

Latest jobs data: Hiring activity remains strong

Submitted by: BlueSky Public Relations Ltd

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- No change in permanent vacancies year-on-year
- Demand for contractors falls by 12%
- Permanent placements up 5% year-on-year
- Demand outstrips supply for social workers
- Average salaries dip 1.4%

Permanent vacancies stable and placements up

Professional recruitment firms reported that although there was no change in overall vacancy numbers for permanent roles year-on-year in August 2017, placements increased by 5% during the same period. That is according to new survey data from the Association of Professional Staffing Companies APSCO (<http://www.apsco.org>).

APSCO's data, which focuses on professional recruitment, reveals notable variations between the trade association's core sector groups in terms of hiring activity. While permanent vacancies across both finance and engineering, for example, have increased (by 9% and 2% respectively) permanent vacancies within IT slipped by 5%.

Vacancies for professional contractors decreased by 12% across the board year-on-year, with demand falling across every core sector group.

Demand for contractors falls

Demand for interims decreased by 12% year-on-year in August 2017, while the number of contractors out on assignment remained largely stable, dipping by just 0.5% over the same period. Contract vacancy numbers were down across each of APSCO's core sector groups. Demand for engineering, IT and finance professionals, for example, decreased by 3%, 12% and 28% respectively.

This is despite the fact that the number

(<https://www.taxassist.co.uk/resources/show-news/title/more-than--of-uk-workforce-is-now-self-employed/id/900001431/>) of self-employed workers in the UK grew by a further 88,000 in the three months to July 2017. There are now 4.85 million self-employed professionals working across the UK, amounting to more than 15% of the nation's entire workforce.

APSCO's data also shows pockets of strong activity in the contractor market in terms of sector. The number of contract professionals on assignment within finance has increased by 17%, while engineering placements are up 21% year-on-year.

Demand outstrips supply for social workers

While vacancies for permanent social work professionals increased by 51% year-on-year, placements within the sector rose by just 13% during the same period. This suggests a disparity between the supply and demand of individuals with experience in this area.

This data is supported by recent insight from the body for workforce development in adult social care, Skills for Care, which has reported (<https://www.theguardian.com/society/2017/mar/08/uk-social-care-crisis-staff-shortages>) that on any one day, there are 90,000 vacancies for social care jobs in England. The leading union, Unison, has also recognised (<https://www.theguardian.com/society/2017/mar/08/uk-social-care-crisis-staff-shortages>) staff shortages in the sector.

Average salaries dip

APSCo's figures also reveal that median salaries across all professional sectors dipped by 1.4% in August 2017. This figure is characterised by notable fluctuations in terms of sector, with banking and construction both recording uplifts (of 1% and 4% respectively).

Ann Swain, Chief Executive of APSCo comments:

"While, at first glance, no growth in permanent job availability may be disconcerting, it is worth noting that annual August-to-August comparisons have historically (<http://www.apsco.org/article/professional-hiring-remains-resilient-post-brex-2837.aspx>) been somewhat flat as a result of the holiday period."

"With this in mind, demand for permanent talent is reassuringly stable, and with forecasters predicting (<https://www.theguardian.com/business/2017/aug/02/uk-economy-surge-life-leading-forecaster-jagjit-chadh>) that the UK economy is set to surge back to life in the coming months, we cautiously anticipate that vacancy numbers will soon be increasing once again."

"Dips in contract vacancy numbers are indicative of the very strength of the flexible labour market - that is the freedom for businesses to seek high-level, specialist expertise as and when needed. The fact that the number of contractors on assignment remains strong is a positive sign. However, if we were to witness a decrease in demand long-term, alongside ongoing falls in the number of contractors on the ground, this would suggest that wider market forces were at work."

John Nurthen for Staffing Industry Analysts, which compiles the report for APSCo, says:

"August is usually a difficult and unpredictable month with holidays and project gaps holding up recruitment decisions so the 5% increase in permanent placements is encouraging. Nevertheless, staffing firms report finding it more and more difficult to find good candidates. With demand remaining consistent, current employers are responding with counter-offers in increasing numbers in order to retain departing staff."

- Ends

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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>)).

Staffing Industry Analysts is the global advisor on staffing and workforce solutions. The company's proprietary research covers all categories of employed and non-employed work including temporary staffing, independent contracting and other types of contingent labour. SIA's independent and objective analysis provides insights into the services and suppliers operating in the workforce solutions ecosystem including staffing firms, managed service providers, recruitment process outsourcers, payrolling/compliance firms and talent acquisition technology specialists such as vendor management systems, online staffing platforms, crowdsourcing and online work services.

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