

Latest jobs data: Demand for professionals stumbles amid uncertain climate

Submitted by: BlueSky Public Relations Ltd

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- Vacancies for permanent professionals dip 4%
- Demand for contractors decreases 4%
- Contractors out on assignment down 6%
- Permanent placements up 2%
- Average salaries increase 2.7%

Demand for talent stalls

Professional recruitment firms reported that demand for permanent talent fell by 4% year-on-year in January 2019, while vacancies for contingent workers decreased by 4% over the same period, according to new research from Staffing Industry Analysts on behalf of the Association of Professional Staffing Companies (APSCO) (<https://www.apsco.org/>)

Contract vacancies up in financial services

Despite this overall decline in demand, APSCO's data does reveal pockets of positivity, most notably within the financial services sector, where vacancies for contingent workers rose by 11% year-on-year in January 2019. This contrasts with demand for contract workers within engineering, which dropped by 22% during the same period.

This boom in non-permanent financial appointments comes amid uncertainty around the UK's future trading relationship with the EU and the rest of the world. However, this month, The US Commodity Futures Trading Commission (CFTC), the Bank of England and UK watchdog the Financial Conduct Authority (FCA) have struck a deal to provide a "bridge over Brexit" (<http://www.cityam.com/273763/bridge-over-brexit-uk-and-us-strike-post-brexit-derivatives>) and ensure financial stability.

Permanent placements up

Despite an overall dip in demand for talent, permanent placements increased by 2% year-on-year in January 2019.

This overall strength can be attributed to a significant 12% increase in permanent placements within IT, where contract placements dipped by 13%.

Contract market remains slow

While permanent placements increased 2% in the year to January 2019, the number of contractors out on assignment dipped by 6% during the same period. Use of contingent workers fell across every one of APSCO's core sectors, with the exception of financial services where contractor levels increased by 12% year-on-year.

Professional salaries up

APSCo's figures also reveal that median salaries across all professional sectors remained stable in January 2019, rising by 2.7% across the board. Average salaries within many of APSCo's core sectors, however, increased more significantly. Within financial services, for example, average salaries rose by 4.6% year-on-year. In engineering, meanwhile, salaries are up by 4.1% over the same period.

Ann Swain, Chief Executive of APSCo comments:

"In line with recent figures from the ONS - which showed a record number of people in work and employment at an all-time high - our members are reporting healthy placement levels. With the ongoing uncertainty around our exit from the EU, it remains to be seen whether this positivity will continue. However, for the time being at least, it seems to be business as usual."

John Nurthen, Staffing Industry Analysts' Executive Director of Global Research commented:

"Despite an overall decrease in vacancies, it certainly is welcome to see a median rise in salaries. The report paints a rather mixed picture, however indicates that the finance sector is booming amongst contractors and in permanent engineering positions. The rise in engineering reflects the demand in talent for the multiple industrial projects set to proceed in the UK such as HS2, Crossrail and Transport for the North."

- 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>)).