

# UK Jobs Market Review November 2023



## Week economic climate curbs hiring activity in November

### Permanent



November saw a further dip in permanent placements. Notably, the rate of contraction accelerated to the second-sharpest since June 2020, when hiring was hit during the initial phase of the pandemic. Employer confidence receded amid the current economic climate and this led to hiring freezes and reductions in vacancies.



### Temporary

Following increases in the prior two months, November saw a drop in temporary hours. Although modest, it was only the second time that hours declined since July 2020. Cost-cutting initiatives and lower activity at clients contributed to the fresh fall in new hours.

## Fresh fall in overall vacancies



After stabilising in October, total demand for staff fell back into decline during November. The rate of decline was the most pronounced since January 2021, albeit marginal overall. At the same time, temporary vacancies expanded at only a modest pace that matched October's five-month low.

Data from the ONS pointed to a further reduction in overall vacancies across the UK. The number of job opportunities fell by 58,000 in the three months to October to stand at 957,000. However, the number of open roles was nearly 16% above that registered just prior to the pandemic (826,000 in the three months to February 2020).

## Sharpest increase in overall staff availability for 3 years!

November saw a sustained upturn in the number of candidates available for permanent roles during November. Permanent staff supply has now expanded in each of the past nine months, with the latest increase the sharpest since December 2020. The improvement of availability was widely linked to redundancies and workers concerned over job security. There were also some reports of workers seeking out higher paid roles amid rising living costs.



The availability of temporary staff increased at a sharp and accelerated pace midway through the final quarter of 2023. Furthermore, the rate of expansion was the most pronounced in 35 months. The latest upturn is likely due to fewer projects at clients and company layoffs.

## Starting salary inflation dips to 32-month low

### Permanent



The rate of starting salary inflation moderated again during November. Whilst strong overall, the latest increase was the softest seen in 32 months. Competition for candidates with sought after skills was cited as the main driver of salary growth. However, there were some reports that clients were under greater budgetary pressures.



### Temporary

Temporary wages saw a further rise in November. That said, the rate of inflation slipped to a modest pace that was the slowest seen since the current period of growth began in March 2021. London recorded the quickest increase in temporary pay, while the North of England was the only area to register a decline in wages.