

# UK Labour Market Update

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<https://www.hiringlab.org>



# Hiring Lab

Economic Research **by Indeed**

# Economic outlook has improved; inflation down

 Reuters

## UK exits recession with fastest growth in nearly three years

Britain's economy grew by the most in nearly three years in the first quarter of 2024, ending the shallow recession it entered in the second...

 City A.M.

## IMF upgrades growth forecasts for UK but warns of 'tough choices'

The IMF has upgraded its forecasts for the UK's growth this year but warned Britain will face "tough choices" to stabilise national debt.

 BBC

## UK inflation latest: UK inflation falls to 2.3% as energy prices cool

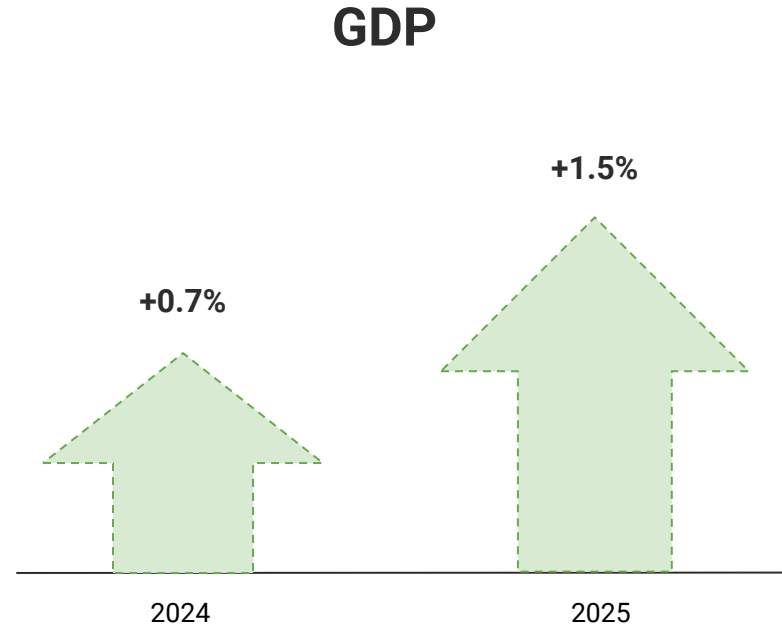
"Today marks a major moment for the economy, with inflation back to normal," says Rishi Sunak.

 Financial Times

## UK rate cut hopes dented after inflation falls less than expected

UK inflation dropped less than forecast to 2.3 per cent in April, in a blow to hopes that the Bank of England would be ready to cut interest...

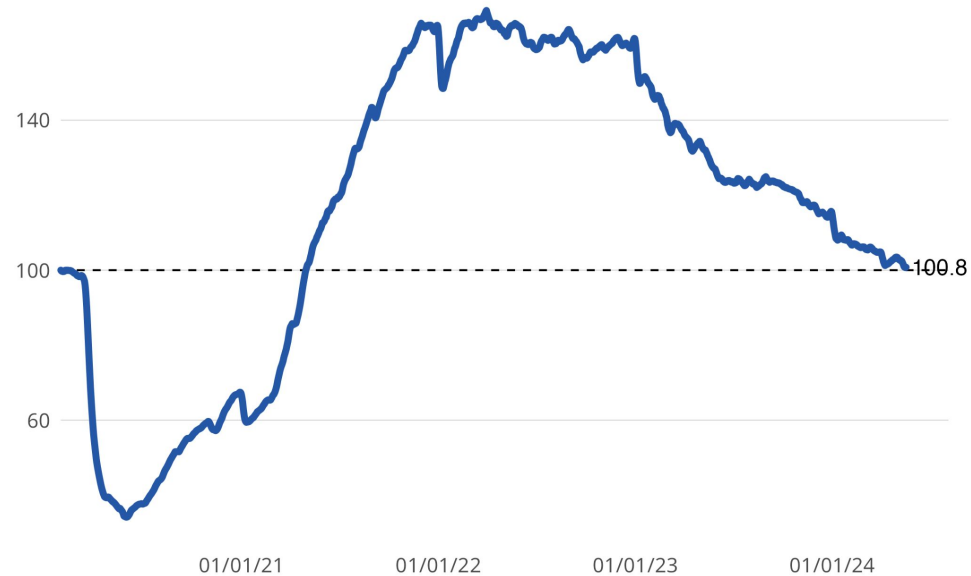
**Forecasts point to modest positive growth in 2024**



# Job postings have normalised

## Job postings on Indeed, UK

01 Feb 2020 = 100, seasonally adjusted, to 17 May 2024



Source: Indeed



# Certain categories have defied the broader slowdown

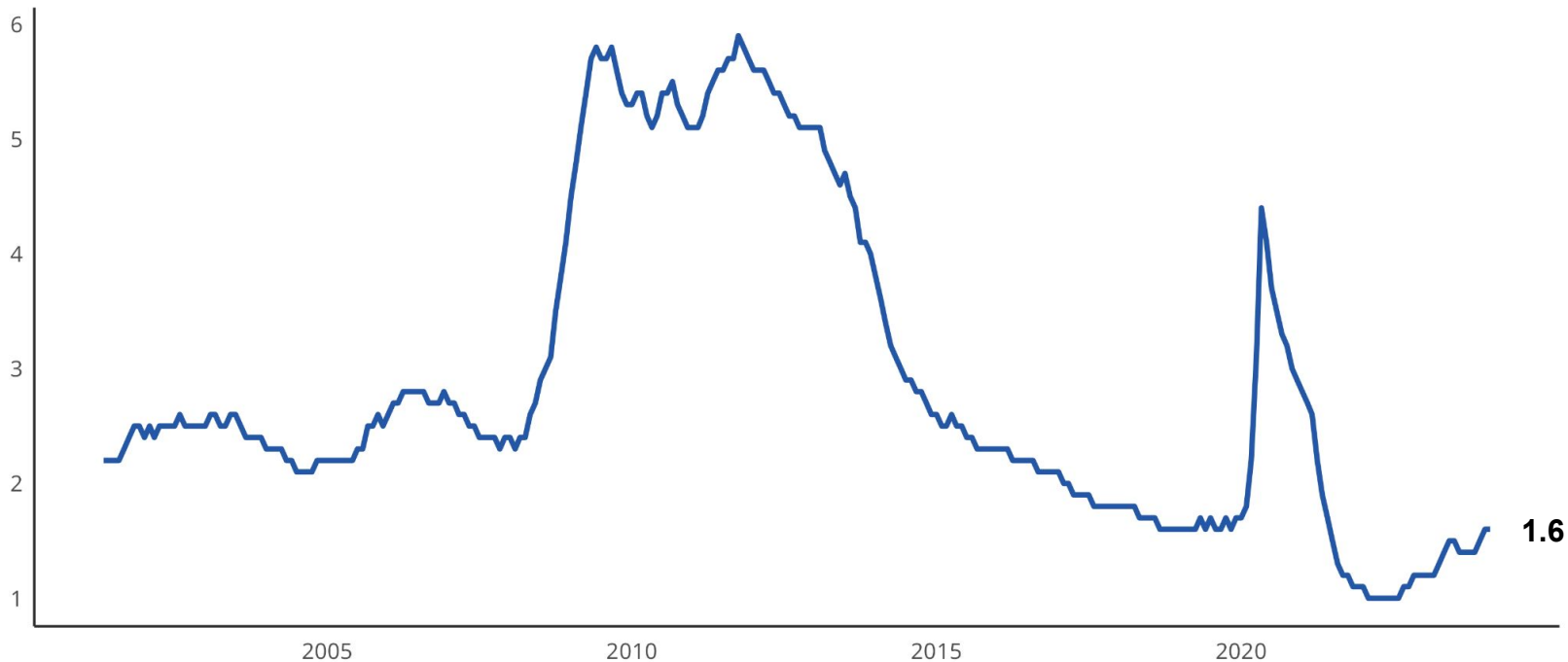
Occupation	Indeed Job Postings Index, 1 Feb 2020 = 100, to 17 May 2024	Change over past 3 months
<b>Strongest performers</b>		
Social Science	230	45
Physicians & Surgeons	146	34
Education & Instruction	210	32
Nursing	101	21
Dental	149	14
Therapy	111	13
Medical Technicians	148	12
Banking & Finance	107	2
<b>Weakest performers</b>		
Production & Manufacturing	116	-18
Chemical Engineering	117	-19
Civil Engineering	98	-19
Installation & Maintenance	128	-20
Electrical Engineering	142	-24
Security & Public Safety	100	-30
Aviation	116	-36
Veterinary	115	-42

Source: Indeed. Data seasonally adjusted.



# Labour market remains fairly tight

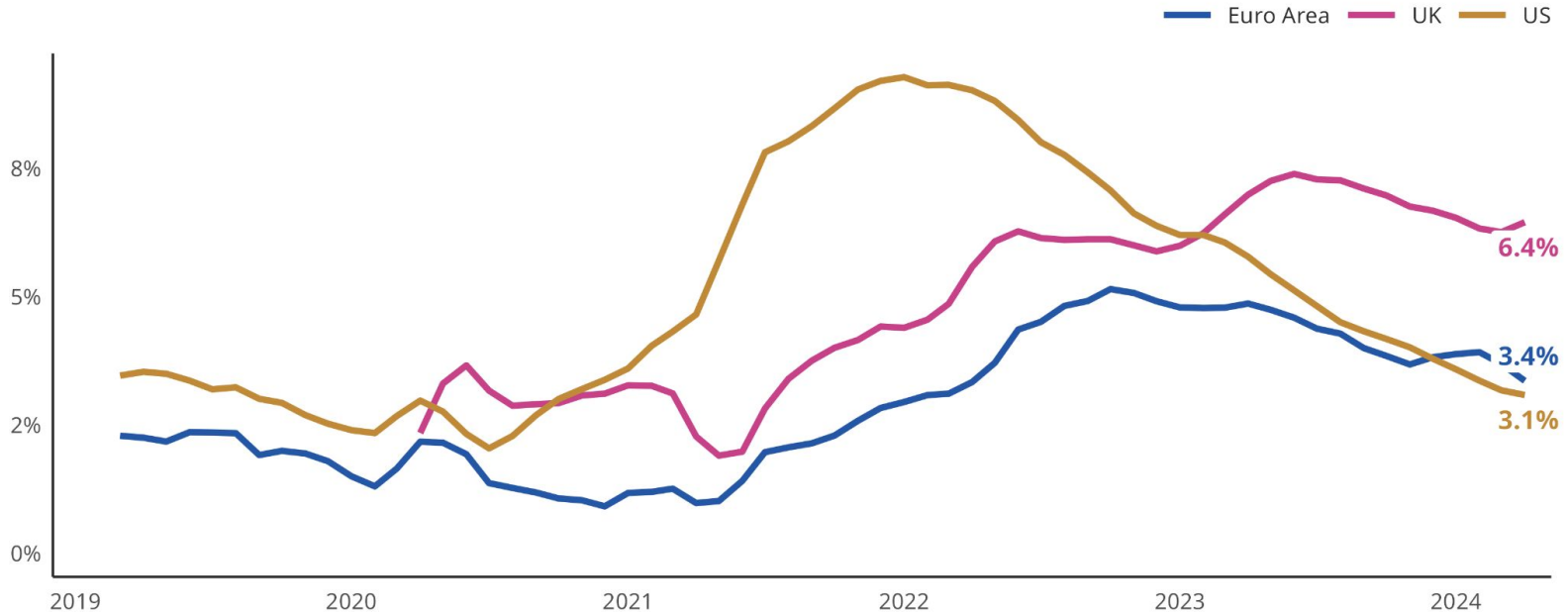
Ratio of unemployed people to vacancies, to Mar 2024



Source: ONS

# UK posted wage growth accelerates

Year-on-year growth in posted wages to Apr 2024



Source: Indeed Wage Tracker ([github.com/hiring-lab/indeed-wage-tracker](https://github.com/hiring-lab/indeed-wage-tracker))

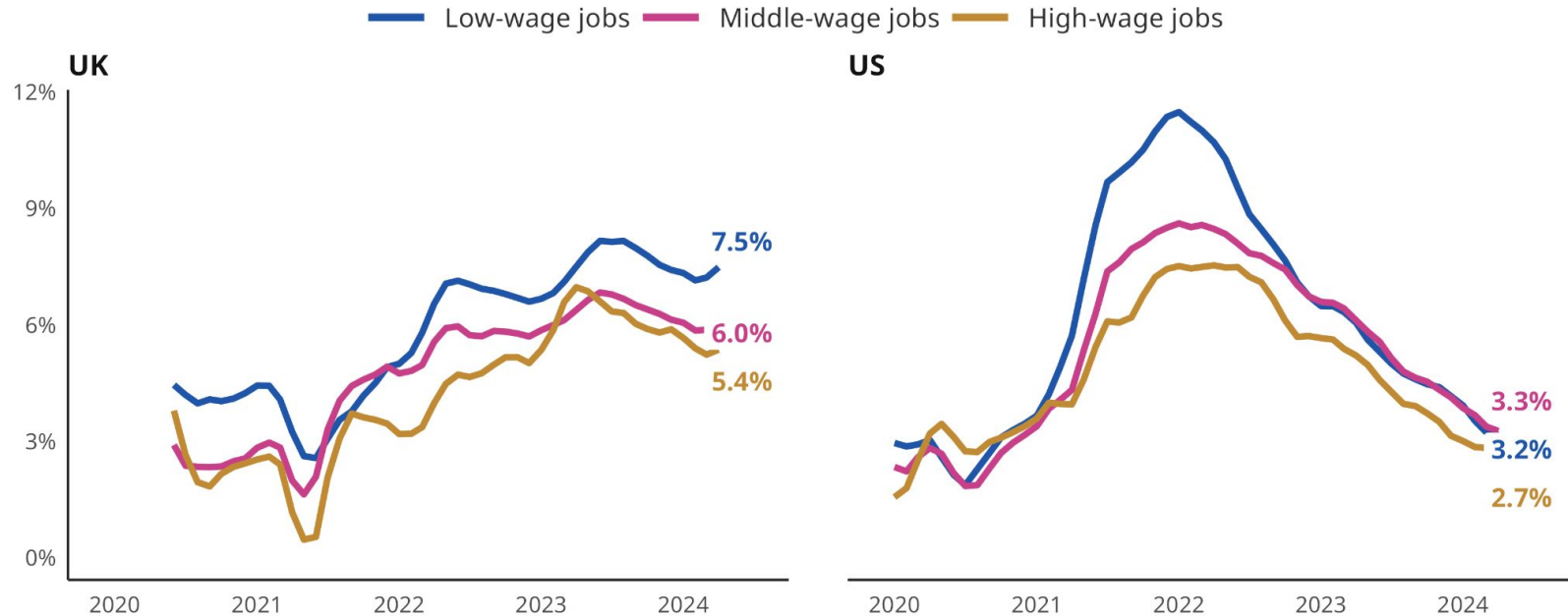
The data are monthly median year-on-year growth rates in advertised wages and salaries across job title-region-salary type combinations. The euro area series is an employment-weighted average of France, Germany, Ireland, Italy, the Netherlands and Spain.





# Strong wage growth in lower-paid jobs

Year-on-year growth in posted wages to Apr 2024 (3-month average)



Source: Indeed Wage Tracker (data.indeed.com)

The data are monthly median year-on-year growth rates in advertised wages and salaries across job title-region-salary type combinations. Wage tiers are based on a category's median posted wage in 2018 and 2019.



# Takeaways

- 01 Tight labour market (still)**  
Labour market has weakened but hiring isn't necessarily easy
- 02 Job postings have normalised**  
But some categories have defied the broader slowdown
- 03 Wage growth remains high**  
Sticky wage growth and services inflation could delay interest rate cuts