

Embargoed until 0001 (UK) 11 May 2026

KPMG and REC, UK Report on Jobs

Permanent placements fall at quicker rate in April amid greater market uncertainty

Key findings

Stronger, but modest decline in permanent placements...

...while temp billings expand for first time in three months

Rates of pay growth remain relatively weak

Data collected 9-24 April

Summary

Heightened market uncertainty amid the war in Iran and rising business costs contributed to a faster fall in permanent staff appointments across the UK in April, according to the latest KPMG and REC, UK Report on Jobs survey. Meanwhile, temp billings edged up slightly for the first time in three months, as some employers expressed a preference for flexible staff amid the current economic climate.

Total demand for workers fell at a slightly softer, but still solid rate. This, combined with reports of redundancies, contributed to a further marked increase in candidate availability. Finally, while pay indicators picked up from March, they continued to signal historically weak rates of both starting salary and wage growth.

The report is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 UK recruitment and employment consultancies.

Permanent placements fall at quickest pace since January

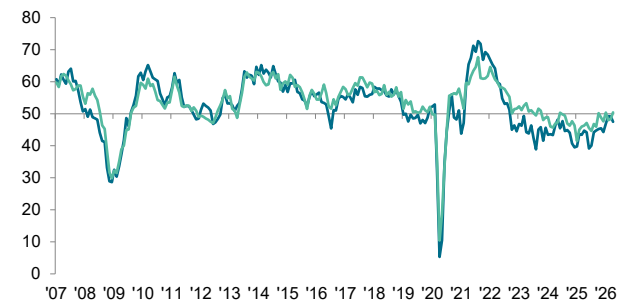
Greater uncertainty around the outlook due to the Iran war and rising cost pressures contributed to a quicker reduction in permanent staff appointments across the UK in April. That said, the pace of decline remained slower than typically seen in 2025. The prevailing economic environment led to a preference for short-term staff at some firms who wanted to push ahead

with business development and expansion plans.

Permanent Placements Index

Temporary Billings Index

50.0 = no-change



Sources: KPMG, REC, S&P Global PMI.

This resulted in a fresh, albeit marginal, increase in temp billings.

Downturn in vacancies eases slightly

Demand for staff continued to decline in April, falling for the thirtieth successive month. However, the rate of contraction continued to ease, and was the softest seen for nearly a year. Permanent job opportunities fell at a stronger rate than temporary positions, with the latter falling modestly overall.

Permanent salary growth remains subdued...

Starting salaries for permanent workers increased again at the start of the second quarter. Although the rate of pay growth quickened from March's five-month low, it was mild overall and below the survey's long-run average. Temp pay growth also strengthened since March, but remained historically subdued.

...amid further steep rise in staff availability

The overall availability of workers continued to increase markedly in April. Redundancies and lower demand for staff were cited as key factors driving the latest rise in candidate numbers. However, the rate of expansion eased since March and remained slower than typically seen in

2025. Permanent staff supply rose at a slightly quicker pace than temporary workers.

Regional and Sector Variations

Permanent placement trends diverged at the regional level in April, with substantial falls across the Midlands and the South of England offsetting marked upturns in London and the North of England.

Temp billings trends varied by region, with increases seen in the Midlands and the South of England, while declines were recorded in London and the North of England.

Across the ten monitored job categories, Engineering was the only area to register an increase in demand for permanent workers in April, with the rate of expansion solid overall. Hotel & Catering and Retail meanwhile recorded the steepest falls in permanent vacancies.

April survey data signalled greater demand for short-term staff across the Nursing/Medical/Care and Blue Collar sectors in April. Temporary vacancies across the Engineering sector were unchanged. The steepest drop in temp job opportunities was recorded in Retail.

Comments

Commenting on the latest survey results, Jon Holt, Group Chief Executive and UK Senior Partner KPMG, said:

“The small signs of recovery in the jobs market may have been disrupted in April by the uncertainty stemming from the conflict in Iran. Although conditions remain more favourable than they were through much of 2025, hiring decisions are being deferred, with the rise in temporary recruitment pointing to chief execs taking a more flexible approach to workforce planning.

“As business resilience becomes a greater priority, that flexibility may help avoid a deeper downturn in the labour market and support growth plans, even as they brace for further economic headwinds.”

Neil Carberry, REC Chief Executive, said:

“So far this year we’ve seen signs of improving momentum but that is now being tempered by the economic effects of the Gulf conflict. Businesses will be particularly concerned about the impact on inflation, their borrowing costs and any disruption to wider supply chains. The good news is that employers are leaning more on temporary work to move ahead with their plans in this more uncertain time, demonstrating again why temporary and contract work matters so much to growth and jobs. The temporary sector showed its strongest growth in two and a half years last month. Government can do more to help firms feel able to commit to permanent hiring too, by addressing the cost of doing business – the key domestic contributor to hiring activity. Taking the threat of badly designed guaranteed hours rules off the table would make a huge difference.”

Contact

KPMG

Claire Barratt
Deputy Head of Media Relations
T: +44 (0)7923 439264
claire.barratt@kpmg.co.uk

REC

Hamant Verma
Communications Manager
T: +44 (0)20 7009 2129
hamant.verma@rec.uk.com

S&P Global

Annabel Fiddes
Economics Associate Director
S&P Global Market Intelligence
T: +44 (0)1491 461 010
annabel.fiddes@spglobal.com

Hannah Brook

EMEA Communications Manager
S&P Global Market Intelligence
T: +44-7483-439-812
hannah.brook@spglobal.com
press.mi@spglobal.com

Methodology

The KPMG and REC, UK Report on Jobs is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 UK recruitment and employment consultancies.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the survey methodology, please contact economics@spglobal.com.

Full reports and historical data from the KPMG and REC, UK Report on Jobs are available by subscription. Please contact economics@spglobal.com.

About KPMG in the UK:

KPMG is trusted to make the difference for our clients, people and the communities we work in. With our people's deep sector expertise and cutting-edge technology, we help organisations overcome their biggest challenges and unlock new opportunities to transform and grow.

On 1 October 2024, KPMG UK and KPMG Switzerland merged to form KPMG UK/Swiss Group, scaling our strengths and amplifying the difference we make.

KPMG International Limited is a global organisation of independent professional services firms providing Audit, Tax and Advisory services in 138 countries and territories. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

About REC

The REC is the voice of the recruitment industry, speaking up for great recruiters. We drive standards and empower recruitment businesses to build better futures for their candidates and themselves. We are champions of an industry which is fundamental to the strength of the UK economy. Find out more about the Recruitment & Employment Confederation at www.rec.uk.com.

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.