UK Jobs Market Review

October 2026

Solid reduction in permanent staff appointments

Permanent



After rising slightly in the prior two months, permanent staff appointments aceoss the UK declined during October. The rate of contraction was solid and the second-quickest in 2026 to date (after May). Domestic economic uncertainty and concerns over rising expenses lead to a slowdown in hiring decisions and fewer job opportunities.

Temporary



Temp billings fell for the first time in seven months in October, signalling a renewed fall. That said, the rate of reduction was only modest overall. The decline was attributed to the completion of existing projects and lack of new opportunities linked to subdued market confidence and firms hesitate to commit.

Decline in staff vacancies continues to ease



As has been the case since September 2023, demand for permanent staff fell during October. However, the rate of contraction was the slowest in over two years and only modest. At the same time, temporary work opportunities rose fractionally at the start of the forth quarter, thereby ending a two-month period of decline.

The latest official data published by the Office for National Statistics (ONS) signalled a further reduction in the overall number of vacancies across the UK in the three months to September. At 691,000, the number of roles fell by 5.1% (37,000), compared to the same period a year ago.

Sharper increase in overall candidate supply

After expanding at the softest pace in three years in September, the latest survey signalled an accelerated upturn in permanent candidate availability during October. The rate of expansion was substantial overall, and broadly in line with the trend seen in 2026 so far. Fewer vacancies and higher redundandies seem to have led to the increase.



The latest survey showed another sharp increase in temporary candidate supply during October. That said, the rate of growth was among the slowest seen since the current period of expansion began in March 2023. According to anecdotal evidence, more people sought work due to redundancies, though fewer contract opportunties also pushed up candidate numbers.

Starting salaries rise solidly

Permanent



Permanent salary inflation across the UK accelerated in October. The rise in pay was solid, though slower than the average recorded over the survey's near 30-year history. Shortages of suitable labourtr continued to drive up salaries for higher-calibre candidates.

Temporary



Average pay for temporary workers rose again in October. The rate of wage inflation quickened slightly from Spetember and was solud, However, as was the case with starting salaries, the pace of growth remained below the historical long-run average.