

# United Kingdom

## Staff placements growth cools further in June

- Permanent appointments rise at slowest rate in over two years
- Pay growth eases but remains strong
- Candidate shortages persist

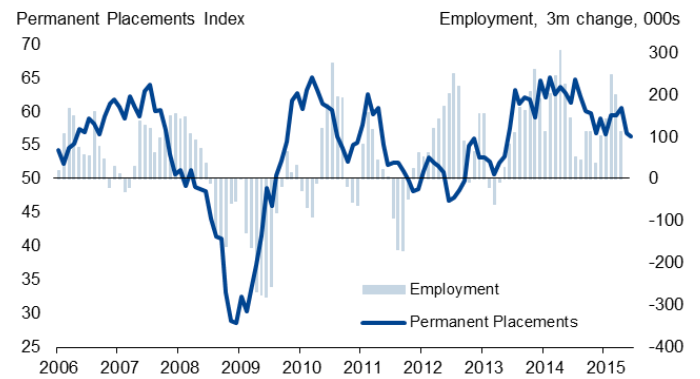
Latest evidence from Markit's recruitment industry survey showed a further easing in growth of recruitment activity during June. [The KPMG/REC Report on Jobs](#), published today, signalled that the number of staff placed in permanent roles by recruitment consultancies increased at the slowest rate for 25 months. Agencies' temporary/contract staff billings also rose at a weaker pace, with the latest rise the least marked since October 2014.

The moderation in growth of appointments partly reflects ongoing shortages of suitable candidates. Recruiters signalled further sharp declines in both permanent and temporary staff availability during the latest survey period, with a range of skills reported in short-supply.

Trends in job vacancies offer hope that underlying demand for staff remains robust. Recruiters indicated a strong and slightly accelerated rise in overall vacancies during June, with engineering and healthcare among the most sought-after staffing categories.

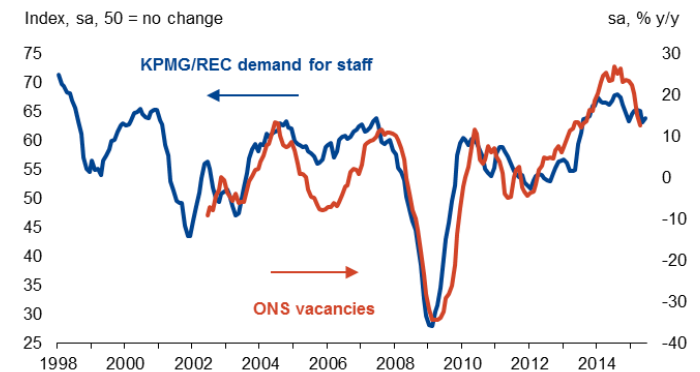
Reflective of candidate shortages, upward pressure on pay therefore remained strong. Although the rate of increase in permanent staff starting salaries eased further from April's peak to the slowest since February, it remained elevated in the context of the survey's long-run trend. This suggests average earnings growth across the UK may pick up further from the 2.7 percent annual pace recorded in the three months to April.

### Employment



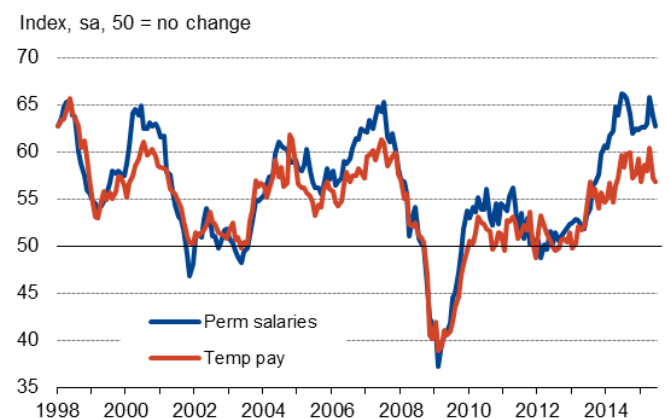
Sources: Markit, ONS via Ecwin.

### Vacancies



Sources: Markit, ONS via Ecwin.

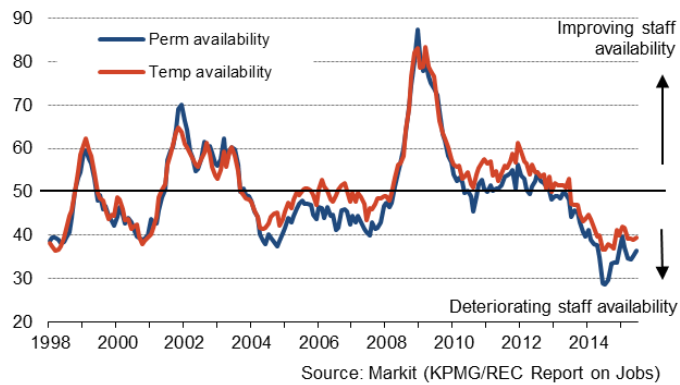
### Wage pressures



Source: Markit

**Recruitment survey staff availability**

Recruitment agency survey index (50 = no change on prior month)



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