

Latest jobs data: Professional jobs market remains steady amid Brexit chaos

Submitted by: BlueSky Public Relations Ltd

Wednesday, 27 March 2019

- Vacancies for permanent professionals dip 3%
- Demand for contractors decreases 3%
- Contractors out on assignment down 5%
- Permanent placements up 4%
- Average salaries increase 3.1%

Demand for talent stalls

Professional recruitment firms reported that demand for permanent talent fell by 3% year-on-year in February 2019, while vacancies for contingent workers also decreased by 3% over the same period, according to new survey data from Staffing Industry Analysts (SIA) on behalf of the Association of Professional Staffing Companies (APSCo (<http://www.apsco.org/>)).

Permanent vacancies up in engineering

Despite this overall stability, APSCo's data does reveal pockets of promising growth, most notably within the engineering sector, where vacancies for permanent workers rose by 13%.

This boom in permanent engineering appointments comes as rail expansion projects ramp up across the UK, such as Crossrail and Northern Powerhouse Rail – and this trend shows no sign of abating.

Transport for the North (TfN) recently announced that the Northern Powerhouse scheme has received a £70 billion investment (<https://www.leeds-live.co.uk/what-70-billion-plan-north-15765269>), which it said will aid the creation of a further 850,000 jobs in the near future.

Permanent placements up

Despite an overall dip in demand for talent, permanent placements increased by 4% in February 2019.

This overall strength can be firmly attributed to a significant 11% year-on-year increase in placements within IT. However, this activity is offset against a fall in contract placements within the sector, which dipped by 11%.

Contract market remains slow

While permanent placements across all sectors increased 4% in the year to February 2019, the number of contractors out on assignment dipped by 5% during the same period. Use of contingent workers fell across many of APSCo's core sectors, with the exception of financial services and social work, where contractor levels both increased by 12% year-on-year.

Financial services turns to contingent talent

Within financial services, permanent placements dipped by 6% year-on-year in February 2019, while the number of contractors out on assignment increased by 12% over the same period.

The fact that businesses seem to be hesitant to grow permanent headcount is unsurprising when you consider that the Confederation of British Industry (CBI) and PwC recently found (<https://economia.icaew.com/news/march-2019/financial-services-optimism-plummets>) that optimism in the sector had dropped at its fastest rate since the 2008 financial crash in the first quarter of 2018 as a result of Brexit uncertainty.

Professional salaries up

APSCo's figures also reveal that median salaries across all professional sectors remained stable in February 2019, rising by 3.1% 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 5.3% year-on-year. In marketing, meanwhile, salaries are up by 3.6% over the same period.

Ann Swain, Chief Executive of APSCo comments:

"Despite the potential threat of Brexit jitters, overall hiring activity has remained reassuringly stable within our core sectors, with a slight dip in permanent placements being offset by a marginal rise in the number of contractors out on assignment. However, a rise in contract vacancies within financial services, while demand for permanent talent falls, is one area where the impact of today's uncertain climate does seem to be evident."

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

"As Brexit discussions spiral into crisis, it's interesting to see UK demand for talent holding up relatively well as temporary staffing markets in Germany, France, the Netherlands, Belgium and Italy stumble."

- 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>)).