

The most up-to-date source of monthly UK labour market data and analysis

Report on Jobs



The Report on Jobs is a monthly publication produced by IHS Markit and sponsored by the Recruitment and Employment Confederation.

The report features original survey data which provide the most up-to-date monthly picture of recruitment, employment, staff availability and employee earnings trends available.

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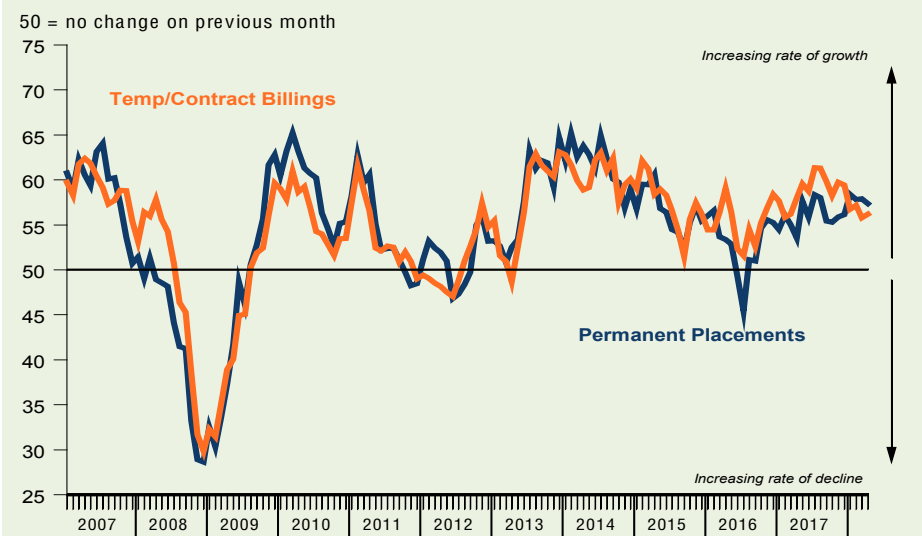
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Permanent staff appointments increase at weakest pace for four months

Staff Appointments via Recruitment Consultancies



Key points from the April survey:

- Softer rise in perm placements contrasts with steeper increase in temp billings
- Growth of demand for staff picks up for first time in nine months
- Steeper decline in overall candidate availability leads to sharper rises in pay

REC director of policy Tom Hadley says:

“Following the recent headlines about high street closures, it’s unsurprising to see demand for retail staff falling this month. With consumers increasingly shopping online, it’s a good time for retail workers to think about how their skills translate into other areas within the business - for example, recruiters say there’s huge demand for staff in IT, and there is also a shortage of order pickers and packers. Helping people make career transitions will become increasingly important in this fast changing business and employment landscape.

“Demand for staff is still on the rise in every other sector, but candidate availability keeps dropping. Our data shows that employers are paying more to attract the right people into their vacancies. For individuals, now is a good time to look for a new job, as you are in a strong position to negotiate higher pay.

“For employers, the challenge is to stay ahead of the competition to maintain and enhance your workforce. This is about more than just pay, it is about providing progression opportunities and a positive workplace culture. As recruitment gets harder the only solution for employers is to get better at attracting and retaining the right skills and staff.”

1 Executive summary

The Report on Jobs is unique in providing the most comprehensive guide to the UK labour market, drawing on original survey data provided by recruitment consultancies and employers to provide the first indication each month of labour market trends.

The main findings for April are:

Permanent placements growth softens to four-month low

The number of people placed into permanent job roles continued to rise markedly in April. That said, the pace of expansion was the softest seen in 2018 so far. In contrast, growth of temp billings picked up from March's 13-month low.

Candidate availability continues to fall markedly

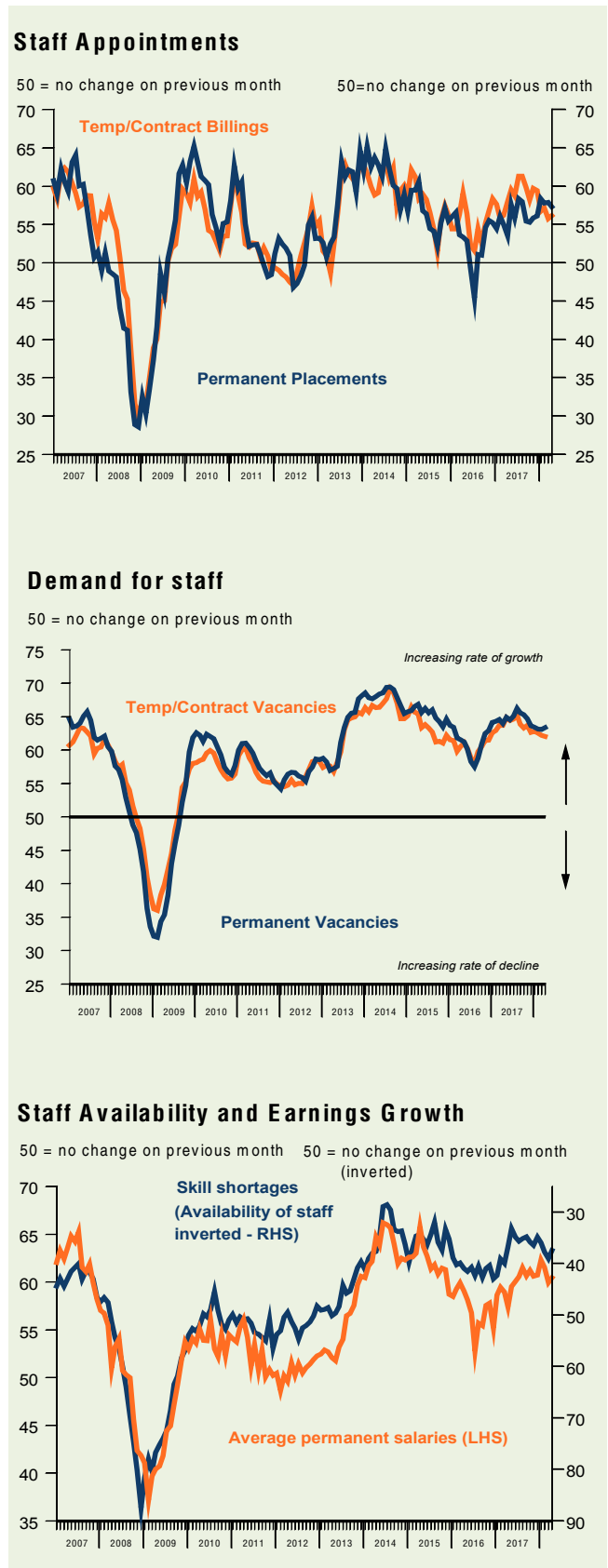
Candidate availability for both permanent and temporary roles declined further at the start of the second quarter. Furthermore, the rates of reduction quickened to three- and five-month records, respectively.

Demand for staff strengthens

Growth of overall job vacancies picked up to a three-month high in April. Permanent staff demand grew at a sharper pace compared to the previous month, while short-term staff vacancies expanded at a slightly softer (but still marked) pace.

Pay growth gathers pace

Starting salaries for permanent workers continued to rise sharply in April, with the rate of inflation picking up from March. Concurrently, rates of pay for contract/temporary staff rose to the greatest extent for two years.



2 Staff appointments

Recruitment consultancies report on the number of people placed in permanent jobs each month, and their revenues (billings) received from placing people in temporary or contract positions at employers.

Recruitment agencies signalled marked rises in both permanent placements and temp billings at the start of Q2.

Permanent placements growth edges down to four-month low...

Recruitment consultancies signalled a further rise in permanent staff placements during April, thereby stretching the current sequence of expansion to 21 months. Anecdotal evidence suggested that growth of placements was underpinned by a further substantial rise in demand for staff and greater job vacancies. Although sharp, the latest increase in placements was the slowest seen for four months.

The Midlands registered the strongest rise in permanent staff appointments in April, while the weakest was seen in London.

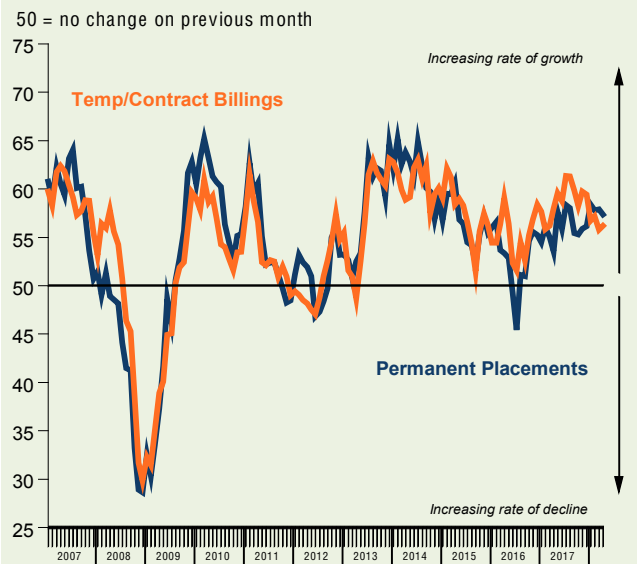
...while temp billings expand at slightly quicker pace

After moderating to a 13-month low in March, growth of temporary billings quickened slightly in April and was sharp overall. However, the pace of expansion remained softer than those seen through the majority of 2017. Improved demand for contract/temporary staff was linked by respondents to the latest upturn in temp billings.

Scotland continued to record the steepest rate of growth, while the North of England recorded the slowest.

An index reading above 50 signals a higher number of placements/billings than the previous month. Readings below 50 signal a decline compared with the previous month.

Staff Appointments via Recruitment Consultancies



Permanent Staff Placements

Q. Please compare the number of staff placed in permanent positions with the number one month ago.

		Higher %	Same %	Lower %	Net +/-	Index 50 = no chg	S.Adj. Index
2017	Nov	38.1	34.3	27.5	10.6	55.3	55.9
	Dec	28.8	36.3	34.9	-6.1	47.0	56.1
2018	Jan	45.6	30.4	24.0	21.6	60.8	58.4
	Feb	43.9	31.8	24.3	19.6	59.8	57.8
	Mar	46.8	30.0	23.2	23.6	61.8	57.9
	Apr	43.9	30.8	25.3	18.6	59.3	57.3

Temporary/Contract Staff Billings

Q. Please compare your billings received from the employment of temporary and contract staff with the situation one month ago.

		Higher %	Same %	Lower %	Net +/-	Index 50 = no chg	S.Adj. Index
2017	Nov	40.3	39.9	19.7	20.6	60.3	59.7
	Dec	35.5	45.3	19.2	16.3	58.1	59.4
2018	Jan	24.7	33.5	41.8	-17.1	41.5	56.7
	Feb	34.5	44.9	20.6	14.0	57.0	57.2
	Mar	41.2	37.6	21.2	20.0	60.0	55.8
	Apr	35.4	41.1	23.6	11.8	55.9	56.2

3 Vacancies

Recruitment consultants are asked to specify whether the demand for staff from employers has changed on the previous month, thereby providing an indicator of the number of job vacancies. The summary indexes shown in this page are derived from the detailed sector data shown on page 5.

Vacancies rise at quicker pace

Latest data indicated that demand for staff continued to increase at the start of the second quarter. At 61.4 in April, the Report on Jobs Vacancy Index rose from 61.1 in March to signal the strongest upturn in demand for three months.

Vacancies continued to rise at a sharper pace for permanent roles compared to temporary ones, though rates of increase were steep in both cases.

Public & private sector vacancies

Recruitment consultancies indicated that private sector demand for staff continued to rise in April, with growth of both permanent and temporary vacancies picking up since March.

Demand was also higher in the public sector, with steeper increases in vacancies signalled for both permanent and temporary staff. That said, rates of growth continued to lag behind those seen for private sector staff.

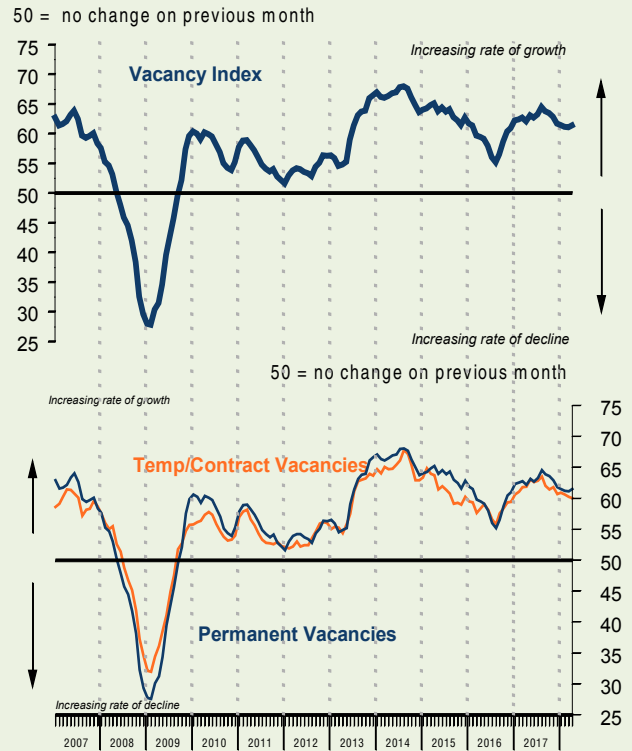
Other vacancy indicators

Overall, job vacancies rose by 5.7% on an annual basis in the three months to March, according to latest data from the Office for National Statistics (ONS). Although strong, this was down from a 7.1% rise in the previous period, to mark the slowest rate of growth since mid-2017.

Latest available data signalled that internet-based recruitment spending fell by 7.8% year-on-year during the fourth quarter of 2017. This was slightly stronger than the 6.1% drop seen in the preceding quarter.

The Job Vacancies Index monitors the overall demand for staff at recruitment consultancies. An index reading above 50 signals a higher number of vacancies than the previous month. Readings below 50 signal a decline compared with the previous month.

Job Vacancies



Job Vacancy Indicators

	Dec'17	Jan'18	Feb	Mar	Apr
Job Vacancy Index (recruitment industry survey)					
50 = no change on previous month					
Total	61.8	61.5	61.2	61.1	61.4
Permanent Staff	61.8	61.6	61.2	61.2	61.5
Temporary Staff	60.7	60.9	60.6	60.3	60.1

Public & private sector vacancies (not seasonally adjusted)

Public: perm	52.8	50.0	51.9	53.8	54.3
Public: temp	52.1	49.6	57.8	58.0	59.3
Private: perm	64.1	66.0	67.6	63.1	63.8
Private: temp	62.9	56.7	64.0	60.8	61.7

Other key vacancy data

Annual % change					
ONS Vacancy Survey	8.4	9.3	7.1	5.7	n/a
Internet recruitment	-7.8	--	--	--	

Sources: Vacancy data provided by ONS via Thomson Reuters Datastream.
Internet recruitment spending provided by WARC.com

4 Demand for staff by sector

Recruitment consultancies are requested to compare the demand for staff according to sector with the situation one month ago.

Permanent staff

The vast majority of monitored job categories registered higher permanent staff vacancies during April. The steepest rates of growth were registered across the Engineering and IT & Computing sectors. Retail was the only category to record lower demand for permanent workers.

	This year		(Last year)	
	Rank	Apr'18	Rank	Apr'17
Engineering	1	67.7	(1)	(65.0)
IT & Computing	2	66.7	(2)	(64.0)
Accounting/Financial	3	62.2	(4)	(63.3)
Executive/Professional	4	60.9	(9)	(59.2)
Construction	5	57.9	(10)	(57.2)
Secretarial/Clerical	6	57.6	(6)	(61.4)
Blue Collar	7	57.5	(8)	(60.3)
Hotel & Catering	8	56.9	(7)	(61.1)
Nursing/Medical/Care	9	56.6	(5)	(63.2)
Retail*	10	45.4	(3)	(63.5)

Temporary/contract staff

Blue Collar and Engineering were the most in-demand categories for temporary workers during April. Nonetheless, all of the remaining job sectors noted higher temp staff vacancies. The slowest growth was signalled for construction.

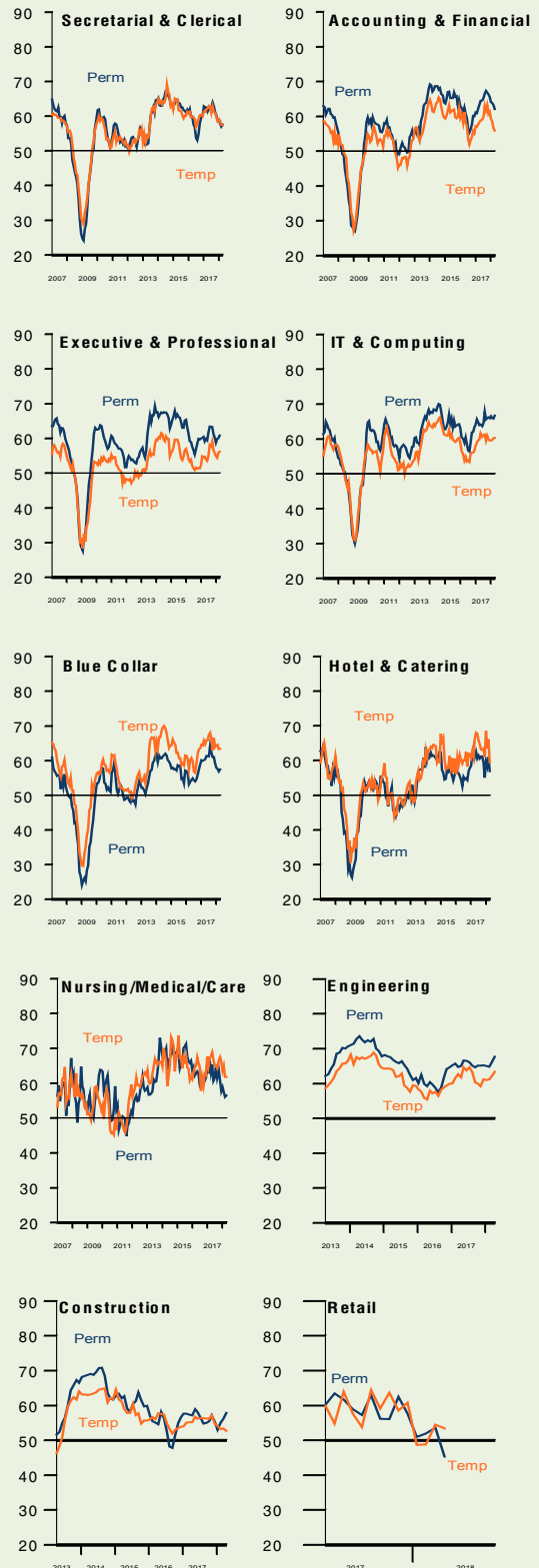
	This year		(Last year)	
	Rank	Apr'18	Rank	Apr'17
Blue Collar	1	63.5	(3)	(64.8)
Engineering	2	63.4	(5)	(61.9)
Nursing/Medical/Care	3	61.9	(1)	(67.8)
IT & Computing	4	60.3	(6)	(59.8)
Hotel & Catering	5	59.6	(2)	(66.4)
Secretarial/Clerical	6	57.4	(4)	(62.3)
Executive/Professional	7	56.2	(10)	(54.7)
Accounting/Financial	8	55.9	(7)	(58.3)
Retail*	9	53.5	(9)	(54.8)
Construction	10	52.8	(8)	(55.2)

*Non-seasonally adjusted data due to shorter series history.

Data are presented in the form of diffusion indices whereby a reading of 50 indicates no change on the previous month. Readings above 50 signal stronger demand than a month ago. Readings below 50 signal weaker demand than a month ago. Data are adjusted for seasonality.

Demand for staff

50 = no change on previous month



5 Staff availability

Recruitment consultants are asked to report whether availability of permanent and temporary staff has changed on the previous month. An overall indicator of staff availability is also calculated.

Availability of permanent staff

The availability of candidates to fill permanent job roles continued to decline markedly during April. Furthermore, the rate of reduction quickened to a three-month record.

Permanent staff availability fell across all five monitored UK regions, with the steepest decline seen in the South of England.

Availability of temp/contract staff

Survey data for April signalled lower temporary/contract staff availability for the fifty-eighth month running in April. The pace of deterioration was the most marked for five months and sharp.

Data broken down by region showed that the reduction was broad-based, with the Midlands noting the steepest rate of decline.

Key permanent staff skills reported in short supply:*

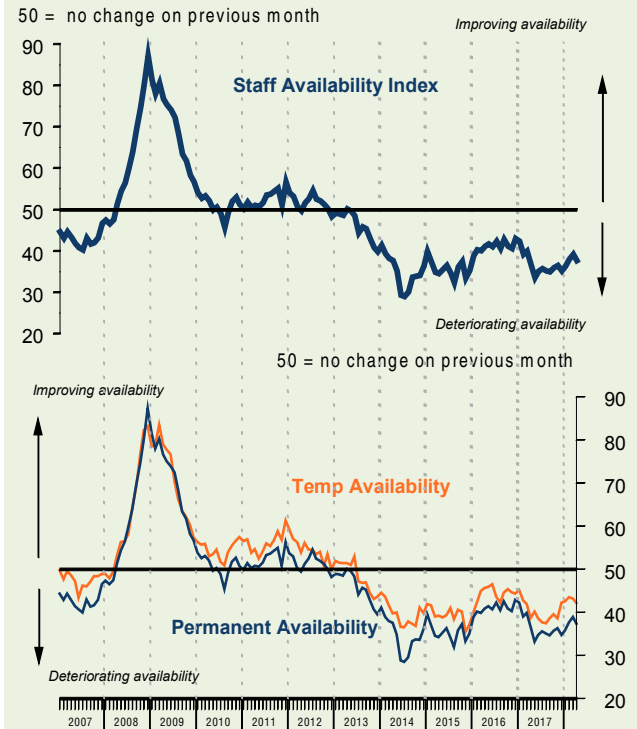
Accounting/Financial: ACA, Accountants, Actuaries, Audit, Credit Controller, Estimators, Finance, IFA, Payroll, Risk, Treasury. **Blue Collar:** Blue Collar, C + E Drivers, Drivers, Forklift Drivers, HGV Drivers, LGV Drivers, Sewing Machinists, Machinists, Metal Workers, Production Managers, Skilled Manufacturing Labour, Skilled Toolmakers, Vehicle Technicians, Warehouse Workers, Welders. **Construction:** Architectural, Quantity Surveyors, Workers. **Engineering:** Aerospace, Aviation, Building Services, Civil, Design, Drainage, Electrical, Engineers, Managers, Mechanical, Technicians. **Executive/Professional:** Business Analysts, Business Development, Compliance, Executives, HR, Legal, Litigation, Marketing, Retail Business Analysts, Project Managers, Scientists, Solicitors. **Hotel/Catering:** Baristas, Catering, Chefs, Hospitality, Hotel Receptionists, Housekeeping Managers. **IT/Computing:** Automation Testers, CAD, Cyber Security, C#, Data, DevOps, Digital, Gaming, GDPR, IT, Java, .NET, Oracle Fusion, Ruby, Software Engineers, Technology, Telecoms, UI/UX Designers. **Nursing/Medical/Care:** Care Workers, Clinical Professionals, Healthcare Assistants, Home Carers, Sonographers, Support Workers. **Secretarial/Clerical:** Administration, Office Staff. **Other:** B2B Sales, Buyers, Call Centre, Customer Services, Eastern European Languages, Graduates, Sales, Supply Chain, STEM Teachers, Technical Sales, Telesales, Travel Consultants.

Key temp skills reported in short supply:*

Accounting/Financial: AAT, Accountants, Audit, Finance, Payroll, Risk, Treasury, Underwriters. **Blue Collar:** Blue Collar, C + E Drivers, Drivers, Forklift Drivers, Harvesting, HGV Drivers, LGV Drivers, Order Pickers, Packers, Machine Operatives, Unskilled Workers, Warehouse Workers, Welders. **Construction:** Quantity Surveyors. **Engineering:** Aerospace, Aviation, Design, Electrical, Engineers, Rail. **Executive/Professional:** Business Analysts, Compliance, Legal, Marketing, Project Managers, Scientists. **Hotel/Catering:** Catering, Chefs. **IT/Computing:** Automation Testers, CAD, Cyber Security, DevOps, Data, Digital, Gaming, GDPR, IT, Infrastructure Consultants, Java, Oracle Fusion, Python, Software Developers, Technology, UI/UX. **Nursing/Medical/Care:** Care Workers, Healthcare Assistants, Home Carers, Nurses, Optometrists, Sonographers. **Secretarial/Clerical:** Administration, Office Staff. **Other:** B2B Sales, Customer Service, Qualified Teachers, Sales, Linguists (French, Mandarin, Spanish).

*consultants are invited to specify any areas in which they have encountered skill shortages during the latest month

Staff Availability



Availability of permanent staff

Q. Is the availability of candidates for permanent vacancies better, the same or worse than one month ago?

	Better %	Same %	Worse %	Net +/-	Index	S.Adj. Index
2017 Nov	9.1	51.1	39.9	-30.8	34.6	36.4
Dec	6.5	50.3	43.2	-36.8	31.6	34.8
2018 Jan	25.1	46.9	28.0	-2.9	48.5	35.9
Feb	15.2	54.0	30.9	-15.7	42.2	37.7
Mar	11.0	57.6	31.3	-20.3	39.9	39.0
Apr	6.7	60.3	33.0	-26.3	36.8	37.4

Availability of temporary/contract staff

Q. Is the availability of candidates for temporary vacancies better, the same or worse than one month ago?

	Better %	Same %	Worse %	Net +/-	Index	S.Adj. Index
2017 Nov	9.6	57.1	33.4	-23.8	38.1	38.7
Dec	15.5	54.1	30.3	-14.8	42.6	42.3
2018 Jan	24.3	58.3	17.4	7.0	53.5	42.6
Feb	14.7	65.4	19.9	-5.1	47.4	43.5
Mar	11.6	61.6	26.7	-15.1	42.4	43.2
Apr	9.3	64.4	26.3	-17.1	41.5	42.1

6 Pay pressures

The recruitment industry survey tracks both the average salaries awarded to people placed in permanent jobs each month, as well as average hourly rates of pay for temp/contract staff.

Permanent salaries

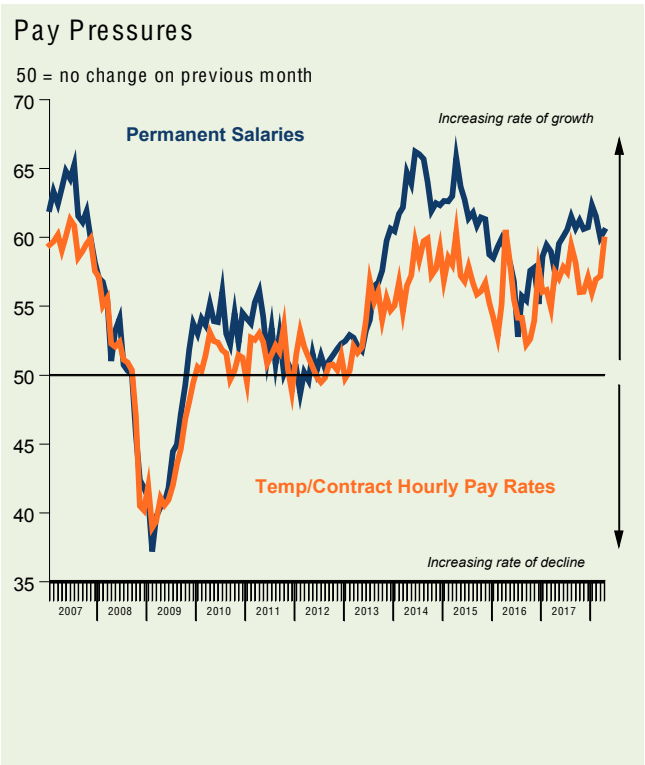
Survey respondents signalled a further rise in average starting salaries for candidates placed into permanent roles. The rate of inflation picked up slightly from March's ten-month low, and remained sharp compared to the series trend. Anecdotal evidence linked increased salaries to candidate shortages and robust demand for staff.

The strongest rise was seen in the South of England, though marked rates of pay growth were also seen elsewhere.

Temp/contract pay rates

The rate of inflation of contract/temporary staff pay quickened to a two-year record in April. Furthermore, the rate of increase was well above the historical series average. Scarcity of suitably skilled staff was cited as the main factor driving up short-term pay rates.

The South of England posted the fastest rise in temp pay, while the weakest was seen in the North of England.

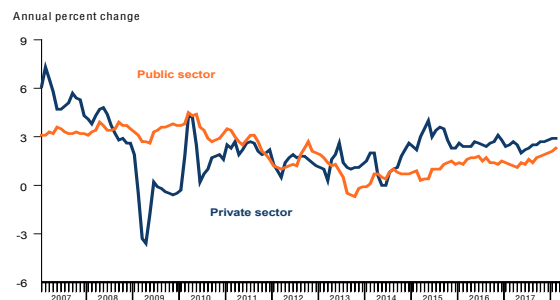


UK average weekly earnings

Data from the Office for National Statistics signalled that annual growth of employee earnings (including bonuses) held steady at +2.8% in the three months to February. Private sector pay growth was unchanged at +2.9%, while public sector earnings increased at a slightly quicker pace (+2.3%).

Yr/yr % chg in average weekly earnings (3mma)

	2015	2016	2017	Nov	Dec	Jan	Feb
Whole economy	2.6	2.4	2.3	2.5	2.6	2.8	2.8
Private sector	3.0	2.6	2.5	2.7	2.8	2.9	2.9
Public sector	0.9	1.5	1.5	1.9	2.0	2.1	2.3
Services	2.8	2.2	2.4	2.6	2.7	2.8	2.8
Manufacturing	1.6	2.4	1.8	2.7	3.1	3.1	2.8
Construction	2.8	4.8	1.6	1.9	1.5	3.0	3.5



Permanent Salaries

Q. Are average salaries awarded to staff placed in permanent positions higher, the same or lower than one month ago?

	Higher %	Same %	Lower %	Net +/-	Index	S.Adj. Index
2017 Oct	27.3	67.1	5.5	21.8	60.9	61.2
Nov	24.0	72.2	3.7	20.3	60.1	60.6
Dec	21.0	75.0	4.0	17.0	58.5	60.7
2018 Jan	25.6	70.6	3.8	21.8	60.9	62.3
Feb	26.8	68.6	4.6	22.2	61.1	61.5
Mar	24.7	71.2	4.1	20.5	60.3	60.0
Apr	27.3	69.4	3.3	24.0	62.0	60.5

Temporary/Contract Pay Rates

Q. Are average hourly pay rates for temporary/contract staff higher, the same or lower than one month ago?

	Higher %	Same %	Lower %	Net +/-	Index	S.Adj. Index
2017 Oct	16.6	79.3	4.1	12.5	56.2	56.0
Nov	16.0	81.2	2.8	13.3	56.6	56.1
Dec	15.5	79.4	5.1	10.4	55.2	57.1
2018 Jan	12.7	82.1	5.3	7.4	53.7	56.0
Feb	15.2	83.1	1.6	13.6	56.8	57.0
Mar	17.1	81.0	1.9	15.2	57.6	57.2
Apr	32.9	64.3	2.7	30.2	65.1	59.9

7 Feature | Regional comparison

Claimant counts across the UK

The UK claimant count edged up in March, according to latest data from the Office for National Statistics. Overall, the number of people claiming out-of-work benefits across the UK stood at 855,000 in March, up by approximately 11,000 compared to the previous survey period. This translated into a claimant count rate of 2.1%, up from 2.0%.

The South East of England reported the lowest proportion of people claiming out-of-work benefits (1.3%), closely followed by the South West and East of England, which both registered a claimant count rate of 1.4%. The highest rates were seen in the North East and North West of England, at 3.5% and 2.6% respectively.

In absolute terms, London registered the greatest number of people claiming unemployment-related benefits (127,000), which was only slightly above that seen in the North West of England (120,000).

Claimant count - seasonally adjusted (Mar'18)

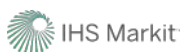
Region	'000s	Rate (%)*
South East	71	1.3
South West	48	1.4
East of England	54	1.4
East Midlands	50	1.7
London	127	2.1
Wales	41	2.1
Yorks & Humberside	82	2.4
Scotland	85	2.4
Northern Ireland	29	2.4
West Midlands	92	2.6
North West	120	2.6
North East	58	3.5
United Kingdom	855	2.1

Source: Office for National Statistics (from NOMIS website).

* As a percentage of Claimant Count + Workforce Jobs.



Jobs transform lives, which is why we are building the best recruitment industry in the world. As the professional body for recruitment we're determined to make businesses more successful by helping them secure the people they need. We are absolutely passionate and totally committed in this pursuit for recruiters, employers, and the people they hire. Find out more about the Recruitment & Employment Confederation at www.rec.uk.com



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Website: ihsmarkit.com

Recruitment Industry Survey

The monthly survey features original research data collected via questionnaire by IHS Markit from a panel of 400 UK recruitment and employment consultancies. In 2016/17, recruiters placed nearly a million people into a new permanent job and on any given day there are 1.3 million temporary agency workers active in the labour market. Monthly survey data were first collected in October 1997 and are collected in the end of each month, with respondents asked to specify the direction of change in a number of survey variables. IHS Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

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UK Report on Jobs

Candidates in excess supply

Since October 2017, recruitment consultants have been asked to comment on the job skills in excess supply for both permanent and temporary candidates.

Key permanent staff skills reported in excess supply during April 2018:

- Administration
- Account Clerks
- Business Support
- Catering
- Customer Service
- Finance Directors
- HR
- IT
- Junior Roles
- Office Staff
- Part-time Workers
- Personal Assistants
- Project Managers
- Retail
- Sales
- Site Managers
- Unskilled Blue Collar
- Van drivers
- Waiting Staff

Key temporary staff skills reported in excess supply during April 2018:

- Administration
- Catering
- Customer Service
- Finance
- First Line Support Staff
- IT
- Junior Roles
- Part-time Workers
- Personal Assistants
- Plant Operatives
- Project Managers
- Retail
- Shop Assistants
- Van Drivers
- Unskilled Staff
- Warehouse/Production Staff

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