

Growth in permanent hiring despite uncertain outlook

Submitted by: BlueSky Public Relations Ltd

Monday, 30 January 2017

Permanent and temporary placements rise 1% year-on-year

Permanent vacancies decline within IT and Finance

Average salaries dip by 2.8%

New survey data from the Association of Professional Staffing Companies (APSCo) reveals that both permanent and temporary placements have risen year-on-year (1% each). This is in line with the latest data from the Office for National Statistics (ONS) which reveals that the unemployment rate remained at an 11-year low for the three months to November last year.

APSCo data, which focuses on professional recruitment, reveals notable variations between the trade association's core sector groups. While permanent placements across engineering and IT rose (2.4% and 19.1% respectively), placements within finance decreased by 4.6%.

Vacancies decline within IT and Finance

Despite placements rising in December, the number of new jobs coming onto the market fell by 2%. Demand for finance and IT staff fell across both the permanent and contract arenas with the former suffering more so than others with demand for finance plummeting by 14%.

This is perhaps unsurprising given the widespread reports

(<http://www.independent.co.uk/news/business/news/brexit-banks-london-paris-move-uk-france-exodus-french-regulator-a7462>

in the latter part of 2016 that banks would be moving large numbers of jobs from the Capital which may very well have stalled recruitment activity. And following Theresa May's speech outlining the UK's

Brexit Strategy, HSBC and UBS have already revealed plans to move at least 1000

(<http://www.bbc.co.uk/news/business-38663537>) jobs each from London, suggesting that this decline within financial services may well continue as we progress throughout 2017.

Average salaries down

APSCo's figures also reveal that median salaries across all professional sectors dipped by 2.8% year-on-year. Despite this, however, pay rose in several sectors – IT and financial services recorded uplifts of 2.5% and 2.1% respectively.

Ann Swain, Chief Executive of APSCo comments:

"There is no doubt that parts of the UK jobs market has suffered in the months following Brexit – and our data demonstrates that employers continue to take a far more cautious approach to hiring. However it is not all doom and gloom with several indicators suggesting that the UK is faring better than expected following the referendum. The IMF has raised (<http://www.bbc.co.uk/news/business-38637243>) its forecast for economic growth this year, the latest Purchasing Managers' Index shows manufacturing growth at a 30 year high

(<https://www.theguardian.com/business/2017/jan/03/uk-manufacturing-growth-at-a-30-month-high-says-pmi-survey>),

and the latest PwC survey reveals 89% of CEOs are optimistic about growth prospects in 2017 – up from 85% last year”.

- Ends

Notes to editors:

Professional Recruitment Trends is the only monthly publication providing original data and analysis on the professional staffing market. It is produced jointly by APSCo and Staffing Industry Analysts.

APSCo is the membership body that is dedicated to representing professional recruitment in the UK. It was formed to give all firms involved in the recruitment of professional talent who have a commitment to excellence, the specialist support and distinctive voice they need to be successful. It gives candidates and employers a trusted badge of quality whilst providing member firms with an innovative range of services designed for them by recruitment experts. These services, combined with its growing international profile, commitment to Corporate Social Responsibility and opportunities for professional networking give APSCo members a unique opportunity to develop their businesses and gain competitive advantage (<http://www.apsco.org> (<http://www.apsco.org>)).