.

The overall number of vacancies in the UK has now returned to pre-pandemic levels, outperforming the global average, but is still behind major markets such as the United States, France, and Germany.

The jobseekers per vacancy ratio rose to +2.02, up from +1.98 in April, while the average time it takes to fill a job fell from 39.6 days to 35.8 days.