

UK Jobs Market Review

March 2022



Softest increase in placements for a year

Permanent



Though sharp and comfortably above average, the rate of growth in permanent placements slipped for the fourth month in a row and was the slowest since March 2021. The general lack of candidates is reported to have constrained overall growth.

Temporary



Growth in temporary placements eased for the second month in a row and was the slowest seen for 11 months, albeit strong by historical standards. Rising business requirements and lack of available permanent staff attributed to the increase.

Vacancy growth picks up to a 6 month high!



March saw a rapid increase in demand for both permanent and temporary staff, with upturns hitting six and seven month highs respectively. Permanent vacancy growth continued to outpace that seen for short-term roles, as has been the case throughout the past year.

Compared to the same time last year, vacancies were up 114% to 1,318,000. It was also 62.5% higher than before the outbreak of the pandemic.

Candidate supply continues to decline rapidly

The demand for workers continued to outstrip supply amid a low unemployment rate. People are still reluctant to switch roles due to the uncertainty related to the pandemic, and the Ukraine war, and of fewer EU workers. The rate of decline of temporary workers has softened slightly but candidates are preferring permanent positions over short-term roles.



Starting salary inflation hits fresh record

Permanent



Average salaries awarded to new permanent joiners increased substantially during March. The growth is again attributed to the upturn in intense competition for scarce candidates.

Temporary



The rate of temporary pay inflation quickened to a three-month high in March. Anecdotal evidence suggests that pay rose due to the shortage of applications, and to help account for rising living costs.