

# UK Jobs Market Review

## February 2026



### Permanent placements fall only slightly in February

#### Permanent



Recruiters across the UK signalled a must softer and only marginal reduction in permanent placements in February. Notably, the pace of decline was the slowest seen since March 2023. The reduction in placements was generally attributed to low business confidence, economic uncertainty and relatively high staffing costs. But there has been a relative improvement in firms' appetites to fill vacancies.



#### Temporary

February saw a reduction in billings received from the employment of short-term staff for the third time over the last four months. That said, the rate of contraction was modest and slower than the average seen in 2025. Uncertainty over the economic outlook and generally muted demand for staff had weighed on billings in the latest survey period.

### Vacancies decline at softest pace since last May



The softer fall in overall demand for workers in February was driven by a slower decline in permanent vacancies, which decreased at the weakest pace since last May. Meanwhile, temporary worker demand fell at the steepest rate in three months.

Official vacancies data published by the Office for National Statistics (ONS) showed that the overall number of job opportunities across the UK was broadly unchanged in the three months to January. Vacancies rose by just 2,000 compared to the prior three-month period, increasing to 726,000.

### Further sharp rise in candidate numbers

The number of people seeking permanent positions across the UK continued to increase in February, thereby stretching the current run of growth to exactly three years. Although the rate of expansion remained well below levels typically recorded in 2025 the upturn remained historically sharp overall. Redundancies seem to be the dominant reason for increased candidate supply, which in turn was linked to cost-cutting and an uncertain economic environment.



As has been the case since March 2023, the supply of temporary workers across the UK increased during February. Fewer short-term job opportunities and company layoffs were reportedly behind the latest upturn in temporary candidate supply.

### Softer increases in rates of starting pay

#### Permanent



February saw a sustained increase in salaries awarded to new permanent joiners in February, thereby stretching the current period of pay growth to exactly five years. Employers were willing to raise pay offers to secure sought-after skills. However the rate of inflation eased to the softest since last October and was comfortably below the survey average.



#### Temporary

Average hourly rates of pay for temporary workers increased for third successive month in February. The rate of wage inflation slowed from January, however, and was modest overall. While there were indications of pay rates rising due to competition for specific skills and experience, some recruiters noted the improvements in overall candidate availability dampened growth.