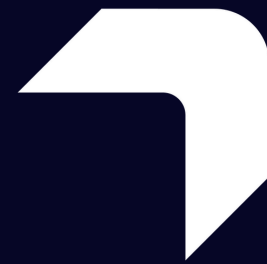


UK Jobs Market Review December 2025



Staff appointments continue to fall in December

Permanent

The number of people placed into permanent jobs across the UK fell again in December, thereby extending the current trend of falling placements that began in October 2022. The latest decline was generally linked to weak business confidence caused by economic uncertainty and rising costs. As a result, many companies paused hiring and offered fewer job opportunities.



Temporary

There's been a back-to-back monthly decline in billings received from the employment of short-term staff in December. Although quicker than November, the rate was slower than the average for 2025. There were a number of reports that this was due to subdued economic conditions and employer concerns around cost.



Demand for staff declines at slightly quicker pace

The steeper reduction in overall demand for workers was driven by a quicker drop in permanent vacancies, as temp roles declined at a slower rate. Whilst solid, the latest reduction in demand for short-term workers was the softest recorded in six months.



Figures from the Office for National Statistics (ONS) showed that vacancies were little-changed in the three months to November, At 729,000, the number of available roles was down by just 2,000 compared to the three months to July.

The number of job vacancies stands 8.3% below the level seen before the pandemic.

Candidate availability rises sharply

Permanent candidate numbers rose again in December, thereby stretching the current period of expansion that began in March 2023. The degree to which availability increased edged up to the sharpest in four months. Redundancies were central to the latest increase in candidate supply. A lack of job opportunities was also cited as having pushed up staff availability.



For the thirty-fourth month in a row, an increase in temporary staff availability was recorded in December. The rate of growth eased from the previous month and, while sharp easing the slowest seen since last April. Where candidate supply had improved this was often attributed to company layoff and fewer short-term projects.

Starting salary inflation hits seven-month high

Permanent

December saw an increase in average permanent pay for the fifty-eighth month in a row. The rate of inflation was solid and the fastest seen since last April. Permanent pay rose due to efforts to attract and secure staff, particularly where the supply of candidates remained low.



Temporary

Pay rates for temporary workers increased in December, after broadly stagnating over the prior two months. That said, the rate of wage growth was marginal and much slower than the historical average. Some employers offered higher pay to secure sought-after candidates, whilst budget restraints dampened the overall rate of growth.

